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**WISCONSIN LEGISLATIVE COUNCIL
RULES CLEARINGHOUSE**

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 03-070

AN ORDER to repeal WGC 4.02 (1), 7.06 (4) (e) 2. and 4., 9.10 (3) to (6), 9.15, 10.03 (1) to (4), 10.05 (3), chapter WGC 11, 14.22 (8), 15.05 (2), chapters WGC 17 and 18 and 24.18 (3); to renumber Game 3.03 (2) and WGC 4.02 (2), 7.10 (2) (h), (i), (j) and (k), 13.13 (5), 13.19 and 16.03 (2); to renumber and amend WGC 7.06 (4) (e) 3., 7.08 (3), 7.10 (2) (L), 9.10 (7) to (12), 10.03 (5), 13.13 (2) to (4) and 15.05 (3); to amend Game 3.05 (1) (intro.) and WGC 4.04 (title), (1) (title), (intro.), (c), (e), (f) 3. and (h) and (2) (title), (intro.), (a), (f) and (g), 4.05 (2) (a), (b) and (c) and (3), 4.06 (1), (2), (3) and (6), 4.07 (4), (9), (11) and (12), 4.08 (2), 4.10, 4.12, 5.03 (1) and (2), 5.04 (1), 5.05 (intro.) and (4), 5.08 (1), 5.09 (1) and (2) (a), 5.10, 5.16 (1) (intro.) and (2), 5.21, 5.22 (2), 7.02 (3), (5) and (6), 7.03 (2) (a), 7.05 (1) (c) and (h), (2) (a) and (b) and (4) (a) and (b), 7.06 (2) (a), (c) and (d), 7.06 (3) (d) and (e) and (4) (b) and (e), 7.08 (1) (b) and (2) (a), (b) and (g) and (4) (b), 7.09 (1) (a), (2) (h), (3) (b) and (5) (a), 7.10 (1) (b), (2) (a), (c) and (e), (4) (g), (5) (b), (c) and (d), (7) (a) and (d), (8) (a) and (b) (intro.) and 6. and (9) (title) (intro.), (a), (b), (c) and (d), 8.03 (1) (a) and (b) 1., 8.06 (2) (a) to (f), 8.07, 8.12 (1) (a), 9.10 (2), 9.12 (4), 9.13 (1), (4), (8) and (9), 10.04 (1) (c), 10.06 (8) and (9), 10.07 (7) (a), (13), (15) (title) and (intro.) and (18), 10.08 (2), (4) (a) and (b), (5) and (9) (intro.), 10.09 (2) (b), 13.09 (1), 13.11 (1) (intro.), 13.13 (title), 13.14 (title) and (3), 13.15 (3), 13.23 (8) and (13), 14.03, 14.07, 14.11 (5), 14.12 (1) and (3), 14.15 (1), 14.20 (4), 14.21 (1) and (2), 14.22 (5), 14.23 (1) (h) and (2), 15.02 (2) (a), 15.04 (2), 15.05 (4), (6) and (8), 20.04 (5), 20.10 (2), 23.01 to 23.03 and 24.18 (14); to repeal and recreate chapter WGC 1; to repeal and recreate WGC 7.10 (1) (a), 9.13 (3), 13.05, 16.03 (1) and 16.04; and to create Game 3.03 (2) (b) and 3.06 (3), chapter Game 11 and WGC 4.08 (3), 4.13, 4.14, 5.08 (11), 7.03 (2) (g), (h) and (i), 7.05 (1) (j), 7.06 (1) (e), (2) (g), (h) and (i) and (3) (j), 7.07 (5), 7.08 (3) (b), 7.09 (5) (e), (f) and (g), 7.10 (1) (i), (2) (h) and (i), (5) (f), (6) (c) and (d) and (10) (title), (a), (b) and (c), 8.12 (1) (b), (c) and (d) and (4) (title) and (intro.), 9.04 (4), 9.10 (9), 10.06 (7) (L), 10.07 (22) and (23), 13.02 (4) and (5), 13.04 (3), 13.08 (10), 13.11 (1) (d), 13.15 (4) (d), 13.15 (6) to (12), 13.19 (2), 13.20 (5), 13.23 (16) to (26), 13.24, 14.02 (3), 14.09 (3), 14.12 (4) and (5), 14.15 (4), 14.21 (3) and (4), 14.24, 15.02 (1) (d), 15.05 (9) to (12), 15.06 to 15.08, 16.02 (4), 16.07 to 16.10 and 19.04 (1) (i) and (j), relating to greyhound racing and pari-mutuel wagering.

Submitted by **DEPARTMENT OF ADMINISTRATION**
07-11-2003 RECEIVED BY LEGISLATIVE COUNCIL.
08-07-2003 REPORT SENT TO AGENCY.

RNS:PGC



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 03-070

Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated October 2002.]

2. Form, Style and Placement in Administrative Code

- a. SECTION 1 should be divided into two SECTIONS--one that repeals ch. WGC 1 and another that creates ch. Game 1.
- b. In s. Game 1.01 (intro.) and (9), “Division of Gaming” should be lower-case.
- c. In s. Game 1.01 (29) (a), “individual” should replace “person.”
- d. All subunits of a rule should end with a period (except introductory material, which ends with a colon). For example, periods should replace semicolons in s. Game 1.01 (32); also note that the subunits should begin with an initial capital letter. Also see ss. WGC 4.04 (1) and (2), 4.14 (1) (a) to (f), 7.10 (1) (a) 1. to 16., and 13.15 (6).
- e. In s. WGC 7.02 (3), “greyhound’s most recent” should follow “2”. Also, “shall” should replace “must.”
- f. In s. WGC 7.10 (2) (a), “conflict conflicts” should replace “conflicts”. Also, see “Jackpot” in several locations in SECTION 79. In s. Game 11.04 (3) and (7) (a), only the singular “violation” or “violator” should be used. Also see “employee” in s. WGC 16.03 (1), which is being repealed and recreated.
- g. In SECTION 65, the treatment clause should state “WGC 7.10 (10) is created to read:”. In the text, “(10)” should be inserted before the title.

h. In s. WGC 8.12 (4), the “notwithstanding” phrase in the latter part of the first sentence could be moved to the beginning of the sentence. For example, “Notwithstanding other division rules, the acceptance of a mutuel ticket by taking an issued ticket away from the window or terminal from which it is purchased shall constitute an acknowledgment by the purchaser of the correctness of the ticket, and each purchaser of a mutuel ticket agrees to be bound by the terms and provisions of this requirement.”

i. In s. WGC 13.05, sub. (4) (intro.) is incorrectly drafted as introductory material; it should end with a colon and lead into the subunits that follow. (Also see s. WGC 15.07 (intro.) and (4) (intro.)) Also, in sub. (5), no striking or underscoring should be used since the entire section is being repealed and recreated.

j. The first sentence in s. WGC 14.21 (1) should be written in the active voice--“The kennel owner or trainer shall immediately inform....”

k. Section 1.0~~8~~⁹ (2), Manual, should be complied with for the form mentioned in s. WGC 15.05 (2) (b).

4. Adequacy of References to Related Statutes, Rules and Forms

a. In the portion of the analysis that describes SECTION 37, “par.” should replace “sub.” in two locations.

b. In s. WGC 7.08 (4) (b), “this chapter” or “this section” or a similar phrase should replace “these rules.”

5. Clarity, Grammar, Punctuation and Use of Plain Language

a. There are several grammatical errors in the analysis. For example, in the description of SECTION 53, “an objection” should replace “a objection”; in the description of SECTION 68, “one solid” should replace “on solid”; and in the second paragraph, fourth sentence, in the description of SECTION 101, “that” should replace “the.”

b. In s. WGC 4.04 (1) (h), the word “inspected” is unclear in that sentence. Perhaps, a new sentence indicating that “copies of the Division of Gaming’s administrative rules may be viewed at the following information windows” or something along those lines would be more clear.

c. In s. WGC 5.04 (1), the word “thereto” should be removed.

d. In s. WGC 7.10 (2) (a), the word “a” in the second sentence should be removed.

e. In s. WGC 9.13 (3), “50%” should replace “50” in several locations.

f. In s. WGC 10.03, the word “the” should be inserted before “stewards” in the latter part of the second sentence.

g. In s. WGC 10.06 (8), the word “is” should be removed. The word is already present in the current rule. In par. (a), “should” should be replaced by “shall” if this is a requirement.

h. In s. WGC 13.05 (5), the word "in" in the second sentence should be replaced with "to."

i. In s. WGC 13.14 (3), the word "meet" should be replaced with the word "meeting" (the word currently used in the rule).

j. In s. WGC 15.07 (8), "turnout" and "turn out" are used interchangeably. One term should be used consistently.

Proposed Order of the
Department of Administration

The Department of Administration proposes an order to renumber Game 3.03(2), WGC 4.02(2), 7.10(2)(h), (i), (j) and (k), 13.13(5), 13.19, 16.03(2); to create Game 1, Game 3.03(2)(b), 3.06(3), WGC 4.08(3), 4.13, 4.14, 5.08(11), 7.03(2)(g), (h), and (i), 7.05(1)(j), 7.06(1)(e), 7.06(2)(g), (h), and (i), 7.06(3)(j), 7.07(5), 7.08(3)(b), 7.09(5)(e), (f) and (g), 7.10(1)(i), 7.10(2)(h) and (i), 7.10(5)(f) and (6)(c) and (d), 7.10(10), 8.12(1)(b), (c) and (d), 8.12(4)(title) and (intro.), 9.04(4), 9.10(9), 10.06(7)(l), 10.07(22) and (23), 13.02(4) and (5), 13.04(3), 13.08(10), 13.11(1)(d), 13.15(4)(d), 13.15(6) through (12), 13.19(2), 13.20(5), 13.23(16) through (26), 13.24, 14.02(3), 14.09(3), 14.12(4) and (5), 14.15(4), 14.21(3) and (4), 14.24, 15.02(1)(d), 15.05(9) through (12), 15.06 through 15.08, 16.02(4), 16.07 through 16.10, 19.04(1)(i) and (j); to amend Game 3.05(1)(intro), WGC 4.04, 4.05(2)(a), (b), (c), and (3), 4.06(1), (2), (3) and (6), 4.07(4), (9), (11) and (12), 4.08(2), 4.10, 4.12, 5.03(1) and (2), 5.04(1), 5.05(intro.) and (4), 5.08(1), 5.09(1) and (2)(a), 5.10, 5.16(1)(intro.) and (2), 5.21, 5.22(2), 7.02(3), (5) and (6), 7.03(2)(a), 7.05(1)(c) and (h), 7.05(2)(a) and (b) and (4)(a) and (b), 7.06(2)(a), (c) and (d), 7.06(3)(d) and (e), 7.06(4)(b) and (e), 7.08(1)(b) and 2(a), (b) and (g), 7.08(4)(b), 7.09(1)(a), (2)(h), (3)(b) and (5)(a), 7.10(1)(b), 7.10(2)(a), (c) and (e), 7.10(4)(g), 7.10(5)(b), (c) and (d), 7.10(7)(a) and (d), (8)(a), (b)(intro.) and 6., and (9)(title)(intro), (a), (b), (c) and (d), 8.03(1)(a), 8.03(1)(b)1., 8.06(2)(a) through (f), 8.07, 8.12(1)(a), 9.10(2), 9.12(4), 9.13(1), (4), (8) and (9), 10.04(1)(c), 10.06(8) and (9), 10.07(7)(a), 10.07(13), 10.07(15)(title) and (intro.), 10.07(18), 10.08(2), 10.08(4)(a) and (b), 10.08(5), 10.08(9)(intro.) and (2)(b), 13.09(1), 13.11(1)(intro.), 13.13(title), 13.14(title) and (3), 13.15(3), 13.23(8), 13.23(13), 14.03, 14.07, 14.11(5), 14.12(1) and (3), 14.15(1), 14.20(4), 14.21(1) and (2), 14.22(5), 14.23(1)(h) and (2), 15.02(2)(a), 15.04(2), 15.05(4), 15.05(6), 15.05(8), 20.04(5), 20.10(2), 23, 24.18(14); to repeal WGC 1, WGC 4.02(1), 7.06(4)(e)2. and 4., 9.10 (3) through (6), 9.15, 10.03(1) through (4), 10.05(3), 11, 14.22(8), 15.05(2), 17, 18, 24.18(3); to renumber and amend WGC 7.06(4)(e)3., 7.08(3), 7.10(2)(l), 9.10(7) through (12), 10.03(5), 13.13(2) through (4), 15.05(3); to repeal and recreate WGC 7.10(1)(a), 9.13(3), 13.05, 16.03(1), 16.04.

