

Minnesota Attorney General: Administrative Rules Proceedings

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DEPARTMENT: ATTORNEY GENERAL

STATE OF MINNESOTA

Office Memorandum

DATE: May 15, 1992

TO: RICHARD KRUEGER
Executive Director
Racing Commission

E. JOSEPH NEWTON
Special Assistant
Attorney General

FROM: MARTHA J. CASSERLY
Special Assistant
Attorney General

PHONE: 296-6839

SUBJECT: **Recent Amendments to the Racing Commission Rules**

Although I eventually approved the recent amendments to the Racing Commission Rules, as you know, there were numerous concerns and problems with the rules. You were fortunate with your timing of the submission of the rules, as we were able to review the rules under the new "harmless error" doctrine (1992 Minn. Laws, ch. 494, § 6), effective just several weeks ago.

Although the rules were ultimately approved, the defects, particularly the defects involving the fees, should be avoided in the future. I'd like to take this opportunity to summarize the major problems, so that they will not re-occur.

1. Generally, in order for an agency to assess fees by rules, the agency must have specific statutory authority to assess fees. In other words, the usual broad general authority to adopt rules is ordinarily not sufficient to assess fees, there must be an additional express statutory authority to assess fees. The reasons for this requirement are based on the direct impact fees have on the regulated party and based upon the fiscal impact of fees upon the fiscal structure of the agency.

One exception, to which I advised the Department of Finance in my April 22, 1992 memo, is that if an agency has the express statutory authority to assess certain types of fees, for example, occupational licensing fees, that authority arguably encompasses the authority to assess late fees under that program. However, in order to qualify for this exception, the agency must have express authority to assess the original fees, from which the late fees derive.

With the present rules, we were able to approve certain late fees when they were re-named "fines," to which your agency has express statutory authority to assess.

2. Fees must be approved by the Department of Finance before the "Notice of Intent to Adopt" and the rules are mailed and published in the State Register. In addition, the approval memo must be attached to and made a part of the Statement of Need and Reasonableness. Minn. Stat. § 16A.128, subd. 1a. Your Notice was mailed February 28, 1992, however, not only did you not yet have Finance's approval, you did not even request approval until March 13, 1992. In the future, you must seek and obtain the approval from the Department of Finance and attach the approval memo to the Statement of Need and Reasonableness before the Notice of Intent is mailed/published.

3. Also with fees, you must send a copy of the Notice of Intent and the proposed rules to the chairs of the House Appropriations Committee and Senate Finance Committee before you submit the notice and rules to the State Register. Here, the notices were not sent until three months later, during our review of the rules. Again, you need to comply with the statutory timeline.

I hope this memo assists you in your future rulemaking projects, so we can avoid these issues in the future.

MJC.di1
cc: Bruce J. Reddemann

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed Adoption of Rules Relating to Amendments to Existing Rules

STATEMENT OF NEED AND REASONABLENESS

GENERAL

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

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 Commission is also specifically authorized by Minn. Stat. Ch. 240.23 to promulgate rules governing Disclosure of Improvements and Equipment by Class A and B licensees, Medical Services at licensed racetracks, Prevention to Start, Trifecta, Twin Trifecta, Procedure for Obtaining Class C Licensees, Fees, Standards Required of Applicants for Specific Licenses, Dual Licensing, Duties and Responsibilities of Class C Licensees, Duties and Responsibilities of Racing Officials, Conflicts, Licensing of Security Officers, Rules of Racing, Racing Soundness Examination, Purses, Thoroughbred Breeders Fund, Thoroughbred Registration, Standardbred Breeders' Fund, Standardbred Registration, Quarter Horse Breeders'

Fund, Quarter Horse Registration, Prohibited Acts and Variances.

These broad statutory provisions clearly authorize the Commission to promulgate the proposed amendments to the rule governing horse racing in Minnesota.

RULE-BY-RULE ANALYSIS

7870.0050 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

The Commission proposes to amend the rule to include Arabian or other breeds. The present rule is restrictive to only thoroughbred, standardbred and quarter horse breeds. The addition of Arabian and other breeds permits all breeds of racehorses to be included in pari-mutuel racing in Minnesota. It is necessary to amend the rule because of a number of requests from representatives of various breed organizations to participate in racing at licensed racetracks in Minnesota, and because the present rule only allows for Thoroughbred, Standardbred and Quarter Horse racing. The proposed amendment is reasonable because it imposes no undue burden on the licensee, is consistent with rules presently in use in other racing jurisdictions, and has been successfully applied in other states.

7870.0220 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

The Commission proposes to amend the rule to include Arabian or other breeds. The present rule is restrictive to only thoroughbred, standardbred and quarter horse breeds. The addition of Arabian and other breeds permits all breeds of racehorses to be included in pari-mutuel racing in Minnesota. It is necessary to amend the rule because present rules only allow for thoroughbred, standardbred and quarter horse breeds and there have been requests to include Arabian and other breeds. The proposed amendment is reasonable because it imposes no undue burden on the licensee, is consistent with rules presently in use in other racing jurisdictions, and has been successfully applied in other states.

7870.0480 MEDICAL SERVICES.

The Commission proposes to amend the rule by allowing the substitution of a Certified Emergency Medical Technician in place of a Registered Nurse to be in the first aid room on all days on which racing is conducted. The rule change is necessary in response to the current shortage of available registered nurses able to perform this function, and it is less expensive for the licensee to use EMT's rather than registered nurses. The rule change is reasonable in that it imposes no undue safety concerns for persons working in the horse racing industry or patrons in attendance at races, and the change has been agreed to by the licensee, representatives of the Jockeys' Guild, and other concerned industry representatives.

7873.0130 PREVENTION TO START.

The Commission proposes to amend the rule to include Arabian or other breeds of horses. The present rule is restricted to thoroughbreds and quarter horses only, and it is necessary to expand the scope of the rule to allow for participation by Arabians or other breeds in the future as has been requested by a number of individuals on behalf of breeders organizations. The rule change is reasonable in that it imposes no undue burdens on the licensee, the breeds of horses racing, or the wagering public. The rule has been used successfully in other jurisdictions.

7873.0185 TRIFECTA.

The Commission proposes to amend subpart 7 of the rule to remove the prohibition on trifecta wagering on handicap races. The rule change is necessary in order to allow the licensee to offer trifecta wagering on handicap races, which is not allowed under present rules, and will allow for fuller fields in handicap race. The rule change is reasonable in that it imposes no undue burden on the licensee, and enhances the wagering opportunities for patrons attending races at licensed racetracks.

7873.0186 TWIN TRIFECTA.

The Commission proposes to amend subpart 9 of the rule to remove the prohibition on twin trifecta wagering on handicap races. The rule change is necessary in order to allow the licensee to offer twin trifecta wagering on handicap races which is not presently allowed in order to allow for fuller fields in handicap races. The rule change is reasonable in that it imposes no undue burden on the licensee, and enhances the wagering opportunities for patrons attending races at licensed racetracks.

7877.0110 PROCEDURE FOR OBTAINING CLASS C LICENSE.

The Commission proposes to amend subpart 2(C) of the rule to include the language "through 80 years of age" inasmuch as the Federal Bureau of Investigation does not process fingerprint cards for persons 80 years old and older. The rule change is necessary in order to conform the Commission's policies to those of the FBI, and to save Class C license applicants who are 80 years of age or older from having to pay for a service which will not be performed. The rule change is reasonable becauses it does not prohibit or unduly hinder the Commission from performing background investigations on applicants 80 years of age or older and, thus, the integrity of racing will not be harmed. The rule change is also reasonable in that it will save certain license applicants the fingerprinting fee.

7877.0120 FEES.

The Commission proposes to amend subpart 1 (C, D, E, F, G, H, J, K, L, M, N, O, P, Q, R, S, T, U, W, X and to add Y and Z) to the rule. The rule change is necessary in order for the Commission to comply with the directive from the Minnesota Department of Finance during the biennial budget process concluded in 1991 that the Commission recover the costs of its occupational licensing function through the license fees. The rule change is reasonable because the costs to the various categories of Class C licenses has been split across-the-board, with no one category bearing the brunt of the increase, and the increase has been kept to the minimum amount necessary to recover the cost of licensing. The rule change is also reasonable because the license fees are consistent with those charged in other racing jurisdictions, and those fees have been successfully collected in other states.

The Commission has complied with all procedures of the State and the Minnesota Department of Finance in preparing and submitting fee reviews for these increases.

The Commission is also proposing to amend subpart 2 of this rule. The change will conform the rule to the change sought in 7877.0110 (Procedure for Obtaining Class C License), and will reflect that fingerprint processing fees will not be collected from applicants 80 years of age or older. The rule change is necessary in order to make 7877.0120 consistent with 7877.0110. The change is reasonable in that license applicants age 80 or over will not be required to pay fingerprint processing fees, it imposes no undue burdens on the licensee, and the Commission will still be performing adequate background investigations on applicants 80 years of age or older.

7877.0130 STANDARDS REQUIRED OF APPLICANTS FOR SPECIFIC LICENSES.

The Commission is proposing to amend subpart 1 of the rule in order for the Commission to know the background of all owners who race their horses at licensed racetracks in Minnesota. Under the current rule, an individual who is ineligible for licensure as an owner for any reason is able to lease his horse to someone who is eligible for licensure. In order to further ensure the integrity of racing in Minnesota, it is reasonable to require lessors of race horses to undergo the same stringent background investigation as other Class C licensees in order that the Commission may have true knowledge of a horse's ownership, and to perform comprehensive background investigations on lessors of race horses. The rule change is necessary in order for the Commission to ensure the integrity of racing in Minnesota. The rule change is reasonable in that it imposes no undue burdens on licensees, and serves to enhance the welfare and safety of the wagering public.

The Commission also proposes to amend subpart 2 of the rule to insure that applicants for a multiple owners' license comply with all requirements of subpart 1 of the rule concerning lessors of race horses. The rule change is necessary to conform subpart 2 of the rule to subpart 1. The rule change is reasonable in that it

imposes no undue burdens on licensees, and serves to enhance the welfare and safety of the wagering public.

The Commission is proposing to amend subpart 14 of the rule pertaining to authorized agents. The amendment will expand the scope of the rule to provide that multiple ownerships using authorized agents also abide by this rule. The current rule provides that only individual owners must formally authorize agents to act on their behalf. The rule change is necessary in order to provide clarity as to who speaks on behalf of a multiple ownership. The rule change is reasonable in that it imposes no undue burdens on the licensee, and serves to make clear who acts on behalf of a multiple ownership.

7877.0135 DUAL LICENSING.

The Commission proposes to amend the rule to allow a farrier to earn a living while licensed in another capacity at the racetrack, and also allow someone who is licensed in another capacity to work as a farrier. The current rule prohibts farriers from being licensed in other capacities. The proposed change is necessary in order to respond to economic issues facing farriers and other individuals working within the horse racing industry at the present time. The proposed change is reasonable in that it allows farriers and other Class C licensees more freedom in providing for their families and earning a living while working at licensed racetracks.

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

The Commission is proposing to amend subpart 1(d) of the rule to expand the scope of the rule to include Arabian and other breeds and require them to register their colors with the Commission. The rule change is necessary because of numerous requests for Arabian horse racing and because the rules presently do not impose the duties and responsibilities on Arabian horse owners. Further, the change is necessary in order to conform the requirements for Arabians and other breeds to the requirements for thoroughbreds and quarter horses. The rule is reasonable in that no undue burden is imposed on the licensee and the rule has been successfully applied in other racing jurisdictions.

The Commission is proposing to amend subpart 1(e) of the rule to more clearly define the term "stable name". The rule change is necessary in order to remove confusion regarding the term in past years. The rule change is reasonable in that it imposes no undue burdens on the licensee, and serves to better inform the wagering public regarding horses listed on the racing program for any particular race.

A change is being proposed to subpart 2(e) of the rule to allow Arabians and other breeds to be registered by their owners. The rule change is necessary to enforce the same stringent requirements upon Arabians and other breeds as are

currently in use for thoroughbreds and quarter horses. The rule change is reasonable in that it serves to enhance the integrity of Arabian and other breed racing, and helps to guard against the wrong horse being entered and run in a race.

The Commission is proposing to amend subpart 2(k) of the rule to require trainers of Arabians and other breeds to personally attend to his or her horses in the paddock, and to supervise his or her horse's preparations to race, unless excused by the stewards because of illness or other emergency. The rule change is necessary to ensure that Arabians and other breeds comply with the same requirements currently in existence for trainers of thoroughbreds and quarter horses. The rule change is reasonable because it imposes no undue burdens on the licensee, and serves to protect the health and welfare of animals participating in the race, as well as the safety and welfare of the wagering public.

A new section, subpart 10, is being proposed. This subpart has been designed to address the care and handling of non-racing animals involved in the racing program. There are some twenty-five to fifty horses which work at the racetrack, but which are not covered by the present rules. Subpart 10 specifically applies to these animals, known as "pony horses".

Pony riders are persons who lead race horses to the track from the back of another horse, a "pony". These persons are licensed by the Commission and allotted stalls for their needs. Most pony riders own four to six ponies which are rotated on and off the track over the course of a racing season. On occasion the care or health status of one of these animals has come into question, yet there are no rules in effect to require pony riders to meet the same standards as other horse owners in these instances.

Item A requires each pony rider to register his or her pony horses with the Commission veterinarian. This section is needed so the Commission can keep track of each pony's health certificates and ensure the health and safety of the pony horses. Item B requires all ponies to be tested free of Equine Infectious Anemia once every twelve months and requires each pony rider to submit proof of such test to the Commission veterinarian. As ponies are in contact with many race horses in the course of a day, this rule is necessary to protect the infection of those horses with this fatal disease. Item C requires pony riders to obtain health certificates for all ponies to be transported onto the grounds of the racetrack. Item D covers minimum care which must be provided to ponies and Item E covers measures for the investigation of the death of any pony. These last items are necessary to promote the health and safety of the pony horses and is needed for closer oversight.

These five provisions are reasonable in that they reflect exactly the same standards of care and compliance with animal health regulations as do the present rules which pertain to horses which race. Working horses are still horses and should

be treated as well.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

The Commission is proposing a change to subpart 2(f) of the rule to dispense with the current requirement of weighing in every jockey in public view immediately after the conclusion of a race, and substituting a requirement any jockeys finishing first through fourth in non-stakes races and any other jockey designated by the steward in non-stakes races be weighed-in in public view immediately after the conclusion of a race; and that all jockeys finishing stakes races be so weighed in in public view. The rule change is necessary in order to allow for less time between races and thus better compete with other forms of racing. The rule change is reasonable in that the Commission's authority to weigh any jockey is not impugned, and will result in less turnaround time between races for the benefit of patrons attending the races.

A change is subpart 12 is being proposed to mandate that Arabians and other breeds have documented timed workouts and meet the same racing requirements as thoroughbreds and quarter horses. The change is necessary because Arabians and other breeds must be required to undergo the same racing requirements as thoroughbreds and quarter horses, and is necessary to provide for the safety of all horses participating in races at licensed racetracks. The rule change is reasonable in that it imposes no undue burdens and has been applied successfully in other racing jurisdictions.

The Commission is proposing a change to subpart 13 to require outriders to comply with requirements of 7877.0170, subpart 10, for all pony horses in his or her care. The rule is needed because the present rules do not cover such working horses and will serve to ensure the health and safety of such horses. The rule is reasonable because trainers are required to provide the same care and health testing services for race horses.

7877.0180 CONFLICTS.

The Commission is proposing a change to subpart 2 to prohibit veterinarians or veterinary assistants from participating in pari-mutuel wagering while licensed by the Commission. Veterinarians treating horses which race are in a unique position among licensees in the racing industry. They are permitted to be in possession of most drugs and hypodermic equipment without question and routinely spend time in a number of unrelated racing stables every day as a normal course of business. A veterinarian who wished to influence the outcome of a race by administering drugs to one or more participants could do so relatively easily, because of this normal contact with one or more horses daily.

With the introduction of the trifecta form of wagering to Minnesota pari-mutuel racing came an increased incentive for the possible manipulation of horses' performances to create larger winning payoffs. Again, the veterinarian is in the best position to do so, better than that of a jockey for example. A veterinarian might be able to tamper with five or six horses in one race without anyone knowing, while a jockey would need the collusion of other jockeys to do the same.

The rule change prohibiting veterinarians and veterinary assistants from betting is therefore necessary to control the possibility of such tampering and to decrease the opportunities for illegally influencing the outcome of a horse race. The change is reasonable because several other types of licensees, e.g., jockeys, racing officials, racing commissioners, etc., are similarly prohibited from betting.

7878.0120 LICENSING OF SECURITY OFFICERS.

The Commission is proposing to amend subpart 4 of the rule to increase the license fee for a Class C security officer from $10 to $15. The rule is necessary to comply with the directive from the Minnesota Department of Finance that the Commission recover the cost of its licensing operations through the Class C license fees. The rule is reasonable in that it corresponds to the increased license fees in 7877.0120, is a minimum amount, and is commensurate with licensing fees for security officers in other racing jurisdictions.

7883.0100 ENTRIES AND SUBSCRIPTIONS.

Changes are being proposed to subparts A, B and E to provide for documented entry and eligiblity requirements for Arabians and other breeds racing at licensed racetracks in Minnesota.

The change to subpart A would require that such horses be duly registered with the Arabian Horse Registry of America, Inc. or the nationally recognized registration organization relative to other breeds.

New language in subpart B would require that the the Arabian ID Supplement or any supplement relative to other breeds be filed with the racing secretary not less than two hours prior to the scheduled post time for any stakes race.

A change to subpart E would require that name changes for Arabians or other breeds be registered with the Arabian Horse Registry of America, Inc. or the nationally recognized registration organization relative to other breeds.

The rule changes are necessary to conform entry and subscription requirements for Arabians and other breeds to those required for thoroughbreds and quarter horses. The rule is reasonable in that it imposes no undue burdens, and has

been successfully applied in other jurisdictions.

A change is being proposed to subpart 16 to make the present rule clearer, and allow a horse to work on the day on which it is entered. The rule change is necessary because wording in the present rule is vague and allows for differing interpretations. The rule change is reasonable in that in imposes no undue burdens on horses or licensees, and makes the rule more understandable to all licensees.

7883.0120 DECLARATIONS AND SCRATCHES.

The Commission is proposing a change to subpart 6 of the rule to allow the stewards to declare a horse a non-starter after the start of a race. The present rule limits the stewards to making such a declaration to "before the running of a race". The rule change is necessary to allow the stewards to declare a horse a non-starter after the start of a race in emergency situations. The rule change is reasonable because it serves to protect the wagering public, allow for refunds of wagers under those emergency conditions, and protects the integrity of the wagering pools themselves.

7883.0130 PENALTIES AND ALLOWANCES.

A change is being proposed to subpart 1(e) to allow for the inclusion of Arabians and other breeds under the requirements of this rule. Specifically, the rule requires that determination of eligibility, penalties, and allowances of weight will be made from reports, records and statistics furnished by the Arabian Jockey Club (Colorado), from certificates issued by the Arabian Horse Registry of America, Inc. and further stipulates that information not included on these certificates will not be considered.

The change is necessary to require the same documentation for Arabians and other breeds as is currently required for thoroughbreds and quarter horses. The change is reasonable in that it imposes no undue hardships on licensees, and the requirements are used successfully in other racing jurisdictions.

7883.0140 CLAIMING RACES.

The Commission is proposing a change to subpart 21 to include Arabians under the same rule as thoroughbreds and quarter horses. The rule change is necessary in order to allow Arabians to participate in claiming races. The rule change is reasonable in that it imposes no undue burdens on Arabians when compared to thoroughbreds and quarter horses. The rule change is also reasonable because it has been used successfully in other racing jurisdictions, and serves to protect those individuals participating in claiming races in Minnesota.

7883.0160 POST TO FINISH.

The Commission is proposing a change to subpart 3. The change would allow a jockey riding in a race to claim a foul or protest to an outrider while still on the racetrack. The rule change is necessary in order to allow for less time between races, and to allow the stewards more time to review the tapes of the alleged infractions. The rule change is reasonable in that it imposes no undue burdens on the jockeys or other licensees, serves to lessen the time between races, and responds to requests from the wagering public for less time between races.

7891.0100 RACING SOUNDNESS EXAMINATION.

The proposed changes to this rule pertain to changes which have occurred in the Minnesota racing industry as a result of the decreases in attendance and handle over the past several years. As the purse monies have steadily decreasd, so too has the quality of the horses racing in Minnesota. On the average, the racing stables are smaller, the trainers have less experience, there are fewer stable employees to do the required work, and horses are more likely to be shipped back and forth between track and training center or between this track and other tracks.

The examining veterinarians have found it more and more difficult to properly perform pre-race examinations over the past several years. Horses have been exceedingly difficult to locate in the stable area, as last minute ship-ins are more common. Often the horse can be found but there is no attendant to help with the examination. The lack of good stable help has also resulted in horses still standing in bandages or poultice as of the veterinarian's third or fourth attempt to examine the horse.

The change to subpart 1 requires the trainer of an entered horse to be responsible for assisting with the examination, by ensuring that the horse is available and clean-legged and that someone is present to move the horse during the exam. It also requires that the horse has not been subjected to "freezing" of the legs to cover up evidence of soreness. This change is needed because effective pre-race examinations are the first line of protecting the horses from abuse. Subpart 2 calls for the trainer to report the correct location of the horse when an entry is made. This is necessary for the examining veterinarians to find the horse for its pre-race exam and for veterinarians to more fully, carefully and properly conduct a pre-race exam. Subpart 3 requires the racing secretary to provide a list of horse locations for each racing card to the Commission veterinarian. Again, this change is needed to prevent the problem of missing horses and allow veterinarians to more fully and properly perform their duties.

The proposed changes to this rule are reasonable because they do not place any undue burden on any licensee and they reflect actual practice at most race

tracks.

7892.0150 PURSES.

The Commission is proposing a change to subpart 2 to delete the purse redistribution determination for a violation of chapter 7890 (horse medication) and to include several new factors (ineligible horse, ineligible owner, improper underweight carried in race and not discovered prior to official, and fraud) for the stewards or Commission to consider in determining whether or not to order the redistribution of a purse. In other words, the Commission is seeking to broaden the scope of the rule, and to allow for other instances of purse redistribution other than for infractions of Chapter 7890.

