

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

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RULE REVIEW CHECKLIST

File No. 1657 Docket No. 05 00090733

DATE RECEIVED 1-3-90 ADOPTED W/O HEARING X

REVIEW DATE 1-12-90 EMERGENCY RULE _____

DUE DATE 1-17-90 TO REVISOR ON 1-11-90

REVISOR APPROVED _____

APPROVED 1-23-90 REVISOR DISAPPROVED _____

DISAPPROVED _____ FILED W/SEC. OF STATE _____

WITHDRAWN _____ RETURNED TO AGENCY _____

✓ Rule as adopted (4 copies)

_____ Notice to Solicit Outside Information/Opinion (if applicable)
_____ Date published in State Register
_____ Comments

_____ Petition for Adoption of a Rule (if applicable)

✓ Board's Authorizing Resolution
9-20-89 Date adopted

✓ Proposed Rule
✓ Revisor's Certificate

✓ Notice of Intent to Adopt Rule
240.23 Statutory Authority
✓ Small Business Statement - discussed in Statement of Need and Reasonableness
NA Expenditure of public money statement
Sept 20, 1989 Signature

✓ Statement of Need and Reasonableness (if applicable)
NA Small Business Statement - statement - indirect impact small business - Commissioner cannot be less rigorous in its reg. of small business.
✓ Fees - § 16A.128

_____ Affidavit of Mailing Notice of Intent to Adopt Rule
Oct 12, 1989 Date (30)/25 days before adoption
✓ Notice attached - indicates it is attached
_____ Copy of rule or summary attached

_____ Publication in State Register
Oct 23, 1989 Date (30)/25 days before adoption

_____ 180-day deadline from:
NA Effective date of law requiring rule (14.12) (both rules) - amendments not new material
✓ end of comment period (§ 14.26) (rules without hearing)
_____ effective date of statutory authority (§ 14.29) (emergency rules)

✓ Resolution Adopting
Dec 20, 1989 Date adopted

✓ Findings of Fact, Conclusions & Order Adopting
Dec 20, 1989 Date

_____ Written requests, submissions or comments - did not submit them

✓ Declaration of attorney
Mary Magnuson Name of SAAG representing agency

_____ Notice of Submission to Atty. Gen. (if applicable)

_____ Aff. of Mailing Notice to Atty. Gen. (if applicable)

* 1-11-90 called Mary Magnuson

7520.1100 COMPENSATION PLAN (EMERGENCY MANAGEMENT), 1989 1990; CLERICAL.

Subpart 1. **Plan A.**

	Minimum		Maximum	
Clerk I	~~804~~	836	~~1093~~	1137
Clerk II	~~919~~	956	~~1309~~	1361
Clerk III	~~1093~~	1137	~~1496~~	1556
Clerk-Typist I	~~882~~	917	~~1197~~	1245
Clerk-Typist II	~~919~~	956	~~1309~~	1361
Clerk-Typist III	~~1143~~	1215	~~1634~~	1738
Clerk-Steno	~~919~~	956	~~1309~~	1361

Subp. 2. **Plan B.**

	Minimum		Maximum	
Clerk I	~~919~~	956	~~1197~~	1245
Clerk II	~~1046~~	1088	~~1426~~	1483
Clerk III	~~1222~~	1271	~~1594~~	1658
Clerk-Typist I	~~999~~	1039	~~1309~~	1361
Clerk-Typist II	~~1046~~	1088	~~1426~~	1483
Clerk-Typist III	~~1250~~	1271	~~1710~~	1818
Clerk-Steno	~~1046~~	1088	~~1426~~	1483

Subp. 3. **Plan C.**

	Minimum		Maximum	
Clerk I	~~999~~	1039	~~1309~~	1361
Clerk II	~~1143~~	1189	~~1563~~	1626
Clerk III	~~1280~~	1331	~~1671~~	1738
Clerk-Typist I	~~1093~~	1137	~~1426~~	1483
Clerk-Typist II	~~1143~~	1189	~~1563~~	1626
Clerk-Typist III	~~1309~~	1331	~~1788~~	1899
Clerk-Steno	~~1143~~	1189	~~1563~~	1626

Minnesota Racing Commission

Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Notice of Proposed Adoption of a Rule Without a Public Hearing

NOTICE IS HEREBY GIVEN that the Minnesota Racing Commission proposes to adopt the above-entitled rule without a public hearing following the procedures set forth in *Minnesota Statutes*, sections 14.22 to 14.28. The statutory authority to adopt the rule is *Minnesota Statutes*, section 240.23 (1988).

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed pursuant to *Minnesota Statutes*, sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to:

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Richard Krueger
Minnesota Racing Commission
11000 West 78th Street, Suite 201
Eden Prairie, MN 55344
Telephone: (612) 341-7555

The proposed rule may be modified if the modifications are supported by data and views and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A Statement of Need and Reasonableness that describes the need for and reasonablenes of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from the Minnesota Racing Commission upon request.

Promulgation of the proposed rule will not result in the expenditure of public monies by local public bodies, fix or adjust any fees, or have an impact on agricultural land. The affect, if any, that the proposed rule may have on small businesses is discussed in the Statement of Need and Reasonableness.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to the Minnesota Racing Commission at the address listed above.

Dated: 20 September 1989

Richard Krueger
Acting Director
Minnesota Racing Commission

Rules as Proposed

7869.0100 DEFINITIONS.

[For text of subps 1 to 50, see M.R. 1989]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. ~~**Limitation on pari-mutuel pools.**~~ **Live racing days; director of pari-mutuel racing authority.** ~~The commission shall not approve a pari-mutuel pool in which a participant is required to select more than two horses in any race.~~ The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state. The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it tansmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, ~~or both~~ the exacta pool, the quinella pool; and

C. if fewer than two horses ~~leave the stalls~~ are declared starters, the race must be canceled and the entire amount wagered in the win, place, ~~and~~ show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double ~~or~~, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, ~~item B.~~ and no person shall disclose the number of tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. ~~The request must be made not less than seven days prior to the race to be televised. The request must be accompanied by~~ A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast, must be filed with the Commissioner.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

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Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack ~~before scratch time for that race~~ no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, ~~$100~~ $25;

O. ~~owner/trainer/driver, $25;~~

~~P.~~ pari-mutuel clerk, $10;

~~Q.~~ P. pony rider, $10;

~~R.~~ Q. racing official, $25;

~~S.~~ R. stable foreman, $5;

~~T.~~ S. trainer, $25;

~~U.~~ T. trainer, assistant, $15;

~~V.~~ U. valet, $5;

~~W.~~ V. veterinarian, $100;

~~X.~~ W. veterinary assistant, $25; and

~~Y.~~ X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results ~~(Coggins Certificate)~~ must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The ~~Coggins~~ EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. ~~continued~~ participation in an activity by the other person would circumvent the intent of a rule ~~or~~, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee ~~because:~~; or

~~A~~ B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

~~B~~ C. the other person benefited financially from ~~that~~ the conduct that violated the rule.

The ~~fraudulent~~ transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$25~~ $10.

7883.0130 PENALTIES AND ALLOWANCES.

Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (~~New York~~ Lexington) foal certificates~~:~~ ~~but~~, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still ~~remain~~ remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the ~~field~~ horse has ~~entered the course~~ become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than ~~15~~ 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota~~.~~ unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

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E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the ~~association~~ commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the ~~association~~ commission be sent to a laboratory ~~other than the commission's official laboratory~~ selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between ~~January 31~~ February 15 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

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C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 through July 31, in Minnesota.

[For text of subps 2 to 6, see M.R. 1989]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. The broodmare must be in foal to a Minnesota registered stallion which means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season from February 15 to July 31 in Minnesota.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current

breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Appeal to commission.** A stewards' decision regarding a class C licensee may be appealed to the commission by:

A. ~~The stewards or any person affected by the decision if such person believes that a greater sanction than that ordered by the stewards is warranted.~~

~~B.~~ The licensee asking the commission to reverse the stewards' decision in whole or part or to lessen the sanction ordered by the stewards.

~~C. All~~ B. Appeals to the commission ~~will be heard de novo and~~ are not subject to the contested case procedures.

Subp. 4. **Review or complaint by ~~executive secretary~~ director or motion of commission.** Nothing in this chapter precludes the commission from instituting proceedings to review a stewards' decision on its own motion or complaint of the ~~executive secretary~~ director.

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the ~~executive~~ director to stay the decision. The ~~executive~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** ~~Any affected party~~ A licensee may appeal a decision of the stewards by filing with the ~~executive~~ director a written request for an appeal within three days~~, excluding Saturday, Sunday, and holidays.~~

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

after the stewards have orally advised the ~~affected party~~ the licensee of the decision. The written request shall contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal ~~the sum of $50~~ an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The ~~sum~~ deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the ~~$50~~ deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within ~~five~~ three days~~, excluding Saturday, Sunday, and holidays,~~ of receipt of a written request for an appeal and the ~~$50~~ deposit, the commission chair, director, or the deputy director shall set a date, time, and place for the hearing~~, and shall give at least ten days' notice of the hearing to the appellant and any other party affected by the appeal~~. ~~Such~~ The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant ~~and any other party affected by the appeal~~. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or ~~executive secretary~~ director, a notice of appeal shall be served personally or sent by mail to ~~each person who may be affected by the appeal~~ the licensee, addressed to his or her last known place of residence, at least ten days prior to the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The ~~party proposing that certain action be taken~~ appellant must prove ~~the facts at issue by a preponderance of the evidence, unless the substantive law provides a different burden or standard~~ that the stewards' ruling is clearly erroneous or not supported by applicable law.

[For text of subps 8 and 9, see M.R. 1989]

Department of Human Services

Notice of Withdrawal of Proposed Rules Governing the Aid to Families with Dependent Children Program, Parts 9500.2060 to 9500.2880

NOTICE IS HEREBY GIVEN that, pursuant to *Minnesota Statutes*, section 14.05, subdivision 3, the State Department of Human Services withdraws the above entitled rules proposed and published at *State Register*, Volume 14, Number 9, pages 445-461, August 28, 1989 (14 S.R. 445).

CERTIFICATE OF THE
MINNESOTA RACING COMMISSION
RESOLUTION ADOPTING THE RULE

I, Ralph Strangis, do hereby certify that I am a member and the Chair of the Minnesota Racing Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Minnesota Racing Commission, duly and properly called and held on the 20th day of December, 1989, that a quorum was present, and that a majority of those present voted for the resolution which has not been rescinded or modified.

