

Kentucky Horse Racing Commission

Meeting Materials for Regular Meeting

April 18, 2023



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MINUTES OF THE MARCH 21, 2023, KENTUCKY HORSE RACING COMMISSION SPECIAL MEETING

Date: March 21, 2023 at 1:30 P.M.

Place: Via Zoom and Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, Kentucky 40511

Members Present: Chairman Jonathan Rabinowitz; Vice-Chairman Frank Jones, Jr.; Commissioner Mike Berry; Commissioner Michael Dudgeon; Commissioner Tiffany Daniels, D.C.; Commissioner Greg Harbut; Commissioner Lesley Howard; Commissioner William L.S. Landes; Commissioner William May; Commissioner Charles O'Connor; Commissioner Catherine Parke; Commissioner James Worley; Commissioner Frank Shoop; and Commissioner Dr. Tom Riddle

Ex-officio Members Present: Chad Thompson on behalf of Secretary Ray Perry, Katie Smith on behalf of Secretary Jeff Noel, and Mona Juett on behalf of Secretary Lindy Casebier

KHRC Staff Participating/Present: Jamie Eads, Executive Director; Waqas Ahmed, Deputy Executive Director; Jennifer Wolsing, General Counsel; Travers Manley, Deputy General Counsel; Mariah Dietz, Executive Administrative Secretary; and Beth Jacobson, Paralegal

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
I. Call to Order and Roll Call	4 - 5	Chairman Rabinowitz called the meeting of the Kentucky Horse Racing Commission (KHRC) to order and performed the roll call. A quorum was recognized.	No action taken.

<p>II. New Business Tab 1 Meeting Minutes from February 21, 2023 Meeting</p>	<p>5 – 11 5 – 6</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the proposed minutes of the KHRC Meeting on February 21, 2023. Motion by Commissioner Landes. Second by Commissioner Berry.</p> <p>Executive Director Jamie Eads shared that the minutes were located behind tab number one and approval was recommended by KHRC Staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed minutes of the February 21, 2023 meeting as presented. Motion carried with no objections or abstentions.</p>
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AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
<p>Tab 2</p> <p>Approval of the proposed Lexington Trots Breeders Association, LLC, d/b/a Red Mile's request to amend Section R of its application for a license to conduct live horse racing, simulcasting and parimutuel wagering</p>	<p>6 - 8</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the proposed Lexington Trots Breeders Association, LLC, d/b/a Red Mile's request to amend Section R of its application for a license to conduct live horse racing, simulcasting and parimutuel wagering. Motion by Commissioner Parke. Second by Commissioner Worley.</p> <p>Deputy General Counsel, Travers Manley, was assigned the floor and presented that the Red Mile has requested a date change. The Red Mile sought and received an award for 2023 race dates including October 1, 2023. The Red Mile has requested to conduct this awarded race date on an alternative date of September 28, 2023. The amendment is supported by the Kentucky Harness Horseman's Association. Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the Lexington Trots Breeders Association, LLC, d/b/a Red Mile's request to amend Section R of its application for a license to conduct live horse racing, simulcasting and parimutuel wagering. Motion carried with no objections or abstentions.</p>

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
<p>Tab 3 Approval of Voluntary Implementation Agreement with Horseracing Integrity and Safety Authority, Ince and Horseracing Integrity and Welfare Unit</p>	<p>8 - 11</p>	<p>Chairman Rabinowitz requested a motion from the Commission to opt into an agreement with Horseracing Integrity and Safety Authority and Horseracing Integrity and Welfare Unit (1) without election to collect or remit fees from the thoroughbred racetracks under the KHRC’s jurisdiction and (2) with the option to end the agreement if all or a relevant portion of the Horseracing Integrity and Welfare Act is found unconstitutional by a court of competent jurisdiction with all appeals being exhausted. Motion by Commissioner May. Second by Commissioner O’Connor.</p> <p>Executive Director, Jamie Eads, was assigned the floor and explained that behind tab three was a voluntary implementation agreement with HISA. Mrs. Eads further explained that on this coming Monday, March 27, 2023, the anti-doping and medications control program is to be implemented and enforced by HIWU. Special thanks are given to the tracks, the commission staff, Jennifer Wolsing, Waqas Ahmed, Barbara Borden, and Dr. Bruce Howard for working so hard on this agreement. Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve an agreement with Horseracing Integrity and Safety Authority and Horseracing Integrity and Welfare Unit (1) without election to collect or remit fees from the thoroughbred racetracks under the KHRC’s jurisdiction and (2) with the option to end the agreement if all or a relevant portion of the Horseracing Integrity and Welfare Act is found unconstitutional by a court of competent jurisdiction with all appeals being exhausted. Motion carried with no objections or abstentions.</p>

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
III. Other Business	11 – 12	<p>Commissioner Landes requested a Motion for the KHRC to send a letter of that's to the Public Protection Cabinet General Counsel, Jacob Walbourn, for his education of the KHRC relative legal option in recent litigation. Commission Landes volunteered to draft the letter and additionally stated that Mr. Walbourn's patience and explanations are superb.</p> <p>Chairman Rabinowitz did not think that a motion was necessary to make sure that a letter gets drafted and stated that he echoed everything Commissioner Landes stated.</p>	No action taken.
IV. Adjournment	12 - 13	<p>With no other business, Chairman Rabinowitz requested a motion to adjourn the February 21, 2023 Kentucky Horse Racing Commission Meeting. Motion by Commissioner Berry. Second by Commissioner May.</p> <p>Meeting adjourned.</p>	<p>Chairman Rabinowitz called for a vote to adjourn.</p> <p>Motion carried with no objections or abstentions.</p>

NOTE: The meeting materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission

FROM: Waqas Ahmed, Deputy Executive Director
Jennifer Wolsing, General Counsel
Travers Manley, Deputy General Counsel

DATE April 18, 2023

RE: **PROPOSED CONDITIONS ON LICENSES TO CONDUCT LIVE HORSE RACING, SIMULCASTING,
AND PARI-MUTUEL WAGERING**

The Kentucky Horse Racing Commission (KHRC) is responsible for overseeing horse racing and wagering in Kentucky and has the authority to impose conditions on licensed associations pursuant to KRS 230.290(2). As a condition of licensure, the licensed associations must comply with various requirements related to regulatory notifications, operational reporting, racing integrity, and wagering integrity. The requirements include notifying the KHRC of any regulatory agency communication or investigation, sending copies of self-reporting documents to the KHRC, notifying the KHRC of any wagering anomalies, ensuring the totalizator and video provider are operating correctly, and reporting employee lists and vendor licenses.

The KHRC staff recommends approval of this condition and accompanying requirements on each association's license. If approved, the condition will be sent to all associations for compliance.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

Kentucky Horse Racing Commission
Condition of Licensure Pursuant to KRS 230.260

Pursuant to KRS 230.290(2), the Kentucky Horse Racing Commission ("KHRC") is authorized to prescribe necessary and reasonable conditions under which horse racing and wagering is conducted in the Commonwealth of Kentucky. Therefore, as a condition of licensure by the KHRC to conduct horse racing and wagering, each licensed association shall certify that it shall comply with the following requirements:

1. Regulatory Notifications

- a. Each licensed association shall notify the KHRC of any communication, report, or investigation conducted or to be conducted by any federal, state, or local regulatory agency that relates to the safety, integrity, or security of the licensed association's operations, its participants, facilities, or that would reasonably be deemed to affect public confidence in the licensed association. This notification includes, but is not limited to, communications, reports, or investigations involving the Thoroughbred Racing Association ("TRA"), Thoroughbred Racing Protective Bureau ("TRPB"), United States Trotting Association ("USTA"), American Quarter Horse Association ("AQHA"), Arabian Jockey Club ("AJC"), National Thoroughbred Racing Association ("NTRA"), the Horseracing Integrity and Safety Authority ("HISA"), the Horseracing Integrity and Welfare Unit ("HIWU"), or any agency relating to environmental, safety or public health matters. Notification to the KHRC shall include or be supplemented by a copy of the communication, report, or investigation within twenty-four (24) hours of receipt by the licensed association.
- b. Each licensed association shall notify the KHRC any time a member of a local, state, or federal law enforcement agency enters licensed association grounds for the purpose of questioning, investigating, or arresting a licensed individual. Such notice shall include or be supplemented by a copy of any report related to the questioning, investigation, or arrest prepared by the licensed association and/or prepared by the law enforcement agency. The report(s) shall be provided to the KHRC within twenty-four (24) hours of preparation and/or receipt by the licensed association.

2. Operational Reporting

- a. Each licensed association shall send a copy of any self-reporting document, form, or correspondence to the KHRC at the same time that the document, form, or correspondence is filed with the state or federal regulatory agency, or any other organization referenced in Requirement No. 1. The licensed association shall identify to the KHRC any information contained in submitted reports that the licensed association considers to be proprietary.
- b. Pursuant to 810 KAR 8:010 Section 20, purse money in thoroughbred, flat racing, and standardbred racing shall be paid, distributed, or made available no later than twenty-four (24) hours after notice from the Commission that a final laboratory report has been issued.

3. Racing Integrity Requirements

- a. Each licensed association shall record the date and time (in hours, minutes, and seconds) on all live video feeds originating from a Kentucky track. Each licensed association shall be responsible for recording (in hours, minutes, and seconds) the start/off time of each race. Further, each licensed association shall require the tote company with whom it does business to certify, and provide evidence of such certification, to the Chief State Steward or Presiding Judge of the closure time (in hours, minutes, and seconds) of the betting windows for each race. Records shall be retained for two years after the date of the race. Records shall be submitted to the KHRC upon request.
 - b. Each of the timing systems mentioned in Requirement 3a. shall be synchronized with the U.S. Naval Observatory Clock at the beginning of each race day.
 - c. Each licensed association offering thoroughbred racing shall require owners to deposit the fee for the administration of race-day furosemide, as permitted under Title 810 of the Kentucky Administrative Regulations, into the owner's account with the horsemen's bookkeeper by 12:00 p.m. Eastern on the day of the race. Failure of the owner to deposit such a fee may result in the owner being subjected to penalties, including fines or suspension. Each licensed association shall debit the owner's account for the Lasix fee to the credit of the KHRC.
 - d. Each licensed association for thoroughbred racing shall abide by the safety and security requirements mandated by the Horseracing Integrity and Safety Act of 2020, as set forth in 15 U.S.C. 3051 *et seq.* ("HISA"). Each licensed association for any type of horse racing shall abide by all requirements set forth in KHRC statutes and regulations, to the extent that KHRC statutes and regulations are not preempted by HISA. All licensed associations shall be subject to inspection by KHRC officials and shall be required to make any repairs or improvements necessary to comply with the applicable safety and security regulations.
4. Wagering Integrity Requirements
- a. Each licensed association shall notify the KHRC if it becomes aware of a wagering anomaly related to racing conducted at that licensed association or related to a race imported for simulcast wagering at the licensed association, even if a report has not been filed with any of the organizations referenced in Requirement No. 1. The licensed association shall provide transactional data and video of the race to the KHRC. Wagering anomalies are defined as any incident that might reasonably affect the public's confidence in the licensed association's wagering pools. Such incidents include, but are not limited to:
 - i. Past posting, cancel delay, and other instances when wagering occurs after the horses have left the gate;
 - ii. Off-shore and account wagering fraud;
 - iii. Suspected manipulation through computerized robotic wagering;
 - iv. Pool odds manipulation;
 - v. Quick pick or random pick malfunction;

- vi. Unusually large cancellation of wagers (especially right as the betting stops);
- vii. Outlets that are habitually late getting into the pools;
- viii. Manual merges;
- ix. Unusual payoffs;
- x. Failing to remove a scratched horse from the pools (which would then require a re-calculation of payoffs);
- xi. Re-entering a scratched horse to the pools without approval from the Stewards or Judges;
- xii. Suspicious wagering patterns;
- xiii. Totalizator or data communications malfunctions; and/or
- xiv. Substantial late ticket cancellations.

The list of wagering anomalies above is meant to be illustrative and not exclusive. It is the licensed association's responsibility to ensure that all wagering anomalies are communicated in a detailed and timely manner to the KHRC, whether by the licensed association or related vendor.

- b. Each licensed association shall ensure that the totalizator and video provider are available at least one week prior to the start of the live race meet for testing by the KHRC. Each licensed association shall ensure that the totalizator and video provider for its live meet are operating correctly at least 24 hours prior to the start of the live meet. Each licensed association shall ensure the video provider for its live meet performs its duties to the satisfaction of the KHRC, including, but not limited to, by having functional cameras and displaying all notifications timely and legibly for the wagering public.
- c. Each licensed association shall require its totalizator, video provider, and teletimer provider to share any and all racing and wagering data requested by the KHRC.
- d. Each licensed association shall post policies and procedures related to pari-mutuel wagering, including the licensed association's refund policy, on the licensed association's website. Each licensed association shall also post a notice in the racing program and a sign at the association's information window informing patrons where they can access a complete copy of the association's policies and procedures related to pari-mutuel wagering, including the association's refund policy.
- e. Each licensed association shall provide a copy of its mutuel department policies and procedures to the KHRC.
- f. Each licensed association shall have protocols in place that mandate exclusion of any receiving track's wagering pool when the licensed association cannot verify that all wagers in the receiving track's pool were received prior to the official start of the race. Copies of these protocols shall be provided to the KHRC.
- g. Each licensed association shall have protocols in place and shall publicize to its wagering patrons when, as a receiving track, it is excluded from a host track's wagering pool. These protocols shall include an immediate public announcement

and immediate posting on the licensed association's video monitors and websites. Copies of these protocols shall be provided to the KHRC.

- h. In the event of exotic wagering hosted by another jurisdiction on a licensed association's race date, whereby a KHRC official's actions pursuant to 810 KAR 2:040 Section 5(9) may impact the outcome of the wager, the licensed association must inform the KHRC of the following information at least three (3) calendar days prior to such wagering:
 - i. Type, number, and denomination of the wager;
 - ii. The specific performance (including, but not limited to, number, type of race, etc.) and racetrack involved in the wager; and
 - iii. Name and direct phone number for the person responsible for operating the wager for the host site and totalizator company.

Further, any such wager shall be included in the official race program of the licensed association, with the wager for each applicable race date.

- i. Each licensed association that does business with any individual, person, or entity that offers advance deposit account wagering ("ADW") to Kentucky residents shall ensure that the ADW is licensed by the KHRC prior to doing business with that ADW.
 - j. Each licensed association shall submit an electronic copy of the Kentucky Department of Revenue Forms 73A100 and 73A101 to KHRC.Reports@ky.gov no later than 4:30 p.m. on the 5th business day (excluding Saturday and Sunday) following the close of each racing week. Note that each licensed association must report its wagers, including any wagers conducted through a subsidiary, on a single return for each period.
 - k. Each licensed association shall settle (and pay, as required) all wagering accounts with simulcast partners on a timely basis, in no event exceeding 60 days past any respective due date.
 - l. Each licensee shall ensure sufficient printed copies of the program are made available to KHRC staff and shall provide a digital copy of the program to the KHRC via e-mail no later than six (6) hours prior to the first race of the program.
 - m. All licensed associations are required to have a licensed tote employee on the premises during live racing.
5. Each licensed association shall submit to the KHRC a full employee list that includes the official title of the employee at the licensed association and the date of the employee's hire. This shall be submitted in a format approved by the Commission's Director of Licensing on a monthly basis, no later than the 5th business day of the month.
 6. Each licensed association shall report to the KHRC in writing, as required by 810 KAR 3:020, Section 11, the discharge of any licensed employee within 24 hours of the event.
 7. Each licensed association shall ensure that all vendors and vendor employees utilized for the licensed association's operations are properly licensed by the KHRC.

8. Each licensed association shall require that all vendors and vendor employees display a KHRC identification badge while on licensed association grounds.
9. All licensed associations must pay for allocated expenses of the Commission pursuant to invoice terms, as set forth in KRS 230.240(3).

All notices required to be given to the KHRC under this condition of licensure, unless otherwise stated, shall be provided to the Executive Director, Deputy Executive Director, Chief State Steward/Presiding Judge, and Director of Pari-Mutuel Wagering and Compliance via hand delivery and/or electronic mail triggering the notice requirement. In the event a licensed association does not comply with the requirements, the KHRC has the authority to assess fines and/or penalties, including, but not limited to, licensure revocation. Additional conditions may be added to an association's license at any time at the discretion of the KHRC.

CERTIFICATION

I, , a duly authorized representative of , hereby acknowledge and certify acceptance of the above condition to the licensed association's license to conduct a horse racing meeting in the Commonwealth of Kentucky. Furthermore, I certify that these requirements shall remain in place for subsequent renewals of the license unless the KHRC provides otherwise.

X

Authorized Representative of Association



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Travers Manley, Deputy General Counsel
DATE: April 18, 2023

RE: **TURFWAY PARK, LLC’S REQUESTS TO AMEND SECTION R OF ITS 2023 APPLICATION TO CONDUCT LIVE HORSE RACING, SIMULCASTING AND PARI-MUTUEL WAGERING**

In its application for a license to conduct live horse racing, simulcasting and pari-mutuel wagering, Turfway Park, LLC (“Turfway Park”) sought and received an award of 2023 race dates, including March 3, 2023. Due to deteriorating weather conditions, Turfway Park canceled racing on March 3, 2023. On March 4, 2023, General Manager Chip Bach requested approval to conduct the originally scheduled race date on March 15, 2023.

On March 23, 2023, Turfway Park requested the addition of two Super High 5 pari-mutuel pools for *Jeff Ruby Steaks* and *Bourbonette Oaks* stakes races. The KHRC staff determined that the pools requested complied with 810 KAR 6:020.

Due to the time constraints of both requests, Executive Director Jamie Eads granted conditional approvals for Turfway Park to conduct racing on the alternate date and offer the aforementioned pari-mutuel pools. KHRC staff recommends ratification of Executive Director Eads’ approvals.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny



March 3rd, 2023

Ms. Jamie Eads
Executive Director
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Building B
Lexington, KY 40511

Dear Executive Director Eads:

Turfway Park Racing & Gaming is requesting approval to race on Wednesday, March 15th to make up our Friday, March 3rd cancellation. We place to run a 9 race card starting at 5:55 p.m.

Thank you for your consideration of this request; please contact me with any questions.

Sincerely,

A handwritten signature in black ink that reads "Daniel Bach".

Daniel "Chip" Bach, Jr.
General Manager
Turfway Park, LLC

From: Tyler Picklesimer (Turfway) <Tyler.Picklesimer@turfwaypark.com>
Sent: Thursday, March 23, 2023 11:59 AM
To: Ahmed, Waqas (PPC) <waqas.ahmed@ky.gov>; Eads, Jamie (PPC) <Jamie.Eads@ky.gov>; Borden, Barbara (PPC) <barbara.borden@ky.gov>
Cc: Chip Bach (Turfway) <Chip.Bach@turfwaypark.com>; Aaron Spurlock (Turfway) <Aaron.Spurlock@turfwaypark.com>
Subject: RE: Additional Super Hi Wagers

This Message Originated from Outside the Organization

[Report Suspicious](#)

This Message Is From an External Sender.

Mr. Ahmed,

With the addition of the 13th race on Jeff Ruby Day, Saturday, March 25th, 2023. Turfway is requesting to card additional Super Hi 5 Wagers on two of our signature races.

Licensee: Turfway Park.

Two additional Super Hi 5 pools. With a \$1.00 minimum wagers.

- o Race # 11 The Bourbonette Oaks (Listed) – Carded with 11 horses. Race # 12 The Jeff Ruby Steaks (GIII) – Carded with 12 horses.

The additional Super Hi 5 wagers will be available for the race card scheduled on

Saturday, March 25th, 2023.

We intend to promote immediately if KHRC approval is granted. Procedures to be followed in regard to granting refunds, cancelations, etc.

810 KAR 6:020. Calculation of payouts and distribution of pools. Section 11. Super High-Five Pools.

Mutuels Manger Aaron Spurlock 859-647-4852

United Tote Eastern Hub 502-394-1110.

United Tote Site Operator, Steve Horn 859-803-4676.

Additionally, any Super Hi 5 carryover will roll from one Super Hi Five to the next.

Respectfully submitted, Tyler Picklesimer

Tyler B. Picklesimer
Director of Racing / Racing Secretary 7500
Turfway Road
Florence, Kentucky 41042
Phone: 859-647-4830
Fax: 859-647-4739
www.turfway.com

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Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Jennifer Wolsing, KHRC General Counsel
DATE: April 18, 2023
RE: **PROPOSED AMENDMENT TO 810 KAR 4:090: OWNERS.**

The KHRC Rules Committee and KHRC Chief Steward Barbara Borden recommend amending 810 KAR 4:090.

The primary proposed changes are summarized as follows:

- Removes language from the Joint Ownership section limiting the number of individual persons that can be licensed as owners of a single horse.
- Amends language under the Joint Ownership section such that if more than two (2) individuals own an interest in a single horse, then those individuals shall designate one of the individual owners to represent the entire ownership group and be responsible for the horse as the licensed principal owner.
- Amends language under the Program Listing of Owners section to allow for up to ten (10) individual owners or entities to be listed in the program as owners of a single horse. Stable names, partnerships, corporations, syndicates, or other joint ventures may be listed in the program with the principal owner’s name shown parenthetically.
- Adds language to the Leases section to clarify that a lease shall not be approved by the stewards for racing purposes unless the lessee is licensed as an owner or is eligible to obtain an owner’s license.
- Amends language under the Partnerships section such that partnership papers shall be filed with an owner’s license application if requested by the stewards or the commission.

The KHRC Rules Committee voted in favor of recommending approval of these amendments on April 11, 2023. The KHRC staff also recommends approval.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny

1 810 KAR 4:090. Owners.

2 RELATES TO: KRS 230.215, 230.260, 230.290, 230.310, 230.320

3 STATUTORY AUTHORITY: KRS 230.215(2), 230.310, 230.320(1)

4 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the

5 Kentucky Horse Racing Commission to promulgate administrative regulations prescribing

6 conditions under which horse racing shall be conducted in Kentucky. KRS 230.310

7 requires any person who desires to participate in racing in Kentucky as an owner to apply

8 to the commission for a license, and authorizes the commission to promulgate

9 administrative regulations pertaining to licensing. KRS 230.320 authorizes the

10 commission to promulgate administrative regulations under which any license may be

11 denied, suspended, or revoked, and under which any licensee or other person

12 participating in Kentucky horse racing may be assessed an administrative fine or required

13 to forfeit or return a purse. The function of this administrative regulation is to outline the

14 requirements for owners to participate in horse racing in Kentucky.

15 Section 1. Owner's License Required. A horse shall not be raced in this state unless the

16 owner or each of the part owners, except as established in Section 4 of this administrative

17 regulation, has been granted a current owner's license or temporary license by the

18 commission.

19 Section 2. Owner's License Limitations.

1 (1) A licensed owner or trainer may personally serve as a farrier or jockey for horses he
2 or she owns or are registered as in his or her care, if he or she has received from the
3 stewards a certification of the licensee's fitness as a competent farrier or jockey.

4 (2) A licensed owner shall:

5 (a) Own or have under lease a horse eligible to race and be prepared to prove same
6 upon call of the stewards; and

7 (b) Not engage in an activity directly or indirectly involving the racing performance of
8 horses owned by others.

9 (3)

10 (a) Except as established in paragraph (b), a licensed owner shall be at least eighteen
11 (18) years old.

