

Agenda Item #1

TITLE 71 INDIANA HORSE RACING COMMISSION

Notice of Intent to Readopt

LSA Document #22-XXX

Readopts rules in anticipation of IC 4-22-2.5-2, providing that an administrative rule adopted under IC 4-22-2 expires January 1 of the seventh year after the year in which the rule takes effect unless the rule contains an earlier expiration date. Effective 30 days after filing with the Publisher.

OVERVIEW: Rules to be readopted without changes are as follows:

71 IAC 6.5-1-2	Claiming of horses
71 IAC 8.5-14-1	Equine health; requirements
71 IAC 14-1-3	“Indiana sired and bred” defined
71 IAC 14.5-2-3	Stallion registration

Requests for any part of this readoption to be separate from this action must be made in writing within 30 days of this publication. Send written comments to the Small Business Regulatory Coordinator for this rule (see IC 4-22-2-28.1):

Dale Pennycuff
Counsel
Indiana Horse Racing Commission
1302 North Meridian Street, Suite 175
Indianapolis, IN 46202
(317) 233-3119
DPennycuff@hrc.in.gov

Statutory authority: IC 4-31-3-9; IC 4-35-7-12.

For purposes of IC 4-22-2-28.1, the Small Business Ombudsman designated by IC 5-28-17-6 is:

Emily Totten
Small Business Ombudsman
Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 402-3062
etotten@iedc.in.gov

Resources available to regulated entities through the small business ombudsman include the ombudsman’s duties stated in IC 5-28-17-6, specifically IC 5-28-17-6(9), investigating and attempting to resolve any matter regarding compliance by a small business with a law, rule, or policy administered by a state agency, either as a party to a proceeding or as a mediator.

Agenda Item #2

TITLE 71 INDIANA HORSE RACING COMMISSION

Emergency Rule LSA Document #22-XXX(E)

DIGEST

Adds 71 IAC 9-2.1-5.5 defining Affiliate. Amends 71 IAC 9-2.2-3 regarding Secondary pari-mutuel organization (“SPMO”) Application submission and reimbursement costs. Amends 71 IAC 9-2.2-4 regarding SPMO license criteria and commission action. Effective upon filing with the publisher.

71 IAC 9-2.1-5.5; 71 IAC 9-2.2-3; 71 IAC 9-2.2-4

SECTION 1. 71 IAC 9-2.1-5.5 IS ADDED:

71 IAC 9-2.1-5.5 “Affiliate” defined
Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-6

Sec. 5.5. “Affiliate” means an organization, company, firm, individual, or other entity that conducts advanced deposit wagering with or on behalf of a licensed SPMO through a marketing, service, or other similar agreement.
(Indiana Horse Racing Commission; 71 IAC 9-2.1-5.5; emergency rule filed _____)

SECTION 2. 71 IAC 9-2.2-3 IS AMENDED TO READ AS FOLLOWS:

71 IAC 9-2.2-3 Application submission and reimbursement costs
Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-13; IC 4-31-7.5-14

Sec. 3. (a) A secondary pari-mutuel organization applying for a license under this article must submit a complete application on a form prescribed by the commission that contains the following information:

- (1) The applicant's legal name.
- (2) The location of the applicant's principal office.
- (3) The names, addresses, and dates of birth of all shareholders, directors, officers, and other persons owning or controlling an interest in the SPMO with the degree of ownership or type of interest shown. Corporations, partnerships, or other legal entities, which own or control a beneficial interest in the applicant, either directly or through other corporations or legal entities, shall similarly file with the application a list showing the names, addresses, and dates of birth of all officers, directors, stockholders, and other persons owning or controlling a beneficial interest in the legal entities, with the degree of ownership or type of interest pertaining to the ownership or interest.
- (4) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subdivision

- (3) shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders.
- (5) A copy of the organizational documents of the applicant.
- (6) The names of the racetracks the applicant, or its agent, has contracts or other agreements with that allow the applicant to provide advance deposit wagering.
- (7) Financial information that demonstrates that the SPMO has the financial resources to operate advance deposit wagering and provides a detailed budget that shows anticipated revenue, expenditures, and cash flows by month, projected for the term of the license sought.
- (8) Written evidence of the approval to conduct advance deposit wagering that the organization has received from the appropriate regulatory authority in each state where the secondary pari-mutuel organization is licensed.
- (9) A copy of a proposed contract executed by the applicant and each permit holder to satisfy the requirements of section 6 of this rule.
- (10) A copy of the bond, irrevocable letter of credit, or other undertaking referenced in section 5 of this rule.
- (11) A plan of operation including all standard operating procedures related to wagers, wagering accounts, security of wagering systems, security of confidential information, and policies for ensuring no underage persons engage in wagering and account payouts.
- (12) A list of any affiliates or potential affiliates of the SPMO. The list must contain the following information about any affiliates or potential affiliates, and the SPMO and any affiliates must meet the following guidelines:**
 - (A) The name and web address of the affiliate.**
 - (B) The name and web address of the affiliate's site where advanced deposit wagering will occur, if different from subdivision (A).**
 - (C) The person or companies involved in the affiliate agreement.**
 - (D) The location of the affiliate's principal office.**
 - (E) The names, addresses, and dates of birth of all shareholders, directors, officers, and other persons owning or controlling an interest in the affiliate with the degree of ownership or type of interest shown. Corporations, partnerships, or other legal entities, which own or control a beneficial interest in the affiliate, either directly or through other corporations or legal entities, shall similarly file with the application a list showing the names, addresses, and dates of birth of all officers, directors, stockholders, and other persons owning or controlling a beneficial interest in the legal entities, with the degree of ownership or type of interest pertaining to the ownership or interest.**
 - (F) If the affiliate is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subdivision (D) shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders.**
 - (G) A copy of the organizational documents of the affiliate.**
 - (H) That the affiliate site agreement is clearly noted as either a marketing or service agreement.**

(I) Account holders using the affiliate site will be account holders of the licensed SPMO, subject to the same verification process and account operational procedures as any other account holder of said SPMO licensee.

(J) The wagers placed through the affiliate site will be processed through equipment owned and operated by the licensed SPMO.

(K) The licensed SPMO will incorporate all advanced deposit wagering of the affiliate site into the source market fee of the licensed SPMO.

(L) The affiliate site will be branded in some form to indicate to the account holder that they will be wagering through systems operated by the licensed SPMO. The commission reserves the right to approve or deny any affiliate sites. Additionally, the commission may determine a total monthly advanced deposit wagering amount at which an affiliate site may need to apply for its own SPMO license.

~~(12)~~ **(13)** A detailed budget showing on a monthly basis anticipated revenue, expenditures, and cash flows, from the SPMO's operation during the initial license period.

~~(13)~~ **(14)** A proposed version of the advance deposit wagering terms and agreement to be provided to account holders.

~~(14)~~ **(15)** A nonrefundable application fee of five thousand dollars (\$5,000).

~~(15)~~ **(16)** Any other information required by the commission.

(b) The commission may retain professional services, conduct investigations, or request additional information from the applicant for a license as it deems appropriate in determining whether to grant a license to an SPMO.

(c) The commission may require an applicant to pay any costs incurred by the commission for background checks, investigation, and professional fees related to the reviewer consideration, or both, of the license application that exceed five thousand dollars (\$5,000).

(Indiana Horse Racing Commission; 71 IAC9-2.2-3; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR071180370ERA; emergency rule filed Dec 5, 2019, 1:56 p.m.: 20191211-IR-071190646ERA; emergency rule filed _____.) NOTE: Agency cited as 71 IAC 9-2.1-3, which was renumbered by the Publisher as 71 IAC 9-2.2-3.

SECTION 3. 71 IAC 9-2.2-4 IS AMENDED TO READ AS FOLLOWS:

71 IAC 9-2.2-4 SPMO license criteria and commission action

Authority: IC 4-31-7.5-11

Affected: IC 4-31-7.5

Sec. 4. (a) The commission may issue a license under IC 4-31-7.5 if the commission determines that the applicant meets all of the requirements under IC 4-31-7.5 and this article and, that on the basis of all the facts before it, the following is shown:

(1) The applicant is qualified and financially able to operate advance deposit wagering in the state of Indiana.

(2) Advance deposit wagering in Indiana will be operated in accordance with all applicable laws and rules.

(3) The issuance of a license will ensure that advance deposit wagering will be conducted with the highest of standards and the greatest level of integrity, and ensure the protection of the public interest.

(b) In reviewing an application, the commission may consider any information, data, reports, findings, factors, or indices available that it considers important or relevant to its determination of whether an applicant is qualified to hold an SPMO license under IC 4-31-7.5, including, without limitation, the following:

(1) The integrity of the applicant, its partners, directors, officers, ~~and~~ policymakers, **and affiliates**, including, but not limited to, the following:

(A) Criminal record.

(B) Whether a party to litigation over business practices, disciplinary actions over a business license or permit, or refusal to renew a license or permit.

(C) Proceedings in which unfair labor practices, discrimination, or government regulation of advance deposit wagering was an issue or bankruptcy proceedings.

(D) Failure to satisfy judgments, orders, or decrees.

(E) Delinquency in filing of tax reports or remitting taxes.

(F) Any other indices related to the integrity of the applicant that the commission considers important or relevant to its determination.

(2) The financial strength of the applicant.

(3) The management ability of the applicant.

(4) The experience of the applicant.

(5) Compliance with applicable statutes and regulations.

(6) Whether licensing the SPMO would be in the best interest of the public health, safety, and welfare in the state.

(7) The potential effect on revenue to the state and Indiana horse racing constituents.

(c) The commission may grant or deny an SPMO license subject to conditions specified by the commission and agreed to by the applicant.

(d) The commission may require changes in the proposed plan of operations or advance deposit wagering terms and agreement, or both, as a condition of granting a license. A licensed SPMO shall not make subsequent material changes in the plan of operations or advance deposit wagering terms and agreement, or both, unless ordered by the commission or until approved by the commission after receiving a written request.

(e) A licensed SPMO shall file a license renewal request for the upcoming calendar year by November 1 of the preceding year. The license renewal request must be accompanied by a cashier's check or certified check payable to the commission in the amount of one thousand dollars (\$1,000) as a nonrefundable annual license fee. In addition, the licensed SPMO must submit a letter detailing any requested changes in the commission approved plan of operations or advance deposit wagering terms and agreement, or both.

(f) A license issued under this article is neither transferable nor assignable, including by operation of law, without the prior written consent of the commission.

(g) Any action that suspends or otherwise prohibits a licensed SPMO from operating in another state may be used as grounds for a suspension of its Indiana SPMO license.

(h) All employees working on behalf of a licensed SPMO that are officers, directors, and managers who are involved in Indiana advance deposit wagering must hold an Indiana commission license. All other employees working on behalf of a licensed SPMO who are involved in Indiana advance deposit wagering must hold an Indiana commission license. However, the commission or

commission's designee may, at their discretion, allow a licensed SPMO to forgo licensing of some individuals involved in advance deposit wagering in Indiana provided that:

- (1) those individuals are licensed and in good standing with appropriate regulatory authorities in the jurisdiction from which they are operating; and
- (2) an individual that is the direct supervisor of the unlicensed individuals holds an Indiana commission license.

*(Indiana Horse Racing Commission; 71 IAC 9-2.2-4; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Jun 1, 2020, 1:57 p.m.: 20200610-IR-071200295ERA; **emergency rule filed** _____.) NOTE: Agency cited as 71 IAC 9-2.1-4, which was renumbered by the Publisher as 71 IAC 9-2.2-4.*

DRAFT

Agenda Item #3

Standardbred Advisory Board Budget for the Year 2022

Approved by the Standardbred Advisory Board on May 9, 2022.