> "RESOLVED, that the rule governing amendments to the existing rule is approved and adopted, pursuant to authority vested in the Minnesota Racing Commission by Minnesota Statutes 240.23.
>
> Richard Krueger, Acting Director of the Division of Pari-mutuel Racing, is authorized to sign the findings of fact, conclusions and order adopting the rule and further is authorized to modify the rule if necessary to obtain approval of the rule by the Attorney General and to perform the necessary acts to provide that the rule shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 20th day of December, 1989.

RALPH STRANGIS

.ds5

Office of the Revisor of Statutes

Administrative Rules

Paul M. Marinac
Assistant Deputy Revisor
296-0948

700 State Office Building
100 Constitution Avenue
St. Paul, MN 55155-1297

January 11, 1990

Richard G. Krueger
Minnesota Racing Commission
11000 West 78th St., Suite 201
Eden Prairie, MN 55344

RE: File No. 1567

Dear Mr. Krueger:

I have approved your rules adopted without a public hearing, and am enclosing a copy of these rules for your records.

I have also delivered two copies of these rules to the Attorney General for approval. If they are approved, the Attorney General will file two copies of the approved rules with the Secretary of State. The Secretary of State will then notify me of that fact.

After I am notified that the rules are filed with the Secretary of State, I will prepare three copies of a notice of adoption for you.

If you have any questions, please call me.

Very truly yours,

Paul M. Marinac

Paul M. Marinac

FILE COPY

SF-00006-05 (4/86)

DEPARTMENT : ATTORNEY GENERAL

STATE OF MINNESOTA

Office Memorandum

DATE : January 24, 1990

TO : RICHARD C. KRUEGER
Minnesota Racing Commission
11000 W. 78th St., #201, Eden Prairie (55344)

FROM : CHARLENE HATCHER
Special Assistant Attorney General
525 Park Street, Suite 404 (55103)

PHONE : 296-9422

SUBJECT : In the Matter of the Adopted Permanent Rule Relating to Pari-Mutuel Betting on Horse Racing

The above-referenced Permanent rule has been approved as to its legality by the Attorney General on January 23, 1990.

Enclosed is your copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submissions or comments along with any extra copies of documents which you submitted to the Attorney General.

Your next step is to arrange for publication of the Notice of Adoption in the State Register. In a day or two, you should receive from the Revisor's Office three copies of the notice of adoption of your rule. You should submit two copies of the Notice of Adoption to the State Register for publication. A permanent rule without a hearing does not become effective until five days after a notice of adoption is published in the State Register in accordance with Minn. Stat. { 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. { 14.34.

If you have any questions in this regard please contact me.

CH:bbl
Enclosures
cc: William Brown, Chief Judge (memo only)
MaryAnn Hruby " "
Mary Magnuson " "

Stat. Auth. 240.23 (1988)

The commission has the authority in addition to other rulemaking authority granted elsewhere in Laws 1983, chapter 214, to promulgate rules governing:

9-h

(i) any other aspect of horse racing or pari-mutuel betting which in its opinion affects the integrity of racing or the public health, welfare or safety

Fees 16A.128 1

Sent a copy of the notice of the proposed rules that establish or adjust fees to house appropriations committee and Senate finance - stated in Statement of Need and Reasonableness

- need commissioners approval - if the fee or fee adjustment is required by law to be fixed by rule, the commissioner's approval must be in the Statement of Need and Reasonableness - 240.10 - Commission shall by rule establish an annual license fee for each occupation it licenses

Changes - not substantial

no comments submitted called May

1-10-90 1-16-90 left message

no statement in findings of fact that rules were sent to house appropriations and Senate finance committee - 2010.0300 K (3) but is stated in Statement of need and reasonableness

Fees

7877.0120 - schedule of annual fees for occupational licenses - 240.10

7877.0120 Sub 1 (N) - multiple owners fee of $25.

7878.120 Subp 4 - changes fee

7895.0125 Sub 1 (C)(1)
fee specifies penalty of $50.

7895.0125 Subp 1(C) (2)
penalty for tardiness $100

7895.0125 Sub 2(C)
late fee stallion application

7895.0125 Sub 2(C) (1)
penalty = $50

Fees con't

7895.0125 Subp 2 (C) (2)
penalty for extreme = $100

7895.0125 Subp (3) (B)
late fee for thoroughbred reg. ←

7895.0125 Subp. 3 (B) (1)
penalty $50

" " (2)
$100

7895.0275 Subp 1 (C)
late fee for standardbred
stallion application

" " [1]
$50

" $100 " [2]

7895.0350 Sub 1 (C)
establish a fee

" "[] 7
penalty $50

" " [2]
penalty $100 etc.

I couldn't find anything in the Statutes 240 regarding establishing late registration fees

DEPARTMENT : of Finance

STATE OF MINNESOTA

Office Memorandum

DATE : January 23, 1990

TO : Richard G. Krueger, Acting Director
Pari-Mutual Racing

FROM : Bruce J. Reddemann, Director BJR
Budget Operations and Support

PHONE : 296-5188

SUBJECT : Fee Change and Establishment of Late Fees for Breeders Fund

The following fee change and establishment of late fees are approved as submitted.

Fee Reduction

Owner, multiple reduce from $100 to $25
Eliminate owner/trainer/driver fee of $25

New Fees (Late Fees) for Thoroughbred Registration and Quarter Horse Registration

1. Broodmare Registration

   (a) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

   (b) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

2. Stallion Registration

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New Fees (Late Fees) for Standardbred Registration

1. Stallion Registration

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(b) A late fee of $100 will be imposed for stallion registration received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

cc: Jim King
Bart Nelson
Patricia Nolte

BOBN611t

State of Minnesota
Department of Finance

400 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155
(612) 296-5900

FACSIMILE TRANSMISSION

TO: Patricia Nolte
Dick Krueger
297-2576

FAX #: 496-7756

FROM: Bart Nelson

NUMBER OF PAGES (INCLUDING THIS SHEET): 3

COMMENTS:

IF YOU EXPERIENCE PROBLEMS OR HAVE QUESTIONS REGARDING THIS TRANSMISSION, PLEASE CALL US AT (612)296-5900

FAX # (612)296-8685

Celebrate MINNESOTA 1990

AN EQUAL OPPORTUNITY EMPLOYER

SF-00006-05 (4/86)

DEPARTMENT : of Finance

STATE OF MINNESOTA

Office Memorandum

DATE : January 23, 1990

TO : Richard G. Krueger, Acting Director
Pari-Mutual Racing

FROM : Bruce J. Reddemann, Director BJR
Budget Operations and Support

PHONE : 296-5188

SUBJECT : Fee Change and Establishment of Late Fees for Breeders Fund

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cc: Jim King
Bart Nelson
Patricia Nolte

BOBN611t

State of Minnesota
Department of Finance

400 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155
(612) 296-5900

FACSIMILE TRANSMISSION

TO: Pat Nolte
Dick Krueger
297-2576

FAX #: 496-7756

FROM: Department of Finance
Bruce J. Riddemann

NUMBER OF PAGES (INCLUDING THIS SHEET): 2

COMMENTS: _____

IF YOU EXPERIENCE PROBLEMS OR HAVE QUESTIONS REGARDING THIS TRANSMISSION, PLEASE CALL US AT (612)296-5900

FAX # (612)296-8685

Celebrate MINNESOTA 1990

AN EQUAL OPPORTUNITY EMPLOYER

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : of Finance

DATE : January 17, 1989

TO : Richard G. Krueger, Acting Director
Minnesota Racing Commission

FROM : Bruce J. Reddemann, Director BJR
Budget Operations and Support

PHONE : 296-5188

SUBJECT : Reduction of Fee, Licensing of Security Officers

The Request to reduce the fee for licensing security officers from $25 to $10 is approved as submitted.

MINNESOTA RACING COMMISSION

11000 West 78th Street, Suite 201
Eden Prairie, Minnesota 55344
Telephone: 612-341-7555
Fax: 612-341-7563

Licensing Office (April - October)
P.O. Box 315, Shakopee, Minnesota 55379
Telephone: 612-496-7739 Fax: 612-496-7756

Veterinary Office (April - October)
P.O. Box 315, Shakopee, Minnesota 55379
Telephone: 612-496-7753 Fax: 612-496-7762

FAX TRANSMITTAL SHEET

TO: Patty Nolte

FROM: B. Marty Cusimano

DATE: 1-17-890

OF PAGES: (INCLUDING THIS PAGE) 2

NOTE: Per our conversation.

MINNESOTA RACING COMMISSION

11000 West 78th Street, Suite 201
Eden Prairie, Minnesota 55344
Telephone: 612-341-7555
Fax: 612-341-7563

Licensing Office (April - October)
P.O. Box 315, Shakopee, Minnesota 55379
Telephone: 612-496-7739 Fax: 612-496-7756

Veterinary Office (April - October)
P.O. Box 315, Shakopee, Minnesota 55379
Telephone: 612-496-7753 Fax: 612-496-7762

January 17, 1990

Ms. Patty Nolte
Attorney General's Office
525 Park Street
Suite 500
St. Paul, MN 55103

Dear Ms. Nolte:

The Commission requests the withdrawal of the rules submitted to you on January 2, 1990 for the purpose of obtaining the necessary approval documents from the Department of Finance.

It is my understanding that the rule will be approved upon receipt of the necessary documents.

Sincerely,

Richard G. Krueger
Acting Director of Pari-Mutuel Racing
Department of Gaming

RGK/mc

Minnesota Racing Commission

Adopted Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Rules as Adopted

7869.0100 DEFINITIONS.

[For text of subps 1 to 50, see M.R. 1989]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Live racing days; director of pari-mutuel racing authority.** The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state.

Approved by Revisor

The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it transmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, the exacta pool, the quinella pool; and

C. if fewer than two horses are declared starters, the race must be canceled and the entire amount wagered in the win, place, show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick

Approved by Revisor _____

six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, and no person shall disclose the number of tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

Approved
by Revisor _____

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast must be filed with the commission.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, $25;

O. pari-mutuel clerk, $10;

P. pony rider, $10;

Q. racing official, $25;

R. stable foreman, $5;

S. trainer, $25;

T. trainer, assistant, $15;

U. valet, $5;

V. veterinarian, $100;

W. veterinary assistant, $25; and

Approved by Revisor _____

X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the

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following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. participation in an activity by the other person would circumvent the intent of a rule, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee; or

B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

C. the other person benefited financially from the conduct that violated the rule.

The transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is $10.

