

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #4

Aug 6 12 26 PM '99

OFFICE OF THE SECRETARY OF STATE
STATE OF WEST VIRGINIA

NOTICE OF RULE MODIFICATION OF A PROPOSED RULE

AGENCY: Racing Commission TITLE NUMBER: 178

CITE AUTHORITY § 19-23-6

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 5

TITLE OF RULE BEING AMENDED: Pari-mutuel rules

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: _____

TITLE OF RULE BEING PROPOSED: _____

THE ABOVE PROPOSED LEGISLATIVE RULE, FOLLOWING REVIEW BY THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE IS HEREBY MODIFIED AS A RESULT OF REVIEW AND COMMENT BY THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE. THE ATTACHED MODIFICATIONS ARE FILED WITH THE SECRETARY OF STATE.

Lois J. DeLoach

SCANNED

AGENCY APPROVED PROPOSED
WEST VIRGINIA LEGISLATIVE RULE
DEPARTMENT OF TAX AND REVENUE
TITLE 178
SERIES 5

PARI-MUTUEL WAGERING

§178-5-1. **GENERAL.**

1.1 **Scope.** - This rule regulates all pari-mutuel wagering occurring in West Virginia.

1.2 **Authority.** - West Virginia Code §19-23-6.

1.3 **Filing Date.** -

1.4 **Effective Date.** -

1.5 **Repeal and Replace**

§178-5-2. **DEFINITIONS.** As used in this rule and unless the context clearly requires a different meaning, the following terms have the meaning ascribed in this section.

2.1. "Association" means a person or persons, partnership or corporate body licensed by the Racing Commission to conduct a meeting where horse racing or dog racing is permitted for any stake, permit or reward.

2.2. "Betting interest" means one or more horses or dogs in a pari-mutuel contest which are identified by a single program number for wagering purposes.

2.3. "Breakage" means the net pool minus payout.

2.4. "Commission" means the West Virginia Racing Commission with the authority to regulate racing and/or pari-mutuel wagering.

2.5. "Contest" means a competitive racing event on which pari-mutuel wagering is conducted.

2.6 "Contestant" means an individual participant in a contest.

2.7 "Expired Ticket" means an outstanding ticket, which was not presented, for redemption within the required time period for which

it was issued.

2.8. "Guest Association" means an association, which offers licensed pari-mutuel wagering on contests conducted by another association (the host) in either the same jurisdiction or another jurisdiction.

2.9. "Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.

2.10. "Host Association" means the association conducting a licensed pari-mutuel meeting from which authorized contests or entire performances are simulcast.

2.11. "Licensee" means an authorization by the Racing Commission to an association to conduct horse or dog racing with pari-mutuel wagering at a specified location.

2.12. "Meet" means the specified periods and dates within a racing meet during which an association is authorized by the Racing Commission to conduct racing and/or pari-mutuel wagering.

2.13 "Meeting" means the specified periods and dates each year during which an association is authorized to conduct racing and/or pari-mutuel wagering by approval of the Racing Commission.

2.14. "Minus Pool" means the amount of gross ticket sales less refundable wagers and statutory commissions.

2.15. "Outstanding Ticket" means a winning or refundable pari-mutuel ticket, which was not cashed during the performance for which it was issued; also known as "outs".

2.16. "Pari-mutuel System" means the manual, electro-mechanical, or computerized system and all software (including the totalisator, amount betting system and off-site betting equipment) that is used to record bets and transmit wagering data.

2.17. "Pari-Mutuel Wagering" means a form of wagering on the outcome of an event in which all wagers are pooled and held by an association for distribution of the total amount, less the deductions authorized by law, to holders of tickets on the winning horses or dogs.

2.18. "Patron" means a member of the public present on the grounds of a pari-mutuel association during a meeting for the purpose of wagering or to observe racing.

2.19. "Payout" means the amount of money payable to winning

wagers.

2.20. "Profit" means the net pool after deduction of the amount bet on the winners.

2.21. "Profit Split" means a division of profit amongst separate winning betting interests or winning betting combinations resulting in two or more payoff prices.

2.22 "Result" means that part of the official order of finish used to determine the pari-mutuel payout of pools for each individual contest.

2.23. "Simulcast" means the live audio and visual transmission of a contest to another location for pari-mutuel wagering purposes.

2.24. "Single Price Pool" means an equal distribution of profit to winning betting interests or winning betting combinations through a single payout price.

2.25. "Takeout" means the total amount of money, excluding breakage, withheld from each pari-mutuel pool, as authorized by statute or rule.

2.26. "Totalisator" means the system used by the association to maintain the odds, amounts wagered and winnings per race.

3.1 General

3.1.1 Each association shall conduct wagering in accordance with applicable laws and this rule. The wagering shall employ a pari-mutuel system approved by the Racing Commission. The totalisator shall be tested prior to and during the meeting as required by the Racing Commission.

3.2 Records

3.2.1. The association shall maintain records of all wagering so the Racing Commission may review the records for any contest including the opening line, subsequent odds fluctuation, the amount and at which window wagers were placed on any betting interest and such other information as may be required. The wagering records shall be retained by each association and safeguarded for a period of time specified by the Racing Commission. The Racing Commission may require that certain of these records be made available to the wagering public at the completion of each contest.

3.2.2. The association shall provide the Racing Commission with a list of the licensed individuals afforded access to pari-

mutuel records and equipment at the wagering facility.

3.3. Pari-Mutuel Tickets.

3.3.1. A pari-mutuel ticket is evidence of a contribution to the pari-mutuel pool operated by the association and is evidence of the obligation of the association to pay to the holder of the ticket such portion of the distributable amount of the pari-mutuel pool as is represented by the valid pari-mutuel ticket. The association shall cash all valid winning tickets when they are presented for payment during the course of the meeting where sold, and for a specified period after the last day of the meeting.

3.3.2. To be considered a valid pari-mutuel ticket, the ticket shall have been issued by a pari-mutuel ticket machine operated by the association and recorded as a ticket entitled to a share of the pari-mutuel pool, and contain imprinted information setting forth:

3.3.2.1. the name of the association operating the meeting;

3.3.2.2. a unique identifying number or code;

3.3.2.3. identification of the terminal at which the ticket was issued;

3.3.2.4. a designation of the performance for which the wagering transaction was issued;

3.3.2.5. the contest number for which the pool is conducted;

3.3.2.6. the type or types of wagers represented;

3.3.2.7. the number or numbers representing the betting interests for which the wager is recorded; and

3.3.2.8. the amount or amounts of the contributions to the pari-mutuel pool or pools for which the ticket is evidence.

3.3.3. No pari-mutuel ticket recorded or reported as previously paid, canceled, or non-existent shall be considered a valid pari-mutuel ticket by the association. The association may withhold payment and refuse to cash any pari-mutuel ticket considered not valid, except as provided in Subdivision 3.4.5. of this section.

3.4. Pari-Mutuel Ticket Sales

3.4.1. Pari-mutuel tickets shall not be sold by anyone

other than an association licensed to conduct pari-mutuel wagering.

3.4.2. No pari-mutuel ticket may be sold on a contest for which wagering has already been closed and no association is responsible for ticket sales entered into but not completed by issuance of a ticket before the totalisator is closed for wagering on the contest.

3.4.3. A bettor shall make a claim pertaining to a mistake on an issued ticket point of sale or prior to leaving the seller's window. No pari-mutuel tickets shall be cancelled after a patron has departed from the seller's window.

3.4.4. Payment on winning pari-mutuel wagers shall be made on the basis of the order of finish as purposely posted and declared "official". Any subsequent change in the order of finish or award of purse money as may result from a subsequent ruling by the stewards or Racing Commission shall in no way affect the pari-mutuel payout. If an error in the posted order of finish or payout figures is discovered, the official order of finish or payout prices may be corrected and an announcement concerning the change shall be made to the public.

3.4.5. The association shall not satisfy claims on lost, mutilated, or altered pari-mutuel tickets without authorization of the Racing Commission.

3.4.6. The association has no obligation to enter a wager into a betting pool if unable to do so due to equipment failure.

3.5. Advance Performance Wagering

No association shall permit wagering to begin more than one hour before scheduled post time of the first contest of a performance unless it has first obtained the authorization of the Racing Commission.

3.6. Claims for Payment from Pari-Mutuel Pool

At a designated location, a written, verified claim for payment from a pari-mutuel pool shall be accepted by the association in any case where the association has withheld payment or has refused to cash a pari-mutuel wager. The claim shall be made on a form approved by the Racing Commission, and the claimant shall make the claim under penalty of perjury. The original of the claim shall be forwarded to the Racing Commission within 48 hours.

3.6.1. In the case of a claim made for payment of a mutilated pari-mutuel ticket, which does not contain the total

imprinted elements required in Subdivision 3.3.2. of this section, the association shall make a recommendation to accompany the claim forwarded to the Racing Commission as to whether or not the mutilated ticket has sufficient elements to be positively identified as a winning ticket.

3.6.2. In the case of a claim made for payment on a pari-mutuel wager, the Racing Commission shall adjudicate the claim and may order payment on the claim from the pari-mutuel pool or by the association, or may deny the claim, or may make such other order as it may consider proper.

3.7. Payment for Errors

3.7.1. If an error occurs in the payment amounts for pari-mutuel wagers which are cashed or entitled to be cashed; and as a result of the error the pari-mutuel pool involved in the error is not correctly distributed among winning ticket holders, the following applies:

3.7.1.1. Verification is required to show that the amount of the commission, the amount in breakage, and the amount in payouts is equal to the total gross pool. If the amount of the pool is more than the amount used to calculate the payout, the underpayment shall be added to the corresponding pool of the next contest. If underpayments are discovered after the close of the meeting, the underpayment shall be held in an interest-bearing account approved by the Racing Commission until being added, together with accrued interest, to the corresponding pool of the next meet.

3.7.2. Any claim not filed with the association within 30 days, inclusive of the date on, which the underpayment was publicly announced, shall be considered waived; and the association has no further liability for the claim.

3.7.3. In the event the error results in an overpayment to winning wagers, the association is responsible for the payment.

3.8. Betting Explanation

3.8.1. A summary explanation of pari-mutuel wagering and each type of betting pool offered shall be published in the program for every wagering performance. The rules of racing relative to each type of pari-mutuel pool offered shall be prominently displayed on association grounds and available upon request through association representatives.

3.9. Display of Betting Information

3.9.1. Approximate odds for Win pool betting shall be posted on display devices within view of the wagering public and updated at intervals of not more than 90 seconds.

3.9.2. The probable payout or amounts wagered, in total and on each betting interest, for other pools may be displayed to the wagering public at intervals and in a manner approved by the Racing Commission.

3.9.3. Official results and payouts shall be displayed upon each contest being declared official.

3.10. Canceled Contests

3.10.1. If a contest is canceled or declared "no contest", refunds shall be granted on valid wagers in accordance with this rule.

3.11. Refunds

3.11.1. Notwithstanding other provisions of this rule, refunds of the entire pool shall be made on:

3.11.1.1. Win pools, Exacta pools, and first-half Double pools offered in contests in which the number of betting interests has been reduced to fewer than two (2);

3.11.1.2. Place pools, Quinella pools, Trifecta pools, first-half Quinella Double pools, first-half Twin Quinella pools, first-half Twin Trifecta pools, and first-half Tri-Superfecta pools offered in contests in which the number of betting interests has been reduced to fewer than three (3); and

3.11.1.3. Show pools, Superfecta pools, and first-half Twin Superfecta pools offered in contests in which the number of betting interests has been reduced to less than four (4).

. Authorized refunds shall be paid upon presentation and surrender of the affected pari-mutuel ticket.

3.12. Coupled Entries and Mutuel Fields

3.12.1. Contestants coupled in wagering as a coupled entry or mutuel field shall be considered part of a single betting interest for the purpose of price calculations and distribution of pools. If any contestant in a coupled entry or mutuel field is officially withdrawn or scratched, the remaining contestants in that coupled entry or mutuel field remain valid betting interests and no refunds may be granted. If all contestants within a coupled entry or mutuel field are scratched, then tickets on the betting interests shall be

refunded, notwithstanding other provisions of this rule.

3.12.2. For the purpose of price calculations only, coupled entries and mutuel fields shall be calculated as a single finisher, using the finishing position of the leading contestant in that coupled entry or mutuel field to determine order of placing. This rule applies to all circumstances, including situations involving a dead heat, except as otherwise provided by this rule.

3.13. Pools Dependent upon Betting Interests

3.13.1. Unless the Racing Commission otherwise provides, at the time the pools are opened for wagering, the association:

3.13.1.1. may offer win, place, and show wagering on all contests with six (6) or more betting interests;

3.13.1.2. may prohibit show wagering on any contest with five (5) or fewer betting interests scheduled to start;

3.13.1.3. may prohibit place wagering on any contest with four (4) or fewer betting interests scheduled to start;

3.13.1.4. may prohibit Quinella wagering on any contest with three (3) or fewer betting interests scheduled to start;

3.13.1.5. may prohibit Quinella Double wagering on any contests with three (3) or fewer betting interests scheduled to start.;

3.13.1.6. may prohibit Exacta wagering on any contest with three (3) or fewer betting interests scheduled to start;

3.13.1.7. may prohibit Trifecta wagering on any contest with seven (7) or fewer betting interests scheduled to start;

3.13.1.8. may prohibit Superfecta wagering on any contest with seven (7) or fewer betting interests scheduled to start;

3.13.1.9. may prohibit Twin Quinella wagering on any contests with three (3) or fewer betting interests scheduled to start;

3.13.1.10. may prohibit Twin Trifecta wagering on any contests with seven (7) or fewer betting interests scheduled to start;

3.13.1.11. may prohibit Tri-Superfecta wagering on any contests with of seven (7) or fewer betting interests scheduled

to start; and

3.13.1.12. may prohibit Twin Superfecta wagering on any contests with seven (7) or fewer betting interests scheduled to start.

3.14. Prior Approval Required For Betting Pools

3.14.1. An association that desires to offer new forms of wagering shall apply in writing to the Racing Commission and receive written approval prior to implementing the new betting pool.

3.14.2. The association may suspend previously approved forms for wagering with the prior approval of the Racing Commission. Any carryover shall be held until the suspended form of wagering is reinstated. An association may request approval of a form of wagering or separate wagering pool for specific performances.

