

## Chapter WGC 24

### INTERTRACK WAGERING

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**Note:** Chapter RACE 24 was renumbered chapter WGC 24 under s. 13.93 (2m) (b) 1., Stats., Register, March, 1995, No. 471.

#### Subchapter I

##### Definitions

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

**History:** Cr. Register, April, 1994, No. 460, eff. 5–1–94; emerg. am. eff. 8–25–95; am. Register, January, 1996, No. 481, eff. 2–1–96.

#### **WGC 24.02 Definitions.** In this chapter:

- (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.
- (2) “Core to core transmission” means the accumulation of wagering data in one racetrack’s totalizator system and transmission of this data directly to the totalizator system of another racetrack.
- (3) “Decoder” means a device or means, or both, to convert encrypted audiovisual signals or data, or both, into a form recognizable as the original content of the signals.
- (4) “Direct private line” means a direct, private telephone line to be used exclusively by the mutuel manager, whose duties are described in s. WGC 8.03 (2), and totalizator operator or their designees to communicate directly, and shall have no other permissible purpose.
- (5) “Downlink” means a receiving antenna coupled with an audiovisual signal receiver compatible with and capable of receiving simultaneous audiovisual signals or data, or both, emanating from a host track, and includes the electronic transfer of received signals from the receiving antenna to TV monitors within the guest track facility.
- (6) “Encryption” or “encrypted” means the scrambling or other manipulation of audiovisual signals to mask the original audio and video content of the signals and so cause such signals to be indecipherable and unrecognizable to any person receiving such signal unless the person has a decoder.
- (7) “Guest licensee” means the licensee licensed under s. 562.05 (6m), Stats., and authorized by the commission to receive a broadcast of races for the purpose of conducting pari–mutuel wagering.

(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.

(9) “Honor” means to accept a pari–mutuel ticket for the purpose of canceling, refunding, exchanging, or cashing in exchange for a payout.

(10) “Host licensee” means the licensee licensed under s. 562.05 (6m), Stats., and authorized by the commission to conduct live racing and transmit a broadcast of said races to guest tracks.

(11) “Host track” means the racetrack which is conducting live racing and is the provider of the broadcast of said races to the guest track.

(12) “Minus–pool” means the amount distributable to winners in excess of the net pool.

(13) “Racetrack” means any racetrack licensed under s. 562.05 (1) (b), Stats.

(14) “Takeout” means the percentage of the pari–mutuel pool deducted by the association which includes pari–mutuel taxes, breakage, etc., prior to distribution of the pool.

(15) “Ticket issuing machine” or “TIM” means a machine which prints hard copies of wagers.

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

(17) “TOTE” means a term of art referring to a totalizator system.

(18) “Transponder” means leased space segment time of an earth orbit communication satellite.

(19) “Uplink” means an earth station broadcasting facility, whether mobile or fixed, which is used to transmit audiovisual signals or data, or both, on federal communications commission–controlled frequencies, and includes any transfer of audiovisual signals from within a racetrack enclosure to the location of the transmitter at the uplink.

**History:** Cr. Register, April, 1994, No. 460, eff. 5–1–94; correction in (4) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; emerg. am. (1), (8) and (16), eff. 8–25–95; am. (1), (8) and (16), Register, January, 1996, No. 481, eff. 2–1–96.

#### Subchapter II

##### In-State Intertrack Wagering

**WGC 24.03 Application for intertrack wagering license and fees.** (1) An applicant for an intertrack wagering license under s. 562.05 (1) (e), Stats., shall file with the commission, at a time determined by the commission, an application in the

form and manner prescribed by the commission, and any exhibits required by the commission.

**Note:** The forms may be obtained at the commission's office at 150 E. Gilman, Room 1000, Madison WI 53703.

(2) The applicant shall submit with the application a cashier's check or certified check in the amount as set forth in sub. (3), payable to the commission, as a non-refundable application fee.

(3) The application fee for an intertrack license shall be \$2,500.00.

(4) A license fee of \$50.00 shall be assessed for each race performance on which intertrack wagering is not offered as an adjunct to a live on-track performance. There shall be no fee when intertrack wagering is offered as an adjunct to a live on-track performance. This fee shall be paid within 10 days after receipt of approval by the commission.

(5) The commission shall grant a license for intertrack wagering under s. 562.05 (1) (a) or (b), Stats., only when intertrack wagering is offered as an adjunct to, and not in a manner that will supplant wagering on live on-track racing at that racetrack, and intertrack wagering will not be the primary source of wagering revenue at that racetrack.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94.

**WGC 24.04 Duties of a host licensee in conducting intertrack wagering.** (1) The host licensee shall do all of the following:

(a) Conduct intertrack wagering via core to core or machine (TIM) to tote transmissions with the 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 racing program, 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:

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 located in the totalizator room. Except as provided under par. (f), any changes in the host track racing program 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 private line telephone in the totalizator room between each host track and guest track. Such 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. Any direct private line telephone communication shall be confirmed in writing by the mutuel manager or designee within 24 hours of the end of the program. A copy shall be provided to the commission auditor, pursuant ss. WGC 8.17 and 10.03. There shall be a recording device installed on the direct private line telephone at the host track.