ANALYSIS PREPARED BY THE DEPARTMENT OF ADMINISTRATION.

STATUTORY AUTHORITY: ss. 16.004 (1), 227.11(2)(a), 562.02(1), 562.04(2), 562.05(2), 562.057(5), 562.065(1), and 562.09 Stats.

STATUTES INTERPRETED: ss. 562.02(1), 562.04, 562.05(6)(e)2., 562.057(4m)(b), 562.065, 562.06(2), 562.105, and 562.11, Stats.

The Department of Administration proposes to revise its administrative code relating to greyhound racing and pari-mutuel wagering. The revision process was conducted in order to ensure the Department exercises its regulatory oversight functions in an effective and efficient manner. The proposed amendments reflect contemporary regulatory and industry standards. In many cases, the amendments raise regulatory standards and safeguards by conforming the administrative code to current practices in place at Wisconsin racetracks.

In addition, the amendments afford Wisconsin racetracks and licensees greater flexibility while preserving and strengthening key regulatory safeguards that protect the health, welfare and safety of greyhounds and the public, and the integrity of pari-mutuel wagering and greyhound racing. The plain language analyses provided for each section are contained below based on the general common areas of concern.

Sections 1g and 1r: Definitions.

Chapter WGC 1 is repealed and Game 1 is created to insert new definitions that will clarify and give insight to terms used in the administrative code. The new definitions reflect terminology specific to greyhound racing, pari-mutuel wagering and practices of the Department's Division of Gaming and its licensees.

Sections 2 through 5: Relating to appeals, hearings and enforcement proceedings.

Section 2 through 4 create requirements for the Division of Gaming to ensure the timely advancement of appeals filed by occupational licensees. Specifically these sections require the Division of Gaming's Chief Steward to compile all materials relating to the original enforcement proceedings and report to the Division of Gaming's Administrator within 7 days of receipt of an

appeal. In addition, the proposal mandates that the Division of Gaming make a request for the appointment of a hearing officer within 45 days of receipt of the appeal.

Section 5 provides for final resolution of certain issues if one or more related issues are contested through the appeal process.

Sections 6 through 17: Relating to duties and responsibilities of racetrack associations and operators.

Sections 6 and 7 repeal the requirement that racetrack operators receive approval from the Division of Gaming to conduct more than 13 races per performance.

Section 8 provides technical changes to reflect the proper terminology of “daily race program” in place of “program” and updates the Division of Gaming’s current business address. In addition, the amendment establishes a minimum timeframe of 15 days in which racetrack operators must seek Division of Gaming approval for the format of the daily racing program. It also requires racetrack operator’s to provide a notice in the daily racing program where copies of the Division of Gaming’s administrative code may be viewed.

Section 9 adds the phrase “per year” to contracts exceeding \$10,000 to identify a specific time frame covered by the contract. In addition, this section increases the number of days from 5 to 15 in which a licensee shall file a contract with the Division of Gaming and delineates the disciplinary actions that may be taken in the event of non-compliance.

Section 10 modifies requirements related to the security of the racetrack facility and greyhounds, safety of racetrack employees, and emergency care of racing greyhounds. Under s. WGC 4.06 (1), Wis. Admin. Code, changes are proposed to the entity with which the racetrack operator shall file security reports, from the Division of Gaming to the Division Stewards. This change allows for more local control and monitoring of security operations. In addition, this section extends the filing deadline for security reports from daily to 48 hours thereby allowing the preparer the opportunity to file a more thorough report.

Section WGC 4.06 (2), Wis. Admin. Code, clarifies racetrack operator’s must have 24-hour security present when greyhounds are housed on the premises.

The proposed amendment to s. WGC 4.06 (3), Wis. Admin. Code, requires the installation and utilization of two power switches within 20 feet of the racetrack surface and within 5 feet of the lure operator's control room, for the purpose of disengaging electricity to the racetrack's artificial lure. The artificial lure operates on two copper rods containing high voltage electricity. In addition, the amendment requires the association to ensure that all persons working within 30 inches of the rail of the lure disengage the power switches.

The proposed amendment to s. WGC 4.06 (6), Wis. Admin. Code, requires the racetrack operator to maintain an inventory of basic and essential supplies and medications that are necessary for the emergency treatment of greyhounds by the Division of Gaming's veterinarian. In addition, the amendment specifies the storage of these supplies in the Division of Gaming veterinarian's office.

Section 11 eliminates the specification for vehicles used to apply water to the racetrack surface to allow for various types of equipment to be used. In addition, this section specifies that the Division of Gaming's approval of kennel contracts is specific to each individually executed contract.

Section 12 provides racetrack operators the ability to enclose greyhound-starting boxes with material other than chain link fence, provided the Division of Gaming approves the enclosure. Furthermore, this section establishes a requirement that racetracks operated from November to March provide a heated racing surface, heated sprint path and heated and fully enclosed starting box approved by the Division of Gaming.

Section 13 is a technical amendment to change "lease agreement" to "lease affidavit" to reflect changes made to requirements under ch. WGC 7, Wis. Admin. Code.

Section 14 establishes that deductions from purse payments due a greyhound owner or kennel owner may only be made upon the written consent of the party entitled to payment.

Section 15 limits supervision of totalizator system costs payable by racetrack operators to the Division of Gaming to special audits, tote tests or investigation when a third party is needed to assist the Division of Gaming.

Section 16 provides for the cancellation of a race performance due to inclement weather only after consulting with racetrack management. In addition, this section provides funding of regulatory functions carried on by the Division of Gaming whether or not a race performance is cancelled due to inclement weather.

Section 17 creates s. WGC 4.13, Wis. Admin. Code requiring racetrack operators to submit audited financial statements to the Division of Gaming within 120 days of the end of the calendar year to ensure the integrity of racetrack operators. In addition, this section creates s. WGC 4.14, Wis. Admin. Code, which outlines areas of the racetrack grounds that are considered restricted and the restrictions in place for each area in order to protect the integrity of racing and wagering and the health and safety of greyhounds housed at racetracks.

Sections 18 through 27: Relating to the licensure of racetracks.

Section 18 addresses initial applications for the licensure of racetrack owners, sponsors and management entities. In WGC 5.03 (1), Wis. Admin. Code, relating to initial applications under s. 562.05 (1) (a), Stats., references to sub. (b) of the statute are deleted. Under WGC 5.03 (2), Wis. Admin. Code, relating to initial applications under s. 562.05 (1) (b), Stats., references to sub. (a) of the statute are deleted. In addition, the requirement that applications under either sub. (1) or (2) of the administrative code be submitted to the Division of Gaming only between the time periods of September 15 and October 15 are repealed to allow the Division of Gaming to receive and consider applications during any given time of year.

Section 19 is a technical amendment modifying the Division of Gaming business address.

Section 20 contains a technical amendment to reflect the repeal of the application time period outlined in Section 18. In addition, the number of application copies that must be submitted has been reduced from 15 to 10 as a result of the Division of Gaming's desire to streamline the application process.

Section 21 eliminates redundant wording in WGC 5.08 (1), Wis. Admin. Code.

Section 22 creates an additional factor for the Division of Gaming to consider the economic impact a license to sponsor or manage a racetrack would have on a local community.

Section 23 amends the application requirement to include all previous addresses if less than 20 years at the current residence instead of only the previous 5 addresses as currently required. In addition, this section authorizes agents of the Division of Gaming to inspect records relating to the information provided in the application form. Although s. 562.02(2)(d), Stats., grants the Department of Administration, Division of Gaming the authority to inspect these records, the current rule authorizes only the Department of Justice, Division of Criminal Investigation, to do so.

Section 24 broadens the scope of responsibility of persons designated to classify license application requirements to include existing applicants as well as potential applicants.

Sections 25 and 26 adds the phrase "per year" to contracts exceeding \$10,000 to identify the specific time frame covered by that contract.

Section 27 deletes the specific bond amount of \$250,000 and allows the Division of Gaming to determine the amount of the bond based on the estimated total monthly dollar amount paid by the racetrack operator related to fees, taxes, animal purses, adopt-a-greyhound program operating expenses, unclaimed prizes, and pay-outs on winning wagers or other amounts payable under ch. 562, Stats. In addition, Section 27 allows the Division of Gaming to require the increase in the amount of the bond prior to the commencement of a race meet up to the maximum amount allowable.

Section 28 through 65: Relating to the conduct of greyhound racing.

Section 28 clarifies requirements for the submission of past performance information for each for maiden greyhounds which have officially schooled or started and a modification to specify that references to performance lines shall be the greyhound's most recent performances. In addition, this section increases the number of kennels per racetrack to which a greyhound owner may lease greyhounds, from 2 to 3, in an effort to encourage greyhound owners to race their greyhounds in Wisconsin.

Section 29 requires that a lessee of a greyhound submit an affidavit attesting to the terms of the lease agreement between the kennel owner and greyhound owner for each greyhound leased.

Currently, kennel owners are required to submit a written lease agreement meeting the minimum standards imposed under WGC 7.02 (5). In most instances, kennel owners and greyhound owners rely on verbal agreements and valid written lease agreements do not exist between the parties. The implementation of a lease affidavit will allow the kennel owner to memorialize in verbal lease agreements.

Section 30 establishes that greyhounds not raced for 31 days or more shall be schooled to the satisfaction of the stewards at least twice as means of ensuring the greyhound is healthy and fit to race.

Section 31 establishes that schooling periods are to be offered free of charge to contracted kennel operators and creates a minimum amount of schooling over weekly period(s) to include at least 2 sessions of at least 2 hours each to promote the proper conditioning of racing greyhounds. In addition, this section requires the schooling of greyhounds housed at Wisconsin racetracks only at facilities licensed by the Division of Gaming.

Section 32 designates that a maiden greyhound shall be under the age of 24 months and shall be graded to grade E on the last race day of the month in which the greyhound reaches 24 months. Furthermore, section 32 allows for the racing secretary to regrade any greyhound not racing for 30 days or more due to injury. Currently, regrading may only occur if a greyhound has not raced for 30 day or more due to illness.

Section 33 allows a racing secretary to form races of 3/8 of mile or greater from 2 consecutive grades, not including maidens. A racing secretary choosing to draw a mixed grade race must designate the race by adding the letter "T" to the race's grade designation and pay a purse consistent with the higher of the two grades. This will enable racetracks to offer additional long-distance races that normally have fewer greyhounds available to compete.

