

Pari-Mutuel Commission

Pari-Mutuel Commission

Chapter 10: Simulcasting

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CHAPTER 10

SIMULCASTING

The Commission finds that the racing, breeding and pari-mutuel wagering industry is an important sector of the agricultural economy of this state, provides substantial revenue for state and local governments, and employs hundreds of state residents. The protection of the betting public is the primary objective of the Commission.

Section 1. Definitions.

(a) ASSOCIATION WHICH ACCEPTS THE WAGER means the guest association where the bettor contributes his money to the pari-mutuel pool and receives a pari-mutuel ticket.

(b) AUTHORIZED USER means a person authorized by the Commission to receive, to decode and to use for legal purposes the simulcast signal of pari-mutuel events.

(c) COMBINED PARI-MUTUEL POOLS (combined pools) means the pari-mutuel wagers at one or more guest associations being contributed into the pari-mutuel pools of a host association or the combined pari-mutuel pools of simulcast facilities within the state of Wyoming.

(d) COMMISSION means the Wyoming Pari-Mutuel Commission.

(e) DECODER means a device and/or means to convert encrypted audio-visual signals and/or data into a form recognizable as the original content of the signals.

(f) DOWNLINK means a receiving antenna coupled with an audio-visual signal receiver compatible with and capable of receiving simultaneous audio-visual signals and/or data emanating from a host association, and includes the electronic transfer of received signals from the receiving antenna to TV monitors within the satellite facility.

(g) ENCLOSURE, ENCLOSURE-PUBLIC, includes all enclosed areas of the simulcast wagering facility.

(h) ENCRYPTION (encrypted or encoded) means the scrambling or other manipulation of the audio-visual signals to mask the original content of the signal and so cause such signals to be indecipherable and unrecognizable to any person receiving such signal.

(i) FLAT TRACK HORSE RACING means a horse race in which horses mounted by a jockey run over a course on which no jumps or other obstacles are placed.

(j) GUEST, GUEST ASSOCIATION or SIMULCAST OPERATOR means a permitted simulcast licensee authorized by the Commission to offer, sell, cash, redeem or exchange pari-mutuel tickets whether electronically generated or otherwise on races being offered live or historic at a host association.

(k) HOST or HOST ASSOCIATION means the racing association conducting a licensed horse racing meeting when it is authorized by the Commission to simulcast its racing program. It may also be considered the sending track which means any track from which simulcast signals originate.

(l) INTERSTATE SIMULCAST WAGERING means wagering conducted by a betting system outside the state of Wyoming on live or historic results of one or more races being run at a Wyoming host association or wagering conducted by a betting system within the state of Wyoming on live or historic results of one or more races being run at a host association outside the state of Wyoming.

(m) INTRASTATE SIMULCAST WAGERING means pari-mutuel wagering at a Wyoming guest association on events live or historic at a Wyoming host association.

(n) OUT-OF-STATE SIMULCAST FACILITY means a track or other facility, located within a jurisdiction other than Wyoming, at which pari-mutuel wagers are placed, accepted or distributed, either in person or electronically, on simulcast races pursuant to proper authorization under the laws of that jurisdiction.

(o) OUT-OF-STATE WAGERING means acceptance of wagers by a host or guest association on the results of live or historic races run at a race meeting outside the state of Wyoming.

(p) SATELLITE FACILITY, intrastate wagering facility, extended wagering facility means the physical premises, structure and equipment utilized by a guest association for the conduct of pari-mutuel wagering on horse racing events being run elsewhere, live or historic.

(q) SATELLITE TRANSPONDER, transponder means leased space segment time of an earth-orbit communication satellite.

(r) SIMULCAST means the sale of pari-mutuel pools electronically transmitted of live or historic horse races on interstate or intrastate pari-mutuel events as prescribed by the commission.

(s) SIMULCAST OPERATOR means a person licensed by the Commission to operate a simulcast wagering system as provided for by these rules.

(t) SIMULCAST SERVICE SUPPLIER means a person engaged in providing service, supplies or equipment necessary to the operation of intrastate, interstate or out-of-state simulcast wagering for use by a host association, guest association, simulcast operator, or authorized user, including but not limited to, pari-mutuel wagering terminals, uplink, downlink, television receivers and related equipment; but does not include persons authorized by the Federal Communications Commission to provide telephone service or space segment time on satellite transponders.

