

STATE OF SOUTH DAKOTA
DEPARTMENT OF REVENUE
SOUTH DAKOTA COMMISSION ON GAMING

Notice of Public Hearing to Adopt Rules

A public hearing will be held at the City Hall, 102 Sherman Street, Deadwood, South Dakota, on Wednesday, November 28, 2012, at 9:00 a.m., MT, to consider the adoption and amendment of proposed rules numbered:

HORSE RACING RULES: 20:04:19:06, 20:04:20:32, 20:04:20:66.01, 20:04:22:02, 20:04:22:39, 20:04:23:23, 20:04:24:40, 20:04:24:64, 20:04:24:65, 20:04:24:67, 20:04:24:69, 20:04:24:92, 20:04:24:95, 20:04:24:105, 20:04:25:00, 20:07:27:13

GAMING RULES: 20:18:18.01:08, 20:18:18.01:09, 20:18:18.01:10, 20:18:18.01:11, 20:18:18.01:12, 20:18:18.01:13, 20:18:18.01:14

HORSE RACING RULES:

Proposed Rule Change: ARSD 20:04:19:06, Sanitation facilities for horses. The effect of this rule change is to remove the requirement for associations to provide boxes and pits for refuse collection.

The reason for this rule change is that South Dakota racing facilities do not have refuse boxes or pits.

Proposed Rule Change: ARSD 20:04:20:32, Overweight in excess of two pounds. The effect of this rule change is to require the clerk of scales to weigh in jockeys at least 45 minutes prior to the race.

The reason for this rule change is to conform with industry practices.

Proposed Rule Change: ARSD 20:04:20:66.01, Association or racing secretary may employ outside assistance for preparation of racing program. The effect of this rule change is to remove the requirement that printer of program be licensed and be responsible for program content.

The reason for this rule change is that programs are now printed by commercial businesses located off race track grounds and only print content provided by track management.

Proposed Rule Change: ARSD 20:04:22:02, Overweight maximum. The effect of this rule change is to delete the requirement that an owner or trainer consent for jockey to carry over two pounds overweight.

The reason for this rule change is that owners and trainers are sometimes not available to give consent and stewards must assign jockeys to ride in races.

Proposed Rule Change: ARSD 20:04:22:39, Definition of apprentice – Apprentice weight allowances. The effect of this rule change is to allow trainers to waive apprentice allowance for selected races.

The reason for this rule change is to allow trainers to select apprentice jockeys to ride in stakes races in which the apprentice allowance is not given.

Proposed Rule Change: ARSD 20:04:23:23, Numbers required. The effect of this rule change is to remove the requirement for horses' equipment to have head numbers.

The reason for this rule change is that head numbers are no longer used to identify horses in a photo finish because of improved technology.

Proposed Rule Change: ARSD 20:04:24:40, Required information for entering a horse. The effect of this rule change is to remove the requirement that names of the sire and dam of a horse be listed on entry forms.

The reason for this rule change is that this information is now readily available from other sources on file.

Proposed Rule Change/Repeal: ARSD 20:04:24:64, Horses entered for a purse must be starters. The effect of this rule change is to repeal a rule which is ambiguous.

The reason for this repeal is that the rule is ambiguous.

Proposed Rule Change: ARSD 20:04:24:65, Entry limit on number of horses of same ownership – Exceptions. The effect of this rule change is to eliminate stakes rules on tracks of less than one mile circumference.

The reason for this rule change is that all tracks in South Dakota are less than one mile circumference.

Proposed Rule Change: ARSD 20:04:24:67, Double entries. The effect of this rule change is to allow two horses owned by the same ownership to be uncoupled for wagering in daily double races.

The reason for this rule change is that it allows for more horses to compete in races that are part of the daily double wager.

Proposed Rule Change/Repeal: ARSD 20:04:24:69, Daily double entries. The effect of this rule change is to repeal restriction on daily double entries.

The reason for this rule repeal is to allow more horses to compete in races that are part of the daily double wager.

Proposed Rule Change: ARSD 20:04:24:92, Time for claiming weight allowances. The effect of this rule change is to allow the apprentice jockey weight allowance to be waived in selected areas.

The reason for this rule change is to allow trainers to select apprentice jockeys to ride in stakes races in which the apprentice weight allowance is not given.