The Standardbred Advisory Board works closely with the Standardbred Breed Development Advisory Committee, ISA and Hoosier Park. They oversee the conditions of the Indiana Sires Stakes and Indiana Sired Fair Circuit (please note that both of these programs are funded by the Standardbred Breed Development Fund). For the Indiana Sired Fair Circuit their funding administers the drug testing program through the IHRC.

The 2022 proposed budget is as follows:

ANNUAL BUDGET

Budget Item	2020 Proposed	2020 Spent	2021 Proposed	2021 Spent	2022 Proposed
Advertising	\$7,500	\$0	\$5,000	\$0	\$5,000
Awards/Promotional Items	\$15,000	\$4,898	\$10,000	\$3,560	\$7,500
Awards Banquet	\$9,000	\$7,500	\$9,000	\$7,500	\$7,500
Board Member Per Diem	\$2,000	\$0	\$2,000	\$1,750	\$2,000
Drug Testing – Veterinarian/Assistant	\$20,000	\$11,238	\$20,000	\$18,061	\$25,000
Drug Testing – Laboratory Fees	\$55,000	\$34,917	\$60,000	\$36,934	\$45,000
Drug Testing Administration	\$25,000	\$5,982	\$30,000	\$16,127	\$30,000
Operational Money – ISFC*	\$148,000	\$79,000	\$0	*	*
ISFC Fair Advertising	\$3,000	\$1,000	\$3,000	\$1,500	\$3,000
Misc. (includes postage, printing, etc.)	\$6,000	\$0	\$5,000	\$100	\$2,500
IHRC Standardbred Staff (% Charged to ISAB)	\$35,000	\$30,485	\$35,000	\$24,820	\$35,000
TOTAL	\$325,500	\$175,020	\$179,000	\$110,352	\$162,500

**Due to budget constraints operational funds for ISFC program to be paid utilizing ADW funds earmarked for County and State Fair. 2021 budgeted amount was \$157,500 with \$151,500 spent. The 2022 budget amount for this is \$165,000.*

Revenue	2022
Appropriation	\$193,500

Overview of Budgetary Items:

Advertising: The Standardbred Advisory Board (Board) continued to advertise in trade magazines to provide information about the program to participants. The Board also offsets a portion of the cost of the printing of the annual nomination booklet which provides horsemen with staking information about the Indiana racing program. The Board will also continue their matching advertising program for Indiana's fairs that host the ISFC racing program, in which the Board reimburses each fair up to \$500 per race meet for any funds spent on promoting the horse racing program at the fair. In addition, the Indiana Standardbred Association also offers each fair an additional \$500 for advertising.

Awards/Promotional Items: The Board will continue to honor the winners of the Indiana Sired Fair Circuit Championship races and Indiana Sires Stakes Finals with blanket and trophy presentations at the time of these races. In addition, the Board recognizes the owners of the Indiana Sires Stakes champions, Indiana Sired Fair Circuit overall champion, and ISS Pacing and Trotting Sire of the year at the annual Standardbred Awards banquet. Furthermore, the Board plans to continue to work with the Indiana Standardbred Association on the annual awards banquet.

Indiana Sired Fair Circuit Program: The Board has worked closely with the Standardbred Breed Development Advisory Committee to continue the successful Fair Circuit Program. Funding from the Breed Development Fund allows purses for the ISFC program to be contested at \$3,500 per division. Two series of races are offered during the fair racing program for two-year olds and three-year olds which are Indiana Sired and Bred.

Drug Testing/Identification: The Standardbred Advisory Board fund administers and funds the drug-testing program for the ISFC. IHRC staff, contract staff and veterinarians are utilized for these programs. This program includes drawing of samples for blood gas testing and post-race blood and urine testing. The blood gas testing program was implemented in 2009 at the county fair level, will be continued. In addition, staff is utilized to identify horses competing in the ISFC.

Part-time employees will continue to be utilized for the administration of the drug testing program. These employees are necessary in maintaining the chain of custody and integrity of this program. In addition, the Board employs test barn assistants and veterinarians to help with this program.

Operational Funding: Each ISFC host site receives operational funds per day of racing from the Board. The funds are used to offset the expenses (required race officials, equipment, promotions, etc.) incurred by the host site in conducting the ISFC racing program. In order to assist the fairs in adequately managing costs, the Board allocates an amount of \$4,500 per day for fairs with fifteen (15) races or less and an amount of \$5,000 per day for fairs with 16 or more races. Please note this will be paid from ADW funds earmarked for County & State Fair.

Staff Funding: As approved by the IHRC at its August 23rd, 2011 meeting, a portion of the applicable salaries of the Standardbred Breed Development Coordinator and Standardbred Clerk charged to this account.

Agenda Item #4

STATE OF INDIANA

BEFORE THE INDIANA HORSE RACING COMMISSION

IN RE:

The Extension of the 2021 Application of PENN ADW, LLC,)
d/b/a Hollywood Races for Secondary Pari-Mutuel)
Organization License Pursuant to 71 IAC 9-2.2 *et seq.*)

EXTENSION OF CONDITIONAL FINAL ORDER

The undersigned Members of the Indiana Horse Racing Commission (the “Commission”), having considered the Application submitted by PENN ADW, LLC, d/b/a Hollywood Races (the “Applicant” or “PENN”) for approval to act as a Secondary Pari-Mutuel Organization (“SPMO”) pursuant to 71 IAC 9-2.2 *et seq.*, at a public hearing on the Application conducted on July 15, 2021, pursuant to the provisions of Indiana Code section 4-21.5-3-1 *et seq.*; approved same in the original Conditional Final Order (the “Original Order”) on July 15, 2021; does hereby approve this Extension of Conditional Final Order (the “Extension Order.”)

ULTIMATE FINDINGS OF FACT SUPPORTING THE FIRST CONCLUSION OF LAW

1. The Commission has been established pursuant to Indiana law, to “permit pari-mutuel wagering on horse races in Indiana and to ensure that pari-mutuel wagering on horse races in Indiana will be conducted with the highest of standards and the greatest level of integrity.” IND. CODE § 4-31-1-2.
2. The Commission has been granted authority by the Indiana General Assembly to adopt rules pertaining advance deposit wagering with secondary pari-mutuel organizations. IND. CODE § 4-31-7.5-1.
3. The Commission has promulgated criteria for approval of an application by a secondary pari-mutuel organization to become registered to conduct advance deposit wagering pursuant to Indiana Code section 4-31-7.5 *et seq.* The Commission’s registration criteria are found at 71 IAC 9-2.2 *et seq.*

FIRST CONCLUSION OF LAW

The Commission has jurisdiction over the PENN ADW, LLC, d/b/a Hollywood Races as a Secondary Pari-Mutuel Organization, Pursuant to 71 IAC section 9-2.2 *et seq.*

ULTIMATE FINDINGS OF FACT SUPPORTING THE SECOND CONCLUSION OF LAW

1 PENN is currently licensed as an SPMO. 71 IAC 9-2.2-2

PENN was **GRANTED** a license by the Commission in the Original Order, dated July 15, 2021, to operate as an SPMO from July 15, 2021, through July 15, 2022, pursuant to 71 IAC 9-2.2 *et seq.*

2 The license renewal period for all other SPMOs begins on January 1st. 71 IAC 9-2.2-2(c)

The other six (6) SPMOs' license renewal period runs from January 1st to December 31st of each calendar year. 71 IAC 9-2.2-4(e) provides: "A licensed SPMO shall file a license renewal request for the upcoming calendar year by November 1 of the preceding year."

3 The Commission may waive a rule. 71 IAC 2-2-1

"The commission ... may waive a rule ... if compliance with a rule is impractical or unduly burdensome, provided that the grant of the requested waiver would ensure that pari-mutuel wagering on horse races in Indiana would continue to be conducted with the highest standards and the greatest level of integrity."

71 IAC 2-2-1(c).

SECOND CONCLUSION OF LAW

The approval of the Extension Order for PENN as a Secondary Pari-Mutuel Organization through December 31, 2022, pursuant to 71 IAC 2-2-1(c), relieves the burden on PENN and Commission Staff by allowing all SPMO renewal periods to begin on January 1st and end on December 31st, and ensure that pari-mutuel wagering on horse races in Indiana would continue to be conducted with the highest standards and the greatest level of integrity.

WHEREFORE, based upon the Findings of Fact and Conclusions of Law set forth herein, the Indiana Horse Racing Commission now **ORDERS** that PENN's license as a Secondary Pari-Mutuel Organization be extended up to and including December 31, 2022, subject to all applicable conditions in the Original Order.

In the event that PENN fails to comply with the conditions in the Original Order, the Commission reserves the right to revisit, revoke, and/or rescind this approval and the Original Order. This Extension Order shall become final on the date of its entry. The right of PENN to seek administrative review shall be subject to the provisions of Indiana Code section 4-21.5-3-31. PENN has the right to seek judicial review of this Extension Order pursuant to the provisions of Indiana Code section 4-21.5-5-5 *et seq.* provided that action is filed within thirty days of the date of this Extension Order pursuant to Indiana Code section 4-21.5-5-5.

ORDERED THIS 29TH DAY OF JUNE 2022, BY THE INDIANA HORSE RACING COMMISSION.

INDIANA HORSE RACING COMMISSION:

Dr. Philip Borst, DVM, Chairman

George Pillow, Member

Bill McCarty, Member

Bill Estes, Member

Gus Levensgood, Member

DRAFT

Agenda Item #5



State of Indiana Indiana Horse Racing Commission

Eric Holcomb, Governor

www.in.gov/hrc

June 3, 2022

Melanie Sims Frank
Deputy General Counsel
The New York Racing Association, Inc.
110-00 Rockaway Boulevard
S. Ozone Park, New York 11420

Interim Approval of NYRA Bets' Petition for Marketing Affiliate ADW Service

Dear Ms. Frank,

This letter is to inform you that the Indiana Horse Racing Commission ("IHRC") Executive Director has authorized interim approval of NYRABets, LLC's ("NYRA Bets"), a secondary pari-mutuel organization ("SPMO") licensed by the IHRC, petition to create a marketing agreement with American Wagering, Inc., a wholly owned subsidiary of Caesars Entertainment, Inc., to add a marketing affiliate branded as Caesars Racebook.

The issuance of this interim approval confirms that the Executive Director has found that NYRA Bets petition is consistent with the requirements set forth in 71 IAC 9-2.2-4. This interim approval does not, however, waive any right of the IHRC, its staff, or its Executive Director to request additional information or conduct an additional investigation. NYRA Bets' interim approval is contingent upon its ongoing commitment to supplement or amend its petition as required by the IHRC.

NYRA Bets' petition shall be presented to the Commission for approval/denial at the next publicly scheduled meeting. During the interim approval period, NYRA Bets and Caesars Racebook must continue to comply with IHRC requests for additional information and/or IHRC investigations of the information offered. Any failure to cooperate with IHRC in its continuing evaluation process may result in immediate revocation of the interim approval.

If you have any additional questions or concerns, please do not hesitate to contact IHRC Counsel Dale Lee Pennycuff via email at DPennycuff@hrc.in.gov or IHRC Deputy General Counsel Matt Eggiman via email at MEggiman1@hrc.IN.gov.