(u) SOURCE MARKET FEE means a license fee, assessed by the Commission pursuant to W.S. § 11-25-105 (m), payable by the out-of-state simulcast facilities that conduct pari-mutuel wagering on simulcast races and that accept wagers from Wyoming residents by telephone or other electronic means at those facilities.

(v) UPLINK means an earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals and/or data on FCC-controlled frequencies, and includes any electronic transfer of the audio-visual signals from within the racing enclosure to the location of the transmitter at the uplink.

Section 2. General.

(a) The state Pari-Mutuel Commission shall have general jurisdiction over the simulcasting of horse races live or historic within the state, and the Commission may issue rules and regulations in accordance with the provisions of this article as provided for in Wyoming Statutes.

(b) Every permit to hold a Simulcast Event, limited to a maximum time of three (3) years or less, is granted upon the condition that the Permittee shall accept, observe and assist in the enforcement of the Rules. It shall be the duty of each officer, director and every licensee, official and employee to observe and assist in the enforcement of the Rules.

(c) Members of the Commission and its designated representatives shall have the right of full and complete entry to any and all parts of the facilities of the Permittee.

Section 3. Requirements for Simulcast Facilities.

(a) Any racing association or corporation authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of live or historic pari-mutuel events on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for under these rules may apply to the Commission

for a license. Applications for permits shall be in such form as may be prescribed by the Commission and shall contain such information or other material or evidence as the Commission may require. The fee for such permits shall be fifty (\$50.00) dollars for each operator per event day payable by the Permittee to the Commission.

(i) The fifty (\$50.00) dollars per day fee is nonrefundable.

(b) As a condition of receiving a permit to simulcast for a given year(s), the simulcast permit applicant shall meet the following conditions:

(i) The simulcast permit application shall already be approved for a permit to conduct live pari-mutuel events, for the same calendar year(s).

(ii) The simulcast permit applicant shall apply for and actually conduct a minimum of sixteen (16) live flat track horse racing pari-mutuel event days in the same calendar year for each simulcast year requested, pursuant to a permit to conduct live events.

(iii) The grant or denial of a simulcast permit shall ensure fair and equitable involvement of all affected parties, including consideration of the economic viability of those days to simulcast permit applicants.

(iv) For good cause shown by a simulcast applicant, the Commission may grant a simulcast permit where the minimum number of live flat track days is less than the sixteen (16) days required under Sub-Section (b) above. The permittee shall conduct the approved number of flat track race days.

(v) All simulcast permit applications and associated live event permit applications shall be received in the Commission office no later than the date set by the Commission, but not less than sixty (60) days prior to the first day of proposed simulcast operation, for a given year(s).

(vi) In the case of a permittee granted both a live and simulcast event permit that fails or refuses to actually run the sixteen (16) days of live flat track horse races, or lesser number of days as approved by the Commission, that permittee shall not receive a simulcast permit for the next calendar year. A simulcast permit issued for the year in which the required number of flat track racing days were not conducted, shall have their simulcast permit immediately suspended for the remainder of the same year. For good cause shown, a permittee may be excused from failing/refusing to run the required days of flat track racing.

(vii) Each Permittee shall make reasonable efforts to negotiate in good faith an agreement with a Horsemen's Association, as defined in W.S. § 11-25-102 (a),(xii). Establishing the allocation of purse money to Live Flat Track Horse Racing not

specified in Statutes for the purpose of enhancing Live Flat Track Horse Racing in Wyoming as appropriate.

(A) The agreement shall include provisions allocating a percentage of the takeout to purses on live flat track races run by the Permittee.

(B) The accounts where the purse money is held, along with the safe guards which guarantee those accumulated purses are not used for operational expenses.

(C) Each Permittee shall provide a fully executed copy of the agreement to the commission.

(c) Before the Commission may grant such license, it shall review and approve a plan of operation submitted by an applicant including, but not limited to, the following information:

(i) A feasibility study denoting the revenue earnings expected from the simulcast facility and the costs expected to operate such facility. The feasibility study shall include:

(A) A detailed description of the proposed enclosure and the placement of terminals on which pari-mutuel wagers will be made, including a drawing to scale of the proposed enclosure which describes the site, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment.

(B) The number of live simulcast races to be displayed.

(C) The number of Historic Horse Racing Terminals and types of games.

(D) The types of wagering to be offered.

(E) The level of attendance expected and the area from which such attendance will be drawn.

(F) The level of anticipated wagering activity.

