

CERTIFICATE

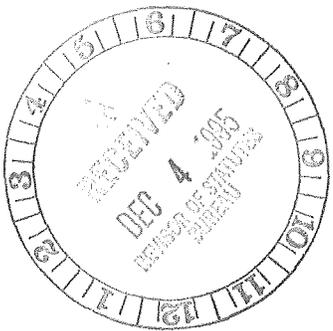
STATE OF WISCONSIN)
) SS
WISCONSIN GAMING COMMISSION)

CR 95-144

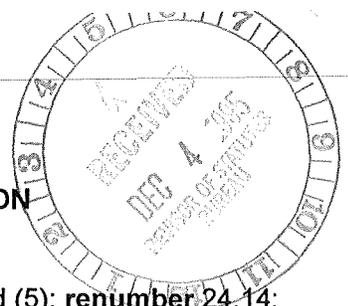
I, F. Scott Scepaniak, Chairman of the Wisconsin Gaming Commission, and custodian of the official records, certify that the annexed rules, relating to the operation of pari-mutuel racing in Wisconsin, were duly approved and adopted by this commission on July 27, 1995.

I further certify that this copy has been compared by me with the original on file with this commission and that it is a true copy of the original, and of the whole original.

IN TESTIMONY WHEREOF, I have hereunto set my hand of the Wisconsin Gaming Commission at 150 East Gilman Street, Suite 1000, in the city of Madison this 4th day of December, 1995.



[Handwritten Signature]
F. Scott Scepaniak



**PROPOSED ORDER OF THE WISCONSIN GAMING COMMISSION
ADOPTING RULES**

The Wisconsin Gaming Commission approves an order to **repeal** 24.12 (4) and (5); **renumber** 24.14; **renumber and amend** 9.11 (17), 9.14 (17), 24.11 (1), (2) and (3), 24.12 (1), (2), (3) and (6), 24.14, and 24.15; **amend** 14.11 (1), 24.01, 24.02 (1), (8) and (16), 24.04 (2) (c), 24.05 (2), 24.07 (1), (2) (b) 1 and 2, 24.08 (2) and 24.095; **repeal and recreate** 24.13; **create** 9.11 (17) (a), (b) and (c), 9.12 (4) (gc), (gm) and (gs), 9.14 (17) (a), (b) and (c), 9.17, 24.11 (1), (2), (6), (7), (9), (10), and (11), 24.14, 24.15, 24.16, 24.17, 24.18, 24.19, 24.20 and 24.21 (2) and (3); relating to twin trifecta, superfecta and tri-superfecta pools, deduction approvals, animal drug testing, and intertrack and simulcast wagering.

ANALYSIS PREPARED BY THE WISCONSIN GAMING COMMISSION

Statutory authority: ss. 561.02, 561.08, and 562.02 (1) (a), Stats.

Statutes interpreted: ss. 562.02 (1) (a), 562.05 (1) (b) and (e) and (6m), 562.057, 562.065, and 562.09 (2) (b) 2, Stats.

Summary:

ANALYSIS BY THE WISCONSIN GAMING COMMISSION

SECTION 1. WGC 9.11 (17) is renumbered to WGC 9.11 (17) (intro.) and is amended to provide the association with 3 options to cap and seed twin trifecta wagering pools.

SECTION 2. WGC 9.11 (17) (a), (b) and (c) are created to provide options of capping and seeding the wagering pools.

Subsection (17) (a) provides for distributing 100% of the twin trifecta pool for each race during each subsequent performance after the jackpot carryover is frozen and until it is distributed to winners of the first half of twin trifecta.

Subsection (17) (b) creates a seed pool for the start of a second jackpot carryover from money designated for the second part of the divided pool from race performances in which the first jackpot is capped. It allows for the capped first jackpot carryover to be distributed on a mandatory basis during a specific race performance.

Subsection (17) (c) selects a race performance or race day in which the capped jackpot will be distributed on a mandatory basis. The reason for seeding the twin trifecta pool is so that after a jackpot is distributed, patrons are encouraged to continue participating in the wager. Otherwise, the pool returns to zero

dollars and in some instances several weeks pass until the jackpot level reaches a level whereby increased wagering activity is noted.

SECTION 3. WGC 9.12 (4) (gc), (gm) and (gs) is created to establish the progression of payouts regarding the order of finish in superfecta pools. The 3 proposed rules were inadvertently omitted from the orders of finish provided for under the current s. WGC 9.12 (4). These created subsections will provide for a complete and specific progression of finishes to follow when no one correctly selects the exact order of finish for the first four finishers for the payout of pari-mutuel wagers for superfecta pools.

SECTION 4. WGC 9.14 (17) is renumbered WGC 9.14 (17) (intro.) and is amended to provide the association with 3 options to cap and seed tri-superfecta wagering pools.

SECTION 5. WGC 9.14 (17) (a), (b) and (c) are created to provide options of capping and seeding the tri-superfecta wagering pools.

Subsection (17) (a) provides for distributing 100% of the tri-superfecta pool for each race during each subsequent performance after the jackpot carryover is frozen and until it is distributed to winners of the first half of tri-superfecta.

Subsection (17) (b) creates a seed pool for the start of a second jackpot carryover from money designated for the second part of the divided pool from race performances in which the first jackpot is capped. It allows for the capped first jackpot carryover to be distributed on a mandatory basis during a specific race performance.

Subsection (17) (c) selects a race performance or race day in which the capped jackpot will be distributed on a mandatory basis. The reason for seeding the tri-superfecta pool is so that after a jackpot is distributed, patrons are encouraged to continue participating in the wager. Otherwise, the pool returns to zero dollars and in some instances several weeks pass until the jackpot level reaches a level whereby increased wagering activity is noted.

SECTION 6. WGC 9.17 creates deduction rates for pari-mutuel wagers and requires commission approval. The purpose of the requirement to notify the commission is to enable the NOMAD computer system which provides the accounting function identifying the monies due the state, retained by the racetracks and returned to the wagering public, to be programmed and tested prior to the implementation of any statutory deduction rate changes. Deduction rates will be required to be published or posted to inform the public of the percentages being withheld at the racetrack and how much of each wager is being returned in winnings.

SECTION 7. WGC 14.11 is amended to require at least one animal be identified immediately after every race to be tested to determine if a medication or foreign substance has been administered to the animal. After each race performance which equals 15 races, the commission veterinarians attempt to collect one sample from each participating kennel and that one fourth to one half of the sample collected represent winning greyhounds. In the event of suspected medication usage or animals displaying reversals of racing performance, these samples are to be substituted in place of the prior protocol preference for sample selection.

SECTION 8. WGC 24.01 amends "intertrack racing" to read "intertrack and simulcast wagering."

SECTION 9. WGC 24.02 (1) is amended to add language to the definition of commingled pool allowing for the guest track to adopt the host track's takeout rate.