12 (b) The commission may grant an owner's license to a person less than eighteen (18)
13 years of age who is a son or daughter of a licensed owner in this state, if the parent:

14 1. Holds an owner's license in this state; and

15 2. Files with the license application of the minor an agreement whereby the parent
16 assumes responsibility for meeting all financial, contractual, or other obligations
17 relating to racing of the applicant son or daughter.

18 (4) The commission may deny, suspend, or revoke an owner's license for the spouse
19 or any member of the immediate family or household of a person who is ineligible to
20 hold an owner's license, unless there is a showing on the part of the applicant or
21 licensed owner that his or her participation in racing as an owner shall in no way
22 circumvent the intent of the administrative regulation by permitting a person, under the

1 control or direction of a person ineligible for an owner's license, to serve in essence as
2 a substitute for the ineligible person.

3 Section 3. Ownership Disclosure.

4 (1) Licensed owners and licensed trainers shall be jointly responsible for making a full
5 disclosure of the entire ownership of each horse in their care.

6 (2) Disclosure under this section shall identify in writing all persons who directly, or
7 indirectly through a lien, lease partnership, corporate stockholding, syndication, or other
8 joint venture, hold any present or reversionary right, title, or interest in and to a horse,
9 and those persons who by virtue of any form of interest may exercise control over or
10 benefit from the racing of the horse. The degree and time of ownership held by each
11 person shall also be designated.

12 (3) Disclosure under this section shall be made when registering each horse with the
13 racing secretary upon arrival on association grounds or at time of entry, whichever event
14 occurs first, and shall be revised immediately upon any subsequent change in the
15 ownership.

16 (4) Disclosure under this section together with all written agreements, and affidavits
17 setting out oral agreements, pertaining to the ownership of or rights to a horse, shall be
18 filed with the stewards.

19 (5) All documents pertaining to the ownership or lease of a horse filed with the stewards
20 shall be available for public inspection.

21 (6) The stewards may review the ownership of each horse entered to race. The stewards
22 may determine the validity for racing purposes of all leases, transfers, and agreements
23 pertaining to ownership of a horse and may call for adequate evidence of ownership at

1 any time. The stewards may declare ineligible to race any horse, the ownership or
2 control of which is in question.

3 Section 4. Joint Ownership.

4 (1) ~~More than five (5) individual persons shall not be licensed as owners of a single~~
5 ~~horse.~~ No person owning five percent (5%) or less of a horse shall be required to obtain
6 a license.

7 (2) If more than two (2) individuals ~~[five (5) persons]~~ own interests in a single horse,
8 through a partnership, corporation, syndication, or other joint venture, then those
9 individual persons shall designate a member of the partnership, corporation, syndicate,
10 or joint venture to represent the entire ownership of and be responsible for the horse as
11 the licensed principal owner.

12 (3) The commission may deny, suspend, or revoke the license of any owner whose
13 ownership of a horse is qualified or limited in part by rights or interests in or to the horse
14 being held or controlled by any other individual person or persons who would be
15 ineligible to be licensed as an owner.

16 Section 5. Program Listing of Owners.

17 (1) Names of all persons licensed as owners of each horse shall be listed in the daily
18 program, subject to paragraph two below.

19 (2) Up to ten (10) individual owners or entities may be listed in the program as owners
20 of a single horse. If space limitations preclude listing of first names, then at least two (2)
21 initials shall precede surnames.

22 (3) Stable names, partnerships, corporations, syndicates, or other joint ventures may be
23 listed in the program with the principal owner's name shown parenthetically. ~~[Stable~~

1 ~~names, or corporate names, registered in other racing jurisdictions may be shown~~
2 ~~parenthetically if program space limitations permit.]~~

3 (4) Lessees licensed as owners shall be designated on the program as lessees of each
4 leased horse.

5 Section 6. Leases.

6 (1) A horse may be raced under lease with approval of the stewards, who may suspend
7 or void approval at any time.

8 (2) A lease shall not be approved by the stewards for racing purposes unless:

9 (a) Lessee is licensed as an owner and lessor is either licensed as an owner or is
10 eligible to be licensed as an owner;

11 (b) Each of the signatures of the lessors and lessees on the lease agreement is
12 subscribed and sworn to before a notary public;

13 (c) Term of the lease is no less than one (1) year, unless sooner terminated by claim
14 or retirement of the horse;

15 (d) Conditions of the lease specify whether or not the horse can be entered in a race
16 to be claimed. If agreeable to lessor that the horse may be entered in a claiming race,
17 then the lease shall specify the minimum price for which the horse may be entered and
18 the name of the payee of the claiming price;

19 (e) Conditions of the lease specify that upon claim of the horse, the lease shall
20 terminate and all rights in and to the horse shall pass to claimant as a bona fide
21 purchaser; and

1 (f) After reviewing the full ownership of the leased horse, and the interests of all
2 persons involved in the lease and the term and conditions of the lease, the stewards
3 in their discretion find that the lease:

4 1. Completely divests lessors or sublessors of further control or direction of the racing
5 performance of the horse while under lease; and

6 2. The resultant program listing of lessee shall not mislead the betting public by
7 reason of the absence in the program listing of the name of a person or persons
8 possessing a beneficial interest in the leased horse.

9 Section 7. Thoroughbred Racing Colors.

10 (1) Thoroughbred owners shall be responsible for designing and providing individual
11 racing colors, consisting of jackets and caps of distinctive color and pattern to be worn
12 by jockeys during a race.

13 (2) The stewards may refuse to permit the use of racing colors that include advertising,
14 or promotions, symbols or words, or that otherwise, in the opinion of the commission,
15 are not in keeping with the traditions of the turf.

16 (3) A thoroughbred shall not be raced in racing colors other than those registered in the
17 name of the horse's owner without special permission of the stewards. If an owner races
18 two (2) or more horses in the same race, jackets shall be identical while caps may be
19 varied in color or design.

20 (4) Owners and trainers shall be jointly responsible for the condition of racing colors,
21 ensuring [~~insuring~~] that they are neat, clean, and in good repair, and that an adequate
22 number of sets of racing colors are placed in the care of the clerk of scales.

1 (5) The clerk of scales and the valet serving a jockey shall be jointly responsible for
2 having the correct jacket and cap on each rider upon leaving the jockey room for the
3 paddock.

4 Section 8. Authorized Agent.

5 (1) A licensed owner may, as a principal, authorize any person, as an agent, to act on
6 the owner's behalf in all matters pertaining to racing in this state and ownership of horses
7 on association grounds.

8 (2) A licensed owner shall be jointly liable and responsible with his or her licensed
9 authorized agent for all acts and omissions of the authorized agent in a racing matter.

10 Section 9. Suspension. A horse owned wholly or in part by an owner whose license has
11 been suspended shall not be permitted to race during suspension.

12 Section 10. Partnerships.

13 (1) If requested by the stewards or the commission, partnerships [Partnerships] that own
14 or control a present or reversionary interest in a horse to be raced shall file partnership
15 papers with an owner's license application and shall set forth: [shall register with the
16 commission.

17 ~~(2) Partnership papers shall be filed with an owner's license application and shall set~~
18 ~~forth:]~~

19 (a) The name and address of every person having an interest in the horse involved;

20 (b) The relative proportion of the interests;

21 (c) To whom winnings are payable;

22 (d) In whose name the horse shall run;

23 (e) With whom the power of entry and declaration rests;

- 1 (f) The terms of any contingency, lease, or any other arrangement; and
- 2 (g) The names of the horses involved.
- 3 (2) [~~(3)~~] All partnership registrations shall be signed by the principal partner or by his or
- 4 her authorized agent.
- 5 (3) [~~(4)~~] Any alteration in a recorded partnership shall be reported in writing to the
- 6 commission and signed by all the partners, or their authorized agent.
- 7 (4) [~~(5)~~] All the parties in a partnership and each of them shall be jointly and severally
- 8 liable for all stakes, fees, and other obligations.

810 KAR 4:090
READ AND APPROVED:

Jonathan Rabinowitz	Date
Chairman, Kentucky Horse Racing Commission	

Ray Perry	Date
Secretary, Public Protection Cabinet	

PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on May 22, 2023 at 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing
Title: General Counsel
Address: 4063 Iron Works Parkway, Building B, Lexington, KY 40511
Phone: +1 (859) 246-2040
Fax: +1 (859) 246-2039
Email: jennifer.wolsing@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Fax: +1 (859) 246-2039
Email: jennifer.wolsing@ky.gov

- (1) Provide a brief summary of:
 - (a) What this administrative regulation does:
 - (b) The necessity of this administrative regulation:
 - (c) How this administrative regulation conforms to the content of the authorizing statutes:
 - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
 - (a) How the amendment will change this existing administrative regulation:
 - (b) The necessity of the amendment to this administrative regulation:
 - (c) How the amendment conforms to the content of the authorizing statutes:
 - (d) How the amendment will assist in the effective administration of the statutes:

- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
 - (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:
 - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):
 - (c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
 - (a) Initially:
 - (b) On a continuing basis:

- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

(9) TIERING: Is tiering applied? (Explain why or why not)

FISCAL NOTE

Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Fax: +1 (859) 246-2039
Email: jennifer.wolsing@ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

(c) How much will it cost to administer this program for the first year?

(d) How much will it cost to administer this program for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation:

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year?

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

(c) How much will it cost the regulated entities for the first year?

(d) How much will it cost the regulated entities for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-):

Expenditures (+/-):

Other Explanation:

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]*



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission

FROM: Jamie Eads, Executive Director
Waqas Ahmed, Deputy Executive Director
Jennifer Wolsing, General Counsel
Travers Manley, Deputy General Counsel

DATE: April 18, 2023

RE: **RATIFICATION OF 810 KAR 4:020E**

This administrative regulation establishes the rules concerning horses in thoroughbred and other flat racing.

The emergency amendment allows Quarter Horses to compete wearing horse shoes with toe grabs. For Quarter Horses only, front horse shoes may have a toe grab measuring up to 4 mm from the ground surface side of the shoe. For Quarter Horses only, back horse shoes may have a toe grab measuring up to 0.25 inches from the ground surface side of the shoe.

This administrative regulation was approved on an emergency basis, as the need of Quarter Horse regulations allowing toe grabs was discovered only days before the April 2023 Revolutionary Racing Quarter Horse meet at the Red Mile.

KHRC staff are working together with the Quarter Horse stewards to develop ordinary regulations addressing this matter and other important issues that are unique to Quarter Horse Racing. That ordinary regulation should come before the Commission at its regular June 2023 meeting.

The KHRC staff recommends ratification of the Executive Director’s approval of this emergency regulation.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

SENATE MEMBERS

Robert Stivers
President, LRC Co-Chair
David Givens
President Pro Tempore
Damon Thayer
Majority Floor Leader
Gerald A. Neal
Minority Floor Leader
Julie Raque Adams
Majority Caucus Chair
Reginald Thomas
Minority Caucus Chair
Mike Wilson
Majority Whip
David Yates
Minority Whip



LEGISLATIVE RESEARCH COMMISSION

State Capitol 700 Capital Avenue Frankfort KY 40601

502-564-8100

Capitol Fax 502-564-2922

Annex Fax 502-564-6543

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Jay D. Hartz
Director

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Suzanne Miles
Majority Caucus Chair
Cherlynn Stevenson
Minority Caucus Chair
Jason Nemes
Majority Whip
Rachel Roberts
Minority Whip

MEMORANDUM

To: Jennifer Wolsing, General Counsel, Horse Racing Commission

FROM: Emily Caudill, Regulations Compiler

RE: Acknowledgement of Emergency Regulation – 810 KAR 004:010E.

DATE: March 29, 2023

a

A copy of the above listed emergency administrative regulation is enclosed for your files. This emergency administrative regulation became effective on **March 29, 2023** and will expire in 270 days on **December 24, 2023** or when replaced by an ordinary administrative regulation, whichever occurs first.

This emergency administrative regulation is scheduled to be reviewed by the Administrative Regulation Review Subcommittee at its **June 2023**, meeting.

Pursuant to KRS 13A.280, **if** a public hearing is held or you receive written comments on this emergency administrative regulation, the Statement of Consideration for this emergency regulation is due by noon on **June 15, 2023**. Please reference KRS 13A.270 and 13A.280 for other requirements relating to public comment periods and Statements of Consideration.

If you have questions, please contact us at RegsCompiler@LRC.ky.gov or (502) 564-8100.

Enclosure

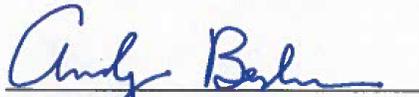
FILED WITH LRC
TIME: 2:45 pm
MAR 29 2023
Emily B. Caudill
REGULATIONS COMPILER

STATEMENT OF EMERGENCY

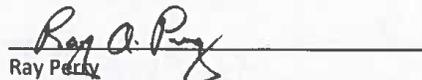
810 KAR 4:010E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On March 27, 2023, the Commission was alerted to a safety concern associated with requiring Quarter Horses to race with flat shoes, as currently required for all other horses participating in flat racing in Kentucky. This administrative regulation will align Kentucky with the standards set in prominent Quarter Horse racing jurisdictions. This regulation amendment is filed on an emergency basis to allow Quarter Horses at the April 2023 meet to wear toe grab shoes in order to ensure public health, safety, and welfare.

This emergency regulation will not be replaced by an ordinary administrative regulation at this time. Instead, an ordinary administrative regulation will be filed at a later date, and will contain additional Quarter Horse conditions that are not emergent in nature. The ordinary administrative regulation will not be identical to this emergency administrative regulation.



Andy Beshear
Governor



Ray Perry
Secretary, Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Emergency Amendment)

4 810 KAR 4:010E. Horses.

5 RELATES TO: KRS 230.215

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) and 230.260(8) authorize the
8 Kentucky Horse Racing Commission (the "commission") to promulgate administrative regulations
9 regulating horse racing in Kentucky. This administrative regulation establishes requirements for
10 the participation of horses in horse race meetings, protects the safety and welfare of the horse,
11 and creates a level playing field for participants thereby protecting the integrity of pari-mutuel
12 wagering.

13 Section 1. Definition. "Electronic registration system" means a software application available
14 online and approved by the commission that allows an association's racing secretary or the
15 secretary's designee, or horse identifier or the identifier's designee, full access to horse and
16 trainer records from all tracks in North America, including current owner information.

17 Section 2. Registration and Identification Required.

18 (1) A horse shall not be entered or raced in Kentucky unless:

1 (a) The horse is duly registered, as applicable, in The Jockey Club breed registry, the American
2 Quarter Horse Association, the Appaloosa Horse Club, the Arabian Horse Association Registry,
3 or the American Paint Horse Association, or their respective successors; and

4 (b)

5 1. The registration certificate, virtual or digital certificate, or racing permit issued by the
6 applicable breed registry for the horse is on file with the racing secretary; or

7 2. The information contained on the registration certificate, virtual or digital certificate, or
8 racing permit is available to the racing secretary through the electronic registration system.

9 (2) The stewards may at any time require presentation of a horse's registration certificate,
10 virtual or digital certificate, or racing permit or other proof of ownership.

11 (3) Upon claim, sale, or any other transfer of ownership, the horse's registration certificate or
12 racing permit shall be given to the new owner, and any virtual or digital certificate shall be
13 transferred to the new owner electronically. The new owner shall report the change in
14 ownership to the stewards.

15 (4) If the electronic registration system fails for any reason, the stewards may require
16 presentation of a horse's registration certificate, virtual or digital certificate, or racing permit
17 prior to a horse being entered or raced in Kentucky.

18 **Section 3. Ringers Prohibited.**

19 (1) A horse shall not be entered or raced in Kentucky designated by a name other than the name
20 under which the horse is currently registered with the applicable breed registry. If a horse's
21 name is changed with the applicable breed registry, and the horse has raced under its previous

1 name, the horse's former name shall be shown parenthetically in the daily race program the
2 first three (3) times the horse races after the name change.

3 (2) A person shall not cause or permit the correct identity of a horse to be concealed or altered.

4 A person shall not refuse to reveal the correct identity of a horse that he or she owns or is in his
5 or her care to a racing official or member of the regular news media.

6 (3) A horse shall not race in Kentucky unless identified by:

7 (a) A legible lip tattoo number applied by agents of the Thoroughbred Racing and Protective
8 Bureau, or by the comparable authorized organization applicable to the breed of the horse;

9 (b) An electronic horse identification microchip that accurately identifies the horse, is
10 compliant with the international standards ISO 11784, is verified by agents of the
11 Thoroughbred Racing Protective Bureau, or its successor, and is documented in The Jockey
12 Club database or by the comparable authorized organization applicable to the breed of the
13 horse; or

14 (c) With regards to a horse from a foreign jurisdiction participating in a graded stakes race,
15 has otherwise been correctly identified to the stewards' satisfaction.

16 (4) A horse shall not be entered or raced in Kentucky if previously involved in a "ringer" case to
17 the extent that:

18 (a) A person having control of the horse knowingly entered or raced the horse while
19 designated by a name other than the name under which the horse was registered with The
20 Jockey Club; or

21 (b) The person having control of the horse participated in or assisted in the entry or racing of
22 some other horse under the name registered as belonging to the horse in question.

1 Section 4. Denervating.

2 (1) A horse that has had a chemical, surgical, or thermal neurectomy at or above the fetlock
3 shall not be permitted to race.

4 (2) A horse that has had a palmar or plantar digital neurectomy may be permitted to race if:

5 (a) The neurectomy has been reported by the trainer to the stewards; and

6 (b) The horse has been approved for racing by the commission veterinarian prior to being
7 entered to race.

8 (3) A horse on which a neurectomy has been performed shall have that fact designated on its
9 registration certificate, virtual or digital certificate, racing permit, and entry in the electronic
10 registration system. Responsibility for ensuring that the neurectomy is correctly noted on the
11 horse's registration certificate, virtual or digital certificate, racing permit, and entry in the
12 electronic registration system shall fall:

13 (a) Jointly on the practicing veterinarian who performed the operation and the trainer of the
14 denerved horse if the neurectomy was performed at a location under the commission's
15 jurisdiction; and

16 (b) Solely on the owner of the denerved horse if the neurectomy was performed at a location
17 not under the commission's jurisdiction.

18 (4) If a horse races in violation of this administrative regulation and participates in the purse
19 distribution, then a protest shall not be considered unless submitted in writing to the stewards
20 within forty-eight (48) hours after the race.

21 (5) If a horse races in violation of this administrative regulation and is claimed, then a protest
22 shall not be considered unless the successful claimant submits a protest in writing within forty-

1 eight (48) hours after the race requesting the claim be voided. If the claim is voided, the horse
2 shall be returned to the owner who started the horse in the race, and the claim price shall be
3 returned to the claimant.

4 (6) A list of all denerved horses shall be posted in the racing secretary's office.

5 Section 5. Health Certificate Required.

6 (1) A horse shall not be stabled on the grounds of a licensed association or any training center
7 under the jurisdiction of the commission unless a Certificate of Veterinary Inspection is issued
8 by an accredited veterinarian:

9 (a) Not more than ten (10) days prior to the horse's arrival on the grounds; or

10 (b) Within a lesser interval as prescribed by the racing association in consultation with the
11 Kentucky Department of Agriculture.

12 (2) Notice of this requirement shall be included in the stall application of all licensed
13 associations and training centers under the jurisdiction of the commission and all condition
14 books of licensed associations.

15 Section 6. Workouts. A horse shall not be schooled in the paddock or taken onto a track on
16 association grounds for training or workout, other than during normal training hours posted by
17 the association, without special permission of the stewards.

18 Section 7. Thoroughbred Age Restrictions.

19 (1) A maiden six (6) years of age or older that has made five (5) life time starts on the flat shall
20 not be entered or start.

21 (2) A first time starter five (5) years of age or older shall be approved by a commission
22 veterinarian prior to entry.

1 Section 8. Other Age Restrictions. A quarter horse, paint horse, Arabian, or Appaloosa horse six
2 (6) years of age or older shall not be entered or raced in a race restricted to maidens. A horse
3 thirteen (13) years of age or older shall not be entered or raced.

4 Section 9. Fillies and Mares Bred.

5 (1) A filly or mare that has been covered by a stallion shall:

6 (a) Be so reported to the racing secretary prior to being entered in a race; and

7 (b) Not be entered in a claiming race, unless a written release from the stallion owner is
8 attached to the filly's or mare's registration certificate, or otherwise provided to the stewards,
9 indicating that the stallion service fee has been paid or satisfied.

10 (2) A list of all fillies and mares so reported, showing the names of stallions to which they have
11 been bred, shall be posted in the racing secretary's office.

12 (3) A filly or mare in-foal shall not be entered in a race 120 days or more after the date of last
13 cover.

14 Section 10. Serviceable for Racing. A horse shall not be entered or raced that:

15 (1) Is not in serviceable, sound racing condition. The stewards may at any time require a horse
16 on association grounds to be examined by a qualified person;

17 (2) Is posted on a veterinarian's list, stewards' list, or starter's list in any racing jurisdiction,
18 unless the horse on a veterinarian's list, stewards' list, or starter's list has a posted off date on
19 or before the date of the race for which it is being entered;

20 (3) Has previously raced, but has made no starts in the last 365 days or more, unless approved
21 by a commission veterinarian prior to entry;

22 (4) Is suspended in any jurisdiction;

- 1 (5) Has been administered any drug in violation of 810 KAR 8:010;
- 2 (6) Is blind or has seriously impaired vision in both eyes;
- 3 (7) Is not correctly identified to the satisfaction of the stewards; or
- 4 (8) Is owned wholly or in part by or is trained by an ineligible person.

5 Section 11. Equipment.

- 6 (1) Riding crops and blinkers shall be used consistently on a horse while racing.
- 7 (2) Permission to change use of any equipment used on a horse from its previous start shall be
- 8 obtained from the stewards.
- 9 (3) A horse's tongue may be tied down during a race with a clean bandage or gauze.
- 10 (4) A horse's bridle shall not weigh more than two (2) pounds.
- 11 (5) Bits shall be of a metallic alloy base of stainless steel or aluminum and may be encased in
- 12 rubber, plastic, or leather.
- 13 (6) War bridles and bitless bridles shall not be used.
- 14 (7) Bar shoes may be used for racing only with permission of the stewards.
- 15 (8) Any goading device, chain, spurs, electrical or mechanical device, or appliance, except for a
- 16 riding crop, that can be used to alter the speed of a horse shall not be used on a horse in a race
- 17 or workout.
- 18 (9)
- 19 (a) Any riding crop shall be subject to inspection and approval by the stewards or the clerk of
- 20 the scales to ensure conformity with the specifications of paragraphs (c) through (e) of this
- 21 subsection.

1 (b) Only riding crops meeting the specifications of this subsection, including the mandatory
2 shock absorbing characteristics, may be used in thoroughbred racing and training.

3 (c) A riding crop shall have a:

- 4 1. Maximum weight of eight (8) ounces;
- 5 2. Maximum length, including flap, of thirty (30) inches; and
- 6 3. Minimum diameter of the shaft of three eighths (3/8) inch.

7 (d)

8 1. The only additional feature that may be attached to the riding crop is a flap that shall have
9 a:

- 10 a. Maximum length from the end of the shaft of one-half (1/2) inch; and
- 11 b. Maximum width of one and six-tenths (1.6) inches, with a minimum width of eight-tenths
12 (0.8) inch;
- 13 2. The flap from the end of the shaft shall not contain any reinforcements or additions;
- 14 3. There shall not be binding within seven (7) inches of the end of the flap;
- 15 4. The contact area of the shaft shall be smooth, with no protrusion or raised surface, and
16 covered by shock absorbing material throughout its circumference; and
- 17 5. The flap shall have similar shock absorbing characteristics to that of the contact area.

