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Charles A. Gardiner III Executive Director

LOUISIANA STATE RACING COMMISSION

# **MEETING NOTICE**

THE LOUISIANA STATE RACING COMMISSION WILL HOLD A MEETING MONDAY, JUNE 24, 2019 AT 9:00 AM IN THE QUEEN ANNE BALLROOM OF THE MONTELEONE HOTEL, 214 ROYAL STREET, NEW ORLEANS, LOUISIANA.

## **I. ASSOCIATION REQUESTS**

- A. BOYD RACING, LLC d/b/a DELTA DOWNS RACETRACK, CASINO & HOTEL
  1. PROGRESS REPORT
- B. THE OLD EVANGELINE DOWNS, LLC d/b/a EVANGELINE DOWNS RACETRACK & CASINO
   1. PROGRESS REPORT
- C. CHURCHILL DOWNS LOUISIANA HORSERACING COMPANY, LLC d/b/a FAIR GROUNDS RACE COURSE & SLOTS
  - 1. PROGRESS REPORT
  - 2. Churchill Downs May 31, 2019 Preliminary Application for Plaquemines Parish OTB pursuant to
    - a. Approval of Preliminary Application for Commission to request Plaquemines Parish Council to authorize and include a referendum to be on the ballot of its next regularly scheduled election pursuant to La. R.S. 4:214 et. seq. and LAC 35:XV.12507.

## D. HARRAH'S BOSSIER CITY INVESTMENT COMPANY, LLC d/b/a HARRAH'S LOUISIANA DOWNS

1. PROGRESS REPORT

## 2. SIMULCASTING ISSUE

a. Update on simulcast dispute affecting Louisiana Downs.

## 2019 THOROUGHBRED MEET

- 3. PICK 4 WAGERING
  - a. Request for coordinated Pick 4 wager between Louisiana Downs and Indiana Grand beginning June 25, 2019, running through the remainder of the meet and to lower take-out percentage of Pick 4 wagering from 25% to 15% on this wager pursuant to La. R.S. 4:166.7.

## **II. BREEDER UPDATES**

## A. LOUISIANA THROUGHBRED BREEDERS ASSOCIATION (LTBA) 1. PROGRESS REPORT

B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA) 1. PROGRESS REPORT

## **III. COMMITTEE REPORTS**

- A. MEDICATION COMMITTEE, by Committee Chairperson Judy W. Wagner
- B. RULES COMMITTEE, by Committee Chairman R. Hamilton "Hammy" Davis
- C. LEGAL COMMITTEE, by Committee Chairman Benjamin J. Guilbeau, Jr.
- D. SECURITY COMMITTEE, by Committee Chairman Kenneth "Kenu" Romero
- E. RACETRACK/HBPA LIAISON COMMITTEE, by Committee Chairman Donald "Don" Cravins
- F. FINANCE COMMITTEE, by Committee Chairman Louis Reine

## **IV. RULES**

### A. FORMAL ADOPTION

1. Petition for Adoption of Rules LAC 35: I Chapter 3 – General Rules \$304. Petition for Adoption of Rules [new]

## **B. DISCUSSION**

- 1. Pick N Wagering LAC 35: XIII Chapter 116 – Pick N §11601. Description; Selection; Principle [amend] §11609. Procedure [amend] §11611. No Winning Ticket [repeal] §11613. Cancelled Races [repeal] §11621. Scratches and Non-Starters [repeal] §11625. Unforeseen Circumstances [amend]
  - LAC 35:XIII Chapter 110 Pick Five or Pick Six §11001. Pick Five [repeal] §11003. Pick Six [repeal]
  - Approved for Notice of Intent to proceed with formal rulemaking at April 15, 2019 Commission Meeting.
  - a. Reduced Take-out Issue with Pick N
    - i. The reduced take out statute (La. R.S. 4:166.7) only applies to Pick Three, Pick Four, and Pick Six Wagers. It would not be applicable to Amended Pick N rule without legislative amendment.