The rule change is necessary to clear up certain ambiguities in the rule and to make it more clear under what circumstances a purse redistribution shall be considered. The rule change is reasonable in that it imposes no undue burdens on any licensee, and is in use successfully in other racing jurisdictions at the present time.

7895.0110 THOROUGHBRED BREEDERS' FUND.

The Commission is proposing changes to subparts 4 and 6 of the present rule. The changes are being proposed to provide for the Commission to consider two alternative methods of paying purse supplements. Recent meetings in 1991 with members of the Thoroughbred Breeders Fund Appropriations Advisory Committee of the Racing Commission resulted in a request from the thoroughbred horsemen to allow alternative methods of paying purse supplements to ensure a more equitable distribution.

The rule change is necessary to provide authority to the Commission to consider alternative methods when determining purse supplement payments and to allow more equitable distribution. The rule change is reasonable in that it responds to needs and issues raised by the thoroughbred horsemen in Minnesota, does not dilute the Commission's authority in determining the method of paying purse supplements, and serves to foster the growth of the thoroughbred industry in Minnesota.

7895.0125 THOROUGHBRED REGISTRATION.

Changes are being proposed to subparts 1(d), 2(d) and 3(c) of the present rule. The amendments would allow the Commission to levy late fees of $300 upon owners of broodmares and stallions for failure to comply with registration requirements currently in the rules, and to also levy late fees of $300 for foal registration forms not submitted on or before 120 days of the date of foaling. The change is necessary to allow the Commission to impose the late fee, and to encourage

the timely submission of registration documents.

The Commission's experiences over the past racing seasons has shown an increasing number of late filings of such documents, resulting in those individuals applying for relief through the Commission's variance procedures. The rule change is intended to encourage the timely filing of all documents to register broodmares, stallions and foals.

The amendment is reasonable in that it imposes no burden greater than those successfully imposed in other states, and will result in fewer variance hearings being convened by the Commission.

7895.0250 STANDARDBRED BREEDERS FUND.

The Commission is proposing new language to this rule in subpart 9. No live standardbred pari-mutuel racing has occurred in Minnesota since 1986. However, standardbred simulcasting of certain races will occur in Minnesota in 1992. It is necessary to promulgate a rule to provide for disbursement of monies accruing to the standardbred breeders fund from such simulcast races. The new subpart is intended to allow the Commission to disburse those monies as purse supplements at either pari-mutuel race meets licensed by the Commission, or at non-pari-mutuel meets conducted at county fairs throughout the state, or a combination of both.

The rule is necessary to allow for proper disbursement of such monies to the standardbred breeders' fund. The rule is reasonable in that it allows for such distribution whether or nor pari-mutuel live standardbred racing is being conducted at any given time. The rule is also reasonable in that the standardbred organization in the state was consulted, and had input into the drafting of the rule.

7895.0275 STANDARDBRED REGISTRATION.

The Commission is proposing a change to subpart 1(d) of the rule to allow the Commission to levy a late fee of $300 for stallion registrations not submitted on or before May 1 of any respective breeding year. The rule change is necessary to discourage the increasing number of horse owners from applying for variances through the Commission's formal variance procedure, and to allow for greater flexibility in dealing with late registrations. The rule change is reasonable in that such late fees have been imposed successfully in other racing jurisdictions, and it will encourage the timely filing of stallion registration forms from standardbred owners.

7895.0300 QUARTER HORSE BREEDERS FUND.

The Commission is proposing changes to subparts 1, 2, 3, and 4 of this

rule. Specifically, the changes to subpart 1 define two new types of Minnesota-bred quarter horses which will be allowed to earn purse supplement and award monies under the auspices of the quarter horse breeders' fund. The change to subpart 2 delineates how the monies in the quarter horse breeders' fund will be allocated. The new language in subpart 3 defines eligibility for receiving breeder and stallion awards, and deletes the owners award category from the rule. The change in subpart 4 explains how the money will be allocated in determining award payments.

The rule change is necessary to encourage the growth of the Minnesota quarter horse breeders' fund program, and to bring the quarter horse breeders' fund rules to closer conformation to existing thoroughbred breeders' fund rules. The rule change is reasonable because it imposes no undue burden on the horsemen, any licensees, or the wagering public. The rule change is also reasonable because the quarter horse organization in Minnesota was involved in the drafting of the proposed language. The rule change is further reasonable because it does not dilute the Commission's authority in making determinations relative to payments and awards, and serves to protect and enhance the integrity of the quarter horse breeders' fund program.

7895.0350 QUARTER HORSE REGISTRATION.

The Commission is proposing changes to this rule to further define registration requirements for individuals participating the quarter horse breeders' fund program.

Changes to subpart 1 provide new definitions for quarter horse broodmares, and adds language to make a mare's foal eligible for restricted races, in the case of a thoroughbred mare in foal to a Minnesota quarter horse sire registered in the Permanent Registry of the American Quarter Horse Association, by submission of a Jockey Club Certificate. The change to subpart 1 also provides that if a broodmare not registered with the Commission should foal in Minnesota before January 31 of any given year, a sworn affidavit to the racing commission or official registering agency is considered evidence that the foal is considered Minnesota-bred sired and foaled.

New language in subpart 2 outlines requirements for broodmare registration for Minnesota-bred foaled horses, and delineates the requirements for making those mares' foals eligible for restricted races under the breeders' fund program.

Subpart 3 contains language outlining requirements for broodmare registration for Minnesota-bred sired horses, and outlines the requirements for making those mares' foals eligible for entry in Minnesota-bred restricted races under the breeders' fund program.

Subpart 4 outlines the late fee schedule for quarter horse broodmare registrations, and further imposes a late fee of $300 for failure to submit broodmare registration forms on or before May 1 of any foaling year.

Subpart 5 deals with quarter horse stallion registrations, and imposes a late fee of $300 for failure to submit stallion registration forms on or before May 1 of any breeding year.

Subpart 6 contains language expanding the scope of the rule to include Minnesota-bred sired and foaled horses as well as Minnesota-bred foaled horses. Section E of the rule has been amended to impose a late fee of $300 for failure to submit foal registration forms on or before 120 days of the date of foaling for any subsequent claims to enter that horse in a restricted race.

Subpart 7 is a new section, dealing with Minnesota-bred sired quarter horses. The subpart outlines registration requirements, and provides for late fees for failure to submit registrations on time.

These rule changes are necessary in order to allow for the orderly expansion and growth of the quarter horse racing industry in Minnesota, and to encourage the timely submission of all documents and registration papers. The rule change is reasonable in that it is not substantially different from rules governing thoroughbred and standard breeders' funds in Minnesota, the Minnesota Quarter Horse Racing Association has been involved in the rulemaking process and concurs with the amendments, and the changes will allow the Commission to more closely monitor and administer the program.

7895.0400 ARABIAN BREEDERS' FUND.

This is a new section of rules being proposed by the Commission. It provides for the distribution of breeders' fund monies accruing to owners and breeders of Arabian horses in Minnesota. Specifically, subpart 1 of the rule defines Minnesota-foaled or Minnesota-bred horses, Minnesota-sire, and breeder. Subpart 2 deals with the division of monies accruing to the Arabian breeders' fund, subpart 3 outlines how the monies will be allocated among breeders, stallions, and owners awards, and subpart 4 outlines the method of payment. Subpart 5 deals with adjustments to purse supplements, subpart 6 deals with payment of purse supplements, and subpart 7 deals residual funds in the form of unearned purse supplements.

The above rule is necessary in order to allow Arabian horses to participate in the Minnesota breeders' fund programs, and to encourage and foster the growth of the Arabian racing program in the Minnesota. The rule is necessary to allow the Commission to register horses into the program, and to disburse monies pursuant to rule. The rule is reasonable in that it has been patterned after breeders'

fund rules currently in use for thoroughbreds, standardbreds and quarter horses in Minnesota and does not differ significantly. The rule is also reasonable because it reflects input from the Arabian racing interests in Minnesota, and does not impose any undue burdens on Arabian owners or breeders.

7895.0450 ARABIAN REGISTRATION.

7895.0450 is a new rule proposed by the Commission. Subparts 1 lists requirements and imposes late fees for broodmare registration. Subpart 2 deals with registration procedures for Arabian stallions and the imposition of late fees, and subpart 3 lists requirements for Arabian foal registration and imposes lates fees.

The rule is necessary to provide incentives for the growth of the Minnesota Arabian horse industry, and to allow the Commission to properly and efficiently manage the Arabian breeders' fund. The rule is reasonable in that it is not unlike registration rules currently in use for the Minnesota thoroughbred, standardbred and quarter horse breeders' fund. The rule is reasonable in that it imposes no undue hardships upon the participants, and will provide for the orderly management of this breeders' fund.

7897.0100 PROHIBITED ACTS.

The Commission is proposing a change to subpart 9 to prohibit licensees from engaging in fraud or misrepresentation with regard to the sale of horses. The rule change is necessary to broaden the scope of the Commission's authority in dealing with frauds and misrepresentations involving the sale of horses and to oversee and penalize such misconduct. It is also necessary to protect consumers from possible fraud in connection with the sale of horses. Many times such sales take place upon the grounds of a licensed racetrack, and this rule gives the Commission the authority to impose disciplinary sanctions against those involved in such fraud or misrepresentation. The rule is reasonable in that it serves to further insure the integrity of racing in Minnesota, and to protect the welfare and safety of those participating in the racing industry in the state of Minnesota.

The Commission is also proposing a change to subpart 10 of the rule to allow the Commission to impose disciplinary sanctions upon licensees involved in financial responsibility complaints directly related to that licensee's racing activities. The current rule provides for such actions to be taken only in regard to racing activities in Minnesota. Oftentimes, such financial responsibility complaints arise from actions of licensees at another track in another state. This rule change gives the Commission the authority to deal with financial responsibility complaints brought against any licensee at a Minnesota licensed racetrack, regardless of where the activity resulting in the complaint took place. The rule change is necessary to allow the Commission to discipline licensees for infraction of the rule, and to allow for more

expeditious settling and arbitrating of complaints. The rule change is reasonable in that it serves to enhance the integrity of racing in Minnesota, and to better protect the safety and welfare of the participants in racing, and to protect vendors and local merchants from individuals who are transient and difficult to collect debts from.

7899.0100 VARIANCES.

The Commission is seeking a change to this rule to prohibit the filing of variance requests dealing with impositions of late fees on various breeders' fund matters.

Current rules allow the Commission to impose late fees for late filings of papers and documents concerning the various breeders' funds. The Commission originally sought to impose these late fees to discourage breeders and owners from filing late registrations. However, the Commission has discovered that many breeders and owners are now filing for formal variances from the late fee requirements.

The rule change is necessary in order to prevent persons from attempting to circumvent breeders' fund registration rules by the filing of a variance. The rule is also necessary in order to efficiently manage the breeders' fund programs, and prevent the rapid escalation of formal variance hearings to deal with these breeders' fund issues. The rule change is reasonable in that it imposes no undue hardship on breeders, will serve to make the application of the rule apply fairly to all participants, and will discourage the frivolous reqeusts for formal variance hearings.

OTHER STATUTORY REQUIREMENTS

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

The proposed amendments to the racing rules and new rules indirectly impact small businesses in that these rules may affect vendors and material suppliers, as well as Class C occupational license holders. The rule does not affect small businesses disproportionately nor does the rule prevent small businesses from participating in horse racing. The Commission considered the method to reduce the impact of the amendments and new rules on small business pursuant to Minn. Stat. 14.115, subd. 2 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. The Commission's review included evaluation of the impact of the rules not only on the racetrack but also individual owners and trainers who work at the racetrack and small business vendors providing goods and services to the racetrack.

Minn. Stat. 14.11, subd. 2 is not applicable because the proposed

amendments will not have any direct and substantial adverse impact on agricultural land. Sections 115.43, subd. 1 and 116.07, subd. 6 are not applicable. Likewise, 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 2/14/92
MINNESOTA RACING COMMISSION

change fees to fines

1. pg 22, line 4- rqe pyment of a fine of
2. pg 22, ln 16 " " " "
3. pg 23 lines 1- 9 - a fine of.
4. pg 26, line 8-18 " "
5. pg 27, line 9-17 - a fine of

240.10

Patty - Rule Questions

no registration authority (author) always done it for the last 2 approved them

X. Again - prob w/substantial change - why or under what auth have the equine dentist & other not included gate crew been paying fee
7877.0120. subl 1 X Other, $10
maybe Assist Vet 7877.0120. subl 10 Vetn assist $25.

1. on Proposed Rule - pg 21, line 14 -
original (1) what is authority for comm to impose fee for broadmare registration / ~~registering~~ marked not new material
(2) finance approval?

2. pg 22 - line 4 - Stallion registration late fee
(1) where is statutory authority to impose registration fee for stallions? 300
~~(2)~~ finance Approval? $300 approval

4. pg 22, line 16 / pg 23 - lines 1 - 10 300 approval
(a) auth to impose regist fee for foal regist
~~(b)~~ finance approval?

5. pg 26, line 8 - Arabian
(a) auth to charge fees for broadmare registration
~~(b) finance approval~~ - yes - have app

6. pg 27, line 9 - 18 Arabian
(a) auth to charge fees for Stallion regist
(b) finance Approval

(7.) pg 28, lines 10 - 19 Cavaliers

(a) auth to charge fee for late regist

(b) Finance Approval?

no original registration authority but based on Mary's memo you can have authority to charge late fees - we approved late fee registration before

ie page 19 lines 16-32

MINNESOTA RACING COMMISSION
7825 Washington Avenue South, Suite 800
Bloomington, Minnesota 55439
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

May 5, 1992

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

Dear Ms. Nolte:

In regard to the rules we are promulgating, enclosed are memoranda to Representative Simoneau and Senator Merriam regarding the fee increases contained in those rules.

On Friday, I personally spoke with Representative Simoneau and he indicated he had no problem with the fees as they were being proposed.

Additionally, yesterday I received a call from Peggy Willens, staff for Senator Merriam, during which she indicated they had no problem with the fees as proposed.

I had tried to schedule an appointment with Senator Merriam but was told he would not be available until sometime this Friday. Ms. Willens indicated that because of the nature of these fees, it would not be necessary to meet with Senator Merriam and that the Attorney General's office should be notified that they also waive the review and based upon her evaluation, they have no problems or questions regarding these fee increases.

I appreciate your help in this matter and will do what I can to avoid this situation the next time we promulgate any fee changes by rule.

Sincerely,

Richard G. Krueger
Executive Director
Minnesota Racing Commission

RGK/mc

enc.

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May 1, 1992

The Honorable Wayne Simoneau
365 State Office Building
100 Constitution Ave.
St. Paul, MN 55155

Dear Wayne:

Enclosed for your information are copies of proposed fee increases and correspondence of approval from the Department of Finance and the Attorney General. These are being submitted to you pursuant to M.S. 16A.128, Subd. 2A. Due to an oversight on my part, this was not submitted to you earlier. I sincerely apologize for the lateness in informing you of these proposed changes, but beg your indulgence in affirmatively reviewing these proposed changes. We are at the point where the rules in total are to be formally approved by the Attorney General. Your expeditious review would be greatly appreciated.

The substance of the proposed increases is to implement a 1991 budget recommendation to increase licensing fees to cover estimated costs of licensing individuals to work at the racetrack. We are also proposing to add two occupational categories (equine dentist and gate crew) to provide more disclosure in the licenses issued as well as determining credentials for these classes of licenses. These will not, however, increase our revenues since previously individuals were licensed for these occupations in an "other" category.

Additionally, the late fees for the Breeders Fund registration program will provide additional revenues for the administration of this program as well as provide for economics in enforcing registration deadlines.

Should you need any additional information, please call me. Again, it would be greatly appreciated if you and your staff could expedite your review of this notice. I did testify as to these fee increases during a budget presentation to the Economic Development, Infrastructure, and Regulation Division of the House appropriations committee on Friday, March 6, 1992.

Sincerely,

Richard G. Krueger
Executive Director
Minnesota Racing Commission

RGK/mc

cc: Paul Schweitzer

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Telephone: 612-496-7753 Fax: 612-496-7762

May 1, 1992

The Honorable Gene Merriam:
122 State Capitol Building
75 Constitution Avenue
St. Paul, MN 55155

Dear Senator Merriam:

Enclosed for your information are copies of proposed fee increases and correspondence of approval from the Department of Finance and the Attorney General. These are being submitted to you pursuant to M.S. 16A.128, Subd. 2A. Due to an oversight on my part, this was not submitted to you earlier. I sincerely apologize for the lateness in informing you of these proposed changes, but beg your indulgence in affirmatively reviewing these proposed changes. We are at the point where the rules in total are to be formally approved by the Attorney General. Your expeditious review would be greatly appreciated.

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Should you need any additional information, please call me. Again, it would be greatly appreciated if you and your staff could expedite your review of this notice. I did testify as to these fee increases during a budget presentation to the Economic Development, Infrastructure, and Regulation Division of the House appropriations committee on Friday, March 6, 1992.

Sincerely,

Richard G. Krueger
Executive Director
Minnesota Racing Commission

RGK/mc

cc: Peggy Willens

ATTY GENERAL

7 APR 92 11: 58

TABLE 1

Occupational (Class C) License Summary By Year

	1985	1986	1987	1988	1989	1990	1991
Commission/MRC Staff	25	39	38	33	31	40	55
Authorized Agent	64	0	0	0	0	0	0
Bloodstock Agent	5	1	1	2	3	2	1
Concessionaire/Vendor	79	69	41	57	42	41	45
Concession/Vendor Employee	916	718	594	609	602	513	512
Vendor, Sole Proprietor	0	15	11	21	23	26	29
Detention Barn Technician	0	0	0	24	28	31	29
Driver	0	37	0	0	0	0	0
Equine Dentist	0	0	4	5	4	3	3
Exercise Rider	101	146	147	158	121	109	116
Farrier	35	34	26	26	24	16	23
Farrier's Assistant	5	6	2	3	2	0	2
Gate Crew	0	0	0	13	13	15	12
Horsemens' Bookkeeper	1	2	2	1	1	1	1
Groom/Hotwalker	829	1,245	785	875	758	517	550
Jockey	79	113	115	128	123	86	88
Jockey Agent	28	19	22	20	25	20	18
Jockey, Apprentice	7	8	14	18	11	12	9
Owner, Individual	1,352	2,784	2,336	2,555	2,501	2,334	2,458
Owner, Multiple	306	650	516	612	495	417	499
Owner/Trainer	112	232	171	224	194	0 *	0 *
Pari-mutuel Clerk	428	378	350	360	328	316	267
Pony Rider	31	38	32	38	32	39	35
Racing Official	24	32	16	14	15	16	16
Security Officer	94	103	60	65	50	47	43
Stable Foreman	37	38	21	29	21	15	14
Trainer	103	166	159	165	141	312	300
Trainer, Assistant	63	86	81	103	86	71	77
Valet	15	17	16	21	22	22	19
Veterinarian	25	24	15	15	15	16	11
Veterinary Assistant	13	10	6	8	6	5	8
Owner/Trainer/Driver	0	148	0	0	0	0	0
Canterbury	0	53	17	13	6	5	3
Canterbury Plant Employees	0	272	203	223	204	146	123
Canterbury Staff	0	41	44	37	36	20	19
Canterbury Operations	0	193	200	174	192	165	134
Canterbury Medical	0	12	17	12	13	19	21
Canterbury Racing Secretary	0	14	8	7	6	4	1
Canterbury Marketing	0	20	15	19	17	20	26
Stables	43	216	111	151	105	57	72
Other	503	63	81	43	39	37	24
Totals	**5,323**	**8,042**	**6,277**	**6,881**	**6,335**	**5,515**	**5,663**

* beginning with the 1990 racing season, this category was discontinued

~~[illegible]~~

no statutory auth for fees - §240.10 + 240.08

~~who is concession/vendor/fee - $15~~

- late fees under breeder fund

- std bred registration pg 16, line 7
late fee of $300 - approval by finance
- auth?

pg 21, line 14 - (a) is there auth for fees for broodmare registration
(b) finance approval?

pg 22, line 4 - late fee
pg 22, line 16 " "
pg 22, lines 36 - pg 23, lines 1 - 16

pg 26 - late fees for Arabian regist
- OK'd by finance
- but stat auth

pg 27 - late fees for stallions - finance
stat fees

~~pg 27, line 31~~

pg 28 lines 8- Total registration

Sub Δ- have approval by Zikang

MJC
4/30/92

RULE REVIEW CHECKLIST

File No. 1915
DATE RECEIVED 4-24-92
REVIEW DATE 5/4/92 (5/3/92)
DUE DATE 5/8/92
(DIS)APPROVED 5-8-92 mjc
WITHDRAWN

Docket No. 05 0009 0733
ADOPTED W/O HEARING
EMERGENCY RULE
TO REVISOR ON 4/30/92
REVISOR (DIS)APPROVED 5/4/92
FILED W/SEC. OF STATE 5-11-92
RETURNED TO AGENCY

3 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

✓ Board's Authorizing Resolution
January 31, 1992 Date adopted

___ Proposed Rule
___ Revisor's Certificate

✓ Notice of Intent to Adopt Rule
240.23 Statutory Authority
NA Small Business Statement
NO Expenditure of public money statement
January 31, 1992 Signature

___ Statement of Need and Reasonableness (if applicable) Poor - Weak
✓ Small Business Statement
✓ Fees - § 16A.128 no approval from Finance no letter

✓ Affidavit of Mailing Notice of Intent to Adopt Rule
February 28, 1992 Dated 30/25 days before adoption
✓ Notice attached indicates it is attached

___ Copy of rule or summary attached

✓ Publication in State Register
March 2, 1992 Date 30/25 days before adoption

✓ 180-day deadline from:
✓ Effective ~~date of law~~ requiring rule (14.12) (both rules) amendments don't apply
✓ end of ~~comment period (§ 14.26)~~ (rules without hearing)
___ effective date of statutory authority (§ 14.29) (emergency rules)

✓ Resolution Adopting
April 22, 1992 Date adopted

✓ Findings of Fact, Conclusions & Order Adopting
April 22, 1992 Date

___ Written Requests, Submissions or Comments Call for Comment

✓ Declaration of Attorney
Joseph Newton Name of SAAG representing agency

___ Notice of Submission to Attorney General (if applicable)

___ Affidavit of Mailing Notice to Attorney General (if applicable)

Rules rcl

DEPARTMENT: Office of the Attorney General **STATE OF MINNESOTA**

OFFICE MEMORANDUM

DATE: May 11, 1992

TO: RICHARD KRUEGER
Minnesota Racing Commission
7825 Washington Avenue South
Suite 800
Bloomington, MN 55439

FROM: MARTHA J. CASSERLY
Special Assistant
Attorney General

PHONE: 296-6839

SUBJECT: In the Matter of the Adopted Rule Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

The above-referenced rule has been approved as to its legality by the Attorney General on May 8, 1992.

