

CHAPTER 12 SIMULCASTING

491—12.1(99D) Definitions.

“*Guest association*” is an association which offers licensed pari-mutuel wagering on contests conducted by another association (the host) in either the same state or another jurisdiction.

“*Host association*” is the association conducting a licensed pari-mutuel meeting from which authorized contests or entire performances are simulcast.

“*Interstate simulcasting*” means the telecast of live audio and visual signals of pari-mutuel racing sent to or received from a state outside the state of Iowa to an authorized racing or gaming facility for the purpose of wagering.

“*Intrastate simulcasting*” means the telecast of live audio and visual signals of pari-mutuel racing conducted on a licensed pari-mutuel track within Iowa sent to or received from an authorized pari-mutuel facility within Iowa for the purpose of pari-mutuel wagering.

“*Pari-mutuel output data*” means the data provided by the totalizator other than sales transaction data including, but not limited to, the odds, will pays, race results, and payoff prices.

“*Sales transaction data*” means the data between totalizator ticket-issuing machines and the totalizator central processing unit for the purpose of accepting wagers and generating, canceling and cashing pari-mutuel tickets and the financial information resulting from processing sales transaction data, such as handle.

491—12.2(99D) Approval of transmission method. The method used to transmit sales transaction and pari-mutuel output data shall be approved by the commission, based upon the determination that provisions to secure the system and transmission are satisfactory.

491—12.3(99D) Communication between facilities. A communication between the host track and the receiving facility must be provided which will allow the totalizator operator and the board of stewards at the host track to communicate with the facility receiving the signal.

491—12.4(99D) Licensee responsible for reporting delay. The licensee is responsible during the racing program’s operating hours for reporting any problems or delays to the public.

491—12.5(99D) Preapproval. All simulcasting, both interstate and intrastate, must be preapproved by the commission. Each racing association shall submit an annual written simulcast proposal to the commission with the application for license renewal required by Chapter 5 of these rules. The administrator upon written request may grant modifications to the annual simulcast proposal.

491—12.6(99D) Requests. The commission may approve or disapprove simulcast requests at its discretion. Factors that may be considered include, but are not limited to: economic conditions of a racing association, impact on other racing associations, impact on the Iowa breeding industry, other gambling in the state, and any other considerations the commission deems appropriate.

491—12.7(99D) Permission from other jurisdictions. Once simulcast authority has been granted by the commission, it shall be the affirmative responsibility of racing associations granted simulcast authority to obtain all necessary permission from other states and tracks to simulcast the pari-mutuel races. In addition, the burden of adhering to state and federal laws concerning simulcasting is on the racing association at all times.

491—12.8(99D) Transmitted. All simulcasting must be transmitted live and all wagering on simulcasting shall be made in accordance with the Iowa racing and gaming commission rules on pari-mutuel wagering in 491—Chapter 8.

491—12.9(99D) Live racing rules. Iowa racing and gaming commission rules in effect during live racing will remain in effect during simulcasting where applicable.

491—12.10(99D) Simulcast wagering.

12.10(1) Duties of commission representative. Duties of the commission representative include but are not limited to the following:

- a. To act as commission mutuels supervisor.
- b. To certify attendance figures.
- c. To review license applications and conduct hearings for alleged rule violations.
- d. To certify correct order of finish and mutuel payoffs in the event of loss of television signal or data lines.

12.10(2) Duties of simulcast host.

a. Every host association simulcasting its performance, if requested, may contract with an authorized receiver for the purpose of providing authorized users its simulcast. All contracts governing participation in interstate or intrastate pools shall be submitted to the administrator for prior approval. Contracts shall be of such content and in such format as required by the administrator.

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

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

d. The host association shall maintain such security controls including encryption over its uplink and communications systems as directed or approved by the administrator.

e. Financial reports shall be submitted daily or as otherwise directed by the administrator. Reports shall be of such content and in such format as required by the administrator.

12.10(3) Duties of authorized receiver.

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

b. An authorized receiver shall provide:

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

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

(3) A voice communication system between each guest association and the host association providing timely voice contact among the commission designees, placing judges, and pari-mutuel departments.

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

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

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

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

g. Every authorized receiver shall file with the administrator an annual report of its simulcast operations and an audited financial statement.

h. The mutuel manager shall notify the simulcast steward when the transfer of pools, pool totals or calculations are in question and shall suggest alternatives for continued operation.

491—12.11(99D) Interstate common-pool wagering.

12.11(1) General.

a. All contracts governing participation in interstate common pools shall be submitted to the administrator for prior approval. Contracts shall be of such content and in such format as required by the administrator.

b. Financial reports shall be submitted daily or as otherwise directed by the administrator. Reports shall be of such content and in such format as required by the administrator.

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

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

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

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

12.11(2) Guest state participation in interstate common pools.

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

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

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

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

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

f. If, for any reason, it becomes impossible to successfully merge the bets placed into the interstate common pool, the association shall make payoffs in accordance with payoff prices that would have been in effect if prices for the pool of bets were calculated without regard to wagers placed elsewhere; except that, with the permission of the administrator, the association may alternatively determine to either pay winning tickets at the payoff prices at the host association, or declare such accepted bets void and make refunds in accordance with the applicable rules.

12.11(3) Host state participation in merged pools.

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

b. Where takeout rates in the merged pool are identical, the net price calculation shall be the method by which the differing takeout rates are applied.

c. Rules of racing established for races held in this state shall also apply to interstate common pools unless the administrator shall specifically otherwise determine.

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

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

12.11(4) Takeout rates in interstate common pools.

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

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

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