18 (e) A riding crop shall not have:

- 19 1. Stingers or projections extending through the hole of a popper; and
- 20 2. Any metal parts.

21 (10)

1 (a) Except as set forth in paragraph (c) of this subsection, the ~~The~~ following shall not be used
2 on the front shoes of horses while racing or training on any racing surface:

- 3 1. Horse shoes that have toe grabs;
- 4 2. Bends;
- 5 3. Jar calks;
- 6 4. Stickers; and
- 7 5. Any other traction device worn on the front shoes of horses.

8 (b) Wear plates with a height no greater than two (2) millimeters may be used on the front
9 shoes of horses while racing or training.

10 (c) Front horse shoes on Quarter Horses may have a toe grab that measures up to four (4)
11 millimeters from the ground surface side of the shoe. Hind horse shoes on Quarter Horses may
12 have a toe grab, that measures up to one-quarter (1/4) inch from the ground surface side of the
13 shoe.

14 (11) Indiscriminate or brutal use on a horse of a riding crop or any other equipment, as
15 determined by the stewards, at any time on the grounds of a licensed racing association or
16 training center under the jurisdiction of the commission shall be prohibited.

17 Section 12. Sex Alteration. Any alteration in the sex of a horse shall be reported by the horse's
18 trainer to the racing secretary and to the appropriate breed registry applicable to the horse. The
19 alteration shall be noted on the horse's registration certificate, racing permit, virtual or digital
20 certificate, or entry in the electronic system.

1 Section 13. Reporting Death of Horse. A licensed racing association or training center under the
2 jurisdiction of the commission shall report the death or euthanization of any horse on its grounds
3 immediately to the chief commission veterinarian.

4 Section 14. Postmortem Examination. A horse that dies or is euthanized on the grounds of a
5 licensed association or training center under the jurisdiction of the commission shall undergo a
6 postmortem examination at the discretion of the commission. If a postmortem examination is
7 conducted:

8 (1) All shoes and equipment on the horse's legs shall be left on the horse;

9 (2) The commission, through its designee:

10 (a) Shall take possession of the horse upon death;

11 (b) Shall, if commission personnel are present, collect and submit for analysis blood, urine,
12 bodily fluids, or other biologic specimens immediately, if possible before euthanization occurs;
13 and

14 (c) Shall coordinate with the owner or owner's licensed authorized agent to determine and
15 address any insurance requirements.

16 (3) The remains of the horse shall not be returned after completion of the postmortem
17 examination.

18 (4) The presence of a prohibited substance in a specimen collected during the postmortem
19 examination may constitute a violation of 810 KAR 8:010.

20 Section 15. Incorporation by Reference.

21 (1) "ISO 11784", 2004 is incorporated by reference.

1 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at
2 the Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington,
3 Kentucky, Monday through Friday, 8 a.m. to 4:30 p.m. This document is also available on the
4 International Organization for Standardization ("ISO") website at the following URL:
5 <https://www.iso.org/standard/38799.html>.

6

810 KAR 4:010E

READ AND APPROVED

Jonathan Rabinowitz
Jonathan Rabinowitz
Chair, Kentucky Horse Racing Commission

by permission/gw

03/28/2023
Date

Ray A. Perry
Ray Perry
Secretary, Public Protection Cabinet

3/29/2023
Date

PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held on May 22, 2023 at 9:00 a.m. EST at the Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made, unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 p.m. EST on May 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, Kentucky 40511

Phone: (859) 246-2040

Fax: (859) 246-2039

Email: jennifer.wolsing@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

810 KAR 4:010E

Contact Person: Jennifer Wolsing

Phone: (859) 246-2040

Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the rules concerning horses in thoroughbred and other flat racing.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to provide specific rules concerning the health and safety of horses in thoroughbred and other flat racing.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This administrative regulation prescribes the conditions relating to the health and safety of horses in thoroughbred and other flat racing.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation sets forth requirements and rules concerning the health and safety of horses in thoroughbred and other flat racing that enhance the integrity of racing.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will allow Quarter Horses to wear toe grab horses shoes, while participating in the April 2023 Sandy Ridge meet at the Red Mile.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary to preserve the health and safety of the human and equine athletes participating in the April 2023 Sandy Ridge meet at the Red Mile, by providing the horses with sufficient traction to safely exit the starting gate.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the commission to promulgate administrative regulations

regulating horse racing in Kentucky and this amendment involves when a horse may be entered or raced in Kentucky.

(d) How the amendment will assist in the effective administration of the statutes: This amendment provides additional conditions in which a horse may be entered or raced in Kentucky, thereby continuing with the commission's legislative purpose of providing specific rules concerning the health and safety of horses in thoroughbred and other flat racing.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Kentucky's licensed thoroughbred race tracks, and all individual participants in horse racing, are potentially affected by this administrative regulation's establishment of fundamental rules pertaining to the conduct of racing. In the year 2017, the Commission licensed over 22,000 individuals to participate in horse racing. This number is consistent from year to year.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Participants in horse racing, and especially owners, trainers, veterinarians, and jockeys, will be required to adhere to the requirements and rules set forth in this administrative regulation pertaining to the health and safety of horses in thoroughbred and other flat racing. In particular, Quarter Horse owners and trainers may voluntarily choose to allow their horses to compete with toe grab horse shoes.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): No significant costs are associated with complying with this administrative regulation. Outfitting one's horse in toe grab horse shoes is voluntary.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Participants in racing will benefit from clearly defined rules concerning the health and safety of horses that enhance the integrity of racing. Moreover, Quarter Horses participating in the April 2023 meet will be able to compete more safely.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: There is no initial administrative cost to implement this administrative regulation.

(b) On a continuing basis: There is no continuing cost to implement this administrative regulation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: No significant funding will be necessary to implement and enforce this administrative regulation. Any minimal costs will be funded from the budget of the Commission.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No additional fees or funding are necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any new fees or increase any current fees to participate.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering was not applied because this administrative regulation will apply to all similarly situated entities in an equal manner.

FISCAL NOTE

Regulation: 810 KAR 4:010E
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.225, 230.240, 230.260, 230.290, 230.310, 230.320, 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? There will be no cost to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? There will be no cost to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): Neutral.

Expenditures (+/-): Neutral.

Other Explanation: N/A

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect. There will be no effect on the expenditures and cost savings of regulated entities for the period that this emergency regulation will be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? Regulated entities will have no defined cost savings for the period that this emergency regulation will be in effect. However, regulated entities with horses entered in the 2023 Sandy Ridge meet would arguably save veterinary costs because their Quarter Horses will have a safer experience.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? Regulated entities will have no defined cost savings for the period that this emergency regulation will be in effect. However, regulated entities with horses entered in the 2023 Sandy Ridge meet would arguably save veterinary costs because their Quarter Horses will have a safer experience.

(c) How much will it cost the regulated entities for the first year? Regulated entities will not face any costs due to this emergency regulations, for the period that this emergency regulation will be in effect.

(d) How much will it cost the regulated entities for subsequent years? Regulated entities will not face any costs due to this emergency regulations, for the period that this emergency regulation will be in effect.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): \$0.00

Expenditures (+/-): \$0.00

Other Explanation: N/A

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. "Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]: This regulation will not have a major economic impact,

because it will not generate any negative economic impact on state government, local government, or regulated entities.



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

Jamie Eads
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jonathan Rabinowitz
CHAIRMAN

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

TO: Kentucky Horse Racing Commission
FROM: Andy Conway, Assistant Director of Pari-Mutuel Wagering and Compliance
DATE April 18, 2023
RE: **ESTABLISHMENT OF 810 KAR 2:100**

Pursuant to KRS Chapter 230.260(15), the KHRC is required to promulgate regulations establishing a self-exclusion list.

Please find attached a proposed regulation that establishes a self-exclusion list for individuals who self-identify as being problem or compulsive gamblers. If approved, each track will be required to display a notice to the public of patrons’ right to add themselves to the self-exclusion list, as well as the method or methods individuals may use to self-identify at the track, online, or by phone.

Furthermore, self-exclusion information collected by each racing association shall be forwarded to the racing commission, and the information from the racing associations shall be compiled into a comprehensive list that shall be provided to all racing associations.

It is important to note that pursuant to KRS 61.878(1)(a), information collected under this subsection shall be excluded from the application of Kentucky’s Open Records Act, set forth in KRS 61.870 to 61.884.

KHRC staff recommends approval of this proposed regulation.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

PUBLIC PROTECTION CABINET

Kentucky Horse Racing Commission

(New Regulation)

810 KAR 2:100 Self-Exclusion

RELATES TO:

STATUTORY AUTHORITY:

NECESSITY, FUNCTION AND CONFORMITY:

Section 1: Self-Exclusion List.

(1) The racing commission shall establish and maintain a self-exclusion list for individuals who self-identify as problem or compulsive gamblers.

(2) The list shall include the names and other identifying information of the individuals who have self-excluded from gambling at racing tracks, as set forth in Section 3(1).

Section 2: Notice to the Public.

(1) Each racing association shall display a notice to the public of the existence of the self-exclusion list and the method or methods individuals may use to self-identify at the track, online, or by phone.

(2) The notice shall be displayed at public entrances to the wagering-specific locations of the racing track and on the racing association's website.

(3) The notice shall include information about the consequences of self-exclusion, including that the individual will be prohibited from entering the racing track and participating in any gambling activity at the track.

(4) The notice and its placement locations shall be approved by the commission.

Section 3: Collection of Self-Exclusion Information.

(1) Each racing association shall collect self-exclusion information from individuals who self-identify as problem or compulsive gamblers.

(2) The self-exclusion information collected shall include the individual's name, address, date of birth, and other identifying information as prescribed by the racing commission.

(3) The racing association shall provide the self-exclusion information to the racing commission on a weekly basis and in a manner approved by the commission.

Section 4: Compilation of Comprehensive List.

(1) The racing commission shall compile and maintain a comprehensive list of all individuals who have self-excluded from gambling at racing tracks.

(2) The comprehensive list shall include the self-exclusion information provided by each racing association.

(3) The comprehensive list shall be provided to all racing associations and updated on an as-needed basis.

Section 5: Confidentiality of Self-Exclusion Information.

(1) Pursuant to KRS 61.878(1)(a) and KRS 230.260, information collected under this subsection shall be excluded from the application of KRS 61.870 to 61.884.

(2) Self-exclusion information shall be kept confidential and shall not be disclosed except as necessary to enforce these regulations or as required by law.

Section 6: Self-exclusion policy.

(1) Each racing association may establish its own self-exclusion policy. Each policy shall be approved by the racing commission to ensure the best interests of horse racing and compliance with KRS 230.260.

(2) The policy may cover how the racing association chooses to exclude individuals on the exclusion list. The policy may include identification and verification, forfeiture of prizes by excluded

persons, security personnel, technology, employee training, contractual obligations, or collaboration with other racing associations.

(3) Each racing association shall review its self-exclusion policy at least once every two years and amend it as necessary to ensure compliance with commission regulations and its effectiveness in achieving the purposes for which it is established.

810 KAR 2:100
READ AND APPROVED:

Jonathan Rabinowitz

Date

Chairman, Kentucky Horse Racing Commission

Ray Perry

Date

Secretary, Public Protection Cabinet

PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on _____, 2023 at 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on _____, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: jennifer.wolsing@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 2:100
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does:

(b) The necessity of this administrative regulation:

(c) How this administrative regulation conforms to the content of the authorizing statutes:

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

(b) The necessity of the amendment to this administrative regulation:

(c) How the amendment conforms to the content of the authorizing statutes:

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes by providing incentives for stallion owners to stand their horses in Kentucky and breeders to keep their mares in Kentucky.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment:

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities:

(c) As a result of compliance, what benefits will accrue to the entities:

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

(b) On a continuing basis:

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees:

(9) TIERING: Is tiering applied? Explain why or why not.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 2:100
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? **The Kentucky Horse Racing Commission will be impacted by this administrative regulation.**

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

(c) How much will it cost to administer this program for the first year?

(d) How much will it cost to administer this program for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): Neutral
Expenditures (+/-): Neutral
Other Explanation: None

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

1. How much cost savings will this administrative regulation generate for the regulated entities for the first year? This
2. How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

(c) How much will it cost the regulated entities for the first year?

(5) How much will it cost the regulated entities for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): \$0.00

Expenditures (+/-): \$0.00

Other Explanation: N/A

(6) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]*



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Andy Conway, Assistant Director of Pari-Mutuel Wagering and Compliance
DATE: April 18, 2023
RE: **RATIFICATION OF EXECUTIVE DIRECTOR’S APPROVAL OF NYRABETS AND CAESARS’ RACEBOOK AGREEMENT**

On July 12, 2022, the Executive Director approved a request from NYRABets, LLC (“NYRABets”) to conduct advance deposit wagering operations with American Wagering, Inc. (“Caesars Racebook”) as NYRABets’ affiliate pursuant to 810 KAR 3:040 and provided that:

1. NYRABets may only operate the integrated aspect of the service until the KHRC has determined suitability for the standalone aspect described in the digital services agreement.
2. Individuals must establish an account with NYRABets.
3. NYRABets must accept all deposits and wagers, issue receipts or other confirmation to its account holder evidencing such deposits and wagers, and transfer credits and debits to and from accounts.

Caesars Racebook utilizes the NYRABets platform to provide advance deposit wagering account services, verification checks, fraud monitoring, know your customer (“KYC”) checks, management of customer funds, as well as the management of financial transactions. Caesars Racebook is responsible for the registration and management of customer accounts created using the integrated Caesars Racebook product. All deposit transactions for advance deposit wagering are to be distinct from sports betting deposit transactions. In addition, all races and wagering content made available for NYRABets ADW is to be made available for Caesars Racebook.

The approval is contingent upon ratification by the Kentucky Horse Racing Commission (“KHRC”) and pursuant to all applicable Kentucky statutes and regulations.

The KHRC staff recommends ratification of the Executive Director’s approval of the request from NYRABets.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny



Andy Beshear
Governor

Public Protection Cabinet
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Telephone: (859) 246-2040
Fax: (859) 246-2039

Ray A. Perry
Secretary

Jamie Eads
Interim Executive Director

Jonathan Rabinowitz
Chairman

July 12, 2022

Melanie Sims Frank
NYRABets, LLC
110-00 Rockaway Boulevard
S. Ozone Park, NY 11420

Dear Ms. Frank,

The Kentucky Horse Racing Commission ("KHRC") staff is in receipt of your request to conduct advance deposit account wagering operations with American Wagering, Inc. ("Caesars Racebook") as NYRABets, LLC's ("NYRABets") affiliate. Pursuant to 810 KAR 3:040, this request is approved, provided that:

1. NYRABets may only operate the integrated aspect of the service until the KHRC has determined suitability for the standalone aspect described in the digital services agreement.
2. Individuals must establish an account with NYRABets.
3. NYRABets must accept all deposits and wagers, issue receipts or other confirmation to its account holder evidencing such deposits and wagers and transfer credits and debits to and from accounts.

This approval is subject to ratification and any conditions levied by the KHRC. Please contact me if you have any questions.

Sincerely,

Jamie Eads

Jamie Eads
Interim Executive Director
Kentucky Horse Racing Commission

cc: Jonathan Rabinowitz, KHRC
Waqas Ahmed, KHRC

Tony Allevato
Matthew Feig



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission

FROM: Andy Conway, Assistant Director of Pari-Mutuel Wagering and Compliance

DATE: April 18, 2023

RE: **RATIFICATION OF EXECUTIVE DIRECTOR’S APPROVAL OF TWINSPIRES AND DK HORSE’S AFFILIATE AGREEMENT**

On March 24, 2023, the Executive Director approved a request from Churchill Downs Technology Initiatives Company (“TwinSpires”) to conduct advance deposit wagering operations with DK Horse, LLC (“DK Horse”) as TwinSpires’ affiliate pursuant to 810 KAR 3:040 and provided that:

1. Individuals must establish an account with TwinSpires.
2. TwinSpires must accept all deposits and wagers, issue receipts or other confirmation to its account holder evidencing such deposits and wagers, and transfer credits and debits to and from accounts.

DK Horse is separate and distinct from other DraftKings products. As an affiliate of TwinSpires, DK Horse will operate in a near-identical manner to TwinSpires, BetAmerica, and Keeneland Select, however, customer service for DK Horse will be limited to online chat and email, and in-person deposits and withdrawals will not be offered. Individual accounts are to be maintained by TwinSpires in a separate and distinct manner from accounts with TwinSpires ADW. Account wagering security, verification, and privacy are to be managed by TwinSpires.

The approval is contingent upon ratification by the Kentucky Horse Racing Commission (“KHRC”) and pursuant to all applicable Kentucky statutes and regulations.

The KHRC staff recommends ratification of the Executive Director’s approval of the request from TwinSpires.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny



PUBLIC PROTECTION CABINET

Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

**Kentucky Horse Racing
Commission**

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Ray A. Perry
SECRETARY

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

March 27, 2023

Andrew Silver
Counsel
Churchill Downs Technology Initiatives ("Twinspires")
andrew.silver@twinspires.com

Dear Mr. Silver,

The Kentucky Horse Racing Commission ("KRHC") staff is in receipt of your request to conduct advance deposit account wagering operations with DK Horse, LLC ("DK Horse") as Twinspires' affiliate. Pursuant to 810 KAR 3:040, this request is approved, provided that:

1. Individuals must establish an account with Twinspires.
2. Twinspires must accept all deposits and wagers, issue receipts or other confirmation to its account holder evidencing such deposits and wagers, and transfer credits and debits to and from accounts.

This approval is subject to ratification and any conditions levied by the KHRC. Please contact me if you have any questions.

Sincerely,

Jamie H. Eads
Executive Director



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **810 KAR 7:060 KENTUCKY QUARTER HORSE, PAINT HORSE, APPALOOSA AND ARABIAN
DEVELOPMENT FUND REGULATION CHANGE REQUEST**

The KYQHPAA Development Fund Advisory Committee met on March 28, 2023 to approve the proposed changes to 810 KAR 7:060 and its incorporated documents to include the following:

- General maintenance of the regulation to be in compliance with our current regulations and statutes.
- To promote Kentucky-bred horses and to increase the horse population within the state, a Kentucky Bred mare is no longer required to remain in the state of Kentucky “continuously.” Instead, she will only need to remain in the state of Kentucky from conception until foaling for a period totaling no less than 120 days.
- The mare nomination deadline will be extended to December 31st for both breeding years of 2023 and 2024.
- There will be no nomination fees for a Kentucky-bred mare to nominate to the fund for both breeding years of 2023 and 2024.
- Allow for horses born before 2024 to nominate to the fund, as long as the owner can prove the horse’s mare conceived in Kentucky, resided in Kentucky no less than 120 days during gestation, and foaled in Kentucky.

All changes to the regulation are included in the “track changes” version of the regulation, as well as the new incorporated forms, which are attached to this memorandum.

The KYQHPAA Advisory Panel recommends approval along with the KHRC staff at this time.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

1 PUBLIC PROTECTION CABINET

2 KENTUCKY HORSE RACING COMMISSION

3 (Amendment)

4 810 KAR 7:060. Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development
5 Fund.

6 RELATES TO: KRS 138.510, 230.215, 230.225, 230.443, 230.445

7 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8), 230.445

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215 and 230.260 authorize the
9 commission to promulgate administrative regulations prescribing the conditions under which
10 horse racing shall be conducted in Kentucky and to fix and regulate the minimum amount of
11 purses, stakes, or awards to be offered for the conduct of any horse race meeting. KRS 230.445
12 establishes the Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian development fund
13 and requires the commission to promulgate administrative regulations to carry out the purpose
14 of the statute and to administer the development fund in a manner to promote and aid in the
15 development of the horse industry in Kentucky; upgrade the quality of racing in Kentucky; and to
16 improve the quality of horses bred in Kentucky. This administrative regulation establishes
17 eligibility standards, administrative practices to enforce the standards, and the administration of
18 purses and payments in these races.

19 Section 1. Definitions.

20 (1) "Broodmare" means a mare that conceives and carries her genetic foal to term.

1 (2) "Donor mare" means the mare from which an embryo is harvested for the purpose of
2 performing an embryo transfer.

3 (3) "Fund" means the Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian
4 Development Fund established by KRS 230.445.

5 (4) A "horse of racing age" is defined by 810 KAR 4:010.

6 ~~[(4) "Historical horse race handle" means monies wagered at a licensed Kentucky association
7 on historical horse races as defined in 810 KAR 2:001.~~

8 ~~(5) "Inter state wagering" means monies wagered at a Kentucky racing association on Quarter
9 Horse, Paint Horse, Appaloosa, or Arabian races conducted outside of Kentucky.~~

10 ~~(6) "Intra state wagering" means monies wagered at a Kentucky racing association on Quarter
11 Horse, Paint Horse, Appaloosa, or Arabian races conducted at another Kentucky association.]~~

12 (5) [(7)] "Kentucky bred" means a horse that meets the requirements of this administrative
13 regulation and is:

14 (a) A Quarter Horse registered with the American Quarter Horse Association, or its successor;

15 (b) An Appaloosa registered with the Appaloosa Horse Club, or its successor;

16 (c) An Arabian registered with the Arabian Horse Association Registry, or its successor; or

17 (d) A Paint Horse registered with the American Paint Horse Association, or its successor.

18 ~~[(8) "Live racing handle" means the monies wagered by individuals present on association
19 grounds on Quarter Horse, Paint Horse, Appaloosa, or Arabian races physically conducted on
20 that association's grounds.]~~

21 (6) [(9)] "Mare" means a broodmare, donor mare, or recipient mare.

1 ~~[(10) "Nonlive racing handle" means the monies wagered at an association located in Kentucky~~
2 ~~on Quarter Horse, Paint Horse, Appaloosa, or Arabian races not physically conducted on that~~
3 ~~association's grounds.]~~

4 (7) ~~[(11)]~~ "Recipient mare" means a mare of any breed who:

- 5 (a) Is implanted with an embryo from a donor mare;
- 6 (b) Carries the non-genetic foal to term; and
- 7 (c) Is implanted with an electronic horse identification microchip that accurately identifies the
8 horse and is compliant with international standards ISO 11784.

9 Section 2. Advisory Committee. The fund advisory committee shall consist of five (5) members,
10 all of whom shall be Kentucky residents, to be appointed by the chairman of the commission by
11 July 1 of each year. The committee shall consist of the following:

- 12 (1) One (1) member of the commission;
- 13 (2) One (1) officer or director of a licensed racing association in Kentucky conducting Quarter
14 Horse, Paint Horse, Appaloosa, or Arabian racing;
- 15 (3) One (1) owner of a horse nominated to the fund;
- 16 (4) One (1) owner of a mare registered with the fund; and
- 17 (5) One (1) member of the Kentucky Quarter Horse Racing Association recommended by that
18 organization's board of directors.

19 Section 3. Mare Eligibility.

- 20 (1) In order for a foal to be eligible to earn money from the fund, the broodmare or both the
21 donor and recipient mares shall be registered with the fund on or before February 15 of the
22 year of conception. Late registration may be accepted on or before June 15 of the year of

1 conception as provided by subsection (4) of this section. Notwithstanding other provisions of
2 this regulation to the contrary, all registration fees for mares conceiving foals during the 2023
3 and 2024 breeding seasons shall be waived, and the registration deadlines for each year of
4 conception shall be extended to December 31 of the year of conception, in order to promote
5 field growth. Weanling and all other applicable fees regarding the foals shall remain in effect
6 for all foals, including foals conceived during 2023 and 2024.

7 (2) In order to be eligible to be registered with the fund, a mare, whether a broodmare, donor
8 mare, or recipient mare, shall reside in Kentucky for a period of no less than 120 days
9 [continuously] from conception or embryo transfer implantation until foaling. ~~[unless one (1) of~~
10 the exceptions established in this subsection is met.