7883.0130 PENALTIES AND ALLOWANCES.

Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (Lexington) foal certificates, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on

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these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the horse has become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in

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Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the commission be sent to a laboratory selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by

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Minnesota residents, and which has stood the entire breeding season, between ~~February 15~~ January 31 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~February 15~~ January 31 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~February 15~~ January 31, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February ~~16~~ 1 to March ~~16~~ 1 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March ~~17~~ 2 to May ~~15~~ 1 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before May ~~15~~ 1 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders'

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award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~February 15~~ January 31 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~February 15~~ January 31 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~February 15~~ January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February ~~16~~ 1 to March ~~16~~ 1 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March ~~17~~ 2 to May ~~15~~ 1 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May ~~15~~ 1 of the breeding year (excluding Saturday and

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Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within ~~45~~ 30 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before ~~135~~ 120 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or

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to earn any breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~February 15~~ January 31 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~February 15~~ January 31 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~February 15~~ January 31 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~February 15~~ January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

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(1) A late fee of $50 will be imposed for stallion registrations received February ~~16~~ 1 to March ~~16~~ 1 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March ~~17~~ 2 to May ~~15~~ 1 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May ~~15~~ 1 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~February 15~~ January 31 through July 31, in Minnesota.

[For text of subps 2 to 6, see M.R. 1989]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~February 15~~ January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA)

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certificate must be received by the racing commission or official registering agency. The broodmare must be in foal to a Minnesota registered stallion which means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season from ~~February 15~~ January 31 to July 31 in Minnesota.

B. In the event an unregistered broodmare should foal in Minnesota before ~~February 15~~ January 31, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February ~~16~~ 1 to March ~~16~~ 1 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March ~~17~~ 2 to May ~~15~~ 1 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before May ~~15~~ 1 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of ~~February 15~~ January 31 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be

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met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by ~~February 15~~ January 31 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~February 15~~ January 31 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~February 15~~ January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February ~~16~~ 1 to March ~~16~~ 1 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March ~~17~~ 2 to May ~~15~~ 1 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May ~~15~~ 1 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of ~~February 15~~ January 31 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified

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as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~45~~ 30 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before ~~135~~ 120 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Appeal to commission.** A stewards' decision regarding a class C licensee may be appealed to the commission

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by:

A. The licensee asking the commission to reverse the stewards' decision in whole or part or to lessen the sanction ordered by the stewards.

B. Appeals to the commission are not subject to the contested case procedures.

Subp. 4. **Review or complaint by director or motion of commission.** Nothing in this chapter precludes the commission from instituting proceedings to review a stewards' decision on its own motion or complaint of the director.

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the director to stay the decision. The director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** A licensee may appeal a decision of the stewards by filing with the director a written request for an appeal within three days after the stewards have orally advised the the licensee of the decision. The written request shall contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within three days of receipt of a written request for an appeal and the deposit, the commission chair, director, or the deputy director

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shall set a date, time, and place for the hearing. The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or director, a notice of appeal shall be served personally or sent by mail to the licensee, addressed to his or her last known place of residence, at least ten days prior to the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The appellant must prove that the stewards' ruling is clearly erroneous or not supported by

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applicable law.

[For text of subps 8 and 9, see M.R. 1989]

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STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

JAN 24 1990 9:15 Am

Joan Anderson Growe

Secretary of State

APPROVED AS TO LEGALITY

January 23, 1990

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

BY Charlene H. Hatcher
SPECIAL ASSISTANT ATTORNEY GENERAL

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

AGENCY: Minnesota Racing Commission

MINNESOTA RULES: Chapters 7869, 7873, 7876, 7877, 7878, 7883, 7890, 7892, 7895, and 7897

The attached rules are approved for publication in the State Register

Paul M. Marinac
Assistant Deputy Revisor

Minnesota Racing Commission

Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Rules as Proposed

7869.0100 DEFINITIONS.

[For text of subps 1 to 50, see M.R. 1989]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. ~~**Limitation on pari-mutuel pools.**~~ Live racing days; director of pari-mutuel racing authority. ~~The commission shall not approve a pari-mutuel pool in which a participant is required to select more than two horses in any race.~~ The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

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Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state. The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it tansmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, ~~or both~~ the exacta pool, the quinella pool; and

C. if fewer than two horses ~~leave the stalls~~ are declared starters, the race must be canceled and the entire amount wagered in the win, place, ~~and~~ show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double ~~or~~, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

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[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, ~~item~~ B, and no person shall disclose the number of

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tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. ~~The request must be made not less than seven days prior to the race to be televised. The request must be accompanied by~~ A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack ~~before scratch time for that race~~ no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, ~~$100~~ $25;

O. ~~owner/trainer/driver, $25;~~

~~P.~~ pari-mutuel clerk, $10;

~~Q.~~ P. pony rider, $10;

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R. ~~Q.~~ racing official, $25;

S. ~~R.~~ stable foreman, $5;

T. ~~S.~~ trainer, $25;

U. ~~T.~~ trainer, assistant, $15;

V. ~~U.~~ valet, $5;

W. ~~V.~~ veterinarian, $100;

X. ~~W.~~ veterinary assistant, $25; and

~~Y.~~ X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results ~~(Coggins Certificate)~~ must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The ~~Coggins~~ EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent

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negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. ~~continued~~ participation in an activity by the other person would circumvent the intent of a rule ~~or~~, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee ~~because:~~; or

~~A~~ B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

~~B~~ C. the other person benefited financially from ~~that~~ the conduct that violated the rule.

The ~~fraudulent~~ transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$25~~ $10.

7883.0130 PENALTIES AND ALLOWANCES.

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Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (~~New York~~ Lexington) foal certificates~~, but~~, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still ~~remain~~ remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the ~~field~~ horse has ~~entered the course~~ become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than ~~15~~ 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a

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substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota~~.~~ unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the ~~association~~ commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the ~~association~~ commission be sent to a laboratory ~~other than the commission's official laboratory~~ selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing

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Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between ~~January 31~~ February 15 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be

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imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

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C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday

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and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

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B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 through July 31, in Minnesota.

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[For text of subps 2 to 6, see M.R. 1989]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. The broodmare must be in foal to a Minnesota registered stallion which means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season from February 15 to July 31 in Minnesota.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

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D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding

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Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

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D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Appeal to commission.** A stewards' decision regarding a class C licensee may be appealed to the commission by:

~~A. The stewards or any person affected by the decision if such person believes that a greater sanction than that ordered by the stewards is warranted;~~

~~B;~~ The licensee asking the commission to reverse the stewards' decision in whole or part or to lessen the sanction ordered by the stewards.

~~C.--All~~ B. Appeals to the commission ~~will be heard de novo and~~ are not subject to the contested case procedures.

Subp. 4. **Review or complaint by executive secretary director or motion of commission.** Nothing in this chapter precludes the commission from instituting proceedings to review a stewards' decision on its own motion or complaint of the ~~executive secretary~~ director.

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the ~~executive~~ director to stay the decision. The ~~executive~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** ~~Any affected party~~ A licensee may appeal a decision of the stewards by filing with the ~~executive~~ director a written request for an appeal within three days~~, excluding Saturday, Sunday, and holidays,~~ after the stewards have orally advised the ~~affected party~~ the licensee of the decision. The written request shall

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contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal ~~the sum of $50~~ an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The ~~sum~~ deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the ~~$50~~ deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within ~~five~~ three days~~, excluding Saturday, Sunday, and holidays,~~ of receipt of a written request for an appeal and the $50 deposit, the commission chair, director, or the deputy director shall set a date, time, and place for the hearing~~, and shall give at least ten days' notice of the hearing to the appellant and any other party affected by the appeal~~. ~~Such~~ The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant ~~and any other party affected by the appeal~~. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or ~~executive secretary~~ director, a notice of appeal shall be served personally or sent by mail to ~~each person who may be affected by the appeal~~ the licensee, addressed to his or her last known place of residence, at least ten days prior to

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the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The ~~party-proposing-that certain-action-be-taken~~ appellant must prove ~~the-facts-at-issue by-a-preponderance-of-the-evidence,-unless-the-substantive-law provides-a-different-burden-or-standard~~ that the stewards' ruling is clearly erroneous or not supported by applicable law.

[For text of subps 8 and 9, see M.R. 1989]

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STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the matter of the
Proposed Adoption of
Rules of the Minnesota
Racing Commission concerning
Amendments and Additions to
the Existing Rules
Governing Horse Racing.

STATEMENT OF NEED
AND REASONABLENESS

I. GENERAL

In an effort to improve the quality of horse racing in this state, the Minnesota Racing Commission ("Commission") proposes amendments to the rules of racing. The proposed amendments are consistent with rules in other racing jurisdictions and are necessary to make Minnesota competitive in the horse racing industry. The proposed amendments are reasonable because they are customary in other racing jurisdictions and respond to racing industry participant inquiry. The burdens imposed on the participants are not undue, and compliance with similar rules has been obtained in other jurisdictions.

II. STATUTORY AUTHORITY

The Commission is empowered by Minn. Stat. 240.03 to:

1. Regulate horse racing in Minnesota to ensure that it is conducted in the public interest,

2. Enforce all laws and rules governing horse racing,

3. Supervise the conduct of pari-mutuel betting on horse races, and

4. Take all necessary steps to insure the integrity of racing in Minnesota.

The Minnesota Racing Commission is also specifically authorized by Minn. Stat. 240.23 to promulgate rules governing the "conduct of horse racing held at licensed racetracks, including but not limited to the rules of racing, and any other aspect of horse racing or pari-mutuel betting, which in its opinion, effects the integrity of racing or the public health, welfare, or safety".

III. RULE BY RULE ANALYSIS

7869.0100 DEFINITIONS

7869.0100 Subp. 51 (O)

This subpart adds the definition of a "Mixed Race". This proposed addition is necessary to provide a definition of a race of more than one type of breed of horses. This addition is reasonable because it explains to the public that there are two types of breeds of horses competing against each other in the same race.

7873.0110 APPROVAL OF PARI-MUTUEL POOLS

7373.0110 Subp. 3

It is proposed to this subpart delegates authority to the Director of Pari-Mutuel Racing to approve changes to previously approved pari-mutuel pools, placement of pools in the program, and simulcasts, and allows the offering of pari-mutuel pools requiring the selection of more than two horses in a race. This proposed change is reasonable in that it allows flexibility for the Commission and a licensed racetrack to respond to patron preference for varieties of pari-mutuel pools and changes in pools offered by a racetrack. This change specifically responds to patron preference for the opportunity to wager in trifecta pools.