(G) The source and amount of revenues expected from other than pari-mutuel wagering.

(H) The cost of operating the simulcast facility and the identification of costs to be amortized and the method of amortization of such costs.

(l) The probable impact of the proposed operation on revenues to local government.

(ii) The security measures to be employed to protect the facility, to control crowds, to safeguard the transmission of the simulcast signals and to control the transmission of wagering data to effectuate common wagering pools.

(iii) The type of data processing, communication, totalisator and transmission equipment to be utilized.

(A) Pari-Mutuel wagering on live and historic horse races shall be conducted through the use of a totalisator or other similar mechanical equipment approved by the Commission.

(B) The totalisator or other mechanical equipment shall be available for testing under the supervision of the Commission upon request by the Commission to ensure its proper working order.

(iv) The description of the management groups responsible for the operation of the simulcast facility.

(v) The system of accounts to maintain a separate record of revenues collected by the simulcast facility, the distribution of such revenues and the accounting of costs relative to the simulcast operation.

(vi) The location of the facility and a written confirmation from appropriate local officials that the location of such facility and the number of patrons expected to occupy such facility are in compliance with all applicable local ordinances.

(vii) The Permittee shall provide the written contracts between host facility owners and the Permittee if applicable.

(viii) The written agreements and letters of consent between specified parties pursuant to Wyoming Statute.

(d) Final approval of a satellite facility within each county shall come from the county commissioners board and such approval shall be filed with the Commission prior to the conducting of simulcasting in that county.

(e) The Commission shall use the following decisional criteria in the approval or disapproval of an application for simulcast operator.

(i) The operator's general benefit to the state of Wyoming.

(ii) The operator's general benefit to the state of Wyoming's horse racing industry.

(iii) The operator's integrity:

(A) Individual and corporate conduct.

(B) Criminal history.

(C) Betting and gaming industry conduct.

(iv) The operator's credibility:

(A) Accuracy of a feasibility study.

(B) Experience and expertise of the operator in the simulcast industry.

(v) Financial stability.

(f) A Permittee shall not implement any changes or modification of the practices, procedures, or representations upon which the approval was based without the prior written approval of the Commission.

Section 4. Duty of Association to Offer Extended Wagering.

(a) Every Wyoming pari-mutuel track simulcasting its racing program shall contract with a simulcast operator (and/or simulcast service suppliers) for the purpose of providing authorized users with its simulcast.

(b) A racing association is responsible for the content of its simulcast and shall use all reasonable effort to present a simulcast which offers the viewers an exemplary depiction of its racing program, a periodic display of wagering information, and continuity programming between horse racing events.

(c) Unless otherwise permitted by the Commission, every simulcast will contain in its video content a digital display of the actual time of day, the name of the race track from where it emanates the number of the race being displayed and the sequential fractional time of the race as the race is being run.

Section 5. Licenses for Simulcast Operators.

(a) Every person acting as a simulcast operator within Wyoming shall procure a license from the Commission and no person shall act in the capacity of a simulcast operator without a valid license. Such license must be renewed and may be denied for any cause justifying suspension or revocation of license for violation of these rules. In order to obtain or renew a permit the applicant or holder:

(i) Submits a financial statement as required by the Commission.

(ii) Posts with the Commission a surety bond in an amount specified by the Commission, but not less than \$100,000 in such form as Wyoming Statutes require to ensure payment of distributable amounts of pari-mutuel pools pursuant to statute, operational costs, salaries, wages, benefits, and related financial obligations.

(A) The surety bond shall be in effect for the duration of the permitted event and a minimum of three (3) months after the last permitted day of operation.

(iii) Demonstrates experience and or adequate knowledge of the conduct of simulcast wagering and/or pari-mutuel wagering operations.

(b) No license as simulcast operator shall be granted to:

(i) Any nonprofit corporation or nonprofit organization entitled to an exemption from any tax imposed by this state.

(ii) A person or entity who has failed, refused or neglected to comply with any rule, regulation, condition of license, or order of the Commission or its stewards reasonably related to its conduct as a simulcast operator, or who has engaged in any activity which is grounds for denial, suspension or revocation of license pursuant to the rules of the Commission or whose general partners, officers, directors, or employees have engaged in any unlawful activity determined to be conduct detrimental to the best interests of horse racing.

(c) There shall be no limitation as to the number of days a licensee may operate except as may otherwise be provided for within these rules or Wyoming Statutes.

