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## **TITLE 71 INDIANA HORSE RACING COMMISSION**

LSA Document #02-282(E)

### **DIGEST**

Adds 71 IAC 1-1-41.5 concerning adding the definition of an extended race meet. Adds 71 IAC 1-1.5-37.5 concerning adding the definition of an extended race meet. Amends 71 IAC 12-2-15 concerning allocation of riverboat gambling admissions tax revenue. Amends 71 IAC 12-2-20 concerning allocation of simulcast revenue between associations. Effective September 27, 2002.

**71 IAC 1-1-41.5**                      **71 IAC 12-2-15**  
**71 IAC 1-1.5-37.5**                **71 IAC 12-2-20**

SECTION 1. 71 IAC 1-1-41.5 IS ADDED TO READ AS FOLLOWS:

#### **71 IAC 1-1-41.5 "Extended race meet" defined**

**Authority:** IC 4-31-3-9

**Affected:** IC 4-31; IC 4-33-12-6

**Sec. 41.5. "Extended race meet" means the racing of a particular breed of horse, in a calendar year, of the following minimum number of race days:**

- (1) Forty (40) days on dirt only.**
- (2) Thirty (30) days on dirt and turf.**
- (3) Forty (40) days on turf only.**

**For the purpose of this rule, the combination of thoroughbreds and quarter horses constitute a particular breed of horse.** (*Indiana Horse Racing Commission; 71 IAC 1-1-41.5; emergency rule filed Sep 27, 2002, 2:31 p.m.: 26 IR 394*)

SECTION 2. 71 IAC 1-1.5-37.5 IS ADDED TO READ AS FOLLOWS:

#### **71 IAC 1-1.5-37.5 "Extended race meet" defined**

**Authority:** IC 4-31-3-9

**Affected:** IC 4-31; IC 4-33-12-6

**Sec. 37.5. "Extended race meet" means the racing of a particular breed of horse, in a calendar year, of the following minimum number of race days:**

- (1) Forty (40) days on dirt only.**
- (2) Thirty (30) days on dirt and turf.**
- (3) Forty (40) days on turf only.**

**For the purpose of this rule, the combination of thoroughbreds and quarter horses constitute a particular breed of horse.** (*Indiana Horse Racing Commission; 71 IAC 1-1.5-37.5; emergency rule filed Sep 27, 2002, 2:31 p.m.: 26 IR 394*)

SECTION 3. 71 IAC 12-2-15, AS AMENDED AT 25 IR 1189, SECTION 1, IS AMENDED TO READ AS FOLLOWS:

**71 IAC 12-2-15 Allocation of riverboat gambling admissions tax revenue**

Authority: IC 4-31-3-9; IC 4-33-12-6  
Affected: IC 4-31-11-10

Sec. 15. (a) An association must be racing live in order to be eligible to receive distributions of riverboat gambling admissions tax revenue pursuant to this section.

(b) The commission shall allocate the riverboat gambling admissions tax revenue distributed to the commission by the treasurer of state pursuant to IC 4-33-12-6 as follows:

(1) Twenty percent (20%) divided ~~equally~~ between the standardbred breed development fund, ~~and the thoroughbred breed development fund, and quarter horse breed development fund~~ as established by the commission under IC 4-31-11-10 ~~after the first one hundred thousand dollars (\$100,000) is allocated to the quarter horse breed development fund;~~ as follows:

(A) **Forty-eight (48%) to standardbred breed development.**

(B) **Forty-eight (48%) to thoroughbred breed development; and**

(C) **Four (4%) to quarter horse breed development.**

(2) Forty percent (40%) to purses for the benefit of horsemen, which shall be divided equally between the standardbred purse account and the thoroughbred purse account after the first two hundred thousand dollars (\$200,000) is allocated to purses for races for quarter horses. If more than one (1) track races a specific breed, purses for that breed shall be divided to the purse accounts of the tracks in question proportionally based upon the number of live race dates for that breed. To the extent practical, the revenue received under this subsection shall be distributed as purses for the benefit of horsemen in the year in which the revenue is received.

(3) In a year in which only one (1) association conducts live pari-mutuel racing, forty percent (40%) shall go to the association after the first five hundred thousand (\$500,000) is distributed as follows:

(A) Two hundred thousand (\$200,000) to the thoroughbred development fund.