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.

MJC:jj

cc: E. Joseph Newton
William Brown, Chief Judge
MaryAnn Hruby

Department: of Finance

STATE OF MINNESOTA

Office Memorandum

Date: April 24, 1992

To: Carolyn I. Allmon, Director of Pari-mutuals and Finance
Minnesota Racing Commission

From: Bruce J. Reddemann, Director BJR
Budget Operations

Phone: 296-5188

Subject: Fee Increases as Requested in Your March 13 Memo

I have been awaiting for an interpretation related to legal authority related to one of the fees in question from the Office of the Attorney General prior to issuing the fee approvals.

The Occupational licensing fees as indicated on the attachment dated March 13, 1992 are hereby approved as is the new $300.00 late qualifying fee for all breeds of horses registering as well as the current schedule of Breeders' Fund late fees for the Arabian breed.

attachment:

cc: Richard Krueger
Jim King
Dale Nelson
Glenn Olson

ION
APR
AM PM

13-Mar-92

Minnesota Racing Commission
Current and Proposed Licensing Fee Structure

Type	Current Fee	New Fee
Gate Crew	$10	$15
Bloodstock Agent	$100	$100
Vendor	$100	$100
Vendor Employee	$10	$15
Driver	$25	$35
Equine Dentist	$25	$30
Exercise Rider	$15	$20
Farrier	$25	$35
Farrier's Asst.	$10	$15
Horsemen's Bookkeeper	$25	$25
Groom/Hotwalker	$5	$10
Jockey	$25	$35
Jockey Agent	$25	$35
Jockey, Apprentice	$25	$35
Owner, Individual	$25	$35
Owner, Multiple	$25	$35
Pari-Mutuel Clerk	$10	$15
Pony Rider	$10	$15
Racing Official	$25	$35
Security Officer	$10	$15
Stable Foreman	$5	$10
Trainer	$25	$35
Trainer, Assistant	$15	$20
Valet	$5	$10
Veterinarian	$100	$100
Veterinarian, Assistant	$25	$35
Assn. Seasonal Employees	$10	$15
Association Staff(perm.)	$25,$10	$35
Stables	$50	$50

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P.O. Box 315, Shakopee, Minnesota 55379
Telephone: 612-496-7753 Fax: 612-496-7762

March 13, 1992

TO: Richard Krueger, Executive Director

FROM: Carolyn I. Allmon, Director of Pari-Mutuels and Finance
Martha Cusimano, Breeders' Fund Administrator
Sherry Kiser, Licensing Supervisor

SUBJECT: RECOMMENDED CHANGES TO PROPOSED RULES PUBLISHED IN STATE REGISTER MARCH 2, 1992

The following changes to the proposed rules as cited above are made for the reasons indicated:

1) page 1984, 7877.0120 FEES, Subpart 1.;

Change: add "Effective January 1, 1993," after "License fees" and replace "E" with "e" in the word "each". Also add the following fees, never included in original list; "Gate Crew, $15; Equine Dentist, $30."

Reason: equitablity and practicality. If we depend on when the rules are effective to start the new schedule, the fees would likely be increased in the midst of the 1992 Race Meet, so some persons would pay the old rate and others the new. Changing the fees in the midst of the meet would also require extra staff time to reprogram the computer and change forms reflecting the new changes. Since licenses expire at the end of the calendar year, it makes sense to start the new schedule at the beginning of the new calendar year. Putting the effective date in the rules also gives the public and the MRC staff a firm date for planning purposes.

2) page 1989, 7895.0110 THOROUGHBRED BREEDERS' FUND Subpart 6.
page 1990, 7895.0250 STANDARDBRED BREEDERS' FUND Subpart 6.
page 1991, 7895.0300 QUARTERHORSE BREEDERS' FUND Subpart 6.
page 1994, 7895.0400 ARABIAN BREEDERS' FUND Subpart 6.

Change: Change the time of payment in all these subparts from 30 to 45 days.
Reason: With the law passed June 5 requiring that purse supplements for Quarterhorse and Thoroughbred breeds during the Mixed Meet be apportioned according to the number of races run of each breed over the whole mixed meet [MS 240.13,Subd. 5 (e),(1991 supplement)], the addition of new breeds and the the proposed Thoroughbred option to pay out Purse Supplements at the end of the

meet, more time is necessary to complete the verification and payment issuing process.

3) page 1990, 7895.0250 STANDARDBRED BREEDERS' FUND Subpart 9.

Change: Add the following after "simulcasting": "pursuant to M.S. 240.18, 1991 Supplement, Subdivision 3, b(1)"

Reason: This change will make the rule consistent with the law change proposed in S. F. 2159 (1992 session).

cc: Patrick Shannon
Mary Magnuson

Minnesota Racing Commission

Adopted Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

Rules as Adopted

7870.0050 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class A license must disclose with respect to the pari-mutuel horse racing facility it will own and operate:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0220 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class B license must disclose with respect to the facility at which it will sponsor and manage pari-mutuel horse racing:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

[For text of item A, see M.R.]

B. a licensed physician and certified emergency medical technician on duty in the first aid room on all days during which horse racing is conducted; and

[For text of item C, see M.R.]

7873.0130 PREVENTION TO START.

In a thoroughbred, quarter horse, arabian, or other breed

Approved by Revisor PMM

race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

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

7873.0185 TRIFECTA.

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

Subp. 7. **Restrictions on trifecta races.** The restrictions in items A and B apply to trifecta races.

[For text of item A, see M.R.]

B. If fewer than eight horses are declared starters, trifecta wagering shall be canceled and all trifecta wagers shall be refunded. If time permits, the association may schedule exacta wagering in place of trifecta wagering.

[For text of subp 8, see M.R.]

7873.0186 TWIN TRIFECTA.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Restrictions on twin trifecta races.** The restrictions in items A and B apply to twin trifecta races.

[For text of item A, see M.R.]

B. If fewer than eight horses are declared starters for the first race of the twin trifecta, twin trifecta wagering shall be canceled for that day and all twin trifecta wagers shall be refunded. However, any accumulated second race twin trifecta carryover will not be affected and will carry over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

If fewer than eight horses are declared starters for the second race of the twin trifecta, all holders of exchange

Approved
by Revisor _____

tickets to the second race of the twin trifecta will share equally in that part of the second race net pool added in that day. The amount carried over from previous days will not be distributed and will be carried over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

[For text of subp 10, see M.R.]

7877.0110 PROCEDURE FOR OBTAINING CLASS C LICENSE.

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

Subp. 2. **Application content.** An application for a Class C license shall include the following information with respect to the applicant:

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

G. if the applicant is 18 through 80 years of age, a completed FBI fingerprint card.

[For text of subps 3 and 4, see M.R.]

7877.0120 FEES.

Subpart 1. **License fees.** Effective January 1, 1993, 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:

A. bloodstock agent, $100;

B. concessionaire/vendor, $100;

C. concession/vendor employee, $15;

D. driver (harness), $35;

E. equine dentist, $30;

F. exercise rider, $20;

~~F.~~ G. farrier, $35;

~~G.~~ H. farrier's assistant, $15;

~~H.~~ I. gate crew, $15;

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J. groom/hot-walker, $10;

~~I.~~ K. horsepersons' bookkeeper, $25;

~~J.~~ L. jockey, $35;

~~K.~~ M. jockey agent, $35;

~~L.~~ N. jockey, apprentice, $35;

~~M.~~ O. owner, individual, $35;

~~N.~~ P. owner, multiple, $35;

~~O.~~ Q. pari-mutuel clerk, $15;

~~P.~~ R. pony rider, $15;

~~Q.~~ S. racing official, $35;

~~R.~~ T. stable foreman, $10;

~~S.~~ U. trainer, $35;

~~T.~~ V. trainer, assistant, $20;

~~U.~~ W. valet, $10;

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

~~W.~~ Y. veterinary assistant, $35;

~~X.~~ Z. association employees, seasonal, $15;

~~Y.~~ AA. association staff, permanent, $35; and

~~Z.~~ BB. stables, $50.

Subp. 2. **Fingerprint charge.** In addition to the license fee in subpart 1, each initial application for a Class C license, and each renewal application every third year thereafter, shall be accompanied by a completed FBI fingerprint card taken by the commission and a cashier's check or money order in the amount established by the Association of Racing Commissioners International or the Federal Bureau of Investigation. Any horse owner who does not make application in person must meet all requirements of this subpart, except that the owner may file a completed fingerprint card taken by a law enforcement agency. This subpart does not apply to applications submitted by persons under the age of 18 or over the age of 80.

[For text of subps 3 and 4, see M.R.]

7877.0130 STANDARDS REQUIRED OF APPLICANTS FOR SPECIFIC LICENSES.

Subpart 1. **Individual owners.** An applicant for an individual owner's license must own, lease, or be a lessor of a

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horse eligible to race in Minnesota which is registered with the racing secretary and under the care of a trainer licensed by the commission.

If younger than 18 years of age, an applicant for an individual owner's license must submit a notarized affidavit from his or her parent or legal guardian stating that the parent or legal guardian assumes responsibility for the applicant's financial, contractual, and other obligations relating to the applicant's participation in racing. A parent or legal guardian submitting such an affidavit also shall submit information required in part 7877.0110, subpart 2. If the commission has reason to doubt the financial responsibility of an applicant for an individual owner's license, the applicant shall complete a verified financial statement.

Subp. 2. **Multiple owners.** Applicants for a multiple owner's license must comply with subpart 1 and the following requirements.

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

[For text of subps 3 to 13, see M.R.]

Subp. 14. **Authorized agents.** To be appointed an authorized agent, the appointee must be licensed as either an individual owner or as a trainer. A written agency appointment authorizing him or her to act on behalf of a licensed individual owner or licensed multiple owner, or licensed trainer in racing matters not directly related to the care and training of horses must accompany the appointment. The authorization shall be on a form provided by the commission and shall define the powers, limits, and terms of the agency agreement. The authorization must be signed by the individual principals or the multiple owner designated representative and notarized.

A separate notarized agency appointment is required for each principal an authorized agent intends to represent. All such agencies shall remain in effect for the duration of the current race meeting unless written notice of revocation is submitted to the stewards at the meeting where the principal is racing.

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[For text of subp 15, see M.R.]

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey or veterinarian may not be licensed in another capacity.

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

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

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

D. An owner of a thoroughbred, quarter horse, arabian, or other breed is responsible for the registration of colors and for their availability to, and use by, the jockey engaged to ride the owner's horse.

E. A stable name is defined as any ownership operating under the terms farm, stable, or ranch or any individual operating under a name other than its own name and must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of another owner of race horses as a stable name. A stable name which has already been registered may not be registered by another owner.

[For text of subitems (1) to (3), see M.R.]

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

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

E. A trainer must register each horse in his or her charge within 24 hours of the horse's arrival on the grounds of an association by completing forms provided by the racing secretary. At the same time, any trainer of thoroughbred, quarter horses, arabian, or other breeds must submit with that registration a description of the owner's colors for each horse

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in his or her charge.

[For text of items F to J, see M.R.]

K. A thoroughbred, quarter horse, arabian, or other breed trainer shall personally attend his or her horses in the paddock, and shall supervise his or her horses' preparation to race, unless excused by the stewards because of illness or other emergency.

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

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

Subp. 10. **Pony riders.** The following applies to pony riders licensed by the commission:

A. Within 24 hours of obtaining a Class C license, a pony rider must register with the commission veterinarian and provide at that time a list of all pony horses for which he or she is responsible and which he or she intends to bring onto the grounds of the association. Such a list will include the name, sex, age, and brief description of color and markings for each pony horse. Should a pony rider obtain additional pony horses during the racing season, he or she must also register these animals with the commission veterinarian prior to bringing them onto the grounds of the association.

B. A pony rider is responsible for having each pony horse in his or her charge tested for equine infectious anemia (EIA) once every 12 months. The test shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each pony horse's current negative EIA test results must be provided to the commission veterinarian at the time of registration pursuant to item A or, if not available at the time of registration, prior to the arrival of the pony horse at the racetrack. Any certificate which expires during the racing season must be replaced with a current EIA test certificate no later than ten days following the date of expiration.

C. Anyone bringing any pony horse onto the grounds of the association must provide to stable gate personnel the accurate name of the animal. Each pony horse must be

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accompanied by a health certificate completed by an accredited veterinarian and issued not more than 14 days prior to arrival. The health certificate must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian. A pony horse which leaves the grounds for a period of two weeks or less does not have to be accompanied by a new health certificate upon its return.

D. The pony rider shall supply each pony horse in his or her care with adequate food, water, medical treatment, exercise, and shelter, and shall comply with all applicable provisions of Minnesota Statutes, chapter 343.

E. A pony rider must promptly report the death of any pony horse in his or her care on the grounds of an association to the commission veterinarian, and must comply with part 7891.0110 governing postmortem examinations if such examination is deemed necessary by the commission veterinarian.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

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

Subp. 2. **Clerk of scales.** The clerk of scales shall have the following responsibilities.

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

F. The clerk of scales shall weigh-in in public view immediately after the finish of each race the following jockeys:

(1) for nonstakes races, those jockeys finishing first through fourth places and, if designated by the stewards during or immediately after the race, any other jockey in the race; and

(2) for stakes races, every jockey finishing the race.

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

[For text of subps 3 to 11, see M.R.]

Subp. 12. **Clocker (thoroughbred, quarter horse, arabian, or other breeds).** A clocker shall accurately record all workouts on any race course at which a race meeting is being conducted.

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Upon order of the stewards, a clocker shall be able to demonstrate knowledge and proficiency in accurately recording times of horses working out.

A clocker shall present daily records to the racing secretary and the stewards, post for the benefit of the public daily records of all workouts clocked, and make a record of daily workout times available to the news media.

Subp. 13. **Outrider.** The outriders shall be responsible for the orderly conduct of horses on the race course during training and racing hours.

The outriders shall be present on the race course, mounted and ready to assist in the control of any unruly horse or to recapture any loose horse, at all times that horses are permitted on the race course.

The outriders shall escort to the post all horses starting in any race, and shall remain on duty until all horses on that program have been returned to their handlers.

Each outrider must comply with part 7877.0170, subpart 10, for each pony horse in his or her care.

[For text of subps 14 and 15, see M.R.]

7877.0180 CONFLICTS.

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

Subp. 2. **Veterinarians.** No veterinarian or veterinary assistant may participate in pari-mutuel wagering while licensed by the commission. No veterinarian designated as an official at a race meeting shall treat or prescribe treatment for a horse racing at that meeting, except in emergencies or if no other veterinarian licensed by the commission is on the grounds of the association. In that case, the official veterinarian shall notify the commission of any compensation received.

[For text of subp 3, see M.R.]

7878.0120 LICENSING OF SECURITY OFFICERS.

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

Subp. 4. **License fee.** The license fee for a Class C security officer's license is $15.

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CHAPTER 7883

MINNESOTA RACING COMMISSION

THOROUGHBRED, QUARTER HORSE, ARABIAN, AND OTHER BREED RACES

7883.0100 ENTRIES AND SUBSCRIPTIONS.

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

Subp. 2. **Horse must be registered and eligible.** No horse shall be permitted to enter or start unless:

A. it is duly registered with and approved by the registry office of The Jockey Club (New York), the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds;

B. its registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required showing the tattoo number of the horse is filed with the racing secretary by scratch time for that race, except in stakes races the registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required must be filed not less than two hours prior to the scheduled post time for the stakes race;

[For text of items C and D, see M.R.]

E. if a horse's name is changed, its new name shall be registered with The Jockey Club (New York), the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds and its old, as well as its new name, shall be given in every entry list until it has run three races, and both names must be printed in the official program for those three races.

[For text of subps 3 to 15a, see M.R.]

Subp. 16. **Workout requirements.** In order to be eligible:

A. A horse which has not started for a period of 30 days or more shall not be eligible to be entered until it has completed one timed workout prior to the day of entry. Any day of entry workout following the entry of a horse shall appear on

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the official daily racing program or shall be posted for the public.

B. A horse which has not started for a period of 60 days or more shall not be eligible to be entered until it has completed two timed workouts prior to the day of entry.

C. First-time starters must have gate approval and a minimum of two timed workouts, one of which must be out of the gate within 60 days prior to the day of entry.

[For text of item D, see M.R.]

[For text of subps 17 and 18, see M.R.]

7883.0120 DECLARATIONS AND SCRATCHES.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Horse declared nonstarter.** The stewards shall have the authority to declare that a horse is not a starter if they determine that the horse was ineligible to participate in the race or any occurrence before, or during, the running of a race calls for such action by them.

[For text of subp 7, see M.R.]

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.]

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, or furnished by the Arabian Jockey Club (Colorado), and from information contained on Jockey Club (Lexington) foal certificates, and from certificates issued by the American Quarter Horse Association (AQHA), and the Arabian Horse Registry of America, Inc. (AHRA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, or certified by the Arabian Jockey Club (AJC), 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.

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

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

7883.0140 CLAIMING RACES.

[For text of subps 1 to 20, see M.R.]

Subp. 21. **Claimed horse must race for higher claiming price.** For a period of 30 days after being claimed, a thoroughbred, quarter horse, or arabian shall not start in a race in which the eligibility price is less than 25 percent more than the price at which it was claimed. The day claimed shall not count, and the horse may be entered whenever necessary so that it may start on the 31st calendar day following the original claim for any claiming price. In thoroughbred racing, this provision shall apply to starter handicaps and starter allowances.

[For text of subps 22 to 30, see M.R.]

7883.0160 POST TO FINISH.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Protests.** Protests with regard to the running of the race shall be made only by the owner, trainer, or jockey of the horse alleged to be aggrieved, and must be made to the stewards, the outriders, or the clerk of scales immediately after the running of the race. An owner, trainer, or jockey who makes a frivolous protest may be fined.

[For text of subps 10 to 14, see M.R.]

7891.0100 RACING SOUNDNESS EXAMINATION.

Subpart 1. **Horses subject to examination.** Every horse entered to race at a licensed racetrack under the jurisdiction of the commission shall be subjected to a veterinary examination for racing soundness and health on race day. The examination shall be conducted by the commission veterinarian or the association veterinarian in or near the stall to which the horse is assigned. The trainer of each horse or a representative of the trainer must present the horse for examination and move the horse as required by the examining veterinarian. Every horse to

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be examined must have had its legs cleaned of any poultice or other topical applications, must be free of leg bandages or be wearing bandages which are easily removed, and must not have been subjected within one hour of examination to freezing, icing, prolonged hosing with cold water, or any other means of reducing the temperature of the legs.

Subp. 1a. **Trainer must report location.** The trainer, when entering a horse, shall declare to the racing secretary or his or her designee the number of the barn in which the horse being entered will be stabled the day of the race. If the trainer will need a stall assigned for a ship-in horse, the trainer must so declare at the time of entry, and the racing secretary will assign a stall to be used on the day of the race.

Subp. 1b. **Racing secretary must provide stall assignments.** As soon as the overnight sheet is finalized, the racing secretary or his or her designee shall provide to the commission veterinarian a list showing, by race, the name of the horse, the trainer, and the barn number where the horse is to be stabled the day of the race.

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

7892.0150 PURSES.

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

Subp. 2. **Determination of purse redistribution.** In determining whether or not to redistribute a purse, the commission or stewards shall consider the following factors:

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

D. actual harm caused to person, property, or the integrity of racing;

E. ineligible horse;

F. ineligible owner;

G. improper underweight carried in race and not discovered prior to official;

H. fraud; and

I. any other factors related to the seriousness of violations which the commission or stewards deem crucial to the

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determination as long as the same factors are considered with regard to all violators. The commission or stewards, in making a determination, shall consider both the number of factors applicable to a violation and the degree to which each applies.

7895.0110 THOROUGHBRED BREEDERS' FUND.

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

Subp. 4. **Methods and time of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out according to one of the two following methods as approved by the commission:

A. purse supplements shall be paid out in the same percentage as the purse money in the race and shall be credited to the owners' accounts at the time the purses are earned; or

B. purse supplements shall be paid out at the same time as breeders' and stallion awards. <u>These supplements for overnight races shall be paid to owners of Minnesota-bred horses that finish third or better.</u> Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** All money allocated for breeders' awards, stallion awards, and purse supplements to be distributed according to subpart 4, item B, shall be distributed within ~~30~~ <u>45</u> days of the end of the thoroughbred race meeting.

[For text of subp 8, see M.R.]

7895.0125 THOROUGHBRED REGISTRATION.

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

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal

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to be registered as Minnesota-bred.

[For text of item E, see M.R.]

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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:

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

7895.0250 STANDARDBRED BREEDERS' FUND.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards and stallion awards shall be distributed within ~~30~~ 45 days of the end of the standardbred race meeting.

[For text of subps 7 and 8, see M.R.]

Subp. 9. **Exceptions.** Money accrued to the standardbred breeders' fund from standardbred simulcasting will be deposited with the commission to be used as purse supplements pursuant to Minnesota Statutes, section 240.18, paragraph 3, clause (b), as approved by the commission for standardbred racing conducted in the state for either a pari-mutuel or non pari-mutuel meet or both.

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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:

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

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 item A, see M.R.]

B. "Minnesota-foaled" means a horse foaled in Minnesota, and registered with the racing commission.

C. "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 through July 31, in Minnesota.

D. "Minnesota-sired" means a horse sired by a registered Minnesota-sire and registered with the commission.

E. "Minnesota-bred" shall be defined in three different and distinct categories:

(1) "Minnesota-bred sired and foaled" means a horse that is:

(a) sired by a registered Minnesota-sire who stood his entire breeding season in Minnesota; and

(b) Minnesota-foaled.

(2) "Minnesota-bred foaled" means a Minnesota-foaled horse.

(3) "Minnesota-bred sired" means a Minnesota-sired horse.

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Subp. 2. **Division of money.** The money available from the breeders' fund for the quarter horse category shall be divided as follows:

A. 45 percent shall be set aside and paid as breeders' awards to breeders of Minnesota-bred sired and foaled horses (Minnesota-bred foaled horses and Minnesota-bred sired horses are not eligible for breeders' awards); and

B. 45 percent shall be paid to supplement purses in races which are restricted to Minnesota-bred sired and foaled horses, Minnesota-bred foaled horses, or Minnesota-bred sired horses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission; and

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire of Minnesota-bred sired and foaled horses and Minnesota-bred sired horses at the time of breeding.