7873.0120 PARI-MUTUEL BETTING

7873.0120 Subp. 2

This proposed addition is necessary to stipulate the requirements for transmission of a license racetrack's race(s) to licensed racetracks located outside of Minnesota. This proposed addition is a reiteration of Minnesota Law that allows simulcasting out from a licensed racetrack.

7873.0140 FAILURE TO START

These proposed changes are needed and reasonable in that they establish the specific instance and criteria in which various pools may be refunded. These proposed changes further provide for inclusion of pools that were previously not included in these rules and thus comply with what is the custom of the turf in their absence.

7873.0150 SCRATCHES

This proposed change is needed to include the pick three pool in refund criteria, the same as other pools. This proposed change is reasonable in that it makes the existing rule comprehensive of all pools subject to refund due to a scratch.

7873.0190 PICK SIX

7873.0190 Subp. 7

This proposed change is needed in that it sets a specific time for refund of pick six tickets and in that it responds to patron inquiry into this matter. This proposed change is reasonable in that it is specific to patrons and a licensed racetrack as to the stipulation for refunds of pick six tickets.

7873.0191 PICK THREE

7873.0191 Subp. 8

This proposed change is needed in that it sets a specific time for refund of pick three tickets, and in that it complies with the same requirement for pick six tickets. This proposed change is reasonable in that it is specific to patrons and a licensed racetrack as to the stipulations for refunds of pick three tickets.

7873.0191 Subp. 10

This proposed change is housekeeping in nature, in that there is no item B to Subpart 7, Chapter 7873.0191.

7873.0300 SIMULCAST WAGERING

7873.0300 Subp. 1

This proposed change is needed and reasonable in that it allows the Commission and a licensed racetrack to expeditiously respond to simulcast opportunities not included in a racetrack's initial simulcast plan. Further, this change allows response and simulcasting of races of interest to a racetrack's horsemen and patrons.

7876.0110 OFF TRACK STABLING

7873.0110 Subp. 3

This subpart clarifies the exact time that a horse that resides off track has to be on the racetrack facility on the day it is racing. This rule is necessary because the former rule set the time at "scratch time" which was flexible and therefore confusing to the participants.

7877.0120 FEES

This subpart establishes the schedule of annual fees for occupational licensees. The Commission is specifically authorized to establish annual fee by rule Minn. Stat. 240.10

7877.0120 Subp. 1 (N)

This subpart changes the multiple owners fee to correspond with the owner fee of $25.00. This rule change is reasonable in that it is consistent with individual owner fees. All individual owners must purchase a license for $25.00 and if part of a group must also obtain a multiple owners license.

7877.0120 Subp. 1 (O)

The elimination of this category is reasonable because the individual must apply for separate occupational licenses which gives the Commission more discretion in issuance of the license.

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES

7877.0170 Subp. 2. (O)

The requested change reflects the fact that new EIA testing methodology is now available and in use in the United States. The Board of Animal Health of the State of Minnesota no longer specifies the Coggins test as the only acceptable testing method.

7877.0170 Subp. 2. (P)

The addition above of laboratory and accession number information is needed to conform with federal regulations covering health certificates. The appearance of this information on the health certificate also improves the likelihood of tracing EIA test certificates lost in transit between racetracks.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS

7877.0175 Subp. 4 (H)

This addition is needed and reasonable as the association veterinarian is usually the official veterinarian present in the paddock during racing hours and is more capable of diagnosing the infirmity of unsoundness of a horse than is the paddock judge.

7877.0185 APPLICABILITY OF RULES AND RULINGS

7877.0185 Subp. A

The addition of "or order" is necessary to be inclusive of all the directives that the commission can mandate. It is reasonable because the Commission has the authority to issue orders, rules, and rulings.

7877.0185 Subp. C

This addition is necessary to simply clarify the subpart. It is reasonable because it eliminates any misunderstanding of the rule.

7878.0120 LICENSING OF SECURITY OFFICERS

7878.0120 Subp. 4

This subpart changes the fee of a specific association employee, security officers, to a fee which is consistent with all other association employees. This change is reasonable and fair because it unites the fee for all association employees and eliminates the burden of a higher fee to a single category of occupational licenses.

7883.0130 PENALTIES AND ALLOWANCES

7883.0130 Subp. 1 (E)

It is proposed to add to this subpart by requiring the same information of eligibility, penalties, and allowances of weight for the quarter horse breed as the thoroughbred. This addition is necessary to ensure a consistent and reliable source, the American Quarter Horse Association, for these conditions.

7883.0140 CLAIMING RACES

7883.0140 Subp. 16

This change is needed in that it provides a more concise time as to when title to a claimed horse transfers to the claimant. This change is reasonable in that the owner, claimant, and horsemen's bookkeeper are clear as to when title transfers.

7883.0150 PADDOCK TO POST

7883.0150 Subp. 2

This change is needed so as to ensure that all horses will have adequate time in the saddling paddock prior to a race. This change is reasonable because it adds five minutes for the participants to prepare for the race. This change also conforms to existing practice and conduct on a racing day.

7890.0140 BLEEDERS

7890.0140 Subp. 5. (D) & (E)

These proposed changes are necessary so as to avoid penalizing a horse which has a long racing career in the state and which bled more than once early in its career. If such an animal bleeds again after a considerable period of trouble-free racing, a six month layoff from racing is more reasonable that a lifetime ban.

7892.0120 TAKING OF SAMPLES

7892.0120 Subp. 5

The proposed changes in this subpart are needed to dispel confusion over the handling of split samples. The present rule leaves open the possibility of a licensee's requesting the use of a laboratory with no equine experience or even an unlicensed laboratory. It is necessary to limit the choice of laboratories to only those facilities which are both willing to and capable of testing the split sample with the same degree of diligence as was the original sample. The changes clarify the means and form of payment for the cost of split sample testing in order to avoid placing any racing official in a compromising position as the result of an exchange of cash. And, finally, while the storage facility for split samples is provided by the association, it is controlled by the Commission as are all other aspects of sample collection and testing.

7895.0125 THOROUGHBRED REGISTRATION

7895.0125 Subp. 1 (A) & (B)

This proposed change will allow more ample time for all participants to register their thoroughbred broodmares. This change is necessary and reasonable because it extends the deadline as there are several out of state sales near the end of January. By extending this deadline, the Commission allows the participants to purchase breeding stock out of state and have the mare in Minnesota by the February 15th deadline.

7895.0125 Subp. 1 (C)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their thoroughbred broodmare application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0125 Subp. 1 (C) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0125 Subp. 1 (C) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0125 Subp. 1 (D)

This proposed change in the final dates of acceptance of a thoroughbred broodmare application establishes a date in which all applicants would have more ample time to apply. This date is reasonable because it extends the final date of acceptance two and one half months for the applicants. In this time span, all applicants will have their applications submitted and processed. This date does not prohibit any applicant from applying for a variance.

7895.0125 Subp. 1 (E)

This proposed addition is intended to make all late applicants aware that they may have to document the fact that their thoroughbred broodmare was standing in Minnesota as of February 15th of the foaling year. This addition is necessary to ensure the reliability of the applicant for verification by the Commission.

7895.0125 Subp. 2 (A)

This proposed change will make the final date of thoroughbred stallion registration correspond with the proposed final date of registration of quarter horse and standardbred stallions. This change is necessary because of the several out of state sales which occur towards the end of January. Extending the deadline for applications without penalty for 15 days gives these new owners time to submit applications.

7895.0125 Subp. 2 (B)

This proposed change is needed and reasonable in that the initial date of the breeding season will correspond with the proposed change to the final date of thoroughbred stallion registration contained above.

7895.0125 Subp. 2 (C)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their thoroughbred stallion application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0125 Subp. 2 (C) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0125 Subp. 2 (C) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0125 Subp. 2 (D)

This proposed change in the final dates of acceptance of a thoroughbred stallion application establishes a date in which all applicants would have more ample time to apply. This date is reasonable because it extends the final date of acceptance two and one half months for the applicants. In this time span, all applicants will have their applications submitted and processed. This date does not prohibit any applicant from applying for a variance.

7895.0125 Subp. 2 (E)

This proposed addition is intended to make all late applicants aware that they may have to document the fact that the thoroughbred stallion was standing in Minnesota as of February 15th of the breeding year. This addition is necessary to ensure the reliability of the applicant for verification by the Commission.

7895.0125 Subp. 3 (A)

The proposed change from 30 to 45 days is necessary to give the applicants needed additional time to complete and submit their thoroughbred foal registration applications. Previously, many applicants requested an additional fifteen days in order to complete all the requirements necessary after a foal is born. This proposed change will eliminate these numerous requests.

7895.0125 Subp. 3 (B)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their thoroughbred foal registration application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0125 Subp. 3 (B) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0125 Subp. 3 (B) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0125 Subp. 3 (C)

This change proposes to add this subpart to establish a deadline for application for thoroughbred foal registration. It is necessary and reasonable to establish this rule in order to give the applicant a reasonable amount of time to submit the registration.

7895.0250 STANDARDBRED BREEDERS FUND

7895.0250 Subp. 1 (D)

This change is necessary and reasonable to include the registration date change into the definition of a Minnesota bred standardbred sire.

7895.0275 STANDARDBRED REGISTRATION

7895.0275 Subp. 1 (A)

This proposed change will make the final date of standardbred stallion registration correspond with the proposed final date of registration of quarter horse and thoroughbred stallions. This change is necessary because of the several out of state sales which occur towards the end of January. Extending the deadline for applications without penalty for 15 days gives these new owners time to submit applications.

7895.0275 Subp. 1 (B)

This proposed change is needed and reasonable in that the initial date of the breeding season will correspond with the proposed change to the final date of standardbred stallion registration contained above.

7895.0275 Subp. 1 (C)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their standardbred stallion application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0275 Subp. 1 (C) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0275 Subp. 1 (C) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0275 Subp. 1 (D)

This proposed change in the final dates of acceptance of a standardbred stallion application establishes a date in which all applicants would have more ample time to apply. This date is reasonable because it extends the final date of acceptance two and one half months for the applicants. In this time span, all applicants will have their applications submitted and processed. This date does not prohibit any applicant from applying for a variance.

7895.0275 Subp. 1 (E)

This change proposes to add this subpart to make all late applicants aware that they may have to document the fact that the standardbred stallion was standing in Minnesota as of February 15th of the breeding year. This addition is necessary to ensure the reliability of the applicant for verification by the Commission.