Section 34 authorizes the advancement of a greyhound winning a Grade M race to Grade D upon the request of the trainer and consent of the racing secretary. In addition, this section clarifies the requirement that all greyhounds that fail to finish in the top 4 positions in 6 consecutive Grade M starts shall be ineligible to compete further at the race meet except as specified. Furthermore, the re-qualification is clarified to specify requalifying in official schooling.

Section 35 clarifies the requirement that Grade E greyhounds that fail to finish in the top 4 positions in 6 consecutive Grade E starts shall be dropped from racing.

Section 36 requires that entry into a race shall be free unless stipulated in the conditions of the race. If the conditions require a fee, then the fee shall be paid at the time of the registration.

Section 37 amends s. WGC 7.06 (2) (a), Wis. Admin. Code, to specify that any purse money won while the greyhound was owned or controlled by a disqualified person shall be returned and redistributed as purse money in a manner as if the greyhound did not compete. In addition, this section amends par. (b) to require the removal of greyhounds from a schooling or veterinarian's list prior to entering any official race. Furthermore, par. (d) is amended to clarify the non-acceptance of greyhounds that are "coming in season" to specify that greyhounds shall not be entered for a period of 30 days following the date the greyhound came in season.

Section 38 establishes that greyhounds may not be permitted to enter schooling or official races until all ownership interests of the greyhound are licensed by the Division of Gaming. Section 38 also requires that stewards shall declare a no race and all monies wagered on the race shall be refunded in cases where a greyhound starts a race from a different post position than what is listed in the program. In the event a greyhound starts a race from a different post position than listed in the program, and the stewards declare the race official, all winning tickets reflecting the posted official order of finish shall be honored as winning tickets and all remaining tickets subject to refund.

Section 38 also prohibits the refund of a race in the event a greyhound's blanket comes loose or falls, or if the greyhound's muzzle falls off, is hanging or is in the greyhound's mouth.

Section 39 is a technical amendment changing references from "racing meet" to "race meet" and "program" to "daily race program" in accordance with the definitions promulgated in section 1.

Section 40 requires that any error pertaining to the entry or declaration of a stakes race shall be presented to the stewards prior to any qualifying races or the draw.

Section 41 permits the presence of assistant trainers at the drawing of a greyhound for a live racing performance. In addition, this section allows the stewards to designate a representative to

oversee the conduct of the draw and post positions assignments and allows the assistant racing secretary or director of racing, in addition to the racing secretary, to be present and meet the requirement of an association representative at the draw.

Section 42 decreases the number of separate ownership interests that comprise a race from 7 to 6 distinct greyhound owners. In addition, this section clarifies that no greyhound owner shall have more than 2 entries in any race except stakes races.

Section 43 repeals the requirement that a kennel owner consent to the entry of more than one greyhound from her or his kennel. In addition, consent language for races over 5/16 of a mile is repealed to create uniform consent rules regardless of the distance of the race. Both provisions streamline the process for a racetrack to draw greyhounds into races.

Section 44 amends the authority of racing secretaries to draw more than one greyhound per kennel into a race to reflect the common practice of trainers, as opposed to kennel owners, entering greyhounds into a race.

Section 45 authorizes the stewards to require any scratched greyhound to race in official schooling, to the stewards' satisfaction, prior to reentry into a race.

Section 46 eliminates the 4 day waiting period from the time the trainer changes a greyhound's official weight to the time the weight is recognized. This change reflects the current use of technology by the racing association. Historically the racing association required 2-3 days to change racing weights in the official program. Currently, utilizing the computerized greyhound entry software, changes to racing weights can be made at the next draw after submission of the change.

Section 47 establishes that greyhounds must be weighed in for racing not more than 3 hours prior to the first race of the performance. In addition, this section allows the racing association to conduct more than one weigh-in when it desires to conduct more than 15 races per performance. Currently, lock out facilities at each racetrack are only configured to accommodate greyhounds for 15 races. This provision allows the racetrack to conduct a second weigh-in during the performance to allow for additional races beyond 15 to be conducted. Furthermore, this section amends the current administrative code to allow lead-outs to be present in the lock-out facility in

the presence of a racing official and remove the requirement that racing officials be present only in the lock-out facility in groups of 2 or more. Current security monitoring requirements for the lock-out kennel make the current prohibitions on lead-outs and single racing officials obsolete.

Section 48 clarifies the requirement that greyhounds be weighed out immediately after being removed from the lock-out kennel. The provision requiring that weigh out occur prior to entry into the paddock has been deleted to recognize that the scale for weighing greyhounds is located in the paddock, thereby requiring the greyhounds to be in the paddock during weigh out.

Section 49 establishes requirements related to greyhounds that lose more than one and one half pounds between weigh in and weigh out. Specifically, this requirement provides that the Division Veterinarian keep a record of greyhounds that lose excessive weight, establishes a designation to appear in the daily race program for all greyhounds designated as weight losers, and mandates that a greyhound must lose excessive weight on a minimum of three consecutive occasions prior to be designated as a weight loser.

Section 50 is a technical amendment to reflect a change in terminology from "daily program" to "daily race program".

Section 51 amends the requirement that racing blankets and muzzles not be removed from competing greyhounds until after the greyhound has been accepted by a kennel representative to allow for the removal of the blanket and muzzle once the greyhound is under visual observation by the kennel representative. Furthermore, this section clarifies wording to indicate that no refund of monies wagered shall occur in cases where a greyhound refuses to leave the starting box, which reflects actual practice.

Section 52 authorizes the stewards to require that a greyhound be placed on the schooling list and required to school at the stewards' discretion for cause. In addition, section 52 eliminates the requirement that persons filing objections to the eligibility of a greyhound also file a copy of the complaint with the Division Administrator.

Section 53 addresses the handling of objections. Under s. WGC 7.09 (5) (e), Wis. Admin. Code, money or a prize due any greyhound involved in an objection must be withheld until the objection is resolved. This amendment will prevent the dispersal of any prize or monies due a greyhound

not eligible to compete, and eliminates the potential of dispersing funds and then being unable to recover those funds and pay the legitimate winners. Section WGC 7.08 (5) (f), Wis. Admin. Code, is created to direct the stewards regarding the disposition of matters involving fraud or willful deception, and to ensure that such allegations are bona-fide. Finally, s. WGC 7.09 (5) (g), Wis. Admin. Code, provides the stewards with specific direction regarding the determination of the new order of finish and the distribution of purse money in cases where the objection is declared valid.

Section 54 modifies the designation of racing officials to reflect current staffing and staff titles representing both the Division of Gaming and racetracks.

Section 55 eliminates references to positions that no longer exist within the Division of Gaming including commission auditor and paddock judge. In addition, wording is added to designate that the Division of Gaming is responsible for appointing all racing officials who are Division of Gaming employees.

Section 56 establishes a mandate that the General Manager inform the stewards of planned absences of 2 or more performances and designate a person to exercise General Manager-related duties and responsibilities in the General Manager's absence. This requirement ensures that stewards have a point of contact for racetrack related when the General Manager is absent.

Section 57 clarifies the stewards' role, scope of responsibility, and method for decision making. In addition, this section clarifies the stewards' role in matters pertaining to racing in issuing orders that shall supersede the orders of the officers and directors of the association. This section also requires that stewards be present at least 15 minutes prior to the time for weigh-in to perform their duties.

Section 58 is a technical amendment renumbering 4 sections contained in s. WGC 7.10 (2), Wis. Admin. Code.

Section 59 eliminates personnel language related to stewards employed by the Division of Gaming. This amendment recognizes that the personnel policy for all Division of Gaming employees is established by the departments of Administration and Employment Relations. In

addition, this section adds the adjective "association" to clarify the application of s. WGC 7.10 (2) (l), Wis. Admin. Code to association stewards.

Section 60 creates the authority for the presiding steward to appoint a division steward or veterinarian to serve in the event of an emergency vacancy in one of the two positions. Furthermore, the general manager is authorized to make a temporary appointment subject to the approval the stewards in the event of an emergency vacancy of a racing official.

Section 61 eliminates the reference to a commission paddock judge and recognizes the role of the association's paddock judge in assigning lead-outs to post positions. In addition, this amendment allows the stewards to approve the assignment list and re-assign post positions.

Section 62 eliminates the reference to a commission paddock judge and recognizes the role of the paddock judge employed by the association. In addition, this section eliminates references to the kennel master and recognizes that the paddock judge is responsible for the lock-out kennel. The Division of Gaming's veterinarian is designated as the responsible party for ensuring the lock-out kennels are kept in good condition and may direct the association to correct deficiencies. Finally, this section includes the division stewards in addition to the paddock judge as responsible parties for ensuring that unlicensed persons do not weigh in greyhounds.

Section 63 creates requirements related to the duties of the paddock judge and starter. The paddock judge is required to ensure that each greyhound is fitted with a muzzle, blanket and lead prior to leaving the paddock for the starting box. This section requires that the starter inspect the starting boxes prior to the first race of a performance. In addition, the starter is identified as the party responsible for ensuring each greyhound is placed in the correct post position when loaded into the starting box.

Section 64 delineates that the kennel owner or trainer when filing lease and ownership paperwork with the racing secretary, shall also file other required forms such as interstate health certificates, live lure affidavits, and animal vaccination records.

Furthermore, section 64 amends the duties of timer-photo finish operator. This amendment designates the association steward as the timer-photo finish operator to reflect current practices of racetrack operators. In addition, the end time of a race is defined as the time of the first

greyhound crossing the finish line. Language is added to require that stewards, in addition to the timer-photo finish operator, must be satisfied that the automatic timing device is working properly for that device's time to be used as the official time of the race. In the event of the automatic timer not working properly, additional discretion is allowed to use other devices in addition to the use of a stop watch as a hand timing device. Finally, this section requires the board of stewards to approve any photo prior to display to the public, and requires the retention of a paper copy of the photo for a period of 90 days. This last provision ensures the accuracy of photos displayed to the public and enables stewards or other racetrack personnel the ability to show a photo to a patron after the photo is displayed on the television system.

Section 65 defines the duties of the lure operator. Section WGC 7.10 (10) (a), Wis. Admin. Code is created to require that the lure operator operate the lure in a consistent manner that will not disrupt the running of the race. Subsection (b) requires the lure operator to consider weather conditions when determining the speed of the lure. Subsection (c) requires the lure operator to test the lure for any malfunctions prior to the first race of the performance.

Sections 66 through 72: Relating to pari-mutuel operations.

Section 66 eliminates the requirement that racetracks file weekly admissions reports. In addition, admissions reports will be filed with the Division of Gaming's stewards and not the auditor because the auditor position has been eliminated.

Section 67 clarifies that money payable to the Division of Gaming for outstanding tickets is due the following day after the last day to cash any outstanding tickets.

Section 68 clarifies the stewards' duties in the event of starting box failure. Current language references the ability of single animals to be prevented from an unfair start due to starting box failure. Given that each starting box contains one solid lid for all 8 post positions, it is not possible for only one animal to be effected and the other animals to be unaffected. Therefore, the language was streamlined to recognize that all animals are impacted by starting box failure and therefore the races so affected should be declared a "no race".