Subp. 3. **Distribution of money.** The money available from the quarter horse breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred sired and foaled horse, as reflected on the American Quarter Horse Association (AQHA) certificate that earns money in any race.

B. "Stallion awards" shall be paid to the stallion owner or recorded lessee (at the time of breeding) of a Minnesota-bred sired and foaled horse or a Minnesota-bred sired horse that earns money in any race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. However, the commission may, prior to the beginning of each race meet, establish the maximum amount of earnings per race for a single horse that may be used in calculation of the breeders' fund awards. (For example: if the maximum amount of earnings per race per horse is set at

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$10,000, then in the event a horse earns any amount over $10,000 in one race, the breeders' fund awards will be calculated based on $10,000 earnings for that race.) The amount of money to be distributed shall be in accordance with subpart 5. Purse supplements earned shall not be included in determining breeders' or stallion awards.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within ~~30~~ 45 days of the end of the quarterhorse race meeting.

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration, Minnesota-bred sired and foaled.** To be eligible to receive any breeders' award payments and to make a mare's foal eligible for restricted races, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association (AQHA) certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the Permanent Registry of the American Quarter Horse Association) 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 January 31 to July 31 in Minnesota.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before January 31, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency

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attesting that the foal was sired and born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred sired and 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.

Subp. 1a. **Broodmare registration, Minnesota-bred foaled.** To make a mare's foal eligible for restricted races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is in foal to a stallion other than a Minnesota-sire, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a stallion registered in the Permanent Registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before 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-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.

Subp. 1b. **Broodmare registration, Minnesota-bred sired.** To make a mare's foal eligible for Minnesota-bred restricted

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races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is not expected to foal in the state of Minnesota, she must be in foal to a Minnesota-sire that is properly registered with the racing commission in the year of breeding. Prior to foaling, mares in foal to Minnesota-sires, but not foaling in Minnesota, must be registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association certificate (or Jockey Club Certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the permanent registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal before January 31, the owner or lessee must submit a sworn affidavit attesting to the date the foal was born and the state in which it was foaled. The affidavit will be considered evidence that the foal is a Minnesota-sired horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

Subp. 1c. ~~Late fees~~ Fines.

A. ~~Late fees~~ Fines for all late broodmare registration will be imposed as follows:

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

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

B. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and

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Sunday) will require payment of a ~~late-fee~~ fine of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred sired and foaled horse, Minnesota-bred foaled horse, or Minnesota-bred sired horse.

C. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of January 31 of the foaling year, in the case of Minnesota-bred sired and foaled horses or Minnesota-bred foaled horses.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require payment of a ~~late-fee~~ fine of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will require payment of a ~~late-fee~~ fine of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

Subp. 4. **Foal registration and certification, Minnesota-bred sired.** For a horse sired by a Minnesota-sire, but not foaled in Minnesota, to be registered and subsequently certified as a Minnesota-bred sired horse, the following

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requirements must be met:

A. Within 30 days of the date a horse is foaled, 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 the time of conception, the date the foal was born, an owner's or lessee's statement as to which state the foal was born in, 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-sired horse.

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

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

(2) A ~~late fee~~ fine 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 120 days of the date of foaling will require payment of a ~~late fee~~ fine of $300 to qualify for 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.

7895.0400 ARABIAN BREEDERS' FUND.

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

A. "Breeder" means the owner or lessee of the dam at

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the time of conception in Minnesota.

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

C. "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, between January 31 and August 31, in Minnesota, or has had transported semen to a specific mare in another state but the stallion has stood the entire breeding season in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the Arabian breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards;

B. 55 percent shall be paid to supplement purses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission;

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding; and

D. ten percent shall be set aside and paid as owners' awards to the owners of Minnesota-bred or Minnesota-foaled horses.

Subp. 3. **Distribution of money.** The money available from the Arabian breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred horse, as reflected on the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

B. "Stallion awards" shall be paid to the stallion owner of a Minnesota-bred or Minnesota-foaled horse that finishes third or better in any pari-mutuel race.

C. "Owner awards" shall be paid to the owner of a Minnesota-bred horse, as defined by the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in

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any pari-mutuel race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

Subp. 5. **Adjustments.** The racing commission shall set percentages to be applied to purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set for the purpose of keeping purse supplements consistent with the amount of money being earned in the breeders' fund. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the total amount of purse supplements to be distributed;

B. the need to distribute purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of Arabian horses within the state; and

C. that the set amount of the purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within ~~30~~ 45 days of the end of the Arabian race meeting.

Subp. 7. **Residual funds.** All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding Arabian race meeting.

7895.0450 ARABIAN REGISTRATION.

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

A. Prior to foaling, the broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original Arabian Horse Registry of America, Inc. 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, 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~~ Fines for late broodmare registration will be imposed as follows:

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

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require payment of a ~~late-fee~~ fine of $300 to qualify for 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

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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 met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by January 31 of the current breeding year. The stallion's original Arabian Horse Registry of America, Inc. 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 to August 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has not serviced any mare after December 31 of the previous year.

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

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require payment of a ~~late fee~~ fine of $300 to qualify for 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 January 31 of the breeding year.

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F. Any stallion outside Minnesota that is licensed in the semen transport program governed by the Arabian Horse Registry of America, Inc. must be registered with the racing commission or official registering agency. A special affidavit will be signed and notarized by the stallion owner and registered with the racing commission or official registering agency. All requirements in subpart 2 will apply to the stallion in question.

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

A. Within 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 at the time of conception, 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~~ Fines for late foal registration will be imposed as follows:

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

(2) A ~~late fee~~ fine 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 120 days of the date of foaling will require payment of a ~~late fee~~ fine of $300 to qualify for 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

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entry into any restricted race.

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

7897.0100 PROHIBITED ACTS.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Fraud.** No person shall engage in any fraud or misrepresentation with regard to the sale, breeding, or racing of horses.

Subp. 10. **Financial responsibility.** No licensee shall willfully or deliberately refuse to pay any money when due for any service, supplies, or fees connected with his or her activities as a licensee, nor shall he or she falsely deny any such amount due or the validity of the claim therefore with the purpose of hindering or defrauding the person to whom the indebtedness is due. All financial responsibility complaints against a licensee shall be made in writing, presenting facts sufficient to enable the stewards to determine that the claim is meritorious and is directly related to the licensee's racing activities and that the debt became due within the last two years. Upon receipt of a complaint, the stewards may conduct an investigation and attempt to resolve the matter informally. If the stewards determine that the complaint has merit, and cannot resolve the matter informally or determine that it is not appropriate to settle the matter informally, then the stewards shall commence the appropriate disciplinary procedures in chapter 7897.

[For text of subps 11 to 19, see M.R.]

7899.0100 VARIANCES.

Subpart 1. **Procedures and standards.** The procedures and standards contained in this part govern the consideration and disposition of all variance requests submitted to the commission. No variance requests seeking relief from the imposition of a fine pursuant to parts 7895.0125, subparts 1, items C and D; 2, items C and D; and 3, items B and C; 7895.0275, subpart 1, items

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C and D; and 7895.0350, subparts 1c, items A and B; 2, items C and D; 3, items B and C; and 4, items B and C, may be submitted to the commission.

[For text of subps 2 and 3, see M.R.]

Subp. 4. **Standards for granting and denying variance requests.** The commission shall grant a variance to the application of any of its rules except those in subpart 1 only if it determines that all of the following criteria have been met:

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

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by Revisor _____

APPROVED AS TO FORM AND LEGALITY

May 8 19 92

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

BY M J Carsen
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

MAY 11 1992

Joan Anderson Growe
Secretary of State

9:00 AM
PB

Minnesota-sire registered in the permanent registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal before January 31, the owner or lessee must submit a sworn affidavit attesting to the date the foal was born and the state in which it was foaled. The affidavit will be considered evidence that the foal is a Minnesota-sired horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

Subp. 1c. ~~Late fees.~~ Fined

A. ~~Late fees~~ Fined for all late broodmare registration will be imposed as follows:

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

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

B. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require ~~a late fee~~ payment of a fine of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred sired and foaled horse, Minnesota-bred foaled horse, or Minnesota-bred sired horse.

C. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of January 31 of the foaling year, in the case of Minnesota-bred sired and foaled horses or Minnesota-bred foaled horses.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require ~~a late fee~~ payment of a fine of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will ~~disqualify~~ require payment of a fine ~~late fee~~ of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

Subp. 4. **Foal registration and certification, Minnesota-bred sired.** For a horse sired by a Minnesota-sire, but not foaled in Minnesota, to be registered and subsequently certified as a Minnesota-bred sired horse, the following requirements must be met:

A. Within 30 days of the date a horse is foaled, 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 the time of conception, the date the foal was born, an owner's or lessee's statement as to which state the foal was born in, 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-sired horse.

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

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

(2) A ~~late fee~~ fine 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 120 days of the date of foaling will require ~~a late fee~~ payment of a fine of $300 to qualify for 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.

7895.0400 ARABIAN BREEDERS' FUND.

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

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

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

C. "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, between January 31 and August 31, in Minnesota, or has had transported semen to a specific mare in another state but the stallion has stood the entire breeding season in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the Arabian breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards;

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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~~ fines for late broodmare registration will be imposed as follows:

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

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require payment of a fine ~~a late fee~~ of $300 to qualify for 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 of the current breeding year. The stallion's original Arabian Horse Registry of America, Inc. 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.

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B. Stallions must remain in Minnesota for the entire breeding season from January 31 to August 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has not serviced any mare after December 31 of the previous year.

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

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require payment of a fine ~~a late fee~~ of $300 to qualify for 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 January 31 of the breeding year.

F. Any stallion outside Minnesota that is licensed in the semen transport program governed by the Arabian Horse Registry of America, Inc. must be registered with the racing commission or official registering agency. A special affidavit will be signed and notarized by the stallion owner and registered with the racing commission or official registering agency. All requirements in subpart 2 will apply to the stallion in question.

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

A. Within 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

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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~~ fines for late foal registration will be imposed as follows:

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

(2) A ~~late fee~~ fine 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 120 days of the date of foaling will require ~~a late fee~~ payment of a fine of $300 to qualify for 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 a horse in a restricted race or to earn any breeders' fund payments.

7897.0100 PROHIBITED ACTS.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Fraud.** No person shall engage in any fraud or misrepresentation with regard to the sale, breeding, or racing of horses.

Subp. 10. **Financial responsibility.** No licensee shall willfully or deliberately refuse to pay any money when due for any service, supplies, or fees connected with his or her activities as a licensee, nor shall he or she falsely deny any such amount due or the validity of the claim therefore with the

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Joe -

Enclosed are where the "fees" must be changed to "fines"

Reason for demanding change is Commission must have statutory authority to do fees. For late fees, must have statutory authority to do the original fees upon which late fees are based.

Since we couldn't find any authority (statutory) to impose late fees under these registration programs, can't do it, but you do have authority to assess civil fines under §240.22. - So let's call 'em fines

To resolve issue today, I must receive:

(1) 4 copies of rules with changes from Revisor office

(2) Supplemental Findings, Conclusions + Order saying something to the effect that:

"AG has questioned the authority to impose late fees under these registration programs. However, the commission has clear authority to assess civil fines by rules for violations of Comm rules, §240.22.

Furthermore, these charges are later reproved in the rule as fines (7899.0100.) Therefore, to resolve the authority question the Commission makes the following changes to the following rules...

[list changes]

..., Why not a substantial change....

... The last paragraph of regular findings ... that Ex director hereby adopts these rules, as amended....

signed by Kruger

receiving fax today is fine so long as receive orig next week

Questions?
call me or
Patty

Poor Solar

Stat Authority 240.23

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

Changes adds new fees - MN Rule 7877.0120 subp 1

adds two Class C licensing fees equine dentists and gate crew members this is a new group of people SONAR states that these ~~people should have excepted~~ no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change.

~~no ref~~

nothing in SOLAR about 7895.0350 subd 1 (D, E-) why deleted it

7895.0350 poor explanation for subp 9, 1D 1C - why nothing in the SOLAR

~~nothing for subp 2~~

subd 4 - why ~~reasons~~ so reasonable 7895.0350 there is no subpart 3 and 6 in the rules that is stated in the SOLAR

7895.0450 Arabian Registration
week Solon

where are letters and approval from
finance

4-30-92 - called Newton - told him
we don't have approval memo
from finance nor the letters
from Senate finance and
House Appropriation. Newton
thinks they sent the
letter and recied approval
Will call the doctor and
get back to me.

4-30-92 have the approval memo
not sure about letter

5-4-92 - send approval memo from
finance, send memo with
comments, Krueger wrote me a
memo - when sent subj to
house appropriations and
Senate finace - also that
he talked to them and
they are going to
waive it - also what
about the horse dentist
and crew fees we
need to know

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

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

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

The above-entitled matter came before the Minnesota Racing Commission on the 22nd day of April, 1992. After according all interested persons the opportunity to present written and oral data, statements and arguments to the Minnesota Racing Commission, and in accordance with statutory requirements regarding the adoption of non-controversial rules, after considering all the evidence adduced upon the records, files and proceedings herein, the Minnesota Racing Commission, being fully advised of the premises, hereby adopts the following Findings of Fact, Conclusions and Order:

FINDINGS OF FACT

(1) 1. Notice of the Minnesota Racing Commission's intent to adopt the above entitled rule without a public hearing, was published in the State Register on March 2, 1992 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statues, sections 14.14, subdivision 1a and 14.22, on February 28, 1992.

(2) 2. The statement of need and reasonableness was prepared before the commission authorized publication of the notice of intent to adopt a rule and before the notice was mailed to all persons on the rulemaking mailing list, published in the State Register and made available to the public.

(4) 3. All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking.

(3) 4. No requests for a public hearing on the rule were received by the agency during the comment period.

5. No requests for notice of submission to the Attorney General were received by the agency.

6. One comment on the rule was received by the agency and was considered by the Minnesota Racing Commission.

7. The Minnesota Racing Commission adopts the Statement of Need and Reasonableness, in its entirety, as the factual basis for the proposed rules. The Minnesota Racing Commission incorporates the Statement of Need and Reasonableness into these findings.

8. The following changes were made to the rules after publication in the State Register, none of which is substantial and all of which are necessary and reasonable:

a. The change in Minn. R. 7877.0120, subp. 1 adds January 1, 1993 as an effective date for increases in licensing fees. This change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. The change allows for additional time with which to pay the increase in their licensed fees and thus imposes no additional burdens. This change is necessary for adequate record keeping because many individuals have already been licensed and paid their fees, to go back and determine which licensee owes more would unduly burden record keeping and impose additional burdens on licensees. This change is reasonable because it grants additional time to Class C licensees to pay the increase of their fees.

b. The change in Minn. R. 7877.0120, subp. 1 adds two Class C licensing fees for equine dentists ($30) and gate crew members ($15) and renumbers the remaining Class C license fees accordingly. This change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. The individuals affected by this change have been

paying licensing fees all along but the rule was not clear on the issue and thus there is no substantial effect on licensees. This change is necessary because it makes the rule comply with present practice. The change is reasonable because it imposes no new or non-existing duties on equine dentists or gate crew.

c. The change in Minn. R. 7895.0110, subp. 4B requires purse supplements for overnight races to be paid to owners of Minnesota-bred horses that finish third or better. This change is not substantial because it changes amounts on such an insignificant level and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary because it is required to build incentives into the award distribution system and because presently fourth or fifth place finishers receive such a small percentage of the supplements as to make it a meaningless distribution, whereas with this change more money will go to the first three finishers and thus increase the quality of racing by attracting higher quality horses rather than increase the quantity of average horses competing for a small amount. This change is reasonable because it is favored by organizations representing those individuals affected by this change and because it converts a very small amount of money to provide for vastly increased quality by providing fewer horses with greater supplements.

d. The change in Minn. R. 7895.0110, subp. 6 increases from 30 to 45 the number of days in which the awards and purse supplements in the thoroughbred breeders' fund will be distributed. This change is not substantial because it merely adds a short period of time before individuals receive certain money and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary because the Minnesota Racing Commission is now charged with the duties of cerditing these awards and supplements to owners' accounts, a job formerly carried out by the horsemen's bookkeeper and the Minnesota

Racing Commission will require more time to perform this duty because of its other responsibilities. Also, the Minnesota Racing Commission must now obtain additional information not previously required. This change is reasonable because it seeks no more time than is reasonably required for the Minnesota Racing Commission to complete its tasks formerly accomplished by the horsemen's bookkeeper.

e. The change in Minn. R. 7895.0250, subp. 6 increases from 30 to 45 the number of days in which the awards and purse supplements in the standardbred breeders' fund will be distributed. This change is not substantial because it merely adds a short period of time before individuals receive money and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary because the Minnesota Racing Commission is now charged with the duties of cerditing these awards and supplements to owners' accounts, a job formerly carried out by the horsemen's bookkeeper and the Minnesota Racing Commission will require more time to perform this duty because of its other responsibilities. Also, the Minnesota Racing Commission must now obtain additional information not previously required. This change is reasonable because it seeks no more time than is reasonably required for the Minnesota Racing Commission to complete its tasks formerly accomplished by the horsemen's bookkeeper.

f. The change in Minn. R. 7895.0150, subp. 9 inserts the statutory authority for depositing certain standardbred breeders' fund money with the Commission. This change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary for legal clarification. This change is reasonable because it imposes no further duties or burdens and merely adds a statute citation.

g. The change in Minn. R. 7895.0300, subp. 6 increases from 30 to 45 the number of days in which the awards and purse supplements in the quarterhorse breeders' fund will be distributed. This change is not substantial because it merely adds a short period of time before individuals receive certain money and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary because the Minnesota Racing Commission is now charged with the duties of cerditing these awards and supplements to owners' accounts, a job formerly carried out by the horsemen's bookkeeper and the Minnesota Racing Commission will require more time to perform this duty because of its other responsibilities. Also, the Minnesota Racing Commission must now obtain additional information not previously required. This change is reasonable because it seeks no more time than is reasonably required for the Minnesota Racing Commission to complete its tasks formerly accomplished by the horsemen's bookkeeper.

h. The change in Minn. R. 7895.0400, subp. 6 increases from 30 to 45 the number of days in which the awards and purse supplement in the Arabian breeders' fund will be distributed. This change is not substantial because it merely adds a short period of time before individuals receive certain money and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary because the Minnesota Racing Commission is now charged with the duties of crediting these awards and supplements to owners' accounts, a job formerly carried out by the horsemen's bookkeeper and the Minnesota Racing Commission will require more time to perform this duty because of its other responsibilities. Also, the Minnesota Racing Commission must now obtain additional information not previously required. This change is reasonable because it seeks no more time

than is reasonably required for the Minnesota Racing Commission to complete its tasks formerly accomplished by the horsemen's bookkeeper.

i. The change in Minn. R. 7895.0450, subp. 1(E) was changed to correct an error in drafting and inserts "January 31" as the date that a broodmare be standing in Minnesota in order to seek late registration. This change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary to correct an error in drafting. This rule is reasonable because it imposes the same deadline as in other horse registration categories.

j. The change in Minn. R. 7895.0450, subp. 3 was changed to include the language "at the time of conception." The change is not substantial because it does nothing more than clarify the meaning of a word and provide conformity in the language of the rules and because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by this change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. This change is necessary in order to conform with the definition of "Breeder" contained in Minn. R. 7895.0400, subp. 1 which defines breeder as an owner or lessee of the dam at the time of conception. The change is reasonable because it has no additional effect on Arabian horse registration than that contained in Minn. R. 7895.0400, subp. 1 and without the change confusion between the rules may result because of the difference in language.

8. The above-captioned rule is needed and reasonable. (8)

CONCLUSIONS

1. The Minnesota Racing Commission duly acquired and has jurisdiction over this proceeding.

2. The Minnesota Racing Commission published and served, due, timely and adequate Notice of the Intent to Adopt the Rules Without a Public Hearing.

3. All relevant legal and procedural requirements of statute and rule have been complied with.

ORDER

NOW, THEREFORE, IT IS ORDERED, that the rule identified as governing horse medication is adopted this 22nd day of April, 1992, pursuant to authority vested in the Minnesota Racing Commission by Minnesota Statutes, section 240.23 (1990 and 1991 Supp.).

RICHARD KREUGER
Minnesota Racing Commission

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

AGENCY: Racing Commission

MINNESOTA RULES: Chapters 7870, 7873, 7877, 7878, 7883, 7891, 7892, 7895, 7897, 7899

The attached rules are approved for publication in the State Register

Paul M. Marinac
Deputy Revisor

Minnesota Racing Commission

Proposed Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

Rules as Proposed

7870.0050 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class A license must disclose with respect to the pari-mutuel horse racing facility it will own and operate:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0220 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class B license must disclose with respect to the facility at which it will sponsor and manage pari-mutuel horse racing:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

[For text of item A, see M.R.]

B. a licensed physician and ~~registered nurse~~ certified emergency medical technician on duty in the first aid room on all days during which horse racing is conducted; and

[For text of item C, see M.R.]

7873.0130 PREVENTION TO START.

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In a thoroughbred ~~or~~, quarter horse, arabian, or other breed race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

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

7873.0185 TRIFECTA.

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

Subp. 7. **Restrictions on trifecta races.** The restrictions in items A ~~to C~~ and B apply to trifecta races.

[For text of item A, see M.R.]

B. ~~There shall be no trifecta wagering on handicap races.~~

~~C.~~ If fewer than eight horses are declared starters, trifecta wagering shall be canceled and all trifecta wagers shall be refunded. If time permits, the association may schedule exacta wagering in place of trifecta wagering.

[For text of subp 8, see M.R.]

7873.0186 TWIN TRIFECTA.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Restrictions on twin trifecta races.** The restrictions in items A ~~to C~~ and B apply to twin trifecta races.

[For text of item A, see M.R.]