3.15. Closing of Wagering in a Contest

3.15.1. A Racing Commission representative shall close wagering for each contest after which time no pari-mutuel tickets shall be sold for that contest.

3.15.2. The association shall maintain, in good order, a system approved by the Racing Commission for closing wagering.

3.16. Complaints Pertaining to Pari-Mutuel Operations

3.16.1. When a patron makes a complaint regarding the pari-mutuel department to an association, the association shall immediately issue a complaint report, setting out:

3.16.1.1. the name of the complainant;

3.16.1.2. the nature of the complaint;

3.16.1.3. the name of the persons, if any, against whom the complaint was made;

3.16.1.4. the date of the complaint; and

3.16.1.5. the action taken or proposed to be taken, if any, by the association.

3.16.2. The association shall submit every complaint report to the Racing Commission within 48 hours after the complaint was made.

3.17. Licensed Employees

3.17.1. All licensees shall report any known irregularities or wrong doings by any person involving pari-mutuel wagering immediately to the Racing Commission and cooperate in subsequent investigations.

3.18. Unrestricted Access

3.18.1. The association shall permit the Racing Commission unrestricted access at all times to its facilities and equipment and to all books, ledgers, accounts, documents and records of the association that relate to pari-mutuel wagering.

3.19. Emergency Situations

3.19.1. In the event of an emergency in connection with the pari-mutuel department not covered in this rule, the pari-mutuel manager representing the association shall report the problem to the stewards and the association and the stewards shall render a full report to the Racing Commission within 48 hours.

§178-5-4. Totalisator System

4.1. The West Virginia Racing Commission shall license an association to hold a race meet only after a totalisator system and personnel approved by the Racing Commission, have been installed and employed to process the pari-mutuel wagering. The totalisator board's data shall cycle at least once every sixty (60) seconds.

4.1.1. All totalisator operators shall inform the Racing Commission of planned totalisator program modifications by completing the formal modification form which is supplied by the Racing Commission and sending the form to the Racing Commission at least two (2) weeks in advance of performing a software modification or change. In emergency situations, where programs are modified in response to operational problems, the form shall be prepared and forwarded to the Racing Commission immediately after the modification has been made. This form, too, is applicable when an association plans or makes hardware or peripheral equipment changes.

Totalisator operators shall undertake appropriate procedures in the presence of Racing Commission and association personnel to test software modifications and make available to the Racing Commission, upon request, documentation of testing procedures and results including production of all affected reports. The Racing Commission reserves the right to review the test procedures and results prior to

installation of a new version of a totalisator system within the State, upon the modification of existing systems or at any other time or under any other circumstances desired.

4.1.2. All totalisator operators shall provide the Racing Commission with a list of representatives authorized to have access to the totalisator room.

4.1.3. All totalisator operators shall maintain, in conjunction with the association, a control log of keys and access cards to the totalisator room and detail to whom the keys or access cards are assigned. When a person possessing a key or access card to the totalisator room is no longer employed, the key or access card shall be surrendered. All keys and access cards providing entry to the totalisator room shall be non-duplicable.

4.1.4. The associations shall submit to the Racing Commission for prior approval a list of all persons and their duties who are to have access to the totalisator room. Racing Commission employees shall be included among the authorized persons.

4.1.5. Associations shall maintain appropriate facilities and enforce adequate procedures to insure the security of paper stock used for producing mutuel tickets. Specifically, locked storage facilities shall be maintained for all ticket paper storage.

4.1.6. All totalisator systems shall maintain at least two (2) independent sets of pool totals for comparison. In the event that a difference in final pool totals is encountered and it cannot be ascertained which pool is correct, the higher pool total shall be used in all calculations, including pay-out, commissions, etc. Any waiver provided to this subdivision shall be considered only after a written request is made by the totalisator company to the Racing Commission detailing all the facts and circumstances for exemption of this subdivision. In any event, final approval and/or disapproval rest with the Racing Commission in granting or not granting a waiver.

4.1.7. The sell/cash totalisator system shall have the capability to produce, upon request of the Racing Commission, a listing of the daily cashed tickets and "outs" tickets cashed by a seller-cashier, sorted by unique ticket number or time of cashing for each performance.

4.1.7.1. The association, upon request of the Racing Commission, shall produce by the unique ticket number:

4.1.7.1.a. the corresponding daily cashed ticket requested by the Racing Commission; and

4.1.7.1.b. the corresponding cashed "outs" ticket requested by the Racing Commission.

4.1.7.2. issued tickets may be canceled only under the following conditions:

4.1.7.2.a. Where there was an error on the part of the seller or when a patron claims that a ticket issued was not the one requested and the claim is made before the patron leaves the seller's window or subsequently when the claim is approved by the association mutuel manager or his or her designee;

4.1.7.2.b. The ticket issuing machine has not been locked by issue of the "stop betting" command; and

4.1.7.2.c. The race for which the ticket was purchased has not officially started.

4.1.8. The seller-cashier shall retain and account for all cashed, refunded and cancelled tickets. These cashed, refunded and cancelled tickets shall be retained by the association for a period of three (3) years from the date of filing of the outs ledger at the end of the ninety (90) days outs period with the Racing Commission or until all audit tests have been completed and a letter from the Racing Commission has been issued allowing for their disposal, whichever occurs first. The retention period for cashed, refunded and cancelled tickets is also applicable to used computer printouts as well as all other hard copy information described in this rule as well as any other data generated by the computers and terminals that are related directly or indirectly to the pari-mutuel process.

4.1.8.1. In the event a cashed ticket cannot be produced by the association prior to the date when disposal of the ticket is allowed, then the association shall pay to the Racing Commission the money equal to the amount of the ticket's winnings. The Racing Commission shall treat the payment as if it were money represented by the unclaimed, uncashed or abandoned ticket pursuant to the West Virginia Code §19-23-13.

4.1.8.2. The association must present to the Racing Commission's auditor of pari-mutuels all manually cashed and manually cancelled pari-mutuel tickets for inspection upon request. The associations's failure to produce a manually cashed and manually cancelled pari-mutuel ticket shall result in the association providing the monetary value of the pari-mutuel ticket to the Racing Commission.

4.1.9. Usage and storage of modem

4.1.9.1. The modem shall be secured in a locked cabinet under the dual control of representatives of the Totalisator Company and the association.

4.1.9.2. An unpublished telephone line shall also be obtained for the exclusive use of modem sessions and the number shall be changed on a periodic basis. The timing, frequency and changing of the numbers are at the sole discretion and direction of the Racing Commission.

4.1.10. Physical security of the computer room:

4.1.10.1. A fire extinguisher specifically designed for electronic data processing equipment shall be installed at various key locations;

4.1.10.2. Glass windows permitting public viewing of computer room operations shall be composed of shatterproof glass; and

4.1.10.3. Backup tapes for production data and program files shall be stored in a protected area that is fireproof and secure.

4.1.11. Maintenance of emergency electrical generator

4.1.11.1. The association shall start and test weekly the back-up electrical generator to ascertain its reliability in the event of a power failure.

4.1.11.2. The testing shall be logged in a record to be maintained by the association and to be made available to the Racing Commission upon request.

4.2. Each racing association shall in all cases of pari-mutuel pool distribute not less than two dollars and twenty cents (\$2.20) on each winning two dollar (\$2.00) wager.

4.3. If more than five (5) separate interests are declared official starters by the board of stewards, there shall be win, place and show wagering in the pari-mutuels. If more than four (4) separate interests are declared official starters by the board of stewards, there shall be at least win and place wagering in the pari-mutuels.

4.4. An immediate distribution by the association of all pari-mutuel pools shall be made upon the posting of the "official sign" for each race. Any subsequent change in the order of finish after the posting of the "official sign" shall not affect the association's posted pay-off prices.

4.5. Two contestants entered in a race that is owned by one person and/or under the care of the same trainer shall be coupled as an "Entry" or if more than two contestants shall be grouped as a "field". A pari-mutuel wager on any one of the contestants in the coupled entry or field is considered wagering on the entire coupled entry or field. There shall be no refunds when at least one contestant remains entered in a race and are owned by one person and/or under the care of the same trainer, then the contestant in the coupled entry or field when others in the coupled entry or field are scratched or excused from the race.

4.6. The association shall make refunds to the patrons when thoroughbreds are scratched prior to being locked in the gate. If the scratched number of thoroughbreds results in an insufficient number of required thoroughbreds for show or place betting, then entire refunds shall be made of the show or place pools.

4.7. If any contestant is excused by the stewards after the horses have left the paddock for the post, the money bet on any excused contestants shall be deducted from the pool and refunded to the purchaser or purchasers of tickets on the excused contestants: Provided, That after the start, there shall be no refund.

4.8. All payments to holders of tickets entitled to share in the distribution of the respective pools shall be in proportion to their investment in the contestants sharing in the distribution from these pools; reference to payments out of pools, meaning the distributable portion thereof; but refunds, when made, include all the money in the pool or pools to which they apply.

4.9. The association shall add any underpayment to the patrons when there is an error in calculation to the comparable pool in a succeeding race. The association's share shall be charged for any overpayment when there is an error in a calculation.

4.10. No association shall recognize either during the course of a race meeting or thereafter, any claim on pari-mutuel tickets unless a valid pari-mutuel ticket is presented. To be considered a valid pari-mutuel ticket the ticket should have been issued by a pari-mutuel ticket machine operated by the association and recorded as a ticket entitled to a share of the pari-mutuel pool and contain imprinted information as to:

- 4.10.1. The name of the association operating the meeting;
- 4.10.2. The date of the wagering transaction;
- 4.10.3. A unique identifying number of code;

4.10.4. The race number for which the pool is conducted;

4.10.5. The type or types of wager represented;

4.10.6. The number or numbers representing the wagering interests for which the wager is recorded; and

4.10.7. The amount or amounts of the contributions to the pari-mutuel pool for which the ticket is evidence;

4.11. The association may pay no mutilated ticket if the unique identifying number or code is missing. No pari-mutuel ticket recorded or reported as previously paid, canceled or non-existent shall be considered a valid pari-mutuel ticket by the association.

4.12. If two (2) contestants run a dead heat for first place, the money in the "Straight" mutuel pool is divided the same as in the "Place" pool calculation.

4.13. If two (2) contestants run a dead heat for second place, the division is as follows: The winner of the race receives his or her full share of one half of the "Place" money, and the two (2) dead heaters receive one-half each of the balance or one-fourth each of the whole.

4.14. If a contestant runs second upon which no "place" ticket has been sold, all the "place" pool is apportioned to the "place" tickets sold on the contestant that finished first, there being only one (1) participating ticket and not two (2) as usual, the calculation being the same as in a "straight" pool.

4.15. If a contestant finishes third upon which no "show" ticket has been sold, all of the "show" pool is divided between the "show" tickets sold on the contestants that finished first and second, there being but two (2) participating tickets and not three (3) as usual, the calculation being the same as in the "place" pool.

4.16. If only one (1) contestant finished in a race, all money in the "place" and "show" pools goes to the holders of "place" and "show" tickets on this one (1) contestant, the money being distributed as in a "straight" pool. If only two (2) contestants finish in a race, all money in the "show" pool goes to the holders of "show" tickets on these two (2) contestants, the money being distributed as in a "place" pool.

4.17. All moneys shall be refunded when no contestant finishes the race.

4.18. The state steward shall close and lock all mutuel

machines at the scheduled post time as shown on the field mutuel board.

4.19. Each association shall maintain a suitable electric apparatus for locking the totalisator windows. It shall be operated from the steward's stand by one (1) of the stewards designated for this duty.

4.20. While the betting is in progress, there shall be frequent posting of the approximate odds on the contestants taking part in the race, "entries" being listed on the odds board as one (1) contestant, and, likewise, the "field" when either or both are a part of the race.

4.21. A suitable apparatus shall be provided whereby notice is given to the mutuel department: (1) that the contestants that are to run are on the track after leaving the paddock; (2) that they are parading; (3) that the lead contestant has just reached the starting gate; and (4) that the contestants are off.

4.22. Totalisator adjustments shall be summarized at the close of each meeting, and, if the net result is a credit to the company operating the totalisator, then the auditor of pari-mutuels shall obtain a check from the company for the amount of the net credit, made payable to the West Virginia Racing Commission, which the Racing Commission shall deposit with the State Treasurer.

4.23. Daily double rules are as follows

4.23.1. The daily double is not a parlay and has no connections with or relation to the mutuel betting. All tickets on the daily double shall be calculated in an entirely separate pool. All tickets shall be to win (straight) only. No "entry" or "field" shall be permitted in any race involved in the daily double.

4.23.2. If no ticket is sold combining the two (2) winners, the daily double pool then shall be apportioned equally between those having tickets, including the winner in the first race, and those having tickets, including the winner in the second race, in the same manner in which a "place" pool is calculated and distributed.

4.23.3. If no ticket is sold including the winner of the first race, the entire pool shall be paid to holders of tickets, which include the winner of the second race of the daily double.

4.23.4. Likewise, if no ticket is sold including the winner of the second race, then the entire pool shall be paid to holders of tickets which include the winner of the first race of the daily

double.

4.23.5. If no ticket is sold including the winner of either race, then the pool shall be paid to the holders of tickets which include the contestants finishing second in the two (2) races of the daily double.

4.23.6. If no ticket is sold which would require distribution of the daily double pool, the association shall make a complete and full refund of the pool.

4.23.7. The association shall make a full and complete refund of the daily double pool when the first race of the daily double is canceled or declared "No Race". The association shall distribute to the holders of the daily double tickets having the winner of the first half of the daily double pool in the same manner as the straight pool of the first half is distributed when the second half of the daily double is canceled or declared "No Race".

4.23.8. The association shall pay a consolation pay-off to the holders of the daily double first half winners when a contestant that is their selection for the second half is scratched in the second half of the daily double.

4.23.8.1. The consolation pay-off referred to in section 4.23.8 of this subsection shall be calculated as follows: divide the total number of pari-mutuel tickets that contain the winner of the first half of the daily double with the scratched contestant of the second half of the daily double into the net daily double pool with the result being the consolation pay-off. The entire consolation pay-off shall be deducted from the net daily double pool. The remaining pool is the new pool for the daily double.