7895.0300 QUARTER HORSE BREEDERS FUND

7895.0300 Subp. 1 (D)

This change is necessary and reasonable to include the registration date change into the definition of a Minnesota bred quarter horse sire.

7895.0350 QUARTER HORSE REGISTRATION

7895.0350 Subp. 1 (A) & (B)

This proposed change will allow more ample time for all participants to register their quarter horse broodmares. This change is necessary and reasonable because it extends the deadline as there are several out of state sales near the end of January. By extending this deadline, the Commission allows the participants to purchase breeding stock out of state and have the mare in Minnesota by the February 15th deadline. Further, this proposed change reiterates the requirement that the broodmare be in foal to a Minnesota sire as defined by 7895.0300, Subpart 1 (D).

7895.0350 Subp. 1 (C)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their quarter horse broodmare application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0350 Subp. 1 (C) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0350 Subp. 1 (C) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0350 Subp. 1 (D)

This proposed change in the final dates of acceptance of a quarter horse broodmare application establishes a date in which all applicants would have more ample time to apply. This date is reasonable because it extends the final date of acceptance two and one half months for the applicants. In this time span, all applicants will have their applications submitted and processed. This date does not prohibit any applicant from applying for a variance.

7895.0350 Subp. 1 (E)

This change proposes to add this subpart to make all late applicants aware that they may have to document the fact that the quarter horse broodmare was standing in Minnesota as of February 15th of the foaling year. This addition is necessary to ensure the reliability of the applicant for verification by the Commission.

7895.0350 Subp. 2 (A)

This proposed change will make the final date of quarter horse stallion registration correspond with the proposed final date of registration of thoroughbred and standardbred stallions. This change is necessary because of the several out of state sales which occur towards the end of January. Extending the deadline for applications without penalty for 15 days gives these new owners time to submit applications.

7895.0350 Subp. 2 (B)

This proposed change is needed and reasonable in that the initial date of the quarter horse breeding season will correspond with the proposed change to the final date of quarter horse stallion registration contained above.

7895.0350 Subp. 2 (C)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their quarter horse stallion application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0350 Subp. 2 (C) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0350 Subp. 2 (C) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0350 Subp. 2 (D)

This proposed change in the final dates of acceptance of a quarter horse stallion application establishes a date in which all applicants would have more ample time to apply. This date is reasonable because it extends the final date of acceptance two and one half months for the applicants. In this time span, all applicants will have their applications submitted and processed. This date does not prohibit any applicant from applying for a variance.

7895.0350 Subp. 2 (E)

This change proposes to add this subpart to make all late applicants aware that they may have to document the fact that the quarter horse stallion was standing in Minnesota as of February 15th of the breeding year. This addition is necessary to ensure the reliability of the applicant for verification by the Commission.

7895.0350 Subp. 3 (A)

The proposed change from 30 to 45 days is necessary to give the applicants needed additional time to complete and submit their quarter horse foal registration applications. Previously, many applicants requested an additional fifteen days in order to complete all the requirements necessary after a foal is born. This proposed change will eliminate these numerous requests.

7895.0350 Subp. 3 (B)

This proposed addition is necessary to clearly establish a late fee for those participants who are untimely in their quarter horse foal registration application submission. This addition is fair and reasonable because it offers an incentive to applicants to be timely and penalizes the tardy. Applications must be submitted in a timely manner in order that all applications can be processed and completed by the beginning of the meet. Further, this addition is intended to dramatically reduce the need and costs associated with hearing and ruling on variance requests.

7895.0350 Subp. 3 (B) [1]

This proposed fee specifies exactly the amount of the penalty, $50.00. This is necessary to penalize those applicants who are tardy and also clearly state the exact amount of the late fee.

7895.0350 Subp. 3 (B) [2]

This proposed fee specifies exactly the amount of the late fee for extreme tardiness, $100.00. This is necessary to penalize applicants who are extremely tardy with their applications. The late fee may encourage applicants to submit in a timely manner and it also clearly states the exact amount of the late fee.

7895.0350 Subp. 3 (C)

This change proposes to add this subpart to establish a deadline for application for quarter horse foal registration. It is necessary and reasonable to establish this rule in order to give the applicant a reasonable amount of time to submit the registration.

7897.0150 DISCIPLINARY AND APPEALS PROCEDURES

7897.0150 Subp. 3

This proposed addition is necessary and reasonable in that it indicates precisely the class of licensee that may appeal a stewards' ruling.

7897.0150 Subp. 3 (A)

This proposed change is necessary and reasonable in that it prohibits those not licensed to participate in racing from appealing stewards' rulings. Existing rule is not clearly defined and may have inadvertently allowed persons with no significant interest in the proceeding the opportunity to appeal.

7897.0150 Subp. 3 (C)

This proposed change eliminates the "de novo" portion of the appeals because the matter already has been presented to a hearing panel (stewards). This rule is necessary and reasonable because it eliminates the participants from testifying again to the same material. This subpart would also change to Subpart 3 (B) with the proposed elimination of Subpart 3 (A).

7897.0150 Subp. 4

This proposed change is necessary to be consistent in the rules by referring to the executive secretary as the director. It is reasonable to be consistent in reference to the director by the same title throughout the rules.

7897.0150 Subp. 5

This proposed change is necessary to be consistent in the rules by referring to the executive director as director. It is reasonable to be consistent in reference to the director by the same title throughout the rules.

7897.0150 Subp. 6

The proposed changes are necessary to clarify the fact that stewards may only rule on licensed individuals. further, in that the racetrack is open on weekends and holidays during the meet, those days should also be inclusive of the licensee to appeal. The changes are reasonable because only a licensee can be ruled upon and also that there are Minnesota Racing Commission staff available every day of the week during a meet to accept an appeal.

7897.0150 Subp. 7

This proposed change is necessary to make the deposit with the request for appeal more equitable for all licensees. It is reasonable for at the present time, the fee of $50.99 is the same for licensees whose occupation is lower paying than others. this change would attempt to equal out the deposit requirements of all the various occupational licensees.

7897.0150 Subp. 8

A change is proposed in this subpart in order to establish a hearing date for the appellant as soon as possible. It is reasonable to set a date as soon as possible so as to avoid inconvenience to the appellant/licensee. The authority to establish a date has been extended to the director and the deputy director. Further, it is reasonable for all participants to have the hearing within eight days upon receipt of the request. This indicates to the appellant that all possible means are being sought for a rapid hearing. It is necessary because oftentimes payments of purse monies are involved which are frozen until after the hearing. Further, it is necessary that the appellant may obtain a continuance based on reasonable circumstances to be determined by the director.

7897.0150 Subp. 9

This change is necessary to be consistent in the rules in reference to the director by that title only. Further, the stewards may only rule on the licensee and therefore, should be referred to a licensee throughout the rules. These changes are reasonable to be consistent in reference throughout the rules.

7897.0160 COMPOSITION OF HEARING PANEL

7897.0160 Subp. 2

This proposed change prohibits an appellant or another Class C licensee from appealing the decision of the hearing panel to the full Commission. As the hearing panel represents the commission, it is reasonable that no further adjudicative procedures be filed with the Commission.

7897.0170 CONDUCT OF APPEAL HEARING

7897.0170 Subp. 7

This proposed change clarifies language in referring to the licensee appealing as the appellant as so referred throughout the rules. Further, the change indicates that the appellant must prove what is necessary to make the ruling more clear and less ambiguous to all the participants. The changes are reasonable for an appellant should not be able to appeal on any other grounds except for an error on the stewards' part or a ruling not supported by applicable rule or law.

IV. OTHER STATUTORY REQUIREMENTS

Minn. Stat. §14.115 requires agencies, when proposing a new rule or amending existing rules which may affect small businesses, to consider certain methods for reducing the impact of the rule on small business.

The proposed additional amendments to the racing rules indirectly impact small businesses in that these rules will enhance economic activity and reduce potential inconveniences to small business operators. The rule does not affect small businesses disproportionately nor does the rule prevent small businesses from participating in horse racing. The Commission considered the impacts of the amendments on small business and determined that because of the nature of the industry, the Commission cannot be less rigorous in its regulation of one type of business than another.

Minn. Stat. §14.11, subd. 2 in inapplicable because the proposed amendments will not have any direct and substantial adverse impact on agricultural land. Sections 115.43, subd. 1, 116.07, subd. 6, and 114A.29, subd. 4 are not applicable. Pursuant to section 16A.128, subd. 1, a copy of the proposed rules was sent to the chairs of the House Appropriations Committee and Senate Finance Committee. A fiscal note is not required pursuant to section 3.892 as the rule will not force any local agency or school district to incur costs.

CONCLUSION

Based on the foregoing, the Minnesota Racing Commission's proposed additions and amendments to the existing rules governing horse racing are both necessary and reasonable.

RICHARD G. KRUEGER
Minnesota Racing Commission

10/23/89
Date

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : ATTORNEY GENERAL
1100 Bremer Tower

DATE : January 2, 1990

TO : **MARTHA CASSERLY**
Special Assistant
Attorney General

FROM : **MARY B. MAGNUSON**
Special Assistant
Attorney General

PHONE : 296-7862

SUBJECT : Rules: Minnesota Racing Commission

Enclosed please find all documents necessary for your review of the above-referenced rules. If approved, please send all notices and the rulemaking record to Richard G. Krueger at the Racing Commission office in Eden Prairie.

Thanks!

MBM/dt4
Enclosures

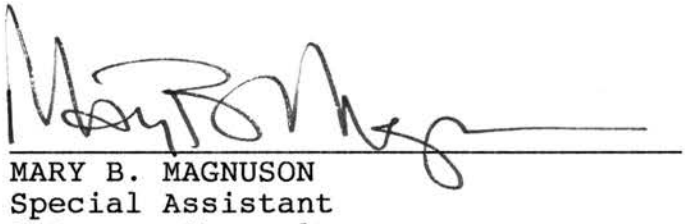
received
1-3-90
mjc

STATE OF MINNESOTA
MINNESOTA RACING COMMISSION

In the Matter of the Adoption
of the Rule of the Minnesota
Racing Commission Governing
Amendments to the Existing Rule.

DECLARATION OF COUNSEL

I, Mary B. Magnuson, Special Assistant Attorney General, do hereby declare that I have examined the above-captioned rule, and the supporting rulemaking record, and that, based on my examination, the Administrative Procedure Act and Minnesota Rules, chapter 2010 have been followed. Any exceptions are listed below. For Attorney General billing purposes, the four-digit docket client code is 0733.