B. ~~There shall be no twin trifecta wagering on handicap races.~~

~~C.~~ If fewer than eight horses are declared starters for the first race of the twin trifecta, twin trifecta wagering shall be canceled for that day and all twin trifecta wagers shall be refunded. However, any accumulated second race twin trifecta carryover will not be affected and will carry over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest,

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shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

If fewer than eight horses are declared starters for the second race of the twin trifecta, all holders of exchange tickets to the second race of the twin trifecta will share equally in that part of the second race net pool added in that day. The amount carried over from previous days will not be distributed and will be carried over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

[For text of subp 10, see M.R.]

7877.0110 PROCEDURE FOR OBTAINING CLASS C LICENSE.

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

Subp. 2. **Application content.** An application for a Class C license shall include the following information with respect to the applicant:

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

G. if the applicant is 18 through 80 years of age ~~or above~~, a completed FBI fingerprint card.

[For text of subps 3 and 4, see M.R.]

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:

A. bloodstock agent, $100;

B. concessionaire/vendor, $100;

C. concession/vendor employee, ~~$10~~ $15;

D. driver (harness), ~~$25~~ $35;

E. exercise rider, ~~$15~~ $20;

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F. farrier, ~~$25~~ $35;

G. farrier's assistant, ~~$10~~ $15;

H. groom/hot-walker, ~~$5~~ $10;

I. horsepersons' bookkeeper, $25;

J. jockey, ~~$25~~ $35;

K. jockey agent, ~~$25~~ $35;

L. jockey, apprentice, ~~$25~~ $35;

M. owner, individual, ~~$25~~ $35;

N. owner, multiple, ~~$25~~ $35;

O. pari-mutuel clerk, ~~$10~~ $15;

P. pony rider, ~~$10~~ $15;

Q. racing official, ~~$25~~ $35;

R. stable foreman, ~~$5~~ $10;

S. trainer, ~~$25~~ $35;

T. trainer, assistant, ~~$15~~ $20;

U. valet, ~~$5~~ $10;

V. veterinarian, $100;

W. veterinary assistant, ~~$25~~ $35; ~~and~~

X. ~~others,~~ ~~$10~~ association employees, seasonal, $15;

Y. association staff, permanent, $35; and

Z. stables, $50.

Subp. 2. **Fingerprint charge.** In addition to the license fee in subpart 1, each initial application for a Class C license, and each renewal application every third year thereafter, shall be accompanied by a completed FBI fingerprint card taken by the commission and a cashier's check or money order in the amount established by the Association of Racing Commissioners International or the Federal Bureau of Investigation. Any horse owner who does not make application in person must meet all requirements of this subpart, except that the owner may file a completed fingerprint card taken by a law enforcement agency. This subpart does not apply to applications submitted by persons under the age of 18 or over the age of 80.

[For text of subps 3 and 4, see M.R.]

7877.0130 STANDARDS REQUIRED OF APPLICANTS FOR SPECIFIC LICENSES.

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Subpart 1. **Individual owners.** An applicant for an individual owner's license must own ~~or~~, lease, or be a lessor of a horse eligible to race in Minnesota which is registered with the racing secretary and under the care of a trainer licensed by the commission.

If younger than 18 years of age, an applicant for an individual owner's license must submit a notarized affidavit from his or her parent or legal guardian stating that the parent or legal guardian assumes responsibility for the applicant's financial, contractual, and other obligations relating to the applicant's participation in racing. A parent or legal guardian submitting such an affidavit also shall submit information required in part 7877.0110, subpart 2. If the commission has reason to doubt the financial responsibility of an applicant for an individual owner's license, the applicant shall complete a verified financial statement.

Subp. 2. **Multiple owners.** Applicants for a multiple owner's license must comply with subpart 1 and the following requirements.

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

[For text of subps 3 to 13, see M.R.]

Subp. 14. **Authorized agents.** To be appointed an authorized agent, the appointee must be licensed as either an individual owner or as a trainer. A written agency appointment authorizing him or her to act on behalf of a licensed individual owner or licensed multiple owner, or licensed trainer in racing matters not directly related to the care and training of horses must accompany the appointment. The authorization shall be on a form provided by the commission and shall define the powers, limits, and terms of the agency agreement. The authorization must be signed by the individual principals or the multiple owner designated representative and notarized.

A separate notarized agency appointment is required for each principal an authorized agent intends to represent. All such agencies shall remain in effect for the duration of the current race meeting unless written notice of revocation is

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submitted to the stewards at the meeting where the principal is racing.

[For text of subp 15, see M.R.]

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey~~,~~ or veterinarian~~, or farrier~~ may not be licensed in another capacity.

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

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

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

D. An owner of a thoroughbred ~~or~~, quarter horse, arabian, or other breed is responsible for the registration of colors and for their availability to, and use by, the jockey engaged to ride the owner's horse.

E. A stable name is defined as any ownership operating under the terms farm, stable, or ranch or any individual operating under a name other than its own name and must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of ~~any~~ another owner of race horses as a stable name. A stable name which has already been registered may not be registered by another owner.

[For text of subitems (1) to (3), see M.R.]

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

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

E. A trainer must register each horse in his or her charge within 24 hours of the horse's arrival on the grounds of an association by completing forms provided by the racing secretary. At the same time, any trainer of thoroughbred ~~or~~,

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quarter horses, arabian, or other breeds must submit with that registration a description of the owner's colors for each horse in his or her charge.

[For text of items F to J, see M.R.]

K. A thoroughbred ~~or~~, quarter horse, arabian, or other breed trainer shall personally attend his or her horses in the paddock, and shall supervise his or her horses' preparation to race, unless excused by the stewards because of illness or other emergency.

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

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

Subp. 10. **Pony riders.** The following applies to pony riders licensed by the commission:

A. Within 24 hours of obtaining a Class C license, a pony rider must register with the commission veterinarian and provide at that time a list of all pony horses for which he or she is responsible and which he or she intends to bring onto the grounds of the association. Such a list will include the name, sex, age, and brief description of color and markings for each pony horse. Should a pony rider obtain additional pony horses during the racing season, he or she must also register these animals with the commission veterinarian prior to bringing them onto the grounds of the association.

B. A pony rider is responsible for having each pony horse in his or her charge tested for equine infectious anemia (EIA) once every 12 months. The test shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each pony horse's current negative EIA test results must be provided to the commission veterinarian at the time of registration pursuant to item A or, if not available at the time of registration, prior to the arrival of the pony horse at the racetrack. Any certificate which expires during the racing season must be replaced with a current EIA test certificate no later than ten days following the date of expiration.

C. Anyone bringing any pony horse onto the grounds of

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the association must provide to stable gate personnel the accurate name of the animal. Each pony horse must be accompanied by a health certificate completed by an accredited veterinarian and issued not more than 14 days prior to arrival. The health certificate must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian. A pony horse which leaves the grounds for a period of two weeks or less does not have to be accompanied by a new health certificate upon its return.

D. The pony rider shall supply each pony horse in his or her care with adequate food, water, medical treatment, exercise, and shelter, and shall comply with all applicable provisions of Minnesota Statutes, chapter 343.

E. A pony rider must promptly report the death of any pony horse in his or her care on the grounds of an association to the commission veterinarian, and must comply with part 7891.0110 governing postmortem examinations if such examination is deemed necessary by the commission veterinarian.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

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

Subp. 2. **Clerk of scales.** The clerk of scales shall have the following responsibilities.

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

F. The clerk of scales shall weigh-in ~~every jockey~~ in public view immediately after the finish of each race the following jockeys:

(1) for nonstakes races, those jockeys finishing first through fourth places and, if designated by the stewards during or immediately after the race, any other jockey in the race; and

(2) for stakes races, every jockey finishing the race.

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

[For text of subps 3 to 11, see M.R.]

Subp. 12. **Clocker (thoroughbred ~~or~~, quarter horse,**

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arabian, or other breeds). A clocker shall accurately record all workouts on any race course at which a race meeting is being conducted.

Upon order of the stewards, a clocker shall be able to demonstrate knowledge and proficiency in accurately recording times of horses working out.

A clocker shall present daily records to the racing secretary and the stewards, post for the benefit of the public daily records of all workouts clocked, and make a record of daily workout times available to the news media.

Subp. 13. **Outrider.** The outriders shall be responsible for the orderly conduct of horses on the race course during training and racing hours.

The outriders shall be present on the race course, mounted and ready to assist in the control of any unruly horse or to recapture any loose horse, at all times that horses are permitted on the race course.

The outriders shall escort to the post all horses starting in any race, and shall remain on duty until all horses on that program have been returned to their handlers.

Each outrider must comply with part 7877.0170, subpart 10, for each pony horse in his or her care.

[For text of subps 14 and 15, see M.R.]

7877.0180 CONFLICTS.

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

Subp. 2. **Veterinarians.** No veterinarian or veterinary assistant may participate in pari-mutuel wagering while licensed by the commission. No veterinarian designated as an official at a race meeting shall treat or prescribe treatment for a horse racing at that meeting, except in emergencies or if no other veterinarian licensed by the commission is on the grounds of the association. In that case, the official veterinarian shall notify the commission of any compensation received.

[For text of subp 3, see M.R.]

7878.0120 LICENSING OF SECURITY OFFICERS.

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

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$10~~ $15.

CHAPTER 7883

MINNESOTA RACING COMMISSION

THOROUGHBRED ~~AND~~, QUARTER HORSE, ARABIAN, AND OTHER BREED RACES

7883.0100 ENTRIES AND SUBSCRIPTIONS.

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

Subp. 2. **Horse must be registered and eligible.** No horse shall be permitted to enter or start unless:

A. it is duly registered with and approved by the registry office of The Jockey Club (New York) ~~or~~, the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds;

B. its registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required showing the tattoo number of the horse is filed with the racing secretary by scratch time for that race, except in stakes races the registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required must be filed not less than two hours prior to the scheduled post time for the stakes race;

[For text of items C and D, see M.R.]

E. if a horse's name is changed, its new name shall be registered with The Jockey Club (New York) ~~or~~, the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds and its old, as well as its new name, shall be given in every entry list until it has run three races, and both names must be printed in the official program for those three races.

[For text of subps 3 to 15a, see M.R.]

Subp. 16. **Workout requirements.** In order to be eligible:

A. A horse which has not started for a period of 30

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days or more shall not be eligible to be entered until it has completed one timed workout prior to the day of entry ~~date~~. Any day of entry workout following the entry of a horse shall appear on the official daily racing program or shall be posted for the public.

B. A horse which has not started for a period of 60 days or more shall not be eligible to be entered until it has completed two timed workouts prior to the day of entry ~~date~~.

C. First-time starters must have gate approval and a minimum of two timed workouts, one of which must be out of the gate within 60 days prior to the day of entry ~~date~~.

[For text of item D, see M.R.]

[For text of subps 17 and 18, see M.R.]

7883.0120 DECLARATIONS AND SCRATCHES.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Horse declared nonstarter.** The stewards shall have the authority to declare that a horse is not a starter if they determine that the horse was ineligible to participate in the race or any occurrence before, or during, the running of a race calls for such action by them.

[For text of subp 7, see M.R.]

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.]

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, or furnished by the Arabian Jockey Club (Colorado), and from information contained on Jockey Club (Lexington) foal certificates, and from certificates issued by the American Quarter Horse Association (AQHA), and the Arabian Horse Registry of America, Inc. (AHRA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, or certified by the Arabian Jockey Club (AJC), will not be

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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.]

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

7883.0140 CLAIMING RACES.

[For text of subps 1 to 20, see M.R.]

Subp. 21. **Claimed horse must race for higher claiming price.** For a period of 30 days after being claimed, a thoroughbred ~~or~~, quarter horse, or arabian shall not start in a race in which the eligibility price is less than 25 percent more than the price at which it was claimed. The day claimed shall not count, and the horse may be entered whenever necessary so that it may start on the 31st calendar day following the original claim for any claiming price. In thoroughbred racing, this provision shall apply to starter handicaps and starter allowances.

[For text of subps 22 to 30, see M.R.]

7883.0160 POST TO FINISH.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Protests.** Protests with regard to the running of the race shall be made only by the owner, trainer, or jockey of the horse alleged to be aggrieved, and must be made to the stewards, the outriders, or the clerk of scales ~~before or~~ immediately after ~~weighing in~~ the running of the race. An owner, trainer, or jockey who makes a frivolous protest may be fined.

[For text of subps 10 to 14, see M.R.]

7891.0100 RACING SOUNDNESS EXAMINATION.

Subpart 1. **Horses subject to examination.** Every horse entered to race at a licensed racetrack under the jurisdiction of the commission shall be subjected to a veterinary examination for racing soundness and health on race day. The examination shall be conducted by the commission veterinarian or the

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association veterinarian in or near the stall to which the horse is assigned. The trainer of each horse or a representative of the trainer must present the horse for examination and move the horse as required by the examining veterinarian. Every horse to be examined must have had its legs cleaned of any poultice or other topical applications, must be free of leg bandages or be wearing bandages which are easily removed, and must not have been subjected within one hour of examination to freezing, icing, prolonged hosing with cold water, or any other means of reducing the temperature of the legs.

Subp. 1a. **Trainer must report location.** The trainer, when entering a horse, shall declare to the racing secretary or his or her designee the number of the barn in which the horse being entered will be stabled the day of the race. If the trainer will need a stall assigned for a ship-in horse, the trainer must so declare at the time of entry, and the racing secretary will assign a stall to be used on the day of the race.

Subp. 1b. **Racing secretary must provide stall assignments.** As soon as the overnight sheet is finalized, the racing secretary or his or her designee shall provide to the commission veterinarian a list showing, by race, the name of the horse, the trainer, and the barn number where the horse is to be stabled the day of the race.

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

7892.0150 PURSES.

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

Subp. 2. **Determination of purse redistribution.** In determining whether or not to redistribute a purse ~~for a violation of chapter 7890~~, the commission or stewards shall consider the following factors:

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

D. actual harm caused to person, property, or the integrity of racing; ~~and~~

E. ineligible horse;

F. ineligible owner;

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G. improper underweight carried in race and not discovered prior to official;

H. fraud; and

I. any other factors related to the seriousness of violations which the commission or stewards deem crucial to the determination as long as the same factors are considered with regard to all violators. The commission or stewards, in making a determination, shall consider both the number of factors applicable to a violation and the degree to which each applies.

7895.0110 THOROUGHBRED BREEDERS' FUND.

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

Subp. 4. **Methods and time of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out ~~in the same percentage as the purse money in the race.~~ according to one of the two following methods as approved by the commission:

A. purse supplements shall be paid out in the same percentage as the purse money in the race and shall be credited to the owners' accounts at the time the purses are earned; or

B. purse supplements shall be paid out at the same time as breeders' and stallion awards. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** ~~Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned.~~ All money allocated for breeders' awards ~~and~~, stallion awards, and purse supplements to be distributed according to subpart 4, item B, shall be distributed within 30 days of the end of the thoroughbred race meeting.

[For text of subp 8, see M.R.]

7895.0125 THOROUGHBRED REGISTRATION.

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

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must be met:

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

[For text of item E, see M.R.]

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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:

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

7895.0250 STANDARDBRED BREEDERS' FUND.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Exceptions.** Money accrued to the standardbred breeders' fund from standardbred simulcasting will be deposited with the commission to be used as purse supplements as approved by the commission for standardbred racing conducted in the state for either a pari-mutuel or non pari-mutuel meet or both.

7895.0275 STANDARDBRED REGISTRATION.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

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 item A, see M.R.]

B. "Minnesota-foaled" means a horse foaled in Minnesota, and registered with the racing commission.

C. ~~"Minnesota-bred" means:~~

~~(1) a horse sired by a registered stallion who stood his entire breeding season in Minnesota; and~~

~~(2) a horse born 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, from January 31 through July 31, in Minnesota.

D. "Minnesota-sired" means a horse sired by a registered Minnesota-sire and registered with the commission.

E. "Minnesota-bred" shall be defined in three different and distinct categories:

(1) "Minnesota-bred sired and foaled" means a horse that is:

(a) sired by a registered Minnesota-sire who stood his entire breeding season in Minnesota; and

(b) Minnesota-foaled.

(2) "Minnesota-bred foaled" means a

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Minnesota-foaled horse.

(3) "Minnesota-bred sired" means a Minnesota-sired horse.

Subp. 2. **Division of money.** The money available from the breeders' fund for the quarter horse category shall be divided as follows:

A. ~~35~~ 45 percent shall be set aside and paid as breeders' awards to breeders of Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horses (Minnesota-bred foaled horses and Minnesota-bred sired horses are not eligible for breeders' awards); and

B. ~~35 percent shall be set aside and paid as owners' awards to owners of Minnesota-bred or Minnesota-foaled horses; and~~

C. ~~--20~~ 45 percent shall be paid to supplement purses in races which are restricted to Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horses, Minnesota-bred foaled horses, or Minnesota-bred sired horses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission; and

~~D.~~ C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire of Minnesota-bred sired and foaled horses and Minnesota-bred sired horses at the time of breeding.

Subp. 3. **Distribution of money.** The money available from the quarter horse breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horse, as reflected on the American Quarter Horse Association (AQHA) certificate that ~~finishes fifth or better~~ earns money in any race.

B. ~~"Owners' awards" shall be paid to the owners of a Minnesota-bred or Minnesota-foaled horse that finishes fifth or better in any race.~~

C. "Stallion awards" shall be paid to the stallion

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owner or recorded lessee (at the time of breeding) of a Minnesota-bred ~~or Minnesota foaled~~ sired and foaled horse or a Minnesota-bred sired horse that ~~finishes fifth or better~~ earns money in any race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. However, the commission may, prior to the beginning of each race meet, establish the maximum amount of earnings per race for a single horse that may be used in calculation of the breeders' fund awards. (For example: if the maximum amount of earnings per race per horse is set at $10,000, then in the event a horse earns any amount over $10,000 in one race, the breeders' fund awards will be calculated based on $10,000 earnings for that race.) The amount of money to be distributed shall be in accordance with subpart 5. Purse supplements earned shall not be included in determining ~~breeder's~~ breeders' or stallion awards.

[For text of subps 5 and 6, see M.R.]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration, Minnesota-bred sired and foaled.** To be eligible to receive any breeders' award payments and to make a mare's foal eligible for restricted races, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association (AQHA) certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the Permanent Registry of the American Quarter Horse Association) 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

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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 to July 31 in Minnesota.

B. In the event ~~an unregistered~~ a broodmare that is not registered with the racing commission should foal in Minnesota before 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 sired and born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred ~~or Minnesota foaled~~ sired and 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 1 to March 1 (excluding Saturday and Sunday) of the foaling year.~~

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

~~D. Failure to submit broodmare registration forms on or before May 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 January 31 of the foaling year.~~

Subp. 1a. Broodmare registration, Minnesota-bred foaled. To make a mare's foal eligible for restricted races (but not eligible for breeders' awards), the following requirements must be met:

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A. If a mare is in foal to a stallion other than a Minnesota-sire, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a stallion registered in the Permanent Registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before 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-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.

Subp. 1b. **Broodmare registration, Minnesota-bred sired.** To make a mare's foal eligible for Minnesota-bred restricted races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is not expected to foal in the state of Minnesota, she must be in foal to a Minnesota-sire that is properly registered with the racing commission in the year of breeding. Prior to foaling, mares in foal to Minnesota-sires, but not foaling in Minnesota, must be registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association certificate (or Jockey Club Certificate in the case of a thoroughbred mare in foal to a

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Minnesota-sire registered in the permanent registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal before January 31, the owner or lessee must submit a sworn affidavit attesting to the date the foal was born and the state in which it was foaled. The affidavit will be considered evidence that the foal is a Minnesota-sired horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

Subp. 1c. **Late fees.**

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

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

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

B. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred sired and foaled horse, Minnesota-bred foaled horse, or Minnesota-bred sired horse.

C. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of January 31 of the foaling year, in the case of Minnesota-bred sired and foaled horses or Minnesota-bred foaled horses.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

Subp. 4. **Foal registration and certification, Minnesota-bred sired.** For a horse sired by a Minnesota-sire, but not foaled in Minnesota, to be registered and subsequently certified as a Minnesota-bred sired horse, the following requirements must be met:

A. Within 30 days of the date a horse is foaled, 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 the time of conception, the date the foal was born, an owner's or lessee's statement as to which state the foal was born in, 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-sired horse.

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

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(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 120 days of the date of foaling will require a late fee of $300 to qualify for 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.

7895.0400 ARABIAN BREEDERS' FUND.

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

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

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

C. "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, between January 31 and August 31, in Minnesota, or has had transported semen to a specific mare in another state but the stallion has stood the entire breeding season in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the Arabian breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards;

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B. 55 percent shall be paid to supplement purses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission;

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding; and

D. ten percent shall be set aside and paid as owners' awards to the owners of Minnesota-bred or Minnesota-foaled horses.

Subp. 3. **Distribution of money.** The money available from the Arabian breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred horse, as reflected on the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

B. "Stallion awards" shall be paid to the stallion owner of a Minnesota-bred or Minnesota-foaled horse that finishes third or better in any pari-mutuel race.

C. "Owner awards" shall be paid to the owner of a Minnesota-bred horse, as defined by the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

Subp. 5. **Adjustments.** The racing commission shall set percentages to be applied to purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set for the purpose of keeping purse supplements consistent with the amount of money being earned in the

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breeders' fund. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the total amount of purse supplements to be distributed;

B. the need to distribute purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of Arabian horses within the state; and

C. that the set amount of the purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within 30 days of the end of the Arabian race meeting.

Subp. 7. **Residual funds.** All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding Arabian race meeting.

7895.0450 ARABIAN REGISTRATION.

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

A. Prior to foaling, the broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original Arabian Horse Registry of America, Inc. 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, 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

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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 1 to March 1 (excluding Saturday and Sunday) of the foaling year.

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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 of the current breeding year. The stallion's original Arabian Horse Registry of America, Inc. 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.

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B. Stallions must remain in Minnesota for the entire breeding season from January 31 to August 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has not serviced any mare after December 31 of the previous 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 1 to March 1 (excluding Saturday and Sunday) of the breeding year.

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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 January 31 of the breeding year.

F. Any stallion outside Minnesota that is licensed in the semen transport program governed by the Arabian Horse Registry of America, Inc. must be registered with the racing commission or official registering agency. A special affidavit will be signed and notarized by the stallion owner and registered with the racing commission or official registering agency. All requirements in subpart 2 will apply to the stallion in question.

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

A. Within 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

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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 120 days of the date of foaling will require a late fee of $300 to qualify for 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 a horse in a restricted race or to earn any breeders' fund payments.