4.23.9. If the holder of tickets loses the first race of the daily double and the contestant is scratched in the second race, no money shall be refunded.

4.23.10. Before the running of the second half of the daily double, the pay off prices of each combination coupled with the first winner shall be prominently posted, unless the first race of the daily double has resulted in a dead heat in which case the prices shall not be posted and an announcement to this effect shall be made over the loud speaker.

4.24. No association holding a race meeting under a license issued by the West Virginia Racing Commission shall permit bets to be made on the grounds of the association on any race run outside of the grounds and no foreign book or gambling device of any kind is be

permitted on the grounds.

4.25. The rules for pari-mutuel betting specified by the Racing Commission shall be printed in the daily racing programs sold to the public within the premises of racing association.

§178-5-5. ACCOUNT WAGERING

5.1. General

The association may offer a system of account wagering to its patrons whereby wagers are debited and payouts credited to a sum of money, deposited in an account by the patron, that is held by the association. The association shall notify the patron, at the time of opening the account, of any rules the association has made concerning deposits, withdrawals, average daily balance, user fees, interest payments and any other aspect of the operation of the account. The association shall notify the patron whenever the rules governing the account are changed, the notification occurring before the new rules are applied to the account and including the opportunity for the patron to close or cash-in the account. The patron shall be considered to have accepted the rules of account operation upon opening or not closing the account. The association shall request authorization from the Racing Commission before a system of account wagering is offered.

5.2. Account Opening

5.2.1. The association may offer to open for its patrons:

5.2.1.1. Short-term accounts that are operational only for the performance during which they were opened and only at the site where they were opened, whereby wagers are placed by the account holder at a self-service terminal;

5.2.1.2. Long-term accounts that are operational for any performance offered by the association, whereby wagers are placed by the account holder at a self-service terminal or by telephone; and

5.2.1.3. Voucher accounts that are operational for any performance offered by the association, whereby wagers are placed by the account holder at any ticket issuing terminal operated by the association. The patron may choose to credit winning payouts in cash and may choose to close or cash-in the account at any time.

5.3. Refusals

5.3.1. The association may reserve the right at any time to

refuse to open an account, to accept a wager, or to accept a deposit.

5.4. Patron Information

5.4.1. Each short-term or long-term account holder shall provide any personal information required by the association and the Racing Commission, including an address to which communications are to be delivered. The association shall provide, for each short-term or long-term account holder, a confidential account number and password to be used by the patron to confirm validity of every account transaction.

5.5. Deposits

5.5.1. Deposits may be made in cash or by check. If the deposit is by check, the proceeds of the check may first need banker's clearance. Holding periods shall be determined by the association and advised to the account holder. A receipt for the deposit shall be issued to the account holder, but does not need to reflect the current account balance.

5.6. Sufficient Account Balance

5.6.1. Each account holder shall be considered to be aware of the status of that account at all times. Wagers shall not be accepted which would exceed the available balance of that account. Any account not updated when a transaction is completed shall be inoperable until the transaction is posted and the account balance updated.

5.7. Account Credits

5.7.1. When an account is entitled to a payout or refund, the monies shall be credited to the respective accounts, thus increasing the credit balance. It is the responsibility of the account holder to verify proper credits and, if in doubt, notify the association within the agreed upon time frame for consideration. Unresolved disputes may be forwarded to the Racing Commission by the association or the account holder. The Racing Commission shall consider no claim unless it is submitted in writing and accompanied by supporting evidence.

5.8. Account Operation

5.8.1. The association shall maintain complete records of every deposit, withdrawal, wager and winning payout for each short- and long-term account. Voucher accounts shall be recorded in a manner similar to a ticket. These records shall be made available to the Racing Commission upon request.

5.8.2. For wagers made for an account by telephone, the association shall make a voice recording of the entire transaction and shall not accept any wager if the voice recording system is inoperable.

5.8.3. Any account wagering system shall provide for the account holder's review and finalization of a wager before the association accepts it. Neither the account holder nor the association shall change a wager after the account holder has reviewed and finalized the wager. In the case of a wager made by telephone, the voice recording of the transaction shall be considered to be the actual wager, regardless of what was recorded by the pari-mutuel system.

5.9. Account Closure

5.9.1. The association may close any account when the holder of the account attempts to operate with an insufficient balance or when the account is dormant for a period approved by the Racing Commission. In either case, the association shall refund the remaining balance of the account.

§178-5-6. Simulcast Wagering

6.1. Duties of Simulcast Host

6.1.1. Every host association simulcasting its performance, if requested, may contract with an authorized receiver for the purpose of providing authorized users its simulcast.

6.1.2. A host association is responsible for the content of the simulcast and shall use all reasonable effort to present a simulcast, which offers the viewers an exemplary depiction of each performance.

6.1.3. Unless otherwise permitted by the Racing Commission, every simulcast shall contain in its video content a digital display of actual time of day, the name of the host facility from where it emanates, the number of the contest being displayed, and any other relevant information available to patrons at the host facility.

6.1.4. The host association shall maintain those security controls, including encryption over its uplink, and communications systems directed or approved by the Racing Commission.

6.2. Duties of Authorized Receiver

6.2.1. An authorized receiver conducts and operates a pari-mutuel wagering system on the results of contests being held or conducted and simulcast from the enclosures of one or more host associations and with the approval of the Racing Commission.

6.2.2. An authorized receiver shall provide:

6.2.2.1. Adequate transmitting and receiving equipment of acceptable broadcast quality, which shall not interfere with the closed circuit TV system of the host association for providing any host facility patron information;

6.2.2.2. Pari-mutuel terminals, pari-mutuel odds displays, modems and switching units enabling pari-mutuel data transmissions, and data communications between the host and guest associations; and

6.2.2.3. A voice communication system between each guest association and the host association provides timely voice contact among the Commission designees, placing judges and pari-mutuel departments.

6.2.3. The guest association and all authorized receivers shall conduct pari-mutuel wagering pursuant to the applicable Commission rules.

6.2.4. The Racing Commission may appoint at least one designee to supervise all approved simulcast facilities and may require additional designees as is reasonably necessary for the protection of the public interest.

6.2.5. Not less than 30 minutes prior to the commencement of transmission of the performance of pari-mutuel contests for each day or night, the guest association shall initiate a test program of its transmitter, encryption and decoding, and data communication to assure proper operation of the system.

6.2.6. The guest association shall, in conjunction with the host association or associations for which it operates pari-mutuel wagering, provide the Racing Commission with a certified report of its pari-mutuel operations as directed by the Racing Commission.

6.2.7. Every authorized receiver shall file with the Racing Commission an annual report of its simulcast operations and an audited financial statement.

§178-5-7. INTERSTATE COMMON POOL WAGERING

7. 1. General

7.1.1. The Racing Commission shall approve all contracts pertaining to participation when pools are commingled intrastate and interstate.

7.1.2. Individual wagering transactions are made at the point of sale in the state where placed. Pari-mutuel pools are combined for computing odds and calculating payouts and breakage, but shall be held separate for auditing and all other purposes.

7.1.3. Any surcharges or withholdings in addition to the takeout shall only be applied in the jurisdiction otherwise imposing the surcharges or withholdings.

7.1.4. In determining whether to approve an interstate common pool which does not include the host track or which includes contests from more than one association, the shall consider and may approve use of a bet type which is not utilized at the host track, application of a takeout rate not in effect at the host track, or other factors which are presented to the Racing Commission.

7.1.5. The content and format of the visual display of racing and wagering information at facilities in other jurisdictions where wagering is permitted in the interstate common pool need not be identical to the similar information permitted or required to be displayed under this rule.

7.2. Guest State Participation in Interstate Common Pools

7.2.1. With the prior approval of the Racing Commission, pari-mutuel wagering pools may be combined with corresponding wagering pools in the host state, or with corresponding pools established by one or more other jurisdictions.

7.2.2. The Racing Commission may permit adjustment of the takeout from the pari-mutuel pool so that the takeout rate in this jurisdiction is identical to that at the host track, or identical to that of other jurisdictions participating in a merged pool.

7.2.3. Where takeout rates in the merged pool are not identical, the net price calculation shall be the method by which the differing takeout rates are applied.

7.2.4. Rules established in the state of the host association designated for a pari-mutuel pool apply.

7.2.5. The Racing Commission shall approve agreements made

between the association and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.

7.2.6. If, for any reason, it becomes impossible to successfully merge the bets placed into the interstate common pool, the association 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. However, with permission of the Racing Commission, the association may alternatively determine to either pay winning tickets at the payout prices at the host track, or declare the accepted bets void and make refunds in accordance with the applicable rules.

7.3. Host State Participation in Merged Pools

7.3.1. With the prior approval of the Racing Commission, an association licensed to conduct pari-mutuel wagering may determine that one or more of its contests may be utilized for pari-mutuel wagering at guest facilities in other states, and may also determine that pari-mutuel pools in guest states be combined with corresponding wagering pools established by it as the host track or comparable wagering pools established by two or more states.

7.3.2. Where takeout rates in the merged pool are not identical, the net price calculation shall be the method by which the differing takeout rates are applied.

7.3.3. Unless the Racing Commission has specifically determined that the rules of racing established for races held in this state also apply to interstate common pools.

7.3.4. The Racing Commission shall approve agreements made between the association and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.

7.3.5. Any contract for interstate common pools entered into by the association shall contain a provision to the effect that if, for any reason, it becomes impossible to successfully merge the bets placed in another state into the interstate common pool formed by the association, or if, for any reason, the Racing Commission's or the association's representative determines that attempting to effect transfer of pool data from the guest state may endanger the association's wagering pool, the association has no liability for any measures taken which may result in the guest's wagers not being accepted into the pool.

7.4. Takeout Rates in Interstate Common Pools

7.4.1. With the prior approval of the Racing Commission, an association wishing to participate in an interstate common pool may change its takeout rate (within the limits permitted by state law) so as to achieve a common takeout rate with all other participants in the interstate common pool.

7.4.2. An association wishing to participate in an interstate common pool may request that the Racing Commission approve a methodology whereby host and guest states with different takeout rates for corresponding pari-mutuel pools may effectively and equitably combine wagers from the different states into an interstate common pool.

§178-8.1. Calculation of Payoffs

8.1. General

8.1.1. All permitted pari-mutuel wagering pools shall be separately and independently calculated and distributed. Takeout shall be deducted from each gross pool as stipulated by law. The remainder of the monies in the pool constitutes the net pool for distribution as payout on winning wagers.

8.1.2. For each wagering pool, the amount wagered on the winning betting interest or betting combinations shall be deducted from the net pool to determine the profit. The profit shall be then divided by the amount wagered on the winning betting interest or combinations, the quotient is the profit per dollar.

8.1.3. Either the standard or net price calculation procedure may be used to calculate single commission pools, while the net price calculation procedure shall be used to calculate multi-commission pools.

8.1.3.1 Standard Price Calculation Procedure

SINGLE PRICE POOL (WIN POOL)

gross pool	=sum of wagers on all betting interests - refunds
takeout	=gross pool x percent takeout
net pool	=gross pool - takeout
profit	=net pool - gross amount bet on winner
profit per dollar	=profit / gross amount bet on winner
\$1 unbroken price	=profit per dollar + \$1
\$1 broken price	=\$1 unbroken price rounded down to the break
point	
total payout	=\$1 broken price x gross amount bet on winner

total breakage =net pool-total payout

PROFIT SPLIT (PLACE POOL)

Profit is net pool less gross amount bet on all place finishers. Finishers split the profit 1/2 and 1/2 (place profit), divided by gross amount bet on each place finisher for two unique prices.

PROFIT SPLIT (SHOW POOL)

Profit is net pool less gross amount bet on all show finishers. Finishers split the profit 1/3 and 1/2 (place profit), divided by gross amount bet on each show finisher for three unique prices.

8.1.3.2 Net Price Calculation Procedure

SINGLE PRICE POOL (WIN POOL)

gross pool =sum of wagers on all betting interests - refunds
takeout =gross pool x percent takeout for each source
net pool =gross pool - takeout
net bet on winner =gross amount bet on winner x (1 - percent takeout)
total net pool =sum of all sources net pools
total net bet on winner =sum of all sources net bet on winner
total profit =total net pool - total net bet on winner
profit per dollar =total profit / total net bet on winner
\$1 unbroken base price =profit per dollar + \$1
* for each source:
\$1 unbroken price =\$1 unbroken base price x (1 - percent takeout)
\$1 broken price =\$1 unbroken price rounded down to the break point
total payout =\$1 broken price x gross amount bet on winner
total breakage =net pool - total payout

PROFIT SPLIT (PLACE POOL)

Total profit is the total net pool less the total net amount bet on all place finishers. Finishers split the total profit 1/2 and 1/2 (place profit), divided by total net amount bet on each place finisher for two unique unbroken base prices.

PROFIT SPLIT (SHOW POOL)

Total profit is the total net pool less the total net amount bet on all show finishers. Finishers split the total profit 1/3 and 1/3 and 1/3 (show profit), divided by total net amount bet on each show

finisher for three unique unbroken base prices.

8.1.4. If a profit split results in only one covered winning betting interest or combinations it shall be calculated the same as a single price pool.

8.1.5. The Racing Commission shall establish minimum payouts and the method used for calculating breakage.

8.1.6. The individual pools outlined in this rule may be given alternative names by each association, provided prior approval is obtained from the Racing Commission.

8.2. Win Pools

8.2.1. The amount wagered on the betting interest, which finishes first, is deducted from the net pool and the balance remaining is the profit. The profit is divided by the amount wagered on the betting interest finishing first, and the quotient is the profit per dollar wagered to Win on that betting interest.