MARY B. MAGNUSON
Special Assistant
Attorney General

Dated: December 29, 1989.

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed Adoption of the Minnesota Racing Commission Rule Governing Amendments to Existing Rules

AFFIDAVIT OF MAILING THE NOTICE OF PROPOSED ADOPTION OF RULES WITHOUT A PUBLIC HEARING AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

I, Richard Krueger, being first duly sworn, deposes and says:

I hereby certify that the list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a. and 14.22 or 14.30, that there names be placed on the Minnesota Racing Commission's rulemaking list is accurate, complete, and current as of this 12th day of October, 1989.

That on the 12th day of October, 1989, at the City of Eden Prairie, County of Hennepin, State of Minnesota, I mailed the attached Notice of Proposed Adoption of a Rule Without a Public Hearing and proposed rule by depositing in the United States mail, a copy thereof with postage prepaid, to all persons and associations on the aforementioned mailing list.

Richard G. Krueger

RICHARD G. KRUEGER
Acting Director, Pari-Mutuel Racing

Subscribed and sworn to before me
this 13th day of October, 1989.

Sharon A. Beighley

SHARON A. BEIGHLEY
Notary Public

SHARON A. BEIGHLEY
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
My Commission Expires Oct. 23, 1995

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the
Proposed Adoption of the
Minnesota Racing Commission
Rule Governing Amendments to
Existing Rules.

NOTICE OF PROPOSED
ADOPTION OF A RULE
WITHOUT A PUBLIC HEARING

(1) NOTICE is hereby given that the Minnesota Racing Commission proposes to adopt the above-entitled rule without a public hearing following the procedures set forth in Minnesota Statutes, sections 14.22 to 14.28. The statutory authority to adopt the rule is Minnesota Statutes, section 240.23 (1988).

(2) All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. (3) Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

(4) Any person may make a written request for a public hearing on the rule within the 30-day comment period. (4) If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request. (5) (6) Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. (7) If a public hearing is required, the agency will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20.

(5) Comments or written requests for a public hearing must be submitted to:

Richard Krueger
Minnesota Racing Commission
11000 West 78th Street, Suite 201
Eden Prairie, MN 55344
Telephone: (612) 341-7555

(8) The proposed rule may be modified if the modifications are supported by data and views and do not result in a substantial change in the proposed rule as noticed.

(11) A copy of the proposed rule is attached to this notice.

(12) A Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed

rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from the Minnesota Racing Commission upon request.

(13) Promulgation of the proposed rule will not result in the expenditure of public monies by local public bodies, fix or adjust any fees, or have an impact on agricultural land. (14) The affect, if any, that the proposed rule may have on small businesses is discussed in the Statement of Need and Reasonableness.

(9) If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to the Minnesota Racing Commission at the address listed above.

Dated: September 20, 1989.

RICHARD KRUEGER
ACTING DIRECTOR
MINNESOTA RACING COMMISSION

MINNESOTA RACING COMMISSION

CERTIFICATE OF COMMISSION'S
AUTHORIZING RESOLUTION

I, Ralph Strangis, hereby certify that I am the Chair of the Minnesota Racing Commission, a commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Minnesota Racing Commission duly and properly called and held on the 20th day of September, 1989, that a quorum was present, and that a majority of those present voted for the resolution which has not been rescinded or modified.

RESOLVED, that Richard Krueger, Acting Director of Parimutuel Racing, is hereby granted the authority and directed to sign and to give the Notice of the Commission's Proposed Adoption of a rule without a public hearing governing amendments to the existing rules to all persons who have registered their names with the Commission for that purpose and publish the Notice and rule in the State Register, and to perform any and all acts incidental thereto.

In the event a public hearing becomes necessary, the Acting Director is hereby granted the authority and directed to call a hearing for the purpose of promulgating said rules, as well as perform any and all acts incidental thereto, including but not limited to, signing an Order for Hearing and Notice of Hearing as well as act as the Commission's representative at all hearings.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 20th day of September, 1989.



Ralph Strangis
Minnesota Racing Commission

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed Adoption of the Rule of the Minnesota Racing Commission Governing Amendments to the Existing Rule.

FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULE WITHOUT PUBLIC HEARING

Notice of the Minnesota Racing Commission intent to adopt the above-entitled rule was published in the State Register on October 23, 1989 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22, on October 12, 1989. The statement of need and reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. No requests for a public hearing on the rule were received by the agency.

Comments on the rule were received by the agency and were considered by the Minnesota Racing Commission. No requests for notice of submission to the attorney general were received by the agency.

Based on the evidence in the record before the Minnesota Racing Commission, I find the following:

FINDINGS OF FACT

1. Based on comments received by members of the horse breeding industry in Minnesota, part 7895.0125, subp. 1A and B and subp. 2A and B; part 7895.0250, subp. 1D; part 7895.0275, subp. 1A and B; part 7895.0300, subp. 1D; and part 7895.0350, subp. 1A, B and E, and subp. 2A, B and E, have been modified by re-establishing January 31 as opposed to February 15 in the proposed rule as the date used for breeders fund registration purposes. This change is necessary to avoid confusion among breeders and coincide with certain filing requirements of the Jockeys Club, a national horse breeding registry. This modification is reasonable because it simply continues the

current registration date required to be adhered to by all breeders fund registrants.

2. The Commission also modified the proposed rule by changing the dates applicable to the imposition of late fees in part 7895.0125, subp. 1C and D, subp. 2C and D, and subp. 3A and C; part 7895.0275, subp. 1C and D; and part 7895.0350, subp. 1C and D, subp. 2C and D and subp. 3A and C to correspond with the dates applicable to registration of the horses. This change is necessary because of the modification made to the registration dates as discussed above. The modification is reasonable because it tracks closely with the registration dates. Failure to make the modifications would result in an inconsistent and confusing registration scheme.

3. The rule, as modified, is not substantially different than the rule as originally published. The modified rule affects no Classes of persons who could not have reasonably been expected to comment, nor does the rule go to new subject matter of significant substantive effect or make a major substantive change not raised by the original Notices of Intent to Adopt the Rule. Therefore, the modifications are needed and reasonable.

CONCLUSION

(8) The rule, as proposed and including the above-described modifications, is needed and reasonable and supported by the evidence in the rule-making record.

NOW, THEREFORE, IT IS ORDERED that the rule identified as governing amendments to existing rules is adopted this 20th day of December, 1989, pursuant to authority vested in the Minnesota Racing Commission by Minnesota Statutes, section 240.23 (1988).

(9)

RICHARD KRUEGER
Acting Director
Minnesota Racing Commission

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Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

AGENCY: Minnesota Racing Commission

MINNESOTA RULES: Chapters 7869, 7873, 7876, 7877, 7878, 7883, 7890, 7892, 7895, and 7897

The attached rules are approved for publication in the State Register

Paul M. Marinac
Assistant Deputy Revisor

Minnesota Racing Commission

Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Rules as Proposed

7869.0100 DEFINITIONS.

[For text of subps 1 to 50, see M.R. 1989]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. ~~**Limitation on pari-mutuel pools.**~~ Live racing days; director of pari-mutuel racing authority. ~~The commission shall not approve a pari-mutuel pool in which a participant is required to select more than two horses in any race.~~ The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

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Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state. The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it tansmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, ~~or both~~ the exacta pool, the quinella pool; and

C. if fewer than two horses ~~leave the stalls~~ are declared starters, the race must be canceled and the entire amount wagered in the win, place, ~~and~~ show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double ~~or~~, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

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[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, ~~item~~ B, and no person shall disclose the number of

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tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. ~~The request must be made not less than seven days prior to the race to be televised. The request must be accompanied by~~ A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack ~~before scratch time for that race~~ no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, ~~$100~~ $25;

O. ~~owner/trainer/driver, $25;~~

~~P.~~ pari-mutuel clerk, $10;

~~Q.~~ P. pony rider, $10;

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~~R.~~ Q. racing official, $25;

~~S.~~ R. stable foreman, $5;

~~T.~~ S. trainer, $25;

~~U.~~ T. trainer, assistant, $15;

~~V.~~ U. valet, $5;

~~W.~~ V. veterinarian, $100;

~~X.~~ W. veterinary assistant, $25; and

~~Y.~~ X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results ~~(Coggins Certificate)~~ must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The ~~Coggins~~ EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent

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negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. ~~continued~~ participation in an activity by the other person would circumvent the intent of a rule ~~or~~, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee ~~because:~~; or

~~A~~ B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

~~B~~ C. the other person benefited financially from ~~that~~ the conduct that violated the rule.

The ~~fraudulent~~ transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$25~~ $10.

7883.0130 PENALTIES AND ALLOWANCES.

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Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (~~New York~~ Lexington) foal certificates~~;~~ ~~but~~, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still ~~remain~~ remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the ~~field~~ horse has ~~entered the course~~ become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than ~~15~~ 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a

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substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota~~.~~ unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the ~~association~~ commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the ~~association~~ commission be sent to a laboratory ~~other than the commission's official laboratory~~ selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing

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Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between ~~January 31~~ February 15 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be

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imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

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C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday

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and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

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B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 through July 31, in Minnesota.

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contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal ~~the sum of $50~~ an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The ~~sum~~ deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the ~~$50~~ deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within ~~five~~ three days~~, excluding Saturday, Sunday, and holidays,~~ of receipt of a written request for an appeal and the ~~$50~~ deposit, the commission chair, director, or the deputy director shall set a date, time, and place for the hearing~~, and shall give at least ten days' notice of the hearing to the appellant and any other party affected by the appeal~~. ~~Such~~ The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant ~~and any other party affected by the appeal~~. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or ~~executive secretary~~ director, a notice of appeal shall be served personally or sent by mail to ~~each person who may be affected by the appeal~~ the licensee, addressed to his or her last known place of residence, at least ten days prior to

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the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The ~~party proposing that certain action be taken~~ appellant must prove ~~the facts at issue by a preponderance of the evidence, unless the substantive law provides a different burden or standard~~ that the stewards' ruling is clearly erroneous or not supported by applicable law.