## V. REMAND

## A. REMAND FROM FOURTH CIRCUIT COURT OF APPEAL:

1. John Soileau, et al. v. Churchill Downs Louisiana Horseracing Company, L.L.C., and Churchill Downs Louisiana Video Poker Company, L.L.C. et al.; Civil District Court, Orleans Parish; Docket No. 2014-3873; Div. "G"

In accordance with: The Fourth Circuit Court of Appeal Judgment entered on June 13, 2018

a. Re-urged Exception of Nonjoinder of Proper Parties-in-Interest, filed by Defendant, Churchill Downs Louisiana Horseracing Company, L.L.C., ("Fair Grounds")

## **VI. LICENSE APPROVAL**

## A. REQUEST FOR LICENSE APPROVAL (LA. REV. STAT. 4:150(B))

1. Sullivan Lewis, Casino Employee. Convicted felon.

## **VII. ADJUDICATIONS**

## A. VIOLATIONS OF LAC 35:I.1797 (Equine Positives)

1.	Jose A. Garcia, Trainer. Ruling#ED23363 of 03/28/19 -	(Adjudication Appeal) Clenbuterol (ARCI Category III)
2.	Jorge L. Gonzalez, Trainer. Ruling#LD23321 of 02/25/19 -	(Adjudication Appeal) Albuterol (ARCI Category III)
3.	Josue Huitron, Trainer. Ruling#LD23353 of 03/17/19 – Case continued from April 15, 2019	,
4.	Josue Huitron, Trainer.	Commission Meeting. (Adjudication Referred/Appeal)

- 4. Josue Huitron, Trainer. (Adjudication Referred/Appeal) Ruling#DD23390 of 05/01/19 – Albuterol (ARCI Category III)
- 5. Josue Huitron, Trainer. (Adjudication Referred/Appeal) Ruling#DD23391 of 05/01/19 – Albuterol (ARCI Category III)
- 6. Joseph M. Davis, Trainer. (Adjudication Appeal) Ruling#LD23297 of 02/12/19 – Albuterol (ARCI Category III)

Case continued from April 15, 2019 Commission Meeting.

7. Joseph M. Davis, Trainer. (Adjudication Referred/Appeal) Ruling#DD23398 of 05/02/19 – Albuterol (ARCI Category III)

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**VIII. ADJOURNMENT** 

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Charles A. Gardiner III Executive Director

This notice was posted by the entrance of the Louisiana State Racing Commission, Friday, June 14, 2019 at 4:00PM.

# **RULE FOR FORMAL ADOPTION FOR JUNE 24, 2019 COMMISSION MEETING**

## Office of the Governor Division of Administration Racing Commission

Petition for Adoption of Rules (LAC 35:I.304)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 4:148, notice is hereby given that the Racing Commission has adopted LAC 35:I.304. The Rule sets forth the procedure that interested parties shall follow when petitioning the Louisiana State Racing Commission to promulgate, amend, or repeal any rule. This Rule is hereby adopted on the day of promulgation.

# Title 35 HORSE RACING

## Part I. General Provisions

### Chapter 3. General Rules

1.

### **§304.** Petition for Adoption of Rules

A. All rules of the commission shall be adopted, amended or repealed in accordance with the Administrative Procedure Act, R.S. 49:950 et seq.

B. The commission, on its own motion or on the petition of any interested person, may request the promulgation, amendment, or repeal of a rule.

Such petition shall:

a. be in writing;

b. state the name and address of its author;

c. contain a statement of either the terms or substance of the proposed rule, amendment, or repeal;

d. state the reasons or grounds for the proposed rule, amendment, or repeal;

e. include any data, views or arguments in support of the rules, amendment, or repeal.

2. The commission shall forward such petition of any interested person or party to the Rules Committee who shall consider the petition, and make recommendations to the full commission on proceeding with rulemaking in accordance with this part and the Administrative Procedure Act.

3. If the requested promulgation, amendment, or repeal of a rule is commenced by the commission on its own motion, the commission may initiate rulemaking in accordance with this part and the Administrative Procedure Act.

