

Dear Senators MCKENZIE, Lodge, Stennett, and
Representatives LOERTSCHER, Batt, Smith:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the
Idaho State Police - Idaho State Racing Commission:

IDAPA 11.04.02 - Rules Governing Simulcasting - Proposed Rule (Docket No. 11-0402-1601);

IDAPA 11.04.03 - Rules Governing Licensing and Fees - (Fee Rule) Proposed Rule (Docket No.
11-0403-1601).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the
cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research
and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative
Services. The final date to call a meeting on the enclosed rules is no later than 10/25/2016. If a meeting is
called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis
from Legislative Services. The final date to hold a meeting on the enclosed rules is 11/23/2016.

The germane joint subcommittee may request a statement of economic impact with respect to a
proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement,
and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has
been held.

To notify Research and Legislation, call 334-4834, or send a written request to the address on the
memorandum attached below.



Eric Milstead
Director

Legislative Services Office

Idaho State Legislature

Serving Idaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate State Affairs Committee and the House State Affairs Committee

FROM: Principal Legislative Research Analyst - Ryan Bush

DATE: October 5, 2016

SUBJECT: Idaho State Police - Idaho State Racing Commission

IDAPA 11.04.02 - Rules Governing Simulcasting - Proposed Rule (Docket No. 11-0402-1601)

IDAPA 11.04.03 - Rules Governing Licensing and Fees - (Fee Rule) Proposed Rule (Docket No. 11-0403-1601)

(1) 11.04.02 - Rules Governing Simulcasting - Proposed Rule (Docket No. 11-0402-1601)

The Idaho State Racing Commission submits notice of proposed rulemaking at IDAPA 11.04.02 - Rules Governing Simulcasting. The proposed rule deletes all provisions that were previously adopted to govern historical horse racing.

The Commission states that negotiated rulemaking was not conducted because input was sought from stakeholders. There is no fiscal impact associated with this rulemaking.

The proposed rule appears to be within the statutory authority granted to the Commission in Section 54-2506, Idaho Code

(2) 11.04.03 - Rules Governing Licensing and Fees - (Fee Rule) Proposed Rule (Docket No. 11-0403-1601)

The Idaho State Racing Commission submits notice of a proposed fee rule at IDAPA 11.04.03 - Rules Governing Licensing and Fees. This rulemaking provides that the Commission may use fingerprints to receive criminal history information from the ISP Bureau of Criminal Identification and the FBI. This rule also provides that the fee to take and process fingerprints be in accordance with the amount charged by the ISP Bureau of Criminal Identification

The Commission states that negotiated rulemaking was not conducted because input was sought from stakeholders. There is no fiscal impact associated with this rulemaking.

The proposed rule appears to be within the statutory authority granted to the Commission in Section 54-2506, Idaho Code

cc: Idaho State Police - Idaho State Racing Commission
Ardie Noyes

Mike Nugent, Manager
Research & Legislation

Cathy Holland-Smith, Manager
Budget & Policy Analysis

April Renfro, Manager
Legislative Audits

Glenn Harris, Manager
Information Technology

IDAPA 11 - IDAHO STATE POLICE
11.04.02 - RULES GOVERNING SIMULCASTING
DOCKET NO. 11-0402-1601
NOTICE OF RULEMAKING - PROPOSED RULE

AUTHORITY: In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Sections 54-2506, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 19, 2016.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

This rulemaking deletes the provisions from rule that were previously adopted to govern historical racing. The historical racing statute was repealed by the Idaho Legislature during the 2015 session and the Governor subsequently vetoed the bill. That resulted in the filing of a lawsuit regarding the validity of the veto. The Idaho Supreme Court decision, which was handed down in September 2015, held that the veto was not valid. This decision was made public after the deadline for submitting rulemakings that would be reviewed during the 2016 legislative session had already passed. Therefore, the rulemaking conforming the rule to state law is being completed this year.

FEE SUMMARY: No fees are imposed through this rulemaking.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year resulting from this rulemaking:

There is no fiscal impact to the general fund that results from the deletion of these provisions from rule.