[For text of subps 8 and 9, see M.R. 1989]

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Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

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The attached rules are approved for publication in the State Register

Paul M. Marinac
Assistant Deputy Revisor

Minnesota Racing Commission

Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Rules as Proposed

7869.0100 DEFINITIONS.

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[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. ~~**Limitation on pari-mutuel pools.**~~ **Live racing days; director of pari-mutuel racing authority.** ~~The commission shall not approve a pari-mutuel pool in which a participant is required to select more than two horses in any race.~~ The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

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Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state. The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it tansmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, ~~or both~~ the exacta pool, the quinella pool; and

C. if fewer than two horses ~~leave the stalls~~ are declared starters, the race must be canceled and the entire amount wagered in the win, place, ~~and~~ show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double ~~or~~, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

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[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, ~~item~~ B, and no person shall disclose the number of

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tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. ~~The request must be made not less than seven days prior to the race to be televised. The request must be accompanied by~~ A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack ~~before scratch time for that race~~ no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, ~~$100~~ $25;

O. ~~owner/trainer/driver, $25;~~

~~P.~~ pari-mutuel clerk, $10;

~~Q.~~ P. pony rider, $10;

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~~R.~~ Q. racing official, $25;

~~S.~~ R. stable foreman, $5;

~~T.~~ S. trainer, $25;

~~U.~~ T. trainer, assistant, $15;

~~V.~~ U. valet, $5;

~~W.~~ V. veterinarian, $100;

~~X.~~ W. veterinary assistant, $25; and

~~Y.~~ X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results ~~(Coggins Certificate)~~ must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The ~~Coggins~~ EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent

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negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. ~~continued~~ participation in an activity by the other person would circumvent the intent of a rule ~~or~~, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee ~~because:~~; or

~~A~~ B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

~~B~~ C. the other person benefited financially from ~~that~~ the conduct that violated the rule.

The ~~fraudulent~~ transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$25~~ $10.

7883.0130 PENALTIES AND ALLOWANCES.

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Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (~~New York~~ Lexington) foal certificates~~;~~ ~~but~~, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still ~~remain~~ remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the ~~field~~ horse has ~~entered the course~~ become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than ~~15~~ 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a

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substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota~~.~~ unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the ~~association~~ commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the ~~association~~ commission be sent to a laboratory ~~other than the commission's official laboratory~~ selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing

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Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between ~~January 31~~ February 15 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be

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imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

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C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday

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and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

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B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 through July 31, in Minnesota.

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[For text of subps 2 to 6, see M.R. 1989]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. The broodmare must be in foal to a Minnesota registered stallion which means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season from February 15 to July 31 in Minnesota.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

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D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding

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Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

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D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Appeal to commission.** A stewards' decision regarding a class C licensee may be appealed to the commission by:

~~A. The stewards or any person affected by the decision if such person believes that a greater sanction than that ordered by the stewards is warranted.~~

~~B.~~ The licensee asking the commission to reverse the stewards' decision in whole or part or to lessen the sanction ordered by the stewards.

~~C. All~~ B. Appeals to the commission ~~will be heard de novo and~~ are not subject to the contested case procedures.

Subp. 4. **Review or complaint by ~~executive secretary~~ director or motion of commission.** Nothing in this chapter precludes the commission from instituting proceedings to review a stewards' decision on its own motion or complaint of the ~~executive secretary~~ director.

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the ~~executive~~ director to stay the decision. The ~~executive~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** ~~Any affected party~~ A licensee may appeal a decision of the stewards by filing with the ~~executive~~ director a written request for an appeal within three days~~, excluding Saturday, Sunday, and holidays,~~ after the stewards have orally advised the ~~affected party~~ the licensee of the decision. The written request shall

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contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal ~~the sum of $50~~ an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The ~~sum~~ deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the ~~$50~~ deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within ~~five~~ three days~~, excluding Saturday, Sunday, and holidays,~~ of receipt of a written request for an appeal and the ~~$50~~ deposit, the commission chair, director, or the deputy director shall set a date, time, and place for the hearing~~, and shall give at least ten days' notice of the hearing to the appellant and any other party affected by the appeal~~. ~~Such~~ The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant ~~and any other party affected by the appeal~~. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or ~~executive secretary~~ director, a notice of appeal shall be served personally or sent by mail to ~~each person who may be affected by the appeal~~ the licensee, addressed to his or her last known place of residence, at least ten days prior to

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the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The ~~party proposing that certain action be taken~~ appellant must prove ~~the facts at issue by a preponderance of the evidence, unless the substantive law provides a different burden or standard~~ that the stewards' ruling is clearly erroneous or not supported by applicable law.

[For text of subps 8 and 9, see M.R. 1989]

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Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

AGENCY: Minnesota Racing Commission

MINNESOTA RULES: Chapters 7869, 7873, 7876, 7877, 7878, 7883, 7890, 7892, 7895, and 7897

The attached rules are approved for publication in the State Register

Paul M. Marinac
Assistant Deputy Revisor

Minnesota Racing Commission

Proposed Permanent Rules Relating to Pari-Mutuel Betting on Horse Racing

Rules as Proposed

7869.0100 DEFINITIONS.

[For text of subps 1 to 50, see M.R. 1989]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

[For text of items A to N, see M.R. 1989]

O. "Mixed race" means a race conducted between two or more different breeds of horses.

[For text of subps 52 to 69, see M.R. 1989]

PARI-MUTUEL RULES ON LIVE RACING DAYS

7873.0110 APPROVAL OF PARI-MUTUEL POOLS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. ~~**Limitation on pari-mutuel pools.**~~ **Live racing days; director of pari-mutuel racing authority.** ~~The commission shall not approve a pari-mutuel pool in which a participant is required to select more than two horses in any race.~~ The director of pari-mutuel racing is delegated the authority to approve variation and changes in pari-mutuel pools previously approved by the commission, placement of pools in the program, and simulcasts requested by the licensee that meet the criteria in subpart 2.

7873.0120 PARI-MUTUEL BETTING.

Subpart 1. **Deficiencies.** In the event there is insufficient money available in a net pari-mutuel pool to return $2.10 on each winning $2 wager, the association conducting the pari-mutuel betting shall pay the deficiency from its share of the pool.

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Subp. 2. **Telecasts.** A licensee may, with the approval of the commission, transmit telecasts of races the licensee conducts for wagering purposes to a location outside the state. The commission may allow the licensee to commingle its wagering pools with the wagering pools at a facility located outside of this state that is regulated by a state racing commission, when it tansmits telecasts under this subpart.

7873.0140 FAILURE TO START.

After wagering has commenced on a race and prior to the race being run, should a horse or horses be scratched resulting in a field of less than six different betting interests, the following shall apply:

A. if five horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool;

B. if four or fewer horses of different betting interests ~~will leave the stalls~~ are declared starters, the association may refund the entire amount wagered in the show pool, the place pool, ~~or both~~ the exacta pool, the quinella pool; and

C. if fewer than two horses ~~leave the stalls~~ are declared starters, the race must be canceled and the entire amount wagered in the win, place, ~~and~~ show, exacta, and quinella pools must be promptly refunded.

In all cases, the association must, prior to the race being run, announce to the public its decision to cancel any pools.

7873.0150 SCRATCHES.

For all wagers other than the daily double ~~or~~, pick six, or pick three, a refund at face value shall be made to all holders of pari-mutuel tickets on horses that have been withdrawn, dismissed, or have participated in a race in which no horse finished. No refund shall be made if the scratched, withdrawn, or dismissed horse is part of a coupled entry or field.

7873.0190 PICK SIX.

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[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Actual favorite substituted for scratched horse.** In the event a pick six pari-mutuel ticket designates a selection in any one or more of the races comprising the pick six and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick six tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick six races.

[For text of subps 8 to 10, see M.R. 1989]

7873.0191 PICK THREE.

[For text of subps 1 to 7, see M.R. 1989]

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

The association may refund pick three tickets that include the scratched selection prior to the beginning of wagering for the first race comprising the pick three races.

[For text of subp 9, see M.R. 1989]

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, ~~item~~ B, and no person shall disclose the number of

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tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

[For text of subp 11, see M.R. 1989]

7873.0300 SIMULCAST WAGERING.

Subpart 1. **Request.** Upon written request of a Class B or Class D licensee, the commission shall approve wagering on races televised to Minnesota from another licensed racing jurisdiction. ~~The request must be made not less than seven days prior to the race to be televised. The request must be accompanied by~~ A signed reciprocal agreement among the racetrack originating (hosting) the broadcast, the association representing the horsepersons at the host track, the Minnesota racetrack receiving the broadcast, and the association representing the horsepersons at the Minnesota racetrack receiving the broadcast.

[For text of subps 2 to 5, see M.R. 1989]

7876.0110 OFF-TRACK STABLING.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Horses must be at racetrack by scratch time.** All horses shipped from another racetrack or off-track stabling facility to a racetrack for a race must be at the racetrack ~~before scratch time for that race~~ no later than 9:00 a.m. on the day on which the horse is scheduled to race.

7877.0120 FEES.

Subpart 1. **License fees.** Each application for a Class C license, or its renewal, shall be accompanied by the payment of an annual fee according to the following schedule:

[For text of items A to M, see M.R. 1989]

N. owner, multiple, ~~$100~~ $25;

O. ~~owner/trainer/driver, $25;~~

~~P.~~ pari-mutuel clerk, $10;

~~Q.~~ P. pony rider, $10;

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~~R.~~ Q. racing official, $25;

~~S.~~ R. stable foreman, $5;

~~T.~~ S. trainer, $25;

~~U.~~ T. trainer, assistant, $15;

~~V.~~ U. valet, $5;

~~W.~~ V. veterinarian, $100;

~~X.~~ W. veterinary assistant, $25; and

~~Y.~~ X. others, $10.

[For text of subps 2 to 4, see M.R. 1989]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainers.** Trainers shall have the following responsibilities.

[For text of items A to N, see M.R. 1989]

O. A trainer is responsible for having each horse in his or her charge that is racing in Minnesota or stabled on the grounds of an association tested for equine infectious anemia (EIA) once every 12 months. The tests shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each horse's negative EIA test results ~~(Coggins Certificate)~~ must be attached to the horse's foal registration certificate on or before the time of entry into a race or the entry must not be accepted. The ~~Coggins~~ EIA test Certificates must be dated within a 12-month period prior to the date of entry, and must be renewed or replaced on foal registration certificate no later than ten days following the date of expiration.

P. A trainer must ensure that at the time of arrival at a licensed racetrack, each horse in his or her care that will be entered and remain in the stable area for more than 24 hours is accompanied by a health certificate issued not more than ten days prior to the arrival. The health certificate must be completed by an accredited veterinarian and must contain complete Equine Infectious Anemia (EIA) test results, including the date, laboratory, and accession number of the most recent

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negative EIA test. The health certificates must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian.