Proposed Rule Change: ARSD 20:04:24:95, Effect of insufficient entries in South Dakota bred race. The effect of this rule change is to delete the requirement that if a South Dakota bred race is cancelled, it must be rescheduled.

The reason for this rule change is if the race is cancelled, there might not be adequate race days to reschedule the race.

Proposed Rule Change: ARSD 20:04:24:105, "Also eligible" horses. The effect of this rule change is to delete the requirement for a second drawing of horses from the also eligible list to compete in a race.

The reason for this rule change is that this selection is done at the time of the drawing for the race to provide more timely information to owners and trainers of their horse's eligibility.

Proposed Rule Change: ARSD 20:04:25:00, Types of races. The effect of this rule change is to increase the maximum time for close of entries on an overnight race from 72 hours to 96 hours.

The reason for this rule change is to conform to industry practice when taking entries for races to be run on Memorial Day.

Proposed Rule Change: ARSD 20:04:27:13, Use of certain drugs authorized. The effect of this rule change is to delete authorization for use of Meclofenamic acid.

The reason for this rule change is this medication is not used in equines.

GAMING RULES:

Proposed New Rule: ARSD 20:18:18.01:08, Independent Contractor. The effect of this is to promulgate a new rule identifying an independent contractor for slot machine manufacturing purposes.

The reason for this new rule is to authorize independent contractors to act as an unlicensed individual under the supervision of a manufacturer's license.

Proposed New Rule: ARSD 20:18:18.01:09, Independent contractor exempt from licensing requirements. The effect of this is to promulgate a new rule to declare independent contractors exempt from licensing requirements.

The reason for this new rule is that the independent contractors will be subject to oversight by the manufacturers who are licensed with the Commission.

Proposed New Rule: ARSD 20:18:18.01:10, Determination of suitability of independent contractor. The effect of this is to promulgate a new rule to provide a process whereby independent contractors can be deemed suitable or unsuitable by the Commission.

The reason for this new rule is to provide safeguards for the use of unlicensed independent contractors.

Proposed New Rule: ARSD 20:18:18.01:11, Commission determination of unsuitability of an independent contractor. The effect of this is to promulgate a

new rule to identify what can occur in the event the Commission deems an independent contractor unsuitable.

The reason for this new rule is to provide appropriate safeguards in the event an unlicensed contractor is deemed unsuitable.

Proposed New Rule: ARSD 20:18:18.01:12, Manufacturers agreements with independent contractors. The effect of this is to promulgate a new rule to require that agreements between licensed manufacturers and unlicensed independent contractors may be terminated under certain circumstances.

The reason for this new rule is to provide safeguards in the event unlicensed contractors are deemed unsuitable.

Proposed New Rule: ARSD 20:18:18.01:13, Manufacturers responsibilities for independent contractors. The effect of this is to promulgate a new rule to set forth manufacturers' responsibilities when using unlicensed independent contractors.

The reason for this new rule is to provide appropriate safeguards when unlicensed independent contractors are working for licensed manufacturers.

Proposed New Rule: ARSD 20:18:18.01:14, Control program. The effect of this is to promulgate a new rule to define "control program" for use in independent contractors arrangements with licensed manufacturers.

The reason for this new rule is to provide appropriate safeguards when licensed manufacturers utilize unlicensed independent contractors.

Persons interested in presenting data, opinions, and arguments for or against the proposed rule changes may do so by appearing in person at the hearing or by sending them to the South Dakota Commission on Gaming, 221 West Capitol Avenue, Suite 101, c/o 1320 East Sioux Avenue, Pierre, South Dakota, 57501-3100. Materials sent by mail must reach the Commission on Gaming by Monday, November 26, 2012, to be considered. However, the Commission requests that all written comments be received by Wednesday, November 21, 2012, to allow for adequate consideration prior to the hearing.

After the hearing, the Commission will consider all written and oral comments it receives on the proposed rule changes. The Commission may modify

or amend a proposed rule at that time to include or exclude matters that are described in this notice.

Notice is further given to any individual with disabilities that this hearing is being held in a physically accessible place. Please notify the Commission on Gaming at least 48 hours before the public hearing if you have special needs for which special arrangements must be made. The telephone number for making these special arrangements is (605)773-6050 or (605)578-3074.

Copies of the proposed rules may be obtained without charge from the:

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