11 ~~(a) Medical procedure.~~

12 ~~1. A medical procedure is required to be performed to protect the health of the mare or the~~
13 ~~unborn foal that involves an extraordinary medical situation and the owner of the mare~~
14 ~~desires to have an expert located outside of Kentucky conduct the procedure;~~

15 ~~2. The owner of the mare files with the commission a "Kentucky Quarter Horse, Paint Horse,~~
16 ~~Appaloosa, and Arabian Development Fund Application to Move Mare Outside of Kentucky",~~
17 ~~KHRC 7 060 3, within fourteen (14) days after the mare leaves Kentucky and provides~~
18 ~~information related to the procedure as requested by the commission;~~

19 ~~3. The executive director of the commission approves the departure of the mare from~~
20 ~~Kentucky;~~

1 4. The mare remains under the care of a veterinarian during the entire period of time she is
2 not residing in Kentucky, other than the time during which she is traveling to and from
3 Kentucky;

4 5. The mare returns to Kentucky following the medical procedure for which her departure
5 was authorized; and

6 6. The mare is in Kentucky for foaling, as established by documentation provided to the
7 commission;

8 **~~(b) Racing.~~**

9 1. The owner of the mare desires to race the mare in a pari mutuel race that is:

10 a. Held outside Kentucky; and

11 b. Sanctioned by the governing body of the jurisdiction in which the race is to be held;

12 2. The owner of the mare files with the commission a "Kentucky Quarter Horse, Paint Horse,
13 Appaloosa, and Arabian Development Fund Application to Move Mare Outside of Kentucky",
14 KHRC 7-060-3, at least fourteen (14) days before the mare leaves Kentucky and provides
15 information relating to the race outside of Kentucky as requested by the commission;

16 3. The executive director of the commission approves the departure of the mare from
17 Kentucky based on the criteria in this paragraph;

18 4. The mare returns to Kentucky within ten (10) days after the running of the approved race;
19 and

20 5. The mare is in Kentucky for foaling as established by documentation provided to the
21 commission; or

22 **~~(c) Auction.~~**

- 1 ~~1. The owner of the mare desires to enter her for sale at a catalogued auction for her breed~~
- 2 ~~held outside of Kentucky;~~
- 3 ~~2. The owner of the mare files with the commission a "Kentucky Quarter Horse, Paint Horse,~~
- 4 ~~Appaloosa, and Arabian Development Fund Application to Move Mare Outside of Kentucky",~~
- 5 ~~KHRC 7-060-3, at least fourteen (14) days before the mare leaves Kentucky and provides~~
- 6 ~~information relating to the auction as requested by the commission;~~
- 7 ~~3. The executive director of the commission approves the departure of the mare from~~
- 8 ~~Kentucky based on the criteria in this paragraph;~~
- 9 ~~4. The mare returns to Kentucky no later than thirty (30) days after the auction; and~~
- 10 ~~5. The mare is in Kentucky for foaling, as established by documentation provided to the~~
- 11 ~~commission.~~
- 12 ~~(3) The owner of a mare approved to leave the state under subsection (2) of this section shall~~
- 13 ~~provide the commission with written notification of the mare's return within forty eight (48)~~
- 14 ~~hours of her return.]~~
- 15 (3) ~~[(4)]~~ A mare shall be registered with the fund by:
- 16 (a) Completing and filing with the commission a "Kentucky Quarter Horse, Paint Horse,
- 17 Appaloosa, and Arabian Development Fund Mare Registration Form", KHRC 7-060-1;
- 18 (b) Providing the commission with a photocopy of the mare's official breed registration papers
- 19 from the American Quarter Horse Association, American Paint Horse Association, Appaloosa
- 20 Horse Club, the Arabian Horse Association Registry, or The Jockey Club or their respective
- 21 successors, or documentation regarding a recipient mare's electronic horse identification
- 22 microchip~~]; and~~

1 ~~(c) Paying the registration fee as follows:~~

2 ~~1. A twenty five (25) dollar fee for registrations postmarked no later than February 15 of the~~
3 ~~year of conception; or~~

4 ~~2. A \$200 late fee for registrations postmarked after February 15 and no later than June 15 of~~
5 ~~the year of conception.]~~

6 Section 4. Nomination.

7 (1) Except as set forth in subsection (5) of this section, in order for a horse to be eligible to earn
8 money from the fund, it shall be a Kentucky bred as defined in this administrative regulation
9 and shall be nominated to the fund ~~[on or before December 31 of its yearling year]~~ by :

10 (a) Completing and filing with the commission a "Kentucky Quarter Horse, Paint Horse,
11 Appaloosa, and Arabian Development Fund Nomination Form₂"^[7] KHRC 7-060-2;

12 (b) Providing the commission with a photocopy of the horse's official breed registration papers
13 from the American Quarter Horse Association, American Paint Horse Association, Appaloosa
14 Horse Club, or the Arabian Horse Association Registry, or their respective successors

15 ~~[(c) Paying the nomination fee as follows:~~

16 ~~1. A twenty five (25) dollar fee for nominations postmarked no later than December 31 of~~
17 ~~the weanling year; or~~

18 ~~2. A \$100 fee for nominations postmarked after the weanling year but no later than December~~
19 ~~31 of the yearling year.~~

20 ~~2) Except as set forth in subsection (5) of this section, nominations postmarked after December~~
21 ~~31 of the yearling year shall not be accepted.]~~

1 ~~(2)~~ ~~(3)~~ In order for a foal that is the product of an embryo transfer to be eligible to earn monies
2 from the fund, the donor mare and the recipient mare shall be registered as provided in Section
3 3 of this administrative regulation and shall meet the other requirements of this administrative
4 regulation.

5 ~~(3)~~ ~~(4)~~ If a registered donor mare produces more than one (1) foal in one (1) breeding season,
6 two (2) genetic foals may be nominated to the fund as determined by the owner of the donor
7 mare.

8 (5) [A horse born before 2024 ~~2017~~] shall be eligible for nomination to the fund and participate
9 in races offering monies from the fund. A horse shall be nominated by:

10 (a) Completing and filing with the commission a "Kentucky Quarter Horse, Paint Horse,
11 Appaloosa, and Arabian Development Fund Nomination Form", KHRC 7-060-2;

12 (b) ~~[Paying a nomination fee of \$300; and~~

13 ~~(c)]~~ Including the following with the nomination form:

14 1. A photocopy of the official breed registration papers from the American Quarter Horse
15 Association, American Paint Horse Association, Appaloosa Horse Club, or the Arabian Horse
16 Association Registry, or their respective successors;

17 2. Registration papers showing ownership and demonstrating that the horse was foaled in
18 Kentucky;

19 3. An official breed registry shipped semen report or a stallion breeders certificate
20 demonstrating that the horse was conceived in Kentucky; and

1 4. A signed affidavit from the owner of the mare at the time of her pregnancy stating that
2 the mare resided in Kentucky for a period of no less than 120 days from conception or
3 embryo transfer implantation until foaling [~~during the entirety of her pregnancy~~].

4 ~~{6}~~ Nothing in this section shall prevent a registered mare from being eligible to race for monies
5 from the fund.

6 Section 5. Monies Allocated.

7 {1} Money deposited to the Fund shall be allocated on an equitable basis as determined by the
8 commission, pursuant to KRS 230.445. [~~{1} One {1} live association.~~

9 ~~{a} Live racing handle. An association conducting live racing shall earn monies to be deposited~~
10 ~~in the fund account for that association in the amount of one {1} percent of the total live racing~~
11 ~~handle pursuant to KRS 138.510(1).~~

12 ~~{b} Nonlive racing handle. An association conducting live racing shall earn monies to be~~
13 ~~deposited in the fund account for that association in the amount of two {2} percent of the~~
14 ~~total non live racing handle pursuant to KRS 138.510(2).~~

15 ~~{2} More than one {1} live association. Unless there is a commission approved agreement among~~
16 ~~the associations conducting live racing to the contrary, if two {2} or more associations are~~
17 ~~conducting live Quarter Horse, Paint Horse, Appaloosa, or Arabian races on the same day, the~~
18 ~~monies earned from the handle for that day shall be divided as established in this subsection.~~

19 ~~{a} Live racing handle. An association conducting Quarter Horse, Paint Horse, Appaloosa, or~~
20 ~~Arabian races shall earn monies to be deposited in the fund account for that association in the~~
21 ~~amount of one {1} percent of that association's live racing handle pursuant to KRS 138.510(1).~~

1 ~~(b) The intra-state wagering monies shall be allocated to that association on which the~~
2 ~~wagering is placed for purposes of calculating that association's fund earnings.~~

3 ~~(c) Inter-state wagering monies originating from an association conducting live Quarter Horse,~~
4 ~~Paint Horse, Appaloosa, or Arabian races shall be allocated to that association for purposes of~~
5 ~~calculating that association's fund earnings.~~

6 ~~(d) Inter-state wagering monies from all other Kentucky associations shall be divided evenly~~
7 ~~among the associations conducting live races.~~

8 ~~(3) Historical horse race handle. An association offering wagering on historical horse races shall~~
9 ~~earn monies to be deposited in the fund account for that association as provided in KRS~~
10 ~~138.510(1).]~~

11 Section 6. Distribution of Funds.

12 (1) Each association shall submit a request to the advisory committee, including the proposed
13 races eligible to receive monies from the fund and the proposed purse structure for those races,
14 at least forty-five (45) days prior to the opening day of the live racing meet.

15 (2) Unless there is a commission approved proposal to the contrary, the proposed purse
16 structure shall not exceed the total dollars generated by that breed to the association's fund
17 account.

18 (3) The advisory committee shall review the proposed eligible races and purse structure and
19 make a recommendation whether to approve the proposed races and purse structure to the
20 commission based upon the best interests of Kentucky racing.

21 (4) Two (2) or more associations conducting Quarter Horse, Paint Horse, Appaloosa, or Arabian
22 racing may request permission from the advisory committee to combine their respective fund

1 monies to supplement purses at one (1) of the associations. The advisory committee shall
2 recommend to the commission whether to approve the request.

3 Section 7. Reconciliation.

4 (1) Each association shall file weekly with the commission a copy of the pari-mutuel tax form
5 filed with the Department of Revenue, along with a copy of the check submitted for each report.

6 (2) Each association shall report to the commission the actual purse distribution within fifteen
7 (15) calendar days after the last day of a live race meeting.

8 (3) The commission shall on a monthly basis reconcile the weekly reports submitted by the
9 association with the Department of Revenue's reports and deposits.

10 (4) If, at the close of a live race meet, an association has a balance of monies earned for that
11 meet that has not been distributed in actual fund purse distribution, then the association may
12 choose one (1) of the following options to distribute the remaining balance, subject to the
13 recommendation of the advisory committee and the approval of the commission:

14 (a) Use fund monies previously earned to supplement purses at future live racing meets held
15 by that association; or

16 (b) Use fund monies previously earned to supplement purses already distributed at the last
17 live racing meet held by the association to the recipients of the original purse allocations.

18 (5) If, at the close of a live race meet, an association offering wagering on historical horse races
19 has a balance of fund monies earned from historical horse race wagers that has not been
20 distributed in actual fund purse distribution, then the association may choose one (1) of the
21 following options to distribute a portion of the balance, subject to the recommendation of the
22 advisory committee and the approval of the commission:

- 1 (a) Use the historical horse race fund monies previously earned to supplement purses at future
2 live racing meets held by that association;
- 3 (b) Use historical horse race fund monies previously earned to supplement purses already
4 distributed at the last live racing meet held by the association to the recipients of the original
5 purse allocations; or
- 6 (c) Use historical horse race fund monies previously earned to supplement purses at another
7 licensed Kentucky racetrack.
- 8 (6) Reasonable and customary administrative charges for time spent reconciling the account
9 may be charged to each association by the commission based on the percentage of funds
10 generated by each association for the previous calendar year.
- 11 (7) Each association shall sign an agreement stating that it accepts and agrees with the
12 reconciliation prior to reimbursement of any funds.

13 Section 8. Incorporation by Reference.

14 (1) The following material is incorporated by reference:

- 15 (a) "Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund Mare
16 Registration Form", KHRC 7-060-1, 04/2023 [~~11/2018~~];
- 17 (b) "Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund
18 Nomination Form", KHRC 7-060-2, 04/2023 [~~11/2018~~]; and
- 19 ~~[(c) "Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund
20 Application to Move Mare Outside of Kentucky Form", KHRC 7-060-3, 04/2023 [~~11/2018~~].]~~

21 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at
22 the Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington,

- 1 Kentucky 40511, Monday through Friday, 8:00 a.m. to 4:30 p.m. This material is also available
- 2 on the commission's Web site at <http://khrc.ky.gov>.
- 3 (45 Ky.R. 1989; 3161; eff. 5-31-2019.)

810 KAR 7:060
READ AND APPROVED:

Jonathan Rabinowitz

Date

Chairman, Kentucky Horse Racing Commission

Ray Perry

Date

Secretary, Public Protection Cabinet

PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on May 22, 2023 at 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing
Title: General Counsel
Address: 4063 Iron Works Parkway, Building B, Lexington, KY 40511
Phone: +1 (859) 246-2040
Fax: +1 (859) 246-2039
Email: jennifer.wolsing@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 7:060
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does:

(b) The necessity of this administrative regulation:

(c) How this administrative regulation conforms to the content of the authorizing statutes:

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

(b) The necessity of the amendment to this administrative regulation:

(c) How the amendment conforms to the content of the authorizing statutes:

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes by providing incentives for stallion owners to stand their horses in Kentucky and breeders to keep their mares in Kentucky.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment:

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities:

(c) As a result of compliance, what benefits will accrue to the entities:

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

(b) On a continuing basis:

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees:

(9) TIERING: Is tiering applied? Explain why or why not.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 7:060
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? **The Kentucky Horse Racing Commission will be impacted by this administrative regulation.**

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

(c) How much will it cost to administer this program for the first year?

(d) How much will it cost to administer this program for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): Neutral
Expenditures (+/-): Neutral
Other Explanation: None

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

1. How much cost savings will this administrative regulation generate for the regulated entities for the first year? This

2. How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

(c) How much will it cost the regulated entities for the first year?

(5) How much will it cost the regulated entities for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): \$0.00

Expenditures (+/-): \$0.00

Other Explanation: N/A

(6) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]*

KHRC 190-1 (/ /)

**Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund
Mare Registration Form**

MUST INCLUDE & SUBMIT THE FOLLOWING:

Proper payment in U.S. Funds Only (check or money order)

A Copy of the Mare's Official Breed Registration Papers

- \$25 postmarked by February 15th of the year of conception.
- \$200 postmarked between February 16th and June 15th of the year of conception.

(Late Nomination)

KENTUCKY HORSE RACING COMMISSION
4063 Iron Works Parkway, Building B | Lexington, KY 40511
Telephone: (859) 246-2847 | Fax: (859) 246-2887

EMBRYO TRANSFER? : YES *If "Yes," Shall Also Fill Out Back Page* NO *If "No," Fill Out This Page Only*

BROODMARE OR DONOR MARE: _____

REGISTRATION #: _____ MICROCHIP #: _____ YOB: _____

BRED TO: _____ YOB: _____

MARE WILL RESIDE AT: _____ PHONE: _____

FARM'S PHYSICAL ADDRESS: _____
(Physical Address Only | No PO Boxes)

CITY: _____ ST: _____ ZIP: _____

KY RESIDENCY: FROM: ____/____/____ TO: ____/____/____ TOTAL DAYS: _____ (A)
(Minimum: 120 Days) (If not consecutive, please provide other date ranges)

NON-KY RESIDENCY: FROM: ____/____/____ TO: ____/____/____ ST: _____ TOTAL DAYS: _____ (B)

OWNER / NOMINATOR: _____

ADDRESS: _____

CITY: _____ ST: _____ ZIP: _____

PHONE: _____ EMAIL: _____

This registration is subject to all applicable statutes, regulations and rules, including KRS Chapter 230 and KAR Title 810. The regulation concerning the Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund can be found at 810 KAR 7:060.

I certify that a mare, whether a broodmare, donor mare, or recipient mare, shall reside in Kentucky for a period no less than one hundred twenty (120) days from conception or embryo transfer implantation until foaling.

I _____, affirm that the above statements are true and correct to the best of my knowledge and belief and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial and any and all other penalties available under the law. I understand that failure to meet any requirement contained in 810 KAR 7:060 may subject me to the penalties contained therein and other applicable penalties provided by Kentucky statute or regulation. I agree to promptly provide any additional information requested by the Kentucky Horse Racing Commission relating to the registration. I certify that I will keep accurate and updated records on file for any transactions related to transportation and all invoicing related to a mare's residency so that I will have all documentation readily available to produce at the request of the Kentucky Horse Racing Commission.

If submitted by an authorized agent, then the agent, as well as the mare owner, may be subject to all appropriate penalties. All filings are subject to audit by the commission.

QUALIFIED OWNER, LESSEE OR AUTHORIZED AGENT
(Clearly Print Name)

Signature / Date

KHRC 190-1 (/)

**Kentucky Quarter Horse, Paint Horse, Appaloosa and Arabian Development Fund
Mare Registration Form**

Fill Out *Only* in the Event of an Embryo Transfer:

Recipient Mare Information:

RECIPIENT MARE: _____ YOB: _____

RECIPIENT MARE MICROCHIP ID NUMBER: _____

MARE OWNED BY: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

(RECIPIENT MARE)
BOARDING FARM: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

(Physical Address Only | No PO Boxes)

Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form

must include & Submit To: The Following:

KENTUCKY HORSE RACING COMMISSION
 4063 Iron Works Parkway, Building B | Lexington, KY 40511
 Facsimile: 859-246-2887

Shall Also Include:

- Proper Payment in U.S. Funds Only:
 - \$25 if postmarked by February 15th of the year of conception | \$200 if postmarked by June 15th of the year of conception
 - A Copy of the Mare's Official Breed Registration Papers.

EMBRYO TRANSFER?: YES *if "Yes," Shall Also Fill Out Back Page* NO *if "No," Fill Out This Page Only*

NAME OF BROODMARE OR DONOR MARE: _____ YOB: _____

MARE REGISTRATION #: _____ BRED TO: _____ YOB: _____
microchip #: _____

MARE OWNED BY: _____
BRED TO: _____
Will reside at: _____

Farm's address: _____
 PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____
KY Residency: from 1/1 to 1/1 total days: (A)

BOARDING FARM: _____
NON-KY Residency: from 1/1 to 1/1 total days: (B)
 OWNER/NOMINATOR: _____ PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____
 (Physical Address Only | No PO Boxes)

AFFIDAVIT OF REGISTRATION INFORMATION. I certify that the mare(s) shall reside in the Commonwealth of Kentucky continuously from conception or embryo transfer implantation until foaling and shall meet the requirements set forth in 810 KAR 7:060. I agree to provide any additional information requested by the Kentucky Horse Racing Commission to confirm information submitted on this form and understand that failure to do so may result in denial of the registration. I certify that the information on this form is correct, and I understand that if the information on the form changes I am required to amend the form. I understand that if incorrect, false, or misleading information is provided on this form, then I am subject to all the penalties provided in 810 KAR 7:060 as well as any other penalty available under Kentucky law.

Mare(s) Must Reside in Kentucky Continuously from Conception or Embryo Transfer Implantation until Foaling
 For more information and applicable requirements, please see 810 KAR 7:060.

SIGNED: _____ (Owner)

Subscribed and sworn to before me this _____ day of _____, 20____

Commission Expires: / /

(NOTARY PUBLIC)

* See next page for registration here

This registration is subject to all applicable statutes, regulations and rules, including KRS Chapter 230 and KAR Title 810. The regulation concerning the Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund can be found at 810 KAR 7:060.

I certify that a mare, whether a broodmare, donor mare, or recipient mare shall reside in Kentucky for a period no less than one hundred twenty (120) days from conception or embryo transfer implantation until foaling.

I, _____, affirm that the above statements are true and correct to the best of my knowledge and belief and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial and any and all other penalties available under the law. I understand that failure to meet any requirement contained in 810 KAR 7:060 may subject me to the penalties contained herein and other applicable penalties provided by Kentucky statute or regulation. I agree to promptly provide any additional information requested by the Kentucky Horse Racing Commission relating to the registration. I certify that I will keep accurate and updated records on file for any transactions related to transportation and all invoicing related to a mare's residency so that I will have all documentation readily available to produce at the request of the Kentucky Horse Racing Commission.

Qualified owner, lease or authorized agent

Signature / date

KHRC 7-060-1

**Kentucky Quarter Horse, Paint Horse, Appaloosa and Arabian Development
Fund Mare Registration Form**

Fill Out Only in the Event of an Embryo Transfer:

Recipient Mare Information:

RECIPIENT MARE: _____ YOB: _____

RECIPIENT MARE MICROCHIP ID NUMBER: _____

MARE OWNED BY: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

(RECIPIENT MARE)
BOARDING FARM: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

(Physical Address Only | No PO Boxes)

Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form

Submit To:

KENTUCKY HORSE RACING COMMISSION
4063 Iron Works Parkway, Building B | Lexington, KY 40511
Telephone: (859) 246-2847 | Fax: (859) 246-2887

Shall Also Include:

- Proper Payment in U.S. Funds Only (Check or Money Order)
- A Copy of the Nominated Horse's Official Breed Registration Papers.

Choose Breed Type: Quarter Horse Paint Horse Appaloosa Arabian

HORSE: _____ SEX: _____ YOB: _____

REGISTRATION #: _____ MICROCHIP #: _____

SIRE: _____ YOB: _____

DAM: _____ YOB: _____

OWNER: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

Fees and Deadlines:

<u>Select One:</u>	<u>Fees:</u>	<u>Deadlines:</u>
<input type="checkbox"/> Weanling Nomination:	\$25	Postmarked by December 31 st of Weanling Year
<input type="checkbox"/> Yearling Nomination:	\$100	Postmarked by December 31 st of Yearling Year
<input type="checkbox"/> Horse of Racing Age Nomination:	\$300	Postmarked After December 31 st of Yearling Year

For more information and applicable requirements, please see 810 KAR 7:060.

Owner's Signature: _____ Date: _____

Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form

Submit To:

KENTUCKY HORSE RACING COMMISSION
4063 Iron Works Parkway, Building B | Lexington, KY 40511
Facsimile: 859-246-2887

Shall Also Include:

- Proper Payment in U.S. Funds Only
- A Copy of the Nominated Horse's Official Breed Registration Papers.

Choose Breed Type: Quarter Horse | Paint Horse | Appaloosa | Arabian

HORSE: _____ SEX: _____ YOB: _____ REGISTRATION #: _____

microchip #: _____
SIRE: _____ YOB: _____ DAM: _____ YOB: _____

OWNER: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

Fees and Deadlines:

Select One:	Fees:	Deadlines:
Weanling Nomination:	\$25	Postmarked by December 31 st of Weanling Year
Yearling Nomination:	\$100	Postmarked by December 31 st of Yearling Year

This box has been removed.

Horse foaled in 2016 or prior:	\$300	No Deadline
See 810 KAR 7:060 for Additional Requirements		

For more information and applicable requirements, please see 810 KAR 7:060.