7897.0100 PROHIBITED ACTS.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Fraud.** No person shall engage in any fraud or misrepresentation with regard to the sale, breeding, or racing of horses.

Subp. 10. **Financial responsibility.** No licensee shall willfully or deliberately refuse to pay any money when due for any service, supplies, or fees connected with his or her activities as a licensee, nor shall he or she falsely deny any such amount due or the validity of the claim therefore with the

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purpose of hindering or defrauding the person to whom the indebtedness is due. All financial responsibility complaints against a licensee shall be made in writing, presenting facts sufficient to enable the stewards to determine that the claim is meritorious and is directly related to the licensee's racing activities ~~in their state~~ and that the debt became due within the last two years. Upon receipt of a complaint, the stewards may conduct an investigation and attempt to resolve the matter informally. If the stewards determine that the complaint has merit, and cannot resolve the matter informally or determine that it is not appropriate to settle the matter informally, then the stewards shall commence the appropriate disciplinary procedures in chapter 7897.

[For text of subps 11 to 19, see M.R.]

7899.0100 VARIANCES.

Subpart 1. **Procedures and standards.** The procedures and standards contained in this part govern the consideration and disposition of all variance requests submitted to the commission. No variance requests seeking relief from the imposition of a fine pursuant to parts 7895.0125, subparts 1, items C and D; 2, items C and D; and 3, items B and C; 7895.0275, subpart 1, items C and D; and 7895.0350, subparts 1c, items A and B; 2, items C and D; 3, items B and C; and 4, items B and C, may be submitted to the commission.

[For text of subps 2 and 3, see M.R.]

Subp. 4. **Standards for granting and denying variance requests.** The commission shall grant a variance to the application of any of its rules except those in subpart 1 only if it determines that all of the following criteria have been met:

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

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STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

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

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

The above-entitled matter came before the Minnesota Racing Commission on the 22nd day of April, 1992. After according all interested persons the opportunity to present written and oral data, statements and arguments to the Minnesota Racing Commission, and in accordance with statutory requirements regarding the adoption of non-controversial rules, after considering all the evidence adduced upon the records, files and proceedings herein, the Minnesota Racing Commission, being fully advised of the premises, hereby adopts the following Supplemental Findings of Fact, Conclusions and Order:

FINDINGS OF FACT

1. The Attorney General has questioned the Minnesota Racing Commission's authority to impose late fees under the broodmare and foal registration programs.

2. However the Minnesota Racing Commission has clear authority to assess civil fines by rule for violations of the Minnesota Racing Commission's rules pursuant to Minn. Stat. § 240.22 (1991).

3. Furthermore, these changes are later referred to in the rule as fines (Minn. R. 7899.0100).

4. Therefore, to resolve these questions regarding the Minnesota Racing Commission's authority it hereby makes the following changes to the following rules:

a. The change in Minn. R. 7895.0350, subp. 1c changes the term "late fee(s)" to "fine(s)" and the clause "a late fee" to "payment of a fine" in regard to civil penalties for failing to register a quarterhorse broodmare with the Minnesota Racing Commission in a timely

fashion. The change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by the change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register a quarterhorse broodmare and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

b. The change in Minn. R. 7895.0350, subp. 2 changes the clause "a late fee" to "payment of a fine" in regard to civil penalties for failing to register a quarterhorse stallion with the Minnesota Racing Commission in a timely fashion. The change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by the change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register a quarterhorse stallion and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

c. The change in Minn. R. 7895.0350, subps. 3 and 4 changes the term "late fee(s)" to "fine(s)" and the clause "a late fee" to "payment of a fine" in regard to civil penalties for failing to register a quarterhorse foal with the Minnesota Racing Commission in a timely fashion. The change is not substantial because no class of persons who could not reasonably have

been expected to comment on the proposed rule were affected by the change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register a quarterhorse foal and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

d. The change in Minn. R. 7895.0450, subp. 1 changes the term "late fees" to "fines" and the clause "a late fee" to "payment of a fine" in regard to civil penalties for failing to register an Arabian broodmare with the Minnesota Racing Commission in a timely fashion. The change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by the change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register an Arabian broodmare and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

e. The change in Minn. R. 7895.0450, subp. 2 changes the term "late fee(s)" to "fine(s)" and the clause "a late fees" to "payment of a fine" in regard to civil penalties for failing to register an Arabian stallion with the Minnesota Racing Commission in a timely fashion. The change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by the change; it introduces no

significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register an Arabian stallion and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

f. The change to Minn. R. 7895.0450, subp. 3 changes the term "late fee(s)" to "fine(s)" and the clause "a late fee" to "payment of a fine" in regard to civil penalties for failing to register an Arabian foal with the Minnesota Racing Commission in a timely fashion. The change is not substantial because no class of persons who could not reasonably have been expected to comment on the proposed rule were affected by the change; it introduces no significant new subject matter; and it makes no substantive change not raised by the proposed rule as noticed. Further it is not substantial because the rule still requires the same amount of civil penalty upon failure to timely register an Arabian foal and merely changes the name of the civil penalty. The change is necessary in order for the Minnesota Racing Commission to comply with statute in that the Minnesota Racing Commission can impose fines but is without authority to impose late fees. The rule is reasonable because it imposes no additional burdens on anyone affected by the rule and requires nothing further than the present rule.

CONCLUSIONS

1. The Minnesota Racing Commission duly acquired and has jurisdiction over this proceeding.

2. All relevant legal and procedural requirements of statute and rule have been complied with.

ORDER

NOW, THEREFORE, IT IS ORDERED, that the rule as amended identified as relating to amendments to existing rules is adopted this 8th day of May, 1992, pursuant to authority vested in the Minnesota Racing Commission by Minn. Stat. § 240.23 (1990 and 1991 Supp.).

RICHARD KREUGER
Minnesota Racing Commission

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ATTY GENERAL-

12 APR 92 11: 17

Minnesota Racing Commission

Adopted Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

Rules as Adopted

7870.0050 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class A license must disclose with respect to the pari-mutuel horse racing facility it will own and operate:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0220 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class B license must disclose with respect to the facility at which it will sponsor and manage pari-mutuel horse racing:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

[For text of item A, see M.R.]

B. a licensed physician and certified emergency medical technician on duty in the first aid room on all days during which horse racing is conducted; and

[For text of item C, see M.R.]

7873.0130 PREVENTION TO START.

In a thoroughbred, quarter horse, arabian, or other breed

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race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

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

7873.0185 TRIFECTA.

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

Subp. 7. **Restrictions on trifecta races.** The restrictions in items A and B apply to trifecta races.

[For text of item A, see M.R.]

B. If fewer than eight horses are declared starters, trifecta wagering shall be canceled and all trifecta wagers shall be refunded. If time permits, the association may schedule exacta wagering in place of trifecta wagering.

[For text of subp 8, see M.R.]

7873.0186 TWIN TRIFECTA.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Restrictions on twin trifecta races.** The restrictions in items A and B apply to twin trifecta races.

[For text of item A, see M.R.]

B. If fewer than eight horses are declared starters for the first race of the twin trifecta, twin trifecta wagering shall be canceled for that day and all twin trifecta wagers shall be refunded. However, any accumulated second race twin trifecta carryover will not be affected and will carry over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

If fewer than eight horses are declared starters for the second race of the twin trifecta, all holders of exchange

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tickets to the second race of the twin trifecta will share equally in that part of the second race net pool added in that day. The amount carried over from previous days will not be distributed and will be carried over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

[For text of subp 10, see M.R.]

7877.0110 PROCEDURE FOR OBTAINING CLASS C LICENSE.

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

Subp. 2. **Application content.** An application for a Class C license shall include the following information with respect to the applicant:

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

G. if the applicant is 18 through 80 years of age, a completed FBI fingerprint card.

[For text of subps 3 and 4, see M.R.]

7877.0120 FEES.

Subpart 1. **License fees.** Effective January 1, 1993, 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:

A. bloodstock agent, $100;

B. concessionaire/vendor, $100;

C. concession/vendor employee, $15;

D. driver (harness), $35;

E. equine dentist, $30;

F. exercise rider, $20;

~~F.~~ G. farrier, $35;

~~G.~~ H. farrier's assistant, $15;

~~H.~~ I. gate crew, $15;

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J. groom/hot-walker, $10;

~~I.~~ K. horsepersons' bookkeeper, $25;

~~J.~~ L. jockey, $35;

~~K.~~ M. jockey agent, $35;

~~L.~~ N. jockey, apprentice, $35;

~~M.~~ O. owner, individual, $35;

~~N.~~ P. owner, multiple, $35;

~~O.~~ Q. pari-mutuel clerk, $15;

~~P.~~ R. pony rider, $15;

~~Q.~~ S. racing official, $35;

~~R.~~ T. stable foreman, $10;

~~S.~~ U. trainer, $35;

~~T.~~ V. trainer, assistant, $20;

~~U.~~ W. valet, $10;

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

~~W.~~ Y. veterinary assistant, $35;

~~X.~~ Z. association employees, seasonal, $15;

~~Y.~~ AA. association staff, permanent, $35; and

~~Z.~~ BB. stables, $50.

Subp. 2. **Fingerprint charge.** In addition to the license fee in subpart 1, each initial application for a Class C license, and each renewal application every third year thereafter, shall be accompanied by a completed FBI fingerprint card taken by the commission and a cashier's check or money order in the amount established by the Association of Racing Commissioners International or the Federal Bureau of Investigation. Any horse owner who does not make application in person must meet all requirements of this subpart, except that the owner may file a completed fingerprint card taken by a law enforcement agency. This subpart does not apply to applications submitted by persons under the age of 18 or over the age of 80.

[For text of subps 3 and 4, see M.R.]

7877.0130 STANDARDS REQUIRED OF APPLICANTS FOR SPECIFIC LICENSES.

Subpart 1. **Individual owners.** An applicant for an individual owner's license must own, lease, or be a lessor of a

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horse eligible to race in Minnesota which is registered with the racing secretary and under the care of a trainer licensed by the commission.

If younger than 18 years of age, an applicant for an individual owner's license must submit a notarized affidavit from his or her parent or legal guardian stating that the parent or legal guardian assumes responsibility for the applicant's financial, contractual, and other obligations relating to the applicant's participation in racing. A parent or legal guardian submitting such an affidavit also shall submit information required in part 7877.0110, subpart 2. If the commission has reason to doubt the financial responsibility of an applicant for an individual owner's license, the applicant shall complete a verified financial statement.

Subp. 2. **Multiple owners.** Applicants for a multiple owner's license must comply with subpart 1 and the following requirements.

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

[For text of subps 3 to 13, see M.R.]

Subp. 14. **Authorized agents.** To be appointed an authorized agent, the appointee must be licensed as either an individual owner or as a trainer. A written agency appointment authorizing him or her to act on behalf of a licensed individual owner or licensed multiple owner, or licensed trainer in racing matters not directly related to the care and training of horses must accompany the appointment. The authorization shall be on a form provided by the commission and shall define the powers, limits, and terms of the agency agreement. The authorization must be signed by the individual principals or the multiple owner designated representative and notarized.

A separate notarized agency appointment is required for each principal an authorized agent intends to represent. All such agencies shall remain in effect for the duration of the current race meeting unless written notice of revocation is submitted to the stewards at the meeting where the principal is racing.

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[For text of subp 15, see M.R.]

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey or veterinarian may not be licensed in another capacity.

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

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

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

D. An owner of a thoroughbred, quarter horse, arabian, or other breed is responsible for the registration of colors and for their availability to, and use by, the jockey engaged to ride the owner's horse.

E. A stable name is defined as any ownership operating under the terms farm, stable, or ranch or any individual operating under a name other than its own name and must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of another owner of race horses as a stable name. A stable name which has already been registered may not be registered by another owner.

[For text of subitems (1) to (3), see M.R.]

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

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

E. A trainer must register each horse in his or her charge within 24 hours of the horse's arrival on the grounds of an association by completing forms provided by the racing secretary. At the same time, any trainer of thoroughbred, quarter horses, arabian, or other breeds must submit with that registration a description of the owner's colors for each horse

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in his or her charge.

[For text of items F to J, see M.R.]

K. A thoroughbred, quarter horse, arabian, or other breed trainer shall personally attend his or her horses in the paddock, and shall supervise his or her horses' preparation to race, unless excused by the stewards because of illness or other emergency.

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

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

Subp. 10. **Pony riders.** The following applies to pony riders licensed by the commission:

A. Within 24 hours of obtaining a Class C license, a pony rider must register with the commission veterinarian and provide at that time a list of all pony horses for which he or she is responsible and which he or she intends to bring onto the grounds of the association. Such a list will include the name, sex, age, and brief description of color and markings for each pony horse. Should a pony rider obtain additional pony horses during the racing season, he or she must also register these animals with the commission veterinarian prior to bringing them onto the grounds of the association.

B. A pony rider is responsible for having each pony horse in his or her charge tested for equine infectious anemia (EIA) once every 12 months. The test shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each pony horse's current negative EIA test results must be provided to the commission veterinarian at the time of registration pursuant to item A or, if not available at the time of registration, prior to the arrival of the pony horse at the racetrack. Any certificate which expires during the racing season must be replaced with a current EIA test certificate no later than ten days following the date of expiration.

C. Anyone bringing any pony horse onto the grounds of the association must provide to stable gate personnel the accurate name of the animal. Each pony horse must be

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accompanied by a health certificate completed by an accredited veterinarian and issued not more than 14 days prior to arrival. The health certificate must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian. A pony horse which leaves the grounds for a period of two weeks or less does not have to be accompanied by a new health certificate upon its return.

D. The pony rider shall supply each pony horse in his or her care with adequate food, water, medical treatment, exercise, and shelter, and shall comply with all applicable provisions of Minnesota Statutes, chapter 343.

E. A pony rider must promptly report the death of any pony horse in his or her care on the grounds of an association to the commission veterinarian, and must comply with part 7891.0110 governing postmortem examinations if such examination is deemed necessary by the commission veterinarian.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

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

Subp. 2. **Clerk of scales.** The clerk of scales shall have the following responsibilities.

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

F. The clerk of scales shall weigh-in in public view immediately after the finish of each race the following jockeys:

(1) for nonstakes races, those jockeys finishing first through fourth places and, if designated by the stewards during or immediately after the race, any other jockey in the race; and

(2) for stakes races, every jockey finishing the race.

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

[For text of subps 3 to 11, see M.R.]

Subp. 12. **Clocker (thoroughbred, quarter horse, arabian, or other breeds).** A clocker shall accurately record all workouts on any race course at which a race meeting is being conducted.

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Upon order of the stewards, a clocker shall be able to demonstrate knowledge and proficiency in accurately recording times of horses working out.

A clocker shall present daily records to the racing secretary and the stewards, post for the benefit of the public daily records of all workouts clocked, and make a record of daily workout times available to the news media.

Subp. 13. **Outrider.** The outriders shall be responsible for the orderly conduct of horses on the race course during training and racing hours.

The outriders shall be present on the race course, mounted and ready to assist in the control of any unruly horse or to recapture any loose horse, at all times that horses are permitted on the race course.

The outriders shall escort to the post all horses starting in any race, and shall remain on duty until all horses on that program have been returned to their handlers.

Each outrider must comply with part 7877.0170, subpart 10, for each pony horse in his or her care.

[For text of subps 14 and 15, see M.R.]

7877.0180 CONFLICTS.

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

Subp. 2. **Veterinarians.** No veterinarian or veterinary assistant may participate in pari-mutuel wagering while licensed by the commission. No veterinarian designated as an official at a race meeting shall treat or prescribe treatment for a horse racing at that meeting, except in emergencies or if no other veterinarian licensed by the commission is on the grounds of the association. In that case, the official veterinarian shall notify the commission of any compensation received.

[For text of subp 3, see M.R.]

7878.0120 LICENSING OF SECURITY OFFICERS.

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

Subp. 4. **License fee.** The license fee for a Class C security officer's license is $15.

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CHAPTER 7883

MINNESOTA RACING COMMISSION

THOROUGHBRED, QUARTER HORSE, ARABIAN, AND OTHER BREED RACES

7883.0100 ENTRIES AND SUBSCRIPTIONS.

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

Subp. 2. **Horse must be registered and eligible.** No horse shall be permitted to enter or start unless:

A. it is duly registered with and approved by the registry office of The Jockey Club (New York), the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds;

B. its registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required showing the tattoo number of the horse is filed with the racing secretary by scratch time for that race, except in stakes races the registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required must be filed not less than two hours prior to the scheduled post time for the stakes race;

[For text of items C and D, see M.R.]

E. if a horse's name is changed, its new name shall be registered with The Jockey Club (New York), the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds and its old, as well as its new name, shall be given in every entry list until it has run three races, and both names must be printed in the official program for those three races.

[For text of subps 3 to 15a, see M.R.]

Subp. 16. **Workout requirements.** In order to be eligible:

A. A horse which has not started for a period of 30 days or more shall not be eligible to be entered until it has completed one timed workout prior to the day of entry. Any day of entry workout following the entry of a horse shall appear on

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the official daily racing program or shall be posted for the public.

B. A horse which has not started for a period of 60 days or more shall not be eligible to be entered until it has completed two timed workouts prior to the day of entry.

C. First-time starters must have gate approval and a minimum of two timed workouts, one of which must be out of the gate within 60 days prior to the day of entry.

[For text of item D, see M.R.]

[For text of subps 17 and 18, see M.R.]

7883.0120 DECLARATIONS AND SCRATCHES.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Horse declared nonstarter.** The stewards shall have the authority to declare that a horse is not a starter if they determine that the horse was ineligible to participate in the race or any occurrence before, or during, the running of a race calls for such action by them.

[For text of subp 7, see M.R.]

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.]

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, or furnished by the Arabian Jockey Club (Colorado), and from information contained on Jockey Club (Lexington) foal certificates, and from certificates issued by the American Quarter Horse Association (AQHA), and the Arabian Horse Registry of America, Inc. (AHRA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, or certified by the Arabian Jockey Club (AJC), 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.

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

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

7883.0140 CLAIMING RACES.

[For text of subps 1 to 20, see M.R.]

Subp. 21. **Claimed horse must race for higher claiming price.** For a period of 30 days after being claimed, a thoroughbred, quarter horse, or arabian shall not start in a race in which the eligibility price is less than 25 percent more than the price at which it was claimed. The day claimed shall not count, and the horse may be entered whenever necessary so that it may start on the 31st calendar day following the original claim for any claiming price. In thoroughbred racing, this provision shall apply to starter handicaps and starter allowances.

[For text of subps 22 to 30, see M.R.]

7883.0160 POST TO FINISH.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Protests.** Protests with regard to the running of the race shall be made only by the owner, trainer, or jockey of the horse alleged to be aggrieved, and must be made to the stewards, the outriders, or the clerk of scales immediately after the running of the race. An owner, trainer, or jockey who makes a frivolous protest may be fined.

[For text of subps 10 to 14, see M.R.]

7891.0100 RACING SOUNDNESS EXAMINATION.

Subpart 1. **Horses subject to examination.** Every horse entered to race at a licensed racetrack under the jurisdiction of the commission shall be subjected to a veterinary examination for racing soundness and health on race day. The examination shall be conducted by the commission veterinarian or the association veterinarian in or near the stall to which the horse is assigned. The trainer of each horse or a representative of the trainer must present the horse for examination and move the horse as required by the examining veterinarian. Every horse to

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be examined must have had its legs cleaned of any poultice or other topical applications, must be free of leg bandages or be wearing bandages which are easily removed, and must not have been subjected within one hour of examination to freezing, icing, prolonged hosing with cold water, or any other means of reducing the temperature of the legs.

Subp. 1a. **Trainer must report location.** The trainer, when entering a horse, shall declare to the racing secretary or his or her designee the number of the barn in which the horse being entered will be stabled the day of the race. If the trainer will need a stall assigned for a ship-in horse, the trainer must so declare at the time of entry, and the racing secretary will assign a stall to be used on the day of the race.

Subp. 1b. **Racing secretary must provide stall assignments.** As soon as the overnight sheet is finalized, the racing secretary or his or her designee shall provide to the commission veterinarian a list showing, by race, the name of the horse, the trainer, and the barn number where the horse is to be stabled the day of the race.

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

7892.0150 PURSES.

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

Subp. 2. **Determination of purse redistribution.** In determining whether or not to redistribute a purse, the commission or stewards shall consider the following factors:

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

D. actual harm caused to person, property, or the integrity of racing;

E. ineligible horse;

F. ineligible owner;

G. improper underweight carried in race and not discovered prior to official;

H. fraud; and

I. any other factors related to the seriousness of violations which the commission or stewards deem crucial to the

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determination as long as the same factors are considered with regard to all violators. The commission or stewards, in making a determination, shall consider both the number of factors applicable to a violation and the degree to which each applies.

7895.0110 THOROUGHBRED BREEDERS' FUND.

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

Subp. 4. **Methods and time of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out according to one of the two following methods as approved by the commission:

A. purse supplements shall be paid out in the same percentage as the purse money in the race and shall be credited to the owners' accounts at the time the purses are earned; or

B. purse supplements shall be paid out at the same time as breeders' and stallion awards. These supplements for overnight races shall be paid to owners of Minnesota-bred horses that finish third or better. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** All money allocated for breeders' awards, stallion awards, and purse supplements to be distributed according to subpart 4, item B, shall be distributed within ~~30~~ 45 days of the end of the thoroughbred race meeting.

[For text of subp 8, see M.R.]

7895.0125 THOROUGHBRED REGISTRATION.

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

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal

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to be registered as Minnesota-bred.

[For text of item E, see M.R.]

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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:

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

7895.0250 STANDARDBRED BREEDERS' FUND.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards and stallion awards shall be distributed within ~~30~~ 45 days of the end of the standardbred race meeting.

[For text of subps 7 and 8, see M.R.]

Subp. 9. **Exceptions.** Money accrued to the standardbred breeders' fund from standardbred simulcasting will be deposited with the commission to be used as purse supplements pursuant to Minnesota Statutes, section 240.18, paragraph 3, clause (b), as approved by the commission for standardbred racing conducted in the state for either a pari-mutuel or non pari-mutuel meet or both.

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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:

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

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 item A, see M.R.]

B. "Minnesota-foaled" means a horse foaled in Minnesota, and registered with the racing commission.

C. "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 through July 31, in Minnesota.

D. "Minnesota-sired" means a horse sired by a registered Minnesota-sire and registered with the commission.

E. "Minnesota-bred" shall be defined in three different and distinct categories:

(1) "Minnesota-bred sired and foaled" means a horse that is:

(a) sired by a registered Minnesota-sire who stood his entire breeding season in Minnesota; and

(b) Minnesota-foaled.