Section 6. Duties of Simulcast Operator.

(a) A simulcast operator conducts and operates a pari-mutuel wagering system at one or more guest associations on the results of horse races being held or conducted and simulcast from the enclosures of one or more host associations pursuant to its agreement with such guest and host association and with the approval of the Commission.

- (b) A simulcast operator shall provide:
- (i) Adequate transmitting and/or receiving equipment which shall not interfere with the closed circuit TV system of the host track association for officiating any on-track patron information. All equipment shall be of acceptable broadcast quality.
 - (ii) Pari-mutuel terminals, pari-mutuel odds display, modems and/or switching units enabling pari-mutuel data transmissions, and data communication between the sending and the receiving associations.
- (c) A simulcast operator shall conduct the pari-mutuel wagering at a guest association pursuant to the applicable Commission rules.
- (d) The Commission shall appoint at least one steward to supervise all approved simulcast facilities and may require additional stewards as is reasonably necessary for the protection of the public interest.
- (e) At the request of the Commission, for a period of one year the simulcast operator shall furnish a copy of simulcast races. Copies shall be in such form and content as requested by the Commission.
- (f) The simulcast operator shall initiate tests of its equipment, and data communication to assure proper operation of the system.
- (g) The simulcast operator shall, at the request of any representative of the Commission, display a listing of all locations within this state enabled to receive the simulcast; and failure to do so is grounds for immediate summary suspension of license and immediate cessation of simulcasting activities.
- (h) The simulcast operator shall maintain such security controls over its uplink and communications system as directed by the Commission.
- (i) The simulcast operator shall, in conjunction with the host association or associations for which it operates pari-mutuel wagering, provide the Commission with a certified report of its pari-mutuel operations as directed by the Commission.
- (j) Every simulcast operator shall file with the Commission an annual report of its simulcast operations and a financial statement.
- (k) The simulcast operator shall not operate a simulcasting facility during the time a live pari-mutuel event is being performed within the state if such facility is within 100 miles of the live event as per W.S. § 11-25-102 (a),(vii),(C). During the time of such

live event, the simulcasting operator shall offer simulcasting at each live pari-mutuel event as the Commission may require. (See also Chapter 10, Section 7. (f).)

Section 7. Out-of-State and Interstate Wagering.

(a) When conducting out-of-state and interstate wagering, the following conditions shall also apply:

(i) A racing association, guest association, or simulcast operator may conduct simulcast wagering on the results of one or more races conducted by an out-of-state racing association provided:

(A) The association intending to conduct wagering on an out-of-state race files with the Commission a copy of the agreement with the out-of-state association and any written approvals required by the Commission including Chapter 57, Section 3001, of Title 15 of the United States Code and any other applicable federal laws, and a statement setting forth the date and time it intends to commence accepting wagers on the out-of-state race or races.

(B) The Commission approves the methods by which the out-of-state association intends to transmit the simulcast of its race or races and the restrictions, if any, placed on the use of such simulcast, and the methods to be used to assure a separate voice communication system between its steward and the stewards or placing judges at the track where the race or races are held.

(ii) A racing association may authorize use of its simulcast for interstate wagering by out-of-state betting systems provided:

(A) The association files with the Commission a copy of the agreement with the out-of-state betting system which sets forth the payment to the association for use of its simulcast, and of any agreements required by Chapter 57, including Section 3001, of Title 15 of the United States Code.

(b) All simulcast must comply with Chapter 10 of the administrative Rules of the Pari-Mutuel Commission.

(c) Wagering shall be permitted only on races conducted at approved locations at pari-mutuel tracks governed by state racing commission, racing board or other governmental agency.

(d) If a simulcasting facility has an interruption in its audio/visual signal, the race may be deemed no contest at the discretion of the assigned steward and all wagers at the facility in such instances shall be refunded.

(e) All wagers are made on the official results of the hosting track.

(f) The wagers bet on races which are set up by the simulcast operator at live pari-mutuel event facilities shall contribute to the live pari-mutuel event pool. (See Chapter 10, Section 6. (k).)

Section 8. Out-of-State Simulcast, Account Wagering, and Advance Deposit Wagering Facilities.

(a) Pursuant to W.S. § 11-25-105 (m), The commission may license, regulate and charge a source market fee to persons outside of Wyoming who conduct pari-mutuel wagering on simulcast races and who accept wagers from Wyoming residents at out-of-state simulcast facilities, and shall require out-of-state simulcast facilities licensed under this section to be maintained and operated in accordance with the laws of this state and rules of the commission.