WGC 24.02 (8) is amended to add language to the definition of guest track to include the racetrack "or an out-of-state site" where broadcasts of races are received.

WGC 24.02 (16) amends "race meet" to read "race meeting."

SECTION 10. WGC 24.02 (2) (c) amends "track" to read "racetrack."

SECTION 11. WGC 24.05 (2) amends "track" to read "racetrack."

SECTION 12. WGC 24.07 (1) (intro.) amends "race program" to read "race performance." WGC 24.07 (1) (b) 1 and 2 amend "tracks" to read "racetracks."

SECTION 13. WGC 24.08 (2) amends "racing program" to read "official daily race program."

SECTION 14. WGC 24.095 amends "licensee" to read "license."

SECTION 15. WGC 24.11 (1), (2) and (3) are renumbered to WGC 24.11 (2), (3) and (4), as renumbered, amend "licensees" to read "host tracks."

WGC 24.11 (3) amends "shall" to "may" and changes the delay from occurring with "the approval of" the stewards to "informing" the stewards of a delay.

SECTION 16. WGC 24.11 (1) is created to require a Wisconsin racetrack proposing to be a host track for simulcasting provide notification to the commission at least 10 days prior to sending its races to out-of-state guest track locations. The Wisconsin racetrack shall include in its notification to the commission the identity and location of the out-of-state guest track, the manner in which the pools will be formed at the guest track and a copy of all simulcast contracts with the out-of-state guest track.

SECTION 17. WGC 24.12 (4) and (5) are repealed. These rules were focused on methods of calculating pools, taxes and deductions that are no longer being utilized in the pari-mutuel industry. The repealed rules conflict the intent of commingling pools.

SECTION 18. WGC 24.12 (1), (2), (3) and (6) are renumbered to WGC 24.12 (3), (4), (5) and (8).

WGC 24.12 (3), as renumbered, amends "licensee" to read Wisconsin "racetrack" and allows the wagers from the out-of-state guest track to be transmitted to the host track to form a commingled pool when the Wisconsin racetrack is the host track.

WGC 24.12 (4), as renumbered, is amended to require each Wisconsin guest track to have individual contracts with each out-of-state host track and requires the Wisconsin guest track's pools to remain separate for accounting, reporting, purse calculations, tax liability and all other statutory obligation purposes.

WGC 24.12 (5), as renumbered, is amended to provide that when a commingled pool or a separate pool is formed in Wisconsin, the odds and payout price shall be calculated in accordance with ch. WGC 9.

WGC 24.12 (8), as renumbered, is amended to require taxes and other statutory obligations to be applicable to wagers placed at a Wisconsin pari-mutuel facility and received by Wisconsin host and guest tracks. Any jurisdiction imposing a surcharge or withholding in addition to the takeout is applicable only in the jurisdiction allowed to do so.

SECTION 19. WGC 24.12 (1) is created to require all contracts governing participation in interstate commingled pools be submitted to the commission for approval prior to commingling pools as a guest or host track.

WGC 24.12 (2) is created to require the rules established for pari-mutuel pools for the out-of-state host track be applicable to pari-mutuel pools offered at the Wisconsin guest track.

WGC 24.12 (6) is created to require any Pick (N) pool, exchange pool or other pari-mutuel pool that is rejected by an out-of-state host track, to give a refund of these pools by the Wisconsin guest track.

WGC 24.12 (7) is created to require all applicable provisions in ch. 562, Stats., regarding breakage apply to a Wisconsin racetrack acting as the host track. If the Wisconsin racetrack is the guest track, the commission shall approve any agreement governing the distribution of breakage between the Wisconsin guest track and any out-of-state host track.

WGC 24.12 (9) is created to allow the Wisconsin guest track to adopt the takeout deduction of the out-of-state host track with prior approval of the commission in the event the Wisconsin guest track commingles its wagering pools with those of the out-of-state host track and the wagering deductions of the host track are outside the deductions set forth in s. 562.065 (3) (a), Stats. It allows a common takeout rate with other participants in the interstate commingled pool to produce a standard common payout price.

WGC 24.12 (10) is created to allow a Wisconsin guest track proposing to participate in an interstate commingled pool to request the commission approve a methodology whereby the states of the host and guest tracks with different takeout rates may effectively and equitably combine wagers from the different states into an interstate common pool and achieve a net price payout.

WGC 24.12 (11) is created to allow patrons of a Wisconsin guest track to wager on a specific race or race performance through more than one out-of-state host track.

SECTION 20. WGC 24.13 is repealed and recreated to provide approval for simulcast wagering, fees and charges.

Subsection (1) requires a licensee under s. 562.05 (1) (b), Stats., acting as a guest track, to notify its tote company 7 days prior to accepting commingled wagers, receive prior commission approval, and comply with the following paragraphs in this subsection: (a) file an application in the form and manner prescribed by the commission in which the Wisconsin guest track will receive simulcast races from each host track; (b)

pay a fee of \$50 within 48 hours for each race performance received from an out-of-state host track but said fee is not applicable if the guest track schedules 3 or less races of a race performance from an out-of-state host track; (c) require the guest track at which \$25,000,000 or more was wagered to conduct at least 250 live race performances during the calendar year immediately preceding the year in which the Wisconsin guest track proposes to conduct wagering on simulcast races; (d) require the guest track at which \$25,000,000 or less was wagered to conduct at least 200 live race performances during the calendar year immediately preceding the year in which the Wisconsin guest track proposes to conduct wagering on simulcast races; (e) conduct wagering on simulcast races at the Wisconsin guest track only as an adjunct to, not in a manner to supplant, wagering on live on-track racing at that racetrack, and not allow wagering on simulcast races to be the primary source of revenue at that racetrack; and (f) shall not adversely affect the public health, welfare or safety by the conduct of simulcast wagering.

Subsection (2) allows the commission to deny or suspend approval to the Wisconsin guest track to receive simulcast races from an out-of-state host track based on the following paragraphs in this subsection: (a) if the out-of-state host track is not in good standing or licensed by the governing regulatory body entrusted with the oversight and licensing responsibilities of the host track; (b) if the jurisdiction from which the simulcast race originates does not have an animal drug testing program to test participating animals; and (c) if for any reason the commission determines the integrity of the wagering pools, totalizator system or pari-mutuel wagering is affected at either the host or guest track.

Subsection (3) requires that once commission approval is obtained to receive simulcast races from an out-of-state racetrack, any additions or deletions of race performances shall be submitted to the commission for separate approval at least 72 hours prior to the proposed implementation of the change.

SECTION 21. WGC 24.14 is renumbered WGC 24.21, and as renumbered, WGC 24.21 (intro.) is renumbered (1), and as renumbered, is amended by deleting the requirement for the Wisconsin host track to consult its general manager or designee prior to terminating the participation of any guest track facility or to conduct a manual merge of wagering information in the event of a failure in the totalizator system of any component of a commingled pool network. This rule will require consultation with a commission representative, mutuel manager of the host track or its designee, and the mutuel manager of the affected guest track facility or its designee.