(B) Two hundred thousand (\$200,000) to the standardbred development fund.

(C) One hundred thousand (\$100,000) to the quarter horse development fund.

Such revenue may be used by the association for purses, promotions, and routine operations of the race track. Provided, however, that such monies shall not be used for long term capital investment or construction.

(4) In a year in which more than one (1) association conducts live pari-mutuel racing, forty percent (40%) to the associations, which shall be divided proportionally based on the total purses, irrespective of any breed considerations, generated by each association's track and satellite facilities from the following sources:

(A) Live handle at track.

(B) Live handle at satellite facilities.

(C) Interstate simulcasting receiving handle.

(D) Interstate simulcasting sending handle.

Notwithstanding ~~the~~ above formula, in a **calendar year which two (2) associations conduct commission approved live racing of both thoroughbreds and standardbreds at each facility; 2003**, the forty percent (40%) shall be divided equally between associations **if each association races a minimum of twenty (20) days each of both thoroughbred and standardbred. In calendar year 2004, one-half (1/2) of the forty percent (40%) shall be divided equally between associations if each association races an extended race meet of both thoroughbred and standardbred. The other half of the forty percent (40%) shall be divided proportionally based on total purses as described above.**

**(c) Subdivision [Subsection] (b)(4) expires on December 31, 2004.** *(Indiana Horse Racing Commission; 71 IAC 12-2-15; emergency rule filed Mar 9, 1994, 2:50 p.m.: 17 IR 1629; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2090; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2423; emergency rule filed Dec 22, 1999, 4:13 p.m.: 23 IR 1113, eff Dec 15, 1999 [IC 4-22-2-37.1 establishes the effectiveness of an emergency rule upon filing with the secretary of state. LSA Document #99-269(E) was filed with the secretary of state on December 22, 1999]; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Nov 29, 2001, 1:20 p.m.: 25 IR 1189; emergency rule filed Sep 27, 2002, 2:31 p.m.: 26 IR 394)*

SECTION 4. 71 IAC 12-2-20, AS ADDED AT 25 IR 1190, SECTION 4, IS AMENDED TO READ AS FOLLOWS:

**71 IAC 12-2-20 Allocation of simulcast revenue between associations**

Authority: IC 4-31-3-9; IC 4-31-9-10  
Affected: IC 4-31-11-10; IC 4-31-11-11

Sec. 20. (a) In a year in which more than one (1) association conducts live pari-mutuel racing, an association that simulcasts into its track or satellite facilities a breed of horse which it does not race ~~live~~ **an extended race meet** shall share one-half (½) of its net retainage (after pari-mutuel taxes, host simulcast fees, and purses) on such wagering with any association that conducts live racing on said breed. Provided, however, that such sharing shall be limited to the track and/or any satellite facilities that are within twenty-five (25) miles of the other permit holder's track and/or satellite facilities.

(b) For the purpose of this rule, an association may race fewer than the number of days required of an extended race meet. However, such association shall share the net retainage pursuant to 71 IAC 12-2-20 *[this section]* on simulcast revenue on the breed of horse in which it does not conduct an extended race meet. The association shall retain that portion of the one-half (½) of its net retainage in *[subsection]* (a) above based on the percentage of the minimum number of days constituting an extended race meet actually raced. The balance shall be shared as described in *[subsection]* (a) above. (Example: If twenty (20) days are raced and the minimum number to qualify as an extended race meet is thirty (30) days, then sixty-six and sixty-seven hundredths percent (66.67%) shall be retained and thirty-three and thirty-three hundredths percent (33.33%) shall be shared.)

(c) Notwithstanding the minimum number of race days of an extended race meet, an association racing thoroughbreds and quarter horses for the first time in 2003, shall retain all simulcast revenue pursuant to this rule in 2003 by racing a minimum of twenty (20) days of thoroughbreds and quarter horses.

(d) A "race day", for purposes of this rule, shall be a minimum of eight (8) races per day for a particular breed of horse. For the purpose of this rule, the combination of thoroughbreds and quarter horses constitute a particular breed of horse. (*Indiana Horse Racing Commission; 71 IAC 12-2-20; emergency rule filed Nov 29, 2001, 1:20 p.m.: 25 IR 1190; emergency rule filed Sep 27, 2002, 2:31 p.m.: 26 IR 395*)

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