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because input was sought from stakeholders.

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule:

No materials were incorporated by reference into this rule.

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Idaho State Racing Commission at 208-884-7080.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 26, 2016.

DATED this 2nd day of September, 2016.

Paul J. Schneider, Chairman
Idaho Racing Commission
700 S Stratford Dr.
Meridian, ID 83642
Phone: 208-884-7080
Fax: 208-884-7098

THE FOLLOWING IS THE PROPOSED TEXT OF DOCKET NO. 11-0402-1601
(Only Those Sections With Amendments Are Shown.)

010. DEFINITIONS.

01. **Association Which Accepts the Wager.** The guest association to which the bettor contributes his money to the pari-mutuel pool and receives a pari-mutuel ticket. (4-9-09)

02. **Authorized User.** A person authorized by the Racing Commission to receive, decode, and use for legal purposes the encrypted simulcast signal of pari-mutuel events. (4-9-09)

03. **Breakage.** The odd cents rounded down to the lowest multiple of ten cents (\$.10) in a positive pool and down to the lowest multiple of five cents (\$.05) in a minus pool. (4-9-09)

04. **Combined Pools.** The pari-mutuel wagers at one (1) or more guest associations being contributed into the pari-mutuel pools of a host association. (4-9-09)

05. **Decoder.** A device or means to convert encrypted audio-visual signals or data into a form recognizable as the original content of the signals. (4-9-09)

06. **Designated Area.** An age controlled area approved by the Commission where Historical Horse Race Terminals are located. (3-20-14)

07. **Downlink.** A receiving antenna coupled with an audio-visual signal receiver that is compatible with and capable of receiving simultaneous audio-visual signals or data emanating from a host association. This includes the electronic transfer of received signals from the receiving antenna to TV monitors within the satellite facility. (4-9-09)

08. **Enclosure, Enclosure-Public.** Includes all enclosed areas of the simulcast wagering facility. (4-9-09)

09. **Encryption.** The scrambling or other manipulation of the audio-visual signals to mask the original content of the signal and so cause such signals to be indecipherable and unrecognizable to any person receiving such signal. (4-9-09)

10. **Foreign Jurisdiction.** A jurisdiction of a foreign country or political subdivision thereof. (4-9-09)

11. **Guest, Guest Association or Simulcast Operator.** A simulcast licensee authorized by the Racing Commission to offer, sell, cash, redeem or exchange pari-mutuel tickets on races being run at a host association. (4-9-09)

12. **Handle or Gross Handle.** Total amount of money wagered on a race less refunds and cancels. (4-9-09)

~~13. **Historical Horse Race.** A race involving live horses that was conducted in the past and that is rebroadcast by electronic means and shown on a delayed or replayed basis for the purposes of wagering and that is conducted at a facility that is authorized to show simulcast or televised races, or both, (also known as "instant racing"). (3-20-14)~~

143. **Horse.** Includes filly, mare, colt, horse or gelding in general; when referring to sex, filly becomes a mare when five (5) years old; a horse is an intact male when five (5) years old or older. (4-9-09)

154. **Host or Host Association.** The racing association conducting a licensed horse racing meeting

when it is authorized by the Racing Commission to simulcast its racing program. It may also be considered the sending track which means any track from which simulcast signals originate. (4-9-09)

165. Hub. A facility that acts as an intermediary between pari-mutuel wagering facilities for the transmission of wagering data and that is responsible for generating all reports necessary for the reconciliation of payments. (4-9-09)

176. Interstate Simulcast Wagering. (4-9-09)

a. Wagering conducted by a betting system outside the state of Idaho on the results of one (1) or more races being run at an Idaho host association; or (4-9-09)

b. Wagering conducted by a betting system within the state of Idaho on the results of one (1) or more races being run at a host association outside the state of Idaho. (4-9-09)

187. Intrastate Simulcasting Wagering. Pari-mutuel wagering at an Idaho guest association on Idaho horse racing events run at an Idaho host association. (4-9-09)