Sincerely,

Deena Pitman
Executive Director
Indiana Horse Racing Commission



NYRABETS, LLC

110-00 Rockaway Boulevard
S. Ozone Park, New York 11420
Tel: (718) 659-2258
www.nyrabets.com

March 29, 2022

SENT VIA E-MAIL

Indiana Horse Racing Commission
1302 N. Meridian Street, Suite 175
Indianapolis, IN 46202
Tel: 317-233-3119
Attn: Dale Lee Pennycuff

RE: NYRA Bets Petition for Marketing Affiliate ADW Service

Dear Mr. Jackson,

NYRAbets, LLC (“*NYRA Bets*”) hereby submits this petition to notify and request the approval from the Indiana Racing Commission (the “*Commission*”) for NYRA Bets’ marketing affiliate advance deposit wagering service (the “*ADW Service*”).

1. **The ADW Service.** On or around April 4, 2022, NYRA Bets intends to launch an ADW Service pursuant to a marketing agreement with American Wagering, Inc., a wholly owned subsidiary of Caesars Entertainment, Inc. (“*Caesars*”) (the “*Digital Services Agreement*”). The Oregon Racing Commission approved the Digital Services Agreement on March 16, 2022.
2. **Ownership.** There will be no change in the ownership of NYRA Bets because of the Digital Services Agreement.
3. **License Renewal Application.** NYRA Bets filed its 2022 ADW renewal license application on October 29, 2021 and has now updated the Plan Of Operations included in that application to reflect NYRA Bets’ entry into a Digital Services Agreement. Please update NYRA Bets’ 2022 ADW Application with the revised Plan of Operation, dated March 29, 2022, attached hereto.

NYRA Bets hereby requests that this notice, and any documents related thereto, be treated as confidential and exempt from disclosure unless and only to the extent required by law.

Respectfully submitted,

A handwritten signature in cursive script that reads "Melanie L. Frank".

Melanie Sims Frank
Deputy General Counsel; The New York
Racing Association Inc.



Advance Deposit Wagering Plan of Operations

NYRAbets, LLC
110-00 Rockaway Blvd.
S. Ozone Park, New York 11420

Dated:
March 29, 2022

Prepared for:
Indiana Racing Commission

This document contains certain confidential information and trade secrets of NYRAbets, LLC and as such is subject to exemption from public disclosure pursuant to Indiana law.

1 Introduction

NYRAbets, LLC (referred to herein as “NYRA Bets” or the “Company”) respectfully submits this Plan of Operations to the Indiana Horse Racing Commission for consideration in granting a license to establish and operate advance deposit wagering accounts for individuals whose principal residence is located in the State of Indiana.

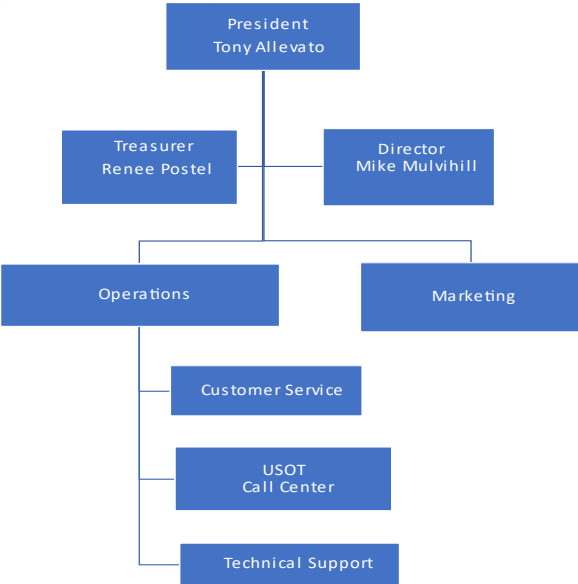
NYRA Bets is a first-rate advance deposit wagering service owned by premier North American Thoroughbred racing entity The New York Racing Association, Inc. (“NYRA”). NYRA Bets is duly licensed to provide advance deposit wagering services by multiple jurisdictions and holds a Multi-Jurisdictional Simulcasting and Interactive Wagering Totalizator Hub license from the Oregon Racing Commission. NYRA Bets’ provision of the services contemplated herein shall be in accordance with the laws and regulations of the States of Oregon and Indiana and of the United States of America.

This Plan of Operations addresses the manner in which NYRA Bets will operate, including without limitation:

- Locations and hours of operation;
- Establishing an account and verifying identity, age and residence;
- Account funding and the withdrawal process;
- Wagering transactions and wagers that cannot be merged into host track pools;
- Programs for responsible wagering; and
- Dispute resolution.

2 Organization & Systems

2.1 Management & Operations Organizational Chart



2.2 Locations & Hours of Operation

NYRA Bets has engaged NYRA to provide customer service and technical support to account holders from its Customer Service Center located at 110-00 Rockaway Boulevard, S. Ozone Park, New York 11420. In addition, NYRA Bets has engaged the services of US Off-Track (an entity licensed by the Oregon Racing Commission) to provide call center services for live operator wagering from its Oregon facility located at 6130 N.E. 78th Court, Suite C4, Portland, Oregon, 97218. US Off-Track hours of operation coincide with those of the Customer Service Center set forth below. Only employees licensed in accordance with applicable laws, rules and regulations will have interaction with account holders.

An account holder may access his or her account and place wagers through the NYRA Bets website at NYRABets.com, through the NYRA Bets mobile application or through a live operator by calling 1-844-NYRA-BET (1-844-697-2238). Account holders may access their account online 24 hours a day (excluding scheduled maintenance and required repairs). The Customer Service Center is available via email as well as telephone and live online chat daily from 10:00 a.m. Eastern Time until 9:00 p.m. Eastern Time (with extended hours on Fridays and Saturdays until 11:00 p.m.).

2.3 Wagering System & Totalizator

The NYRA Bets wagering system is comprised of a technical platform and software solution developed by GBE Technologies (“GBET”), one of the world’s most experienced providers of gaming technology and software, along with related computing infrastructure, which is integrated with an underlying tote system (the “Wagering System”). The Wagering System is an interactive, multi-platform, closed-loop subscriber-based system, which allows NYRA Bets account holders to interact with NYRA Bets or affiliate user interface applications to build and submit wagers through application programming interfaces (APIs) to the tote system. Additional features of the NYRA Bets Wagering System include support for account holder registration and funding, data and video streaming applications, an online store to purchase handicapping products, access to historical transactions and statements, ROI calculation, account administration, and customer management.

The software and hardware systems comprising the NYRA Bets Wagering System are integrated with NYRA Bets’ tote provider, AmTote International, Inc. (“AmTote”). AmTote is licensed and approved by the Oregon Racing Commission and its totalizator hub system (a/k/a the Spectrum System) is regarded in the pari-mutuel industry as the most advanced and reliable totalizator hub system available. The tote system is responsible for receiving wagers, accepting or rejecting each wager, pooling wagers, communicating pools to the applicable host track, and communicating general pool and pool settlement information back to the Wagering System. In the event that, for any reason, an account holder’s wager cannot be commingled with the applicable host track wagering pool, NYRA Bets will refund the wager to his or her account.

NYRA Bets’ wagering systems have been inspected and approved by multiple regulatory bodies, including the Oregon Racing Commission, and are regularly subject to intrusion testing. An SSAE 18 audit or comparable testing is performed with respect to AmTote’s totalizator systems on an annual basis.

2.4 Affiliate Programs

As a multi-jurisdictional hub, NYRA Bets will also provide account wagering services on behalf of a number of Race Tracks, Account Wagering Operations, and other Gaming and Gaming Related Companies that are also licensed and government regulated to conduct pari-mutuel wagering within their respective states and/or countries. The affiliate agreement with each of these Wagering Partners is one that NYRA Bets will provide some degree of technology, account management services and depending upon the agreement and the regulatory requirements of the affiliates respective Racing Commissions the players' accounts may be treated as NYRA Bets accounts in accordance with Oregon law. As NYRA Bets enters into such affiliate or account management agreements, NYRA Bets will seek ORC approval by submitting an updated operational plan listing each Wagering Partner and the details surrounding that agreement as required by the ORC.

The affiliate will provide a promotional gateway on the entities web site. Once a customer enters the promotional gateway portal they will be provided access to opening an account. All wagers submitted will be via NYRA Bets and subject to all rules, regulations and laws of the State of Oregon and the United States. In exchange for providing this promotional gateway portal NYRA Bets pays the affiliate a negotiated marketing fee.

At the time of this submission, NYRA Bets has entered into an agreement with BetMGM and Caesars Sportsbook to develop and provide technology and content services for a marketing affiliate to be branded as BetMGM Racing and Caesars Racebook respectively.

3 Establishing an Account

3.1 Account Holder Registration Process

An individual must register and establish an account with NYRA Bets prior to placing any wagers through the Wagering System. Account holders must reside in a jurisdiction where pari-mutuel wagering on horse racing is lawful and be at least eighteen (18) years old (or such greater age as may be required by the applicable jurisdiction). For those who reside in the State of Indiana, account holders must be a natural person and at least twenty-one (21) years of age. A prospective account holder may submit an application for an advance deposit wagering account by mail, facsimile or encrypted electronic submission. A completed application must provide the following information:

- The applicant's full legal name;
- Date of birth, with proper identification or certification demonstrating that the applicant is at least 18 years old (for Indiana residents, 21 years old);
- Principal residence address (P.O. Boxes will not be accepted);
- Telephone number;
- Social Security Number; and
- Any additional information required by NYRA Bets, its affiliates or their wagering partners to verify the identity of the applicant.

3.2 Self-Exclusion & Prohibited Patrons

Persons listed on the NYRA Bets Voluntary Self-Exclusion list are not eligible for wagering accounts during their period of inclusion on such list. NYRA Bets will further refuse an account to known bookmakers, touts, and minors. NYRA Bets may exclude any individual from opening an account based on the Company's business judgment.

3.3 Verification

Prior to activating an account, NYRA Bets subjects each account holder application to electronic verification with respect to name, principal residence address, date of birth, and full Social Security Number by a nationally recognized third party information services provider. NYRA Bets currently utilizes the LexisNexis's Business InstantID solution and TransUnion to perform electronic verification services. These services verify the name, address, date of birth and social security number of the applicant across multiple databases using a proprietary search and comparison process. In addition to identity and residence verification, this process ensures that the applicant is neither deceased nor included on certain federal and/or state lists (such as OFAC).

If there is a discrepancy between the information contained in an application and the information provided by the above electronic verification services, or if no information on the applicant is available from such electronic verification, NYRA Bets will require the applicant to provide additional identification documentation issued by a recognized government agency (e.g., a driver's license or government ID card) in order to complete the application process. NYRA Bets will refuse to open an account in the event that it is unable to verify an applicant.

NYRA Bets may refuse to establish an account if it is found that any of the information supplied by an applicant is untrue or incomplete or for any other reason NYRA Bets deems appropriate.

3.4 Credentials

At the time of account opening, each account is assigned a unique identifying account number and each account holder will select a PIN, username, and password.

NYRA Bets wagering account PINs and passwords will be changed/re-issued by NYRA Bets (a) in the Company's sole and absolute discretion in the event that the Company determines, in its business judgment, that the circumstances call for a change to occur and/or (b) in the event that a patron explicitly requests a change or advises the Company that the confidentiality of a PIN or password has been compromised.