AUTHORITY NOTE:<br/>HISTORICAL NOTE:Promulgated in accordance with R.S. 4:148.Promulgated by the Office of the Governor, Division of Administration, RacingCommission, LR 45:

# **RULES FOR DISCUSSION FOR JUNE 24, 2019 COMMISSION MEETING**

## Office of the Governor Division of Administration Racing Commission

Pick Five or Pick Six (LAC 35:XIII.Chapter 110)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 4:148, notice is hereby given that the Racing Commission proposes to repeal LAC 35:XIII.11001 and 11003. The proposed repeal of LAC 35:XIII.Chapter 110 "Pick Five or Pick Six" would be replaced by the proposed administrative rule LAC 35:XIII.Chapter 116, "Pick N", which will provide similar exotic wagers as the current LAC 35:XIII.Chapter 110 "Pick Five or Pick Six". The proposed LAC 35:XIII.Chapter 116, "Pick N", not only provides for a similar wager as the current Pick Five or Pick Six, but additional possible wagers that the track can structure in a manner that they believe will increase the wagering by the betting public on the horse races.

## Title 35 HORSE RACING Part XIII. Wagering Chapter 110. Pick Five or Pick Six

# Chapter 110. Pick Five or Pick Six §11001. Pick Five

I. FICK FIVE

<u>Repealed</u>

A. The pick five pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place and show pool shown on the totalizator, nor to the rules governing the distribution of such other pools.

B. A pick five pari mutuel ticket shall be evidence of a binding contract between the holder of the ticket and the association and the said ticket shall constitute an acceptance of the pick five provisions and rules.

C. A pick five may be given a distinctive name by the association conducting the meeting, subject to approval of the commission.

D. The pick five pari-mutuel pool consists of amounts contributed for a selection for win only in each of five races designated by the association with the approval of the commission. Each person purchasing a pick five ticket shall designate the winning horse in each of the five races comprising the pick five.

E. Those horses constituting an entry of coupled horses or those horses coupled to constitute the field in a race comprising the pick five shall race as a single wagering interest for the purpose of the pick five pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single wagering interest is a starter in a race, the

entry or the field selection shall remain as the designated selection to win in that race for the pick five calculation and the selection shall not be deemed a scratch.

F. The pick five pari-mutuel pool shall be calculated as follows.

1. The net amount in the pari-mutuel pool referred to in this Section is defined as the pari-mutuel pool created by pick five wagering on that particular day and does not include any amounts carried over from previous days' betting as provided by in Subparagraph F.3.a and Subparagraph F.4.a below.

2. One hundred percent of the net amount in the pari mutuel pool is subject to distribution to a single unique winning ticket holder, plus any carryover resulting from provisions of Paragraph F.3 and Paragraph F.4 shall be distributed to the unique winning ticket holder of the single pari-mutuel ticket which correctly designates the official winner in each of the five races comprising the pick five.

3. In the event there is more than one pari mutuel ticket properly issued which correctly designates the official winner in each of the five races comprising the pick five, the net pari-mutuel pool shall be distributed as follows.

a. Fifty percent of the net amount in the pari-mutuel pool shall be retained by the association as distributable amounts and shall be carried over to the next succeeding racing day as an additional net amount to be distributed as provided in Paragraph F.2.

b. Fifty percent of the net amount in the pari mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the five races comprising the pick five.

4. In the event there is no pari-mutuel ticket properly issued which correctly designates the official winner in each of the five races comprising the pick five, the net pari-mutuel pool shall be distributed as follows.

a. Fifty percent of the net amount in the pari-mutuel pool shall be retained by the association as distributable amounts and shall be carried over to the next succeeding racing day as an additional net amount to be distributed as provided in Paragraph F.2.

b. Fifty percent of the net amount in the pari mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari mutuel tickets which correctly designate the most official winners, but less than five, in each of the five races comprising the pick five.

5. Should no distribution be made pursuant to Paragraph F.1 on the last day of the association meeting, then that portion of the distributable pool and all monies accumulated therein shall be distributed to the holders of tickets correctly designating the most winning selections of the five races comprising the pick five for that day or night; the provisions of Subsections I and J have no application on said last day.

G. In the event a pick five ticket designates a selection in any one or more of the races comprising the pick and that selection is scratched, excused or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs. In the event the amount wagered in the win pool on two or more favorites is identical, the favorite with the lowest number on the program will be designated as the actual favorite.