198. Racing Association. Any person licensed by the Racing Commission to conduct a race meet and pari-mutuel wagering. (4-9-09)

209. Racing Commission. Three (3) member Idaho State Racing Commission created by Section 54-2503, Idaho Code, or its designee. (4-9-09)

240. Simulcast. The telecast or other transmission of live audio and visual signals of a race, transmitted from a sending track to a receiving location, for the purpose of wagering conducted on the race at the receiving location. (4-9-09)

221. Simulcast Facility. The physical premises, structure and equipment utilized by a guest or host association for conducting pari-mutuel wagering on horse racing events and permitted pari-mutuel events. Such facility must be a part of the license granted to the guest or host association. (4-9-09)

232. Simulcast Service Supplier. (4-9-09)

a. A person engaged in providing service, supplies or equipment necessary to the operation of intrastate, interstate or out-of-state simulcast wagering for use by a host association, guest association, simulcast operator, or authorized user, including pari-mutuel wagering terminals, uplink, downlink, television receivers and related equipment. (4-9-09)

b. It does not include persons authorized by the Federal Communications Commission to provide telephone service or space segment time on satellite transponders. (4-9-09)

243. Satellite Transponder, Transponder. Leased space segment time of an earth-orbit communication satellite. (4-9-09)

254. Take or Takeout. Money deducted from mutuel pools that is shared by the track and local and state governing bodies in the form of a tax. (4-9-09)

265. Terminal. The device connected to the pari-mutuel system used to place wagers. (3-20-14)

276. Totalizator. A computer that, directly or indirectly through one (1) or more other totalizators, receives pari-mutuel wagering information, calculates pay-offs for winning tickets and generates reports with respect to such information, and may refer to the linked computers of the hub and the track. (4-9-09)

287. Uplink. An earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals or data on Federal Communication Commission-controlled frequencies, and includes any electronic transfer of the audio-visual signals from within the racing enclosure to the location of the transmitter at the

uplink.

(4-9-09)

(BREAK IN CONTINUITY OF SECTIONS)

~~047. PARI-MUTUEL SYSTEM OF WAGERING REQUIRED FOR HISTORICAL RACING.~~

~~The only wagering permitted on a historical horse race shall be under the pari-mutuel system of wagering. All systems of wagering other than pari-mutuel shall be prohibited. Any person participating or attempting to participate in prohibited wagering shall be subject to prosecution.~~ (3-20-14)

~~048. TOTALIZATOR OR OTHER APPROVED EQUIPMENT REQUIRED.~~

~~Pari-mutuel wagering on live and historical horse races shall only be conducted through the use of a totalizator or other similar mechanical equipment approved by the Commission.~~ (3-20-14)

~~049. HISTORICAL HORSE RACE LICENSING.~~

~~01. No Historical Horse Race Wagering Conducted Without a License. Wagering on an historical horse race shall only be conducted by a licensee approved by the Commission.~~ (3-20-14)

~~02. Historical Horse Race Horse Breed. A licensee may conduct wagering on historical horse races of any horse breed regardless of the type of breed that primarily races in live meets, if any, conducted by the licensee.~~ (3-20-14)

~~03. Approved Days and Hours. A licensee may conduct wagering on historical races on any days and hours that is in conformity with local municipalities and approved by the Commission.~~ (3-20-14)

~~04. Cash or Cash Vouchers Only. Historical horse racing terminals shall use cash or cash vouchers only.~~ (3-20-14)

~~05. License Must Hold Current Simulcast License. A licensee may not apply for a license to conduct historical racing unless that licensee holds a current simulcast license and has conducted simulcasting of live racing for a period of at least one (1) year.~~ (4-11-15)

~~050. REQUIRED ELEMENTS OF HISTORICAL HORSE RACE WAGERING.~~

~~01. Approved Terminal. A patron may only wager on an historical horse race that is on a terminal approved by the Commission.~~ (3-20-14)

~~02. Terminal Chooses Race. Once a patron wagers an amount in the terminal offering wagering on an historical horse race, an historical horse race shall be chosen by the historical racing system.~~ (3-20-14)