SECTION 22. WGC 24.14 is created to list the duties of a Wisconsin host track in conducting simulcast wagering.

Subsection (1) requires the host track to do all of the following paragraphs: (a) conduct simulcast wagering via core to core or machine to tote transmissions with the out-of-state guest track; (b) be responsible for the content of the broadcasts for which ratings shall be at standards of the FCC and that the broadcasts offer viewers an accurate depiction of the race performance, a display of wagering information, and a continuity of programming between racing events; (c) provide an uplink system, a transponder or other systems or devices and security controls over the communication system as approved by the commission to protect the signals and the best interests of the public; (d) encrypt every audiovisual signal transmitted via satellite using a system approved by the commission and which may not be used until it has been approved by the commission; (e) maintain a facsimile machine from an independent private telephone line to be located near the mutuel or totalizator room; (f) maintain a direct telephone line in the totalizator room to be used to

relay information when facsimile transmissions are not possible or timely due to the urgency of the communication; (g) ensure the primary means of transmitting wagering data is through a dedicated digital data line receiving prior approval from the commission; (h) communicate changes in wagering format or other relative information immediately upon receipt from the host track mutuel manager or designee to all guest track mutuel managers or designee; (i) not delay post times for purpose of accumulating wagers from guest track locations and post times shall be the same at the host and guest tracks taking into consideration the time zones; (j) keep at least one monitor in a location approved by the commission which is exclusively for reviewing the outgoing signal sent to the guest track during a simulcast performance; and (k) issue the stop bet command at the moment the lure begins its movement.

Subsection (2) requires the host track or audiovisual contractor ensure the date, a digital display of the actual time of day, name of the racetrack emanating the race, the minutes to post for each race, the number of the race being displayed, and an indication that a race is a replay of a previously run race if it is a replay.

Subsection (3) requires the host track or audiovisual contractor perform a test program of its transmitter to assure proper operation of the broadcast system no sooner than one hour or no later than 15 minutes before the commencement of the race performance transmission. Any irregularity shall be reported within 24 hours to the commission stewards.

SECTION 23. WGC 24.15 is renumbered 24.22. The rule previously required any association or totalizator company engaged in intertrack wagering to have an agreement. The proposed rule is amended to include any association or totalizator company engaged in either intertrack or simulcast wagering to have an agreement and submit it to the commission for approval prior to the commencement of intertrack or simulcast wagering.

SECTION 24. WGC 24.15 is created to list the accounting and reporting duties for the Wisconsin host track.

Subsection (1) requires breakage pools and minus pools be allocated pro-rata based on the percentage of winning dollars wagered at each location for each entry, pool and race.

Subsection (2) requires the host track to perform a daily reconciliation of their racing accounts and all amounts due to or from guest tracks, submit weekly report of the accounts payable and receivable incurred from simulcast activity to the commission listing the balance of the host track and all guest tracks commingling pools with the host track, and use forms approved by the commission to monitor the accounts.

SECTION 25. WGC 24.16 is created to list the duties of simulcast wagering for the Wisconsin guest track which include (1) conducting simulcast wagering via core to core or machine to tote transmissions with an out-of-state host track; (2) discontinuing simulcast wagering upon the issuance from the host track of the stop bet command, at the time the lure begins its movement in greyhound racing, when the first horse is loaded into the starting gate in thoroughbred racing or when the starting gate begins to move in harness racing; (3) offering only pools which are the same as offered by the host track but the guest track is not required to offer all of said pools, exclude pools offered by the host track through a contractual agreement, requires the host track to determine the minimum ticket price available for each pool; (4) displaying an explanation in prominent locations or in the daily race program indicating that odds and other wagering

information may be delayed due to the accumulation and transfer of simulcast wagering data; (5) performing a daily reconciliation of racing accounts and all amounts payable or receivable to the host track and specify by contract the frequency of monies transferred between the host tracks and guest tracks; (6) ensuring tickets sold at Wisconsin guest tracks conform to s. WGC 10.06 (7) and are identified as simulcast wagers; (7) performing a test program of its transmitter to assure proper operation of the broadcast system no sooner than one hour or no later than 15 minutes before the commencement of the race performance transmission and any irregularity shall be reported within 24 hours to the commission stewards; (8) providing sufficient television monitors in each totalizator room at the guest track to provide key employees a view of all animals starting in each race at any host track; (9) providing patrons a copy or facsimile of the official daily race program from each host track sending its signal to the Wisconsin guest track; (10) maintaining a facsimile machine from an independent private telephone line to be located near the mutuel or totalizator room; (11) maintaining a direct telephone line in the totalizator room to be used to relay information when facsimile transmissions are not possible or timely due to the urgency of the communication; (12) displaying the same post time as the host track for all simulcast races taking into consideration the time zones; (13) providing a downlink system and security controls over the communication system as approved by the commission to protect the signals and the best interests of the public and information windows or designated areas containing the administrative rules of the commission and rules of all out-of-state host tracks for patron review and to address patron complaints, questions and inquiries; (14) paying all purse payment monies generated from the simulcast wagering pools in accordance to the time frame specified in s. 562.065 (3) (b) 2, Stats., when conducting live on-track racing or when no live on-track racing occurs, submit a plan to the commission for approval to distribute purse monies generated from simulcast wagering pools prior to the start of the live on-track racing; and (15) ensuring the primary means of transmitting wagering data is through a dedicated digital data line receiving prior approval from the commission.

SECTION 26. WGC 24.17 is created to establish simulcast wagering emergency procedures. This section deals with (1) lost audio and visual signals and the ability to continue wagering until the scheduled post time of the current race at the out-of-state host track and may not resume until either the audio or visual signal is restored; and (2) the impaired ability of a totalizator to record, classify or accumulate wagering data or to do calculations or wagering data is lost, procedures are specified if the Wisconsin guest track's totalizator system fails, if the guest track's totalizator system is not reestablished by the start of the race, if the money wagered on the race did not enter into the host track's pools and such pool data is available in the guest track's totalizator system or if the host track's totalizator system fails but becomes operational before the start of the race and wagering data is available or is not operational before the start of the race and wagering data is lost.

SECTION 27. WGC 24.18 is created to list the ticket cashing requirements and procedures for simulcast wagering. Each Wisconsin guest track shall (1) honor tickets issued in conformity with the requirements of ch. WGC 10; (2) display publicly or explain in the official daily race program the amount of time patrons have to cash simulcast winning tickets at the guest track location and information about the location and method to remit the winning tickets for cash; (3) subject all outstanding tickets to the laws of the state in which they were sold and may only be redeemed in that jurisdiction; and (4) pay to the commission any outstanding winning tickets on a simulcast race in which the wagers were commingled and not claimed within 90 days after the end of the out-of-state host track's race meeting.