Section 69 allows racetrack operators the ability to offer \$1.00 wagers for pools in which there the total price of the ticket is at least \$2.00. Currently, racetracks are limited to offering \$1.00

wagers on trifecta, superfecta, twin-trifecta and tri-superfecta wagering only. This provision will now extend the \$1.00 wager option to quinella, daily double, and pick (N) wagers consistent with wagering options available in many regulatory jurisdictions.

Section 70 provides language that pari-mutuel tickets may only be sold from facilities licensed by the Division of Gaming.

Section 71 restricts the purchase of pari-mutuel tickets to provide only for the acceptance of US currency, totalizator vouchers, winning pari-mutuel tickets or refunded tickets. Furthermore, this section prohibits racetrack operators from extending credit or accepting checks or credits directly for the payment of pari-mutuel tickets. In addition, this section requires a person to be present on the grounds of the racetrack to place a wager and prohibits the sale of pari-mutuel tickets via the telephone, computer or any other device not approved by the Division of Gaming. Finally, section 71 prohibits the discounting or rebating of pari-mutuel wagers or offering cash incentives as a premium for placing wagers.

Section 72 declares that patrons taking a pari-mutuel ticket and leaving the pari-mutuel wagering window or terminal are acknowledging that the ticket is correct. This provision requires a patron to present any ticket-related errors to the mutuel teller prior to leaving the window.

Sections 73 through 82: Relating to pari-mutuel wagering pools.

Section 73 clarifies the pricing methods when determining the order of finish for the place pool to allow for the pool to be distributed to the holder of place tickets on the animal finishing third, in the event no place tickets are sold on both of the two animals finishing first or second.

Sections 74 through 77 simplify the pricing methods when determining the order of finish for the trifecta pool, in cases where no ticket is sold on the winning combination or including the first and second place animal correctly selected. In this case, holders of a ticket selecting only the first place animal would be entitled to the trifecta winnings. If no person purchased a ticket selecting the first place animal, then the pari-mutuel pool would be refunded.

Section 78 clarifies the pricing methods when determining the order of finish for the superfecta pool. This amendment allows Wisconsin racetracks to price the superfecta pool consistent with the majority of other racing jurisdictions thereby eliminating patron confusion.

Sections 79 and 80 clarify the rules governing the conduct of Pick (N) wagers. These revised procedures reflect the standardized rules of play adopted by the North American Pari-Mutuel Regulators Association and allow for easier understanding by patrons and racetrack operators, as well as providing additional options for the conduct of Pick (N) wagering.

Section 81 repeals the daily triple wager. The daily triple wager is the same as the Pick (3) wager. The repealed language is redundant based on the changes made under Sections 79 and 80.

Sections 82 through 97: Relating to totalizator operations.

Section 82 repeals requirements related to the duties and responsibilities of the Division of Gaming auditor. The Division of Gaming does not employ audit staff located at each racetrack facility. In addition, the need for the racetrack association to supply a separate work area, file storage, telephones and televisions for auditors is no longer necessary through the Division of Gaming's increased use of technology, electronic data recording and streamlined record keeping requirements.

Section 83 modifies the language to reference the deletion of the auditor positions and transferring of specific notification requirements in s. WGC 10.03, Wis. Admin. Code, to the stewards.

Section 84 clarifies that the retention of cashed and canceled tickets by racetracks shall occur until 60 days after the payment of "outs" money to the state. The Division of Gaming, when conducting an audit or investigation, may direct that the tickets be retained for a longer period of time.

Section 85 repeals the language restricting the cancellation of tickets so that racetrack operators may establish policies specific to each racetrack.

Section 86 mandates that the expiration date of the ticket be printed on the ticket. This requirement ensures patrons are aware of the last date for cashing a winning ticket. Expiration dates are commonly found on lottery and keno tickets throughout the United States and pari-mutuel and sports betting tickets in Nevada.

Sections 87 through 97 represent necessary amendments to reflect the change in technology that has occurred in totalizator operations since the administrative code was last promulgated. In addition, the proposal outlined in the sections contain additional safeguards to protect the integrity of pari-mutuel wagering based on initiatives put in place by various totalizator system providers after a major incident of wagering pool tampering occurred during the Breeder's Cup in October of 2002.

Section 87 changes the party responsible for a security system to safeguard the facilities housing the totalizator company from the racing association to the totalizator system licensee. In addition, it clarifies that the totalizator system licensee does not have to directly provide the security, but must ensure its presence whether the system is operated at the racetrack or an off-site locations. It is becoming more common that totalizator systems are being operated at off-site locations out of the control of the racing association. These provisions ensure the presence of a security system safeguarding the totalizator system wherever the system is housed.

Furthermore, section 87 amends ss. WGC 10.06 (8) (a) through (c), Wis. Admin. Code. Subsections (a) and (b) are amended to add specific security requirements related to the security systems in place for each totalizator system. This section requires that all entry and exit doors be locked when unattended, be under 24 hour video surveillance, and have signs posted which read "Authorized Personnel Only". In addition, a list of individuals with keys to the door is required and a copy of the list must be provided to the Division of Gaming.

Section 87 also amends s. WGC 10.06 (9), Wis. Admin. Code, by implementing additional security requirements for access to the totalizator system. This section requires that only individuals possessing an occupational license issued by the Division of Gaming be granted routine access to the room housing the totalizator system. In addition, totalizator operators are be required to post work schedules and maintain a paper log of all visitors to the room housing the totalizator system.

Section 88 removes the restriction on the length of time between odds updates on the totalizator board. This provision allows the Division of Gaming to approve the frequency of odds updates and ensures that the betting public has the most accurate odds information.

Section 89 requires that the totalizator operator report instances when the log of outstanding uncashed tickets is accessed. This allows the Division of Gaming to monitor access to uncashed tickets to ensure fraudulent use of this data and the theft of uncashed winning tickets does not occur.

Section 90 is a technical amendment changing references from "magnetic log" to "totalizator" to represent the current terminology and technology utilized in totalizator operations.

Section 91 increases the length of time emergency back up power must be available from 30 to 60 minutes. This increase ensures that totalizator systems are able to be shut down in an orderly fashion without loss of data in the event of a power outage.

Section 92 outlines new restrictions on totalizator programmers accessing the totalizator system remotely. These restrictions require that all remote access equipment be disconnected when not in use and that it be stored in visible areas. In addition, all cases of remote access should be via a distinct user name and password, and must be documented. All peripheral equipment attached to the totalizator system needs to be documented. These restrictions should help prevent unauthorized entry into the totalizator system from remote locations.

Section 93 changes the reference to the working title of "commission auditor" to "division representative" to reflect the absence of specific auditors assigned by the Division of Gaming. In addition, this section deletes requirements that notice of the annual totalizator system test occurs no later than 7 days prior to the beginning of the racing season, and the actual test occurs within 3 days of the season. This deletion grants the Division of Gaming additional flexibility when scheduling annual totalizator system tests.

Sections 94 and 95 are technical amendments changing references from "magnetic log" and "disk file" to "electronic media" to represent the current terminology and technology used in the totalizator system industry.

Section 96 eliminates the requirement that totalizator system licensees submit a listing of authorized personnel within 10 days of the beginning of the race season. Totalizator system licensees in many cases do not have a list of personnel finalized until within 10 days of the beginning of the racing season.

Section 97 reduces the number of application copies a totalizator system license applicant needs to submit from 10 to 7 copies. These changes reflect the Division of Gaming's desire to reduce and streamline the process for license applicants.

Section 98: Relating to the powers and duties of the Division of Gaming

Section 98 repeals ch. WGC 11, Wis. Admin. Code, which references a predecessor agency to the Division of Gaming. The recreated chapter 11 outlines the Division of Gaming's powers and duties and formalizes previous policy determinations and interpretations of the Division of Gaming related to enforcement authority and the board of stewards.

Section 562.02 (2) (d), Stats., authorizes the Department to conduct warrantless inspections of racetracks and related records. Section 98 interprets this statute to mean that areas of racetrack subject to inspection include but are not limited to, all buildings, structures, equipment and property located on the grounds of a racetrack regardless whether the property is owned or leased by or to the racetrack. In addition, this section specifies the types of records subject to inspection to include both paper or electronic documents maintained by a licensee, and related to the activities for which the person is license or activities, occur on racetrack property or are related to greyhound racing or wagering.

Section 98 also outlines the enforcement authority relating the exclusion of persons from racetracks as authorized in s. 562.02 (2) (e), Stats. This section authorizes the Division of Gaming to exclude persons for a maximum of 48 hours, except in cases of a suspension or revocation of license, for interfering conduct that poses a threat to the integrity of racing. Interfering conduct is described as profanity, making noises with the intent to stop a greyhound race, unauthorized presence in restricted areas, entering a facility without paying the prescribed admissions fee, possession of narcotics, drugs and firearms, engaging in violence towards a person or racing animal, restricting the entrance or exit of a building or driveway, attempting to violate a statute, rule or order of the Division of Gaming, or impeding representatives of the

Division of Gaming or racing officials. The Division of Gaming is authorized to contact local law enforcement to assist in exclusion of persons.

In addition, the Division of Gaming is authorized to restrict the movement of greyhounds into and out of any racetrack in the state. This provision is necessary to stop the spread of highly contagious or infectious diseases that occasionally afflicts greyhounds in other racing jurisdictions. Due to the transient nature of the greyhound population in the United States, certain disease outbreaks, if not properly contained, can cause devastating effects to the health of hundreds of greyhounds housed at racetrack and significant economic impact to the racetrack operators, licensees and the state.

In relation to the board of stewards, Section 98 provides specific procedures for the board of stewards to follow when conducting hearings. The board of stewards is the entity charged with enforcement the Department's administrative code and has the authority to conduct hearings and issue fines and license suspensions. Section 98 specifies an individual's rights regarding proper hearing notice, conduct of stewards' hearings, and notification of penalties. In addition, this section provides specific authority that the stewards may exercise without conducting a hearing. These activities include scratching greyhounds from competition, ordering the refund of mutuel tickets, determining order of finish, canceling races, and taking other actions which do not impose a fine or suspend a license. These amendments are necessary to protect the due process rights of persons appearing before the board of stewards, and to ensure that the violation of such procedures may be considered during any appeal of the board of stewards decision.

Sections 99 through 119: Relating to occupational licensing.

Section 99 authorizes the Division of Gaming or board of stewards to require an applicant to demonstrate that the applicant is qualified to obtain a license. In addition, this section creates a maximum 5-day period for the board of stewards to take action on a license application. Currently, a board of stewards has no limitation on the amount of time it may take to make a determination on a license application.

Section 100 mandates that all licenses issued by the Division of Gaming are temporary for a period of 90 days. This temporary provision allows for the Division of Gaming to deny a license in event of a positive criminal history report or other evidence that indicates the person does not

meet the necessary qualifications to hold a license. Currently there is an approximately 3-5 week delay between the time a person is fingerprinted and the time the results are received from the Department of Justice.

Section 101 modifies license types and fees for all occupational licenses. The amendment reflects the Division of Gaming's desire to streamline the licensing process. License categories, which do not directly impact greyhound racing or pari-mutuel wagering, were combined into a general category to allow racetrack employers greater flexibility in utilizing employees. In addition, license types of a racing official nature were streamlined into a common racing official license to recognize that many employees are performing more than one racing official function.