~~03. Historical Races Are Unidentified. Prior to the patron making wager selections, the terminal shall not display any information that would allow the patron to identify the historical race on which the wager is being made. This includes:~~ (3-20-14)

~~a. The location of the race;~~ (3-20-14)

~~b. The date on which the race was run;~~ (3-20-14)

~~c. The names of the horses in the race; or~~ (3-20-14)

~~d. The names of the jockeys that rode the horses in the race.~~ (3-20-14)

~~04. Past Performance Information. True and accurate past performance information on the historical horse race shall be made available to the patron prior to making wager selections. The information shall be current as of the day the historical horse race was actually run. The information provided to the patron shall be displayed on~~

~~the terminal in data or graphical form, or both. (3-20-14)~~

~~05. **Identity of Race Revealed After Wager Completion.** After a patron finalizes the wager selections, the terminal shall display a video replay of the race, or a portion thereof, and the official results of the race. The identity of the race shall be revealed to the patron only after completion of the wager. (3-20-14)~~

~~051. **LOCATION OF HISTORICAL HORSE RACE TERMINALS AND ACCESS CONTROL.**~~

~~01. **Terminals Located Only at Idaho Live Simulcast Facilities.** Terminals offering wagering on historical horse races may be located at facilities located in Idaho where Live Simulcasting is authorized and approved by the Commission and the County Commission where such facilities are located, pursuant to Sections 54-2512(3)(4) and 54-2514A, Idaho Code. (3-20-14)~~

~~02. **Terminals Located Only In Designated Areas.** Terminals offering wagering on historical horse races shall be located within designated areas that have the prior written approval of the Commission. Designated areas shall be established in such a way as to control access by the general public and prevent entry by any person who is under eighteen (18) years of age or is otherwise not permitted to place wagers. (3-20-14)~~

~~03. **Minors Not Permitted In Designated Areas.** Each licensee shall monitor persons entering and leaving the designated areas and shall prevent access to any person who is under eighteen (18) years of age or is otherwise not permitted to place wagers on historical horse races. (3-20-14)~~

047. NOTICES -- POSTED.

041. **Notice To Minors Posted At Entrances.** Every licensee shall keep a sign conspicuously posted over or near each entrance to any place where persons under eighteen (18) years are prohibited entry and herein restricted, giving public notice of such fact. (3-20-14)

052. **ADA Access.** Access to the designated area shall comply with the Americans with Disabilities Act (ADA). (3-20-14)

063. **Contact Information In Designated Areas.** Contact information for a recognized problem-gambling organization shall be made available to all patrons and posted in the designated areas. (3-20-14)

~~052.—055. **(RESERVED)**~~

~~056. **HISTORICAL HORSE RACE LICENSEE RECORD KEEPING.**~~

~~01. **Complete Records.** Each licensee authorized to offer Live Simulcasting and Historical Horse Racing shall maintain complete paper or electronic records of all pari-mutuel wagering transactions on live and historical horse races, including the amounts wagered at each betting window, self-service totalizator, mobile pari-mutuel teller, and terminals. (3-20-14)~~

~~02. **Record Archive Period.** A copy of the wagering records shall be retained and safeguarded for a period of not less than two (2) years and shall not be destroyed without the prior written permission of the Commission. (3-20-14)~~

~~057. **HISTORICAL HORSE RACE EQUIPMENT.**~~

~~01. **Equipment Approved By Commission.** All pari-mutuel equipment utilized in the offering and transmitting of historical racing shall be approved by the Commission prior to accepting a wager. (3-20-14)~~

~~02. **Terminal Breakdown and Patron Refund.** If there is a complete breakdown of a terminal offering wagering on an historical horse race, the licensee offering the wager shall make a full refund of the patron's balance on the terminal at the time of the breakdown, as verified by the historical racing system. (3-20-14)~~

~~03. **Proposed Designated Area Submitted To Commission.** A detailed description of the proposed~~