SECTION 28. WGC 24.19 is created to terminate approval if the entity offering simulcast wagering is no longer licensed under s. 562.05 (1) (b), Stats. If the entity also holds a license under s. 562.05 (1) (a),

Stats., which is revoked or suspended, all prior simulcast approvals shall be terminated on the effective date of the disciplinary action.

SECTION 29. WGC 24.20 is created to specify the duration of the approval to offer simulcast wagering. It shall expire on the last date approved by the commission to conduct pari-mutuel wagering licensed under s. 562.05 (1) (b), Stats.

SECTION 30. WGC 24.21 (2) is created to require any contract for interstate common pools entered into by a Wisconsin host track to contain a provision that the host track shall not have any liability for measures taken resulting in the out-of-state guest track's wagers not being accepted into the pool. WGC 24.21 (3) is created to allow the Wisconsin guest track to alternatively determine to either pay winning tickets at the payout prices at the out-of-state host track or declare such accepted bets void and make refunds in accordance with the applicable rules. The Wisconsin guest track shall notify the commission in writing the method of payout prior to commencing simulcasting with an out-of-state host track. Only one method shall be applied to all simulcasts and displayed publicly at the Wisconsin guest track.

Effective Date:

The rules shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22 (2) (intro.), Stats.

TEXT OF RULES

SECTION 1. WGC 9.11 (17) is renumbered to WGC 9.11 (17) (intro.), and as renumbered, is amended to read:

WGC 9.11 (17) (intro.) The twin trifecta carryover may be capped at a designated level approved by the commission so that if, at the close of any race performance, the amount in the twin trifecta "jackpot" carryover equals or exceeds the designated cap, the twin trifecta "jackpot" carryover shall be frozen until it is won or distributed under other provisions of this rule. After the second-half twin trifecta "jackpot" carryover is frozen, ~~100% of the net twin trifecta pool for each individual race shall be distributed to winners of the first half of the twin trifecta pool.~~ the association shall have the option to:

SECTION 2. WGC 9.11 (17) (a), (b) and (c) are created to read:

WGC 9.11 (17) (a) Distribute 100% of the net twin trifecta pool for each individual race during each subsequent performance after the "jackpot" carryover is frozen and until distributed, to winners of the first half of the ~~T~~twin ~~T~~trifecta pool.

(b) Create a seed pool for the start of a second "jackpot" carryover from money designated for the second part of the divided pool from race performances in which the first "jackpot" is capped and allow for the capped first "jackpot" carryover to be distributed on a mandatory basis during a ~~specific~~ designated race performance. Money wagered into the twin trifecta pool during the designated mandatory distribution performance of the first "jackpot" carryover will not be allocated for the second "jackpot" carryover but shall be distributed along with the first "jackpot" carryover during the mandatory distribution performance. Upon the first "jackpot" carryover being distributed, all money allocated to the seed pool for the second "jackpot" carryover shall be converted to a new first "jackpot" carryover. If while seeding the second "jackpot" carryover from money designated for the second part of the divided pool from performances the first "jackpot" is capped, and the second "jackpot" carryover exceeds the designated cap amount, then the seeded second "jackpot" carryover shall continue to accumulate until converted to the first "jackpot" carryover, at which time it shall be immediately frozen. Upon conversion to the first "jackpot" carryover, and being capped, money designated for the second part of the divided pool shall

be placed in a seed pool for the start of a second "jackpot" carryover and subsequently distributed under the provisions of this rule.

(c) Select a race performance or race day in which the capped "jackpot" will be distributed on a mandatory basis.

SECTION 3. WGC 9.12 (4) (gc), (gm), and (gs) is created to read:

WGC 9.12 (4) (gc) Tickets selecting the second and third finishers in that order, all-2-3-all. If no ticket is sold selecting the second and third in that order, then;

(4) (gm) Tickets selecting the second and fourth finishers in that order, all-2-all-4. If no ticket is sold selecting the second and fourth finishers in that order, then;

(4) (gs) Tickets selecting the third and fourth finishers in that order, all-all-3-4. If no ticket is sold selecting the third and fourth finishers in that order, then;

SECTION 4. WGC 9.14 (17) is renumbered WGC 9.14 (17) (intro.), and as renumbered, is amended to read:

WGC 9.14 (17) (intro.) The tri-superfecta carryover may be capped at a designated level approved by the commission so that if, at the close of any race performance, the amount in the tri-superfecta "jackpot" carryover equals or exceeds the designated cap, the tri-superfecta "jackpot" carryover shall be frozen until it is won or distributed under other provisions of this rule. After the second-half tri-superfecta "jackpot" carryover is frozen, ~~100% of the net tri-superfecta pool for each individual race shall be distributed to winners of the first half of the tri-superfecta pool. the association shall have the option to:~~

SECTION 5. WGC 9.14 (17) (a), (b) and (c) are created to read:

WGC 9.14 (17) (a) Distribute 100% of the net tri-superfecta pool for each individual race during each subsequent performance after the "jackpot" carryover is frozen and until distributed, to winners of the first half of the tri-superfecta pool.

(b) Create a seed pool for the start of a second "jackpot" carryover from money designated for the second part of the divided pool from race performances in which the first "jackpot" is capped and allow for the capped first "jackpot" carryover to be distributed on a mandatory basis during a ~~specific~~ designated race performance. Money wagered into the tri-superfecta pool during the designated mandatory distribution performance of the first "jackpot" carryover will not be allocated for the second "jackpot" carryover, but shall be distributed along with the first "jackpot" carryover during the mandatory distribution performance. Upon the first "jackpot" carryover being distributed, all money allocated to the seed pool for the second "jackpot" carryover shall be converted to a new first "jackpot" carryover. If while seeding the second "jackpot" carryover from money designated for the second part of the divided pool from race performances the first "jackpot" is capped, and the second "jackpot" carryover exceeds the designated cap amount, then the seeded second "jackpot" carryover shall continue to accumulate until converted to the first "jackpot" carryover, at which time it shall be immediately frozen. Upon conversion to the first "jackpot" carryover, and being capped, money designated for the second part of the divided pool shall be placed in a seed pool for the start of a second "jackpot" carryover and subsequently distributed under the provisions of this rule.

(c) Select a race performance or race day in which the capped "jackpot" will be distributed on a mandatory basis.

SECTION 6. WGC 9.17 is created to read:

WGC 9.17 APPROVAL OF DEDUCTIONS. ~~The A~~ licensee under s. 562.05 (1) (b), Stats., shall deduct from the total amount wagered on all animals selected each race, amounts ~~within the deduction rates~~ set forth in s. 562.065 (3) (a), Stats., for win, place, show and multiple pool wagers and pay the balance minus breakage to winning ticket holders. The deduction rates shall receive prior approval from the commission and will be effective on the Tuesday following receipt of approval or on a date set by the commission. Deduction rates shall be published in either the daily race program or posted in a prominent location at the racetrack during each race performance.