In addition, the Division of Gaming reviewed the fee levels established for various license types and compared them to those fees established in similar racing jurisdictions. Racetracks and kennel operators recruit employees from other states and cited higher licensing fees as one reason that qualified applicants were choosing other racetracks over Wisconsin racetracks when looking for employment. In other instances, racetrack employers cited the difficulty in recruiting applicants for general positions such as food and beverage, maintenance, and administrative support, due to the necessity for a person to pay initial licensing and fingerprints fee of \$61.00 or more prior to employment. The Division of Gaming considered the deterrent effect that its licensing fees were having on employment when, in many cases, qualified applicants could obtain a similar job at a local business where no licensing fee is required. The new licensing fee schedule will aid in the racetrack's ability to recruit qualified applicants, thereby increasing the level of public confidence in pari-mutuel wagering and greyhound racing. In addition, the Division of Gaming anticipates an increased number of applicants for licenses due to lower fees.

Section 101 also amends language that is a deterrent to the implement of online licensing and credit card payments. Section 101 provides for a 20 day grace period for applicants applying via an electronic self-service licensing system to submit fingerprint cards. This will enable first time and renewal applicants requiring fingerprint cards to take advantage of the proposed online licensing system. In addition, the amendment allows for the Division of Gaming to charge a convenience fee similar to what is currently assessed for individuals applying or renewing licenses issued by the Departments of Transportation or Natural Resources online. This fee would cover the additional expense the state incurs for credit card processing and transactions.

This provision also requires that all persons issued a license to consent to a reasonable search by the Division of Gaming of the individual and property located on the grounds of the racetrack. This includes a search of the person's kennel, motor vehicle, trailer, box, bag or container. This provision, common throughout the racing industry, is in accordance with s. 562.02 (2) (d), Stats., and is necessary to ensure licensees do not possess prohibited substances in restricted areas.

Section 101 also requires any person appearing at a Division of Gaming office to be fingerprinted or obtain a Division of Gaming identification badge to show a government issued photo identification card.

Section 102 establishes that a foreign corporation may not be licensed if it has not registered to conduct business in Wisconsin under s. 180.1501, Stats.

Section 103 establishes that all applicants for a license as a racing official shall be at least 18 years of age.

Section 104 amends s. WGC 13.11 (1), Wis. Admin. Code, allowing the Division of Gaming to issue fines, in addition to other sanctions, for falsifying information or omitting facts on a license application or during the course of stewards inquiry.

Section 105 prohibits licensees from providing false or misleading information to the Division of Gaming.

Section 106 amends to the title to s. WGC 13.13, Wis. Admin. Code, to specify that the provisions of this section are in reference to animal ownership.

Section 107 is a technical amendment consolidating three separate subsections under the corporation subsection. In addition, various grammatical corrections are made.

Section 108 is a technical amendment renumber s. WGC 13.13 (5), Wis. Admin. Code, as a result of the renumbering which occurred as part of section 107.

Section 109 amends the title of s. WGC 13.14 (1), Wis. Admin. Code, to specify that this section pertains to owners of greyhounds and not track ownership. In addition sub. (3) is amended to

reflect a change in terminology from “stabling” to “kenneling” to reference the proper terminology utilized in greyhound racing.

Section 110 amends to “licensed trainer” to “kennel owner” to reflect that assistant trainers are employed by kennel operators and not trainers.

Section 111 establishes that individuals forming a partnership and desiring to operate a kennel are required to register the partnership with the Division of Gaming and identify one person as the representative for the kennel.

Section 112 provides additional requirements for kennel operators and trainers that reflect common industry and regulatory standards. Specifically, kennel operators are required to designate a trainer of record for the kennel. The trainer of record is the person who is ultimately responsible for the health, welfare and safety of the greyhounds in the kennel and is identified in the daily racing program. In addition, the trainer of record is responsible for maintaining a list of all individuals authorized to assist the trainer in the kennel. Minimum time requirements are also established to ensure that the trainer of record is on the grounds of the racetrack ensuring the proper care of the greyhounds housed in the kennel. Provisions are contained in this section stating the process for a trainer of record relinquishing the designation.

In addition, section 112 prohibits a trainer from being employed by more than one kennel owner in the state of Wisconsin at any given time. Kennel owners, trainers and assistant trainers are also prohibited in this section from racing a greyhound he or she owns which is not in a kennel under their care. These provisions are designed to eliminate any potential conflicts of interest which could arise from dual employment by trainers or having kennel, trainer or assistant trainer owned greyhounds race in competing kennels.

Section 113 is a technical amendment to renumber the existing section due to the newly created sub. (2) contained in section 114.

Section 114 places restrictions on immediate family members of racing officials obtaining licenses with the Division of Gaming. The Division of Gaming desire to review license applications made by racing officials immediate family members to ensure there will not be or appear to be any conflict of interest in the family member holding the desired license.

Section 115 prohibits a mutuel employee from also being licensed as a kennel worker. This reduces the risk of race fixing and the appearance of collusion between the mutuel department and kennels.

Section 116 is a technical amendment removing references to January 1, 1992.

Section 117 amends s. WGC 13.23 (13) to prohibit the sale, possession, receipt or use of drug paraphernalia. This will aid the Division of Gaming and racetrack operators in ensuring Wisconsin racetracks are free from drugs.

Section 118 lists specific activities that are prohibited. These prohibitions are common regulatory standards contained in most racing jurisdictions as means of protecting the health, welfare and safety of greyhounds and ensuring the integrity of pari-mutuel wagering and greyhound racing. In the past, several of the common prohibitions have been violated by licensees and the Division of Gaming has had to utilize less specific provisions of the administrative code to take enforcement action. By specifically promulgating these provisions, all licensees will be aware of prohibited conduct.

Specifically, section 118 prohibits the following activities; a) altering or forging greyhound medication prescriptions, b) knowingly allowing an unlicensed person to work, c) smoking in designated "no smoking" areas, d) killing an animal or using a dead animal for training a greyhound, e) submitting false information to the division, racetrack association or National Greyhound Association, f) cashing a pari-mutuel ticket belonging to another person for the person of avoiding tax withholding, g) possessing food, drink, gum, candy or tobacco products in the paddock, h) writing personal checks to the Division of Gaming from accounts with insufficient funds, i) failing to disclose the correct ownership of a greyhound and j) entering an ineligible greyhound into an official race.

Section 119 provides relief to creditors who are owed money directly related to greyhound racing. As the average purse money earned by kennel operators continues to decline, more licensees are defaulting on financial obligations. These delinquencies are having residual effects on other kennel operators, because many vendors will discontinue servicing the racetrack if kennel operators default on payments. In addition, this section provides procedures for the

Division of Gaming to take action to enforce the financial responsibility requirements for kennel operators and greyhound owners contained in ch. WGC 13, Wis. Admin. Code.

Sections 120 through 135: Relating to medication.

Section 120 defines "test sample" to mean urine, blood, feces, saliva, hair or any other substance obtained for the purpose of submitting to the testing laboratory to determine compliance with ch. WGC 14, Wis. Admin. Code.

Section 121 establishes maximum levels of the following foreign substances in a test sample; procaine, sulfa drugs, polyethylene glycol, and fenbendazole. At or below the levels identified, veterinary and racing chemistry experts agree that the substances have no impact on a greyhound's performance, the health of a greyhound, or the ability of the testing laboratory to detect other prohibited substances.

Procaine is commonly found in procaine penicillin that is used to treat various infections or procaine hydrochloride used a local anesthetic. The direct race day administration of procaine would result in detection at levels greater than 5.0 micrograms per milliliter. At or below 5.0 micrograms per milliliter procaine would have no effect on the performance of the racing greyhound and is evidence of procaine ingestion through the greyhound's feed or direct administration and the long withdrawal period of procaine from a greyhound's body even after the drug has efficacy.

Sulfa drugs are used to treat a wide variety of bacterial infections in dogs and are commonly prescribed by veterinarians in oral doses. While high levels of sulfa drugs in a greyhound's urine may be indicative of an underlying health concern, levels less than or equal to 100 micrograms per milliliter represent the presence of the drug at levels insufficient to effect the greyhound's performance and do not indicate a medical concern.

Polyethylene glycol and fenbendazole are substances of concern because they have the ability to mask other substances during thin layer chromatography testing. Neither substance has an impact on greyhound performance. Polyethylene glycol is not a drug but instead is utilized as a base or solvent for drug products. Fenbendazole is a drug commonly utilized in the treatment of intestinal parasites. Fenbendazole is recommend by many veterinarians due to its effectiveness

and safety. Both substances can be detected in greyhound urine at levels that do not interfere with testing. Because thin layer chromatography is a more qualitative analysis, this section allows the testing laboratory the discretion to determine qualitatively when either substance reaches the level at which it interferes with testing. This type of discretion is commonly applied by the testing laboratory when conducting thin layer chromatography for other racing jurisdictions.

Section 122 clarifies that no person may possess prescription drugs in the kennel compound without a written prescription. In addition, this section requires that the prescription drug be kept in its original pharmacy container with a prescription label affixed to it.

Section 123 creates a provision allowing the use and possession of dosage syringes for the purpose of administering oral medications. Hypodermic syringes modified for use orally would continue to be prohibited. Dosage syringes are in many cases the safest way to dose and administer certain medications orally. Dosage syringes are manufactured for oral use only and can not be adapted for use hypodermically.

Section 124 is a technical amendment to reflect that samples are defined as “test samples” and not “body fluid” samples.

Section 125 clarifies the requirements governing referee test samples. A referee test sample is a portion of a test sample made available for testing by a laboratory hired by a person who is being charged with a violation of ch. WGC 14, Wis. Admin. Code.

Section 126 establishes that a copy of the referee sample testing results must be provided to the Division. In addition, this section requires laboratories desiring to conduct referee sample testing to have at least one staff member who is a registered member of the Association of Official Racing Chemists.

Section 127 eliminates references to the accuracy of the laboratory’s report in s. WGC 14.15 (1), Wis. Admin. Code, because the stewards’ or Division of Gaming’s determination regarding a violation of ch. WGC 14, Wis. Admin. Code, is not based on the accuracy of the reporting by the laboratory.

Section 128 authorizes the Division of Gaming to suspend or revoke a kennel owner's or greyhound owner's license for failing to return purse money as directed by the stewards.

Section 129 requires the use of disposable syringes, in addition to needles, by licensed veterinarians practicing medicine on racetrack property.

Sections 130 and 131 concern post-mortem examination requirements for racing greyhounds. Section 130 requires that a kennel owner or trainer inform the Division's veterinarian of any greyhound that dies or is euthanized while under her/his care. In addition, the Division veterinarian may exempt greyhounds from undergoing a post-mortem examination. Section 130 requires that all post-mortem examinations be conducted by the Wisconsin animal health laboratory, UW-Madison veterinary medical school, or other entity designated by the Division. Currently, post-mortem examinations are conducted by private veterinarians who have financial relationships with kennel operators and racetracks raising potential conflict of interest concerns. In addition, the Division of Gaming believes that post-mortem examination conducted by the identified state entities will result in more thorough examinations and conclusive results at significantly lower costs to the racetrack operators.

Section 131 requires the trainer of a deceased greyhound to deliver the greyhound to the Division's veterinarian. The Division of Gaming will be responsible for the transportation of the greyhound to the laboratory for examination. These delivery and transportation requirements will not require additional funding to the Division of Gaming and can be accomplished with existing resources.

Section 132 specifies the responsibility of the Division of Gaming's veterinarians to observe and inspect a greyhound prior to a race.

Section 133 repeals language that essentially repeats statutory language concerning employment requirements of Division veterinarians.