Owner's Signature: _____ Date: _____

Kentucky Quarter Horse, Paint Horse, Appaloosa, and Arabian Development Fund Application to Move Mare Outside of Kentucky

Submit To:

KENTUCKY HORSE RACING COMMISSION
4063 Iron Works Parkway, Building B | Lexington, KY 40511
Facsimile: 859-246-2887

NAME OF MARE: _____ YOB: _____

MARE OWNED BY: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____

BOARDING FARM: _____

PHONE: _____ EMAIL: _____

ADDRESS: _____ CITY: _____ ST: _____ ZIP: _____
(Physical Address Only | No PO Boxes)

Affidavit of Owner:
Initial One of the Following:

Medical Procedure: **(Deadline to File: *Within 14 days after the mare leaves Kentucky*)**
A medical procedure is required to be performed to protect the health of the mare or the unborn foal that involves an extraordinary medical situation and the owner of the mare desires to have an expert located outside of Kentucky conduct the procedure. Information relating to the procedure is included with this application. The mares shall return to Kentucky following the medical procedure and shall be located in Kentucky for foaling. All other requirements of 810 KAR 7:060 shall be met.

Racing: **(Deadline to File: *14 days before the mare leaves Kentucky*)**
The owner of the mare desires to race the mare in a sanctioned pari-mutuel race held outside of Kentucky. Information relating to the race is included with this application. I understand the mare shall return to Kentucky within 10 days after the running of the approved race and shall be located in Kentucky for foaling. All other requirements of 810 KAR 7:060 shall be met.

Auction: **(Deadline to File: *14 days before the mare leaves Kentucky*)**
The mare is entered into a catalogued auction held outside of Kentucky. Information pertaining to the auction is included with this application. I understand the mare shall return to Kentucky no later than 30 days after the auction and shall be located in Kentucky for foaling. All other requirements of 810 KAR 7:060 shall be met.

***The Owner of the Mare Shall Provide the Commission Written Notification of the Mare's Return within 48 Hours of Her Return*
For more information and applicable requirements, please see 810 KAR 7:060.**

SIGNED: _____
(Owner)

Subscribed and sworn to before me this _____ day of _____, 20 _____

Commission Expires: _____ / _____ / _____

(NOTARY PUBLIC)



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **KENTUCKY QUARTER HORSE, PAINT HORSE, APPALOOSA AND ARABIAN DEVELOPMENT FUND ADVERTISING REQUEST**

The KYQHPAA Development Fund Advisory Committee met on March 28, 2023 and in accordance with KRS 230.445 approved the following use of advertising funds:

- \$750 – Reimbursement to the Kentucky Quarter Horse Racing Association for advertising in the program at the Red Mile for Sandy’s Racing Inaugural Event, providing a call to action for breeders to nominate their pregnant mares to the program for foals of 2024.
- \$20,000 – To be used during the breeding seasons of 2023 and 2024 to promote and educate horsemen about the changes to the regulation 810 KAR 7:060. These ads, in industry trade publications, will be used to generate public interest and help to grow the Kentucky horse population by providing a call to action to breeders to register their Kentucky Bred horses so that they will be eligible to race for these funds.

The KYQHPAA Development Fund Advisory Committee along with the KHRC staff recommend approval at this time.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny



CONGRATULATIONS SANDY'S RACING | GAMING ON YOUR INAUGURAL EVENT!

REGISTER YOUR 2023 KENTUCKY BRED PREGNANT MARE

TO PARTICIPATE IN THE

KENTUCKY BRED QUARTER HORSE RACING PROGRAM

(PROPOSED EXTENDED DEADLINE: DECEMBER 31, 2023)

For more information: visit khrc.ky.gov

(Under HOWDOI? - click on Register for Kentucky Breeder Incentive & Development Funds - then click on Kentucky Quarter Horse, Paint Horse, Appaloosa and Arabian Development Fund)



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director, Incentives & Development, KHRC
DATE: April 18, 2023
RE: **810 KAR 7:030 KENTUCKY THOROUGHBRED DEVELOPMENT FUND REGULATION CHANGE REQUEST**

The KTDF Advisory Committee met on April 5, 2023 and voted on proposed changes to 810 KAR 7:030. The primary suggested amendments are as follows:

- General maintenance of the regulation to comply with our current regulations and statutes. This includes removing obsolete definitions and adding certain helpful definitions, such as defining a “licensed association.”
- Removal of obsolete language or duplication of language in other regulations and statutes. This includes ensuring that the regulation is consistent with its enabling statute, KRS 230.400.
- In Section 3, amending the regulation such that a surplus of KTDF money generated from live, simulcast and HHR pari-mutuel wagering can be treated the same way by the licensed association.
- In Section 3 (5), adding clarification language regarding advertising with KTDF Funds.

All changes to the regulation are included in an LRC-compliant version of the regulation, which is attached to this memorandum.

At this time the KTDF Advisory Committee along with the KHRC staff recommend approval.

COMMITTEE ACTION

_____ Approve
_____ Defer
_____ Deny

1 PUBLIC PROTECTION CABINET
2 KENTUCKY HORSE RACING COMMISSION
3 (Amendment)

4 810 KAR 7:030. Kentucky Thoroughbred Development Fund.

5 RELATES TO: KRS 138.510, 230.215, 230.225(5)(c), 230.400

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.400

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(1) declares that it is the policy
8 and intent of the Commonwealth to foster and to encourage the business of legitimate horse
9 racing with pari-mutuel wagering thereon in the Commonwealth on the highest possible plane.
10 KRS 230.215(2) vests in the racing commission forceful control of horse racing in the
11 Commonwealth with plenary power to promulgate administrative regulations prescribing
12 conditions under which all legitimate horse racing and wagering thereon is conducted in the
13 Commonwealth so as to encourage the improvement of the breeds of horses in the
14 Commonwealth and to regulate and maintain horse racing at horse race meetings in the
15 Commonwealth of the highest quality. KRS 230.225(5)(c) states that the racing commission shall
16 be responsible for recommending tax incentives and implementing incentive programs to ensure
17 the strength and growth of the equine industry. KRS 230.400 establishes the Kentucky
18 Thoroughbred Development Fund and requires the Kentucky Horse Racing Commission to
19 promulgate administrative regulations as may be necessary to carry out its provisions and

1 purposes. This administrative regulation establishes standards for eligibility and the
2 administration of payments from the Kentucky Thoroughbred Development Fund.

3 Section 1. Definitions.

4 ~~[(1) "Applicant" means the qualified entity who registers the foal or horse with the KTDF official~~
5 ~~registrar.]~~

6 ~~[(2) "Historical horse race handle" means monies wagered at a licensed Kentucky association~~
7 ~~on historical horse races as defined in 810 KAR 2:001.~~

8 ~~(3) "Inter-state wagering" means monies wagered from a Kentucky thoroughbred association~~
9 ~~on thoroughbred races conducted outside of Kentucky.~~

10 ~~(4) "Intra-state wagering" means monies wagered at a Kentucky thoroughbred association on~~
11 ~~thoroughbred races conducted at another Kentucky association.]~~

12 ~~(1) [(5)] "KTDF" means the Kentucky Thoroughbred Development Fund, as established by KRS~~
13 ~~230.400.~~

14 ~~(2) "KTDF Advisory Committee" means a five (5) member committee established by KRS~~
15 ~~230.400.~~

16 ~~(3) [(6)] "KTOB" means the Kentucky Thoroughbred Owners and Breeders, Inc., as the official~~
17 ~~registrar for the KTDF in accordance with KRS 230.400. [(7) "Live racing handle" means the~~

18 ~~monies wagered by individuals present on association grounds on thoroughbred races~~
19 ~~physically conducted on association grounds.~~

20 ~~(8) "Nonlive racing handle" means the monies wagered at an association located in Kentucky~~
21 ~~on thoroughbred races not physically conducted at the association's grounds.~~

1 ~~(4) [(9) "Official Registrar" means the association recognized and designated as the sole official~~
2 ~~registrar of the KTDF for the purpose of registering Kentucky thoroughbred stallions and~~
3 ~~Kentucky bred thoroughbreds in accordance with KRS 230.400.]~~

4 (4) "Licensed association" means a person or legal entity conducting horse racing pursuant to a
5 license issued under 810 KAR 3:010.

6 Section 2. KTDF Monies Earned.

7 Money shall be allocated to the credit of each licensed association in the amount the licensed
8 association contributed to the KTDF pursuant to KRS 230.400. [(1) One (1) live thoroughbred
9 association.

10 ~~(a) Live racing handle. An association conducting live racing shall earn KTDF money in the~~
11 ~~amount of 0.75 percent of the total live racing handle pursuant to KRS 138.510(1).~~

12 ~~(b) Nonlive racing handle. An association conducting live racing shall earn KTDF money in the~~
13 ~~amount of two (2) percent of the total nonlive racing handle pursuant to KRS 138.510(2).~~

14 ~~(2) More than one (1) live thoroughbred association. Unless there is an agreement among the~~
15 ~~thoroughbred associations conducting live racing to the contrary, if two (2) or more~~
16 ~~thoroughbred associations are conducting live racing on the same day, the monies earned from~~
17 ~~the handle for that day shall be divided as provided by this subsection.~~

18 ~~(a) The association conducting the live racing shall earn KTDF money in the amount of seventy-~~
19 ~~five hundredths (0.75) percent of that association's live racing handle pursuant to KRS~~
20 ~~138.510(1).~~

21 ~~(b) Intra-state wagering monies shall be allocated to that Kentucky thoroughbred association~~
22 ~~on which the wagering is placed for purposes of calculating that association's KTDF earnings.~~

1 ~~(c) Inter state wagering monies originating from an association conducting live thoroughbred~~
2 ~~racing shall be allocated to that association for purposes of calculating that association's KTDF~~
3 ~~earnings.~~

4 ~~(d) Inter State wagering monies from all other Kentucky associations shall be divided evenly~~
5 ~~among the associations conducting live racing.~~

6 ~~(3) Historical horse race handle. An association offering wagering on historical horse races shall~~
7 ~~earn KTDF money as provided by KRS 138.510(1).~~

8 ~~(4) Unless otherwise stated, all KTDF money earned under this section shall be deposited in the~~
9 ~~KTDF account for that association.]~~

10 Section 3. KTDF Reconciliation.

11 (1) Each licensed association shall file with the commission a copy of the pari-mutuel tax form
12 filed with the Department of Revenue, along with a copy of the check submitted for each report.
13 These reports shall be filed weekly.

14 ~~[(2) Each association shall report to the commission the actual KTDF purse distribution within~~
15 ~~fifteen (15) calendar days after the last day of a live race meeting]~~

16 (2) [(3)] The commission shall reconcile the weekly reports submitted by the licensed
17 association with the Department of Revenue's reports and deposits on a monthly basis.

18 (3) [(4)] If at the close of a live race meet, a licensed ~~(an)~~ association has a surplus balance of
19 KTDF monies earned pursuant to KRS 230.400 ~~[for that meet that has not been distributed in~~
20 ~~actual KTDF purse distribution,]~~ then the licensed association may request to distribute a
21 portion of that balance ~~[choose one of the following options to distribute the remaining~~

1 ~~balance~~], subject to the recommendation of the KTDF Advisory Committee and the approval
2 of the commission:

3 (a) To supplement purses at future live racing meets held by that licensed association; ~~[Use~~
4 ~~KTDF monies previously earned to supplement purses at future live racing meets held by that~~
5 ~~licensed association; or]~~

6 (b) To fund supplemental purse structures approved by the commission for a previous live
7 racing meet held by the licensed association to the recipients of the original purse allocation;
8 ~~or [Use KTDF monies previously earned to supplement purses already distributed at the last~~
9 ~~live racing meet held by the licensed association to the recipients of the original purse~~
10 ~~allocations.]~~

11 (c) To supplement purses at another licensed thoroughbred Kentucky racetrack.

12 ~~[(5) If at the close of a live race meet, a licensed [an] association offering wagering on historical~~
13 ~~horse races has a surplus balance of KTDF monies earned from historical horse race wagers that~~
14 ~~has not been distributed in actual KTDF purse distribution, then the licensed association may~~
15 ~~distribute a portion of the balance, subject to the recommendation of the KTDF Advisory~~
16 ~~Committee and the approval of the commission;~~

17 ~~(a) To supplement purses at future live racing meets held by that licensed association;~~

18 ~~(b) To supplement purses already distributed at the last live racing meet held by the licensed~~
19 ~~association to the recipients of the original purse allocations; or~~

20 ~~(c) To supplement purses at another licensed thoroughbred Kentucky racetrack.]~~

1 ~~(4) [(6)]~~ Reasonable and customary administrative charges for time spent reconciling the KTDF
2 account may be charged by the commission to each licensed association based on the
3 percentage of funds generated by each licensed association for the previous calendar year.

4 ~~(5) [(7)]~~ A licensed ~~[A]~~ association, at its option, may pay reasonable advertising charges billed
5 to the association by the KTOB from the association's KTDF available balance, provided the
6 advertising charges are consistent with the intent of the KTDF. Approval of any advertising
7 payment shall be subject to the recommendation of the KTDF Advisory Committee and the
8 approval of the commission.

9 ~~(6) [(8)]~~ (a) Each licensed association shall submit their purses paid reports, advertising invoices,
10 or any other documentation requested by the commission, pertinent to reimbursement, within
11 fifteen (15) calendar days after the last day of a live race meet.

12 (b) Each licensed association shall sign an ~~[agreement]~~ acknowledgment from the commission
13 stating that it accepts and agrees with the reconciliation prior to the reimbursement of any
14 KTDF funds.

15 Section 4. Purse Structure. Each licensed association shall submit its KTDF purse structure
16 proposal to the KTDF Advisory Committee for approval at least forty-five (45) days prior to the
17 opening day of the live racing meet. The KTDF Advisory Committee shall review the proposed
18 purse structure and make a recommendation to the commission whether to approve the
19 proposed purse structure based upon the best interests of Kentucky racing.

20 (45 Ky.R. 1982; eff. 5-31-2019.)

810 KAR 7:030
READ AND APPROVED:

Jonathan Rabinowitz	Date
Chairman, Kentucky Horse Racing Commission	

Ray Perry	Date
Secretary, Public Protection Cabinet	

PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on _____, 2023 at 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on _____, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing
Title: General Counsel
Address: 4063 Iron Works Parkway, Building B, Lexington, KY 40511
Phone: +1 (859) 246-2040
Fax: +1 (859) 246-2039
Email: jennifer.wolsing@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 7:030
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does:

(b) The necessity of this administrative regulation:

(c) How this administrative regulation conforms to the content of the authorizing statutes:

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

(b) The necessity of the amendment to this administrative regulation:

(c) How the amendment conforms to the content of the authorizing statutes:

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes by providing incentives for stallion owners to stand their horses in Kentucky and breeders to keep their mares in Kentucky.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment:

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities:

(c) As a result of compliance, what benefits will accrue to the entities:

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

(b) On a continuing basis:

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees:

(9) TIERING: Is tiering applied? Explain why or why not.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 7:030
Contact Person: Jennifer Wolsing
Phone: +1 (859) 246-2040
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? **The Kentucky Horse Racing Commission will be impacted by this administrative regulation.**

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

(c) How much will it cost to administer this program for the first year?

(d) How much will it cost to administer this program for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): Neutral
Expenditures (+/-): Neutral
Other Explanation: None

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

1. How much cost savings will this administrative regulation generate for the regulated entities for the first year? This

2. How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

(c) How much will it cost the regulated entities for the first year?

(5) How much will it cost the regulated entities for subsequent years?

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): \$0.00

Expenditures (+/-): \$0.00

Other Explanation: N/A

(6) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]*



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF) – REQUESTS TO TRANSFER FUNDS TO ELLIS PARK**

The Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee met on April 5, 2023 and approved the following KTDF transfers as follows:

- Kentucky Downs’ request to transfer \$1.75 million of KTDF monies to Ellis Park for use at their upcoming 2023 race meet.
- Oak Grove’s request to transfer \$1.1 million of KTDF monies to Ellis Park for use at their upcoming 2023 race meet.

At this time, the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee along with the KHRC Staff recommend approval.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny



KTDF Advisory Committee
Kentucky Horse Racing Commission
4063 Ironworks Parkway
Lexington, KY 40511

Chairman Landes,

Kentucky Downs respectfully requests the KTDF's approval to send \$1.75 million of KTDF monies to Ellis Park for their upcoming 2023 racing season.

Thank you in advance for your assistance.

Sincerely,

Ted Nicholson
Vice President of Racing

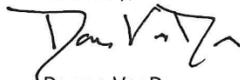
April 3, 2023

KTDF Advisory Committee of the Kentucky Horse Racing Commission
4063 Iron Works Parkway
Building B
Lexington, KY 40511

Dear Committee Members,

Oak Grove Racing would like to respectfully request the Committee's approval of the transfer of \$1.1 million of KTDF purse funds to Ellis Park for use during their upcoming 2023 race meeting.

Sincerely,



Darren VanDover

General Manager, Oak Grove



Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Ray A. Perry
SECRETARY

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **ELLIS PARK'S 2023 RACE MEET KTDF PURSE ALLOTMENT REQUEST**

On April 5, 2023 the KTDF Advisory Committee considered the following request from Ellis Park regarding its KTDF purse structure for their upcoming 2023 race meet. Their meet will consist of 24 racing days beginning on Friday, July 7th and ending on Sunday, August 27th.

Ellis Park is proposing KTDF purses in the range of \$3.7 – \$4.4 million. These projections are based on a \$1.75 million dollar transfer from Kentucky Downs, a \$1.1 million dollar transfer from Oak Grove and projected KTDF earnings of \$1.3 million from pari-mutuel wagering on historical horse racing at Ellis Park.

To encourage participation during the meet, Ellis Park will pay out KTDF purses through last place to all KTDF eligible horses.

At this time, the KTDF Advisory Committee along with KHRC staff recommend approval.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny



March 30, 2023

KTDF Advisory Committee of the
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Building B
Lexington, Kentucky 40511

Committee Members:

Ellis Park has reviewed our purses and would like to card KTDF purses in the range of \$3.7 million to \$4.4 million for our upcoming Summer Meet. We have based the range on the following information:

1. At the end of the 2022 meet, there was a KTDF deficit of \$295,772 of which the balance at the end of November 2022 was a KTDF surplus balance of \$8,322.
2. Since the end of November 2022, we have generated and expect to generate KTDF from the following sources through the end of August 2023:
 - a. Transfer of \$1.75 million in KTDF funds from Kentucky Downs
 - b. Transfer of \$1.1 million in KTDF funds from Oak Grove
 - c. Ellis Park historical racing machine contribution of \$1.3 million
3. Our summer will consist of 24 racing days beginning July 7, 2023 and ending Sunday August 27, 2023.
4. We anticipate that KTDF will be approximately 23% of total purses. Of the requested KTDF allotment, we anticipate the following payouts:
 - a. ALW, AOC, MSW: approximately 60% of the KTDF allotment
 - b. BCL, CLM, MCL, STR, WMC: approximately 15% of the KTDF allotment
 - c. Stakes: approximately 25% of the KTDF allotment
5. For summer meet 2023, we are assuming a KTDF payout percentage of 95% with anticipated KTDF disbursements of \$4.1 which is consistent with the \$4.2 million paid during the summer 2023 summer meet.
6. To encourage participation during the summer meet, we are again planning to pay KTDF purses from first to last to all eligible horses.

Please contact either of us should you have any questions or need additional information.

3300 Highway 41 N ● Henderson, KY ● 42420 ● www.ellisparkracing.com ● 812-425-1456



Sincerely,

Jasmine Bonnell

Jasmine Bonnell
Senior Director of Finance

Dan Bork

Dan Bork
Racing Secretary



ELLIS PARK

RACING & GAMING

March 30, 2023

KTDF Advisory Committee of the Kentucky Horse Racing Commission
 4063 Iron Works Parkway
 Building B
 Lexington, Kentucky 40511

Committee Members:

The following information will be included in Ellis Park Condition Book related to the Kentucky Thoroughbred Development Fund (KTDF).

Ellis Park
KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)
ALLOCATION OF FUND BASED ON NUMBER OF STARTERS AND FINISH

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to the fourth, 3% to the fifth and the remaining 2% to be allocated among sixth through last based on the schedule below.

Finish	Number of Starters										
	5	6	7	8	9	10	11	12	13	14	
1st	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%	
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%	
8th				0.66%	0.50%	0.40%	0.33%	0.29%	0.25%	0.22%	
9th					0.50%	0.40%	0.33%	0.29%	0.25%	0.22%	
10th						0.40%	0.33%	0.28%	0.25%	0.22%	
11th							0.33%	0.28%	0.25%	0.22%	
12th								0.28%	0.25%	0.22%	
13th									0.25%	0.22%	
14th										0.22%	
Total	98.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

3300 Highway 41 N • Henderson, KY • 42420 • www.ellisparkracing.com • 812-425-1456



ELLIS PARK

RACING & GAMING

Example:

Date	Race	# of Starters	KTFD Offered									
6/25/2017	10	11	\$7,400.00									
		Finish										
		1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th
KTFD:	Eligible	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
	Payout	\$4,440.00	\$1,480.00	\$740.00	\$370.00	\$222.00	\$25.16	\$25.16	\$0.00	\$24.42	\$24.42	\$24.42
		KTFD Reverts										
		\$24.42										

Example: Dead Heat for 2nd between an eligible and non-eligible horse using the above example.

	2nd	3rd	Total	
KTFD:				
Payout	\$1,480.00	\$740.00	\$2,220.00	---> Eligible horse would receive 50% of the Total for 2nd and 3rd place
		KTFD Payout		
	\$1,110.00	\$1,110.00		

THE KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)

During calendar year 2022, Horsemen with Kentucky-sired Kentucky-breds have over \$48 million more in purse money to run for in designated stakes, handicap, allowance, non-claiming maiden races, and claiming races contested at licensed Thoroughbred race meetings in Kentucky.

Eligible races can be readily recognized in the stakes and condition books by the Kentucky Thoroughbred Development Fund seal, which will appear next to each race in the stakes and condition books.

In accordance with KRS 230.400(5) (d), it is mandatory for a horse to be registered prior to time of entry to be eligible to participate in the distribution of Kentucky Thoroughbred Development Fund monies. Registration is only complete once the application is approved and payment has been received.

All horses of racing age that are both Kentucky-bred and sired by a Kentucky stallion which stood in Kentucky the entire breeding season the year the horse was conceived are eligible to be registered. Owners of horses of racing age are responsible for registering their horses. Stallion owners are responsible for registering their stallions.

Registration applications may be obtained from the official registrar, the Kentucky Thoroughbred Owners and Breeders, by contacting:

Mrs. Jenny McGaughey, Registrar
 Kentucky Thoroughbred Owners and Breeders
 4079 Iron Works Parkway
 Lexington, Kentucky 40511

3300 Highway 41 N • Henderson, KY • 42420 • www.ellisparkracing.com • 812-425-1456



Phone: 859-259-1643
Mobile: 859-361-6002

Registration may be completed online at www.kta-ktob.com. The Horse Identifier can check registration status of a horse.

For those horses that are registered and eligible according to the conditions listed above, fund monies will be divided as follows:

- 60%.....to the winner
- 20%.....to second
- 10%.....to third
- 5%.....to fourth
- 3%.....to fifth

Remaining 2% divided among the starters based on the schedule listed above.

Unearned fund monies revert to the Kentucky Thoroughbred Development Fund. Additionally, if a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

PLEASE NOTE: ALL KTDF PURSE ALLOTMENTS CONTAINED HEREIN ARE SUBJECT TO KHRC APPROVAL.

If you have any questions or need additional information, please reach out to.