8.2.2. The net Win pool shall be distributed as a single price pool to winning wagers in the following precedence, based upon the official order of finish:

8.2.2.1. To those whose selection finished first; but if there are no such wagers, then

8.2.2.2. To those whose selection finished second; but if there are no such wagers, then

8.2.2.3. To those whose selection finished third; but if there are no such wagers, then

8.2.2.4. The entire pool shall be refunded on Win wagers for that contest.

8.2.3. If there is a dead heat for first involving:

8.2.3.1. Contestants representing the same betting interest, the Win pool shall be distributed as if no dead heat occurred; or

8.2.3.2. Contestants representing two or more betting interest, the Win pool shall be distributed as a profit split.

EXAMPLE: WIN POOL (Standard Price Calculation)

Sum of Wagers on All Betting Interests = \$194,230.00

Refunds =		\$ 1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds =	\$192,913.00	
Percent Takeout =	18%	
Takeout:		
Gross Pool x Percent Takeout =		\$ 34,724.34
Net Pool:		
Gross Pool -Takeout =		\$158,188.66
Gross Amount Bet on Winner =		\$ 23,872.00
Profit:		
Net Pool - Gross Amount Bet on Winner =		\$134,316.66
Profit Per Dollar:		
Profit / Gross Amount Bet on Winner =		\$ 5.6265357
\$1 Unbroken Price:		
Profit Per Dollar + \$1 =		\$ 6.6265357

8.3. Place Pools

8.3.1. The amounts wagered to Place on the first two betting interests to finish shall be deducted from the net pool and balance remaining is the profit. The profit is divided into two equal portions, with one assigned to each winning betting interest and divided by the amount wagered to Place on that betting interest. The resulting quotient is the profit per dollar wagered to Place on that betting interest.

8.3.2. The net Place pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.3.2.1. If contestants of a coupled entry or mutuel field finished in the first two places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise

8.3.2.2. As a profit split to those whose selection is included within the first two finishers; but if there are no such wagers on one of those two finishers, then

8.3.2.3. As a single price pool to those who selected the one covered betting interest included within the first two finishers; but if there are no such wagers, then

8.3.2.4. As a single price pool to those who selected the third-place finisher; but if there are no such wagers, then

8.3.2.5. The entire pool shall be refunded on Place wagers for that contest.

8.3.3. If there is a dead heat for first involving:

8.3.3.1. Contestants representing the same betting interest, the Place pool shall be distributed as a single price pool; or

8.3.3.2. Contestants representing two or more betting interests, the Place pool shall be distributed as a profit split.

8.3.4. If there is a dead heat for second involving:

8.3.4.1. Contestants representing the same betting interest, the Place pool shall be distributed as if no dead heat occurred; or

8.3.4.2. Contestants representing two or more betting interests, the Place pool shall be divided with one half (1/2) of the profit distributed to Place wagers on the betting interest finishing first and the remainder shall be distributed equally amongst Place wagers on those betting interests involved in the dead heat for second.

**Table 2: PLACE POOL
(Standard Price Calculation)**

Sum of Wagers on All Betting Interests =	
\$194,230.00	
Refunds =	\$ 1,317.00
Gross Pool:	
Sum of Wagers on All Betting Interests - Refunds =	\$192,913.00
Percent Takeout =	18%
Takeout:	
Gross Pool x Percent Takeout =	\$ 34,724.34
Net Pool:	
Gross Pool -Takeout =	\$158,188.66
Gross Amount Bet on 1st place finisher =	\$ 23,872.00
Gross amount Bet on 2nd place finisher =	\$ 12,500.00

Profit:

Net Pool - Gross Amount Bet on 1st place finisher
- Gross Amount Bet on 2nd place finisher = \$121,816.66

Place Profit:

Profit / 2 = \$ 60,908.33

Profit Per Dollar for 1st place:

Place Profit / Gross Amount Bet on 1st place finisher = \$ 2.5514548

\$1 Unbroken Price for 1st place:

Profit Per Dollar for 1st place + \$1 = \$ 3.5514548

Profit Per Dollar for 2nd place:

Place Profit / Gross Amount Bet on 2nd place finisher = \$ 4.8726664

\$1 Unbroken Price for 2nd place:

Profit Per Dollar for 2nd place + \$1 = \$ 5.8726664

8.4. Show Pools

8.4.1. The amounts wagered to Show on the first three betting interests to finish shall be deducted from the net pool and the balance remaining is the profit. The profit is divided into three equal portions, with one assigned to each winning betting interest and divided by the amount wagered to Show on that betting interest. The resulting quotient is the profit per dollar wagered to Show on that betting interest.

8.4.2. The net Show pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.4.2.1. If contestants of a coupled entry or mutuel field finished in the first three places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise

8.4.2.2. If contestants of a coupled entry or mutuel field finished as two of the first three finishers, the profit shall be divided with two-thirds (2/3) distributed to those who selected the coupled entry or mutuel field and one-third (1/3) distributed to those who selected the other betting interest included within the first three finishers; otherwise

8.4.2.3. As a profit split to those whose selection is included within the first three finishers; but if there are no such wagers on one of those three finishers, then

8.4.2.4. As a profit split to those who selected one

of the two covered betting interests included within the first three finishers; but if there are no such wagers on two of those three finishers, then

8.4.2.5. As a single price pool to those who selected the one covered betting interest included within the first three finishers; but if there are no such wagers, then

8.4.2.6. As a single price pool to those who selected the fourth-place finisher; but if there are no such wagers, then

8.4.2.7. The entire pool shall be refunded on Show wagers for that contest.

8.4.3. If there is a dead heat for first involving:

8.4.3.1. Two contestants representing the same betting interest, the profit shall be divided with two-thirds (2/3) distributed to those who selected the first-place finishers and one-third (1/3) distributed to those who selected the betting interest finishing third;

8.4.3.2. Three contestants representing a single betting interest, the Show pool shall be distributed as a single price pool; or

8.4.3.3. Contestants representing two or more betting interests, the Show pool shall be distributed as a profit split.

8.4.4. If there is a dead heat for second involving:

8.4.4.1. Contestants representing the same betting interest, the profit shall be divided with one-third (1/3) distributed to those who selected the betting interest finishing first and two-thirds (2/3) distributed to those who selected the second-place finishers;

8.4.4.2. Contestants representing two betting interests, the Show pool shall be distributed as a profit split; or

8.4.4.3. Contestants representing three betting interests, the Show pool shall be divided with one-third (1/3) of the profit distributed to Show wagers on the betting interest finishing first and the remainder shall be distributed equally amongst Show wagers on those betting interests involved in the dead heat for second.

8.4.5. If there is a dead heat for third involving:

8.4.5.1. Contestants representing the same betting interest, the Show pool shall be distributed as if no dead heat occurred; or

8.4.5.2. Contestants representing two or more betting interests, the Show pool shall be divided with two-thirds (2/3) of the profit distributed to Show wagers on the betting interests finishing first and second and the remainder shall be distributed equally amongst Show wagers on those betting interests involved in the dead heat for third.

**Table 3: SHOW POOL
(Standard Price Calculation)**

Sum of Wagers on All Betting Interests =	\$194,230.00
Refunds =	\$ 1,317.00
Gross Pool:	
Sum of Wagers on All Betting Interests - Refunds =	\$192,913.00
Percent Takeout =	18%
Takeout:	
Gross Pool x Percent Takeout =	\$ 34,724.34
Net Pool:	
Gross Pool - Takeout =	\$158,188.66
Gross Amount Bet on 1st place finisher =	\$ 23,872.00
Gross Amount Bet on 2nd place finisher =	\$ 12,500.00
Gross Amount Bet on 3rd place finisher =	\$ 4,408.00
Profit:	
Net Pool - Gross Amount Bet on 1st place finisher	
- Gross Amount Bet on 2nd place finisher	
- Gross Amount Bet on 3rd place finisher =	\$117,408.66
Show Profit:	
Profit / 3 =	\$ 39,136.22
Profit Per Dollar for 1st place:	
Show Profit / Gross Amount Bet on 1st place finisher =	\$ 1.6394194
\$1 Unbroken Price for 1st place:	
Profit Per Dollar for 1st place + \$1 =	\$ 2.6394194
Profit Per Dollar for 2nd place:	

Show Profit / Gross Amount Bet on 2nd place finisher = \$ 3.1308976

\$1 Unbroken Price for 2nd place:
 Profit Per Dollar for 2nd place + \$1 = \$ 4.1308976

Profit Per Dollar for 3rd place:
 Show Profit / Gross Amount Bet on 3rd place finisher = \$ 8.8784528

\$1 Unbroken Price for 3rd place:
 Profit Per Dollar for 3rd place + \$1 = \$9.8784528

Table 4: SHOW POOL

Single Takeout Rate & Single Betting Source
 (Net Price
 Calculation),

Sum of Wagers on All Betting Interests = \$194,230.00

Refunds = \$ 1,317.00

Gross Pool:
 Sum of Wagers on All Betting Interests - Refunds = \$192,913.00

Percent Takeout = 18%

Takeout:
 Gross Pool x Percent Takeout = \$ 34,724.34

Total Net Pool:
 Gross Pool -Takeout = \$158,188.66

Gross Amount Bet on 1st place finisher = \$ 23,872.00

Net Amount Bet on 1st place finisher = \$ 19,575.04

Gross Amount Bet on 2nd place finisher = \$ 12,500.00

Net Amount bet on 2nd place finisher = \$ 10,250.00

Gross Amount Bet on 3rd place finisher = \$ 4,408.00

Net Amount Bet on 3rd place finisher = \$ 3,614.56

Total Net Bet on Winners:
 Net Amount Bet on 1st place finisher +
 Net Amount Bet on 2nd place finisher +
 Net Amount Bet on 3rd place finisher = \$ 33,439.60

Total Profit:
 Total Net Pool - Total Net Bet on Winners = \$124,749.06

Show Profit:
 Total Profit / 3 = \$ 41,583.02

Profit Per Dollar for 1st place:
 Show Profit / Net Amount Bet on 1st place finisher = \$ 2.1242879

\$1 Unbroken Base Price for 1st place:
 Profit Per Dollar for 1st place + \$1 = \$ 3.1242879

\$1 Unbroken Price for 1st place:
 \$1 Unbroken Base Price for 1st place x(1-percent takeout)=\$ 2.5619161

Profit Per Dollar for 2nd place:
 Show Profit / Net Amount Bet on 2nd place finisher = \$ 4.0568800

\$1 Unbroken Base Price for 2nd place:
 Profit Per Dollar for 2nd place + \$1 = \$ 5.0568800

\$1 Unbroken Price for 2nd place:
 \$1 Unbroken Base Price for 2nd place x(1-percent takeout)=\$ 4.1466416

Profit Per Dollar for 3rd place:
 Show Profit / Net Amount Bet on 3rd place finisher = \$11.504310

\$1 Unbroken Base Price for 3rd place:
 Profit Per Dollar for 3rd place + \$1 = \$12.504310

Unbroken Price for 3rd place:
 \$1 Unbroken Base Price for 3rd place x(1-percent takeout)= \$10.253534

8.5. Double Pools

8.5.1. The Double requires selection of the first-place finisher in each of two specified contests.

8.5.2. The net Double pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.5.2.1. As a single price pool to those whose selection finished first in each of the two contests; but if there are no such wagers, then

8.5.2.2. As a profit split to those who selected the first-place finisher in either of the two contests; but if there are

no such wagers, then

8.5.2.3. As a single price pool to those who selected the one covered first-place finisher in either contest; but if there are no such wagers, then

8.5.2.4. As a single price pool to those whose selection finished second in each of the two contests; but if there are no such wagers, then

8.5.2.5. The entire pool shall be refunded on Double wagers for those contests.

8.5.3. If there is a dead heat for first in either of the two contests involving:

8.5.3.1. Contestants representing the same betting interest, the Double pool shall be distributed as if no dead heat occurred; or

8.5.3.2. Contestants representing two or more betting interests, the Double pool shall be distributed as a profit split if there is more than one covered winning combination.

8.5.4. If a betting interest in the first-half of the Double is scratched prior to the first Double contest being declared official, all money wagered on combinations including the scratched betting interest shall be deducted from the Double pool and refunded.

8.5.5. If a betting interest in the second-half of the Double is scratched prior to the close of wagering on the first Double contest, all money wagered on combinations including the scratched betting interest shall be deducted from the Double pool and refunded.

8.5.6. If a betting interest in the second-half of the Double is scratched after the close of wagering on the first Double contest, all wagers combining the winner of the first contest with the scratched betting interest in the second contest shall be allocated a consolation payout. In calculating the consolation payout the net Double pool shall be divided by the total amount wagered on the winner of the first contest and an unbroken consolation price obtained. The broken consolation price shall be multiplied by the dollar value of wagers on the winner of the first contest combined with the scratched betting interest to obtain the consolation payout.

Breakage shall not be declared in this calculation. The consolation payout shall be deducted from the net Double pool before calculation and distribution of the winning Double payout. Dead heats including separate betting interests in the first contest shall result in a

consolation payout calculated as a profit split.

8.5.7. If either of the Double contests are canceled prior to the first Double contest, or the first Double contest is declared "no contest", the entire Double pool shall be refunded on Double wagers for those contests.

8.5.8. If the second Double contest is canceled or declared "no contest" after the conclusion of the first Double contest, the net Double pool shall be distributed as a single price pool to wagers selecting the winner of the first Double contest. In the event of a dead heat involving separate betting interests, the net Double pool shall be distributed as a profit split.