Section 134 relates to contractors providing laboratory and testing services. This section provides that a holder of any ownership interest must comply with the provision of s. WGC 14.23 (1) (h), Wis. Admin. Code, and that the selected laboratory must meet all requirements of a request for proposal or bid, in accordance with state procurement statutes and rules.

Section 135 requires all kennel operators to maintain a listing of all medications, vitamins, supplements, and other substances fed or administered to racing greyhounds. This section also contains specific posting and review requirements. The utilization of medication lists is common through the industry and the lists are currently being utilized by Wisconsin racetracks.

Section 136 through 145: Relating to the humane treatment of racing animals.

Section 136 prohibits altering or removing any marking utilized to identify a greyhound.

Section 137 requires kennel personnel submit an affidavit attesting to the training of a greyhound prior to entry of the greyhound in a race. Currently, affidavits may be submitted after entry but before the greyhound actually races. This provision allows the Division of Gaming to avoid scratching competing greyhounds from races due to incomplete paperwork.

Section 138 is a technical amendment removing references to January 1, 1992.

Section 139 repeals language requiring an inspection of the racetrack surface prior to the beginning of the race meet. Current provisions in the administrative code require the Division of Gaming to conduct an inspection of the racetrack surface prior to each racing performance thereby making the repealed language redundant.

Section 140 streamlines requirements related to the removal of greyhounds from the grounds of the racetrack. The amendment excludes the removal of greyhounds for veterinary care or greyhounds housed in the racetrack's adoption kennel from prior approval for removal. In addition, this section makes the Division of Gaming's authority to inspect and identify greyhounds prior to removal approval discretionary. This section also repeals the requirement that the greyhound be inspected upon return to the racetrack.

Section 141 mandates that vehicles used to transport greyhounds in Wisconsin be in good operating condition and the crates utilized during transportation are of sound construction, in good repair and clean.

Section 142 clarifies that the requirement of one greyhound per crate applies to greyhounds housed in a kennel.

Section 143 removes references to the annual nature of rabies vaccinations to recognize that rabies vaccinations can be given in one or 3 year doses. In addition, this section repeals the one week grace period for the vaccination against rabies and requires that all greyhounds be vaccinated for rabies prior to entering the kennel compound. These provisions ensure that greyhounds are not unnecessarily exposed to rabies.

Section 144 mandates the vaccination of greyhounds against distemper, hepatitis, leptospirosis, parainfluenza and parvo virus annually. The distemper series of vaccination requirements mirror those of rabies. In addition, this section prohibits racing any greyhound that has expired vaccinations.

Furthermore, section 144 prohibits the possession of devices utilized for the forced ingestion or absorption of substances into a greyhound unless the item is utilized under the order of a veterinarian or is a oral syringe, eye dropper or inhalation device. In addition, it prohibits the probing or intubation of greyhounds without a veterinarian's order or placing an item in body cavity in an attempt to cause a greyhound to loose or gain weight.

Section 145 prohibits a licensee other than a greyhound's owner from transporting a racing greyhound for use in medical research or blood donation. In addition, this section prohibits the removal of a greyhound from the racetrack grounds, except for purposes of receiving veterinary care, without the greyhound owner's consent.

Section 145 outlines specific standards for kennel buildings. These requirements serve as minimum acceptable standards to ensure the health and safety of racing greyhounds. All current kennel facilities are capable of meeting the requirements outlined and are generally held to similar standards during Division of Gaming inspections.

Section 146 through 150: Relating to prohibited activities of employees of licensees.

Section 146 defines the term "wagering" to clarify the effect of the provisions contained in ch. WGC 16, Wis. Admin. Code.

Section 147 is a technical amendment that creates theft and touting and bookmaking prohibitions as separate sections.

Section 148 combines wagering prohibitions for all licensees into one section. The net effective of the repealed and recreated language is the following:

- a) Leadouts will be allowed to wager with the same requirements as all other racetrack employees. Currently leadouts are prohibited from wagering at a race meet in which he/she is licensed.
- b) Kennel owners, trainers, assistant trainers, and kennel helper wagering restrictions have been clarified to ensure these individuals are unable to wager against greyhounds under their immediate care and custody. These clarified provisions are necessary to preserve the integrity of wagering and racing.

Section 149 prohibits licensees from working at the racetrack while under the influence of alcohol or any controlled substance.

Section 150 prohibits licensees from placing wagers through the telephone or internet, providing false information to the Division of Gaming, failing to cooperate with a Division of Gaming investigation or inquiry, or engaging conduct that creates a threat to public health, safety or welfare or the integrity of wagering or racing on racetrack grounds.

Sections 151 and 152: Relating to uniform system of accounts and special programs funding.

Section 151 repeals ch. WGC 17, Wis. Admin. Code. A common uniform system of accounts at all racetrack facilities is not practicable and places unnecessary costs and burdens on racetracks. With changes in banking and computerized accounting over the last 7 to 10 years, coding of accounts has changed. The Division of Gaming also believes that this type of regulations crosses the regulatory line into micro-management of racetrack operations. The Division of Gaming continues to require that each racetrack association submit annual audited financial statement that meet GAAP guidelines.

Section 152 repeals ch. WGC 18, Wis. Admin. Code, because the statutory requirement for the distribution of special funds has been removed from s. 562.07, Stats.

Sections 153: Relating to the schedule of suspensions, revocations and forfeitures.

Section 153 authorizes the Division of Gaming to order the return and redistribution of purse money won by greyhounds racing with foreign substances in their body. In addition, this section authorizes the Division of Gaming to issue a minimum forfeiture totaling the amount of money wagered and won if individuals violate the wagering prohibition in ch. WGC 14, Wis. Admin. Code.

Section 154: Relating to concessionaires.

Section 154 exempts charitable organizations, community organizations and promotional event organizers from obtaining food service licenses with the Division of Gaming for operations of 10 race days or less. In addition, this section grants food service concessionaires an additional 30 days to turn in annual income and expense reports.

Section 156: Relating to the Wisconsin Whelped Program.

Section 156 amends the Wisconsin Whelped Program to apply to greyhounds owned but not necessarily bred by Wisconsin residents. These changes recognize the absence of greyhound breeders in the state of Wisconsin and creates an incentive for Wisconsin resident greyhound owners to race their greyhounds at Wisconsin racetracks. In addition, annual reporting requirements for racetrack operators related to Wisconsin Owned Program are extended to allow sufficient time for completing and filing the required report.

Section 157 and 158: Relating to intertrack wagering.

Section 157 authorizes the Division of Gaming to establish the percentage of simulcast handle that is allocated towards the payment of purses for greyhound racing in Wisconsin. Current percentages are 2% of simulcast handle generated from simulcast horse performances conducted when no live racing occurs during the performance, and 2.75% of simulcast handle when live racing occurs during the simulcast horse performance.

Section 158 repeals language regarding outstanding winning tickets from simulcast wagering because unclaimed prizes are governed by s. 562.065 (4), Stats.

Section 159: Relating to terminology changes.

Chapters WGC 4 through 10, 13 through 16, 19, and 24, Wis. Admin. Code, are amended to replace all references to the following terms: “commission”, “director” and “WGC”, with the following terms respectively: “division”, “administrator” and “Game”. These amendments reflect changes in the title of the regulatory body and regulatory body head responsible for greyhound racing and pari-mutuel wagering as contained in ch. 562, Stats. In addition, the acronym used to identify^u the Department’s administrative code related to greyhound racing and pari-mutuel wagering has been changed from “WGC” to “Game” by the Revisor of Statutes.

INITIAL REGULATORY FLEXIBILITY ANALYSIS:

To provide clarification, the Department has always viewed kennel operators as small businesses. Kennel operators supply the greyhounds that race at the racetracks. The Department believes that there will be an insignificant economic impact on small businesses. Additionally, any impact on small businesses should be cost savings as the primary economic impact results from proposed license fee reductions.

When determining the proposed amendments to the administrative code, the Department reviewed the criteria established in s. 227.114, Stats., in an effort to reduce the effect of the proposed order on small businesses. The Department notified all small business owners licensed by the Division of Gaming in writing, to seek their input prior to drafting proposed amendments to the administrative^o code. Additionally, the Department provided written notice and the opportunity for all licensed small business owners to receive a copy of the draft amendments and offer informal comment on the proposed amendments during a written comment period and two public informational meetings.

Besides the insignificant economic impact, the operational impact of the proposed order is expected to be minimal. The Department does not foresee the businesses inheriting any

additional bookkeeping, clerical, professional or administrative requirements to maintain compliance with Department's administrative code.

TEXT OF RULE:

SECTION 1g. WGC 1 is repealed.

SECTION 1r. Game 1 is created to read:

Game 1.01 Definitions. The following definitions shall apply in all rules adopted by the division of gaming unless otherwise indicated:

- (1) "Administrator" means the administrator of the division.
- (2) "Applicant" means a person or entity who files an application for a license from the division.
- (3) "Association" means any corporation, partnership, association, entity or person licensed to sponsor or manage races under ss. 562.05 (1) (b), (c) or (e), Stats.
- (4) "Best efforts" means an active and serious attempt that is made in good faith, and goes beyond due diligence, to provide the information required to be disclosed.
- (5) "Board" means the board of stewards.
- (6) "Breakage" means the odd cents that the amount payable on each dollar wagered on a race exceeds a multiple of 10 cents.
- (7) "Business day" has the meaning as defined in s. 421.301 (6), Stats.
- (8) "Daily race program" means the association's printed schedule of races, wagering pools and entries for each race performance.
- (9) "Division" means the division of gaming.
- (10) "Greyhound age" means the age of the greyhound that begins on the day it was whelped.
- (11) "Host track" means a racetrack that conducts a race on which intertrack wagering is conducted.
- (12) "Immediate family member" means a person's parent, spouse, child or sibling or a person's relative by marriage, lineal descent or adoption, receives, directly or indirectly, more than one-half of his or her support from the individual or from whom the individual receives, directly or indirectly, more than one-half of his or her support.
- (13) "Intertrack wager" means a wager that is placed or accepted at a racetrack on a race that is conducted at, and simultaneously televised to the racetrack from, another racetrack.

(14) "Intertrack wagering licensee" means an entity that is licensed under s. 562.05 (1) (e), Stats.

(15) "Inquiry" means a board of stewards' inquiry.

(16) "Multiple pools" means any pool of wagers on one or more races other than a pool of wagers in which each wager represents a wager to win, place or show.

(17) "Out-of-state legal wagering entity" means an entity that owns or operates a place located outside this state at which wagering on a race that is conducted in this state is authorized under the laws of the state or country in which the place is located.

(18) "Out-of-state racetrack" means a place outside this state at which a race is authorized by law to be held and at which pari-mutuel wagering on the race is authorized by law to be conducted.

(19) "Ouds money" means any unclaimed prize money payable to winning ticket holders or the division under s. 562.065 (4), Stats.

(20) "Paddock" means the area racing greyhounds are brought to and kept prior to weigh-in and through the conclusion of any post-race testing or veterinary examination. The paddock area includes, but is not limited to, the scale, the review area, the lock-out kennel, testing areas and adjacent offices.

(21) "Parent corporation" means any corporation that has an ownership interest of 25% or more in another corporation.

(22) "Pari-mutuel" means a wagering system in which all persons who wager on any animal that finishes in any position for which wagers are taken in a race share the total amount wagered on the race minus any deductions from the wagers on that race required under s. 562.065, Stats.

(23) "Presiding officer" means a chief steward or presiding steward who conducts a meeting of the board of stewards.