4 Account Funding & Operation

4.1 Account Usage & Balances

Use of NYRA Bets accounts is restricted to wagering and related purposes. There is no limitation with respect to the maximum amount of funds contained in an account; however, maximum deposit amounts are enforced in accordance with restrictions as detailed by the Oregon Racing Commission or as set forth in the NYRA Bets Terms and Conditions. A minimum deposit of twenty-five dollars (\$25.00 USD) is encouraged but not required for new accounts. Account balances are

made available to an account holder each time he or she accesses the NYRA Bets Wagering System whether by telephone, website or otherwise.

NYRA Bets maintains account holder funds in an account held by an FDIC insured bank segregated from NYRA Bets operating funds. Funds deposited in the segregated account remain the property of account holders and are maintained until appropriately distributed in accordance with instruction from or agreements with NYRA Bets account holders. Account balances will not bear interest to the account holder.

4.2 Account Funding

4.2.1 Deposits

An account holder may deposit funds into his or her account using the following methods:

- Check, money order or negotiable order of withdrawal;
- Cash deposited at NYRA Bets approved point-of-sale outlets; charges made to the account holder's credit card or debit card upon his or her direct and personal instruction (which may be given by telephone or other secure electronic means) including Apple Pay;
- Electronic funds or ACH (Automated Clearing House) transfer from a monetary account controlled by the account holder to his or her account; and
- Wire transfers.

NYRA Bets may refuse to deposit money to an account based on a reasonable and/or prudent business decision.

4.2.2 Withdrawals

In order to ensure that account funds are paid only to the person in whose name an account has been established, NYRA Bets institutes certain controls for the processing of withdrawals, including, but not limited to, requiring that identifying information be provided at the time a withdrawal request is made and/or sending payments to the verified residence or monetary account of the account holder.

An account holder may authorize a withdrawal from his or her account through the following methods:

- By mail or fax with a valid withdrawal slip;
- Online/mobile through secure electronic means via a specific path post account login; or
- In person at NYRA Bets' parent company racetracks (Aqueduct Racetrack, Belmont Park, and Saratoga Race Course) during live racing and simulcast hours with presentation of appropriate identification and account information.

Withdrawal requests will be processed within five (5) business days after receipt of the request and are subject to standard banking restrictions.

Withdrawal requests sent via mail or fax will be paid to the account holder by check made out to the account holder and mailed to the registered address on file for the account. Withdrawal requests sent via electronic means will be paid to the account holder by check (as set forth above) or, if applicable, electronic funds transfer to a monetary account controlled by the account holder. For withdrawals paid by electronic fund transfer, the Company will only permit such withdrawals to be made to a monetary account previously registered with NYRA Bets from which the account holder has made at least one cleared deposit to his or her NYRA Bets account.

Withdrawals can be made for all or any portion of the account holder's withdrawable balance. An account holder may not withdraw any uncleared funds; however, all winnings in excess of an account holder's uncleared funds amount may be withdrawn at any time. If the account does not contain sufficient funds to cover the requested withdrawal amount, NYRA Bets will release the remaining funds in the account and notify the account holder accordingly.

4.3 Wagering Transactions

4.3.1 Placing a Wager

Before a new account holder may place a wager through the Wagering System, he or she must first accept the NYRA Bets Terms and Conditions, establish an account, and activate the account by depositing at least the minimum initial amount necessary to place the desired wager(s). NYRA Bets recognizes that all wagers are subject to the rules and regulations of the Oregon Racing Commission and, where applicable, the State Horse Racing Commission.

To ensure that only the person in whose name an account has been established may issue wagering instructions relating to that account, NYRA Bets verifies account holder identity by requiring certain identifying information be provided prior to placing a wager. As a prerequisite to making an online or mobile account wager, an account holder must login to the account using his or her username and password (or, if applicable, account number and PIN). As a prerequisite to making a telephone wager, an account holder must provide the teller his or her account number and passcode.

Before a wager is accepted, the Wagering System will verify that the account holder has sufficient funds in his or her account to pay for the wager. NYRA Bets will not accept wagers from an account holder in an amount in excess of the account balance. NYRA Bets reserves the right to refuse any wagering transaction for any reason.

4.3.2 Recordation of Wagering Transactions

NYRA Bets will record all account-related transactions separate and apart from the totalizator system and maintain such records for a period of not less than two (2) years. Wagers and other account transactions made through online and mobile platforms will be maintained by NYRA Bets' internet wagering interface contractor. Wagers and other account transactions made over the telephone will be recorded using a digital recording system and maintained by NYRA Bets' software contractor. NYRA Bets will not accept any account wager if the relevant recording devices are inoperable.

In accordance with applicable laws and regulations, NYRA Bets will provide the commission with access to customer call monitoring, account holder detail and electronic wagering data at the commission's request. Records are maintained at NYRA Bets headquarters as well as the following locations:

US Off-Track
6130 NE 78th Court, Suite C4
Portland, Oregon 97218
Tel: (503) 253-0234

TierPoint
11 Skyline Drive
Hawthorne, New York 10532
Tel: (914) 592-8282

4.3.3 Wager Cancellation

NYRA Bets allows cancellation of wagering transactions prior to the close of wagering on the applicable race. Wager cancellations are monitored and reviewed on a real time basis (i.e., as the cancellation occurs). Abuse or manipulation of this service may result in the immediate suspension or closure of an account holder's account or, if applicable, the sanction or closure of the related affiliate.

With respect to cancellation of thoroughbred racing wagers, the following restrictions apply:

- No wager over five hundred dollars (\$500.00) on any betting entry in win, place, or show pools may be cancelled through online or mobile platforms; and
- No wager over fifty dollars (\$50.00) on any one combination in daily double, exacta, quinella, trifecta, pick three, or other pools may be cancelled through online or mobile platforms.

With respect to cancellation of harness racing wagers, the following restrictions apply:

- No wager over one hundred dollars (\$100.00) on any betting entry in win, place or show pools may be cancelled through online or mobile platforms; and
- No wager over fifty dollars (\$50.00) on any one combination in daily double, exacta, quinella, trifecta, pick three or other pools may be canceled through online or mobile platforms.

NYRA Bets reserves the right to cancel wagers that exceed the above stated wager cancellation thresholds in its sole and absolute discretion.

No account holder may cancel a wager after the start of the race or, in the event of a multi-race wager, after the start of the first race included in the wager. A wager will not be deemed canceled until the cancellation is confirmed by the tote system. All successful wager cancellations will be recorded and displayed in the account holder's account history log.

NYRA Bets cannot guarantee that any wager can be successfully canceled. Wager cancellation is unlikely to be successful in certain circumstances such as when the cancellation request occurs close to post time or the host track does not permit wagers to be canceled. In the event that a wager cancellation request is unsuccessful as a result of tote error, track error, communication failure, pool merge failure, or any other technical difficulties, NYRA Bets will bear no responsibility or liability.

NYRA Bets management reserves the right to refuse any cancellation which may cause substantial altering of odds, prices, or betting totals, and will certify in writing, to a finding either allowing or rejecting such request. NYRA Bets may disable wager cancellation for individual host tracks and/or customers. NYRA Bets reserves the right to modify or discontinue the wager cancellation service option for any customer it deems is attempting to misuse the privilege.

4.3.4 Transmission Failures

In the event that the wagering information an account holder provides to NYRA Bets is not transmitted to, received by, or otherwise accepted at the host track for any reason, including, but not limited to, any mechanical, communication, or human error or failure, no bet or wager will be placed, or deemed to have been placed, on behalf of the account holder at the host track. In such case, any such wager will be classified as canceled and the respective funds debited from the account holder's account will be refunded to the account. Under no circumstances will NYRA Bets "book" a wager or otherwise be held responsible for wagering information not transmitted to, received by, accepted at, or otherwise deemed to be placed in the applicable pool of, the track, wherever hosted.

4.3.5 Multiple Official Prices

In the event that multiple "official" prices are posted by a host track as a result of a miscalculation of payoffs by the track, an effort by the stewards, or any other reason, NYRA Bets will ascertain the final official price from the track and will make any necessary adjustments to account holder accounts.

4.3.6 Theft and Fraudulent Activity

NYRA Bets will report any activities that it reasonably believes constitute fraud or theft to the appropriate enforcement authorities and may prosecute such activities to the full extent of the law. To the extent permitted by law, NYRA Bets will retain the proceeds resulting from such fraudulent activity or theft and use those funds to pay for resulting damages and losses.

4.4 Transaction Fees

NYRA Bets does not charge transaction fees for any wager. Other transaction-related fees are set forth in the NYRA Bets Terms and Conditions.

4.5 Closing Accounts

Accounts that have been inactive for a period of three (3) years will be considered abandoned property. An annual list of such accounts is generated by NYRA Bets' tote company. The account holders are contacted in writing informing them that their account will be considered abandoned and the funds will be purged unless they use the account before the deadline or request a check with balance and close the account. If the account is not claimed, the funds will be disposed of in accordance with the Uniform Unclaimed Property Act or other similar law applicable in the account holder's state of residence. With respect to Indiana residents, if the account is not claimed, the funds will be disposed of in accordance with Indiana Uniform Unclaimed Property Law.

5 Dispute Resolution

For residents of any state or jurisdiction, excluding New York, transactions are governed by the

laws of the State of Oregon and Indiana, where applicable. By using NYRA Bets' website and wagering system a customer consents to the application of Oregon law, and where applicable Indiana law, governing account wagering, and to the jurisdiction of federal and state courts located in the State of Oregon. Any disputes or claims alleging non-payment will be resolved according to the rules issued by the Oregon Racing Commission and, where applicable, Indiana.

6 Security & Controls

6.1 Security & Confidentiality of Accounts

NYRA Bets, our employees, and agents will not divulge any account information without the express written permission of the account holder, except as applicable to a commission, by commission order, or as may otherwise be required by law.

All account numbers, PINs, passwords, passcodes, wagers, deposits, withdrawals, credits, debits and personal information relating to account holders are kept confidential. NYRA Bets utilizes a combination of security precautions to ensure that the confidentiality of such information is maintained. Physical security considerations include housing the computers in a facility with limited and secure access. Software security considerations include utilizing strong administrative passwords for persons having access to the databases where NYRA Bets maintains such confidential information. The number of persons with such administrative passwords is restricted, and such passwords are frequently changed. All secured databases log the events to ensure a record of the time and identification of the person modifying the database.

6.2 Data Integrity & Security

The master totalizator system for NYRA Bets wagering sources resides at the AmTote Hubs located in Oregon and Maryland, with Oregon being the primary hub and the Maryland hub serving as backup. A third system, architected by GBET, resides at TierPoint Data Center and is responsible for processing NYRA Bets account transactions. This third system (with a fully redundant backup system) is fully encrypted and secured with access granted to authorized personnel only. All sensitive equipment is secured in locked cabinets.

Connectivity between totalizator systems and GBET systems for the purpose of transmission of wagering data of simulcast pools is conducted via secure point-to-point networks with VPN backups. Wagering communications are transferred over private communications networks with proper security controls in place. Each connection for the transfer of pools to different ITSP hubs is dedicated point-to-point. NYRA Bets' totalizator contractor, TierPoint, GBET, and dedicated NYRA Bets personnel monitor the networks and links continuously throughout each business day. In the event of a network problem, applicable parties will rectify the problem by following carefully scripted escalation procedures. NYRA Bets' data center provider TierPoint features secured access with closed circuit video surveillance, fire protection, redundant UPS-protected power system and a diesel generator.

7 Responsible Wagering

NYRA Bets is committed to responsible wagering and, as such, NYRA Bets continues to develop, institute and constantly review its responsible wagering program.