Sincerely,
Jasmine Bonnell
Jasmine Bonnell
Senior Director of finance

Dan Bork
Dan Bork
Racing Secretary



Dear KTDF Committee,

I am writing to update you on some prospective improvements to the upcoming Ellis Park meeting. As you know, Churchill Downs Incorporated has acquired Ellis Park and this will be the first meeting under CDI's operation. Here are some exciting developments for Ellis Park:

- Ellis will be making best efforts to run a minimum of 9 races per day, and increase over last year's 8 races per day schedule
- The American Graded Stakes Committee recently approved the relocation of the Grade 3 Pucker Up Stakes to Ellis Park. This will be a \$300,000 race that gives Ellis a prominent graded race to center the meet around.
- Ellis Park will be working to improve the digital broadcast production of Ellis Park's races and will utilize the Churchill Downs experts for on air commentary at Ellis Park.
- Ellis Park has hired Erin McElwee to be the Director of Racing Operations at Ellis. Erin comes from her previous role as Director of Facilities for Laurel / Pimlico and her experience working on the backside before transitioning to the front side will make her very valuable to Ellis Park.
- Ellis has been working diligently to make a number of facility wide improvements that will greatly enhance the safety and experience of guests. Most notably, Ellis Park will feature a brand new video screen in the infield for on track fans to better view the live races, as well as significantly increasing parking lot lighting and replacing the main entrance canopy.
- Finally, as is the case with other CDI owned properties, Ellis will be prominently featured on Twinspires.com for fans across the country to wager.



Ellis Park
RACING • GAMING


CHURCHILL DOWNS

3300 Highway 41 N ● Henderson, KY ● 42420 ● www.ellisparkracing.com ● 812-425-1456



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **KENTUCKY DOWNS' 2023 RACE MEET KTDF PURSE ALLOTMENT AND ADVERTISING REQUEST**

On April 5, 2023 the KTDF Advisory Committee considered the following request from Kentucky Downs regarding its KTDF purse structure for their upcoming 2023 race meet. Their meet will consist of 7 racing days beginning on Thursday, August 31st and ending on Wednesday September 13th.

Kentucky Downs is proposing KTDF purses in the range of \$10.1 – \$11.1 million. These projections are based on a projected KTDF earned balance of \$14.1 million at the end of March 2023 with the primary driver attributed to pari-mutuel wagering on historical horse racing at Kentucky Downs and Bowling Green.

To encourage participation during the meet, Kentucky Downs will pay out KTDF purses through last place to all KTDF eligible horses.

The Advisory Committee also approved a request from Kentucky Downs to advertise KTDF purses pursuant to 810 KAR 7:030. The proposal that was considered and approved is almost identical to what they did last year.

The KTDF Advisory Committee along with KHRC staff recommend approval at this time.

COMMISSION ACTION

_____ Approve
_____ Defer
_____ Deny



KTDF Advisory Committee for the
Kentucky Horse Racing Commission
4063 Ironworks Pkwy
Lexington, KY 40511

March 28, 2023

Committee Members,

Kentucky Downs has reviewed our purses and would like to offer KTDF purses in the range of \$10.1 million to \$11.1 million for the upcoming September meet. We have based the range on the following information.

1. At the end of March 2023, Kentucky Downs is projecting an ending KTDF earned balance of \$14,146,773.
2. Our 2023 September meet will consist of 7 racing days, beginning on August 31st and ending on September 13th. We are projecting additional earnings of \$8,389,805 by the end of September. The primary driver is the KTDF portion of the HHR revenue from The Mint Gaming Hall at Kentucky Downs and Bowling Green.
3. We anticipate that KTDF will be approximately 45% of total purses. Of the requested KTDF allotment, we anticipate the following payouts:
 - a. ALW, AOC, MSW: approximately 36% of the KTDF allotment
 - b. CLM: approximately 1% of the KTDF allotment
 - c. Stakes: approximately 63% of the KTDF allotment
4. For September 2023, we are assuming a KTDF payout percentage of approximately 90% with anticipated KTDF disbursements of approximately \$10,200,000 which is an increase of \$3,600,000, or 54% higher than 2022.
5. To encourage participation during the September meet, we are again planning to pay KTDF purses from first to last to all eligible horses.

The above request is subject to KHRC approval.

kentuckydowns.com - 5629 Nashville Rd - Franklin, KY 42134 - (270) 586-7778

The Kentucky Thoroughbred Development Fund

Given several years of robust business during the period beginning in the Spring of 2015 and continuing to present day, the state-of-the-art historical racing games at The Mint at Kentucky Downs and Bowling Green have generated nearly \$100 million in KTDF for horsemen with Kentucky-Breds to run for all the different types of races, including claiming races.

Eligible races can be readily recognized in the stakes and condition books by the KTDF seal, which will appear next to each race in the stakes and condition books.

In accordance with KRS 230.400(5) (d) it is mandatory for a horse to be registered prior to time of entry to be eligible to participate in the distribution of the KTDF monies. Registration is only complete once the application is approved, and payment has been received.

All horses of racing age that are both Kentucky-bred sired by a Kentucky stallion which stood in Kentucky the entire breeding season the year the horse was conceived are eligible to be registered. Owners of horses of racing age are responsible for registering their stallions.

Registration applications may be obtained from the official registrar, the Kentucky Thoroughbred Owners and Breeders, by contacting:

Mrs. Jenny McGaughey, Registrar

KTOB

4079 Iron Works Parkway

Lexington, KY 40511

Ph-859-259-1643 Mobile- 859-361-6002

Registration may be completed online at www.kta-ktob.com

For those horses that are registered and eligible according to the conditions listed above, fund monies will be divided as follows:

60% to the winner'

20% to second

10% to third

5% to fourth

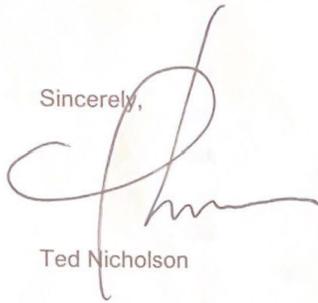
3% to fifth

The remaining 2% divided among the starters based on the schedule listed above.

Unearned fund monies revert to the KTDF. Additionally, if a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

ALL KTDF PURSE ALLOTMENTS CONTAINED HEREIN ARE SUBJECT TO KHRC APPROVAL

Sincerely,

A handwritten signature in black ink, appearing to be 'Ted Nicholson', written in a cursive style.

Ted Nicholson

Vice President of Racing

KTDF ALLOCATION OF FUND

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to the fourth, 3% to the fifth and the remaining 2% to be allocated among sixth through last based on the schedule below.

FINISH	NUMBER OF STARTERS							
	5	6	7	8	9	10	11	12
1st	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%
8th				0.66%	0.50%	0.40%	0.33%	0.29%
9th					0.50%	0.40%	0.33%	0.29%
10th						0.40%	0.33%	0.28%
11th							0.33%	0.28%
12th								0.28%
	98%	100%	100%	100%	100%	100%	100%	100%

KTDF ALLOCATION EXAMPLES

Date: 11/30/22	Race: 5	# of Starters: 11	KTDF Offered: \$32,000.00		
Finish	1st	2nd	3rd	4th	5th
KTDF	Yes	Yes	Yes	Yes	Yes
Eligible Payout	\$19,200.00	\$6,400.00	\$3,200.00	\$1,600.00	\$960.00
Reverts to KTDF: \$106.67					

Example: dead heat for 2nd between an eligible and non-eligible horse using the above example.

Finish	2nd place payout + 3rd place payout = total dead heat payout				
Eligible Payout	\$6,400.00	+	\$3,200.00	=	\$9,600.00
Eligible horse receives 50% of the total for 2nd and 3rd: \$4,800					
Reverts to KTDF: \$4,800					

2023 Kentucky Downs KTDF Media Allowance Strategy

KTDF Spend Guidelines:

- Promote the purse supplement for eligible (KTDF) KY Bred
- Use of KTDF approved marks where applicable
- Highlight the value of KTDF registration
- Encourage wagering
- Promote the value of the KY Racing Circuit
- Term of Spend 8/1/2023 – 11/15/2023

2023 Kentucky Downs Proposed Media Spend:

Horsemen's Journal (\$1,500)

One page ad in July issue:

- Promote purses/ KTDF
- Promote KYD race meet and race days

Paulick (\$10,000)

Digital ads every day:

- Ads during Fasig-Tipton and Keeneland Sales Newsletter promoting value of KY Bred
- Honor Roll feature highlighting KY Downs horse's successes at Keeneland or BC
- Retweet KY Downs social media

Blood Horse (\$10,000)

Digital ads for 8 weeks throughout site:

- Ads daily during meet
- Email to 70,000 on 8/30 promoting start of meet

"In the Money" (\$10,000)

Race day editorial coverage:

- Race day analysis
- KYD handicapping analysis and promotion of KYD handicapping tournament

Saratoga Special (\$10,000)

Four Page Pull-Out promoting KY Downs:

- Preview Stakes
- Feature Stories
- KTDF Spotlight

"Down the Stretch" (\$10,000)

Race day editorial coverage:

- Race day analysis
- KYD handicapping analysis and promotion of KYD handicapping tournament
- Post meet analysis discussing KY graduates at Keeneland and BC
- Promote the KY Bred Turf horse and value of local circuit
- Interview with KTDF Official

“Equine Forum” (\$10,000)

Commercial units from 8/10-9/10:

- Race day editorial coverage
- Race day analysis
- Four Spotlight interviews to talk value of KY Racing Circuit
- KYD handicapping analysis and promotion of KYD handicapping tournament

ESPN Louisville (\$15,000)

- Kentucky Downs Preview Event at Louisville Thoroughbred Society
- KTDF: Live Racing Minute from KY Downs (Every day for the meet)
- Call-in feature promoting the runners

“At the Races” (\$18,000)

18 week promotional window:

- Race day editorial coverage
- Race day analysis
- KYD handicapping analysis and promotion of KYD handicapping tournament

Equibase (\$20,000)

12 week promotion on website to include:

- Homepage takeovers
- Super Billboards
- Adhesions
- LiveStream
- Custom PPs Sponsorship
- Virtual Stable Email Sponsorship
- Social Media support on Equibase Twitter feed

TDN (\$20,000)

6 week promotion of digital ads on American Edition:

- Ads to promote KY Downs Racing
- Ads promoting purchasing KY Bred to run on KY Circuit at Keeneland Sales
- Ads promoting the success of KY Downs horses running at Keeneland and BCWC
- 4 week promotion of digital ads on European Edition
- Ads to promote KY Bred in Europe to come and race at KY Downs
- Digital ads on TDN website
- Guarantee of 4 million page views
- Leaderboard ads on TDN Homepage
- 6 weeks leading up to race meet

KTDF Media/Branding Package (\$50,000)

Commercial Messaging:

- Commercial units on Fanduel nationwide broadcast (Eight (8) units per day)
- Commercial units on nationally-broadcasted Kentucky Downs simulcast (Four (4):30 commercials per day)
- Signage & Print Opportunities- Infield signage at KYD [Visible both on-screen (simulcast & Fanduel) and on-site]
- Full-page B&W program ad all seven days of racing
- Branding/messaging opportunity - Condition book ad promoting KY-bred eligibility to industry professionals and decision-making horsemen
- Logo presence on KYD Handicapping Tournament collateral (Graphic Branding)
- Simulcast tote board graphic promoting KY Downs purse with inclusions of KTDF (Graphic denotations showing registered KY-Breds pre-and post-race)
- Apparel Branding - "It Pays To Be Kentucky Bred" titanium coolers for KY Downs maiden winners

DRF (\$57,000)

Cover page promoting KYD on Opening Day & Sept 9th:

- Ads will be present on downloadable PP's, in the emailed digital DRF, and on drf.com
- Branded Wagering guide promoting Turf Racing Handicapping
- Kentucky Downs en Espanol

Fanduel (\$65,000)

All Kentucky Downs races will air in a preferred programming position on Fanduel's broadcast to ensure maximum KYD visibility & wagering across the country:

- KY Downs broadcast enhancements:
- Drone Camera
- Fanduel Talent presence at track
- Use of a remote pack for mobile interviews
- Kentucky Downs will be promoted as a featured track on Fanduel ADW
- Fanduel social media promotions and replays of KY Downs races
- Leverage over 300,000 industry followers on Fanduel Facebook, Twitter, & Instagram accounts
- Fanduel to promote KTDF purses at Kentucky Downs
- Fanduel to promote the Kentucky Downs Handicapping tournaments
- Both on-air and on social media
- Fanduel to promote KTDF program/KY-bred eligibility on air and tag on its social media platforms

Proposed Total of Kentucky Downs 2023 use of KTDF Advertising: \$306,500



Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Ray A. Perry
SECRETARY

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director of Incentives & Development, KHRC
DATE: April 18, 2023
RE: **CHURCHILL DOWNS' 2023 KTDF ADVERTISING ALLOTMENT REQUEST**

On April 5, 2023 the KTDF Advisory Committee considered the following request from Churchill Downs regarding KTDF Advertising for 2023.

The Advisory Committee approved the request pursuant to 810 KAR 7:030.

The KTDF Advisory Committee along with KHRC staff recommend approval at this time.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

2023 Churchill Downs KTDF Media Allowance Strategy

KTDF Spend Guidelines:

- Promote the purse supplement for eligible (KTDF) KY Bred
- Use of KTDF approved marks where applicable
- Highlight the value of KTDF registration
- Encourage wagering
- Promote the value of the KY Racing Circuit

2023 Churchill Downs Proposed Traditional Media Spend:

TDN (\$25,250)

- Derby Week Stakes
- Derby Week Stakes Adverts
- Spring Stakes Adverts
- Stephen Foster Adverts
- Sept. Fall Adverts

Blood Horse.com (\$4,700)

- Digital Adverts throughout meets

Equibase (\$5,500)

- Spring Stakes Adverts
- Sept. Stakes Adverts
- Fall Stakes Adverts

National Stakes Quarterly (\$1,200)

ST Publishing (\$5,000)

- Saratoga Adverts

HRRN-Horse Racing Radio (\$14,700)

2023 Churchill Downs Proposed Non-Traditional Media Spend:

Steve Byk (\$15,000)

- Onsite for two weekends of racing
- Interviews with local trainers, discussion on key races and exposure of premiere racing at Churchill
- Daily coverage mentioning Churchill's racing product, quality of racing and purse levels

Horse Racing Nation (\$20,000)

- Digital Marketing Campaign (Banner Ads, Social Media, Email Pushes)
- Podcast with local handicapper, David Levitch, featuring Churchill Downs weekly on Ron Flatter racing podcast

Dave Johnson and Bill Finley “Down the Stretch” Sirius XM (\$10,000)

- Weekly interviews with horsemen of Kentucky discussing Kentucky’s growth
- Promotion of the quality of Kentucky Racing in handicapping segments with Jo Kristufek

ESPN Louisville Radio (\$10,000)

- Drew Deener morning reads highlighting upcoming races for the weekend and spotlighting strength of Kentucky
- Talking points to include purse levels, race dates and the benefits of KTDF
- KY based trainers/owners interviewed

Workout Video Production (\$32,000)

- Videographer to record workouts at tracks in Kentucky from April to November
- Allows for horsemen and horseplayers to view videos of horses they are following/interested in
- Multiple uses across many platforms
- Website can be linked to different industry websites like the KTAs or Churchill Downs allowing for easy access

In the Money Podcast (\$15,000)

- National audience with ability to interview Kentucky based trainers and owners
- Discussions to focus on wagering, the Kentucky racing product and Churchill Downs Racing

Proposed Total of Churchill Downs 2023 use of KTDF Advertising: \$158,350



Andy Beshear
GOVERNOR

Ray A. Perry
SECRETARY

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing
Commission

Jamie Eads
EXECUTIVE DIRECTOR

4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Drew Conners, Director, Division of Incentives & Development
DATE: April 18, 2023
RE: **RATIFICATION OF EXECUTIVE DIRECTOR JAMIE EADS' APPROVAL OF CHURCHILL DOWNS' BACKSIDE IMPROVEMENT FUND EXPENDITURE**

On March 16, 2023, KHRC received the following request for a Backside Improvement Fund expenditure from Churchill Downs. Churchill Downs barn roofs were in need of immediate repair due to the windstorms that impacted Kentucky in early March. Horses were scheduled to arrive on property in March and there was an immediate need to repair the barns without delaying the arrival of horses. Therefore, this request was approved by Executive Director Jamie Eads.

KHRC staff confirms the projects meet the statutory requirements of KRS 230.3615 and 810 KAR 7:010 and the funding is available. KHRC staff will inspect the areas again once the projects are complete. All invoices, photographs and communication will remain on file for Commission review. The KHBPA and KTA-KTOB approve this request.

The KHRC staff recommends ratification of Executive Director Jamie Eads' approval of expenditures of Backside Improvement Funds to repair barn roof damage at Churchill Downs.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny



March 16, 2023

Ms. Jamie Eads
Executive Director
Kentucky Horse Racing Commission
4063 Ironworks Parkway, Building B
Lexington, KY 40511
Jamie.eads@khrc.ky.gov
(859) 246-2040

Re: **Application for Approval of Backside Improvement Fund Project**

Dear Ms. Eads,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds (BIF) for emergency repairs to barn roofs recently damaged during windstorms. The estimated cost of the improvements is \$122,850. At this point in time, we have \$99,000 generated in our BIF account but we have come in approximately \$20,000 under budget on a recently completed project totaling very close to the total necessary to complete the project.

A breakdown of costs are as follows:

- \$122,850 to replace plywood sub-roof on 14 barns in our stable area.

Defined project scope, parts list, and cost provided by HKC Roofing and Construction.

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,

Mike Ziegler
General Manager & Senior Vice President
Churchill Downs Racetrack
700 Central Ave.
Louisville, KY 40208
Office: (502) 394-1137



5061 Poplar Level Rd * Louisville KY 40219 * Phone 502-212-1081* Fax 502-333-0366
RoofYourHouse.com

Date: March 15, 2023

Client: Churchill Downs
700 Central Ave.
Louisville, KY 40208

Project Name: Shingle Roof Replacements – See Exhibit “A”

Based on specific project requirements, and as requested, we propose to furnish all necessary labor, materials, equipment, and disposal for the above project.

Scope of Work:

- Complete tear off and disposal of the existing shingle roof system down to the wood decking.
- Inspect and replace as necessary any damaged or deteriorated wood decking at an additional charge as follows: 1x6-1x8 \$4ft, 1x10-1x12 \$5ft. Wood charges will be added to the final invoice.

Provide and install the following new items:

- CertainTeed Landmark Dimensional Shingles
- CertainTeed Starter Shingles
- CertainTeed Hip/Ridge Cap Shingles
- Synthetic roofing underlayment
- Neoprene split boots
- Turbine vents and box vents – as needed
- Aluminum pre-painted non-corrosive drip edge
- Aluminum pre-painted non-corrosive step, wall, and counter flashings – as needed

Included installation procedure:

- Snap chalk lines on roof deck, valleys, rake lines, and ridges.
- Spray paint all plumbing and HVAC stacks a matching color.
- Clean and sweep project area for nails with high-power magnet.

- All work will be performed at or above all manufacturers’ specifications.
- All work will be performed per OSHA safety standards.

Roof Replacement Pricing – See Exhibit “A”

Payment Terms: Per Agreed Terms.

- Price is good for 30 days.
- Scope of work is limited to items specifically listed above.
- Acceptance of this proposal assumes that the contents and limitations listed herein will be considered as part of any written contract.

Warranty: HKC Roofing 5-year workmanship warranty. Manufacturer’s 40-year warranty - see warranty brochure for specifications.



5061 Poplar Level Rd * Louisville KY 40219 * Phone 502-212-1081* Fax 502-333-0366
RoofYourHouse.com

HKC ROOFING appreciates the opportunity to earn your business. If you have any questions regarding the information presented here, please feel free to contact Jason Hornung at 502-432-6557 or email jasonhornung@hkcroofing.com

This agreement is subject to revision or withdrawal by **HKC ROOFING** until signed and accepted by client and executed by Officer of **HKC ROOFING, LLC**. This is the complete agreement between the two parties. No prior or contemporaneous oral agreement, and no other written agreements, except as listed above, shall be binding. The undersigned hereby accepts the agreement and agrees to be legally bound by all the terms and conditions set forth on the terms and conditions page. This agreement shall be governed in accordance with the laws of the state of Kentucky.

Shingle Color: Hunter Green

Client Signature: _____

Date: _____



5061 Poplar Level Rd * Louisville KY 40219 * Phone 502-212-1081* Fax 502-333-0366
RoofYourHouse.com

EXHIBIT "A"

<u>Barn</u>	<u>Roof Replacement</u>	<u>Plywood Install</u>	<u>Total Install</u>
2	\$27,140.00	\$9,660.00	\$36,800.00
3	\$24,485.00	\$8,715.00	\$33,200.00
4	\$24,485.00	\$8,715.00	\$33,200.00
4A	\$35,400.00	\$12,600.00	\$48,000.00
5	\$25,665.00	\$9,135.00	\$34,800.00
5A	\$30,090.00	\$10,710.00	\$40,800.00
7	\$20,650.00	\$7,350.00	\$28,000.00
9	\$25,075.00	\$8,925.00	\$34,000.00
9A	\$28,025.00	\$9,975.00	\$38,000.00
10	\$25,075.00	\$8,925.00	\$34,000.00
10A	\$24,190.00	\$8,610.00	\$32,800.00
11	\$24,190.00	\$8,610.00	\$32,800.00
12	\$15,045.00	\$5,355.00	\$20,400.00
16	\$15,635.00	\$5,565.00	\$21,200.00
TOTAL	\$345,150.00	\$122,850.00	\$468,000.00



ICRC Contracting
310 W Oak St.
Louisville, KY 40203

3/16/2023

Customer:
Churchill Downs
700 Central Ave.
Louisville, KY 40208

Estimate

Barn #2	\$11,550
Barn #3	\$11,550
Barn #4	\$13,125
Barn #4a	\$13,125
Barn #5	\$12,600
Barn #5a	\$12,600
Barn #7	\$8,400
Barn #9	\$13,125
Barn #9a	\$13,125
Barn #10a	\$11,550
Barn #11	\$11,550
Barn #12	\$5,250
Barn #16	\$5,250

TOTAL: \$142,800.00

The RoofersSM
**Commonwealth
Roofing Corp.**

1449 Hugh Avenue
Louisville, KY 40213
(502)459-2216
aj@commonwealthroofing.com



PROPOSAL

DATE Thursday, March 16, 2023

COMPANY Churchill Downs
CONTACT Mr. James Richardson
ADDRESS 600 N. Hurstbourne Pkwy
Louisville, KY 40222

STRUCTURE Barn 02 Churchill Downs
LOCATION 700 Central Ave 40208
PHONE (502) 468-0805 (mobile)
SALES REP AJ Mendez



Commonwealth Roofing Corp. is to furnish material and labor to:

WORK TO BE PERFORMED ON INDIVIDUAL BARN AS BELOW:

- Remove and dispose of shingles from barn roof surface.
- Install synthetic underlayment and enamel coated aluminum drip edge to roof surface.
- Install "Ice and Moisture" guard to valleys.
- Install starter shingles to roof surface.
- Install dimensional algae resistant shingles to roof surface.
- Install enamel coated aluminum flashings where necessary.
- Replace existing enamel coated aluminum roof vents back to original locations.
- Install manufacturer's hip and ridge shingles to roof surface.
- Clean-up of our trade.