(24) "Profit split" means the winning distributable pool paid out according to the amount wagered on each winning combination when there is more than one winning order of finish.

(25) "Race" means any animal race licensed under s. 562.05 (1), Stats.

(26) "Race day" means a 24-hour period ending at midnight during a race meet in which races are conducted.

(27) "Race meet" means that period of time for which the applicant has been issued a license under s. 562.05 (1) (b), Stats., by the division to sponsor and manage races on which pari-mutuel wagering is conducted including the periods of time during which an association has been granted division approval to simulcast races.

(28) "Race performance" means a minimum schedule of 13 races of either a matinee or evening program conducted on any race day.

(29) "Resident of this state" means for purposes of s. 562.05 (3w) (a), Stats.:

(a) Any individual who is and has been domiciled in this state for at least one year immediately prior to the filing of an application for a license under s. 562.05 (1) (a), Stats.

(b) Any corporation, partnership, association or other entity that is incorporated or otherwise formed in this state, has its principal place of business in this state, and is and has been actively doing business in this state for at least one year immediately prior to the filing of any application for a license under s. 562.05 (1) (a), Stats.

(30) "Serious violation" means for purposes of s. 562.05 (5) (a) 5, Stats., any violation that resulted in a sentence of a fine of \$10,000 or more or imprisonment for 9 months or more, or both.

(31) "Single price pool" means the winning distributable pool paid out equally with respect to one winning order of finish.

(32) "Wagering revenue" means the total amount of money wagered minus the following deductions:

(a) Money returned to patrons.

(b) Taxes and fees paid to the division.

(c) Payments to host sites in exchange for the authorization to conduct simulcast wagering.

(d) Payments to providers of satellite decoders for the purpose of viewing simulcast races conducted at a host site.

(e) Purse payments made to kennel and greyhound owners.

(33) "Weight loser" means a greyhound identified by the division veterinarian that loses weight in excess of one and one-half pounds, while in the lock-out kennel.

(34) "Whelped" means the birth of the greyhound.

(35) "Working day" means a day in which the members of the board of stewards are regularly scheduled to work.

(36) "Year" means a calendar year.

SECTION 2. Game 3.03 (2) is renumbered Game 3.03 (2) (a).

SECTION 3. Game 3.03 (2) (b) is created to read:

Game 3.03 (2) (b) The chief steward shall compile and review a copy of the transcript related to the stewards inquiry and other written materials on file with the division regarding the matter being appealed. The chief steward shall prepare a report of the chief steward's review and file it with the administrator within 7 days of the division's receipt of a request under this section.

SECTION 4. Game 3.05 (1) (intro) is amended to read:

Game 3.05 (1) SELECTION OF HEARING OFFICER. The division shall request the appointment of a hearing officer within 45 days after receipt of a request under s. Game 3.03. Hearing officer shall be appointed pursuant to s. 227.43 or 227.46 (1), Stats. The hearing officer shall have all the powers and duties enumerated in ch. 227, Stats. In addition, a hearing officer appointed pursuant to this section may: ~~///~~

SECTION 5. Game 3.06 (3) is created to read:

Game 3.06(3) CONTESTED DECISION. If a court of competent jurisdiction or any administrative hearing examiner holds any part of a decision to issue a license by the division pursuant to s. 562.06(1)(a), (b), (c), (d) or (e), Stats., invalid or otherwise unenforceable, such holding shall not affect the validity of the remainder of the decision, unless this result is directed in the order of the court.

SECTION 6. WGC 4.02 (1) is repealed.

SECTION 7. WGC 4.02 (2) is renumbered as WGC 4.02 (1).

SECTION 8. WGC 4.04 is amended to read:

WGC 4.04 Racing Daily race programs.

(1) REQUIRED INFORMATION FOR DAILY RACE PROGRAMS. The association shall cause all daily ~~racing~~ race programs to contain the following information:

(a) This race meeting is conducted under that authority of a license issued by the Wisconsin ~~gaming commission~~ division of gaming and pursuant to the rules and regulations adopted by the ~~commission;~~ division.

(b) The Honorable _____, Governor;

(c) Wisconsin ~~Gaming Commission~~ Division of Gaming, 150 E. Gilman, P.O. Box 7975, Madison, WI 53707-7975 2005 West Beltline Highway, Suite 201, P.O. Box 8979, Madison, WI 53708-8979., (608) ~~267-3291;~~ 270-2555.

(d) ~~Wisconsin gaming commission members and titles;~~ department of administration secretary.

(e) ~~Wisconsin gaming commission executive director;~~ division administrator.

(f) Names and titles of:

1. Track officers;

2. Track officials;

3. ~~Wisconsin gaming commission~~ division of gaming officials.

(g) The address and telephone number of the track facility.

(h) A prominent notice that there is an information window where complaints may be made by the public and copies of the Division of Gaming's administrative rules viewed. Such notice shall specify the exact location of such windows.

(i) The location of facilities for handicapped patrons.

(j) The location of the commission's office at the track facility.

(k) The location of photo finish pictures.

(l) The approximate payouts on different pari-mutuel odds.

(2) DAILY RACE PROGRAM TO SUPPLY PARI-MUTUEL INFORMATION FOR PATRONS.

Each association shall include in the daily race program sufficient information to advise the public and new ~~track~~ racetrack patrons about the pari-mutuel system. This information shall include but not be limited to the following:

(a) Wagers are to be made by daily race program number.

(b) Tickets shall be retained until the stewards have declared the race official.

(c) Payouts are not permitted until the stewards have notified the pari-mutuel department of the official order of finish.

(d) The commission has adopted detailed rules for occurrences such as dead heats or the failure of patrons to select the winning animals or combinations of finishing animals. Such rules are available for public inspection at the information windows and the office of the commission located at the track.

(e) The period of time and procedures for uncashed tickets to be redeemed.

(f) The daily race program shall provide a page for the advertisement and dissemination of information regarding the ~~track's~~ racetrack's adopt-a-greyhound program.

(g) The association ~~is responsible for~~ shall make a good faith effort to ensure the accuracy of all information contained in the daily race program. All errors detected by the association after the printing of the daily race program has commenced shall be corrected by the association printing a corrected page for distribution with the daily race program, announcements

of the error and correct information via a public address system, or both. The association shall obtain prior approval of the proposed daily race program from the ~~commission~~ division at least 15 days prior to the start of a new race meet or before formatting a new daily race program during the current race meet.

SECTION 9. WGC 4.05 (2) (a), (b), (c), and (3) are amended to read:

WGC 4.05 (2) (a) Any contract in excess of \$10,000 per year for any goods or services or both shall be subject to approval by the ~~commission~~ division and submitted to the ~~commission~~ division for approval by the licensee. Such a contract shall not, as a matter of public policy, become effective and binding on the parties to the contract unless and until it has been approved by the ~~commission~~ division. Any contract not so approved shall be considered void as against public policy. Any person requesting ~~commission~~ division approval of a contract pursuant to this section shall provide the ~~director~~ administrator a copy of the contract, which has been signed by all parties to the contract, within 15 days of execution.

(2) (b) Any multiple contracts under \$10,000 per year which the ~~commission~~ division finds are for same or substantially similar goods or services or both shall be deemed to be a contract requiring approval. Any multiple contracts deemed to be a contract requiring approval shall not be binding on the parties unless and until it has been approved by the ~~commission~~ division. Any contract or contracts not so approved shall be considered void as against public policy. If the ~~commission~~ division finds that the use of multiple contracts was to circumvent the requirements of this section, the parties thereto shall be subject to a forfeiture not to exceed \$10,000 or suspension or revocation of licensure or both.

(2) (c) Any amendment, alteration, addition or deletion of the terms of a contract previously approved by the ~~commission~~ division shall also be approved by the ~~commission~~ division. Such amendment, addition, alteration or deletion shall not, as a matter of public policy, become effective and binding on the parties until approved by the ~~commission~~ division. Any amendment, alteration, addition or deletion not so approved shall be considered void as against public policy. Any person requesting ~~commission~~ division approval of an amendment, alteration, addition or deletion shall provide the ~~director~~ administrator a copy of the same, which has been signed by all parties, within 15 days of execution.

(3) Any contract for any goods or services or both not in excess of \$10,000 per year entered into by any person licensed by the ~~commission~~ division and any other person shall be filed with the ~~commission~~ division by the licensee within ~~5~~ 15 days of the effective date of the agreement. Any amendment, alteration, addition or deletion thereto shall be filed with the

~~commission~~ division by the licensee within 5 15 days of the effective date of the amendment, alteration, addition or deletion. Any amendment, alteration, addition or deletion which makes the total value of any goods or services or both governed by the contract and amendment, alteration, addition or deletion to be in excess of \$10,000 per year shall require ~~commission~~ division approval of both the original contract and amendment, alteration, addition or deletion as provided in this section. Failure to so obtain ~~commission~~ division approval by the licensee shall subject the licensee to the disciplinary procedures ~~specified in this section~~ which may include license suspension or revocation or imposition of a forfeiture.

SECTION 10. WGC 4.06 (1), (2), (3) and (6) are amended to read:

WGC 4.06 (1) Security reports shall be filed with the ~~commission~~ division ~~stewards~~ by the association ~~on a daily basis~~ within 48 hours after the completion of each race performance.

(2) The association shall provide on site 24 hour security for the kennel compound during all times greyhounds are housed on the premises.

(3) The association shall provide an inside lure with an extendable arm. Every lure which is operated using electricity shall have an operational switch for the purpose of stopping the flow of electricity to lure located within 5 feet of the lure operator's control unit and at one location within 20 feet of the racetrack surface. The association shall ensure that all persons present on the racetrack surface are aware of the location of the power switch and how to utilize the power switch. Furthermore, the association shall ensure that all power switches are in the off position when persons are working within 30 inches of the lure rail.

(6) The association shall maintain an ~~intravenous kit with saline solution~~ triage supplies and medications, for use only by the division veterinarian or designee who is a licensed veterinarian for the emergency treatment of seriously ill or injured greyhounds. These supplies and medications are to be stored in the division veterinarian's office.

SECTION 11. WGC 4.07 (4) and (9) are amended to read:

WGC 4.07 (4) The association shall provide a watering system for the track which provides adequate volume and pressure to provide uniform watering of the track surface. ~~If a water track vehicle is used, it shall have a boom so the vehicle will travel along the outside edge of the track without disturbing the portion of the track on which the greyhounds run.~~

(9) The ~~commission~~ division shall approve all individually executed kennel contracts prior to the commencement of racing. Any contract not so approved shall be void as against public policy, and the kennel shall not be eligible to participate at the race ~~meeting~~ meet.

SECTION 12. WGC 4.07 (11) and (12) are amended to read:

WGC 4.07 (11) The association shall provide that each starting box and loading area behind the starting box is covered by an overhead structure with the ~~open~~ sides of the structure enclosed with a chain link fence or other means approved by the division and at least one gate for entering and exiting.

(12) Any association whose race dates include performances in any of the months of November through March shall provide a winterized heated racing surface, spring heated sprint path, and heated and fully enclosed starting box approved by the ~~commission~~ division.

SECTION 13. WGC 4.08 (2) is amended to read:

WGC 4.08 (2) The association shall pay all purses payments directly to the owner of the greyhound or, if a greyhound is leased, the purse shall be paid directly to the lessor and lessee of the greyhound as agreed in the lease ~~agreement~~ affidavit on file with association.