H. In the event of a dead heat for win between two or more horses in any pick five race, all such horses in the dead heat for win shall be considered as winning horses in that race for the purpose of calculating the pool.

I. No pick five shall be refunded except when all of the races comprising the pick five are canceled or declared as "no contest." The refund shall apply only to the pick five pool established on that racing card. Any net pool carryover accrued from a previous pick five feature shall be further carried over to the next scheduled pick five feature operated by the association.

J. In the event that any number of races less than five comprising the pick five are completed, 100 percent of the net pool for the pick five shall be distributed among holders of parimutuel tickets that designate the most winners in the completed races. No carryover from a previous day shall be added to the pick five pool in which less than five races have been completed. Any net pool carryover accrued from a previous pick five feature shall be further carried over to the next scheduled pick five pool operated by the association.

K. No pari-mutuel ticket for the pick five pool shall be sold, exchanged or canceled after the time of the closing of wagering in the first of the five races comprising the pick five, except for such refunds on pick five tickets as required by this regulation, and no person shall disclose the number of tickets sold in the pick five pool or the number or amount of tickets selecting winners of pick five races until such time as the stewards have determined the last race comprising the pick five each day to be official.

AUTHORITY NOTE: Promulgated in accordance with R.S 4:149, R.S. 4:149.1, R.S. 4:149.2, and R.S. 4:149.3. HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 38:1408 (June 2012).

### §11003. Pick Six

<u>Repealed</u>

A. The pick six pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place and show pool shown on the totalizator, nor to the rules governing the distribution of such other pools.

B. A pick six pari-mutuel ticket shall be evidence of a binding contract between the holder of the ticket and the association and the said ticket shall constitute an acceptance of the pick six provisions and rules.

C. A pick six may be given a distinctive name by the association conducting the meeting, subject to approval of the commission.

D. The pick six pari-mutuel pool consists of amounts contributed for a selection for win only in each of six races designated by the association with the approval of the commission. Each person purchasing a pick six ticket shall designate the winning horse in each of the six races comprising the pick six.

E. Those horses constituting an entry of coupled horses or those horses coupled to constitute the field in a race comprising the pick six shall race as a single wagering interest for the purpose of the pick six pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single wagering interest is a starter in a race, the entry or the field selection shall remain as the designated selection to win in that race for the pick six calculation and the selection shall not be deemed a scratch.

F. The pick six pari mutuel pool shall be calculated as follows.

1. The net amount in the pari-mutuel pool referred to in this Section is defined as the pari-mutuel pool created by pick six wagering on that particular day and does not include any amounts carried over from previous days' betting as provided by in Subparagraph F.3.a and Subparagraph F.4.a below.

2. One hundred percent of the net amount in the pari-mutuel pool is subject to distribution to a single unique winning ticket holder, plus any carryover resulting from provisions of Paragraph F.3 and Paragraph F.4 shall be distributed to the unique winning ticket holder of the single pari mutuel ticket which correctly designates the official winner in each of the six races comprising the pick six.

3. In the event there is more than one pari-mutuel ticket properly issued which correctly designates the official winner in each of the six races comprising the pick six, the net pari-mutuel pool shall be distributed as follows.

a. Fifty percent of the net amount in the pari mutuel pool shall be retained by the association as distributable amounts and shall be carried over to the next succeeding racing day as an additional net amount to be distributed as provided in Paragraph F.2.

b. Fifty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the six races comprising the pick six.

4. In the event there is no pari-mutuel ticket properly issued which correctly designates the official winner in each of the six races comprising the pick six, the net pari-mutuel pool shall be distributed as follows.

a. Fifty percent of the net amount in the pari-mutuel pool shall be retained by the association as distributable amounts and shall be carried over to the next succeeding racing day as an additional net amount to be distributed as provided in Paragraph F.2.

b. Fifty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the most official winners, but less than six, in each of the six races comprising the pick six.

5. Should no distribution be made pursuant to Paragraph F.1 on the last day of the association meeting, then that portion of the distributable pool and all monies accumulated therein shall be distributed to the holders of tickets correctly designating the most winning selections of the six races comprising the pick six for that day or night; the provisions of Subsections I and J have no application on said last day.