~~designated area and the placement of terminals on which the pari-mutuel wagers will be made shall be submitted to the Commission. This description shall include a drawing to scale of the proposed designated area that describes the size, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment, and at least one (1) photograph of the designated area when construction is completed. The licensee shall also submit to the Commission the following: (3-20-14)~~

~~a. The manufacturer, make, and model of the terminal, including a copy of all literature supplied by the manufacturer of the terminal; (3-20-14)~~

~~b. The maintenance and repair procedures that will ensure the integrity of the terminals; and (3-20-14)~~

~~e. A complete list of individuals who are authorized to examine and repair the terminals for any reason. (3-20-14)~~

~~04. Commission May Require Terminal Testing. The Commission may require testing of each terminal used for wagering on historical horse races by an independent testing company to ensure its integrity and proper working order. The independent testing company shall be chosen by the Commission. (3-20-14)~~

~~05. Information Required for Display on Each Pari-Mutuel Wagering Pool. Each terminal for wagering on an historical horse race shall display odds or pool amounts that the patron will receive (i.e. "will pays") for a winning wager on each pari-mutuel wagering pool. (3-20-14)~~

~~06. No Changes Or Modifications by Licensee Allowed. A licensee shall not implement any changes or modification to the practices, procedures, locations, or representations upon which the approval of the historical horse racing wagers was based without the prior written approval of the Commission. (3-20-14)~~

0548. -- 999. (RESERVED)

IDAPA 11 - IDAHO STATE POLICE

11.04.03 - RULES GOVERNING LICENSING AND FEES

DOCKET NO. 11-0403-1601 (FEE RULE)

NOTICE OF RULEMAKING - PROPOSED RULE

AUTHORITY: In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Sections 54-2506 and 54-2508, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 19, 2016.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

This rule clarifies the rule language for the cost of fingerprinting and submission for review of fingerprint cards to collect the full cost of processing the fingerprint cards charged by the FBI, via the Idaho State Police Bureau of Criminal Identification, from the applicant.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased:

Pursuant to Section 54-2508, Idaho Code, the Idaho State Racing Commission is responsible for the licensing of any person that participates, directly or indirectly, in any race meet in the State of Idaho. Part of the licensing process provided for in Section 54-2506, Idaho Code, is to obtain the criminal history of applicants for licensure by submitting fingerprints to Federal Bureau of Investigation via the Idaho State Police Bureau of Criminal Identification. Since 2012 the Commission has charged applicants \$15 per fingerprint card, but the fee charged to the Racing Commission by the FBI is currently set at \$25 per fingerprint card. Over the past four years the Commission has paid approximately \$22,700 more in fees than they have collected. Allowing the Commission to charge the full amount of the fee charged by the Federal Bureau of Investigation, via the Idaho State Police Bureau of Criminal Identification, to each applicant as it is charged by the FBI will eliminate future losses.

The fee for the fingerprinting of applicants for licensure, which is currently set at \$12.50 per fingerprint card, will be raised to the full amount charged to the Racing Commission. The fee as of September 2, 2016, is \$25 per fingerprint card.

This fee is being imposed pursuant to Section 54-2508, Idaho Code.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year resulting from this rulemaking:

There is no fiscal impact to the general fund as the Racing Commission is a funded by dedicated funds. If the rule is adopted the Commission would be charging applicants the full fee for fingerprinting as they are charged by Federal Bureau of Investigation via the Idaho State Police Bureau of Criminal Identification for processing fingerprint cards. The fiscal impact to the Racing Commission's dedicated funding will be positive. Since 2012 the Commission has been charging \$15 per card as allowed by rule, but the cost of the submission to the Idaho State Police Bureau of Criminal is \$25. The Commission has lost over \$22,700.00 in the past four years and a change in the rule will eliminate future losses.

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because input was sought from stakeholders.

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule:

No materials were incorporated by reference into this rule.

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Idaho State Racing Commission at 208-884-7080.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 26, 2016.

DATED this 2nd day of September, 2016.