(i) Out-of-State Simulcast Facility applicants shall furnish authorization from their host jurisdiction with each application.

(ii) The annual fee of two hundred and fifty (\$250.00) dollars shall be paid to the Commission for licensing, and is not in lieu of a source market fee.

(iii) Each licensed and authorized pari-mutuel wagering entity located out-of-state, shall utilize a totalisator company, equipment, and software that are approved by the Commission which satisfy the record keeping and reporting requirements of the Commission.

(iv) A source market fee specified by the Commission shall be paid by authorized licensed pari-mutuel wagering entities for the source market fee area on all accounts that have Wyoming as the principal residence address. Source market fees imposed on persons licensed, shall not exceed ten (10%) percent of the gross receipts of all pari-mutuel wagering by Wyoming residents conducted by such person at out-of-state simulcast facilities. The source market fee shall be paid to the Commission and distributed pursuant to W.S. § 11-25-105 (m) (i) (ii) (iii) and (iv).

(A) Source market fees are not imposed on Permitted Events which originate in Wyoming.

(v) The licensed pari-mutuel wagering entity shall make all electronic wagering account information available to the Commission upon request.

Also See Chapter 9, Section 2 Advance Deposit Wagering

Section 9. Historic Horse Racing

(a) The only wagering permitted on historic horse racing shall be under the pari-mutuel system of wagering. Historic horse racing is an exotic wager and all systems of wagering other than pari-mutuel shall be prohibited.

(i) Wagering conducted in conformity with W.S. § 11-25-101 through 11-25-113.

(b) Wagering on a historic horse race(s) shall only be conducted by a Permittee approved by the Commission.

(c) Wagering on a historic horse race(s) shall only be permitted in a designated area on the permitted premises of a Permittee licensed to conduct a live horse race meeting, including any satellite facility where live simulcasting is available and approved by the Commission.

(i) All designated areas shall be established in such a way as to control access by the general public and prevent entry by any patron who is under eighteen (18) years of age or is otherwise not permitted to place wagers.

(ii) Each Permittee shall provide terminals that are accessible to handicapped patrons.

(d) A Permittee may conduct wagering on historic races on any days and hours which is in conformity with local municipalities and approved by the Commission.

(e) The permittee shall submit an application to the Commission when making a request to offer historic horse racing.

(i) The permittee shall pay an additional fee in the amount of fifty (\$50.00) dollars for each day offering historic horse racing (non-refundable)

(ii) The permittee shall submit a list for approval:

(A) All wagering types offered by historic horse racing terminals.

(B) The types, number, and denominations of pari-mutuel wagers to be offered.

(C) A detailed description of the rules that apply to the pari-mutuel wager and the method of calculating payouts, including how money will be allocated to seed pools.

(iv) The Commission may require additional information and clarification.

(f) Historic horse racing terminals shall use cash or cash vouchers only.

(g) All wagering on a historic horse race shall incorporate the following elements:

(i) A Permittee shall at all times maintain at least two (2) terminals offering each type of exotic wager on an historic horse race, in each location;

(ii) Once a patron deposits the wagered amount in the terminal offering wagering on a historic horse race, a historic horse race or races shall be chosen at random;

(iii) Prior to the patron making his or her wager selections, the terminal shall not display any information that would allow the patron to identify the historic race on which he or she is wagering, including the location of the race, the date on which the race was run, the names of the horses in the race, or the names of the jockeys that rode the horses in the race;

(iv) The terminal shall make available true and accurate past performance information on the historic horse race to the patron prior to making his or her wager selections. The information shall be current as of the day the historic horse race was actually run. The information provided to the patron shall be displayed on the terminal in data or graphical form; and

(v) After a patron finalizes his or her wager selections, the terminal shall display a video replay of the race(s), a portion thereof, or an animated depiction of the race's finish, and the official results of the race(s). The identity of the race(s) shall be revealed to the patron after the patron has placed his or her wager;

(vi) Each terminal for wagering shall display odds or pool amounts that the patron will receive for a winning wager on each pari-mutuel pool.

(h) The Commission may require testing of each terminal used for wagering on historic horse races by an independent testing laboratory to ensure its integrity and proper working order.

(i) The independent testing laboratory shall be chosen by the Commission and the expense of the testing shall be paid by the Permittee offering the wagering on historic horse races.