Table 5:
DOUBLE POOL
(Standard Price Calculation)

Sum of Wagers on All Betting Interests =	\$194,230.00
Refunds =	\$ 1,317.00
Gross Pool:	
Sum of Wagers on All Betting Interests - Refunds =	\$192,913.00
Percent Takeout =	18%
Takeout:	
Gross Pool x Percent Takeout =	\$ 34,724.34
Net Pool:	
Gross Pool - Takeout =	\$158,188.66
Gross Amount Bet on Winning Combination =	\$ 23,872.00
Profit:	
Net Pool-Gross Amount Bet on Winning Combination =	\$134,316.66
Profit Per Dollar:	
Profit / Gross Amount Bet on Winning Combination =	\$ 5.6265357
\$1 Unbroken Price:	
Profit Per Dollar + \$1 =	\$ 6.6265357

Table 6: DOUBLE POOL
CONSOLATION PRICING

Sum of Wagers on All Betting Interests =	\$194,230.00
Refunds =	\$ 1,317.00
Gross Pool:	
Sum of Wagers on All Betting Interests - Refunds =	\$192,913.00
Percent Takeout =	18%
Takeout:	
Gross Pool x Percent Takeout =	\$ 34,724.34
Net Pool:	
Gross Pool -Takeout =	\$158,188.66
Consolation Pool:	
Sum Total Amount Bet on winner of the first contest with all second contest betting interests =	\$ 43,321.00
\$1 Consolation Unbroken Consolation Price:	
Net Pool / Consolation Pool =	\$ 3.6515468
\$1 Consolation Broken Price =	3.65
Amount Bet on winner of the first contest with scratched betting interests:	\$ 1,234.00
Consolation Liability:	
\$1 Consolation Broken Price x (Amount Bet on the winner of the first contest with scratched betting interests) =	\$ 4,504.10
Adjusted Net Pool:	
Net Pool - Consolation Liability =	\$153,684.56
Gross Amount Bet on the Winning Combination =	\$ 23,872.00
Profit:	
Adjusted Net Pool - Gross Amount Bet on the Winning Combination =	\$129,812.56
Profit Per Dollar:	
Profit / Gross Amount Bet on the Winning Combination =	\$ 5.4378586
\$1 Unbroken Price:	
Profit Per Dollar + \$1 =	\$ 6.4378586

8.6. Pick Three Pools

8.6.1. The Pick Three requires selection of the first-place finisher in each of three specified contests.

8.6.2. The net Pick Three pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.6.2.1. As a single price pool to those whose selection finished first in each of the three contests; but if there are no such wagers, then

8.6.2.2. As a single price pool to those who selected the first-place finisher in any two of the three contests; but if there are no such wagers, then

8.6.2.3. As a single price pool to those who selected the first-place finisher in any one of the three contests; but if there are no such wagers, then

8.6.2.4. The entire pool shall be refunded on Pick Three wagers for those contests.

8.6.3. If there is a dead heat for first in any of the three contests involving:

8.6.3.1. Contestants representing the same betting interest, the Pick Three pool shall be distributed as if no dead heat occurred; or

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

8.6.4. If a betting interest in any of the three Pick Three contests is scratched, the 'actual favorite, as evidenced by total amounts wagered in the Win pool at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

8.6.5. If all three Pick Three contests are canceled or declared "no contest", the entire pool shall be refunded on Pick Three wagers for those contests.

8.6.6. If one or two of the Pick Three contests are canceled or declared "no contest", the Pick Three pool shall remain

valid and shall be distributed in accordance with subdivision 8.6.2 of this rule.

8.7. Pick (n) Pools

8.7.1. The Pick (n) requires selection of the first-place finisher in each of a designated number of contests. The association shall obtain written approval from the Racing Commission concerning the scheduling of Pick (n) contests, the designation of one of the methods prescribed in 8.7.2. and the amount of any cap to be set on the carryover. Any changes to the approved Pick (n) format require prior approval from the Racing Commission.

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

8.7.2.1. Method 1, Pick (n) with Carryover: The net Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the remainder shall be added to the carryover;

8.7.2.2. Method '2, Pick (n) with Minor Pool Carryover: The major share of the net Pick (n) pool and the carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick (n) contests, the minor share of the net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover;

8.7.2.3. Method 3, Pick (n) with No Minor Pool and No Carryover: The net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool shall be refunded.

8.7.2.4. Method 4, Pick (n) with Minor Pool and No Carryover: The major share of the net Pick (n) pool shall be distributed to those who selected the first place finisher in the

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

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

8.7.3. If there is a dead heat for first in any of the Pick (n) contests involving:

8.7.3.1. Contestants representing the same betting interest, the Pick (n) pool shall be distributed as if no dead heat occurred; or

8.7.3.2. Contestants representing two or more betting interests, the Pick (n) pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.

8.7.4. If a betting interest in any of the Pick (n) contests is scratched, the actual favorite, as evidenced by total amounts wagered in the Win Pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total

for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interest, which became winners as a result of the substitution, in addition to the normal wining combinations.

8.7.5. The Pick (n) pool shall be canceled and all Pick (n) wagers for the individual performance shall be refunded if:

8.7.5.1. At least two contests included as part of a Pick 3 are canceled or declared "no contest";

8.7.5.2. At least three contests included as part of a Pick 4, Pick 5 or Pick 6 are canceled or declared "no contest";

8.7.5.3. At least four contests included as part of a Pick 7, Pick 8 or Pick 9 are canceled or declared "no contest"; or.

8.7.5.4. At least five contests included as part of a Pick 10 are canceled or declared "no contest".

8.7.6. If at least one contest included as part of a Pick (n) is canceled or declared "no contest", but not more than the number specified in subdivision 8.7.5. of this rule, the net pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick (n) contests for that performance. The distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.

8.7.7. The Pick (n) carryover may be capped at a designated level approved by the Racing Commission so that if, at the close of any performance, the amount in the Pick (n) carryover equals or exceeds the designated cap, the Pick (n) carryover shall be frozen until it is won or distributed under other provisions of this rule. After the Pick (n) carryover is frozen, 100 percent of the net pool, part of which ordinarily would be added to the Pick (n) carryover, shall be distributed to those whose selection finished first in the greatest number of Pick (n) contests for that performance.

8.7.8. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.7.9. If the Pick (n) carryover is designated for

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

8.7.9.1. Upon written approval from the Racing Commission as provided in 8.7.8 of this rule;

8.7.9.2. Upon written approval from the Racing Commission when there is a change in the carryover cap, a change from one type of Pick (n) wagering to another, or when the Pick (n) is discontinued; or

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

8.7.10. If, for any reason, the Pick (n) carryover must be held over to the corresponding Pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Racing Commission. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n) pool of the following meet on a date and performance designated by the Racing Commission.

8.7.11. With the written approval of the Racing Commission, the association may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.

8.7.12. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.7.13. The association may suspend previously approved Pick (n) wagering with the prior approval of the Racing Commission. Any carryover shall be held until the suspended Pick (n) wagering is reinstated. An association may request approval of a Pick (n) wager or separate wagering pool for specific performances.

8.7.14. PLACE PICK (N) POOLS

8.7.14.1. The Place Pick (n) requires selection of the first or second-place finisher in each of a designated number of contests. The association shall obtain written approval from the Racing Commission concerning the scheduling of Place Pick (n)

contest, the designation of one of the methods prescribed in paragraph 8.7.14.2 of this rule, the distinctive name identifying the pool and the amount of any cap to be set on the carryover. Any changes to the approved Place Pick (n) format require prior approval from the Racing Commission.

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

8.7.14.2.a. Method 1, Place Pick (n) with Carryover: The net Place Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first or second-place finisher in each of the Place Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first or second-place finisher in the greatest number of Place Pick (n) contests; and the remainder shall be added to the carryover;

8.7.14.2.b. Method 2, Place Pick (n) with Minor Pool and Carryover: The major share of the net Place Pick (n) pool and the carryover, if any, shall be distributed to those who selected the first or second-place finisher in each of the Place Pick (n) contests, based upon the official order of finish. The minor share of the net Place Pick (n) pool shall be distributed to those who selected the first or second-place finisher in the second greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first or second-place finisher of all Place Pick (n) contests, the minor share of the net Place Pick (n) pool shall be distributed as a single price pool to those who selected the first or second-place finisher in the greatest number of Place Pick (n) contests; and the major share shall be added to the carryover;

8.7.14.2.c. Method 3, Place Pick (n) with No Minor Pool and No Carryover: The net Place Pick (n) pool shall be distributed as a single price pool to those who selected the first or second-place finisher in the greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool shall be refunded;

8.7.14.2.d. Method 4, Place Pick (n) with Minor Pool and No Carryover: The major share of the net Place Pick (n) pool shall be distributed to those who selected the first or second-place finisher in the greatest number of Place Pick (n) contests, based upon the official order of finish. The minor share of the net Place Pick (n) pool shall be distributed to those who selected the first or second-place finisher in the second greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no

wagers selecting the first or second-place finisher in a second greatest number of Place Pick (n) contests, the minor share of the net Place Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first or second-place finisher in the greatest number of Place Pick (n) contests. If the greatest number of first or second-place finishers selected is one (1), the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool shall be refunded; or

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

8.7.14.3. If there is a dead heat for first in any of the Place Pick (n) contests involving:

8.7.14.3.a. Contestants representing the same betting interest, the Place Pick (n) pool shall be distributed as if no dead heat occurred; or

8.7.14.3.b. Contestants representing two or more betting interests, the Place Pick (n) pool shall be distributed as a single price pool with a winning wager including each betting interest participating in the dead heat.

8.7.14.4. If there is a dead heat for second in any of the Place Pick (n) contests involving:

8.7.14.4.a. Contestants representing the same betting interest, the Place Pick (n) pool shall be distributed as if no dead heat occurred; or

8.7.14.4.b. Contestants representing two or more betting interests, the Place Pick (n) pool shall be distributed as a single price pool with a winning wager including the betting interest which finished first or any betting interest involved in the dead heat for second.

8.7.14.5. If a betting interest in any of the Place Pick (n) contests is scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

8.7.14.6. The Place Pick (n) pool shall be canceled and all Place Pick (n) wagers for the individual performance shall be refunded if:

8.7.14.6.a. At least two contests included as part of a Place Pick 3 are canceled or declared "no contest";

8.7.14.6.b. At least three contests included as part of a Place Pick 4, Place Pick 5 or Place Pick 6 are canceled or declared "no contest";

8.7.14.6.c. At least four contests included as part of a Place Pick 7, Place Pick 8 or Place Pick 9 are canceled or declared "no contest"; or

8.7.14.6.d. At least five contests included as part of a Place Pick 10 are canceled or declared "no contest".

8.7.14.7. If at least one contest included as part of a Place Pick (n) is canceled or declared "no contest", but not more than the number specified in 8.7.14.6 of this rule, the net pool shall be distributed as a single price pool to those whose selection finished first or second in the greatest number of Place Pick (n) contests for that performance. The distribution shall include the portion ordinarily retained for the Place Pick (n) carryover but not the carryover from previous performances.

8.7.14.8. The Place Pick (n) carryover may be capped at a designated level approved by the Racing Commission so that if, at the close of any performance, the amount in the Place Pick (n)

carryover equals or exceeds the designated cap, the Place Pick (n) carryover shall be frozen until it is won or distributed under other provisions of this rule. After the Place Pick (n) carryover is frozen, 100 percent of the net pool, part of which ordinarily would be added to the Place Pick (n) carryover, shall be distributed to those whose selection finished first or second in the greatest number of Place Pick (n) contests for that performance.

8.7.14.9. The association shall obtain written approval from the Racing Commission concerning the scheduling of the Place Pick (n) contests, the percentages of the net pool added to the first-half pool and second-half pool, and the amount of any cap to be set on the carryover. Any changes to the Place Pick (n) format require prior approval from the Racing Commission.

8.7.14.10. If the Place Pick (n) carryover is designated for distribution on a specified date and performance in which there are no wagers selection the first or second-place finisher in each of the Place Pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished first or second in the greatest number of Place Pick (n) contests. The Place Pick (n) carryover shall be designated for distribution on a specified date and performance under any of the following circumstances:

8.7.14.10.a. Upon written approval from the Racing Commission as provided in paragraph 8.7.14.9 of this rule;

8.7.14.10.b. Upon written approval from the Racing Commission when there is a change in the carryover cap, a change from one type of Place Pick (n) wagering to another, or when the Place Pick (n) is discontinued; or

8.7.14.10.c. On the closing performance of the meet or split meet.

8.7.14.11. If, for any reason, the Place Pick (n) carryover must be held over to the corresponding Place Pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Racing Commission. The Place Pick (n) carryover plus accrued interest shall then be added to the net Place Pick (n) pool of the following meet on a date and performance designated by the Racing Commission.

8.7.14.12. With the written approval of the Racing Commission, the association may contribute to the Place Pick (n) carryover a sum of money up to the amount of any designated cap.

8.7.14.13. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.7.14.14. The association may suspend previously approved Place Pick (n) wagering with the prior approval of the Racing Commission. Any carryover shall be held until the suspended Place Pick (n) wagering is reinstated. An association may request approval of a Place Pick (n) wager or separate wagering pool for specific performances.

Table 7: PICK 7 POOL

Multiple Takeout Rates & Multiple Betting Sources
(Net Price Calculation)

Win.	Percent Takeout	Gross Pool	Gross Amt. Bet on Win.	Net Pool	Net Amt. Bet on
Source 1:	16%	\$190,000.00	\$ 44.00	\$159,600.00	\$ 36.96
Source 2:	18.5%	\$ 10,000.00	\$ 18.00	\$ 8,150.00	\$ 14.67
Source 3:	21%	\$ 525,730.00	\$ 124.00	\$415,326.70	\$ 97.96
TOTALS:		\$ 725,730.00	\$ 186.00	\$583,076.70	\$149.59

Total Profit:

Total Net Pool-Total Net Bet on the Winning Combination =\$582,927.11

Profit Per Dollar:

Total Profit/Total Net Bet on the Winning Combination = \$ 3,896.8321

\$1 Unbroken Base Price:

Profit Per Dollar + \$1 = \$ 3,897.8321

\$1 Unbroken Price for Source 1:

\$1 Unbroken Base Price x (1 - Percent Takeout) = \$ 3,274.1789

\$1 Unbroken Price for Source 2:

\$1 Unbroken Base Price x (1 - Percent Takeout) = \$ 3,176.7331

\$1 Unbroken Price for Source 3:

\$1 Unbroken Base Price x (1 - Percent Takeout) = \$ 3,079.2873

8.8. Quinella Pools

8.8.1. The Quinella requires selection of the first two finishers, irrespective of order, for a single contest.

8.8.2. The net Quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.8.2.1. If contestants of a coupled entry or mutuel field finish as the first two finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise

8.8.2.2. As a single price pool to those whose combination finished as the first two betting interests; but if there are no such wagers; then

8.8.2.3. As a profit split to those whose combination included either the first- or second-place finisher; but if there are no such wagers on one of the those two finishers, then

8.8.2.4. As a single price pool to those whose combination included the one covered betting interest included within the first two finishers; but if there are no such wagers, then

8.8.2.5. The entire pool shall be refunded on Quinella wagers for that contest.

8.8.3. If there is a dead heat for first involving:

8.8.3.1. Contestants representing the same betting interest, the Quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish;

8.8.3.2. Contestants representing two betting interests, the Quinella pool shall be distributed as if no dead heat occurred; or

8.8.3.3. Contestants representing three or more betting interests, the Quinella pool shall be distributed as a profit split.