G. In the event a pick six ticket designates a selection in any one or more of the races comprising the pick and that selection is scratched, excused or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs. In the event the amount wagered in the win pool on two or more favorites is identical, the favorite with the lowest number on the program will be designated as the actual favorite.

H. In the event of a dead heat for win between two or more horses in any pick six race, all such horses in the dead heat for win shall be considered as winning horses in that race for the purpose of calculating the pool.

I. No pick six shall be refunded except when all of the races comprising the pick six are canceled or declared as "no contest." The refund shall apply only to the pick six pool established on that racing card. Any net pool carryover accrued from a previous pick six feature shall be further carried over to the next scheduled pick six feature operated by the association.

J. In the event that any number of races less than six comprising the pick six are completed, 100 percent of the net pool for the pick six shall be distributed among holders of parimutuel tickets that designate the most winners in the completed races. No carryover from a

previous day shall be added to the pick six pool in which less than six races have been completed. Any net pool carryover accrued from a previous pick six feature shall be further carried over to the next scheduled pick six pool operated by the association.

K. No pari-mutuel ticket for the pick six pool shall be sold, exchanged or canceled after the time of the closing of wagering in the first of the six races comprising the pick six, except for such refunds on pick six tickets as required by this regulation, and no person shall disclose the number of tickets sold in the pick six pool or the number or amount of tickets selecting winners of pick six races until such time as the stewards have determined the last race comprising the pick six each day to be official.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1, R.S. 4:149.2, and R.S. 4:149.3. HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 39:2493 (September 2013).

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### **Family Impact Statement**

This proposed Rule has no known impact on family formation, stability, and/or autonomy as described in R.S. 49:972.

### **Poverty Impact Statement**

This proposed Rule has no known impact on poverty as described in R.S. 49:973.

### **Small Business Analysis**

This proposed Rule has no known measurable impact on small businesses as described in R.S. 49:965.6.

### **Provider Impact Statement**

This proposed Rule has no known impact on providers of services for individuals with developmental disabilities.

### **Public Comments**

The domicile office of the Louisiana State Racing Commission is open from 8:00 a.m. to 4:30 p.m. Monday - Friday, and interested parties may submit oral or written comments, data, views, or arguments relative to this proposed rule for a period up to 20 days (exclusive of weekends and state holidays) from the date of this publication to Rhea Loney, Assistant Attorney General, 320 North Carrollton Avenue, Suite 2-B, New Orleans, Louisiana 70119-5100.

# **RULES FOR DISCUSSION FOR JUNE 24, 2019 COMMISSION MEETING**

## Office of the Governor Division of Administration Racing Commission

Pick N (LAC 35:XIII.Chapter 116)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 4:148, notice is hereby given that the Racing Commission proposes to amend LAC 35:XIII.11601, 11609, and 11625. Notice is hereby given that the Racing Commission proposes to repeal LAC 35:XIII.11611, 11613, and 11621. The proposed rule is an amendment of the pari-mutuel wager, Pick N, wherein a bettor picks the winning horse in a variable number of consecutive horse races. The proposed rule allows for the licensed racetrack, when applying for its operating license, to apply to utilize one of the nine methods set forth in the Pick N rule, specifically §11609. These nine different methods each provide a different manner of carryover pool and the pay outs.

## Title 35 HORSE RACING Part XIII. Wagering

### Chapter 116. Pick N §11601. Description; Selection; Principle

A. The Pick N is a form of pari-mutuel wagering where N is a varying number of races <u>exceeding three races</u>. Bettors select the first horse in each of N consecutive races designated as the Pick N by the permit holder. The principle of a Pick N is in effect a contract by the purchaser of a Pick N ticket to select the winners of each of the N races designated as the Pick N. The sale of Pick N tickets other than from pari-mutuel machines shall be deemed illegal and is prohibited.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 28:1014 (May 2002), amended LR 34:869 (May 2008), LR 44:

### §11609. Procedure

A. After the wagering closes for the first race of the N designated "Pick N" races, the commission will be deducted from the pari-mutuel pool in accordance with Louisiana law. The remaining net pool, subject to distribution among winning ticket holders shall be distributed among the holders of tickets which correctly designate the winner in each of the N races comprising the Pick N and the aggregate number of winning tickets shall be divided into the net pool and be paid the same payoff price.