(2) "Minnesota-bred foaled" means a Minnesota-foaled horse.

(3) "Minnesota-bred sired" means a Minnesota-sired horse.

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by Revisor _____

Subp. 2. **Division of money.** The money available from the breeders' fund for the quarter horse category shall be divided as follows:

A. 45 percent shall be set aside and paid as breeders' awards to breeders of Minnesota-bred sired and foaled horses (Minnesota-bred foaled horses and Minnesota-bred sired horses are not eligible for breeders' awards); and

B. 45 percent shall be paid to supplement purses in races which are restricted to Minnesota-bred sired and foaled horses, Minnesota-bred foaled horses, or Minnesota-bred sired horses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission; and

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire of Minnesota-bred sired and foaled horses and Minnesota-bred sired horses at the time of breeding.

Subp. 3. **Distribution of money.** The money available from the quarter horse breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred sired and foaled horse, as reflected on the American Quarter Horse Association (AQHA) certificate that earns money in any race.

B. "Stallion awards" shall be paid to the stallion owner or recorded lessee (at the time of breeding) of a Minnesota-bred sired and foaled horse or a Minnesota-bred sired horse that earns money in any race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. However, the commission may, prior to the beginning of each race meet, establish the maximum amount of earnings per race for a single horse that may be used in calculation of the breeders' fund awards. (For example: if the maximum amount of earnings per race per horse is set at

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$10,000, then in the event a horse earns any amount over $10,000 in one race, the breeders' fund awards will be calculated based on $10,000 earnings for that race.) The amount of money to be distributed shall be in accordance with subpart 5. Purse supplements earned shall not be included in determining breeders' or stallion awards.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within ~~30~~ 45 days of the end of the quarterhorse race meeting.

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration, Minnesota-bred sired and foaled.** To be eligible to receive any breeders' award payments and to make a mare's foal eligible for restricted races, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association (AQHA) certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the Permanent Registry of the American Quarter Horse Association) 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 January 31 to July 31 in Minnesota.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before January 31, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency

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attesting that the foal was sired and born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred sired and 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.

Subp. 1a. **Broodmare registration, Minnesota-bred foaled.** To make a mare's foal eligible for restricted races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is in foal to a stallion other than a Minnesota-sire, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a stallion registered in the Permanent Registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before 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-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.

Subp. 1b. **Broodmare registration, Minnesota-bred sired.** To make a mare's foal eligible for Minnesota-bred restricted

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races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is not expected to foal in the state of Minnesota, she must be in foal to a Minnesota-sire that is properly registered with the racing commission in the year of breeding. Prior to foaling, mares in foal to Minnesota-sires, but not foaling in Minnesota, must be registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association certificate (or Jockey Club Certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the permanent registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal before January 31, the owner or lessee must submit a sworn affidavit attesting to the date the foal was born and the state in which it was foaled. The affidavit will be considered evidence that the foal is a Minnesota-sired horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

Subp. 1c. **Late fees.**

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

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

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

B. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and

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Sunday) will require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred sired and foaled horse, Minnesota-bred foaled horse, or Minnesota-bred sired horse.

C. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of January 31 of the foaling year, in the case of Minnesota-bred sired and foaled horses or Minnesota-bred foaled horses.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

Subp. 4. **Foal registration and certification, Minnesota-bred sired.** For a horse sired by a Minnesota-sire, but not foaled in Minnesota, to be registered and subsequently certified as a Minnesota-bred sired horse, the following requirements must be met:

A. Within 30 days of the date a horse is foaled, the

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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 the time of conception, the date the foal was born, an owner's or lessee's statement as to which state the foal was born in, 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-sired 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 120 days of the date of foaling will require a late fee of $300 to qualify for 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.

7895.0400 ARABIAN BREEDERS' FUND.

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

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

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

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C. "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, between January 31 and August 31, in Minnesota, or has had transported semen to a specific mare in another state but the stallion has stood the entire breeding season in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the Arabian breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards;

B. 55 percent shall be paid to supplement purses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission;

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding; and

D. ten percent shall be set aside and paid as owners' awards to the owners of Minnesota-bred or Minnesota-foaled horses.

Subp. 3. **Distribution of money.** The money available from the Arabian breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred horse, as reflected on the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

B. "Stallion awards" shall be paid to the stallion owner of a Minnesota-bred or Minnesota-foaled horse that finishes third or better in any pari-mutuel race.

C. "Owner awards" shall be paid to the owner of a Minnesota-bred horse, as defined by the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements

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pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

Subp. 5. **Adjustments.** The racing commission shall set percentages to be applied to purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set for the purpose of keeping purse supplements consistent with the amount of money being earned in the breeders' fund. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the total amount of purse supplements to be distributed;

B. the need to distribute purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of Arabian horses within the state; and

C. that the set amount of the purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within ~~30~~ 45 days of the end of the Arabian race meeting.

Subp. 7. **Residual funds.** All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding Arabian race meeting.

7895.0450 ARABIAN REGISTRATION.

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

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A. Prior to foaling, the broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original Arabian Horse Registry of America, Inc. 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, 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 1 to March 1 (excluding Saturday and Sunday) of the foaling year.

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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~~ January 31 of the foaling year.

Subp. 2. **Stallion registration.** To be eligible to receive

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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 of the current breeding year. The stallion's original Arabian Horse Registry of America, Inc. 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 to August 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has not serviced any mare after December 31 of the previous 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 1 to March 1 (excluding Saturday and Sunday) of the breeding year.

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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 January 31 of the breeding year.

F. Any stallion outside Minnesota that is licensed in the semen transport program governed by the Arabian Horse Registry of America, Inc. must be registered with the racing

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commission or official registering agency. A special affidavit will be signed and notarized by the stallion owner and registered with the racing commission or official registering agency. All requirements in subpart 2 will apply to the stallion in question.

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

A. Within 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 at the time of conception, 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 120 days of the date of foaling will require a late fee of $300 to qualify for 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 a horse in a restricted race or to earn any breeders' fund payments.

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7897.0100 PROHIBITED ACTS.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Fraud.** No person shall engage in any fraud or misrepresentation with regard to the sale, breeding, or racing of horses.

Subp. 10. **Financial responsibility.** No licensee shall willfully or deliberately refuse to pay any money when due for any service, supplies, or fees connected with his or her activities as a licensee, nor shall he or she falsely deny any such amount due or the validity of the claim therefore with the purpose of hindering or defrauding the person to whom the indebtedness is due. All financial responsibility complaints against a licensee shall be made in writing, presenting facts sufficient to enable the stewards to determine that the claim is meritorious and is directly related to the licensee's racing activities and that the debt became due within the last two years. Upon receipt of a complaint, the stewards may conduct an investigation and attempt to resolve the matter informally. If the stewards determine that the complaint has merit, and cannot resolve the matter informally or determine that it is not appropriate to settle the matter informally, then the stewards shall commence the appropriate disciplinary procedures in chapter 7897.

[For text of subps 11 to 19, see M.R.]

7899.0100 VARIANCES.

Subpart 1. **Procedures and standards.** The procedures and standards contained in this part govern the consideration and disposition of all variance requests submitted to the commission. No variance requests seeking relief from the imposition of a fine pursuant to parts 7895.0125, subparts 1, items C and D; 2, items C and D; and 3, items B and C; 7895.0275, subpart 1, items C and D; and 7895.0350, subparts 1c, items A and B; 2, items C and D; 3, items B and C; and 4, items B and C, may be submitted to the commission.

[For text of subps 2 and 3, see M.R.]

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Subp. 4. **Standards for granting and denying variance requests.** The commission shall grant a variance to the application of any of its rules except those in subpart 1 only if it determines that all of the following criteria have been met:

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

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Office of the Revisor of Statutes

Administrative Rules

TITLE: Adopted Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

AGENCY: Racing Commission

MINNESOTA RULES: Chapters 7870, 7873, 7877, 7878, 7883, 7891, 7892, 7895, 7897, 7899

The attached rules are approved for filing with the Secretary of State

Paul M. Marinac
Deputy Revisor

MINNESOTA RACING COMMISSION
7825 Washington Avenue South, Suite 800
Bloomington, Minnesota 55439
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

April 22, 1992

Ms. Patty Nolte
Attorney General's Office
525 Park Street
St Paul MN 55155

Dear Patty:

At its meeting on Wednesday, April 22, 1992, the Minnesota Racing Commission formally adopted rules governing amendments to existing rules of the Commission. In accordance with that adoption, enclosed you will find the following documents:

1. Three copies of Rules as proposed;

2. Three copies of Rules as adopted;

3. Copy of Affidavit of Mailing of Rule and Certificate of Mailing List.

4. Copy of Statement of Need and Reasonableness.

5. Copy of Findings of Fact, Conclusions, and Order Adopting a Rule Without a Public Hearing.

6. Certificate of the MRC Resolution Adopting the Rule.

7. Declaration of Counsel.

8. A copy of the Notice of Proposed Adoption of a Rule Without a Public Hearing.

9. A copy of the Certificate of Commission's Authorizing Resolution.

10. A copy of the State Register in which the proposed rules were published.

Would you please review and approve these rules on behalf of the Attorney General, and notify me in writing when such approval is granted. The MRC will then arrange to have the Notice of Adoption published in the State Register.

If you have any questions, please give me a call.

Sincerely,

Sharon A. Beighley

SHARON A. BEIGHLEY
Office Manager

SB/
encl.

MINNESOTA RACING COMMISSION

CERTIFICATE OF COMMISSION'S AUTHORIZING RESOLUTION

I 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 31st day of January, 1992, 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, Director of Parimutuel Racing, is hereby granted the authority and directed to sign and to give 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, to publish the notice and rule in the State Register, and perform any and all acts incidental thereto, including making any form changes in the rules that the Revisor of Statutes requires the Commission to make in order to obtain the Revisor's certification as required by Minnesota Statutes § 14.07, subd. 2 (1990).
>
> In the event a public hearing becomes necessary, the 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 the hearing.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 31st day of January, 1992.

Richard Pemberton
Chair
Minnesota Racing Commission

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the
Proposed Adoption of the
Minnesota Racing Commission
Rule Governing Amendments to
the 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 (1990). The statutory authority to adopt the rule is Minnesota Statutes, section 240.23 (1990).

(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.

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. (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. If a public hearing is required, the agency will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20. (7)

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

Richard Krueger
Minnesota Racing Commission
7825 Washington Ave. So., Suite 800
Bloomington, MN 55439
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 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. The proposed rule will adjust certain Class C license fees and will establish late fees for certain breeder's fund registrations. The fees are 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: January 31, 1992.

RICHARD KRUEGER
DIRECTOR
MINNESOTA RACING COMMISSION

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STATE OF MINNESOTA
MINNESOTA RACING COMMISSION

IN THE MATTER OF THE PROPOSED ADOPTION OF RULES OF THE MINNESOTA RACING COMMISSION GOVERNING AMENDMENTS TO EXISTING RULES

AFFIDAVIT OF MAILING THE NOTICE OF PROPOSED ADOPTION OF RULE AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

I, RICHARD G. 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 THEIR NAMES BE PLACED ON THE MINNESOTA RACING COMMISSION'S RULEMAKING LIST IS ACCURATE, COMPLETE AND CURRENT AS OF THIS 28TH DAY OF FEBRUARY, 1992.

THAT ON THE 28TH DAY OF FEBRUARY, 1992 AT THE CITY OF BLOOMINGTON, COUNTY OF HENNEPIN, STATE OF MINNESOTA, I MAILED THE ATTACHED NOTICE OF PROPOSED ADOPTION OF A 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
MINNESOTA RACING COMMISSION

Subscribed and Sworn to Before Me
This 28th Day of February, 1992

Sharon A. Beighley
NOTARY PUBLIC

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

Rules

Labels

BILLY ADLER
BOX 99
CHALLIS, ID 83226

AMERICAN HORSE RACING FEDERATION
JAMES P. HEFFERNAN
1700 K ST. NW SUITE 300
WASHINGTON,, DC 20006

AQHA RACING DEPT.
DOUG RAY
P.O. BOX 200
AMARILLO, TX 79168

ARABIAN JOCKEY CLUB
SHAREI GUETSCHOW, DIR. OF RACING
12000 ZUNI STREET
WESTMINSTER, CO 80234

ASSN FOR ADV OF SPORTS POTENTIAL
EQUINE DIVISION
185 DOE RUN ROAD
UNIONVILLE, PA 19375

ASSOCIATION OF RACING COMMISSIONERS
KENTUCKY HORSE PARK
4067 IRON WORKS PIKE
LEXINGTON, KY 40511

AUTOTOTE LTD
MARY JANOWSKI
100 BELLEVUE RD BOX 6009
NEWARK, DE 19714

BACKSTRETCH MAGAZINE
19899 W. NINE MILE ROAD
SOUTHFIELD, MI 48075

RON BANKS
JOCKEY'S GUILD, INC.
12809 N. 15TH AVE.
PHOENIX, AZ 85029

LORETTA BEAUDOIN
1322 STIKNEY AVE.
S. ST. PAUL, MN 55075

STEVE BELTON
150 S. 5TH ST #2300
MPLS, MN 55402

WENDY BENSON
2112 MEETING ST.
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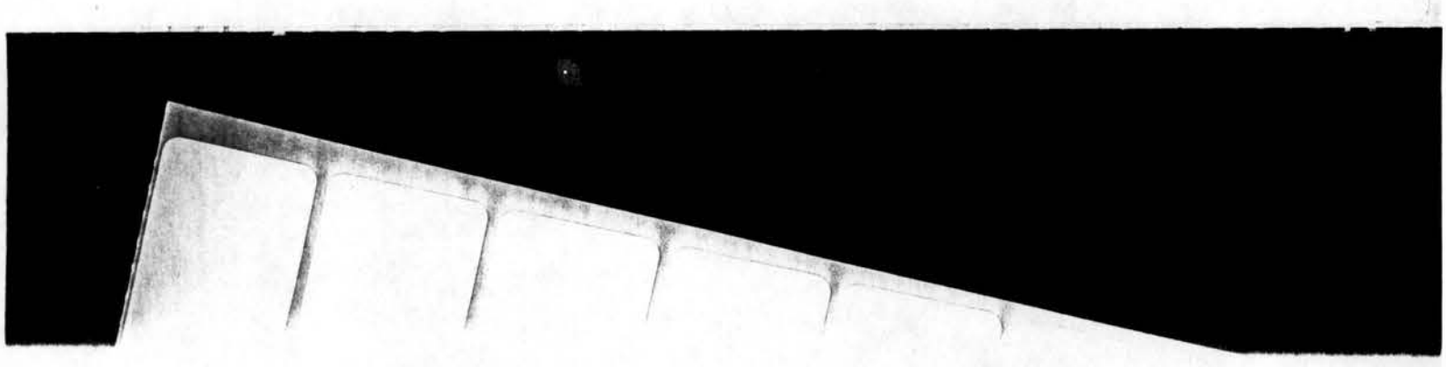

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(3) a closure letter issued by the commissioner;

D. an itemized list of all corrective actions taken, the eligible costs associated with the actions, and the name of the engineer, contractor, or subcontractor who performed the action; and

E. documentation of solicitation of competitive bids or proposals or qualification for exemption as required by part 2890.0075.

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

REPEALER. *Minnesota Rules*, parts 2890.0060, subpart 5; and 2890.0070, subpart 2, are repealed.

Minnesota Racing Commission

Proposed Permanent Rules Relating to Horses, Wagering, Licensing, Race Officials, Breeders' Funds, Prohibited Acts, and Variances

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 (1990). The statutory authority to adopt the rule is *Minnesota Statutes*, section 240.23 (1990).

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 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:

Richard Krueger
Minnesota Racing Commission
7825 Washington Ave. So., Suite 800
Bloomington, MN 55439
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 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.

Promulgation of the proposed rule will not result in the expenditure of public monies by local public bodies 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. The proposed rule will adjust certain Class C license fees and will establish late fees for certain breeder's fund registrations. The fees are 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: 31 January 1992

Richard Krueger
Director
Minnesota Racing Commission

Rules as Proposed

7870.0050 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class A license must disclose with respect to the pari-mutuel horse racing facility it will own and operate:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0220 DISCLOSURE OF IMPROVEMENTS AND EQUIPMENT.

An application for a Class B license must disclose with respect to the facility at which it will sponsor and manage pari-mutuel horse racing:

[For text of items A and B, see M.R.]

C. The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse, arabian, or other breeds.

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

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

[For text of item A, see M.R.]

B. a licensed physician and ~~registered nurse~~ certified emergency medical technician on duty in the first aid room on all days during which horse racing is conducted; and

[For text of item C, see M.R.]

7873.0130 PREVENTION TO START.

In a thoroughbred ~~or~~, quarter horse, arabian, or other breed race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

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

7873.0185 TRIFECTA.

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

Subp. 7. **Restrictions on trifecta races.** The restrictions in items A ~~to C~~ and B apply to trifecta races.

[For text of item A, see M.R.]

B. ~~There shall be no trifecta wagering on handicap races.~~

~~C.~~ If fewer than eight horses are declared starters, trifecta wagering shall be canceled and all trifecta wagers shall be refunded. If time permits, the association may schedule exacta wagering in place of trifecta wagering.

[For text of subp 8, see M.R.]

7873.0186 TWIN TRIFECTA.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Restrictions on twin trifecta races.** The restrictions in items A ~~to C~~ and B apply to twin trifecta races.

[For text of item A, see M.R.]

B. ~~There shall be no twin trifecta wagering on handicap races.~~

~~C.~~ If fewer than eight horses are declared starters for the first race of the twin trifecta, twin trifecta wagering shall be canceled for that day and all twin trifecta wagers shall be refunded. However, any accumulated second race twin trifecta carryover will not be

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.

affected and will carry over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

If fewer than eight horses are declared starters for the second race of the twin trifecta, all holders of exchange tickets to the second race of the twin trifecta will share equally in that part of the second race net pool added in that day. The amount carried over from previous days will not be distributed and will be carried over to the next consecutive race day. In the event this occurs on the final program, the accumulated net pool of the second twin trifecta race will be deposited in a trust account by the association, and the pool, as well as all accrued interest, shall be carried over and included in the second race twin trifecta net pool for the next consecutive racing date as an additional net amount to be distributed.

[For text of subp 10, see M.R.]

7877.0110 PROCEDURE FOR OBTAINING CLASS C LICENSE.

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

Subp. 2. **Application content.** An application for a Class C license shall include the following information with respect to the applicant:

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

G. if the applicant is 18 through 80 years of age ~~or above~~, a completed FBI fingerprint card.

[For text of subps 3 and 4, see M.R.]

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:

A. bloodstock agent, $100;

B. concessionaire/vendor, $100;

C. concession/vendor employee, ~~$10~~ $15;

D. driver (harness), ~~$25~~ $35;

E. exercise rider, ~~$15~~ $20;

F. farrier, ~~$25~~ $35;

G. farrier's assistant, ~~$10~~ $15;

H. groom/hot-walker, ~~$5~~ $10;

I. horsepersons' bookkeeper, $25;

J. jockey, ~~$25~~ $35;

K. jockey agent, ~~$25~~ $35;

L. jockey, apprentice, ~~$25~~ $35;

M. owner, individual, ~~$25~~ $35;

N. owner, multiple, ~~$25~~ $35;

O. pari-mutuel clerk, ~~$10~~ $15;

P. pony rider, ~~$10~~ $15;

Q. racing official, ~~$25~~ $35;

R. stable foreman, ~~$5~~ $10;

S. trainer, ~~$25~~ $35;

T. trainer, assistant, ~~$15~~ $20;

U. valet, ~~$5~~ $10;

V. veterinarian, $100;

W. veterinary assistant, ~~$25~~ $35; ~~and~~

X. ~~others, $10~~ association employees, seasonal, $15;

Y. association staff, permanent, $35; and

Z. stables, $50.

Subp. 2. **Fingerprint charge.** In addition to the license fee in subpart 1, each initial application for a Class C license, and each renewal application every third year thereafter, shall be accompanied by a completed FBI fingerprint card taken by the commission and a cashier's check or money order in the amount established by the Association of Racing Commissioners International or the Federal Bureau of Investigation. Any horse owner who does not make application in person must meet all requirements of this subpart, except that the owner may file a completed fingerprint card taken by a law enforcement agency. This subpart does not apply to applications submitted by persons under the age of 18 or over the age of 80.

[For text of subps 3 and 4, see M.R.]

7877.0130 STANDARDS REQUIRED OF APPLICANTS FOR SPECIFIC LICENSES.

Subpart 1. **Individual owners.** An applicant for an individual owner's license must own ~~or~~, lease, or be a lessor of a horse eligible to race in Minnesota which is registered with the racing secretary and under the care of a trainer licensed by the commission.

If younger than 18 years of age, an applicant for an individual owner's license must submit a notarized affidavit from his or her parent or legal guardian stating that the parent or legal guardian assumes responsibility for the applicant's financial, contractual, and other obligations relating to the applicant's participation in racing. A parent or legal guardian submitting such an affidavit also shall submit information required in part 7877.0110, subpart 2. If the commission has reason to doubt the financial responsibility of an applicant for an individual owner's license, the applicant shall complete a verified financial statement.

Subp. 2. **Multiple owners.** Applicants for a multiple owner's license must comply with subpart 1 and the following requirements.

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

[For text of subps 3 to 13, see M.R.]

Subp. 14. **Authorized agents.** To be appointed an authorized agent, the appointee must be licensed as either an individual owner or as a trainer. A written agency appointment authorizing him or her to act on behalf of a licensed individual owner or licensed multiple owner, or licensed trainer in racing matters not directly related to the care and training of horses must accompany the appointment. The authorization shall be on a form provided by the commission and shall define the powers, limits, and terms of the agency agreement. The authorization must be signed by the individual principals or the multiple owner designated representative and notarized.

A separate notarized agency appointment is required for each principal an authorized agent intends to represent. All such agencies shall remain in effect for the duration of the current race meeting unless written notice of revocation is submitted to the stewards at the meeting where the principal is racing.

[For text of subp 15, see M.R.]

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey~~,~~ or veterinarian~~, or farrier~~ may not be licensed in another capacity.