[For text of items Q to S, see M.R. 1989]

[For text of subps 2a to 9, see M.R. 1989]

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

[For text of subps 1 to 3, see M.R. 1989]

Subp. 4. **Paddock judge.** The paddock judge shall have the following responsibilities.

[For text of items A to G, see M.R. 1989]

H. The paddock judge shall immediately report to the commission veterinarian or the association veterinarian the suspected infirmity or unsoundness of any horse.

[For text of items I to L, see M.R. 1989]

[For text of subps 5 to 15, see M.R. 1989]

7877.0185 APPLICABILITY OF RULES AND RULINGS.

Rules pertaining to Class C licensees and rulings or orders against them shall apply equally to other persons if:

A. ~~continued~~ participation in an activity by the other person would circumvent the intent of a rule ~~or~~, ruling, or order by permitting the person to serve, in essence, as a substitute for the ineligible licensee ~~because:~~; or

~~A~~ B. the other person is legally liable for the conduct that violated the rule or is the subject of the ruling; or

~~B~~ C. the other person benefited financially from ~~that~~ the conduct that violated the rule.

The ~~fraudulent~~ transfer of a horse in an effort to avoid application of a commission rule or ruling is prohibited.

7878.0120 LICENSING OF SECURITY OFFICERS.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$25~~ $10.

7883.0130 PENALTIES AND ALLOWANCES.

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Subpart 1. **Determining penalties and allowances.** Penalties and allowances shall be determined as follows.

[For text of items A to D, see M.R. 1989]

E. Eligibility, penalties, and allowances of weight for all races will be determined from the reports, records, and statistics published by the Daily Racing Form, and from information contained on Jockey Club (~~New York~~ Lexington) foal certificates~~;~~ ~~but~~, and from certificates issued by the American Quarter Horse Association (AQHA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, will not be considered. Responsibility for weight carried and eligibility still ~~remain~~ remains with the owner and trainer as provided in part 7883.0100, subpart 15.

[For text of items F and G, see M.R. 1989]

[For text of subps 2 to 4, see M.R. 1989]

7883.0140 CLAIMING RACES.

[For text of subps 1 to 15, see M.R. 1989]

Subp. 16. **Title to claimed horse.** Title to a horse which is claimed shall be vested in the successful claimant from the time the ~~field~~ horse has ~~entered the course~~ become a starter for the race in which the horse is scheduled to run, unless the race is canceled or the horse is excused by the stewards. The claimant shall then become the owner of the horse whether it be alive or dead, sound or unsound, or injured during the race or after it.

[For text of subps 17 to 30, see M.R. 1989]

7883.0150 PADDOCK TO POST.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Trainer to have horse in paddock.** A trainer shall have his or her horses in the paddock not less than ~~15~~ 20 minutes before post time. The trainer shall also attend his or her horse in the paddock and be present to supervise its saddling, unless he or she has obtained permission of a steward to send an assistant trainer or another trainer as a

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substitute. Every horse must be saddled in the paddock unless permission has been granted by the stewards to saddle elsewhere.

[For text of subps 3 to 12, see M.R. 1989]

7890.0140 BLEEDERS.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Restrictions on confirmed bleeders.** Confirmed bleeders shall be subject to the following restrictions:

[For text of items A to C, see M.R. 1989]

D. When a horse is observed bleeding a fourth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota~~.~~ unless the horse has not been observed bleeding in Minnesota for a period of at least one year immediately preceding the observation of a fourth bleeding. In such event, the horse shall be placed on the veterinarian's list and shall not be removed from the list for at least six months, and not until the commission veterinarian has approved its removal.

E. When a horse is observed bleeding a fifth time in Minnesota, the horse shall be barred from further pari-mutuel racing in Minnesota.

[For text of subps 6 to 10, see M.R. 1989]

7892.0120 TAKING OF SAMPLES.

[For text of subps 1 to 4, see M.R. 1989]

Subp. 5. **Split samples.** A portion of the sample from each horse tested, after a sufficient amount has been sent to the official laboratory, must be preserved by the ~~association~~ commission. It must be available for testing at the request of a person accused of a violation of chapter 7890. A person so accused may request that the portion of the test sample retained by the ~~association~~ commission be sent to a laboratory ~~other than the commission's official laboratory~~ selected from a list of laboratories approved by the commission for testing. A person making a request must bear the cost of shipment and additional testing. The cost of additional testing shall be paid in the form of a check or money order payable to the Minnesota Racing

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Commission or in cash at the commission's administrative offices.

[For text of subp 6, see M.R. 1989]

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between ~~January 31~~ February 15 and July 31, in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Late fees for late broodmare registration will be

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imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

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C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday

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and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

[For text of items A to C, see M.R. 1989]

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 to July 31 in Minnesota.

[For text of subps 2 to 8, see M.R. 1989]

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

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B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

[For text of subp 2, see M.R. 1989]

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

[For text of items A to C, see M.R. 1989]

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from ~~January 31~~ February 15 through July 31, in Minnesota.

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[For text of subps 2 to 6, see M.R. 1989]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before ~~January 31~~ February 15 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. The broodmare must be in foal to a Minnesota registered stallion which means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season from February 15 to July 31 in Minnesota.

B. In the event an unregistered broodmare should foal in Minnesota before ~~January 31~~ February 15, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Late fees for late broodmare registration will be imposed as follows:

(1) A late fee of $50 will be imposed for broodmare registrations received February 16 to March 16 (excluding Saturday and Sunday) of the foaling year.

(2) A late fee of $100 will be imposed for broodmare registrations received March 17 to May 15 (excluding Saturday and Sunday) of the foaling year.

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D. Failure to submit broodmare registration forms on or before ~~the January 31 cutoff date~~ May 15 of the foaling year (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of February 15 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by ~~January 31~~ February 15 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from ~~January 31~~ February 15 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before ~~January 31~~ February 15 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

C. Late fees for late stallion registration will be imposed as follows:

(1) A late fee of $50 will be imposed for stallion registrations received February 16 to March 16 (excluding Saturday and Sunday) of the breeding year.

(2) A late fee of $100 will be imposed for stallion registrations received March 17 to May 15 (excluding

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Saturday and Sunday) of the breeding year.

D. Failure to submit stallion registration forms on or before May 15 of the breeding year (excluding Saturday and Sunday) will disqualify any subsequent claims for stallion award payments.

E. The commission may, at its discretion, request written documentation from any persons seeking late registration that the stallion was standing in Minnesota as of February 15 of the breeding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within ~~30~~ 45 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. Late fees for late foal registration will be imposed as follows:

(1) A late fee of $50 will be imposed for foal registrations received up to 30 days late (excluding Saturday and Sunday).

(2) A late fee of $100 will be imposed for foal registrations received 31 to 90 days late (excluding Saturday and Sunday).

C. Failure to submit foal registration forms on or before 135 days of the date of foaling will disqualify any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

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D. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

~~C~~ E. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

[For text of subps 1 and 2, see M.R. 1989]

Subp. 3. **Appeal to commission.** A stewards' decision regarding a class C licensee may be appealed to the commission by:

~~A. The stewards or any person affected by the decision if such person believes that a greater sanction than that ordered by the stewards is warranted.~~

~~B.~~ The licensee asking the commission to reverse the stewards' decision in whole or part or to lessen the sanction ordered by the stewards.

~~C. All~~ B. Appeals to the commission ~~will be heard de novo and~~ are not subject to the contested case procedures.

Subp. 4. **Review or complaint by executive secretary director or motion of commission.** Nothing in this chapter precludes the commission from instituting proceedings to review a stewards' decision on its own motion or complaint of the ~~executive secretary~~ director.

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the ~~executive~~ director to stay the decision. The ~~executive~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** ~~Any affected party~~ A licensee may appeal a decision of the stewards by filing with the ~~executive~~ director a written request for an appeal within three days~~, excluding Saturday, Sunday, and holidays,~~ after the stewards have orally advised the ~~affected party~~ the licensee of the decision. The written request shall

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contain the following information:

[For text of items A to E, see M.R. 1989]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal ~~the sum of $50~~ an amount equal to ten times the appellant's occupational license fee in part 7877.0120, subpart 1, but not to exceed $250. The ~~sum~~ deposit will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the ~~$50~~ deposit will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposes of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. **Commission shall set date for hearing.** Within ~~five~~ three days~~, excluding Saturday, Sunday, and holidays,~~ of receipt of a written request for an appeal and the ~~$50~~ deposit, the commission chair, director, or the deputy director shall set a date, time, and place for the hearing~~, and shall give at least ten days' notice of the hearing to the appellant and any other party affected by the appeal~~. ~~Such~~ The hearing must be held within eight days of the receipt of the request for the appeal and the deposit. Notice shall be given to the appellant in writing and shall set out the date, time, and place of the hearing, and shall be served personally or sent by mail to the last known address of the appellant ~~and any other party affected by the appeal~~. If the appellant objects to the date of the hearing, the appellant may obtain a continuance, but the continuance shall not automatically stay imposition of the sanction or prolong a stay issued by the director.

Subp. 9. **Appeal by commission.** When the commission institutes an appeal on its own motion or at the request of the stewards or ~~executive secretary~~ director, a notice of appeal shall be served personally or sent by mail to ~~each person who may be affected by the appeal~~ the licensee, addressed to his or her last known place of residence, at least ten days prior to

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the hearing of the appeal. This notice of appeal shall contain the following:

[For text of items A to D, see M.R. 1989]

7897.0160 COMPOSITION OF HEARING PANEL.

[For text of subpart 1, see M.R. 1989]

Subp. 2. **Hearing panel's decision.** All decisions of the hearing panel must be made by majority vote. In the event the hearing panel is unable to arrive at a decision by a majority vote, the commission will consider the appeal based on the record before the hearing panel. The hearing panel shall issue its written decision within ten days, excluding Saturday, Sunday, and holidays, based on the record and must include the hearing panel's findings of fact and conclusions on all material issues. A copy of the hearing panel's decision shall be served upon all parties by first class mail. The decision of the hearing panel may not be appealed to the commission.

7897.0170 CONDUCT OF APPEAL HEARING.

[For text of subps 1 to 6, see M.R. 1989]

Subp. 7. **Burden of proof.** The ~~party proposing that certain action be taken~~ appellant must prove ~~the facts at issue by a preponderance of the evidence, unless the substantive law provides a different burden or standard~~ that the stewards' ruling is clearly erroneous or not supported by applicable law.

[For text of subps 8 and 9, see M.R. 1989]

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