Dear Senators MCKENZIE, Davis, 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 11.04.09 - Rules Governing Claiming Races - Proposed Rule (Docket No. 11-0409-1401); IDAPA 11.04.10 - Rules Governing Live Horse Races - Proposed Rule (Docket No. 11-0410-1401).

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 10/20/2014. 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 11/18/2014.

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.



Legislative Services Office Idaho State Legislature

Eric Milstead Director Serving klaho's Citizen Legislature

MEMORANDUM

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

Affairs Committee

FROM: Senior Legislative Research Analyst - Ryan Bush

DATE: September 30, 2014

SUBJECT: Idaho State Police - Idaho State Racing Commission

IDAPA 11.04.09 - Rules Governing Claiming Races - Proposed Rule (Docket No. 11-0409-1401)

IDAPA 11.04.10 - Rules Governing Live Horse Races - Proposed Rule (Docket No. 11-0410-1401)

(1) IDAPA 11.04.09 - Rules Governing Claiming Races - Proposed Rule (Docket No. 11-0409-1401)

The Idaho State Racing Commission submits notice of proposed rulemaking at IDAPA 11.04.09 - Rules Governing Claiming Races. The Commission states that this rule clarifies that it is not necessary for a horse that has been claimed to re-establish eligibility for a starter allowance race by running in a claiming race and further prevents the use of "protective claims." Specifically, when there is more than one owner, each owner may submit a claim in a race, but if two or more submit a claim, all such claims are void.

The Commission states that negotiated rulemaking was not conducted because the rule is simple in nature and was discussed with interested parties. 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) IDAPA 11.04.10 - Rules Governing Live Horse Races - Proposed Rule (Docket No. 11-0410-1401)

The Idaho State Racing Commission submits notice of proposed rulemaking at IDAPA 11.04.10 - Rules Governing Live Horse Races. This rulemaking allows thoroughbred horses that are owned by the same owner to be uncoupled for wagering purposes.

The Commission states that negotiated rulemaking was not conducted because the rule is simple in nature and was discussed with interested parties. 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 Teresa Baker

Mike Nugent, Manager Research & Legislation Cathy Holland-Smith, Manager Budget & Policy Analysis April Renfro, Manager Legislative Audits Glenn Harris, Manager Information Technology

Tel: 208-334-2475 www.legislature.idaho.gov

IDAPA 11 - IDAHO STATE POLICE IDAHO STATE RACING COMMISSION

11.04.09 - RULES GOVERNING CLAIMING RACES

DOCKET NO. 11-0409-1401

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 Section 54-2506 and 54-2512A, 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 15, 2014.

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:

The rule will clarify that it is not necessary for a horse that has been claimed to re-establish eligibility for a starter allowance race by running in a claiming race; and further prevents the use of "protective claims."

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased: None.

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: NA

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because this rule is simple in nature and the rule was discussed with interested parties at the July 23, 2014 meeting of the Idaho Racing Commission.

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: NA

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Frank Lamb, Racing Commission Executive Director, at (208) 884-7080.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2014.

DATED this 29th Day of August, 2014.

Frank Lamb Executive Director 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. 11-0409-1401 (Only those Sections being amended are shown.)

036. -- 039. (RESERVED)

040. STARTER ALLOWANCE RACE.

A horse which has been claimed must re establish eligibility for a starter allowance race by running in a claiming race.
(3-29-10)

041. 049. (RESERVED)

050. PROHIBITIONS.

- **01. Financial or Beneficial Interest**. A person may not claim a horse in which the person has a financial or beneficial interest as an owner or trainer. (3-29-10)
- **02. Undisclosed Financial or Beneficial Interest.** A person may not cause another person to claim a horse for the purpose of obtaining or retaining an undisclosed financial or beneficial interest in the horse. (3-29-10)
- **03. Agreement.** A person may not enter into an agreement for the purpose of preventing another person from obtaining a horse in a claiming race. (3-29-10)
- **04. Ineligible or Undisclosed Person**. A person may not claim a horse, or enter into any agreement to have a horse claimed, on behalf of an ineligible or undisclosed person. (3-29-10)
- **05. No more than One Horse.** A person may not claim more than one (1) horse in a race. No authorized agent may submit more than one (1) claim for the same horse in a race, even if the authorized agent represents several owners. When a trainer's stable consists of more than one (1) owner, each owner may submit a claim in any one race, but no two (2) or more shall submit a claim for any one horse or all such claims shall be void. No person, corporation, partnership, stable name, or other legal entity will be eligible to claim another owner's horse from his own trainer's stable.

 (3 29 10)(____)

IDAPA 11 - IDAHO STATE POLICE IDAHO STATE RACING COMMISSION

11.04.10 - RULES GOVERNING LIVE HORSE RACES

DOCKET NO. 11-0410-1401

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 Section 54-2506 and 54-2512A, 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 15, 2014.

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:

The rule will allow thoroughbred horses that are owned by the same owner to be uncoupled for wagering purposes.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased: None.

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: NA

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because this rule is simple in nature and the rule was discussed with interested parties at the July 23, 2014 meeting of the Idaho Racing Commission.

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: NA

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Frank Lamb, Racing Commission Executive Director, at (208) 884-7080.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2014.

DATED this 29th Day of August, 2014.

Frank Lamb Executive Director 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. 11-0410-1401 (Only those Sections being amended are shown.)

113. COUPLED ENTRIES.

- **01. Coupled Entries.** Two (2) or more horses that are entered in a race will be joined as a mutuel entry and single betting interest if they are owned or leased in whole or in part by the same racing interest or are trained by a trainer who owns or leases any interest in any of the other horses in the race, except: (3-29-10)
- **a.** Multiple horses owned by the same racing interest may be uncoupled in stake races for the purpose of pari-mutuel wagering; or (3-29-10)
- **b.** Multiple horses owned by the same racing interest may be uncoupled *in straightaway races* for the purpose of pari-mutuel wagering.
- **Overnight Race**. No more than two (2) horses owned by the same racing interest may be entered in an overnight race. Under no circumstances may both horses of $\frac{a \cdot coupled}{a}$ such an entry start to the exclusion of a single entry. When making an $\frac{an}{a}$ entry, a preference for one (1) of the horses must be made. $\frac{(3-29-10)(}{a}$