(g) Ensure that the primary means of wagering data transmission is through a dedicated digital data line or a line of sufficient speed as approved by the commission. There shall be backup data lines in the event of primary line failure. Such 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 auditor within 48 hours. Such 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, commission auditors, and the public 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 24.07 (2) (a). Post times for a race displayed at host track locations and guest track locations shall be the same.

(j) Keep at least one television monitor exclusively for reviewing the signal received by its guest track facilities during an intertrack performance. Said television monitor shall be monitored in a manner which shall be established by guest track facility.

(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, 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 immediately to the commission auditor, pursuant to ss. WGC 8.17 and 10.03.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; correction in (1) (f), (i) and (3), made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; emerg. am. (2) (c), eff. 8-25-95; am. (2) (c), Register, January, 1996, No. 481, eff. 2-1-96; correction in (1) (e) made under s. 13.93 (2m) (b) 7., Stats., Register, July, 1996, No. 487.

**WGC 24.05 Duties of host licensee in accounting and reporting.** The host licensee 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 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 com-

mingling pools with the host track. The forms used to keep a running balance for each racetrack shall be approved by the commission.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; emerg. am. (2), eff. 8-25-95; am. (2), Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.06 Duties of the guest licensee in intertrack wagering.** The guest licensee shall do all of the following:

(1) Conduct intertrack wagering via core to core or machine (TIM) to tote transmissions with the host track.

(2) The totalizator operator shall discontinue intertrack wagers upon the issuance of the stop bet command issued by the host track steward, or if the stop bet command is not received, at the time the lure begins its movement. All guest tracks shall signal the cessation of wagering by sounding an off bell.

(3) Only offer pools which are the same as those offered by the host licensee, but the guest licensee is not required to offer all pools offered by the host licensee. Guest licensees may elect to exclude pools offered by the host licensee upon contractual agreement between the guest licensee and the host licensee. 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 of not more than 60 seconds. An explanation shall be provided in the racing program indicating that odds and other wagering information may be delayed due to the accumulation and transfer of intertrack 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 due to or from the host track. The frequency of the transfer of monies between host tracks and guest tracks shall be as specified by contract, but shall occur at least weekly.

(6) Ensure that tickets sold at guest tracks conform to the requirements of s. WGC 10.06 (7), and be identified as intertrack 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 immediately to the commission auditor, pursuant to ss. WGC 8.17 and 10.03.

(8) Provide sufficient television monitors in each totalizator room at the guest track to provide key totalizator employees a view of all animals starting in each race at any host track.

(9) Maintain a facsimile machine located in the totalizator room. In the event that a manual transmission of data is necessary the facsimile machine shall be the priority method of receiving any changes in the host track racing program, or any wagering data.

(10) Maintain a direct private line telephone with the host track 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 the end of the program. A copy shall be provided to the commission auditor.

(11) Display the same post time as the host track for all intertrack races.

(12) Provide:

(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 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 to address patron complaints, questions, inquiries, and which shall contain a copy of the commission's administrative rules for patron review.

(13) All monies retained by a guest track from intertrack wagering pools as purse monies shall be deposited weekly in an interest-bearing account. All proceeds from the account, including interest, shall be distributed as purses as approved by the commission.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; correction in (6) and (7) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471.

**WGC 24.07 Intertrack wagering – emergency procedures.** The following emergency procedures are established:

(1) 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 performance, wagering may continue only until the scheduled post-time of the current race at the host track. 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.

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

(b) In the event the host track's totalizator system fails, all wagering at the host track and 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 guest tracks and wagering shall resume at all racetracks until the stop bet command is issued by the host 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 racetracks on the affected races shall be refunded.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; emerg. am. (1) (intro.), (b) 1. and 2., eff. 8-25-95; am. (1), (2) (b) 1. and 2., Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.08 Intertrack wagering – ticket cashing requirements and procedures.** Each guest licensee shall do all of the following:

(1) Tickets issued for intertrack wagers shall be honored in conformity with requirements of ch. WGC 10. In addition to the specifications of that chapter, the following requirements shall apply:

(a) In core to core transmission tickets purchased at a guest track shall be cashed by the guest track only.

(2) Publicly display or explain in the 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.

(3) There may be no cancellations of wagers at any racetrack other than that where the ticket is purchased.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; correction in (1) (intro.) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; emerg. am. (2), eff. 8-25-95; am. (2), Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.09 Change of ownership.** Intertrack wagering licenses are personal in nature and may not be sold or otherwise transferred unless the commission has granted prior written approval for such a change of ownership or transfer.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94.