8.8.4. If there is a dead heat for second involving contestants representing the same betting interest, the Quinella pool shall be distributed as if no dead heat occurred.

8.8.5. If there is a dead heat for second involving contestants representing two or more betting interests, the Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

8.8.5.1. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one covered combination, then

8.8.5.2. As a single price pool to those combining the winner with the one covered betting interest involved in the dead heat for second; but if there are no such wagers, then

8.8.5.3. As a profit split to those combining the betting interests, involved in the dead heat for second; but if there are no such wagers, then

8.8.5.4. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second; but if there are no such wagers, then

8.8.5.5. The entire pool shall be refunded on Quinella wagers for that contest.

8.9. Quinella Double Pools

8.9.1. The Quinella Double requires selection of the first two finishers, irrespective of order, in each of two specified contests.

8.9.2. The net Quinella Double pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.9.2.1. If a coupled entry or mutuel field finishes as the first two contestants in either contest, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest, as well as the first two finishers in the alternate Quinella Double contest; otherwise

8.9.2.2. As a single price pool to those who selected the first two finishers in each of the two Quinella Double contests; but if there are no such wagers, then

8.9.2.3. As a profit split to those who selected the first two finishers in either of the two Quinella Double contests;

but if there are no such wagers on one of those contests, then

8.9.2.4. As a single price pool to those who selected the first two finishers in the one covered Quinella Double contest; but if there were no such wagers, then

8.9.2.5. The entire pool shall be refunded on Quinella Double wagers for those contests.

8.9.3. If there is a dead heat for first in either of the two Quinella Double contests involving:

8.9.3.1. Contestants representing the same betting interest, the Quinella Double pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest;

8.8.3.2. Contestants representing two betting interests, the Quinella Double pool shall be distributed as if no dead heat occurred; or

8.9.3.3. Contestants representing three or more betting interests, the Quinella Double pool shall be distributed as a profit split.

8.9.4. If there is a dead heat for second in either of the Quinella Double contests involving contestants representing the same betting interest, the Quinella Double pool shall be distributed as if no dead heat occurred.

8.9.5. If there is a dead heat for second in either of the Quinella Double contests involving contestants representing two or more betting interests, the Quinella Double pool shall be distributed as profit split.

8.9.6. If a betting interest in the first-half of the Quinella Double is scratched prior to the first Quinella Double contest being declared official, all money wagered on combinations including the scratched betting interest shall be deducted from the Quinella Double pool and refunded.

8.9.7. If a betting interest in the second-half of the Quinella Double is scratched prior to the close of wagering on the first Quinella Double contest, all money wagered on combinations including the scratched betting interest shall be deducted from the Quinella Double pool and refunded.

8.9.8. If a betting interest in the second-half of the Quinella Double is scratched after the close of wagering on the first

Quinella Double contest, all wagers combining the winning combination in the first contest with a combination including the scratched betting interest in the second contest shall be allocated a consolation payout. In calculating the consolation payout the net Quinella Double pool shall be divided by the total amount wagered on the winning combination in the first contest and an unbroken consolation price obtained. The unbroken consolation price shall be multiplied by the dollar value of wagers on the winning combination in the first contest combined with a combination including the scratched betting interest in the second contest to obtain the consolation payout. Breakage shall not be utilized in this calculation. The consolation payout shall be deducted from the net Quinella Double pool before calculation and distribution of the winning Quinella Double payout. In the event of a dead heat involving separate betting interests, the net Quinella Double pool shall be distributed as a profit split.

8.9.9. If either of the Quinella Double contests is canceled prior to the first Quinella Double contest, or the first Quinella Double contest is declared "no contest", the entire Quinella Double pool shall be refunded on Quinella Double wagers for those contests.

8.9.10. If the second Quinella Double contest is canceled or declared "no contest" after the conclusion of the first Quinella Double contest, the net Quinella Double pool shall be distributed as a single price pool to wagers selecting the winning combination in the first Quinella Double contest. If there are no wagers selecting the winning combination in the first Quinella Double contest, the entire Quinella Double pool shall be refunded on Quinella Double wagers for those contests.

8.10. Exacta Pools

8.10.1. The Exacta requires selection of the first two finishers, in their exact order, for a single contest.

8.10.2. The net Exacta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.10.2.1. If contestants of a coupled entry or mutuel field finish as the first two finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise

8.10.2.2. As a single price pool to those whose combination finished in correct sequence as the first two betting

interests; but if there are no such wagers, then

8.10.2.3. As a profit split to those whose combination included either the first-place betting interest to finish first or the second-place betting interest to finish second; but if there are no such wagers on one of those two finishers, then

8.10.2.4. As a single price pool to those whose combination included the one covered betting interest to finish first or second in the correct sequence; but if there are no such wagers, then

8.10.2.5. The entire pool shall be refunded on Exacta wagers for that contest.

8.10.3. If there is a dead heat for first involving:

8.10.3.1. Contestants representing the same betting interest, the Exacta pool shall be distributed as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; or

8.10.3.2. Contestants representing two or more betting interests, the Exacta pool shall be distributed as a profit split.

8.10.4. If there is a dead heat for second involving contestants representing the same betting interest, the Exacta pool shall be distributed as if no dead heat occurred.

8.10.5. If there is a dead heat for second involving contestants representing two or more betting interests, the Exacta pool shall be distributed to ticket holders in the following precedence, based upon the official order of finish:

8.10.5.1. As a profit split to those combining the first-place betting interest with any of the betting interests involved in the dead heat for second; but if there is only one covered combination, then

8.10.5.2. As a single price pool to those combining the first-place betting interest with one covered betting interest involved in the dead heat for second; but if there are no such wagers, then

8.10.5.3. As a profit split to those wagers correctly selecting the winner for first-place and those wagers selecting any of the dead-heated betting interests for second-place; but if there

are no such wagers, then

8.10.5.4. The entire pool shall be refunded on Exacta wagers for that contest.

8.11. Trifecta Pools

8.11.1. The Trifecta requires selection of the first three finishers, in their exact order, for a single contest.

8.11.2. The net Trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.11.2.1. As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

8.11.2.2. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.11.2.3. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.11.2.4. As a single price pool to those whose combination correctly selected the second betting interest combined with the third betting interests; but if there are no such wagers, then

8.11.2.5. As a single price pool to those whose combination correctly selected the third betting interest with any other betting interests; but if there are no such wagers, then

8.11.2.6. If there are no such wagers then the entire pool shall be refunded on Trifecta Wagers for that contest.

8.11.3. If less than three betting interests finish and the contest is declared official, payouts will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.

8.11.4. If there is a dead heat for first involving:

8.11.4.1. Contestants representing three or more betting interests, all of the wagering combinations selecting three betting interests which correspond with any of the betting interests

involved in the dead heat shall share in a profit split; or

8.11.4.2. Contestants representing two betting interests, both of the wagering combinations selecting the two dead-heated betting interests, irrespective of order, along with the third-place betting interest shall share in a profit split.

8.11.5. If there is a dead heat for second, all of the combinations correctly selecting the winner combined with any of the betting interests involved in the dead heat for second shall share in a profit split.

8.11.6. If there is a dead heat for third, all wagering combinations correctly selecting the first two finishers, in correct sequence, along with any of the betting interests involved in the dead heat for third shall share in a profit split.

8.11.8. If no selection is made as above mentioned the net pool shall be apportioned equally between those having selected the finishers finishing second combined with the finishers finishing third.

8.11.9. If no selection is made as above mentioned those having selected the second finisher for second and the third finisher for third with any other finisher, contrary to the win, place and show pool practice, the aggregate number of tickets as mentioned in this paragraph shall divide the net pool and be paid the same payout price.

8.11.7. Coupled entries and mutuel fields are prohibited in Trifecta contests.

8.12. Superfecta Pools

8.12.1. The Superfecta requires selection of the first four finishers, in their exact order, for a single contest.

8.12.2. The net Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

8.12.2.1. As a single price pool to those whose combination finished in correct sequence as the first four betting interests; but if there are no such wagers, then

8.12.2.2. As a single price pool to those whose combination included, in correct sequence, the first three betting interests; but if there are no such wagers, then

8.12.2.3. As a single price pool to those whose

combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.12.2.4. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.12.2.5. As a single price pool to those whose combination correctly selected the betting interest finishing second with the betting interest finishing third and the betting interest finishing fourth.

8.12.2.6. As a single price pool to those whose combination correctly selected the betting interest finishing third combined with the betting interest finishing fourth.

8.12.2.7. As a single price pool to those whose combination correctly selected the betting interest finishing second, third betting interest for third and the fourth betting interest for fourth combined with any other betting interest.

8.12.2.8. If there are no such wagers then the entire pool shall be refunded on Superfecta wagers for that contest.

8.12.3. If less than four betting interests finish and the contest is declared official, payouts will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.

8.12.4. If there is a dead heat for first involving:

8.12.4.1. Contestants representing four or more betting interests, all of the wagering combinations selecting four betting interests which correspond with any of the betting interests involved in the dead heat shall share in a profit split;

8.12.4.2. Contestants representing three betting interests, all of the wagering combinations selecting the three dead-heated betting interests, irrespective of order, along with the fourth-place betting interest shall share in a profit split; or

8.12.4.3. Contestants representing two betting interests, both of the wagering combinations selecting the two dead-heated betting interest, irrespective of order, along with the third-place and fourth-place betting interests shall share in a profit split.

8.12.5. If there is a dead heat for second involving:

8.12.5.1. Contestants representing three or more betting interests, all of the wagering combinations correctly selecting the winner combined with any of the three betting interests involved in the dead heat for second shall share in a profit split; or

8.12.5.2. Contestants representing two betting interests, all of the wagering combinations correctly selecting the winner, the two dead-heated betting interests, irrespective of order, and the fourth-place betting interest shall share in a profit split.

8.12.6. If there is a dead heat for third, all wagering combinations correctly selecting the first two finishers, in correct sequence, along with any two of the betting interests involved in the dead heat for third shall share in a profit split.

8.12.7. If there is a dead heat for fourth, all wagering combinations correctly selecting the first three finishers, in correct sequence, along with any of the betting interests involved in the dead heat for fourth shall share in a profit split.

8.12.8. If no selection is made as above mentioned the net pool shall be apportioned equally between those having selected the finishers finishing second combined with the finishers finishing third.

8.12.9. If no selection is made as above mentioned those having selected the second finisher for second and the third finisher for third with any other finisher, contrary to the win, place and show pool practice, the aggregate number of tickets as mentioned in this paragraph shall divide the net pool and be paid the same payout price.

8.12.10. Coupled entries and mutuel fields are prohibited in Superfecta contests.

8.13. Twin Quinella Pools

8.13.1. The Twin Quinella requires selection of the first two finishers, irrespective of order, in each of two designated contests. Each winning ticket for the first Twin Quinella contest must be exchanged for a free ticket on the second Twin Quinella contest in order to remain eligible for the second-half Twin Quinella pool. The tickets may be exchanged only at attended ticket windows prior to the second Twin Quinella contest. There shall be no monetary reward for winning the first Twin Quinella contest. Both of the designated Twin Quinella contests shall be included in only one Twin Quinella pool.

8.13.2. In the first Twin Quinella contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the first Twin Quinella contest:

8.13.2.1. If a coupled entry or mutuel field finishes as the first two finishers, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners;

8.13.2.2. Those whose combination finished as the first two betting interests shall be winners; but if there are no such wagers, then

8.13.2.3. Those whose combination included either the first- or second-place finisher shall be winners; but if there are no such wagers on one of those two finishers, then

8.13.2.4. Those whose combination included the one covered betting interest included within the first two finishers shall be winners; but if there are no such wagers, then

8.13.2.5. The entire pool shall be refunded on Twin Quinella wagers for that contest.

8.13.3. In the first Twin Quinella contest only, if there is a dead heat for first involving:

8.13.3.1. Contestants representing the same betting interest, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners;

8.13.3.2. Contestants representing two betting interests, the winning Twin Quinella wagers shall be determined as if no dead heat occurred; or

8.13.3.3. Contestants representing three or more betting interests, those whose combination included any two of the betting interests finishing in the dead heat shall be winners.

8.13.4. In the first Twin Quinella contest only, if there is a dead heat for second involving contestants representing two or more betting interests, the Twin Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

8.13.4.1. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one covered combination, then

8.13.4.2. As a single price pool to those combining the winner with the one covered betting interest involved in the dead heat for second; but if there are no such wagers, then

8.13.4.3. As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, then

8.13.4.4. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second; but if there are no such wagers, then

8.13.4.5. The entire pool shall be refunded on Twin Quinella wagers for that contest.

8.13.5. In the second Twin Quinella contest only, the entire net Twin Quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second Twin Quinella contest:

8.13.5.1. If a coupled entry or mutuel field finishes as the first two finishers, as a single price pool to those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise

8.13.5.2. As a single price pool to those whose combination finished as the first two betting interests; but if there are no such wagers, then

8.13.5.3. As a profit split to those whose combination included either the first- or second-place finisher; but if there are no such wagers on one of those two finishers, then

8.13.5.4. As a single price pool to those whose combination included the one covered betting interest included within the first two finishers; but if there are no such wagers, then

8.13.5.5. As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, then

8.13.5.6. In accordance with subdivision 8.13.2. of this section.

8.13.6. In the second Twin Quinella contest only, if there is a dead heat for first involving:

8.13.6.1. Contestants representing the same betting interest, the net Twin Quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish.

8.13.6.2. Contestants representing two betting interests, the net Twin Quinella pool shall be distributed as if no dead heat occurred; or

8.13.6.3. Contestants representing three or more betting interests, the net Twin Quinella pool shall be distributed as a profit split to those whose combination included any two of the betting interests finishing in the dead heat.

8.13.7. In the second Twin Quinella contest only, if there is a dead heat for second involving contestants representing two or more betting interests, the Twin Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

8.13.7.1. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one covered combination, then

8.13.7.2. As a single price pool to those combining the winner with the one covered betting interest involved in the dead heat for second; but if there are no such wagers, then

8.13.7.3. As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, then

8.13.7.4. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second, then

8.13.7.5. As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, then

8.13.7.6. In accordance with subdivision 8.13.2. of this section.

8.13.8. If a winning ticket for the first-half of the Twin Quinella is not presented for exchange prior to the close of betting on the second-half Twin Quinella contest, the ticket holder forfeits all rights to any distribution of the Twin Quinella pool resulting from the outcome of the second contest.