1. In the event no ticket is sold combining winners of all the races comprising the Pick N, the holders of tickets which correctly designate the most official winners, but less than N, in each of the N races comprising the Pick N shall be deemed winning ticket holders, and the aggregate number of winning tickets shall be divided into the net pool and be paid the same payoff price.

A. The Pick N requires selection of the first-place finisher in each of a designated number of contests. The association shall submit their request for Pick N pool wagering in writing to the commission at the time of application for race dates and include the request in their wagering format application. The association must obtain written approval from the commission concerning the scheduling of Pick N contests, the designation of one of the methods prescribed in Subsection B, and the amount of any cap to be set on the carryover. Any changes to the approved Pick N format require prior approval from the commission at the time of application for race dates.

B. The Pick (n) pool shall be apportioned under one of the following methods:

1. Method 1, Pick N with Carryover: The net Pick N pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests; and the remainder shall be added to the carryover. Where there is no correct selection of the first-place finisher in at least one of the Pick N contests, based upon the official order of finish, the day's net pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool.

2. Method 2, Pick N with 100 percent Carryover: The net Pick N pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. If there are no such wagers, then 100% of that day's net pool shall be added to the carryover. Where there is no correct selection of the first-place finisher in at least one of the Pick N contests, based upon the official order of finish, the day's net pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool.

3. Method 3, Pick N with Minor Pool and Carryover: The major share of the net Pick N pool and the carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. The minor share of the net Pick N pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick N contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick N contests, the minor share of the net Pick N pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests; and the major share shall be added to the carryover. Where there is no correct selection of the first-place finisher in at least one of the Pick N contests, based upon the official order of finish, the day's net pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool.

4. Method 4, Pick N with No Minor Pool and No Carryover: The net Pick N pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests, based upon the official order of finish. If there are no winning wagers, the pool is refunded.

5. Method 5, Pick N with Minor Pool and No Carryover: The major share of the net Pick N pool shall be distributed to those who selected the first place finisher in the greatest number of Pick N contests, based upon the official order of finish. The minor share of the net Pick N pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick N contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in a second greatest number of Pick N contests, the minor share of the net Pick N pool shall be combined with the major share for distribution as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests. If the greatest number of first-place finishers selected is one (1), the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.

6. Method 6, Pick N with Minor Pool and No Carryover: The major share of net Pick N pool shall be distributed to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. The minor share of the net Pick N pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick N contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in all Pick N contests, the entire net Pick N pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests. If there are no wagers selecting the first-place finisher in a second greatest number of Pick N contests, the minor share of the net Pick N pool shall be combined with the major share for distribution as a single price pool to those who selected the first-place finisher in each of the Pick N contests. If there are no winning wagers, the pool is refunded.

7. Method 7, Pick N with Carryover and "Unique Winning Ticket" Provision: The net Pick N pool and carryover, if any, shall be distributed to the holder of a unique winning ticket that selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. If there is no unique ticket selecting the first-place finisher in each of the Pick N contests, or if there are no wagers selecting the first-place finisher of all Pick N contests, the minor share of the net Pick N pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests, and the major share shall be added to the carryover. Associations may suspend previously approved unique winning ticket wagering with the prior approval of the commission. Any carryover shall be held until the suspended unique winning ticket wagering is reinstated. Where there is no correct selection of the first-place finisher in at least one of the Pick N contests, based upon the official order of finish, the day's net pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool. In obtaining authorization for operating the Pick N pool under this subsection, associations must clearly identify which definition under Subsection L will be relied upon for determining the existence of a unique winning ticket.

8. Method 8, Pick N with the Pool split into three shares, one share having a Carryover: The share percentages are determined by the pool host and approved by the commission. The first share of the net Pick N pool and the carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. The second share of the net Pick N pool shall be distributed to those who selected (N-1) of the Pick N contests, based upon the official order of finish and a third share of the Pick N pool shall be distributed to those who selected (N-2) of the Pick N contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick N contests, the first share shall be added to the carryover. If there are no wagers selecting (N-1) of the Pick N contests, this third share shall be added to the carryover. Where there is no correct selection of the first-place finisher in at least one of the Pick N contests, based upon the official

order of finish, the day's net pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool.