SECTION 7. WGC 14.11 (1) is amended to read:

WGC 14.11 (1) ~~The winning animal in every race, at~~ At least one animal from every race selected at random at any time, and any other animals selected at the discretion of the stewards or commission veterinarian, shall have taken from it test samples. In determining which animals to test, the stewards or commission veterinarian shall consider, without limitation, whether the performance of the animal is such that it suggests the animal was not performing within its usual parameters, such as with beaten favorites or animals displaying significant reversals of form. Additional factors in determining animals to be tested shall include but are not limited to representation of kennels testing animals from as many kennels as possible, suspected medication usage, possible sickness and winning animals.

SECTION 8. WGC 24.01 is amended to read:

WGC 24.01 The purpose of this chapter is to govern procedures relative to the conduct of intertrack racing and simulcast wagering.

SECTION 9. WGC 24.02 (1), (8) and (16) are amended to read:

WGC 24.02 (1) "Commingled pool" means the combination of wagering data and monies wagered for specific pools of the host track with wagering data and monies wagered for specific pools of guest tracks for the purposes of calculating the odds and the payout prices and allowing for the guest track to adopt the host track's takeout rate.

(8) "Guest track" means the racetrack or an out-of-state site receiving a broadcast of races from another racetrack for the purpose of conducting pari-mutuel wagering.

(16) "Totalizator system" means a computer system that accepts, records, issues, and accounts for all wagering information and transactions that occur during a race ~~meet~~ meeting.

SECTION 10. WGC 24.04 (2) (c) is amended to read:

WGC 24.04 (2) (c) The name of the ~~track~~ racetrack from which it emanates;

SECTION 11. WGC 24.05 (2) is amended to read:

WGC 24.05 (2) In order to facilitate the transfer of money between host licensees and guest licensees, each host track shall perform a daily reconciliation of their racing accounts and all amounts due to or from guest tracks. The frequency of transfer of monies between host tracks and guest tracks shall be as specified by contract, but shall occur at least weekly. A weekly report of the accounts payable and receivable incurred from intertrack pari-mutuel activity shall be submitted to the commission auditor by the host track listing the balance of the host track and all guest tracks that are commingling pools with the host track. The forms used to keep a running balance for each ~~track~~ racetrack shall be approved by the commission.

SECTION 12. WGC 24.07 (1) ~~(intro-)~~ and (2) (b) 1 and 2 are amended to read:

WGC 24.07 (1) ~~(intro-)~~ Prior to the commencement of wagering on the first race on an intertrack wagering program, both the audio and video signals must be present at the guest track in order for intertrack wagering at the guest track to be conducted. In the event of a loss of either the audio or visual signal, during the race program performance, wagering may continue only until the scheduled post-time of the current race at the host track. ~~In the event~~ If both the audio and visual signals are lost, wagering shall immediately cease at the guest track and may not resume until both the audio and visual signal are restored. Any advance bets made, provided there has not been an accompanying data transmission failure, must be treated as valid bets and paid out accordingly.

~~(1)(2)~~ (b) 1. If the host track's totalizator system becomes operational before the start of the race and wagering data is available, transmission of data from guest tracks and wagering shall resume at all ~~tracks~~ racetracks until the stop bet command is issued by the host track.

~~(1)(2)~~ (b) 2. If the host track's totalizator system is not operational before the start of the race and wagering data is lost, all wagers at all ~~tracks~~ racetracks on the affected races shall be refunded.

SECTION 13. WGC 24.08 (2) is amended to read:

WGC 24.08 (2) Publicly display or explain in the ~~rac~~ing official daily race program information regarding the amount of time patrons have to cash intertrack winning tickets at the guest track location, and the location and method of remitting winning tickets for cashing after the time has expired at the guest track location.

SECTION 14. WGC 24.095 is amended to read:

WGC 24.095 TERMINATION OF LICENSE. Any license issued under this chapter shall terminate if the holder of the ~~license~~ license is no longer licensed under s. 562.05 (1) (b), Stats.

SECTION 15. WGC 24.11 (1), (2) and (3) are renumbered to WGC 24.11 (2), (3) and (4), and as renumbered, are amended to read:

WGC 24.11 (2) Wisconsin ~~licensees~~ host tracks shall include as part of their contracts with out-of-state guest tracks all requirements of ch. WGC 24 applicable to host tracks.

(3) Wisconsin ~~licensees~~ tracks shall not delay post times for purposes of accumulating wagers from out-of-state guest tracks, with the exception of an emergency which requires a manual merge of wagering data or emergencies beyond the control of the ~~licensee~~ Wisconsin host track. No delay shall ~~may~~ occur without the ~~approval of~~ informing the stewards, prior to the next race.

(4) All contracts entered into by a Wisconsin ~~licensee~~ track with an out-of-state guest track shall include a provision to the effect that the guest track shall provide any and all information necessary for the host track's accounting of its pari-mutuel activities and any information required by the commission in Wisconsin for auditing purposes.

SECTION 16. WGC 24.11 (1) is created to read:

WGC 24.11 (1) A Wisconsin racetrack proposing to be a host track for simulcasting purposes shall provide written notification to the commission at least 10 days prior to sending its races to out-of-state guest track locations. Notification to the commission shall include the identification and location of the out-of-state guest tracks, the manner in which the pools will be formed at the guest track, and copies of all simulcast contracts with each out-of-state guest track.

SECTION 17. WGC 24.12 (4) and (5) are repealed.

SECTION 18. WGC 24.12 (1), (2), (3) and (6) are renumbered to WGC 24.12 (3), (4), (5) and (8), and as renumbered, are amended to read:

WGC 24.12 (3) ~~Where the~~ When a Wisconsin ~~licensee~~ racetrack is the host track, the wagers received by the out-of-state guest tracks may be transmitted to the host track in Wisconsin to form a commingled pool.

(4) ~~The Wisconsin licensee's~~ Each Wisconsin guest track shall have individual contracts with each out-of-state host track and the Wisconsin guest tracks' pools pools shall remain separate for accounting, auditing, reporting, purse calculations, tax liability, and all other statutory obligation purposes.

(5) When the commingled pool or a separate pool is formed in Wisconsin, the odds and the payout prices ~~will shall~~ be calculated in accordance with the rules in ch. WGC 9. In arriving at the amount distributable to the bettors, the total take-out being used by the Wisconsin host track shall apply.

(8) Taxes and other statutory obligations as required by s. 562.065 (3) (c), Stats., shall be applicable to wagers placed at a Wisconsin pari-mutuel facility and received by the Wisconsin licensees host and guest tracks only. Any surcharges or withholding in addition to the takeout shall only be applied apply in the jurisdiction imposing such the surcharges or withholdings.