8.13.9. If a betting interest in the first-half of the Twin Quinella is scratched, those Twin Quinella wagers including the scratched betting interest shall be refunded.

8.13.10. If a betting interest in the second-half of the Twin Quinella is scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second Twin Quinella contest, the ticket holder forfeits all rights to the Twin Quinella pool.

8.13.11. If either of the Twin Quinella contests is canceled prior to the first Twin Quinella contest, or the first Twin Quinella contest is declared "no contest", the entire Twin Quinella pool shall be refunded on Twin Quinella wagers for that contest.

8.13.12. If the second-half Twin Quinella contest is canceled or declared "no contest" after the conclusion of the first Twin Quinella contest, the net Twin Quinella pool shall be distributed as a single price pool to wagers selecting the winning combination in the first Twin Quinella contest and all valid exchange tickets. If there are no such wagers, the net Twin Quinella pool shall be distributed as described in subdivision 8.13.2 of this section.

8.14. Twin Trifecta Pools

8.14.1. The Twin Trifecta requires selection of the first three finishers, in their exact order, in each of two designated contests. Each winning ticket for the first Twin Trifecta contest must be exchanged for a free ticket on the second Twin Trifecta contest in order to remain eligible for the second-half Twin Trifecta pool. The tickets may be exchanged only at attended ticket windows prior to the second Twin Trifecta contest. Winning first-half Twin Trifecta wagers shall receive both an exchange and a monetary payout. Both of the designated Twin Trifecta contests shall be included in only one Twin Trifecta pool.

8.14.2. After wagering closes for the first-half of the Twin Trifecta and commissions have been deducted from the pool, the net pool shall then be divided into separate pools: the first-half Twin Trifecta pool and the second-half Twin Trifecta pool.

8.14.3. In the first Twin Trifecta contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the first Twin Trifecta contest:

8.14.3.1. As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

8.14.3.2. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.14.3.3. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.14.3.4. As a single price pool to those whose combination correctly selected the betting interest finishing second combined with the betting interest third.

8.14.3.5. As a single price pool to those whose combination correctly selected the betting interest finishing second for second and the betting interest finishing third for third with any other finishers.

8.14.3.6. If there are no such wagers the entire Twin Trifecta pool shall be refunded on Twin Trifecta wagers for that contest and the second-half shall be canceled.

8.14.4. If no first-half Twin Trifecta ticket selects the first three finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the second-half Twin Trifecta pool. In that case, the second-half Twin Trifecta pool shall be retained and added to any existing Twin Trifecta carryover pool.

8.14.5. Winning tickets from the first-half of the Twin Trifecta shall be exchanged for tickets selecting the first three finishers of the second-half of the Twin Trifecta. The second-half Twin Trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second Twin Trifecta contest:

8.14.5.1. As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the first three betting interests; but if there are no such tickets, then

8.14.5.2. The entire second-half Twin Trifecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding second-half Twin Trifecta pool of the next consecutive performance.

8.14.6. If a winning first-half Twin Trifecta ticket is not presented for cashing and exchange prior to the second-half Twin Trifecta contest, the ticket holder may still collect the monetary value associated with the first-half Twin Trifecta pool but forfeits all rights to any distribution of the second-half Twin Trifecta pool.

8.14.7. Coupled entries and mutuel fields are prohibited in Twin Trifecta contests.

8.14.8. If a betting interest in the first-half of the Twin Trifecta is scratched, those Twin Trifecta wagers including the scratched betting interest shall be refunded.

8.14.9. If a betting interest in the second-half of the Twin Trifecta is scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second Twin Trifecta contest, the ticket holder forfeits all rights to the second-half Twin Trifecta pool.

8.14.10. If, due to a late scratch, the number of betting interests in the second-half of the Twin Trifecta is reduced to fewer than the minimum, all exchange tickets and outstanding first-half winning tickets are entitled to the second-half Twin Trifecta pool for that contest as a single price pool, but not the Twin Trifecta carryover.

8.14.11. If there is a dead heat or multiple dead heats in either the first or second-half of the Twin Trifecta, all Twin Trifecta wagers selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, are winners. In the case of a dead heat occurring in:

8.14.11.1. The first-half of the Twin Trifecta, the payout shall be calculated as a profit split.

8.14.11.2. The second-half of the Twin Trifecta, the payout shall be calculated as a single price pool.

8.14.12. If either of the Twin Trifecta contests are canceled prior to the first Twin Trifecta contest, or the first Twin Trifecta contest is declared "no contest", the entire Twin Trifecta pool shall be refunded on Twin Trifecta wagers for that contest and the second-half shall be canceled.

8.14.13. If the second-half Twin Trifecta contest is

anceled or declared "no contest", all exchange tickets and outstanding first-half winning Twin Trifecta tickets are entitled to the net Twin Trifecta pool for that contest as a single price pool, but not Twin Trifecta carryover. If there are no such tickets, the net Twin Trifecta pool shall be distributed as described in subdivision 8.14.3. of this rule.

8.14.14. The Twin Trifecta carryover may be capped at a designated level approved by the Racing Commission so that if, at the close of any performance, the amount in the Twin Trifecta carryover equals or exceeds the designated cap, the Twin Trifecta carryover will be frozen until it is won or distributed under other provisions of this rule. After the Twin Trifecta carryover is frozen, 100 percent of the net Twin Trifecta pool for each individual contest shall be distributed to winners of the first-half of the Twin Trifecta pool.

8.14.15. A written request for permission to distribute the Twin-Trifecta carryover on a specific performance may be submitted to the Racing Commission. The request shall contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.

8.14.16. If the Twin Trifecta carryover is designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the second-half of the Twin Trifecta after completion of the first-half of the Twin Trifecta:

8.14.16.1. As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

8.14.16.2. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.14.16.3. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.14.16.4. As a single price pool to holders of valid exchange tickets, then

8.14.16.5. As a single price pool to holders of outstanding first-half winning tickets.

8.14.17. Contrary to subdivision 8.14.4. of the Twin

Trifecta rules, during a performance designated to distribute the Twin Trifecta carryover, exchange tickets shall be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the first-half of the Twin Trifecta. If there are no wagers correctly selecting the first-, second-, and third-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first- and second-place betting interests. If there are no wagers correctly selecting the first- and second-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first-place betting interest only. If there are no wagers selecting the first-place betting interest only in the first-half of the Twin Trifecta, all first-half tickets shall become winners and shall receive 100 percent of that day's net Twin Trifecta pool and any existing Twin Trifecta carryover as a single price pool. In the event that there is no carry over pool on a force out performance and there are no winners in the first half, there shall be a complete refund.

8.14.18. The Twin Trifecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

8.14.18.1. Upon written approval from the Racing Commission as provided in subdivision 8.14.15. of this rule;

8.14.18.2. Upon written approval from the Racing Commission when there is a change in the carryover cap or when the Twin Trifecta is discontinued; or

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

8.14.19. If, for any reason, the Twin-Trifecta carryover must be carried over to the corresponding Twin Trifecta pool of a subsequent meet, the carryover shall be deposited in an interest-earning account approved by the Racing Commission. The Twin Trifecta carryover plus accrued interest shall then be added to the second-half Twin Trifecta pool of the following meet on a date and performance designated by the Racing Commission.

8.14.20. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.14.21. The association shall obtain written approval

from the Racing Commission concerning the scheduling of Twin Trifecta contests, the percentages of the net pool added to the first-half pool and second-half pool, and the amount of any cap to be set on the carryover. Any changes to the approved Twin Trifecta format require prior approval from the Racing Commission.

8.15. Tri-Superfecta Pools

8.15.1. The Tri-Superfecta requires selection of the first three finishers, in their exact order, in the first of two designated contests and the first four finishers, in exact order, in the second of the two designated contests. Each winning ticket for the first Tri-Superfecta contest must be exchanged for a free ticket on the second Tri-Superfecta contest in order to remain eligible for the second-half Tri-Superfecta pool. The tickets may be exchanged only at attended ticket windows prior to the second Tri-Superfecta contest. Winning first-half Tri-Superfecta tickets shall receive both an exchange and a monetary payout. Both of the designated Tri-Superfecta contests shall be included in only one Tri-Superfecta pool.

8.15.2. After wagering closes for the first-half of the Tri-Superfecta and commissions have been deducted from the pool, the net pool shall then be divided into two separate pools: the first-half Tri-Superfecta pool and the second-half Tri-Superfecta pool.

8.15.3. In the first Tri-Superfecta contest only, winning tickets shall be determined using the following precedence, based upon the official order of finish for the first Tri-Superfecta contest:

8.15.3.1. As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

8.15.3.2. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.15.3.3. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.15.3.4. As a single price pool to those whose combination correctly selected the betting interest finishing second combined with the betting interest finishing third.

8.15.3.5. As a single price pool to those whose combination correctly selected the betting interest finishing second

for second and the betting interest finishing third for third with any other betting interest.

8.15.3.6. If there are no such wagers the entire Tri-Superfecta pool shall be refunded on Tri-Superfecta wagers for that contest and the second-half shall be canceled.

8.15.4. If no first-half Tri-Superfecta ticket selects the first three finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the second-half Tri-Superfecta pool. In that case, the second-half Tri-superfecta pool shall be retained and added to any existing Tri-Superfecta carryover pool.

8.15.5. Winning tickets from the first-half of the Tri-Superfecta shall be exchanged for tickets selecting the first four finishers of the second-half of the Tri-Superfecta. The second-half Tri-Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second Tri-Superfecta contest:

8.15.5.1. As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the first four betting interests; but if there are no such tickets, then

8.15.5.2. The entire second-half Tri-Superfecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding second-half Tri-Superfecta pool of the next performance.

8.15.6. If a winning first-half Tri-Superfecta ticket is not presented for cashing and exchange prior to the second-half Tri-Superfecta contest, the ticket holder may still collect the monetary value associated with the first-half Tri-Superfecta pool but forfeits all rights to any distribution of the second-half Tri-Superfecta pool.

8.15.7. Coupled entries and mutuel fields are prohibited in Tri-Superfecta contests.

8.15.8. If a betting interest in the first-half of the Tri-Superfecta is scratched, those Tri-Superfecta tickets including the scratched betting interest shall be refunded.

8.15.9. If a betting interest in the second-half of the Tri-Superfecta is scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If

tickets have not been exchanged prior to the close of betting for the second Tri-Superfecta contest, the ticket holder forfeits all rights to the second-half Tri-Superfecta pool.

8.15.10. If, due to a late scratch, the number of betting interests in the second-half of the Tri-Superfecta is reduced to fewer than the minimum, all exchange tickets and outstanding first-half winning tickets are entitled to the second-half Tri-Superfecta pool for that contest as a single price pool, but not the Tri-Superfecta carryover.

8.15.11. If there is a dead heat or multiple dead heats in either the first- or second-half of the Tri-Superfecta, all Tri-Superfecta tickets selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, are winners. In the case of a dead heat occurring in:

8.15.11.1. The first-half of the Tri-Superfecta, the payout shall be calculated as a profit split, then

8.15.11.2. The second-half of the Tri-Superfecta, the payout shall be calculated as a single price pool.

8.15.12. If either of the Tri-Superfecta contests are canceled prior to the first Tri-Superfecta contest, or the first Tri-Superfecta contest is declared "no contest", the entire Tri-Superfecta pool shall be refunded on Tri-Superfecta wagers for that contest and the second-half shall be canceled.

8.15.13. If the second-half Tri-Superfecta contest is canceled or declared "no contest", all exchange tickets and outstanding first-half winning Tri-Superfecta tickets are entitled to the net Tri-Superfecta pool for that contest as a single price pool, but not the Tri-Superfecta carryover. If no there are no such tickets, the net Tri-Superfecta pool shall be distributed as described in subdivision 8.15.3. of this rule.

8.15.14. The Tri-Superfecta carryover may be capped at a designated level approved by the Racing Commission so that if, at the close of any performance, the amount in the Tri-Superfecta carryover equals or exceeds the designated cap, the Tri-Superfecta carryover will be frozen until it is won or distributed under other provisions of this rule. After the second-half Tri-Superfecta carryover is frozen, 100 percent of the net Tri-Superfecta pool for each individual contest shall be distributed to winners of the first-half of the Tri-Superfecta pool.

8.15.15. A written request for permission to distribute

the Tri-Superfecta carryover on a specific performance may be submitted to the Racing Commission. The request shall contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.

8.15.16. If the Tri-Superfecta carryover is designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the second-half of the Tri-Superfecta after completion of the first-half of the Tri-Superfecta:

8.15.16.1. As a single price pool to those whose combination finished in correct sequence as the first four betting interests; but if there are no such wagers, then

8.15.16.2. As a single price pool to those whose combination included, in correct sequence, the first three betting interests; but if there are no such wagers, then

8.15.16.3. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.15.16.4. As a single price pool to those whose combination included, in correct sequence, the first-place betting interest only; but if there are no such wagers, then

8.15.16.5. As a single price pool to holders of valid exchange tickets, then

8.15.16.6. As a single price pool to holders of outstanding first-half winning tickets.

8.15.17. Contrary to subdivision 8.15.6. of this rule, during a performance designated to distribute the Tri-Superfecta carryover, exchange tickets shall be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the first-half of the Tri-Superfecta. If there are no wagers correctly selecting the first-, second-, and third-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first- and second-place betting interests. If there are no wagers correctly selecting the first- and second-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first-place betting interest only. If there are no wagers selecting the first-place betting interest only in the first-half of the Tri-Superfecta, all first-half tickets become winners and shall receive 100 percent of that day's net Tri-Superfecta pool and any

existing Tri-Superfecta carryover as a single price pool.

8.15.18. The Tri-Superfecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

8.15.18.1. Upon written approval from the Racing Commission as provided in subdivision 8.15.15. of this rule;

8.15.18.2. Upon written approval from the Racing Commission when there is a change in the carryover cap or when the Tri-Superfecta is discontinued; or

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

8.15.19. If, for any reason, the Tri-Superfecta carryover must be carried over to the corresponding Tri-Superfecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Racing Commission. The Tri-Superfecta carryover plus accrued interest shall then be added to the second-half Tri-superfecta pool of the following meet on a date and performance designated by the Racing Commission.