Part of the program is to require new employees to participate in a new hire “Signs for Responsible Wagering” orientation. The orientation consists of a slide presentation which lists the signs of a compulsive gambler. New employees and existing employees are instructed to contact a supervisor immediately if an account holder makes statements that indicate that they have a problem or if their betting patterns and deposit habits are not within the norm. New employees receive their own printout of the new hire orientation for constant review.

NYRA Bets has partnered with the National Council on Problem Gambling (“NCPG”), which is a national organization dedicated to addressing the issues of problem and pathological gambling, to develop a comprehensive responsible gaming program to ensure account holders wager responsibly. NYRA Bets is committed to responsible wagering.

The following outlines NYRA Bets’ responsible gaming program initiatives:

- Account holders must provide their identity, age and principal place of residence, all of which is verified through a third party information services company, upon establishing an account;
- Account holders must be able to provide proper identification (such as any combination of the following elements: account number, passcode, DOB, last four of SSN, address on record) to ensure only the account holder can access his or her account;
- Account holder is provided documentation prominently displaying NCPG’s national toll-free help line (1-800-522-4700), which is available 24 hours a day, seven days a week. Information about the NCPG, compulsive gambling, and the NCPG help line number is also displayed on the NYRA Bets and our affiliate websites. Upon calling the help line, the account holder is routed instantly to the NCPG call center that has responsibility for the caller’s geographic area. Each NCPG call center has resources specifically tailored to deal with individuals affected by problem or pathological gambling;
- NYRA Bets will permit account holders to self-exclude from wagering by providing NYRA Bets with a form requesting such exclusion and containing a waiver and release. Upon an account holder’s submission to NYRA Bets of a completed and executed of the form, NYRA Bets will place such self-excluded account holder on a confidential list of excluded persons so as to prevent the individual from reopening their account or opening a new account during the exclusion period; and
- NYRA Bets reserves the right to refuse to accept wagers from anyone for any reason.

Agenda Item #6



INDIANA HORSE RACING COMMISSION

Ruling Log

Rulings Issued From 2/23/2022 to 6/21/2022

Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	To	Days Suspended
IG-2022-2584	2/17/22	BRIAN E. PETERS		2/17/22	License App Falsification	\$100			
IG-2022-2585	2/15/22	WADE A. GLOVER		2/15/22	License App Falsification	\$100			
IG-2022-2586	3/11/22	DAWN A. FONTENOT		3/11/22	Miscellaneous Ruling	\$0			
IG-2022-2587	3/11/22	LARRY L. FONTENOT JR		3/11/22	Miscellaneous Ruling	\$0			
HP-2022-2588	3/3/22	DAVID D. GENTILE		1/11/22	License App Falsification/revocation	\$0			
IG-2022-2589	3/18/22	JAIME C. ARIAS	TB	3/16/22		\$0	3/16/22		
IG-2022-2590	3/18/22	MARGARITO VILLEGAS-MOYA		3/16/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2591	3/15/22	SAUL P. PEREZ-DEARAIZA		3/15/22	License Recinded	\$0			
HP-2022-2592	3/24/22	CRISTIAN M. PACHECO	SB	3/18/22	Conduct/Behavior	\$500			
HP-2022-2593	3/29/22	DEREK R. BURKLUND	SB	3/15/22	License App Falsification/revocation	\$0	3/25/22		
IG-2022-2594	3/22/22	LEONETTE D. KRAFJACK	TB	3/22/22	License Recinded	\$0			
IG-2022-2595	3/31/22	MARGARITO VILLEGAS-MOYA		3/25/22	Medication/Drug/Alcohol Violation (Human)	\$150			
IG-2022-2596	3/31/22	KEVIN SHAW		3/25/22	License App Falsification	\$200			
IG-2022-2597	4/1/22	GINA K. ANDERSON		4/1/22	License Surrendered	\$0			
IG-2022-2598	4/1/22	JERRY W. ANDERSON		4/1/22	License Surrendered	\$0			
HP-2022-2599	4/5/22	RICHARD S. FINN	SB	3/31/22	Riding/Driving Infraction Violation	\$100			
HP-2022-2600	4/7/22	MATTHEW W. KRUEGER	SB	4/6/22	Riding/Driving Infraction Violation	\$100			



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Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	Suspended To	Days Suspended
IG-2022-2601	4/6/22	LUCINA GONZALEZ		4/6/22	Miscellaneous Ruling	\$0			
HP-2022-2602	4/8/22	JACOB J. FOX	SB	3/24/22	Conduct/Behavior	\$100			
HP-2022-2603	4/8/22	CLAY A. CRAIB	SB	4/7/22	Whip Violation	\$200			
HP-2022-2604	4/8/22	BRANDON L. BATES	SB	4/7/22	Riding/Driving Infraction Violation	\$100			
HP-2022-2605	4/12/22	BOBBY A. BROWER		8/8/16	Miscellaneous Ruling	\$0			
HP-2022-2606	4/12/22	BRITNEY L. DILLON		12/2/21	Miscellaneous Ruling	\$0	4/12/22	Undetermined	
IG-2022-2607	4/8/22	BRIAN L. SCHLING		4/8/22	License Rescinded	\$0			
IG-2022-2608	4/13/22	ANTONIO R. GOMEZ		4/13/22	License Rescinded	\$0			
IG-2022-2609	4/13/22	ANDREA RODRIGUEZ		4/13/22	Miscellaneous Ruling	\$0			
IG-2022-2610	4/11/22	JUSTIN L. STORTZUM		4/11/22	License Rescinded	\$0			
HP-2022-2611	4/15/22	JORDAN M. ROSS		4/13/22	Jockey/Driver Requirements	\$100			
HP-2022-2612	4/16/22	PATRIZIO ANCORA		4/15/22	Riding/Driving Infraction Violation	\$100			
IG-2022-2613	4/15/22	MERRILL C. ROBERTS		4/14/22	Trainer License Rescinded	\$0			
IG-2022-2614	4/18/22	KARLA A. DAVIS		4/18/22	License Rescinded	\$0			
IG-2022-2615	4/20/22	SAUL T. LOPEZ	QH	4/19/22	Riding/Driving Infraction Violation	\$0	4/27/22	4/27/22	1
IG-2022-2616	4/21/22	RONALD J. HISBY	TB	4/20/22	Conduct/Behavior	\$200			
HP-2022-2617	4/21/22	RUSSELL N. POWELL		4/20/22	Trainer Responsibility	\$50			
HP-2022-2618	4/21/22	JOHN J. DELONG		4/20/22	Whip Violation	\$200			



INDIANA HORSE RACING COMMISSION

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HP-2022-2619	4/22/22	JACOB ROGLITZ		4/21/22	Riding/Driving Infraction Violation	\$100			
HP-2022-2620	4/23/22	ORA W. MILLER		4/14/22	Failure to Obey Judges/Stewards	\$500			
HP-2022-2621	4/23/22	SAMUEL D. WIDGER		4/22/22	Receiving Barn/Paddock Violation	\$50			
IG-2022-2622	4/27/22	ADRIANA OLIVAS-ORROTTIA		4/27/22	Miscellaneous Ruling	\$0			
IG-2022-2623	4/27/22	ANDRES P. ULLOA	TB	4/27/22	Whip Violation	\$250			
IG-2022-2624	4/27/22	EDGAR DIAZ	QH	4/26/22	Riding/Driving Infraction Violation	\$0	5/4/22	5/9/22	3*
HP-2022-2625	4/29/22	BRANDON L. BATES		4/27/22	Riding/Driving Infraction Violation	\$200			
HP-2022-2626	4/30/22	MICHAEL J. OOSTING		4/29/22	Whip Violation	\$200			
IG-2022-2627	5/2/22	NEBI AGUILAR		4/29/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2628	5/2/22	GERSON A. RUANO		4/28/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2629	5/2/22	KEDIN RUANO		4/28/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2630	5/2/22	CARLOS A. DONIS-VASQUEZ		4/28/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2631	5/2/22	BRAYAN M. HERNADEZ-RUANO		4/28/22	Medication/Drug/Alcohol Violation (Human)	\$100			
IG-2022-2632	5/3/22	BENTLEY F. COMBS	TB	5/3/22	Trainer Responsibility	\$250			
IG-2022-2633	5/4/22	AUSTIN T. JOHNS		5/4/22	Medication/Drug/Alcohol Violation (Human)	\$0	5/4/22	6/2/22	30
IG-2022-2634	5/5/22	ALEXIS ACHARD	TB	5/3/22	Riding/Driving Infraction Violation	\$0	5/11/22	5/16/22	3*
HP-2022-2635	5/5/22	KEVIN A. ST CHARLES		5/4/22	Trainer Responsibility	\$50			
HP-2022-2636	5/7/22	BRETT A. MILLER		5/6/22	Jockey/Driver Requirements	\$50			



INDIANA HORSE RACING COMMISSION

Ruling Log

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Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	Suspended To	Days Suspended
HP-2022-2637	5/7/22	BRETT A. MILLER		5/6/22	Riding/Driving Infraction Violation	\$200			
IG-2022-2638	5/6/22	JUSTIN R. GABBARD		5/4/22	License Violation	\$0	5/4/22		
IG-2022-2639	5/5/22	DILLON SIMPSON		5/4/22	Refuse to Cooperate	\$0	5/4/22	Undetermined	
IG-2022-2640	5/10/22	ERIK N. ESQUEDA	QH	5/7/22	Whip Violation	\$250			
IG-2022-2641	5/10/22	ERIK N. ESQUEDA	QH	5/7/22	Whip Violation	\$500			
IG-2022-2642	5/10/22	EDDIE ACEVES	QH	5/7/22	Whip Violation	\$250			
IG-2022-2643	5/10/22	SAUL T. LOPEZ	QH	5/7/22	Whip Violation	\$250			
IG-2022-2644	5/13/22	FRANCISCO T. QUINTERO	QH	5/12/22	Whip Violation	\$250			
IG-2022-2645	5/13/22	ERIK N. ESQUEDA	QH	5/12/22	Whip Violation	\$0	5/19/22	5/24/22	3*
HP-2022-2646	5/14/22	JUSTIN W. WHITE		5/11/22	License Violation	\$200			
HP-2022-2647	5/14/22	BRANDON L. BATES		5/12/22	Riding/Driving Infraction Violation	\$300			
IG-2022-2648	5/13/22	ANTHONY J. GRANITZ	TB	5/13/22	Trainer Responsibility	\$100			
IG-2022-2649	5/16/22	RENE DIAZ	TB	5/11/22	Riding/Driving Infraction Violation	\$0	5/23/22	5/25/22	3
IG-2022-2650	5/16/22	ISAIAS AYALA	TB	5/11/22	Riding/Driving Infraction Violation	\$0	5/23/22	5/25/22	3
IG-2022-2651	5/18/22	ERIK N. ESQUEDA	QH	5/17/22	Whip Violation	\$0	5/25/22	6/2/22	6*
IG-2022-2652	5/18/22	JAVIER TAVARES	QH	5/17/22	Whip Violation	\$250			
IG-2022-2653	5/18/22	JOSE M. RUIZ	QH	5/17/22	Whip Violation	\$250			
IG-2022-2654	5/17/22	RICHARD T. GIANNINI	TB	5/17/22	License Rescinded	\$0			