SECTION 19. WGC 24.12 (1), (2), (6), (7), (9), (10) and (11) are created to read:

WGC 24.12 (1) All contracts governing participation in interstate commingled pools shall be submitted to the commission for approval prior to commingling pools as a guest or host track.

(2) Rules established for pari-mutuel pools for the out-of-state host track shall apply to the pari-mutuel pools offered at the Wisconsin guest track.

(6) If any Pick (N) pool, exchange pool or any other pari-mutuel pool that is not provided for in ch. WGC 9 is rejected by an out-of-state host track, then a refund of these pools shall be provided by the Wisconsin guest track.

(7) If a Wisconsin racetrack is the host track, all applicable provisions contained in ch. 562, Stats., regarding breakage shall apply. If a Wisconsin racetrack is the guest track, the commission shall approve any agreement made between the Wisconsin guest track and any out-of-state host track governing the distribution of breakage.

(9) ~~In the event~~ If a Wisconsin guest track commingles its wagering pools with the wagering pools of an out-of-state host track and the wagering takeout deductions of the host track are outside the deductions set forth in s. 562.065 (3) (a), Stats., the Wisconsin guest track, with the prior approval of the commission, may adopt the takeout deduction of the out-of-state host track so as to achieve a common takeout rate with other participants in the interstate commingled pool to produce a standard common payout price.

(10) A Wisconsin guest track proposing to participate in an interstate commingled pool may request that the commission approve a methodology whereby the states of the host and guest tracks with different takeout rates for corresponding pari-mutuel pools may effectively and equitably combine wagers from the different states into an interstate common pool and achieve a net price payout.

(11) A Wisconsin guest track shall allow its patrons to wager on a specific race or race performance through more than one out-of-state host track.

SECTION 20. WGC 24.13 is repealed and recreated to read:

WGC 24.13 APPROVAL FOR SIMULCAST WAGERING, FEES AND CHARGES. (1) A licensee under s. 562.05 (1) (b), Stats., prior to receiving simulcast races from out-of-state racetracks and acting as a guest track to conduct pari-mutuel wagering, ~~shall~~ must comply with the following:

(a) Notify its tote company 7 days prior to accepting commingled wagers.

(b) ~~and shall~~ Receive prior commission approval and comply with the following:

(a c) File an application in the form and manner prescribed by the commission and submit any exhibits required by the commission for each host track in which simulcast races are to be received by the Wisconsin guest track.

(b d) Submit a A fee of \$50 ~~shall be assessed~~ for each race performance received from an out-of-state host track. The fee shall be paid no later than 48 hours after the conclusion of the race day in which the simulcast performance started or, if the 48-hour period does not include a business day, on the first business day immediately following the close of the race day. This provision regarding the payment of fees shall not be applicable if the guest track schedules 3 or ~~less~~ fewer races of a race performance from an out-of-state host track.

(ee) For a Wisconsin guest track at which \$25,000,000 or more was wagered during the calendar year immediately preceding the year in which the Wisconsin guest track proposes to conduct wagering on simulcast races, at least 250 live race performances were conducted at the racetrack during that period.

(df) For a Wisconsin guest track at which less than \$25,000,000 was wagered during the calendar year immediately preceding the year in which the Wisconsin guest track proposes to conduct wagering on simulcast races, at least 200 live race performances were conducted at the racetrack during that period.

(eg) For a Wisconsin guest track, Wwagering on simulcast races shall be conducted at the Wisconsin guest track only as an adjunct to, and not in a manner that will supplant, wagering on live on-track racing at that racetrack, and wagering on simulcast races shall not be the primary source of wagering revenue at that racetrack.

(fh) For a Wisconsin guest track, Fthe conduct of simulcast wagering shall not adversely affect the public health, welfare, or safety.

(2) The commission may deny or suspend approval to the Wisconsin guest track to receive simulcast races from an out-of-state host track based on the following:

(a) The out-of-state host track is not in good standing or licensed by the governing regulatory body entrusted with the oversight and licensing responsibilities of the host track.

(b) The jurisdiction from which the simulcast race originates does not have an animal drug testing program to test participating animals.

(c) Any reason which the commission determines would affect the integrity of the wagering pools, totalizator system, or pari-mutuel wagering at either the host or guest track.

(3) After obtaining commission approval to receive simulcast races from an out-of-state racetrack, any additions or deletions of race performances shall be submitted ~~for~~ to the commission for approval at least 72 hours prior to the proposed implementation of the change.

SECTION 21. WGC 24.14 is renumbered ~~WGC 24.21, and as renumbered, WGC 24.21 (intro.) is renumbered~~ WGC 24.21 (1), and amended to read:

WGC 24.21 (1) When a Wisconsin licensee is acting as a host track, in the event of a failure in the totalizator system of any component of a commingled pool network, no decision to terminate the participation of any guest track facility in the commingled pool, or to conduct a manual merge of wagering information, shall be made without prior consultation between a commission representative, the mutuel manager of the host track or designee, ~~the general manager of the host track or designee,~~ and the mutuel manager of the affected guest track facility or designee.

SECTION 22. WGC 24.14 is created to read:

WGC 24.14 DUTIES OF A WISCONSIN HOST TRACK IN CONDUCTING SIMULCAST WAGERING.

(1) The Wisconsin host track shall do all of the following:

(a) Conduct simulcast wagering via core to core or ~~machine~~ (TIM) to tote transmissions with the out-of-state guest track.

(b) Be responsible for the content of its broadcast and ~~shall~~ use all reasonable effort to present a broadcast which offers the viewers an accurate depiction of its race performance, a display of wagering information, and a continuity of programming between racing events. All equipment to be utilized in the generation, transmission, reception, or in any way affecting the audiovisual signal for which ratings are supplied shall be rated as broadcast quality by the federal communications commission.

(c) Provide all the following:

1. An uplink system or other systems or devices approved by the commission;

2. A transponder or other systems or devices approved by the commission;

3. ~~Such~~ security controls over its communication system, as approved by the commission, as are necessary to protect the security of the signals, protect the best interests of the public and to maximize revenues to the state as approved by the commission;

(d) Encrypt every audiovisual signal transmitted via satellite using a time displacement decoding algorithm encryption system which has been approved by the commission or an equivalent encryption system approved by the commission. Any method of transmitting audiovisual signals may not be used until approved by the commission.

(e) Maintain a facsimile machine utilizing an independent private telephone line located in the vicinity of the mutuel or totalizator room. Except as provided under sub. (f), any changes in the host track race performance shall be transmitted by facsimile machine by the mutuel manager. All information shall be faxed on report forms approved by the commission.

(f) Maintain a direct telephone line in the totalizator room. ~~Such~~ The direct private line telephone communication will be used to relay information during instances when facsimile transmission is not possible, or when facsimile transmission is not timely due to urgency of communication.