8.15.20. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.15.21. The association shall obtain written approval from the Racing Commission concerning the scheduling of Tri-Superfecta contests, the percentages of the net pool added to the first-half pool and second-half pool, and the amount of any cap to be set on the carryover. Any changes to the approved Tri-Superfecta format require prior approval from the Racing Commission.

8.16. Twin Superfecta Pools

8.16.1. The Twin Superfecta requires selection of the first four finishers, in their exact order, in each of two designated contests. Each winning ticket for the first Twin Superfecta contest must be exchanged for a free ticket on the second Twin Superfecta contest in order to remain eligible for the second-half Twin Superfecta pool. The tickets may be exchanged only at attended ticket windows prior to the second Twin Superfecta contest. Winning

first-half Twin Superfecta tickets shall receive both an exchange and a monetary payout. Both of the designated Twin Superfecta contests shall be included in only one Twin Superfecta pool.

8.16.2. After wagering closes for the first-half of the Twin Superfecta and commissions have been deducted from the pool, the net pool shall then be divided into two separate pools: the first-half Twin Superfecta pool and the second-half Twin Superfecta pool.

8.16.3. In the first Twin Superfecta contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the first Twin Superfecta contest:

8.16.3.1. As a single price pool to those whose combination finished in correct sequence as the first four betting interests; but if there are no such wagers, then

8.16.3.2. As a single price pool to those whose combination included, in correct sequence, the first three betting interests; but if there are no such wagers, then

8.16.3.3. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.16.3.4. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.16.3.5. The entire Twin Superfecta pool shall be refunded on Twin Superfecta wagers for that contest and the second-half shall be canceled.

8.16.4. If no first-half Twin Superfecta ticket selects the first four finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the second-half Twin Superfecta pool. In that case, the second-half Twin Superfecta pool shall be retained and added to any existing Twin Superfecta carryover pool.

8.16.5. Winning tickets from the first-half of the Twin Superfecta shall be exchanged for tickets selecting the first four finishers of the second-half of the Twin Superfecta. The second-half Twin Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second Twin Superfecta contest:

8.16.5.1. As a single price pool, including any existing carryover monies, to those whose combination finished in

correct sequence as the first four betting interests; but if there are no such tickets, then

8.16.5.2. The entire second-half Twin Trifecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding second-half Twin Superfecta pool of the next performance.

8.16.6. If a winning first-half Twin Superfecta ticket is not presented for cashing and exchange prior to the second-half Twin Superfecta contest, the ticket holder may still collect the monetary value associated with the first-half Twin Superfecta pool but forfeits all rights to any distribution of the second-half Twin Trifecta pool.

8.16.7. Coupled entries and mutuel fields are prohibited in Twin Superfecta contests.

8.16.8. If a betting interest in the first-half of the Twin Superfecta is scratched, those Twin Superfecta tickets including the scratched betting interest shall be refunded.

8.16.9. If a betting interest in the second-half of the Twin Superfecta is scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second Twin Superfecta contest, the ticket holder forfeits all rights to the second-half Twin Superfecta pool.

8.16.10. If, due to a late scratch, the number of betting interests in the second-half of the Twin Superfecta is reduced to fewer than the minimum, all exchange tickets and outstanding first-half winning tickets are entitled to the second-half Twin Superfecta pool for that contest as a single price pool, but not the Twin Superfecta carryover.

8.16.11. If there is a dead heat or multiple dead heats in either the first- or second-half of the Twin Superfecta, all Twin Superfecta tickets selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, are winners. In the case of a dead heat occurring in:

8.16.11.1. The first-half of the Twin Superfecta, the payout shall be calculated as a profit split; and

8.16.11.2. The second-half of the Twin Superfecta, the payout shall be calculated as a single price pool.

8.16.12. If either of the Twin Superfecta contests are canceled prior to the first Twin Superfecta contest, or the first Twin Superfecta contest is declared "no contest", the entire Twin Superfecta pool shall be refunded on Twin Superfecta wagers for that contest and the second-half shall be canceled.

8.16.13. If the second-half Twin Superfecta contest is canceled or declared "no contest", all exchange tickets and outstanding first-half winning Twin Superfecta tickets are entitled to the net Twin Superfecta pool for that contest as a single price pool, but not the Twin Superfecta carryover. If there are no such tickets, the net Twin Superfecta pool shall be distributed as described in subdivision 8.16.2. of this section.

8.16.14. The Twin-Superfecta carryover may be capped at a designated level approved by the Racing Commission so that if, at the close of any performance, the amount in the Twin-Superfecta carryover equals or exceeds the designated cap, the Twin-Superfecta carryover shall be frozen until it is won or distributed under other provisions of this rule. After the second-half Twin Superfecta carryover is frozen, 100 percent of the net Twin Superfecta pool for each individual contest shall be distributed to winners of the first-half of the Twin Superfecta pool.

8.16.15. The association shall obtain written approval from the Racing Commission concerning the scheduling of the Twin Superfecta contest, the percentages of the net pool added to the first-half pool and the second-half pool, and the amount of any cap to be set on the carryover. Any changes to the Twin Superfecta format require prior approval from the Racing Commission.

8.16.16. If the Twin Superfecta carryover is designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the second-half of the Twin Superfecta after completion of the first-half of the Twin Superfecta:

8.16.16.1. As a single price pool to those whose combination finished in correct sequence as the first four betting interests; but if there are no such wagers, then

8.16.16.2. As a single price pool to those whose combination included, in correct sequence, the first three betting interests; but if there are no such wagers, then

8.16.16.3. As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

8.16.16.4. As a single price pool to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then

8.16.16.5. As a single price pool to holders of valid exchange tickets.

8.16.16.6. As a single price pool to holders of outstanding first-half winning tickets.

8.16.17. Contrary to subdivision 8.16.4. of this rule, during a performance designated to distribute the Twin Superfecta carryover, exchange tickets shall be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the first-half of the Twin Superfecta. If there are no wagers correctly selecting the first-, second-, third- and fourth-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first-, second-, and third-place betting interests. If there are no wagers correctly selecting the first-, second-, and third-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first- and second-place betting interests. If there are no wagers correctly selecting the first- and second-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first-place betting interest only. If there are no wagers selecting the first-place betting interest only in the first-half of the Twin Superfecta, all first-half tickets shall become winners and shall receive 100 percent of that day's net Twin Superfecta pool and any existing Twin Superfecta carryover as a single price pool.

8.16.18. The Twin Superfecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

8.16.18.1. Upon written approval from the Racing Commission as provided in subdivision 8.16.15. of this rule;

8.16.18.2. Upon written approval from the Racing Commission when there is a change in the carryover cap or when the Twin Superfecta is discontinued; or

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

8.16.19. If, for any reason, the Twin Superfecta carryover must be held over to the corresponding Twin Superfecta pool of a

subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Racing Commission. The Twin Superfecta carryover plus accrued interest shall then be added to the second-half Twin Superfecta pool of the following meet on a date and performance designated by the Racing Commission.

8.16.20. No one shall receive information pertaining to covered combinations, amounts wagered on combinations, the number of tickets sold, or the number of exchange tickets. This subdivision does not preclude access to any and all necessary information needed by totalisator employees, pari-mutuel department employees, or Racing Commission employees in order to discharge their proscribed duties.

8.16.21. The association shall obtain written approval from the Racing Commission concerning the scheduling of Twin Superfecta contests, the percentages of the net pool added to the first-half pool and second-half pool, and the amount of any cap to be set on the carryover. Any changes to the Twin Superfecta format require prior approval from the Racing Commission.



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SECRETARY

WEST VIRGINIA LEGISLATURE
Legislative Rule-Making Review Committee

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July 11, 1999

NOTICE OF ACTION TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

TO: Ken Hechler, Secretary of State, State Register

TO: Lois Graham
Racing Commission
106 Dee Drive
Charleston, WV 25311

FROM: Legislative Rule-Making Review Committee

Proposed Rule: **Pari-Mutuel Wagering, 178CSR5**

The Legislative Rule-Making Review Committee recommends that the West Virginia Legislature:

1. Authorize the agency to promulgate the Legislative Rule
 - (a) as originally filed
 - (b) as modified by the agency
2. Authorize the agency to promulgate part of the Legislative rule; a statement of reasons for such recommendation is attached.
3. Authorize the agency to promulgate the Legislative rule with certain amendments; amendments and a statement of reasons for such recommendation is attached.
4. Authorize the agency to promulgate the Legislative rule as modified with certain amendments; amendments and a statement of reasons for such recommendation is attached.
5. Recommends that the rule be withdrawn; a statement of reasons for such recommendation is attached.

ANALYSIS OF PROPOSED LEGISLATIVE RULES

Agency: Racing Commission

Subject: Pari-Mutuel Wagering, 178CSR5

PERTINENT DATES

Filed for public comment: April 23, 1999
Public comment period ended: June 1, 1999
Filed following public comment period: June 4, 1999
Filed LRMRC: June 4, 1999
Filed as emergency:

Fiscal Impact: None

ABSTRACT

The proposed rule repeals and replaces a current legislative rule. The following is a section-by-section synopsis of the proposed rule.

Section 1 is the standard general section, setting forth the scope, authority, filing date and effective date of the proposed rule.

Section 2 defines terms. Definitions have been added for the following terms: "Betting Interest", "Breakage", "Contest", "Expired Ticket", "Guest Association", "Handle", "Host Association", "Meet", "Meeting", "Minus Pool", "Outstanding Ticket", "Pari-Mutuel System", "Pari-Mutuel Wagering", "Patron", "Payout", "Profit", "Profit Split", "Result", "Simulcast", "Single Price Pool", "Takeout" and "Totalisator".

Section 3 relates to information of a general nature and contains provisions regarding maintenance of records, pari-mutuel tickets and their sale, advance performance wagering, claims for payment, payment for errors, betting explanations and display of betting information, canceled contests, refunds, coupled entries in mutuel fields, pools dependent on betting interests, prior approval for betting pools and complaints pertaining to pari-mutuel operations. The only substantive change to this section is in subdivision 3.4.3. Language has been added prohibiting the

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cancellation or exchange of issued tickets after a patron has left the sellers window except in accordance with written policy established with the association and approved by the Commission.

Section 4 relates to the Totalisator system. There are no amendments to the provisions of this section.

Section 5 relates to account wagering and permits an association to offer a system of account wagering to its patrons whereby wagers are debited and payouts are credited to a sum of money, deposited in an account by the patron that is held by the association. The provisions of this section have not been amended.

Section 6 which relates to simulcast wagering, has not been amended.

Section 7 which relates to interstate common pool wagering has not been amended.

Section 8 relates to the calculation of payoffs and the distribution of pools. Language has been deleted from subsection 8.1 which provided that (1) if a profit split results in only one covered winning betting interest or combination, it is calculated the same as a single price pool; (2) minimum payoffs used for calculating breakage are established by the commission; and (3) each association could give alternative names to individual pools outlined in the rule with prior approval by the Commission.

Subsections 8.11, 8.12, 8.14 and 8.15 relating to trifecta, superfecta, twin trifecta and tri-superfecta pools have been amended to provide additional alternatives for distribution of the pools based on the official order of finish.

Subdivision 8.14.17 has also been amended to provide that in the event there is no carryover pool on a force out performance and there are no winners in the first half, there shall be a complete refund.

AUTHORITY

Statutory authority: W.Va. Code, §19-23-6, which provides, in part, as follows:

§19-23-6.

The racing commission has full jurisdiction over and shall supervise all horse race meetings, all dog race meetings and all persons involved in the holding or conducting of horse or dog race meetings and, in this regard, it has plenary power and authority:

...(3) To promulgate reasonable rules and regulations implementing and making effective the provisions of this article and the powers and authority conferred and the duties imposed upon the racing commission under the provisions of this article, including, but not limited to, reasonable rules and regulations under which all horse races, dog races, horse race meetings and dog race meetings shall be held and conducted, all of which reasonable rules and regulations shall be promulgated in accordance with the provisions of article three, chapter twenty-nine-a of this code: **Provided**, That in accordance with article three, chapter twenty-nine-a, the racing commission shall promulgate separate rules pertaining to the kinds of legal combination wagers which may be placed in connection with the pari-mutuel system of wagering authorized by this article;...

ANALYSIS

I. HAS THE AGENCY EXCEEDED THE SCOPE OF ITS STATUTORY AUTHORITY IN APPROVING THE PROPOSED LEGISLATIVE RULE?

No.

II. IS THE PROPOSED LEGISLATIVE RULE IN CONFORMITY WITH THE INTENT OF THE STATUTE WHICH THE RULE IS INTENDED TO IMPLEMENT, EXTEND, APPLY, INTERPRET OR MAKE SPECIFIC?

Yes.

III. DOES THE PROPOSED LEGISLATIVE RULE CONFLICT WITH OTHER CODE PROVISIONS OR WITH ANY OTHER RULE ADOPTED BY THE SAME OR A DIFFERENT AGENCY?

No.

IV. IS THE PROPOSED LEGISLATIVE RULE NECESSARY TO FULLY ACCOMPLISH THE OBJECTIVES OF THE STATUTE UNDER WHICH THE PROPOSED RULE WAS PROMULGATED?

Yes.

V. IS THE PROPOSED LEGISLATIVE RULE REASONABLE, ESPECIALLY AS IT AFFECTS THE CONVENIENCE OF THE GENERAL PUBLIC OR OF PERSONS AFFECTED BY IT?

Yes.

VI. CAN THE PROPOSED LEGISLATIVE RULE BE MADE LESS COMPLEX OR MORE READILY UNDERSTANDABLE BY THE GENERAL PUBLIC?

No.

VII. WAS THE PROPOSED LEGISLATIVE RULE PROMULGATED IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER 29A, ARTICLE 3 AND WITH ANY REQUIREMENTS IMPOSED BY ANY OTHER PROVISION OF THE CODE?

No. It did not contain a summary of the proposed rule or a statement of the circumstances requiring the proposed rule as required by statute, nor did it contain strike-throughs and underscoring.

VIII. OTHER.

Counsel has other modifications to suggest.