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

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

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

D. An owner of a thoroughbred ~~or~~, quarter horse, arabian, or other breed is responsible for the registration of colors and for their availability to, and use by, the jockey engaged to ride the owner's horse.

E. A stable name is defined as any ownership operating under the terms farm, stable, or ranch or any individual operating under a name other than its own name and must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of ~~any~~ another owner of race horses as a stable name. A stable name which has already been registered may not be registered by another owner.

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[For text of subitems (1) to (3), see M.R.]

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

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

E. A trainer must register each horse in his or her charge within 24 hours of the horse's arrival on the grounds of an association by completing forms provided by the racing secretary. At the same time, any trainer of thoroughbred ~~or~~, quarter horses, arabian, or other breeds must submit with that registration a description of the owner's colors for each horse in his or her charge.

[For text of items F to J, see M.R.]

K. A thoroughbred ~~or~~, quarter horse, arabian, or other breed trainer shall personally attend his or her horses in the paddock, and shall supervise his or her horses' preparation to race, unless excused by the stewards because of illness or other emergency.

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

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

Subp. 10. **Pony riders.** The following applies to pony riders licensed by the commission:

A. Within 24 hours of obtaining a Class C license, a pony rider must register with the commission veterinarian and provide at that time a list of all pony horses for which he or she is responsible and which he or she intends to bring onto the grounds of the association. Such a list will include the name, sex, age, and brief description of color and markings for each pony horse. Should a pony rider obtain additional pony horses during the racing season, he or she must also register these animals with the commission veterinarian prior to bringing them onto the grounds of the association.

B. A pony rider is responsible for having each pony horse in his or her charge tested for equine infectious anemia (EIA) once every 12 months. The test shall be performed by a laboratory approved by the United States Department of Agriculture. A copy of each pony horse's current negative EIA test results must be provided to the commission veterinarian at the time of registration pursuant to item A or, if not available at the time of registration, prior to the arrival of the pony horse at the racetrack. Any certificate which expires during the racing season must be replaced with a current EIA test certificate no later than ten days following the date of expiration.

C. Anyone bringing any pony horse onto the grounds of the association must provide to stable gate personnel the accurate name of the animal. Each pony horse must be accompanied by a health certificate completed by an accredited veterinarian and issued not more than 14 days prior to arrival. The health certificate must be surrendered to stable gate personnel for immediate transmittal to the commission veterinarian. A pony horse which leaves the grounds for a period of two weeks or less does not have to be accompanied by a new health certificate upon its return.

D. The pony rider shall supply each pony horse in his or her care with adequate food, water, medical treatment, exercise, and shelter, and shall comply with all applicable provisions of *Minnesota Statutes*, chapter 343.

E. A pony rider must promptly report the death of any pony horse in his or her care on the grounds of an association to the commission veterinarian, and must comply with part 7891.0110 governing postmortem examinations if such examination is deemed necessary by the commission veterinarian.

7877.0175 DUTIES AND RESPONSIBILITIES OF RACING OFFICIALS.

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

Subp. 2. **Clerk of scales.** The clerk of scales shall have the following responsibilities.

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

F. The clerk of scales shall weigh-in ~~every jockey~~ in public view immediately after the finish of each race the following jockeys:

(1) for nonstakes races, those jockeys finishing first through fourth places and, if designated by the stewards during or immediately after the race, any other jockey in the race; and

(2) for stakes races, every jockey finishing the race.

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

[For text of subps 3 to 11, see M.R.]

Subp. 12. **Clocker (thoroughbred ~~or~~, quarter horse, arabian, or other breeds).** A clocker shall accurately record all workouts on any race course at which a race meeting is being conducted.

Upon order of the stewards, a clocker shall be able to demonstrate knowledge and proficiency in accurately recording times of horses working out.

A clocker shall present daily records to the racing secretary and the stewards, post for the benefit of the public daily records of all

workouts clocked, and make a record of daily workout times available to the news media.

Subp. 13. **Outrider.** The outriders shall be responsible for the orderly conduct of horses on the race course during training and racing hours.

The outriders shall be present on the race course, mounted and ready to assist in the control of any unruly horse or to recapture any loose horse, at all times that horses are permitted on the race course.

The outriders shall escort to the post all horses starting in any race, and shall remain on duty until all horses on that program have been returned to their handlers.

Each outrider must comply with part 7877.0170, subpart 10, for each pony horse in his or her care.

[For text of subps 14 and 15, see M.R.]

7877.0180 CONFLICTS.

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

Subp. 2. **Veterinarians.** No veterinarian or veterinary assistant may participate in pari-mutuel wagering while licensed by the commission. No veterinarian designated as an official at a race meeting shall treat or prescribe treatment for a horse racing at that meeting, except in emergencies or if no other veterinarian licensed by the commission is on the grounds of the association. In that case, the official veterinarian shall notify the commission of any compensation received.

[For text of subp 3, see M.R.]

7878.0120 LICENSING OF SECURITY OFFICERS.

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

Subp. 4. **License fee.** The license fee for a Class C security officer's license is ~~$10~~ $15.

CHAPTER 7883

MINNESOTA RACING COMMISSION

THOROUGHBRED ~~AND~~, QUARTER HORSE, ARABIAN, AND OTHER BREED RACES

7883.0100 ENTRIES AND SUBSCRIPTIONS.

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

Subp. 2. **Horse must be registered and eligible.** No horse shall be permitted to enter or start unless:

A. it is duly registered with and approved by the registry office of The Jockey Club (New York) ~~or~~, the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds;

B. its registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required showing the tattoo number of the horse is filed with the racing secretary by scratch time for that race, except in stakes races the registration certificate and Arabian ID Supplement or any supplement relative to other breeds as required must be filed not less than two hours prior to the scheduled post time for the stakes race;

[For text of items C and D, see M.R.]

E. if a horse's name is changed, its new name shall be registered with The Jockey Club (New York) ~~or~~, the American Quarter Horse Association, the Arabian Horse Registry of America, Inc., or the nationally recognized registration organization relative to other breeds and its old, as well as its new name, shall be given in every entry list until it has run three races, and both names must be printed in the official program for those three races.

[For text of subps 3 to 15a, see M.R.]

Subp. 16. **Workout requirements.** In order to be eligible:

A. A horse which has not started for a period of 30 days or more shall not be eligible to be entered until it has completed one timed workout prior to the day of entry ~~date~~. Any day of entry workout following the entry of a horse shall appear on the official daily racing program or shall be posted for the public.

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B. A horse which has not started for a period of 60 days or more shall not be eligible to be entered until it has completed two timed workouts prior to the day of entry ~~date~~.

C. First-time starters must have gate approval and a minimum of two timed workouts, one of which must be out of the gate within 60 days prior to the day of entry ~~date~~.

[For text of item D, see M.R.]

[For text of subps 17 and 18, see M.R.]

7883.0120 DECLARATIONS AND SCRATCHES.

[For text of subps 1 to 5, see M.R.]

Subp. 6. **Horse declared nonstarter.** The stewards shall have the authority to declare that a horse is not a starter if they determine that the horse was ineligible to participate in the race or any occurrence before, or during, the running of a race calls for such action by them.

[For text of subp 7, see M.R.]

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.]

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, or furnished by the Arabian Jockey Club (Colorado), and from information contained on Jockey Club (Lexington) foal certificates, and from certificates issued by the American Quarter Horse Association (AQHA), and the Arabian Horse Registry of America, Inc. (AHRA). Information contained on these certificates that is not published by the Daily Racing Form, or certified by the AQHA, or certified by the Arabian Jockey Club (AJC), 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.]

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

7883.0140 CLAIMING RACES.

[For text of subps 1 to 20, see M.R.]

Subp. 21. **Claimed horse must race for higher claiming price.** For a period of 30 days after being claimed, a thoroughbred ~~or~~, quarter horse, or arabian shall not start in a race in which the eligibility price is less than 25 percent more than the price at which it was claimed. The day claimed shall not count, and the horse may be entered whenever necessary so that it may start on the 31st calendar day following the original claim for any claiming price. In thoroughbred racing, this provision shall apply to starter handicaps and starter allowances.

[For text of subps 22 to 30, see M.R.]

7883.0160 POST TO FINISH.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Protests.** Protests with regard to the running of the race shall be made only by the owner, trainer, or jockey of the horse alleged to be aggrieved, and must be made to the stewards, the outriders, or the clerk of scales ~~before or~~ immediately after ~~weighing in~~ the running of the race. An owner, trainer, or jockey who makes a frivolous protest may be fined.

[For text of subps 10 to 14, see M.R.]

7891.0100 RACING SOUNDNESS EXAMINATION.

Subpart 1. **Horses subject to examination.** Every horse entered to race at a licensed racetrack under the jurisdiction of the commission shall be subjected to a veterinary examination for racing soundness and health on race day. The examination shall be conducted by the commission veterinarian or the association veterinarian in or near the stall to which the horse is assigned. The trainer of each horse or a representative of the trainer must present the horse for examination and move the horse as required by the examining veterinarian. Every horse to be examined must have had its legs cleaned of any poultice or other topical applications, must be free of leg bandages or be wearing bandages which are easily removed, and must not have been subjected within one hour of examination to freezing, icing, prolonged hosing with cold water, or any other means of reducing the temperature of the legs.

Subp. 1a. **Trainer must report location.** The trainer, when entering a horse, shall declare to the racing secretary or his or her designee the number of the barn in which the horse being entered will be stabled the day of the race. If the trainer will need a stall assigned for a ship-in horse, the trainer must so declare at the time of entry, and the racing secretary will assign a stall to be used on the day of the race.

Subp. 1b. **Racing secretary must provide stall assignments.** As soon as the overnight sheet is finalized, the racing secretary or his or her designee shall provide to the commission veterinarian a list showing, by race, the name of the horse, the trainer, and the barn number where the horse is to be stabled the day of the race.

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

7892.0150 PURSES.

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

Subp. 2. **Determination of purse redistribution.** In determining whether or not to redistribute a purse ~~for a violation of chapter 7890,~~ the commission or stewards shall consider the following factors:

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

D. actual harm caused to person, property, or the integrity of racing; ~~and~~

E. ineligible horse;

F. ineligible owner;

G. improper underweight carried in race and not discovered prior to official;

H. fraud; and

I. any other factors related to the seriousness of violations which the commission or stewards deem crucial to the determination as long as the same factors are considered with regard to all violators. The commission or stewards, in making a determination, shall consider both the number of factors applicable to a violation and the degree to which each applies.

7895.0110 THOROUGHBRED BREEDERS' FUND.

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

Subp. 4. **Methods and time of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out ~~in the same percentage as the purse money in the race.~~ according to one of the two following methods as approved by the commission:

A. purse supplements shall be paid out in the same percentage as the purse money in the race and shall be credited to the owners' accounts at the time the purses are earned; or

B. purse supplements shall be paid out at the same time as breeders' and stallion awards. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

[For text of subp 5, see M.R.]

Subp. 6. **Time of payment.** ~~Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned.~~ All money allocated for breeders' awards ~~and~~, stallion awards, and purse supplements to be distributed according to subpart 4, item B, shall be distributed within 30 days of the end of the thoroughbred race meeting.

[For text of subp 8, see M.R.]

7895.0125 THOROUGHBRED REGISTRATION.

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

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

[For text of item E, see M.R.]

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

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

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D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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:

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

7895.0250 STANDARDBRED BREEDERS' FUND.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Exceptions.** Money accrued to the standardbred breeders' fund from standardbred simulcasting will be deposited with the commission to be used as purse supplements as approved by the commission for standardbred racing conducted in the state for either a pari-mutuel or non pari-mutuel meet or both.

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:

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

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 item A, see M.R.]

B. "Minnesota-foaled" means a horse foaled in Minnesota, and registered with the racing commission.

C. ~~"Minnesota-bred" means:~~

~~(1) a horse sired by a registered stallion who stood his entire breeding season in Minnesota; and~~

~~(2) a horse born in Minnesota.~~

~~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 through July 31, in Minnesota.

D. "Minnesota-sired" means a horse sired by a registered Minnesota-sire and registered with the commission.

E. "Minnesota-bred" shall be defined in three different and distinct categories:

(1) "Minnesota-bred sired and foaled" means a horse that is:

(a) sired by a registered Minnesota-sire who stood his entire breeding season in Minnesota; and

(b) Minnesota-foaled.

(2) "Minnesota-bred foaled" means a Minnesota-foaled horse.

(3) "Minnesota-bred sired" means a Minnesota-sired horse.

Subp. 2. **Division of money.** The money available from the breeders' fund for the quarter horse category shall be divided as follows:

A. ~~35~~ 45 percent shall be set aside and paid as breeders' awards to breeders of Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horses (Minnesota-bred foaled horses and Minnesota-bred sired horses are not eligible for breeders' awards); and

B. ~~35 percent shall be set aside and paid as owners' awards to owners of Minnesota-bred or Minnesota-foaled horses; and~~

~~C. 20~~ 45 percent shall be paid to supplement purses in races which are restricted to Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horses, Minnesota-bred foaled horses, or Minnesota-bred sired horses. The purse supplements shall be apportioned in

accordance with the quality of the race as determined by the commission; and

~~D.~~ C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire of Minnesota-bred sired and foaled horses and Minnesota-bred sired horses at the time of breeding.

Subp. 3. **Distribution of money.** The money available from the quarter horse breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horse, as reflected on the American Quarter Horse Association (AQHA) certificate that ~~finishes fifth or better~~ earns money in any race.

B. ~~"Owners' awards" shall be paid to the owners of a Minnesota-bred or Minnesota-foaled horse that finishes fifth or better in any race.~~

~~C.~~ "Stallion awards" shall be paid to the stallion owner or recorded lessee (at the time of breeding) of a Minnesota-bred ~~or Minnesota-foaled~~ sired and foaled horse or a Minnesota-bred sired horse that ~~finishes fifth or better~~ earns money in any race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. However, the commission may, prior to the beginning of each race meet, establish the maximum amount of earnings per race for a single horse that may be used in calculation of the breeders' fund awards. (For example: if the maximum amount of earnings per race per horse is set at $10,000, then in the event a horse earns any amount over $10,000 in one race, the breeders' fund awards will be calculated based on $10,000 earnings for that race.) The amount of money to be distributed shall be in accordance with subpart 5. Purse supplements earned shall not be included in determining ~~breeder's~~ breeders' or stallion awards.

[For text of subps 5 and 6, see M.R.]

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. **Broodmare registration, Minnesota-bred sired and foaled.** To be eligible to receive any breeders' award payments and to make a mare's foal eligible for restricted races, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association (AQHA) certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the Permanent Registry of the American Quarter Horse Association) 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 January 31 to July 31 in Minnesota.

B. In the event ~~an unregistered~~ a broodmare that is not registered with the racing commission should foal in Minnesota before 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 sired and born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred ~~or Minnesota-foaled~~ sired and 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 1 to March 1 (excluding Saturday and Sunday) of the foaling year.~~

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

~~D. Failure to submit broodmare registration forms on or before May 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 January 31 of the foaling year.~~

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Subp. 1a. **Broodmare registration, Minnesota-bred foaled.** To make a mare's foal eligible for restricted races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is in foal to a stallion other than a Minnesota-sire, 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 of the year in which the broodmare will foal and must remain in Minnesota until foaling. The broodmare's original American Quarter Horse Association certificate (or Jockey Club certificate in the case of a thoroughbred mare in foal to a stallion registered in the Permanent Registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal in Minnesota before 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-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.

Subp. 1b. **Broodmare registration, Minnesota-bred sired.** To make a mare's foal eligible for Minnesota-bred restricted races (but not eligible for breeders' awards), the following requirements must be met:

A. If a mare is not expected to foal in the state of Minnesota, she must be in foal to a Minnesota-sire that is properly registered with the racing commission in the year of breeding. Prior to foaling, mares in foal to Minnesota-sires, but not foaling in Minnesota, must be registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association certificate (or Jockey Club Certificate in the case of a thoroughbred mare in foal to a Minnesota-sire registered in the permanent registry of the American Quarter Horse Association) must be received by the racing commission or official registering agency.

B. In the event a broodmare that is not registered with the racing commission should foal before January 31, the owner or lessee must submit a sworn affidavit attesting to the date the foal was born and the state in which it was foaled. The affidavit will be considered evidence that the foal is a Minnesota-sired horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

Subp. 1c. **Late fees.**

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

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

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

B. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred sired and foaled horse, Minnesota-bred foaled horse, or Minnesota-bred sired horse.

C. The commission may, at its discretion, request written documentation from any persons seeking late registration that the broodmare was standing in Minnesota as of January 31 of the foaling year, in the case of Minnesota-bred sired and foaled horses or Minnesota-bred foaled horses.

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

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims for stallion award payments.

[For text of item E, see M.R.]

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

[For text of items A and B, see M.R.]

C. Failure to submit foal registration forms on or before 120 days of the date of foaling will ~~disqualify~~ require a late fee of $300 to qualify for any subsequent claims to enter the horse in a restricted race or to earn any breeders' fund payments.

[For text of items D and E, see M.R.]

Subp. 4. **Foal registration and certification, Minnesota-bred sired.** For a horse sired by a Minnesota-sire, but not foaled in Minnesota, to be registered and subsequently certified as a Minnesota-bred sired horse, the following requirements must be met:

A. Within 30 days of the date a horse is foaled, 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 the time of conception, the date the foal was born, an owner's or lessee's statement as to which state the foal was born in, 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-sired 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 120 days of the date of foaling will require a late fee of $300 to qualify for 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.

7895.0400 ARABIAN BREEDERS' FUND.

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

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

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

C. "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, between January 31 and August 31, in Minnesota, or has had transported semen to a specific mare in another state but the stallion has stood the entire breeding season in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the Arabian breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards;

B. 55 percent shall be paid to supplement purses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission;

C. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding; and

D. ten percent shall be set aside and paid as owners' awards to the owners of Minnesota-bred or Minnesota-foaled horses.

Subp. 3. **Distribution of money.** The money available from the Arabian breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred horse, as reflected on the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

B. "Stallion awards" shall be paid to the stallion owner of a Minnesota-bred or Minnesota-foaled horse that finishes third or better in any pari-mutuel race.

C. "Owner awards" shall be paid to the owner of a Minnesota-bred horse, as defined by the Arabian Horse Registry of America, Inc. certificate, that finishes third or better in any pari-mutuel race.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

Subp. 5. **Adjustments.** The racing commission shall set percentages to be applied to purse supplements that may be earned during

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the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set for the purpose of keeping purse supplements consistent with the amount of money being earned in the breeders' fund. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the total amount of purse supplements to be distributed;

B. the need to distribute purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of Arabian horses within the state; and

C. that the set amount of the purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within 30 days of the end of the Arabian race meeting.

Subp. 7. **Residual funds.** All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding Arabian race meeting.

7895.0450 ARABIAN REGISTRATION.

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

A. Prior to foaling, the broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original Arabian Horse Registry of America, Inc. 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, 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 1 to March 1 (excluding Saturday and Sunday) of the foaling year.

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

D. Failure to submit broodmare registration forms on or before May 1 of the foaling year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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 of the current breeding year. The stallion's original Arabian Horse Registry of America, Inc. 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 to August 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has not serviced any mare after December 31 of the previous 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 1 to March 1 (excluding Saturday and Sunday) of the breeding year.

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

D. Failure to submit stallion registration forms on or before May 1 of the breeding year (excluding Saturday and Sunday) will require a late fee of $300 to qualify for 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 January 31 of the breeding year.

F. Any stallion outside Minnesota that is licensed in the semen transport program governed by the Arabian Horse Registry of America, Inc. must be registered with the racing commission or official registering agency. A special affidavit will be signed and notarized by the stallion owner and registered with the racing commission or official registering agency. All requirements in subpart 2 will apply to the stallion in question.

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

A. Within 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 120 days of the date of foaling will require a late fee of $300 to qualify for 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 a horse in a restricted race or to earn any breeders' fund payments.

7897.0100 PROHIBITED ACTS.

[For text of subps 1 to 8, see M.R.]

Subp. 9. **Fraud.** No person shall engage in any fraud or misrepresentation with regard to the sale, breeding, or racing of horses.

Subp. 10. **Financial responsibility.** No licensee shall willfully or deliberately refuse to pay any money when due for any service, supplies, or fees connected with his or her activities as a licensee, nor shall he or she falsely deny any such amount due or the validity of the claim therefore with the purpose of hindering or defrauding the person to whom the indebtedness is due. All financial responsibility complaints against a licensee shall be made in writing, presenting facts sufficient to enable the stewards to determine that the claim is meritorious and is directly related to the licensee's racing activities ~~in their state~~ and that the debt became due within the last two years. Upon receipt of a complaint, the stewards may conduct an investigation and attempt to resolve the matter informally. If the stewards determine that the complaint has merit, and cannot resolve the matter informally or determine that it is not appropriate to settle the matter informally, then the stewards shall commence the appropriate disciplinary procedures in chapter 7897.

[For text of subps 11 to 19, see M.R.]

7899.0100 VARIANCES.

Subpart 1. **Procedures and standards.** The procedures and standards contained in this part govern the consideration and disposition of all variance requests submitted to the commission. No variance requests seeking relief from the imposition of a fine pursuant to parts 7895.0125, subparts 1, items C and D; 2, items C and D; and 3, items B and C; 7895.0275, subpart 1, items C and D; and 7895.0350, subparts 1c, items A and B; 2, items C and D; 3, items B and C; and 4, items B and C, may be submitted to the commission.

[For text of subps 2 and 3, see M.R.]

Subp. 4. **Standards for granting and denying variance requests.** The commission shall grant a variance to the application of any of its rules except those in subpart 1 only if it determines that all of the following criteria have been met:

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

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.

CERTIFICATE OF THE
MINNESOTA RACING COMMISSION
RESOLUTION ADOPTING THE RULE

I, RICHARD PEMBERTON, 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 22nd day of April, 1992, 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 rules relating to amendments to existing rules is approved and adopted, pursuant to authority vested in the Minnesota Racing Commission by Minnesota Statutes 240.23 (1990 and 1991 Supp.).
>
> Richard Krueger, Director 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 22nd day of April, 1992.



RICHARD PEMBERTON

STATE OF MINNESOTA
MINNESOTA RACING COMMISSION

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

DECLARATION OF COUNSEL

I, E. JOSEPH NEWTON, 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.

E. JOSEPH NEWTON
Special Assistant
Attorney General

Dated: April 22, 1992.