9. Method 9, Pick N with the pool split into three shares, with Carryovers, and a Unique Winning Ticket Provision: The share percentages are determined by the pool host and approved by the commission. The first share of the net Pick N pool and the first share carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. The second share of the net Pick N pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick N contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick N contests, the second share of the net Pick N pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests, and the first share shall be added to the first share carryover. The third share and the third share carryover, if any, shall be distributed to the holder of a unique winning ticket that selected the first-place finisher in each of the Pick N contests, based upon the official order of finish. If there is no unique winning ticket selecting the first-place finisher in each of the Pick N contests, the third share shall be added to the third share carryover. For greater certainty, the holder of a unique winning ticket shall receive both the first share, and first share carryover, if any as well as the third share, and the third share carryover, if any. Where there is no correct selection of the firstplace finisher in at least one of the Pick N contests, based upon the official order of finish, the day's net pool shall be refunded and the previous carryover pool(s) amount(s), if any, shall be carried over to the next scheduled corresponding pool. In obtaining authorization for operating the Pick N pool under this subsection, associations must clearly identify which definition under paragraph 16(b) will be relied upon for determining the existence of a unique winning ticket.

C. If there is a dead heat for first in any of the Pick N contests involving:

<u>1. contestants representing the same betting interest, the Pick N pool shall be</u> <u>distributed as if no dead heat occurred.</u>

2. contestants representing two or more betting interests, the Pick N pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.

D. If a wagering interest is "scratched" for a Pick N contest, or is designated to run for purse money only, the association shall use the actual favorite, as evidenced by total amounts wagered in the Win pool at the host association for the contest at the close of wagering on that contest, and shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the substitution, in addition to the normal winning combination.

<u>E.</u> Subject to Subsection I, J or L, the Pick N pool shall be cancelled and all Pick N wagers for the individual performance shall be refunded if:

<u>1. at least three contests included as part of a Pick 4 N, Pick 5 N or Pick 6 N are cancelled or declared no contest.</u>

2. at least four contests included as part of a Pick 7 N, Pick 8 N or Pick 9 N are cancelled or declared no contest.

3. at least five contests included as part of a Pick 10 N are cancelled or declared no contest.

<u>F.</u> Subject to Subsection I, J or L, if at least one contest included as part of a Pick N is cancelled or declared no contest, but not more than the number specified in Subsection E of this

Section, the net pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick N contests for that performance. Such distribution shall include the portion ordinarily retained for the Pick N carryover but not the carryover from previous performances.

G. If the condition of the course warrants a change of racing surface in any of the legs of the Pick N races, and such change was not known to the public prior to the closing of wagering for the Pick N pool, the stewards shall declare the changed leg(s) a no contest for Pick N wagering purposes only.

H. The Pick N carryover may be capped at a designated level approved by the commission so that if, at the close of any performance, the amount in the Pick N carryover equals or exceeds the designated cap, the Pick N carryover will be frozen until it is won or distributed under other provisions of this rule. After the Pick N carryover is frozen, 100 percent of the net pool, part of which ordinarily would be added to the Pick N carryover, shall be distributed to those whose selection finished first in the greatest number of Pick N contests for that performance. Any request for a designated cap shall be submitted to the commission in writing at the time of application for race dates and included in the wagering format application.

<u>I.</u> Any request for permission to distribute the Pick N carryover on a specific performance shall be submitted to the commission in writing at the time of application for race dates and included in their wagering format application. The request must be for a specified date.

J. Should the Pick N carryover be designated for distribution on a specified date and performance in which there are no wagers selecting the first-place finisher in each of the Pick N contests, the entire pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick N contests. The Pick N carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

1. Upon written approval from the commission as provided in Subsection H of this rule.

2. On the closing performance of the meet or split meet.

K. Unless otherwise stated in writing by the commission under Subsection I, on the last Pick N race on the final day of the meeting, the net pool, including any applicable carryover, shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests, based upon the official order of finish.