(g) Ensure that the primary means of transmitting wagering data ~~transmission~~ is through a dedicated digital data line or a line of sufficient speed as ~~prior~~ approved in advance by the commission. There shall be backup data lines in the event of primary line failure. ~~Such~~ The backup lines may be dial-up lines. In all ~~such~~ circumstances when a dial-up line is used as a backup method of transmission, a report shall be filed with the commission within 48 hours. ~~Such~~ The report shall contain the date and time of the occurrence, the duration, the steps that were taken to correct it, and, if known, the reason for the failure.

(h) Communicate from the host track mutuel manager to all guest track mutuel managers or their designee immediately upon receipt of the information wagering format changes or other information relative to the races or wagering thereon. Host track and guest track mutuel managers shall notify totalizator managers, the public, and commission staff where applicable upon receipt of the information.

(i) Not delay post times for purposes of accumulating wagers from guest track locations, with the exception of an emergency which requires a manual merge of wagering data as described in s. WGC 24.17 (2) (a). Post times for a race displayed at host track locations and guest track locations shall be the same, with time zones taken into consideration.

(j) Keep at least one television monitor, in a location to be approved by the commission, exclusively for reviewing the outgoing signal being sent to its guest track facilities during a simulcast performance.

(k) Issue the stop bet command at the moment the lure begins its movement.

(2) The audiovisual contractor or host track shall ensure that every audiovisual signal shall contain the following in its video content:

(a) The date;

(b) A digital display of the actual time of day;

(c) The name of the racetrack from which it emanates;

(d) The minutes to post for each race;

(e) The number of the race being displayed; ~~and~~.

(f) An indication that a race being shown is a replay of a previously run race, if it is a replay.

(3) The audiovisual contractor or host track shall, not earlier than one hour and not later than 15 minutes prior to the commencement of transmission of a race performance, perform a test program of its transmitter, encryption, decoding, data communication, or other systems or devices approved by the commission, to assure proper operation of the broadcast system. Any irregularity shall be reported within 24 hours to the commission stewards.

SECTION 23. WGC 24.15 is renumbered WGC 24.22, and ~~as renumbered, is~~ amended to read:

WGC 24.22 OFF-SITE TOTALIZATOR CLEARANCE. Any association or totalizator company engaged in intertrack or simulcast wagering that will be utilizing the equipment, services, or property of an association or totalizator company, with which it does not have a contractual arrangement for ~~such the~~ services, shall provide the commission with a written agreement which permits the association or totalizator company to utilize the equipment, services, or property. This agreement shall be between the host track, guest track and all totalizator companies providing services. This agreement shall be submitted for approval to the commission prior to the commencement of intertrack or simulcast wagering.

SECTION 24. WGC 24.15 is created to read:

WGC 24.15 DUTIES OF WISCONSIN HOST TRACK IN ACCOUNTING AND REPORTING. The Wisconsin host track shall do all of the following:

(1) For purposes of distribution of the wagering pools; breakage pools and minus pools shall be allocated pro-rata based on the percentage of winning dollars wagered at each location for each entry, pool and race, pursuant to s. 562.065 (3) (e), Stats., and s. WGC 8.07.

(2) In order to facilitate the transfer of money between host tracks and guest tracks, each host track shall perform a daily reconciliation of ~~their~~ its racing accounts and all amounts due to or from guest tracks. The frequency of transfer of monies between host tracks and guest tracks shall be as specified by contract. A weekly report of the accounts payable and receivable incurred from simulcast pari-mutuel activity shall be submitted to the commission by the host track listing the balance of the host track and all guest tracks that are commingling pools with the host track. The forms used to monitor the accounts payable and receivable for each racetrack shall be approved by the commission.

SECTION 25. WGC 24.16 is created to read:

WGC 24.16 DUTIES OF THE WISCONSIN GUEST TRACK IN SIMULCAST WAGERING. The Wisconsin guest track shall do all of the following:

(1) Conduct simulcast wagering via core to core or machine (TIM) to tote transmissions with the out-of-state host track.

(2) ~~The mutuel department shall d~~ Discontinue simulcast wagering upon the issuance of the stop bet command issued by the host track, or if the stop bet command is not received, at the time ~~the lure begins its movement~~ the greyhounds are placed in the starting box in greyhound racing, when the first horse is loaded into

the starting gate in thoroughbred racing or when the starting gate begins to move in harness racing. The locking of windows is the ultimate responsibility of the mutuel departments.

(3) When commingling, only offer pools which are the same as those offered by the host track, but the guest track is not required to offer all pools offered by the host track. Guest tracks may elect to exclude pools offered by the host track upon contractual agreement between the guest track and the host track. The host track shall also determine the minimum ticket price that is available for each pool.

(4) Cycle of frequency of the change of odds displayed on the display devices at intervals determined by the host track. An explanation shall be posted in prominent locations throughout the facility or provided in the daily race program indicating that odds and other wagering information may be delayed due to the accumulation and transfer of simulcast wagering data.

(5) In order to facilitate the transfer of money between host tracks and guest tracks, perform a daily reconciliation of its racing accounts and all amounts payable or receivable to the host track. The frequency of the transfer of monies between host tracks and guest tracks shall be as specified by contract.

(6) Ensure that tickets sold at Wisconsin guest tracks conform to the requirements of s. WGC 10.06 (7), and ~~be~~ are identified as simulcast wagers.

(7) Not earlier than one hour and not later than 15 minutes prior to the commencement of transmission of a race, perform a test program of its transmitter, encryption, decoding, or other systems or devices approved by the commission, data communication to assure proper operation of the broadcast system. Any irregularity shall be reported to the commission within 24 hours.

(8) To ensure for the cessation of wagering in accordance with sub. (2), ~~the guest track is required to~~ provide sufficient television monitors in each totalizator room at the guest track to provide key totalizator and mutuel employes a view of all animals starting in each race at any host track.

(9) Make available to its patrons a copy or facsimile of the official daily race program from each host track sending its signal to the Wisconsin guest track.

(10) Maintain a facsimile machine using an independent private telephone line located in the vicinity of the mutuel or totalizator room. ~~In the event that~~ if a manual transmission of data is necessary the facsimile machine shall be the priority method of receiving any changes in the host track's official daily race program, racing information or any wagering data.

(11) Maintain a direct telephone line located in the totalizator room. ~~Such direct private line telephone communication will be used to receive information during instances when facsimile transmission is not possible, or when facsimile transmission is not timely due to urgency of communication. Any direct private line telephone communication shall be confirmed in writing by the mutuel manager or designee within 24 hours of~~ after the end of the performance. A copy shall be provided to the commission within 24 hours.

(12) Display the same post time as the host track for all simulcast races, with time zones taken into consideration.