INDIANA HORSE RACING COMMISSION

Ruling Log

Rulings Issued From 2/23/2022 to 6/21/2022

Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	Suspended To	Days Suspended
IG-2022-2655	5/17/22	OSCAR MACIAS	QH	5/17/22	Whip Violation	\$250			
IG-2022-2656	5/17/22	LUZ D. MARTINEZ	QH	5/17/22	Whip Violation	\$250			
HP-2022-2657	5/19/22	HENRY GRABER JR		5/19/22	Trainer Responsibility	\$200			
HP-2022-2658	5/19/22	LARRY D. KING		5/19/22	Trainer Responsibility	\$600			
IG-2022-2659	5/23/22	GEORGE LEONARD III	TB	5/23/22	Trainer Responsibility	\$250			
IG-2022-2660	5/24/22	FRANCISCO T. QUINTERO	QH	5/23/22	Whip Violation	\$500			
IG-2022-2661	5/24/22	CESAR G. GARCIA-ESQUEDA	QH	5/23/22	Whip Violation	\$250			
IG-2022-2662	5/25/22	CRISTIAN REYES-SOTELO	QH	5/24/22	Whip Violation	\$250			
IG-2022-2663	5/27/22	CESAR G. GARCIA-ESQUEDA	QH	5/26/22	Whip Violation	\$500			
IG-2022-2664	5/26/22	EDUARDO E. PEREZ	TB	5/25/22	Whip Violation	\$250			
HP-2022-2665	5/27/22	BRADLEY K. FERGUSON		5/21/22	Riding/Driving Infraction Violation	\$200			
HP-2022-2666	5/28/22	RONALD J. BURKE		5/21/22	Trainer Responsibility	\$200			
IG-2022-2667	5/30/22	RACHEL K. LEPSON		5/30/22	Miscellaneous Ruling	\$0			
IG-2022-2668	5/30/22	ANTONIO R. GOMEZ		5/27/22	License Violation	\$0			
IG-2022-2669	5/30/22	GREGORIO V. MOTA		5/30/22	Restored to Good Standing	\$0			
IG-2022-2670	5/26/22	BRIAN L. SCHLING		5/26/22	Miscellaneous Ruling	\$0			
IG-2022-2671	5/31/22	JOSEPH D. RAMOS	TB	5/26/22	Riding/Driving Infraction Violation	\$0	6/7/22	6/9/22	3
IG-2022-2672	5/31/22	JAVIER TAVARES	QH	5/31/22	Whip Violation	\$250			



INDIANA HORSE RACING COMMISSION

Ruling Log

Rulings Issued From 2/23/2022 to 6/21/2022

Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	Suspended To	Days Suspended
IG-2022-2673	6/1/22	RICHARD T. GIANNINI		6/1/22	Miscellaneous Ruling	\$0			
IG-2022-2674	6/2/22	DANIEL E. GUTIERREZ		6/1/22	Medication/Drug/Alcohol Violation (Human)	\$0	6/1/22	6/30/22	30
IG-2022-2675	6/6/22	FRANCISCO T. QUINTERO	QH	6/4/22	Whip Violation	\$0	6/11/22	6/14/22	3*
IG-2022-2676	6/6/22	CRISTIAN R. ESQUEDA	QH	6/4/22	Whip Violation	\$250			
IG-2022-2677	6/6/22	GIOVANI VAZQUEZ-GOMEZ	QH	6/4/22	Whip Violation	\$250			
IG-2022-2678	6/6/22	DEXTAVIOUS I. MITCHELL	QH	6/4/22	Whip Violation	\$250			
IG-2022-2679	6/6/22	JOSE M. RUIZ	QH	6/4/22	Whip Violation	\$500			
IG-2022-2680	6/6/22	TIMOTHY R. EGGLESTON	QH	6/4/22	Trainer Responsibility	\$250			
HP-2022-2681	6/7/22	BRANDON L. BATES		6/1/22	Riding/Driving Infraction Violation	\$400			
HP-2022-2682	6/7/22	MATTHEW W. KRUEGER		6/2/22	Riding/Driving Infraction Violation	\$200			
HP-2022-2683	6/8/22	SAMUEL D. WIDGER		6/7/22	Riding/Driving Infraction Violation	\$200			
HP-2022-2684	6/9/22	ANDY R. SHETLER		6/8/22	Riding/Driving Infraction Violation	\$200			
IG-2022-2685	6/9/22	SANTO W. SANJUR	TB	6/9/22	Whip Violation	\$250			
IG-2022-2686	6/8/22	MARTIN D. MUNOZ	QH	6/4/22	Riding/Driving Infraction Violation	\$0	6/15/22	6/20/22	3*
IG-2022-2687	6/11/22	KATHY L. JARVIS	TB	5/18/22	Medication/Drug Violation (Equine)	\$1,000			
IG-2022-2688	6/13/22	JAMES R. ANDERSON		6/13/22	Conduct/Behavior	\$0	6/13/22	Undetermined	
HP-2022-2689	6/11/22	RICHARD L. MACOMBER JR		6/7/22	Riding/Driving Infraction Violation	\$200			
HP-2022-2690	6/11/22	CLAY A. CRAIB		6/10/22	Whip Violation	\$200			



INDIANA HORSE RACING COMMISSION

Ruling Log

Rulings Issued From 2/23/2022 to 6/21/2022

Ruling Number	Ruling Date	Name	Breed	Violation Date	Violation	Fine	Suspended From	Suspended To	Days Suspended
IG-2022-2691	6/13/22	ANTHONY F. CUNNINGHAM	TB	5/12/22	Medication/Drug Violation (Equine)	\$500			
IG-2022-2692	6/15/22	OLLIE L. MATTHEWS		6/15/22	License Rescinded	\$0			
HP-2022-2693	6/15/22	DARRYL D. LYONS	SB	5/18/22	Medication/Drug Violation (Equine)	\$500			
IG-2022-2694	6/17/22	LUZ D. MARTINEZ	QH	6/16/22	Whip Violation	\$500			
IG-2022-2695	6/17/22	JESUS ESQUIVEL	TB	5/30/22	Medication/Drug Violation (Equine)	\$1,000			
HP-2022-2696	6/17/22	LAMAR D. WINGARD	SB	6/16/22	License Rescinded	\$0			
HP-2022-2697	6/17/22	KYLE J. WILFONG	SB	6/16/22	Riding/Driving Infraction Violation	\$100			
HP-2022-2698	6/17/22	MICHAEL E. ARNOLD		6/16/22	Whip Violation	\$200			
IG-2022-2699	6/21/22	LESALENE K. POMPELL		6/21/22	License Rescinded	\$0			

Agenda Item #7

VOLUNTARY IMPLEMENTATION AGREEMENT

Contract # _____

THIS VOLUNTARY IMPLEMENTATION AGREEMENT (this “Agreement”) is entered into as of ___ day of _____ 2022 , with an effective date of July 1, 2022 (the “Effective Date”), by and between the Horseracing Integrity and Safety Authority, Inc. a Delaware nonprofit corporation whose mailing address is 401 West Main Street, Unit 222, Lexington, Kentucky 40507 (the “Authority”), and the Indiana Horse Racing Commission, an agency of state government whose mailing address is 1302 North Meridian Street, Suite 175, Indianapolis, Indiana 46202 (the “Commission”). As used herein, the “Parties” shall mean the Authority and the Commission, collectively; and a “Party” shall mean either the Authority or the Commission individually.

WHEREAS the Authority is a private, independent, self-regulatory, nonprofit corporation that was recognized for the purpose of developing and implementing a horseracing anti-doping and medication control program and a racetrack safety program for covered horses, covered persons, and covered horseraces by the Horseracing Integrity and Safety Act of 2020 (the “Act”);

WHEREAS the Commission is the independent regulatory body of state government vested with jurisdiction to regulate the conduct of horse racing and pari-mutuel wagering on horse racing and related activities in accordance with Ind. Code Art. 4-31 *et seq.* within the state of Indiana (the “State”);

WHEREAS 15 USC § 3054(e)(2) of the Act permits the Authority to enter into agreements with State racing commissions for services consistent with the enforcement of the racetrack safety program; and

WHEREAS the Authority has determined that the Commission has the ability to implement certain areas of the racing safety program in accordance with the rules, standards, and requirements established by the Authority.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration, the sufficiency of which is acknowledged, the Parties agree as follows:

1. Medical Director.¹

The Commission/Executive Director of the Commission elects to use the Authority’s Medical Director as Medical Director of the State (the “Medical Director”). The Parties agree that the Medical Director shall carry out the duties and responsibilities of the Medical Director set forth in the Racetrack Safety Program, including but not limited to, the duties and responsibilities set forth in Rule 2132 of the Racetrack Safety Program. Any person named to replace the individual named as Medical Director herein shall possess the qualifications set forth in Rule 2132(a) Racetrack Safety Program.

¹ The Medical Director position is optional for the Commission to furnish. If the Commission does not elect to name and appoint a qualified individual, then the applicable jurisdiction can utilize the Authority’s Medical Director program.

2. Safety Director.

With the assistance and/or input of the Commission's Equine Medical Director, Dr. Kerry Peterson, the Commission/Executive Director of the Commission appoints Horseshoe Indianapolis Supervising Racing Veterinarian Dr. Michael Hardy as Safety Director (the "Safety Director"). The Parties agree that the Safety Director shall carry out the duties and responsibilities of the Safety Director set forth in the Racetrack Safety Program, found in Rule 2131. Any person named to replace the individual named as Safety Director herein shall possess the necessary qualifications to perform the duties and responsibilities set forth in Rule 2131 of the Racetrack Safety Program.

3. Stewards.

The Commission/Executive Director of the Commission agrees that the Commission stewards assigned to Horseshoe Indianapolis in Shelbyville, Indiana, shall enforce the safety regulations set forth in the Rule 2200 Series of the Racetrack Safety Program. The Commission further agrees that the stewards shall also serve in the adjudicatory capacities set forth in the Rule 8000 Series (the Enforcement Rules).

4. Regulatory Veterinarian.

The Commission/Executive Director of the Commission appoints Dr. Hardy and the Horseshoe Indianapolis veterinarian team as Regulatory Veterinarian (the "Regulatory Veterinarian") with the Commission's Equine Medical Director acting in an advisory capacity. The Parties agree that the Regulatory Veterinarian shall carry out the duties and responsibilities of the Regulatory Veterinarian set forth in the Racetrack Safety Program, found in Rule 2135. Any person named to replace the individual named as Regulatory Veterinarian herein shall possess the qualifications set forth in Rule 2134(a) Racetrack Safety Program.

5. Emergency Warning Systems.

The Commission agrees to inspect and approve the racetrack emergency warning systems in use on all racing and training tracks at each racetrack under the jurisdiction of the Commission, as set forth in Rule 2153 of the Racetrack Safety Program. The Commission further agrees to provide the Authority with periodic reports concerning the racetrack emergency warning systems on forms prescribed by the Authority upon request.

6. Trainers Test.

The Commission agrees to require the use of the Authority's uniform National Trainers Test, as set forth in Rule 2181. Upon request by the Authority, the Commission shall provide documentation of satisfactory completion of the test for individual licensees.

7. Training Opportunities.

The Commission agrees to identify, but need not provide, training opportunities for all Racetrack employees having roles in Racetrack safety or direct contact with Covered Horses, as set forth in Rule 2182 of the Racetrack Safety Program. The Commission further agrees that the Authority may request and review information pertaining to the training opportunities available to racetrack employees as specified in Rule 2182 of the Racetrack Safety Program. The parties agree that the Commission is not responsible for the timely completion of any Authority-required training for any licensee of the Commission.