L. As it relates to any distribution method under section 2 which contains a unique winning ticket provision:

1. A written request for permission to distribute the Pick N unique winning ticket carryover on a specific performance shall be submitted to the commission in writing at the time of application for race dates and included in their wagering format application. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution. Should the Pick N unique winning ticket net pool and any applicable carryover be designated for distribution on a specified date and performance in which there is no unique winning ticket, the entire pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick N contests.

2. Associations must clearly identify which selection under Subparagraphs a and b below will be relied upon for determining the existence of a unique winning ticket:

a. there is one and only one winning ticket that correctly selected the first place finisher in each of the Pick N contests, based upon the official order of finish, to be verified by the unique serial number assigned by the tote company that issued the winning ticket; or

b. the total amount wagered on one and only one winning combination selecting the first-place finisher in each of the Pick N contests, based up on the official order of finish, is equal to the minimum allowable wager.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 28:1014 (May 2002), amended LR 34:870 (May 2008), LR 44:

### §11611. No Winning Ticket

### Repealed

A. In the event no winning ticket is sold that would require the distribution of the Pick N pool as mentioned in §11609, the association shall make a complete refund of the Pick N pool.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 28:1015 (May 2002), amended LR 34:870 (May 2008), repealed LR 44:

### §11613. Cancelled Races

<u>Repealed</u>

A. If for any reason one or more of the races comprising the Pick N is/are cancelled or declared "no race," the net pool shall be distributed as provided in §11609.

B. In the event the Pick N pool is opened and wagers accepted, and all N races comprising the Pick N are cancelled for any reason, the association shall make a complete refund of the Pick N pool.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2. HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing

Commission, LR 28:1015 (May 2002), amended LR 34:870 (May 2008), repealed LR 44:

### §11621. Scratches and Non-Starters

### **Repealed**

A. At anytime after wagering begins on the Pick N pool should a horse, entire betting entry or field be scratched, excused or declared a non-starter in any Pick N race, no further tickets selecting such horse, betting entry or field shall be issued, and wagers upon such horse, betting entry or field, for purposes of the Pick N pool shall be deemed wagers upon the horse, betting entry or field upon which the most money has been wagered in the win pool at the close of win pool betting for such race. In the event of a money tie in the win pool, the tied horse, betting entry or field with the lowest running number, as designated by the official racing program, shall be designated as the favorite for substitution purposes. For the purpose of this Section, when horses are prevented from starting by any malfunction of the starting gate itself they shall be considered as having been excused by the stewards. After close of betting, there shall be no refund, except as provided in §11611 or §11613.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 28:1015 (May 2002), amended LR 34:870 (May 2008), repealed LR 44:

### §11625. Unforeseen Circumstances

A. Should circumstances occur which are not foreseen in these rules, questions arising thereby shall be resolved by the association and/or when possible, with approval by the commission in accordance with general pari-mutuel practices. Decisions regarding distribution of the Pick N pools shall be final.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:149, R.S. 4:149.1 and R.S. 4:149.2. HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission, LR 28:1015 (May 2002), amended LR 34:871 (May 2008), LR 44:

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### **Family Impact Statement**

This proposed Rule has no known impact on family formation, stability, and/or autonomy as described in R.S. 49:972.

### **Poverty Impact Statement**

This proposed Rule has no known impact on poverty as described in R.S. 49:973.

### **Small Business Analysis**

This proposed Rule has no known measurable impact on small businesses as described in R.S. 49:965.6.

### **Provider Impact Statement**

This proposed Rule has no known impact on providers of services for individuals with developmental disabilities.

### **Public Comments**

The domicile office of the Louisiana State Racing Commission is open from 8:00 a.m. to 4:30 p.m. Monday - Friday, and interested parties may submit oral or written comments, data, views, or arguments relative to this proposed rule for a period up to 20 days (exclusive of weekends and state holidays) from the date of this publication to Rhea Loney, Assistant Attorney General, 320 North Carrollton Avenue, Suite 2-B, New Orleans, Louisiana 70119-5100.