Building 2

Priced as: \$36,600.00

7/16th's OSB overlay option: \$10,303.00

Building 3

Priced as: \$32,306.00

7/16th's OSB overlay option: \$9,225.00

Building 4

Priced as: \$30,816.00

7/16th's OSB overlay option: \$8,750.00

Building 4A

Priced as: \$43,634.00

7/16th's OSB overlay option: \$12,459.00

Building 5

Priced as: \$30,816.00

7/16th's OSB overlay option: \$8,750.00

Building 5A

Priced as: \$37,145.00

7/16th's OSB overlay option: \$10,558.00

Building 7

Priced as: \$26,687.00

7/16th's OSB overlay option: \$7,672.00

Building 9

Price as: \$32,119.00

7/16th's OSB overlay option: \$9,130.00

Building 9A

Priced as: \$34,717.00

7/16th's OSB overlay option: \$9,923.00

Building 10

Priced as: \$32,271.00

7/16th's OSB overlay option: \$9,130.00

Building 10A

Priced as: \$31,503.00

7/16th's OSB overlay option: \$8,940.00

Building 11

Priced as: \$33,054.00

7/16th's OSB overlay option: \$9,510.00

Building 12

Priced as: \$20,391.00

7/16th's OSB overlay option: \$5,707.00

Building 16

Priced as: \$20,391.00

7/16th's OSB overlay option: \$5,707.00

According to terms and conditions at the end which are part of this agreement, for the sum:

as above.

50% DUE UPON MATERIALS DELIVERY. Payments due in progress draws, balance due upon job completion. Workmanship guaranteed against leakage due to defects for a period of 5 years from date of completion concurrent with manufacturer's warranty.

This Proposal expires thirty (30) days after the date above if not earlier accepted, revised or withdrawn. The undersigned hereby accepts this Proposal and agrees that this writing, including the terms and conditions on the reverse side, shall constitute the contract.

This Proposal accepted by:

Date _____

Commonwealth Roofing Corp.

AJ Mendez _____

Date Thursday, March 16, 2023 _____

TERMS AND CONDITIONS

1. **Nature of Work.** Commonwealth Roofing Corp. (CRC) shall furnish the labor and material to perform the work described in this proposal. While CRC suggests solutions, it is not a licensed design firm and does not provide design, engineering, consulting or architectural services. It is the Customer's responsibility to retain a licensed architect, consultant, or engineer if required to determine proper design and code compliance. CRC assumes no responsibility for structural integrity, compliance with building, UL, FM or other codes, or other design criteria. If plans or specifications have been furnished to CRC, Customer warrants that they are sufficient and conform to applicable codes. CRC is not responsible for damage or expense due to defects in plans or specifications or building code violations unless such damage results from a deviation by CRC from the contract documents. Customer warrants all structures to be in sound condition capable of withstanding activities of roof equipment, personnel, and operations. CRC is not responsible for location of roof drains, adequacy of drainage or ponding on the roof. Clerical, grammatical, and typographical errors and omissions subject to correction consistent with the intent of this proposal.
2. **Asbestos and Toxic Materials.** Unless stated otherwise on the face of this proposal, this contract is based on the assumption that the work to be performed by CRC does not involve asbestos-containing or toxic materials and that such materials will not be encountered or disturbed during the course of performing the roofing work. CRC is not responsible for expenses, claims or damages arising out of the presence, disturbance or removal of asbestos-containing or toxic material. In the event that we become aware that such materials are encountered, CRC will stop work in the affected area and submit a change order to perform the necessary work for additional compensation. CRC shall be entitled to reasonable compensation for additional expenses incurred as a result of the presence of asbestos-containing or toxic materials.
3. **Insurance.** CRC shall carry worker's compensation, automobile liability and commercial general liability insurance and will furnish a Certificate of Insurance upon request. Customer shall maintain builder's risk and property insurance upon the full value of the Project, including the labor, material and equipment furnished by CRC, covering fire, wind, extended coverage, vandalism and theft to protect against loss or damage to material and equipment and partially completed work until the job is completed and accepted and CRC's equipment is removed.
4. **Payment.** Unless stated otherwise on the face of this proposal, Customer shall pay the contract price plus any additional charges for changed or extra work upon completion of the Work. If completion of the Work extends beyond one month, Customer shall make monthly progress payments by the fifth (5th) day of each month for the value of Work completed during the preceding month. All sums not paid in full when due shall earn interest at the rate of 1-1/2% per month. CRC shall be entitled to recover from Customer all costs of collection including filing and attorney's fees resulting from Customer's failure to make proper payment when due. Failure to make payment according to the terms of this agreement or acceptable revisions thereof shall void all warranties.
5. **Tolerances.** All materials and work shall be furnished in accordance with normal industry tolerances for color, variation, thickness, size, weight, amount, finish, texture, and performance standards. CRC is not responsible for the actual verification of technical specifications of product manufacturers; e.g. R-value or ASTM or UL compliance, but rather the materials used are represented as such by the material manufacturer. Specified quantities are approximate and intended to represent an approximation or an average over the entire roof area.
6. **Working Hours.** This Proposal is based upon commencement of the work within 180 days from contract signing and performance of all work during CRC's regular working hours. Extra charges will be made for overtime and all work performed other than during CRC's regular working hours if required by Customer.
7. **Availability of Site.** CRC shall be provided with direct access to the work site for the passage of trucks and materials and direct access to the roof. CRC shall not be required to begin work until underlying areas are ready to receive CRC's work and sufficient areas of roof deck and building are available and free from hazards, dirt, snow or debris to allow safe, continuous, full operation until job completion. The expense of any extra trips to the job as a result of the job not being ready for roof application after CRC has been notified to proceed will be charged as an extra. For time-and-materials extra work and service work, time is figured portal to portal.
8. **Changes in the Work and Extra Work.** Customer shall be entitled to order changes in the Work and the total contract price adjusted accordingly. Any penetrations through the roofing not shown on the plans provided to CRC prior to submittal of this proposal shall be considered an order for extra work, and CRC shall be compensated for costs incurred by CRC resulting from such additional penetrations. If unknown or concealed conditions requiring additional work are discovered during the course of performing the work, CRC shall bring these conditions to the Owner's attention and such additional work as may be required shall be performed as an extra on a time-and-materials basis. CRC reserves the right to revise this contract in the event of a sudden and inordinate increase in the cost of furnished materials.
9. **Warranty.** CRC's workmanship is guaranteed by CRC against leakage for the period of time specified on the face of this proposal. In the event that a warranted leak occurs at the place of CRC's work within this warranty period, the Customer shall notify CRC immediately and CRC will repair the leak at no cost to the Customer. CRC SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES including, but not limited to, loss of profits, mold, or damages to the building or its contents. The acceptance of this proposal by the Customer signifies his agreement that this warranty shall be and is the exclusive remedy against CRC for all defects in workmanship furnished by CRC. A manufacturer's warranty shall be furnished to Customer if a manufacturer's warranty is called for on the face of this proposal. It is expressly agreed that in the event of any defects in the materials furnished under this contract, customer shall have recourse only against the manufacturer of such material under the terms and conditions of the manufacturer's warranty. This express manufacturer's warranty, if any, is the only warranty offered for the materials furnished under this contract. IT IS AGREED THAT THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING AN IMPLIED WARRANTY OF MERCHANTABILITY OR AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.
10. **Right to Stop Work.** The failure of Customer to make proper payment when due shall, in addition to all other rights, entitle CRC, at its discretion, to suspend all work, including furnishing warranty, until full payment is made. The time for CRC to perform the work shall be extended for a period equal to the period during which the Work was suspended, and the contract sum shall be increased by the amount of CRC's reasonable costs of shutdown, delay and start-up.
11. **Back Charges.** No back charges or claims for payment of services rendered or materials and equipment furnished by Customer to CRC shall be valid unless previously authorized in writing by CRC and unless written notice is given to CRC within ten (10) days of the event, act or omission which is the basis of the back charge.
12. **Damages and Delays.** CRC will not be responsible for damage to CRC's work by others. Any repairing of the same by CRC will be charged as an extra. CRC shall not be liable for damages resulting from a delay in completion of the Project. CRC shall not be responsible for loss, damage or delay caused by circumstances beyond its reasonable control, including but not limited to acts of God, accidents, fire, vandalism, strikes, jurisdictional disputes, transportation, shortage of or inability to obtain materials, equipment or labor; changes in the work and delays caused by others. In the event of these, CRC's time for performance under this proposal shall be extended for a time sufficient to permit completion of the Work. CRC shall not be liable for damage or adjustment to rooftop mechanical equipment, antennae, satellite receivers, gutter protection systems, skylights, or other building components or for jeopardizing the warranties thereof. CRC is not responsible for cleanup or repair of damage to attics, building spaces, or items stored in same caused by dust, deck material, chips, trapped moisture or other debris falling from the roof deck during and after our work, or for disruption to activities or damage to the building or its contents caused by the impact of materials and/or workers' activities on the premises. CRC is not responsible for repair of structure, lines, mechanical units, or other building components or contents damaged because they are not capable of sustaining our normal work activities.
13. **Arbitration.** If a dispute shall arise between CRC and Customer with respect to any matters or questions arising out of or relating to this Agreement or the breach thereof, such dispute shall be submitted to pre-dispute mediation administered by the Better Business Bureau in Louisville, Kentucky, or to pre-dispute arbitration administered by and in accordance with guidelines established by the Better Business Bureau unless the parties mutually agree otherwise. Any claim against CRC, including a claim alleging any breach of this contract or negligence by CRC, must be initiated no later than two (2) years after CRC completed work.



Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Ray A. Perry
SECRETARY

Jamie Eads
EXECUTIVE DIRECTOR

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing Commission
FROM: Patricia Cooksey, Presiding Judge, KHRC
DATE: April 18, 2023
RE: **KENTUCKY PROUD SERIES' PROPOSED 2023 RACE MEET OFFICIALS**

By letters submitted to the Kentucky Horse Racing Commission, the Kentucky County Fair Boards request approval of the attached Rosters of Racing Officials scheduled to preside over the conduct of racing during the 2023 Kentucky Proud Harness meets on the dates approved by this Commission at the October 31, 2022 meeting. The Kentucky Proud Finals will be conducted on July 23, 2023 at The Red Mile and will employ the same race officials that are selected for that race meet. Therefore, when the Commission is asked to approve The Red Mile race officials at the June meeting, that approval will also cover the Kentucky Proud Finals. Please be advised that race officials have been accredited by ROAP (Racing Officials Accreditation Program), all charters and starters have worked in these capacities in the past and will be licensed by the meet opening.

Staff approval is recommended.

COMMISSION ACTION

_____ Approve

_____ Defer

_____ Deny

Washington County Fair (Lebanon / Marion County Fairgrounds) Saturday May 27, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Titus
Charter – Janice Lance
Timer – Mike Dennison
Photo Finish – Jamie Kearns
Announcer – Rick Uppal

Purchase District Fair (Mayfield / Graves County Fairgrounds) Saturday June 3, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Titus
Charter – Janice Lance
Timer –
Photo Finish – Jamie Kearns
Announcer – Kent Cordy

Ballard County Fair (LaCenter / Ballard County Fairgrounds) Saturday June 10, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Titus
Charter – Janice Lance
Timer – Oran Phillips
Photo Finish – Jamie Kearns
Announcer – Kurt Becker

Marion County Fair (Lebanon / Marion County Fairgrounds) Wednesday June 28, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Titus
Charter – Janice Lance
Timer – Mike Dennison
Photo Finish – Jamie Kearns
Announcer – Rick Uppal

Woodford County Fair (Lebanon / Marion County Fairgrounds) Wednesday July 5, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Titus
Charter – Janice Lance
Timer – Mike Dennison
Photo Finish – Jamie Kearns
Announcer – Rick Uppal

Mercer County Fair (Lexington / The Red Mile) Sunday July 16, 2023

Presiding Judge – Patricia Cooksey
Starter – Mike Moss
Charter – Tina Seekman
Timer – Tina Seekman or Travis Blausler
Photo Finish – Tina Seekman or Travis Blausler
Announcer – Rick Uppal

THOROUGHBRED RULINGS

2023 TB RULINGS LIST BY CATEGORY (Through April 10, 2023)

MEDICATION VIOLATIONS

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>Disqualifications</u>	<u>Appeals</u>	<u>Explanations</u>
Class A	0	0	0	0	0	
Class B	0	0	0	0	0	
Class C	2	2	1	2	0	Methocarbamol, Phenylbutazone (suspension for 2nd offense)
Class D	0	0	0	0	0	
NSAIDS	0	0	0	0	0	
Multiple NSAIDS	0	0	0	0	0	
TCO2	0	0	0	0	0	
Subtotal	2	\$1,500				

NON-MEDICATION VIOLATIONS

Jockey Violations

Careless Riding	7	0	7	0	3	Routine riding offenses - one appeal withdrawn and suspension served
Overly Aggressive Riding	0	0	0	0	0	
Other Disciplinary Violations	1	1	0	0	0	Failure to honor calls
Subtotal	8	\$100				

Other Licensee Violations

Misc. violations by licensees	4	4	0	0	0	Violated entries regulation, violated scratch regulation
Disorderly conduct and formal ejections	5	2	3	0	0	Abusive language to racing official, display of temper, suspended pending appearance before stewards for pending criminal charges
Suspended for non payment of fines	0	0	0	0	0	
Subtotal	9	\$4,750				

Other Rulings Issued	4	0	0	0	0	The remaining 4 rulings that have been issued in 2023 are for information only and include purse redistribution and licensee reinstatement to good standing, withdrawal of appeal
TOTAL 2023 RULINGS	23	\$6,350				

2023 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
23-0009	2/11/2023	2/10/2023	Jack Gilligan	careless riding		Suspended 3 days February 17, February 18 and February 22, 2023		Suspension served
23-0010	2/16/2023	2/10/2023	Rafael M. Hernandez	careless riding		Suspended 3 days March 1 through March 3, 2023 (inclusive)		APPEALED (Appeal withdrawn April 1, 2023 and 5 day suspension served April 7, 8, 12, 13 and April 14, 2023)
23-0011	2/17/2023	1/27/2023	Waylon Cundiff	Disorderly conduct - abusive language and interference with commission employees		Fined	\$ 500	Not Paid
23-0012	3/1/2023	2/23/2023	Dionicio Perez	Disorderly conduct - dispay of temper in paddock prior to race 4 on February 23, 2023		Fined	\$ 250	Paid
23-0013	3/8/2023	2/23/2023	James M. Watkins	Caused the entry of a horse not in his care		Fined	\$ 2,000	Not Paid
23-0014	3/8/2023	2/23/2023	Jeffrey N. Perrin	Entered a horse without the authorization of the owner or trainer		Fined	\$ 500	Paid
23-0015	3/10/2023	3/9/2023	Samuel Bermudez	Failed to honor calls		Fined	\$ 100	Not Paid
23-0016	3/15/2023	3/10/2023	Gerardo Corrales	careless riding		Suspended 3 days March 23 through March 25, 2023 (inclusive)		APPEALED
23-0017	3/31/2023	3/24/2023	Carlo Vaccarezza	Violated regulation that governs scratches		Fined	\$ 500	Paid
23-0018	3/31/2023	3/11/2023	Michael E. Lauer	Violated regulation that governs scratches		Fined	\$ 1,000	Not Paid

2023 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
23-0019	4/1/2023	2/16/2023	Rafael M. Hernandez	Withdrew appeal of ruling #23-0010 issued February 16, 2023		Suspended 5 days - April 7, 8, 12, 13 and April 14, 2023		Suspension served
23-0020	4/1/2023	3/24/2023	Gerardo Corrales	careless riding		Suspended 3 days April 16, April 19 and April 20, 2023		Current suspension
23-0021	4/1/2023	1/6/2023	Brandi N. Hart aka Brandi N. Wood	Pending criminal charges (animal cruelty) and formal ejection from Turfway Park		Suspended pending appearance before Stewards		Current suspension
23-0022	4/4/2023	3/17/2023	Richard L. Connelley	Pending criminal charges (impersonating a peace officer)		Suspended pending appearance before Stewards		Current suspension
23-0023	4/6/2023	1/1/2023	Nelson Figueroa	Pending criminal charges (wanton endangerment) and formal ejection from Turfway Park		Suspended pending appearance before Stewards		Current suspension

STANDARD BRED RULINGS

2022 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-001	05/16/22	05/09/22	Archie N Buford	Unsatisfactory drive - Lack of effort		\$500		Paid	8 days (05/17/2022 - 05/24/2022)	
J2022-002	05/16/22	05/08/22	Kevin W Wallis	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-003	05/22/22	05/16/22	Alessandro Spano	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-004	05/22/22	05/16/22	Tyler G Shehan	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-005	05/23/22	05/22/22	Todd E Warren	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-006	05/23/22	05/22/22	Derrick J Flowers	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-007	05/29/22	05/28/22	Charles M Conrad	Brutal use of whip		\$500		Paid	5 days (05/31/2022 - 06/04/2022)	
J2022-008	05/29/22	05/23/22	Richard S Finn	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-009	05/30/22	05/28/22	Tyler G Shehan	Offensive/Profane language		\$100		Paid		
J2022-010	05/30/22	05/23/22	Alessandro Spano	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-011	06/06/22	05/30/22	Kevin W Wallis	Failure to set and maintain a proper pace		\$100		Paid		
J2022-012	06/06/22	06/05/22	Clifton A Bell	Excessive or indiscriminate use of whip		\$200		Paid		

2022 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-013	06/06/22	05/30/22	Don R Cromer	Interference/causing another horse to make a break		\$500	Withdrew Appeal: Final Ruling Issued	Paid	30 days (06/11/2022 - 07/10/2022)	
J2022-014	06/08/22	02/21/22	Dean M Eckley	Other			License Denied			KHRC License Review Committee denied the 2022 license application of Dean Eckley. Eligible to reapply in 2023.
J2022-015	07/03/22	06/29/22	S Bernard Demars	Excessive or indiscriminate use of whip		\$100		Paid		
J2022-016	07/10/22	05/22/22	Derrick J Flowers	Failure to pay fine(s)				Paid	Until fine is paid	
J2022-017	07/10/22	06/27/22	Nicolas Roussel	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-018	07/12/22	03/02/22	Lefredrick Cole	Falsification of license application			License Revoked			
J2022-019	07/18/22	06/27/22	Kevin W Wallis	Kicking a horse		\$100		Paid		
J2022-020	08/02/22	05/28/22	Donald C Coy	Excessive or indiscriminate use of whip		\$500		Paid	5 days (08/03/2022 - 08/07/2022)	
J2022-021	08/07/22	08/02/22	Peter M Wrenn	Inside the euro rail / pylon violation		\$200		Unpaid		
J2022-022	08/16/22	08/07/22	Dexter J Dunn	Talking on the racetrack		\$100		Paid		
J2022-023	08/22/22	08/07/22	Yannick Gingras	Talking on the racetrack		\$100		Paid		
J2022-024	08/22/22	08/15/22	Devon J Tharps	Laying back in sulky		\$100		Paid		
J2022-025	09/11/22	08/07/22	Myron Bell	Conduct detrimental to the best interest of horse racing		\$1,000	Placed on probation for remainder of 2022 through and including 2023.	Paid		

2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-026	09/19/22	06/08/22	Dean Eckley	Ruling J2022-014 is recinded. Allowed to withdraw 2022 license application, therefore the application is no longer denied.						
J2022-027	09/27/22	09/12/22	Jamaal D Denson	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-028	09/27/22	09/19/22	Andy Ray Miller	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-029	09/27/22	09/06/22	Devon J Tharps	Kicking a horse		\$100		Paid		
J2022-030	10/31/22	09/19/22	Patricia Brewer	Blood sample R003519 collected from "Oberlin" on 09/19/22 in Race 11 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 39.45ml/l.	Class 3	\$1,500		Unpaid	90 days 11/07/2022 - 02/04/2023	Purse money won or \$624.00 is hereby ordered forfeited, returned and redistributed in the following manner, Oberlin finished 4th placed unplaced-- Big John Houn finished 5th placed 4th, Single Girl finished 6th placed 5th.
J2022-031	10/04/22	09/30/22	Andy Ray Miller	Second offense: Using other than wrist and elbow movement while whipping		\$500		Paid		
J2022-032	10/04/22	10/01/22	Joseph R Bongiorno	Taking hold while backing into position on pylons interfering with a trailing horse. Finished 4th placed 5th.		\$500		Paid		

2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-033	10/31/22	09/19/22	Patricia Brewer	Blood sample R003520 collected from "Big John Houn" on 09/19/22 in Race 11 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 40.25 ml/l.	Class 3	\$1,500		Unpaid	90 days 02/05/2022 - 05/05/2022	Purse money won or \$390.00 is hereby ordered forfeited, returned and redistributed as follows: Big John Houn finished 5th was placed 4th through previous disqualification and is now unplaced. Single Girl finished 6th was placed 5th is placed 4th.
J2022-034	10/31/2022	9/29/2022	Patricia Brewer	Blood sample R003536 collected from "Tobie Lou" on 09/29/22 in Race 5 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 39.05 ml/l.	Class 3					Tobie Lou raced prior to Patricia Brewer receiving notice from the testing laboratory of a previous TCO2 violation, and not obtaining purse money in this race, no further penalty will be assessed.
J2022-035	11/1/2022	10/30/2022	David S Miller	Using the whip in an unconventional manner		\$200		Paid		
J2022-036	11/2/2022	9/29/2022	Patricia Brewer	Blood sample R003539 collected from "Skyway Trooper" on 09/29/22 in Race 8 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 38.05 ml/l.	Class 3					Skyway Trooper raced prior to Patricia Brewer receiving notice from the testing laboratory of a previous TCO2 violation, no further penalty will be assessed. However, Skyway Trooper who finished 5th is disqualified and placed last. The purse money of \$425.00 is forfeited, returned and redistributed to "Danish Diligence" who finished 6th and placed 5th.

2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-037	11/8/2022	10/18/2022	Leslie Burton	Blood sample R007688 collected from "Acoustic" on 10/18/22 in Race 8 at ECL Corbin at the Red Mile Racetrack, revealed the presence Dexamethasone in an amount exceeding that allowed by the KHRC.	Class 4	\$500		Paid		Purse money won or \$3900.00 is hereby ordered returned, forfeited and redistributed in the following manner. "Acoustic" finished 1st and is placed last. "Hello Rooster" finished 2nd and is placed 1st. "Best Bolt" finished 3rd and is placed 2nd. "Master Splinter" finished 4th and is placed 3rd. "So I Like It Dirty" finished 5th and is placed 4th. "Pick A Rock" finished 6th and is placed 5th.