Paul J. Schneider, Chairman
Idaho Racing Commission
700 S Stratford Dr.
Meridian, ID 83642
Phone: 208-884-7080
Fax: 208-884-7098

THE FOLLOWING IS THE PROPOSED TEXT OF FEE DOCKET NO. 11-0403-1601
(Only Those Sections With Amendments Are Shown.)

050. FINGERPRINTS.

All persons between the ages of eighteen (18) and sixty-nine (69) applying for licensing pursuant to this chapter ~~must submit to finger printing~~ are required to submit information and fingerprints necessary to obtain criminal history information from the Idaho State Police Bureau of Criminal Identification and the Federal Bureau of Investigation. The Idaho State Racing Commission (ISRC) may receive criminal history information from the Idaho State Police Bureau of Criminal Identification and from the Federal Bureau of Investigation for the purpose of evaluating the fitness of applicants pursuant to Section 54-2508, Idaho Code. Pursuant to state and federal law, further dissemination or other use of the criminal history information is prohibited. (4-9-09)()

021. New License Applicants. Any person that applies for a license from the Racing Commission ~~and is who has~~ not ~~currently licensed~~ been fingerprinted within the past five (5) years must be fingerprinted prior to a license being issued. Pursuant to Section 67-3008, Idaho Code, the ISRC shall submit a set of fingerprints obtained from the applicant and the required fees to the Idaho State Police Bureau of Criminal Identification for a criminal records check of state and national databases. (4-9-09)()

042. Existing Licensees. Any person that currently holds a valid license from the ~~Racing Commission~~ ISRC must be re-fingerprinted at least every five (5) years in accordance with the procedures outlined in Subsection 050.01 of these rules. (4-9-09)()

03. Fees. ~~There is a five dollar (\$5) fee for the finger printing and a ten dollar (\$10) fee for processing the finger prints.~~ The cost of taking and processing such fingerprints shall be the responsibility of the applicant. Fees for taking and processing fingerprints are in accordance with the amount(s) charged by the Idaho State Police Bureau of Criminal Identification pursuant to Section 67-3010, Idaho Code. (4-9-09)()

PROPOSED RULE COST/BENEFIT ANALYSIS

Section 67-5223(3), Idaho Code, requires the preparation of an economic impact statement for all proposed rules imposing or increasing fees or charges. This cost/benefit analysis, which must be filed with the proposed rule, must include the reasonably estimated costs to the agency to implement the rule and the reasonably estimated costs to be borne by citizens, or the private sector, or both.

Department or Agency: IDAHO STATE RACING COMMISSION

Agency Contact: ARDIE NOYES

Phone: 208-884-7080

Date: SEPTEMBER 2, 2016

IDAPA, Chapter and Title Number and Chapter Name:

11.04.03 - RULES GOVERNING LICENSING AND FEES

Fee Rule Status: Proposed Temporary

Rulemaking Docket Number: DOCKET NO. 11-0403-1601

STATEMENT OF ECONOMIC IMPACT:

Pursuant to Section 54-2508, Idaho Code, the Idaho State Racing Commission is responsible for the licensing of any person that participates, directly or indirectly, in any race meet in the State of Idaho.

Part of the licensing process provided for in Section 54-2506, Idaho Code, is to obtain the criminal history of license applicants by submitting fingerprints to Federal Bureau of Investigation via the Idaho State Police Bureau of Criminal Identification. Since 2012 the Commission has charged applicants \$15.00 per fingerprint card but the fee charged to the Racing Commission by the FBI is currently set at \$25.00 per fingerprint card. Over the past four years the Commission has paid approximately \$22,700 more in fees than they have collected.

A change in the rule to allow the Commission to charge the full amount of the fee charged by the Federal Bureau of Investigation, via the Idaho State Police Bureau of Criminal Identification, to each applicant as it is changed by the FBI will eliminate future losses.

The fee for the fingerprinting of license applicants that is currently set at \$12.50 per fingerprint card will be raised to the full cost charged to the Racing Commission as it is changed. The fee as of September 2, 2016, is \$25.00 per fingerprint card.

This fee or charge is being imposed pursuant to Section 54-2508, Idaho Code.