8. Testing Program.

The Commission agrees to maintain a testing program for drugs and alcohol for Jockeys, as set forth in Rule 2191 of the Racetrack Safety Program. The Commission further agrees to submit the protocol for the testing program to the Authority. Upon request by the Authority, the Commission shall share with the Authority information pertaining to positive tests of individual Jockeys and shall make periodic reports concerning the testing program as directed by and on forms prescribed by the Authority.

9. Concussion Management.

The Commission agrees to work with the Racetrack Safety Officer and Horseshoe Indianapolis in attempting to implement a concussion management program for Jockeys, as set forth in Rule 2192 of the Racetrack Safety Program. The Commission further agrees to submit the proposed protocol for the concussion management program to the Authority. The parties agree that the Commission, in its sole discretion, may elect to delegate to a third party that is not an employee, contractor, agent or otherwise under the direction and control of the Commission, the implementation of the concussion management program.

10. Scope of Work.

The scope of work and reporting obligations under this Agreement are limited to those set forth in the Rule 2000 Series, "Racetrack Safety and Accreditation." To the extent possible, the Commission with the assistance of Horseshoe Indianapolis may provide performance metrics in reasonable detail and at reasonable intervals on forms to be prescribed by the Authority.

11. Term and Termination.

(a) This Agreement shall be effective (the "Effective Date") on the first business day following the full execution of this Agreement by the Parties, or if further approvals are required under applicable state law, the later to occur of: (i) the approval of this Agreement by the Indiana Horse Racing Commission, and (ii) the approval of any other state agency, commission, board or authority for which approval is required under state law. If the Effective Date does not occur on or before July 1, 2022, this Agreement shall terminate and be of no force or effect. If the Effective Date does occur on or before July 1, 2022, the agreement shall terminate upon the effective date of the Authority's Anti-Doping and Medication Protocol.

(b) This Agreement may be terminated by either Party upon ninety (90) days written notice.

(c) If either Party defaults in a material obligation under this Agreement and continues in default for a period of 30 days after written notice of default is given to it by the other Party, the other Party may terminate and cancel this Agreement, immediately upon written notice of termination given to the defaulting Party.

12. Consideration.

(a) The consideration for this contract is the mutual promises and covenants set forth herein. No monetary consideration is involved.

(b) The signing of this Agreement in no way binds the Commission to remit any payment to the Authority.

13. No Data Sharing.

The Parties agree that any reports or information to be provided to the Authority under this Agreement or the Act or the Rules does not allow, permit, or require the Authority to obtain access to the Commission's equine license and management system, or any other state computer network.

14. Most Favored Nation.

The Authority agrees to submit all signed Voluntary Implementation Agreements to the Commission. If the Authority enters into an Agreement, including any attachments, side letters, riders, or modifications, with any other agency, Commission, State or association representing agencies containing terms or conditions more favorable to the Commission than those contained in this Agreement, the Commission shall have the option of accepting any or all of the more favorable terms. In addition, the Authority represents and warrants that the Commission is receiving no less favorable terms than any other agency party.

15. Notices.

All notices required to be provided hereunder shall be in writing and shall be deemed delivered if (a) sent by facsimile, upon confirmation of faxing, (b) if sent by overnight courier, by the date after mailing, (c) if by hand delivery, upon actual receipt or (d) if by certified mail, return receipt requested and postage prepaid, on the third business day after deposit in the mails, to the addressee set forth below (with a copy emailed to the email addresses set forth below) or at such other location as such Party notifies the other pursuant to this provision.

If to the Authority:

401 West Main Street, Unit 222 Lexington, Kentucky 40507
Attention: Lisa Lazarus
lisa.lazarus@hisaus.org

with a copy to:

Ransdell Roach & Royse PLLC
176 Pasadena Drive, Building One
Lexington, Kentucky 40502
Attention: John C. Roach
john@rrrfirm.com

If to the Commission:

1302 N. Meridian St., Suite 175, Indianapolis, Indiana 46202
Attention: Deena Pitman
dpitman@hrc.in.gov

with a copy to:

1302 N. Meridian St., Suite 175, Indianapolis, Indiana 46202
Attention: Matt Eggiman
MEggiman1@hrc.in.gov

16. Severability.

If any part of this Agreement is determined to be invalid or illegal by any court or agency of competent jurisdiction, then that part shall be limited or curtailed to the extent necessary to make such provision valid, and all other remaining terms of this Agreement shall remain in full force and effect.

17. Amendment and Waiver.

This Agreement may be modified or amended only in a writing signed by both Parties. A Party's failure to act hereunder shall not indicate a waiver of its rights hereto. No waiver of any provision of this Agreement shall be valid unless made in writing and signed by the waiving Party. The failure of either Party to require the performance of any term or obligation of this Agreement or the waiver by either Party of any breach of this Agreement shall not prevent any subsequent enforcement of such term and shall not be deemed a waiver of any subsequent breach.

18. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Any signature page delivered by facsimile, telecopy machine, portable document format (.pdf) or email shall be binding to the same extent as an original.

19. Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior and

contemporaneous agreements and understandings, whether written or oral, between the Parties with respect to the subject matter hereof.

20. Headings; Interpretation.

The headings in this Agreement have been included solely for ease of reference and shall not be considered in the interpretation or construction of this Agreement. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, as appropriate.

21. Governing Law.

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the state of Indiana, without regard to its conflicts of laws principles. Suit, if any, must be brought in the State of Indiana.

22. Compliance with Laws.

A. The Authority shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Agreement shall be reviewed by the State and the Authority to determine whether the provisions of this Agreement require formal modification.

B. The Authority and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC § 4-2-6, *et seq.*, IC § 4-2-7, *et seq.* and the regulations promulgated thereunder. **If the Authority has knowledge, or would have acquired knowledge with reasonable inquiry, that a state officer, employee, or special state appointee, as those terms are defined in IC § 4-2-6-1, has a financial interest in the Agreement, the Authority shall ensure compliance with the disclosure requirements in IC § 4-2-6-10.5 prior to the execution of this Agreement.** If the Authority is not familiar with these ethical requirements, the Authority should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at <http://www.in.gov/ig/>. If the Authority or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Agreement immediately upon notice to the Authority. In addition, the Authority may be subject to penalties under IC §§ 4-2-6, 4-2-7, 35-44.1-1-4, and under any other applicable laws.

C. The Authority certifies by entering into this Agreement that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. The Authority agrees that any payments currently due to the State of Indiana may be withheld from payments due to the Authority. Additionally, further work or payments may be withheld, delayed, or denied and/or this Agreement suspended until the Authority is current in its payments and has submitted proof of such payment to the State.

D. The Authority warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Authority agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Agreement.

E. If a valid dispute exists as to the Authority's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Authority, the Authority may request that it be allowed to continue, or receive work, without delay. The Authority must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC § 5-17-5.

F. The Authority warrants that the Authority and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Agreement and grounds for immediate termination and denial of further work with the State.

G. The Authority affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

H. As required by IC § 5-22-3-7:

(1) The Authority and any principals of the Authority certify that:

(A) the Authority, except for de minimis and nonsystematic violations, has not violated the terms of:

(i) IC §24-4.7 [Telephone Solicitation Of Consumers];

(ii) IC §24-5-12 [Telephone Solicitations]; or

(iii) IC §24-5-14 [Regulation of Automatic Dialing Machines];

in the previous three hundred sixty-five (365) days, even if IC § 24-4.7 is preempted by federal law; and

(B) the Authority will not violate the terms of IC § 24-4.7 for the duration of the Agreement, even if IC §24-4.7 is preempted by federal law.

(2) The Authority and any principals of the Authority certify that an affiliate or principal of the Authority and any agent acting on behalf of the Authority or on behalf of an affiliate or principal of the Authority, except for de minimis and nonsystematic violations,

(A) has not violated the terms of IC § 24-4.7 in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and

(B) will not violate the terms of IC § 24-4.7 for the duration of the Agreement, even if IC §24-4.7 is preempted by federal law.

23. Confidentiality of State Information.

The Authority understands and agrees that data, materials, and information disclosed to the Authority may contain confidential and protected information. The Authority covenants that data, material, and information gathered, based upon or disclosed to the Authority for the purpose of this Agreement will not be disclosed to or discussed with third parties without the prior written consent of the State; provided, however, that any information disclosed to the Authority by the Commission or Commission employees pursuant to the requirements set forth in the Act or the regulations promulgated by the Federal Trade Commission under the Rule 2000 series known as the Racetrack Safety Program will not be subject to this confidentiality section.

The parties acknowledge that the services to be performed under this Agreement may require or allow access to data, materials, and information containing Social Security numbers maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Authority and the State agree to comply with the provisions of IC § 4-1-10 and IC § 4-1-11. If any Social Security number(s) is/are disclosed by Authority, Authority agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this Agreement.

24. Disputes.

A. Should any disputes arise with respect to this Agreement, the Authority and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. The Authority agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Agreement that are not affected by the dispute. Should the Authority fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Authority as a result of such failure to proceed shall be borne by the Authority, and the Authority shall make no claim against the State for such costs.

C. If the parties are unable to resolve a contract dispute between them after good faith attempts to do so, a dissatisfied party shall submit the dispute to the Commissioner of the Indiana Department of Administration for resolution. The dissatisfied party shall give written notice to the Commissioner and the other party. The notice shall include: (1) a description of the disputed issues, (2) the efforts made to resolve the dispute, and (3) a proposed resolution. The Commissioner shall promptly issue a Notice setting out documents and materials to be submitted to the Commissioner in order to resolve the dispute; the Notice may also afford the parties the opportunity to make presentations and enter into further negotiations. Within thirty (30) business days of the conclusion of the final presentations, the Commissioner shall issue a written decision and furnish it to both parties. The Commissioner's decision shall be the final and conclusive administrative decision unless either party serves on the Commissioner and the other party, within ten (10) business days after receipt of the Commissioner's decision, a written request for reconsideration and modification of the written decision. If the Commissioner does not modify the written decision within thirty (30) business days, either party may take such other action helpful to resolving the dispute, including submitting the dispute to an Indiana court of competent jurisdiction. If the parties accept the Commissioner's decision, it may be memorialized as a written Amendment to this Agreement if appropriate.

D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Authority of one or more invoices not in dispute in accordance with the terms of this Agreement will not be cause for the Authority to terminate this Agreement, and the Authority may bring suit to collect these amounts without following the disputes procedure contained herein.

E. With the written approval of the Commissioner of the Indiana Department of Administration, the parties may agree to forego the process described in subdivision C. relating to submission of the dispute to the Commissioner.

F. This paragraph shall not be construed to abrogate provisions of IC § 4-6-2-11 in situations where dispute resolution efforts lead to a compromise of claims in favor of the State as described in that

statute. In particular, releases or settlement agreements involving releases of legal claims or potential legal claims of the state should be processed consistent with IC § 4-6-2-11, which requires approval of the Governor and Attorney General.

25. Drug Free Workplace Certification.

As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Authority hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Authority will give written notice to the State within ten (10) days after receiving actual notice that the Authority, or an employee of the Authority in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Authority and/or debarment of contracting opportunities with the State for up to three (3) years. In addition to the provisions of the above paragraph, if the total amount set forth in this Agreement is in excess of \$25,000.00, the Authority certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Authority's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of: (1) the dangers of drug abuse in the workplace; (2) the Authority's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will: (1) abide by the terms of the statement; and (2) notify the Authority of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

26. Employment Eligibility Verification.

As required by IC § 22-5-1.7, the Authority swears or affirms under the penalties of perjury that the Authority does not knowingly employ an unauthorized alien. The Authority further agrees that:

A. The Authority shall enroll in and verify the work eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC § 22-5-1.7-3. The Authority is not required to participate should the E-Verify program cease to exist. Additionally, the Authority is not required to participate if the Authority is self-employed and does not employ any employees.