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

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; emerg. am. eff. 8-25-95; am. Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.10 Duration.** Intertrack wagering licenses shall expire on the last date for which permission to conduct intertrack wagering has been approved by the commission.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94.

### Subchapter III

#### Interstate Broadcasts or Simulcasting

**WGC 24.11 Interstate broadcasts – Wisconsin racetrack as host track.** The following shall apply when a Wisconsin racetrack is the host track:

(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.

(2) Wisconsin 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 host 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 Wisconsin host track. No delay may occur without informing the stewards, prior to the next race.

(4) All contracts entered into by a Wisconsin host 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.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; emerg. renum. (1) to (3) to be (2) to (4) and am., cr. (1), eff. 8-25-95; renum. (1) to (3) to be (2) to (4) and am., cr. (1), Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.12 Interstate broadcasts – commingled pools.** The following shall apply for interstate broadcasts with commingled pools:

(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.

(3) When a Wisconsin 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) Each Wisconsin guest track shall have individual contracts with each out-of-state host track and the Wisconsin guest tracks' 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 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.

(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.

(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 host and guest tracks only. Any surcharges or withholding in addition to the takeout shall only apply in the jurisdiction imposing the surcharges or withholdings.

(9) 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.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; corrections in (3) and (5) made under s. 13.93 (2m) (b) 7., Stats., Register, March, 1995, No. 471; renum. (1), (2), (3) and (6) to be (3), (4), (5) and (8) and am., r. (4) and (5), cr. (1), (2), (6), (7), (9) to (11), eff. 8-25-95; renum. (1) to (3) and (6) to be (3) to (5) and (8) and am., r. (4) and (5), cr. (1), (2), (6), (7), (9), to (11), Register, January, 1996, No. 481, eff. 2-1-96.

**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, must comply with the following:

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

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

(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.

(d) Submit a minimum simulcast fee of \$20 for each race performance received from an out-of-state host track. In the event

the regulatory costs of simulcasting incurred by the commission exceeds the assessed fee, the commission shall increase the simulcast fee equally to each association conducting simulcasting to ensure simulcast fees equal the expenses of regulating simulcasting. 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 be applicable if the guest track accepts wagers on any race of a race performance from an out-of-state host track.

(e) 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.

(f) 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.

(g) For a Wisconsin guest track, wagering 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.

(h) For a Wisconsin guest track, the 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 to the commission for approval at least 72 hours prior to the proposed implementation of the change.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; emerg. r. and recr., eff. 8-25-95; r. and recr. Register, January, 1996, No. 481, eff. 2-1-96; emerg. am. (1) (d), eff. 3-1-96; am. (1) (d), Register, August, 1996, No. 488, eff. 9-1-96.

**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 (TIM) to tote transmissions with the out-of-state guest track.

(b) Be responsible for the content of its broadcast and 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. 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 par. (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. 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 is through a dedicated digital data line or a line of sufficient speed as approved in advance by the commission. There shall be backup data lines in the event of primary line failure. The backup lines may be dial-up lines. In all 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. 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.

(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 commis-

sion, to assure proper operation of the broadcast system. Any irregularity shall be reported within 24 hours to the commission stewards.

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**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 pool, 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 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.

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**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) 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 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 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), provide sufficient television monitors in each totalizator

room at the guest track to provide key totalizator and mutuel employees 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. 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 to receive information 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 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) 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 maximize revenues to the state as approved by the commission.

(c) One or more information windows or designated areas to address patron complaints, questions, 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. 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 is through a dedicated digital data line or a line of sufficient speed as approved in advance by the commission. There shall be backup data lines in the event of primary line failure. The backup lines may be dial-up lines. In all 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. 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.

**History:** Emerg. cr. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**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. 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) 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) 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, all money wagered on the race at that guest track shall be distributed pursuant to s. WGC 24.21 (3). If money wagered on the race did not enter into the host track's pools and 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) 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.

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.18 Simulcast wagering – ticket cashing requirements and procedures.** (1) Each Wisconsin guest track shall do all of the following:

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

(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.

(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.

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

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**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. 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 revocation or suspension.

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.20 Duration.** Approval to offer simulcast wagering shall expire on the expiration date of a license to conduct pari-mutuel wagering under s. 562.05 (1) (b), Stats.

**History:** Emerg. cr. eff. 8-25-95; cr. Register, January, 1996, No. 481, eff. 2-1-96.

**WGC 24.21 Interstate broadcasts – emergency procedures.** (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, and the mutuel manager of the affected guest track facility or designee.

(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 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 if their wagers 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.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; emerg. renum. from WGC 24.14 and am. (1), eff. 8-25-95; renum. from WGC 24.14 and am. (1), Register, January, 1996, No. 481, eff. 2-1-96.

**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 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.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; emerg. renum. from WGC 24.15 and am. eff. 8-25-95; renum. from WGC 24.15 and am., Register, January, 1996, No. 481, eff. 2-1-96.