SECTION 14. WGC 4.08 (3) is created to read:

WGC 4.08 (3) No deductions from purse payments due a greyhound owner or kennel owner shall occur unless the greyhound owner or kennel owner consents in writing to the deduction.

SECTION 15. WGC 4.10 is amended to read:

WGC 4.10 The association ~~shall~~ may, as determined by the division, be responsible for all reasonable costs incurred by the ~~commission~~ division payable to an outside agency, company, entity or individual other than division personnel, relative to tests of totalizator systems and all audits of any association or pari-mutuel book, record, document or other source of information.

SECTION 16. WGC 4.12 is amended to read:

WGC 4.12 An association shall obtain the approval of the stewards or ~~direeter~~ administrator or designee prior to canceling any race due to inclement weather. The stewards shall order cancellation of the race ~~program performance~~ or any portion thereof after consultation with the association management upon a determination that weather conditions pose a threat to the health of the greyhounds or personnel involved in the running of the race. Regulation fees are payable for all canceled race performances or portions thereof.

SECTION 17. WGC 4.13 and 4.14 are created to read:

WGC 4.13 Financial Audit. Audits shall be completed by the association and delivered to the division. (1) Each association shall have an annual audit performed at the close of the calendar year. This audit is to be performed in accordance with generally accepted accounting principles by an independent certified public accountant registered by the state of Wisconsin. The resulting audit report is to be prepared in accordance with the American Institute of Certified Public Accountants (AICPA) industry audit guide. The report shall also contain the auditor's opinion regarding the financial statements taken as a whole, or an assertion to the effect that an opinion cannot be expressed. If the auditor expresses a qualified opinion, a disclaimer of opinion, or an adverse opinion, the reason therefore shall be stated.

(2) The latest audit report shall be filed with the division within 120 days of the end of the calendar year.

(3) A request for an extension of time to file an audit report shall be submitted in writing 7 days prior to the deadline for filing the audit report.

(4) A request for an extension of time to file an audit report shall only be granted when the auditor submits a signed statement verifying that the audit cannot be completed in the designated time due to circumstances beyond the control of the auditor and the association. The auditor's statement shall also detail the circumstances that form the basis for the request.

WGC 4.14 Restricted areas. (1) The following areas on association grounds shall be considered restricted areas:

(a) Paddock, including lock-out kennel, division veterinarian's office, paddock parking lot and other areas in which competing greyhounds may be held between weigh-in and the conclusion of live racing.

(b) Urine sample collection & processing area.

(c) Kennel compound.

(d) Racetrack surface, including starting boxes, totalizator board and all areas in between the paddock and racing surface where competing greyhounds may be located during live racing.

(e) Totalizator office.

(f) Money room & vault.

(2) Unless specifically prohibited, on-duty emergency, law enforcement and division personnel or designees shall have unrestricted access to all restricted areas.

(3) Only persons licensed by the division shall be present in a restricted area unless escorted by a representative of the division or a licensee with access to the restricted area.

(4) All licensees present in a restricted ^{area} shall be performing duties related to the individual's license and shall be wearing the identification badge issued by the division.

(5) No person shall possess any animal except a greyhound while in a restricted area.

(6) Access to the following areas shall be restricted by the association in the following manner:

(a) No person licensed pursuant to ss. Game 13.05 (1) (e), (g), or (h) (2), shall be present in the kennel compound.

(b) On a day in which live greyhound racing is scheduled, no person licensed pursuant to s. Game 13.05 (1), shall be present in the urine sample collection area unless the person is escorted by a division employee.

(c) On a day in which live greyhound racing is scheduled, persons not holding an occupational license issued by the division and persons licensed pursuant to ss. Game 13.05 (1) (c), (e), (h) (1), (h) (2), (h) (3), or (i) shall not be present in the paddock or racetrack surface area from the conclusion of weigh-in until the last race.

(d) No person shall be present in the totalizator room unless the person possesses a license issued under s. Game 13.05 (1), and is designated by the totalizator company as having access or meets sub. (3).

(e) No person shall be present in the money room unless the person possesses a license issued under s. Game 13.05 (1), and is designated by the association as having access or meets sub. (3).

(7) Any licensee observing a violation of s. Game 4.14, shall immediately report the observation to the association security office and division.

SECTION 18. WGC 5.03 (1) and (2) are amended to read:

WGC 5.03 (1) Any person or entity wishing to own and operate a race track at which pari-mutuel wagering is conducted under s. 562.05 (1) (a), Stats., which person or entity has not previously been licensed, shall file an application as set forth in s. WGC 5.04 with the commission division ~~on or after September 15 and not later than October 15 of any calendar year or by such other date as the division may declare during a meeting of the division.~~ The commission division may, in its discretion, determine that no applications for license pursuant to s. 562.05 (1) (a) ~~or (b)~~, Stats., will be accepted for any given period.

(2) Any person or entity wishing to sponsor or manage any race on which pari-mutuel wagering is conducted and which is not located at a fair under s. 562.05 (1) (b), Stats., which person or entity has not previously been licensed, shall file an application as set forth in s. WGC

5.04 with the ~~commission~~ division ~~on or after September 15 and not later than October 15 of any calendar year or by such other date as the division may declare.~~ The ~~commission~~ division may, in its discretion, determine that no applications for license pursuant to s. 562.05 (1) (a) ~~or~~ (b), Stats., will be accepted for any given period.

SECTION 19. WGC 5.04 (1) is amended to read:

WGC 5.04 (1) An applicant for a license under s. 562.05 (1) (a) or (b), Stats., shall file with the ~~commission~~ division an affidavit and application and any exhibits ~~thereto~~, in the form and manner prescribed by the ~~commission~~ division and on forms furnished by the ~~commission~~ division. NOTE: Application and related forms are available at the ~~commission's~~ division's office, P.O. Box ~~7975~~ 8979, Madison, WI ~~53707-7975~~ 53708-8979, or by calling ~~608/267-3294~~ 270-2555.

SECTION 20. WGC 5.05 (intro.) and (4) are amended to read:

WGC 5.05 An applicant for a license under s. 562.05 (1) (a) and (b), Stats., shall submit to the ~~commission's~~ division's office not later than the time and ~~dates~~ date specified in s. ~~WGC 5.03~~ the application:

(4) A letter of transmittal to the ~~commission~~ division and ~~one manually signed~~ executed with original signature, and ~~45~~ 10 copies of the application.

SECTION 21. WGC 5.08 (1) is amended to read:

WGC 5.08 (1) The types and dates of race ~~meetings~~ meets being held ~~elsewhere~~, both within and outside this state.

SECTION 22. WGC 5.08 (11) is created to read:

WGC 5.08 (11) The economic impact on the local community.

SECTION 23. WGC 5.09 (1) and (2) (a) are amended to read:

WGC 5.09 (1) Full name, business and residence addresses and telephone numbers, ~~list last 5 residence~~ all previous residential addresses for the preceding 20 years or if less than 20 years at the current residence address, date of birth, place of birth, and 2 references.

(2) (a) Authorizes a review by and full disclosure to any agent of the division or Wisconsin department of justice, division of criminal investigation of all records concerning the

proposed at the time the license was granted or which would cost in excess of \$10,000 per year at an existing facility, without the prior approval of the ~~commission~~ division. If a licensee fails to obtain the required approval, the ~~commission~~ division may revoke or suspend the licensee's license and impose a fine under s. 562.13, Stats.

SECTION 27. WGC 5.22 (2) is amended to read:

WGC 5.22 (2) An applicant for a license to sponsor and manage a race under s. 562.05 (1) (b), Stats., shall file with the ~~commission~~ division at the time the applicant files its application, a bond payable to the ~~commission~~ division in the an amount of ~~\$250,000 for pari-mutuel racing~~ determined by the division equal to the total monthly dollar amount estimated to be paid by the association related to fee, taxes and other money due, including animal purses, operations of the adopt-a-greyhound program, unclaimed prizes, and pay-outs on winning wagers or other amounts payable pursuant to the provisions of ch. 562, Stats. The ~~commission~~ division may require the applicant to ~~increase~~ amend the amount of the bond prior to the ~~division-issuing a license under s. 562.05 (1) (b), Stats., to the applicant but in any case not more than commencement of the race meet in which the applicant was licensed under s. 562.05 (1) (b), Stats.~~ The amount of the bond will not exceed the estimated total financial liability of the applicant throughout the race meeting meet for which the license under s. 562.05 (1) (b), Stats., is requested, as determined by the ~~commission~~ division. The bond shall be executed by the applicant and a surety company or companies authorized to do business in this state, and conditioned on the payment by the licensee under s. 562.05 (1) (b), Stats., of all fees, taxes and other money due, including animal owner's purses, operations of the adopt-a-greyhound program, unclaimed prizes, and pay-outs on winning wagers or other amounts payable pursuant to the provisions of the ch. 562, Stats.

SECTION 28. WGC 7.02 (3) and (6) are amended to read:

WGC 7.02 (3) A certificate of registration for each greyhound shall be filed with the racing secretary by the trainer or kennel owner along with the ~~last~~ greyhound's most recent 4 performance lines, except for maidens, ~~whose certificates which~~ shall contain the ~~last 2~~ greyhound's most recent 2 performance lines, ~~when available if the maiden has officially schooled or started.~~ All greyhounds ~~must~~ shall meet the requirements of s. WGC 7.06 (4) (f).

(6) No owner of a greyhound shall have greyhounds in more than ~~23~~ kennels at any given racetrack.

individual, relating to the information provided in the application form, whether the records are public, non-public, private or confidential.

SECTION 24. WGC 5.10 is amended to read:

WGC 5.10 The ~~director~~ administrator or ~~director's administrator's~~ designee shall clarify license application requirements upon the written request of a an applicant or potential applicant. The ~~director~~ administrator may consult counsel, staff or members of the ~~commission~~ division, but shall respond to clarification requests promptly upon the receipt of the request, either orally or in writing. Interpretations of application requirements by any other person shall not be binding on the ~~commission~~ division.

SECTION 25. WGC 5.16 (1) (intro.) and (2) are amended to read:

WGC 5.16 (1) Any contract in excess of \$10,000 per year for the provision of goods and services, including but not limited to concession contracts, entered into by any licensee under s. 562.05 (1), Stats., shall be subject to the approval of the ~~commission~~ division. The ~~commission~~ division shall determine whether the contract may affect the integrity of pari-mutuel racing. Until approved by the ~~commission~~ division, the contract is not valid or binding on any licensee under s. 562.05 (1), Stats. The ~~commission~~ division shall, within 45 days after submission of a contract to the ~~commission~~ division, approve or disapprove the contract and if not acted upon by the ~~commission~~ division within 45 days after submission, the contract shall be considered approved by the ~~commission~~ division, unless additional information regarding the contract is requested by the ~~commission~~ division and action is taken within 30 days of the date of receipt of the additional information. In making a determination that a contract may affect the integrity of racing, the ~~commission~~ division may consider such factors as it considers relevant including without limitation:

(2) Any contract for \$10,000 per year or less for the provision of goods and services, including but not limited to concession contracts, entered into by any licensee under s. 562.05 (1), Stats., shall be filed with the ~~commission~~ division.

SECTION 26. WGC 5.21 is amended to read:

WGC 5.21 No licensee under s. 562.05 (1) (a) or (b), Stats., may construct, expand, reduce, alter, or otherwise modify an existing or proposed race track facility after a license has been issued under s. 562.05 (1) (a) or (b), Stats., for that facility, which would result in an increase or decrease of \$10,000 per year or more in the development costs of the facility as