VETERINARY DIVISION

KHRC Veterinary Report
Turfway Park Winter Meet 2023

Total Starts	3903
Post Race Samples	935
tCO ₂	491
Veterinary Scratches	128
Pre-Race	99
On-Track	29
Soundness related	21
Gate/paddock Injury	8
KHRC Veterinary List	170
Scratches	128
Race Injuries/post race lame/test barn lame	36
EIPH	6
Claimed horses	368
Voided Claims	21
Ambulance Runs	18
Racing Fatalities	6
Musculo-skeletal	6
Training Fatalities	5
Musculo-skeletal	3
Sudden Death	2

KHRC Veterinary Report

Sandy Ridge at Red Mile 2023

Total Starts	188
Post Race Samples	50
Veterinary Scratches	12
Pre-Race	5
On-Track	7
Soundness related	0
Gate/paddock Injury	7
KHRC Veterinary List	12
Scratches	12
Race Injuries/post race lame/test barn lame	0
EIPH	0
Heat Distress	0
Claimed horses	0
Voided Claims	0
Ambulance Runs	0
Racing Fatalities	0
Training Fatalities	0

Occurrence of Thoroughbred race-related fatalities in Kentucky 2007 to present

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (incompass)	Fatalities per 1,000 starts
2007	Musculoskeletal	2	1	5	2	4	3	4	2	2	3	4	5	37	23,180	1.60
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.04
	TOTAL	2	1	5	2	4	3	4	2	2	4	4	5	38		1.64
2008	Musculoskeletal	3	0	4	2	3	2	2	2	3	2	4	8	35	22,278	1.57
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	TOTAL	3	0	4	2	3	2	2	2	3	2	4	8	35		1.57
2009	Musculoskeletal	3	5	1	2	4	1	2	4	3	3	2	3	33	20,142	1.64
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	TOTAL	3	5	1	2	4	1	2	4	3	3	2	3	33		1.64
2010	Musculoskeletal	2	1	2	0	0	2	4	2	1	3	7	1	25	18,167	1.38
	Non-musculoskeletal	0	0	1	1	0	0	0	0	0	0	0	0	2		0.11
	TOTAL	2	1	3	1	0	2	4	2	1	3	7	1	27		1.49
2011	Musculoskeletal	2	2	1	1	2	5	1	3	2	5	3	1	28	18,258	1.53
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.05
	TOTAL	2	2	1	1	2	5	1	3	3	5	3	1	29		1.59
2012	Musculoskeletal	0	0	1	2	9	2	0	2	0	3	5	3	27	17,513	1.54
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.06
	TOTAL	0	0	1	2	9	2	0	2	0	4	5	3	28		1.60

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (incompass)	Fatalities per 1,000 starts
2013	Musculoskeletal	2	2	0	0	1	2	2	5	3	1	1	3	22	16,242	1.35
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.06
	TOTAL	2	2	0	0	1	2	1	5	4	1	1	3	23		1.42
2014	Musculoskeletal	2	2	0	0	3	0	1	1	1	3	3	0	16	14,460	1.11
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	TOTAL	2	2	0	0	3	0	1	1	1	3	3	0	16		1.11
2015	Musculoskeletal	3	1	1	0	3	2	1	1	3	3	2	1	21	15,514	1.35
	Non-musculoskeletal	0	0	0	0	0	1	0	1	0	0	0	0	2		0.13
	TOTAL	3	1	1	0	3	3	1	2	3	3	3	1	23		1.48
2016	Musculoskeletal	0	2	0	4	4	3	1	0	1	2	5	1	23	16,495	1.39
	Non-musculoskeletal	0	0	0	0	0	2	1	0	0	0	0	0	3		0.18
	TOTAL	0	2	0	4	4	5	2	0	1	2	5	1	26		1.58
2017	Musculoskeletal	1	2	1	2	1	3	0	1	2	3	2	0	18	15,032	1.20
	Non-musculoskeletal	0	0	0	0	0	2	0	0	0	0	0	0	2		0.13
	TOTAL	1	2	1	2	1	5	0	1	2	3	2	0	20		1.33
2018	Musculoskeletal	2	1	0	4	3	1	6	0	7	1	3	4	32	15,049	2.13
	Non-musculoskeletal	0	0	1	0	1	0	0	1	0	0	1	0	4		0.27
	TOTAL	2	1	1	4	4	1	6	1	7	1	4	4	36		2.39
2019	Musculoskeletal	0	1	1	4	1	0	0	1	1	5	2	3	19	15,456	1.23
	Non-musculoskeletal	0	0	0	0	0	2	0	1	0	0	0	0	3		0.19
	TOTAL	0	1	1	4	1	2	0	2	1	5	2	3	22		1.42

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (incompass)	Fatalities per 1,000 starts
2020	Musculoskeletal	1	0	1	0	1	0	0	3	4	1	4	1	16	13,872	1.15
	Non-musculoskeletal	0	0	3	0	0	0	0	0	0	0	0	0	3		0.22
	TOTAL	1	0	4	0	1	0	0	3	4	1	4	1	19		1.37
2021	Musculoskeletal	2	1	0	0	1	2	1	1	4	3	2	2	19	14,676	1.29
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	TOTAL	2	1	0	0	1	2	1	1	4	3	2	2	19		1.29
2022	Musculoskeletal	0	1	0	1	2	1	2	2	0	1	3	0	13	15,913	0.82
	Non-Musculoskeletal	0	1	0	0	0	1	0	0	0	0	0	0	2		0.13
	TOTAL	0	2	0	1	2	2	2	2	0	1	3	0	15		0.94
2023	Musculoskeletal	1	2	3										6	3,903	1.54
	Non-Musculoskeletal	0	0	0										0		0
	TOTAL	1	2	3										6		1.54

PARI-MUTUEL WAGERING REPORTS

1 2 3 4

Pari-Mutuel Wagering for February 2023

Select Period - Month
February 2023

THE FOLLOWING REPORTING IS FOR ILLUSTRATIVE PURPOSES ONLY AND MAY BE AMENDED AS DEEMED SUITABLE BY THE KENTUCKY HORSE RACING COMMISSION. THE DISTRIBUTIONS FROM THE EXCISE TAX HAVE BEEN CALCULATED PURSUANT TO KRS 138 AND GUIDANCE FROM THE DEPARTMENT OF REVENUE.

On-Track Wagers on Live Horse Racing

	Licensee / Facility									Grand Total
	Churchill Downs Racetrack, LLC		ECL Corbin, LLC	Ellis Entertainment, LLC	Keeneland Association, Inc.	Kentucky Downs, LLC	Lexington Trots Breeders Association, LLC	Turfway Park, LLC	WKY Development, LLC	
	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	
Race Dates	0	0	0	0	0	0	0	16	0	16
On-Track Handle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$932,974	\$0	\$932,974
Return to Public	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$685,119	\$0	\$685,119
Commission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$179,456	\$0	\$179,456
Settlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$67,764	\$0	\$67,764
Breakage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$636	\$0	\$636
Minus Pools	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)	\$0	(\$1)
Daily Average Live Handle								\$58,311		\$58,311
Backside Improvement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,665	\$0	\$4,665
Excise Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,995	\$0	\$13,995
Thoroughbred Development Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,997	\$0	\$6,997
Standardbred Development Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equine Drug Research	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$933	\$0	\$933
Higher Ed Equine Trust	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$933	\$0	\$933
Equine Industry Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,866	\$0	\$1,866
General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,265	\$0	\$3,265

Simulcast Wagers on Interstate and Intertrack Live Horse Racing

	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	Grand Total
Off-Track Handle (Simulcast)	\$1,569,642	\$29,896	\$71,107	\$778,412	\$1,986,026	\$890,043	\$1,222,324	\$840,667	\$192,683	\$7,580,800
Thoroughbred	\$1,491,432	\$28,800	\$68,792	\$721,673	\$1,986,026	\$821,480	\$0	\$790,518	\$163,124	\$6,071,845
Standardbred	\$66,933	\$668	\$2,234	\$51,766	\$0	\$58,688	\$1,214,663	\$37,823	\$28,991	\$1,461,966
Other Breeds	\$11,276	\$228	\$81	\$4,973	\$0	\$9,875	\$7,661	\$12,327	\$568	\$46,989
Excise Tax - Simulcast	\$23,545	\$0	\$0	\$11,676	\$29,790	\$13,351	\$0	\$12,610	\$0	\$90,972
Thoroughbred Development Fund	\$14,914	\$0	\$0	\$7,217	\$19,860	\$8,215	\$0	\$7,905	\$0	\$58,111
Standardbred Development Fund	\$669	\$0	\$0	\$518	\$0	\$587	\$0	\$378	\$0	\$2,152
Quarter Horse Development Fund	\$113	\$0	\$0	\$50	\$0	\$99	\$0	\$123	\$0	\$385
Equine Drug Research	\$785	\$0	\$0	\$389	\$993	\$445	\$0	\$420	\$0	\$3,032
Higher Education Equine Trust	\$785	\$0	\$0	\$389	\$993	\$445	\$0	\$420	\$0	\$3,032
Equine Industry Programs	\$392	\$0	\$0	\$195	\$497	\$223	\$0	\$210	\$0	\$1,516
General Fund	\$5,886	\$0	\$0	\$2,919	\$7,448	\$3,338	\$0	\$3,153	\$0	\$22,743

Pari-Mutuel Wagering for February 2023

Month, Year of Racedate
February 2023

THE FOLLOWING REPORTING IS FOR ILLUSTRATIVE PURPOSES ONLY AND MAY BE AMENDED AS DEEMED SUITABLE BY THE KENTUCKY HORSE RACING COMMISSION. THE DISTRIBUTIONS FROM THE EXCISE TAX HAVE BEEN CALCULATED PURSUANT TO KRS 138 AND GUIDANCE FROM THE DEPARTMENT OF REVENUE.

On-Track Wagers on Historical Horse Racing

	Licensee / Facility									Grand Total
	Churchill Downs Racetrack, LLC	ECL Corbin, LLC	Ellis Entertainment, LLC	Kentucky Downs, LLC		Lexington Tracts Breeders Association, LLC	Turfway Park, LLC		WKY Development, LLC	
	Derby City Gaming	Williamsburg	Henderson	Bowling Green	Franklin	Red Mile	Newport	Turfway Park	Oak Grove	
On-Track Handle	\$173,415,967	\$35,792,879	\$19,152,036	\$39,100,944	\$141,078,732	\$87,853,632	\$26,535,277	\$50,454,207	\$139,782,666	\$693,166,340
Return to Public	\$157,771,254	\$32,294,273	\$17,486,377	\$35,215,968	\$128,467,775	\$61,687,202	\$23,812,037	\$45,421,027	\$127,169,206	\$629,325,118
Pool Growth	(\$130,390)	(\$24,800)	(\$19,875)	\$238,174	\$304,742	\$244,377	\$235,231	\$135,355	\$252,788	\$1,235,602
Breakage	\$0	\$791	\$2,079	\$259	\$5,078	\$7,244	\$0	\$0	\$0	\$15,452
Gross Commission - Win	\$15,775,102	\$3,522,615	\$1,683,455	\$3,646,543	\$12,301,137	\$5,914,811	\$2,488,009	\$4,897,825	\$12,360,672	\$62,590,170
Excise Tax - HHR	\$2,601,239	\$536,893	\$287,281	\$586,514	\$2,116,181	\$1,017,804	\$398,029	\$756,813	\$2,096,740	\$10,397,495
Standardbred Development Fund	\$0	\$367,929	\$0	\$0	\$0	\$339,268	\$0	\$0	\$688,913	\$1,396,110
Thoroughbred Development Fund	\$1,300,620	\$0	\$143,640	\$293,257	\$1,058,090	\$254,451	\$199,015	\$378,407	\$524,185	\$4,151,665
General Fund and Other	\$1,300,620	\$178,964	\$143,640	\$293,257	\$1,058,090	\$424,085	\$199,015	\$378,407	\$873,642	\$4,849,720
Adjusted Commission - Win	\$13,173,863	\$2,985,722	\$1,396,174	\$3,060,029	\$10,184,956	\$4,897,007	\$2,089,980	\$4,141,012	\$10,263,932	\$52,192,675
Average Terminal Count	1,276	446	298	448	1,046	925	455	847	1,224	6,964
Adj. Commission-Win/Unit	\$10,327	\$6,696	\$4,692	\$6,835	\$9,734	\$5,293	\$4,593	\$4,891	\$8,383	\$7,494

Advance Deposit Account Wagering

	Licensee									Grand Total
	AmWest Entertainment	eBet Technologies	Lien Games Racing	NYRABets	TVG	Twinspires	WatchandWager.com	Xpressbet		
Total Handle	\$204,555	\$39,995	\$114,938	\$748,709	\$6,795,659	\$11,178,478	\$28,382	\$2,699,903		\$21,810,621
In-State Races	\$0	\$4,739	\$0	\$75,256	\$813,118	\$1,728,016	\$6,669	\$283,313		\$2,911,110
Out-of-State Races	\$204,555	\$35,256	\$114,938	\$673,453	\$5,982,542	\$9,450,462	\$21,714	\$2,416,590		\$18,899,510
Excise Tax - ADW	\$3,068	\$600	\$1,724	\$11,231	\$101,936	\$167,677	\$426	\$40,499		\$327,169
Host Track - Purses	\$1,304	\$255	\$733	\$4,773	\$43,322	\$71,263	\$181	\$17,212		\$139,043
Host Tracks	\$1,304	\$255	\$733	\$4,773	\$43,322	\$71,263	\$181	\$17,212		\$139,043
General Fund	\$460	\$90	\$259	\$1,685	\$15,290	\$25,152	\$64	\$6,075		\$49,074

Total Distributions by Account

The General Fund line includes amounts that are deposited to various accounts. These caps are calculated from deposits resulting from the excise tax for conducting pari-mutuel wagering on historical horse racing. Since these amounts are calculated as a whole and not per licensee, a one-time transfer will be made once the caps are met within the fiscal year. At the end of the fiscal year, approximately \$2M must be deducted from this line in order to determine the actual amount retained by the General Fund. Please contact the Department of Revenue with any questions regarding these transfers.

Total Excise Tax	\$10,829,821
Equine Drug Research	\$3,965
Equine Industry Program	\$3,382
Higher Education Program	\$3,965
K. Standardbred Development Fund	\$1,398,282
K. Thoroughbred Development Fund	\$4,216,773
K. Quarter Horse Development Fund	\$385
Host Track - Purses	\$139,043
Host Tracks	\$139,043
General Fund (See Note on Caps)	\$4,924,802
Backside Improvement Fund	\$4,685

Pari-Mutuel Wagering for FY 2023 (YTD)

Select Period - Fiscal Year
FY 2023

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On-Track Wagers on Live Horse Racing

	Licensee / Facility									Grand Total
	Churchill Downs Racetrack, LLC		ECL Corbin, LLC	Ellis Entertainment, LLC	Keeneland Association, Inc.	Kentucky Downs, LLC	Lexington Tots Breeders Association, LLC	Turfway Park, LLC	WKY Development, LLC	
	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	
Race Dates	39	0	17	23	19	8	29	51	8	194
On-Track Handle	\$10,881,136		\$93,591	\$2,606,060	\$36,218,929	\$1,530,499	\$1,049,495	\$2,753,090	\$44,229	\$55,177,030
Return to Public	\$8,133,265		\$69,321	\$1,937,371	\$27,306,811	\$1,246,116	\$896,387	\$2,021,038	\$34,068	\$41,644,375
Commission	\$2,096,215		\$21,408	\$505,474	\$6,637,215	\$261,371	\$235,866	\$532,972	\$9,668	\$10,300,189
Settlement	\$635,719		\$3,958	\$158,430	\$2,250,129	\$22,328	(\$71,815)	\$197,222	\$241	\$3,196,212
Breakage	\$17,350		\$73	\$5,449	\$26,666	\$1,283	\$664	\$1,865	\$302	\$53,651
Minus Pools	(\$1,414)		(\$1,169)	(\$664)	(\$1,892)	(\$598)	(\$11,606)	(\$6)	(\$49)	(\$17,398)
Daily Average Live Handle	\$279,003		\$5,505	\$113,307	\$1,906,259	\$191,312	\$36,189	\$53,982	\$5,529	\$284,418
Backside Improvement Fund	\$54,406		\$0	\$13,030	\$181,095	\$7,652	\$0	\$13,765	\$0	\$269,949
Excise Tax	\$163,217		\$1,404	\$39,091	\$230,268	\$22,957	\$15,742	\$41,296	\$663	\$514,640
Thoroughbred Development Fund	\$81,609	\$0	\$0	\$19,545	\$115,134	\$11,479	\$0	\$20,648	\$0	\$248,415
Standardbred Development Fund	\$0		\$936	\$0	\$0	\$0	\$10,495	\$0	\$442	\$11,873
Equine Drug Research	\$10,881		\$94	\$2,606	\$15,351	\$1,530	\$1,049	\$2,753	\$44	\$34,309
Higher Ed Equine Trust	\$10,881		\$94	\$2,606	\$15,351	\$1,530	\$1,049	\$2,753	\$44	\$34,309
Equine Industry Programs	\$21,762		\$187	\$5,212	\$30,702	\$3,061	\$2,099	\$5,506	\$88	\$68,619
General Fund	\$38,084		\$94	\$9,121	\$53,729	\$5,357	\$1,049	\$9,636	\$44	\$117,114

Simulcast Wagers on Interstate and Intertrack Live Horse Racing

	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	Grand Total
Off-Track Handle (Simulcast)	\$13,681,510	\$145,950	\$357,622	\$7,121,486	\$16,903,065	\$8,057,390	\$11,941,721	\$5,857,653	\$1,314,474	\$65,380,871
Thoroughbred	\$13,315,646	\$141,253	\$337,351	\$6,550,876	\$16,860,103	\$7,376,201	\$384	\$5,628,616	\$1,079,492	\$51,289,923
Standardbred	\$282,016	\$2,649	\$17,804	\$542,855	\$0	\$556,849	\$11,853,353	\$167,809	\$219,268	\$13,642,602
Other Breeds	\$83,848	\$2,049	\$2,466	\$27,755	\$42,962	\$124,340	\$87,984	\$61,228	\$15,713	\$448,346
Excise Tax - Simulcast	\$236,607	\$0	\$0	\$122,832	\$290,011	\$142,959	\$0	\$95,881	\$0	\$888,290
Thoroughbred Development Fund	\$153,506	\$0	\$0	\$75,184	\$192,806	\$87,388	\$0	\$61,407	\$0	\$570,292
Standardbred Development Fund	\$3,288	\$0	\$0	\$6,405	\$0	\$6,527	\$0	\$1,838	\$0	\$18,059
Quarter Horse Development Fund	\$944	\$0	\$0	\$299	\$535	\$1,390	\$0	\$675	\$0	\$3,843
Equine Drug Research	\$7,887	\$0	\$0	\$4,094	\$9,667	\$4,765	\$0	\$3,196	\$0	\$29,610
Higher Education Equine Trust	\$7,887	\$0	\$0	\$4,094	\$9,667	\$4,765	\$0	\$3,196	\$0	\$29,610
Equine Industry Programs	\$3,943	\$0	\$0	\$2,047	\$4,834	\$2,383	\$0	\$1,598	\$0	\$14,805
General Fund	\$59,152	\$0	\$0	\$30,708	\$72,503	\$35,740	\$0	\$23,970	\$0	\$222,073

Pari-Mutuel Wagering for FY 2023 (YTD)

Year of Race Date
FY 2023

THE FOLLOWING REPORTING IS FOR ILLUSTRATIVE PURPOSES ONLY AND MAY BE AMENDED AS DEEMED SUITABLE BY THE KENTUCKY HORSE RACING COMMISSION. THE DISTRIBUTIONS FROM THE EXCISE TAX HAVE BEEN CALCULATED PURSUANT TO KRS 138 AND GUIDANCE FROM THE DEPARTMENT OF REVENUE.

On-Track Wagers on Historical Horse Racing

	Licensee / Facility								Grand Total	
	Churchill Downs Racetrack, LLC	ECL Corbin, LLC	Ellis Entertainment, LLC	Kentucky Downs, LLC		Lexington Trots Breeders Association, LLC	Turfway Park, LLC			WKY Development, LLC
	Derby City Gaming	Williamsburg	Henderson	Bowling Green	Franklin	Red Mile	Newport	Turfway Park	Oak Grove	
On-Track Handle	\$1,374,709,499	\$177,067,451	\$140,352,415	\$297,659,051	\$1,191,942,448	\$537,015,439	\$208,706,803	\$236,140,901	\$1,065,917,896	\$5,229,510,904
Return to Public	\$1,250,209,220	\$158,169,430	\$128,001,935	\$269,155,348	\$1,088,458,961	\$490,947,178	\$188,276,589	\$212,285,160	\$971,892,431	\$4,757,396,251
Pool Growth	\$1,024,413	\$1,443,676	\$161,847	\$693,944	\$1,401,721	\$199,393	\$876,758	\$1,041,857	\$531,732	\$7,375,341
Breakage	\$0	\$3,597	\$17,864	\$2,929	\$46,466	\$83,195	\$0	\$0	\$0	\$154,051
Gross Commission - Win	\$123,475,867	\$17,450,749	\$12,170,769	\$27,806,830	\$102,035,300	\$45,785,684	\$19,552,457	\$22,813,884	\$93,493,735	\$464,585,275
Excise Tax - HHR	\$20,620,642	\$2,856,012	\$2,105,286	\$4,464,886	\$17,879,137	\$8,065,232	\$3,130,587	\$3,542,114	\$15,988,768	\$78,442,664
Standardbred Development Fund	\$0	\$1,770,675	\$0	\$0	\$0	\$2,685,077	\$0	\$0	\$0	\$9,785,341
Thoroughbred Development Fund	\$10,310,321	\$0	\$1,052,643	\$2,232,443	\$8,939,568	\$2,013,808	\$1,565,294	\$1,771,057	\$3,997,192	\$31,882,326
General Fund and Other	\$10,310,321	\$885,337	\$1,052,643	\$2,232,443	\$8,939,568	\$3,356,346	\$1,565,294	\$1,771,057	\$6,661,987	\$36,774,996
Adjusted Commission - Win	\$102,855,224	\$14,794,737	\$10,065,483	\$23,341,945	\$84,156,164	\$37,730,452	\$16,421,870	\$19,271,770	\$77,504,967	\$386,142,612
Average Terminal Count	8,830	2,686	2,512	3,581	8,354	6,935	3,609	4,952	10,512	51,972
Adj. Commission-Win/Unit	\$11,648	\$5,509	\$4,007	\$6,518	\$10,073	\$5,440	\$4,550	\$3,891	\$7,373	\$7,430

Advance Deposit Account Wagering

	Licensee								Grand Total
	AmWest Entertainment	eBet Technologies	Len Games Racing	NYRABets	TVG	Twinspires	WatchandWager.com	Xpressbet	
Total Handle	\$1,728,204	\$372,184	\$804,157	\$8,157,400	\$87,808,790	\$121,338,400	\$321,642	\$23,722,638	\$224,254,414
In-State Races	\$140,980	\$47,108	\$46,031	\$1,764,003	\$15,922,941	\$37,259,431	\$83,528	\$7,283,876	\$62,547,897
Out-of-State Races	\$1,587,224	\$325,076	\$758,126	\$6,393,397	\$51,885,849	\$84,079,969	\$238,114	\$16,438,762	\$161,706,517
Excise Tax - ADW	\$23,776	\$5,001	\$10,792	\$108,781	\$916,420	\$1,635,374	\$4,274	\$323,026	\$3,027,444
Host Track - Purses	\$10,105	\$2,125	\$4,587	\$46,232	\$389,479	\$695,034	\$1,817	\$137,286	\$1,286,664
Host Tracks	\$10,105	\$2,125	\$4,587	\$46,232	\$389,479	\$695,034	\$1,817	\$137,286	\$1,286,664
General Fund	\$3,586	\$750	\$1,819	\$16,317	\$137,463	\$245,306	\$641	\$48,454	\$454,117

Total Distributions by Account

The General Fund line includes amounts that are deposited to various accounts. These caps are calculated from deposits resulting from the excise tax for conducting pari-mutuel wagering on historical horse racing. Since these amounts are calculated as a whole and not per licensee, a one-time transfer will be made once the caps are met within the fiscal year. At the end of the fiscal year, approximately \$2M must be deducted from this line in order to determine the actual amount retained by the General Fund. Please contact the Department of Revenue with any questions regarding these transfers.

Total Excise Tax	\$82,873,037
Equine Drug Research	\$63,919
Equine Industry Program	\$83,424
Higher Education Program	\$63,919
K. Standardbred Development Fund	\$9,815,273
K. Thoroughbred Development Fund	\$32,701,033
K. Quarter Horse Development Fund	\$3,843
Host Track - Purses	\$1,286,664
Host Tracks	\$1,286,664
General Fund (See Note on Caps)	\$37,568,300
Backside Improvement Fund	\$269,949