(13) Provide all of the following:

(a) If satellite transmission is utilized, a downlink system which does not interfere with the closed circuit television system utilized by the guest track association for patron information;

(b) ~~Such a~~ Security controls over its communication system, as approved by the commission, as are necessary to protect the security of the signals, protect the best interests of the public and ~~to~~ maximize revenues to the state as approved by the commission;

(c) One or more information windows or designated areas to address patron complaints, questions, ~~inquiries~~, and which shall contain a copy of the commission's administrative rules and rules for all out-of-state host tracks for patron review.

(14) If live on-track racing is being conducted during the same period simulcast wagering is provided, all purse payment monies generated from the simulcast wagering pools shall be paid in accordance with the identified time frame for payment as identified in s. 562.065 (3) (b) 2, Stats. ~~In the event~~ if simulcast wagering is conducted during periods when no live on-track racing is occurring, a plan for the distribution of purse monies generated from simulcast wagering pools shall be submitted to the commission for approval prior to the start of the live on-track racing.

(15) Ensure that the primary means of transmitting wagering data ~~transmission~~ is through a dedicated digital data line or a line of sufficient speed as ~~prior~~ approved in advance by the commission. There shall be

backup data lines in the event of primary line failure. ~~Such~~ The backup lines may be dial-up lines. In all ~~such~~ circumstances when a dial-up line is used as a backup method of transmission, a report shall be filed with the commission within 48 hours. ~~Such~~ The report shall contain the date and time of the occurrence, the duration, the steps that were taken to correct it, and, if known, the reason for the failure.

SECTION 26. WGC 24.17 is created to read:

WGC 24.17 SIMULCAST WAGERING - EMERGENCY PROCEDURES. The following emergency procedures are established:

(1) Prior to the commencement of wagering on the first race on a simulcast wagering program, either the audio or video signals must be present at the Wisconsin guest track in order for simulcast wagering at the Wisconsin guest track to be conducted. ~~In the event~~ If both the audio and visual signals are lost, wagering may continue only until the scheduled post time of the current race at the out-of-state host track and may not resume until either the audio or visual signal is restored. Any advance bets made, provided there has not been an accompanying data transmission failure, must be treated as valid bets and paid out accordingly. Wagers that encompass more than one race shall be unaffected by signal problems encountered in any race of the sequence other than the first.

(2) ~~In the event of~~ If there is an impairment of the ability of a totalizator to record, classify, or accumulate wagering data or to do calculations, or if wagering data is lost, the following procedures shall apply:

(a) ~~In the event~~ If the Wisconsin guest track's totalizator system fails, all money wagered on the race that was entered into the host track's pools from that guest track's totalizator system prior to the time of failure shall remain in the host track's pools only if the guest track's totalizator system is reestablished by the start of the race. If the guest track's totalizator system is not reestablished by the start of the race, ~~then~~ all money wagered on the race at that guest track shall be distributed pursuant to s. WGC 24.22~~1~~ (3). ~~In the event~~ If money wagered on the race did not enter into the host track's pools and ~~such~~ the pool data is available in the guest track's totalizator system, a manual merge with the host track's pools shall be performed.

(b) ~~In the event~~ If the host track's totalizator system fails, all wagering at the Wisconsin guest track and all transmission of data from the guest track to the host track's totalizator system shall cease until the host track system is fully operational.

1. If the host track's totalizator system becomes operational before the start of the race and wagering data is available, transmission of data from Wisconsin guest tracks and wagering shall resume at the Wisconsin guest tracks until the stop bet command is issued by the host or guest track.

2. If the host track's totalizator system is not operational before the start of the race and wagering data is lost, all wagers at all Wisconsin guest tracks on the affected races shall be refunded.

SECTION 27. WGC 24.18 is created to read:

WGC 24.18 SIMULCAST WAGERING - TICKET CASHING REQUIREMENTS AND PROCEDURES.

(1) Each Wisconsin guest track shall do all of the following:

~~(1)(a)~~ Honor ~~tickets~~ issued for simulcast wagers ~~shall be honored~~ in conformity with requirements of ch. WGC 10.

~~(2)(b)~~ Publicly display or explain in the official daily race program information regarding the amount of time patrons have to cash simulcast winning tickets at the guest track location, and the location and method of remitting winning tickets for cashing.

~~(3)(2)~~ All outstanding tickets shall be subject to the laws of the state in which they were sold and may only be redeemed in that jurisdiction.

~~(4)(3)~~ Any outstanding winning tickets on a simulcast race in which the wagers were commingled; that ~~were~~ are not claimed within 90 days after the end of the out-of-state host track's race meeting shall be paid to the commission.

SECTION 28. WGC 24.19 is created to read:

WGC 24.19 TERMINATION OF APPROVAL. Any approval issued under this chapter shall terminate if the entity approved to offer simulcast wagering is no longer licensed under s. 562.05 (1) (b), Stats. ~~In the event~~ If the holder of the license issued under s. 562.05 (1) (b), Stats., is also the holder of the license issued under s.

562.05 (1) (a), Stats., and the s. 562.05 (1) (a), Stats., license is revoked or suspended by the commission, all prior simulcast approvals shall be terminated on the effective date of the ~~disciplinary action~~ revocation or suspension.

SECTION 29. WGC 24.20 is created to read:

WGC 24.20 DURATION. Approval to offer simulcast wagering shall expire on the ~~last expiration date for which permission to~~ of a license to conduct pari-mutuel wagering licensed under s. 562.05 (1) (b), Stats., ~~has been approved by the commission.~~

SECTION 30. WGC 24.21 (2) and (3) are created to read:

WGC 24.22~~1~~ (2) Any contract for interstate common pools entered into by a Wisconsin host track shall contain a provision to the effect that if, for any reason, it becomes impossible to successfully merge the bets placed by another state into the interstate common pool formed by the Wisconsin host track, or if, for any reason, the commission's or the Wisconsin host track's representative determines that attempting to effect transfer of pool data from the guest track may endanger the host track's wagering pool, the host track shall have no liability for any measures taken which may result in the out-of-state guest track's wagers not being accepted into the pool.

(3) If, for any reason, it becomes impossible to successfully merge the bets placed into the interstate common pool, and after any required refunds provided for by s. WGC 24.12 (6), the Wisconsin guest track shall make payouts in accordance with payout prices that would have been in effect if prices for the pool of bets were calculated without regard to wagers placed elsewhere; except that, with permission of the commission, the Wisconsin guest track may alternatively determine to either pay winning tickets at the payout prices as determined at the out-of-state host track, or declare ~~such the~~ accepted bets void and make refunds in accordance with the applicable rules. The Wisconsin guest track shall notify the commission in writing prior to the commencement of simulcasting with an out-of-state host track as to their method of payout ~~in the event that if~~ their wagers ~~were~~ are denied by the out-of-state host track. The method shall also be publicly displayed at the Wisconsin guest track. Only one method shall be applicable to all simulcasts.

This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s.227.22 (2) (intro.), Stats.

Dated: 12-4-95

Agency:


F. Scott Seepaniak, Chairman