B. The Authority shall not knowingly employ or contract with an unauthorized alien. The Authority shall not retain an employee or contract with a person that the Authority subsequently learns is an unauthorized alien.

C. The Authority shall require his/her/its subcontractors, who perform work under this Agreement, to certify to the Authority that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Authority agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

The State may terminate for default if the Authority fails to cure a breach of this provision no later than thirty (30) days after being notified by the State.

27. Force Majeure.

In the event that either party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a “Force Majeure Event”), the party who has been so affected shall immediately or as soon as is reasonably possible under the circumstances give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Agreement.

28. Funding Cancellation.

As required by Financial Management Circular 2007-1 and IC § 5-22-17-5, when the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Agreement, this Agreement shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

29. Insurance.

A. The Authority and its subcontractors (if any) shall secure and keep in force during the term of this Agreement the following insurance coverages (if applicable) covering the Authority for any and all claims of any nature which may in any manner arise out of or result from Authority’s performance under this Agreement:

1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Agreement.

2. Automobile liability for owned, non-owned and hired autos with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.
3. Errors and Omissions liability with minimum liability limits of \$1,000,000 per claim and in the aggregate. Coverage for the benefit of the State shall continue for a period of two (2) years after the date of service provided under this Agreement.
4. Fiduciary liability if the Authority is responsible for the management and oversight of various employee benefit plans and programs such as pensions, profit-sharing and savings, among others with limits no less than \$700,000 per cause of action and \$5,000,000 in the aggregate.
5. Valuable Papers coverage, if applicable, with an Inland Marine Policy Insurance with limits sufficient to pay for the re-creation and reconstruction of such records.
6. Surety or Fidelity Bond(s) if required by statute or by the agency.
7. Cyber Liability addressing risks associated with electronic transmissions, the internet, networks and informational assets, and having limits of no less than \$700,000 per occurrence and \$5,000,000 in the aggregate.

The Authority shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Agreement and proof of workers' compensation coverage meeting all statutory requirements of IC § 22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Agreement involve work outside of Indiana.

B. The Authority's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority or other appropriate authorization to operate in the state in which the policy was issued.
2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Authority.
3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Authority in excess of the minimum requirements set forth above. The duty to indemnify the State under this Agreement shall not be limited by the insurance required in this Agreement.
4. The insurance required in this Agreement, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.
5. The Authority waives and agrees to require their insurer to waive their rights of subrogation against the State of Indiana.

C. Failure to provide insurance as required in this Agreement may be deemed a material breach of contract entitling the State to immediately terminate this Agreement. The Authority shall furnish a

certificate of insurance and all endorsements to the State before the commencement of this Agreement.

30. Nondiscrimination.

Pursuant to the Indiana Civil Rights Law, specifically IC § 22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Authority covenants that it shall not discriminate against any employee or applicant for employment relating to this Agreement with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). The Authority certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a material breach of this Agreement, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the State and any applicant or employee of the Authority or any subcontractor.

The State is a recipient of federal funds, and therefore, where applicable, the Authority and any subcontractors shall comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246 as amended by Executive Order 13672.

31. Order of Precedence; Incorporation by Reference.

Any inconsistency or ambiguity in this Agreement shall be resolved by giving precedence in the following order: (1) this Agreement, (2) attachments prepared by the State, and (3) attachments prepared by the Authority. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

32. Penalties/Interest/Attorney's Fees.

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC § 5-17-5, IC § 34-54-8, IC § 34-13-1 and IC § 34-52-2.

Notwithstanding the provisions contained in IC § 5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

33. Indemnity.

The Authority expressly agrees to indemnify and hold harmless the Commission and its agents or employees from and against any and all claims, loss, damages, injury, liability and costs, including but not limited to reasonable attorneys' fees and court costs, resulting from, arising out of, or in any way connected with 1) the Scope of Work as defined in paragraph 10 of this Agreement, and 2) enforcement of any medication and anti-doping rules the Commission and its commissioners, staff and employees are responsible for enforcing until such time as the Authority promulgates and takes enforcement responsibility for its own rules regarding the same, including any and all jurisdictional claims, whether personal or subject matter, regarding the Commission's authority to enforce its own rules. Any enforcement actions related to the Scope of Work will be the responsibility of and will be defended by the Authority. Any appeals or challenges to actions taken by Commission agents or employees when enforcing the Act or federal rules or regulations promulgated pursuant to the Act

will proceed pursuant to the enforcement rules of the Act and will be defended by the Authority. Notwithstanding anything set forth in this Agreement to the contrary, this Agreement shall not be construed to waive any immunity under applicable state law, including but not limited to sovereign immunity, possessed by the Commission and its agents or employees.

34. No Concession.

By signing the Agreement, the IHRC and the State of Indiana are in no way conceding the Constitutionality of the Authority or the Act, and the State of Indiana reserves its right to bring or join litigation against the Authority and/or the Act relating to the Constitutionality of each.

[signature page follows]

DRAFT

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof. **Furthermore, if the undersigned has knowledge that a state officer, employee, or special state appointee, as those terms are defined in IC § 4-2-6-1, has a financial interest in the Contract, the Contractor attests to compliance with the disclosure requirements in IC § 4-2-6-10.5.**

Agreement to Use Electronic Signatures

I agree, and it is my intent, to sign this Contract by accessing State of Indiana Supplier Portal using the secure password assigned to me and by electronically submitting this Contract to the State of Indiana. I understand that my signing and submitting this Contract in this fashion is the legal equivalent of having placed my handwritten signature on the submitted Contract and this affirmation. I understand and agree that by electronically signing and submitting this Contract in this fashion I am affirming to the truth of the information contained therein. I understand that this Contract will not become binding on the State until it has been approved by the Department of Administration, the State Budget Agency, and the Office of the Attorney General, which approvals will be posted on the Active Contracts Database:

https://fs.gmis.in.gov/psp/guest/SUPPLIER/ERP/c/SOI_CUSTOM_APPS.SOI_PUBLIC_CNTRCTS.GBL?

In Witness Whereof, the Authority and the Commission have, through their duly authorized representatives, entered into this Agreement. The parties, having read and understood the foregoing terms of this Agreement, do by their respective signatures dated below agree to the terms thereof.

Authority
By: _____

IHRC
By: _____

Name and Title, Printed

Name and Title, Printed

Date: _____

Date: _____

Approved by:
Indiana Department of Administration

Approved by:
State Budget Agency

By: _____ (for)
Rebecca Holwerda, Commissioner

By: _____ (for)
Zachary Q. Jackson, Director

Date: _____

Date: _____

APPROVED as to Form and Legality:
Office of the Attorney General

_____ (for)
Theodore E. Rokita, Attorney General

Date: _____

DRAFT

Pitman, Deena

From: John Roach <john@rrrfirm.com>
Sent: Friday, April 1, 2022 4:01 PM
To: John Roach
Cc: lisa.lazarus@hisaus.org
Subject: HISA 2022 Annual Calculation
Attachments: cover letter.4.1.22.final.ex.pdf; 2022 HISA Allocations.distr.pdf; Assessment Methodology.Rule 8500 Series.pdf

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Dear Racing Commission Executive Directors:

Good afternoon. Please see the attached letter from HISA's CEO Lisa Lazarus.

Sincerely,

John Roach

John C. Roach
Attorney at Law
Ransdell Roach & Royse, PLLC
176 Pasadena Drive, Building One
Lexington, Kentucky 40503

Direct: (859) 554-3672
Main Phone: (859) 276-6262
General Fax: (859) 276-4500
E-Mail: john@rrrfirm.com

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Horseracing Integrity and Safety Authority
401 W Main Street Suite 222
Lexington, Kentucky 40507

April 1, 2022

Dear Racing Commission Executive Directors:

Pursuant to the Horseracing Integrity and Safety Act of 2020 (the “Act”), and given the Federal Trade Commission’s (“FTC”) approval today of the proposed Methodology for Determining Assessment Rule (the “Methodology Rule”), attached is the annual calculation of each state’s proportionate share of the amounts required under the Act (15 U.S.C. §3052(f)). The calculation is based on the 2022 budget of the Horseracing Integrity and Safety Authority in the amount of \$14,331,949.00 and the Methodology Rule (Rule 8500 Series) (attached). As noted in the Methodology Rule, the Authority is relying upon 2021 racing data for determining the assessments for 2022. The Authority is considering an amendment to the Methodology Rule that will calculate a true-up of the assessments for next year’s calculation based on the actual starts and purses paid in the previous year. If approved by the Board and the FTC, this amendment will go into effect before the next assessment. This will mean that if a state’s assessment amount is different when the actual 2021 numbers are utilized, a credit or debit will be made to the 2023 assessment in order to align with the final numbers.

Please note that if a State Racing Commission does not elect to remit the annual calculation, the covered racetracks are required to collect the fee assessment in accordance with the procedures set forth in the Methodology Rule. A spreadsheet that sets forth each covered racetrack’s amount to be collected under that scenario is also attached.

In accordance with the Act, any State racing commission that elects to remit the assessment to the Authority is required to notify the Authority on or before May 2, 2022. Feel free to contact John Roach at 859-554-3672 if you have any questions about the calculations or the Methodology Rule. And finally, please note that the Methodology Rule requires all notices to the Authority to be in writing and mailed to 401 West Main Street, Suite 222, Lexington, Kentucky 40507, and emailed to feedback@hisaus.org. Please copy John at john@rrrfirm.com on these notices as well.

Sincerely,



Lisa Lazarus
CEO
lisa.lazarus@hisaus.org

2021 Official Thoroughbred Race Details by State in the U.S.A. (Steeplechase Excluded)

State	Purses (Paid)	Starts	Purses/Start	% of starts	% of purses	%Purses/% Starts	Start Fee for Projected Starts	Start Fee for Projected Purse Starts	Total Start Fee	State Total	10% Cap Adjustment
AR	\$ 40,776,630	5,011	\$8,137	2.1%	3.7%	1.81	\$29.50	\$53.37	\$82.87	\$415,245	\$0.00
AZ	\$ 15,414,209	8,609	\$1,790	3.5%	1.4%	0.40	\$29.50	\$11.74	\$41.24	\$355,053	\$0.00
CA*	\$ 123,130,132	21,822	\$5,642	9.0%	11.3%	1.25	\$29.50	\$37.00	\$66.50	\$1,451,256	\$0.00
CO	\$ 2,074,446	1,070	\$1,939	0.4%	0.2%	0.43	\$29.50	\$12.71	\$42.21	\$45,169	\$0.00
DE	\$ 18,288,243	4,443	\$4,116	1.8%	1.7%	0.92	\$29.50	\$26.99	\$56.49	\$251,005	\$0.00
FL	\$ 95,652,208	23,462	\$4,077	9.7%	8.8%	0.91	\$29.50	\$26.74	\$56.24	\$1,319,430	\$0.00
IA	\$ 15,493,407	3,849	\$4,025	1.6%	1.4%	0.89	\$29.50	\$26.40	\$55.90	\$215,153	\$0.00
ID**											
IL***	\$ 14,859,930	7,066	\$2,103	2.9%	1.4%	0.47	\$29.50	\$13.79	\$43.29	\$305,900	\$0.00
IN	\$ 31,246,055	7,043	\$4,436	2.9%	2.9%	0.99	\$29.50	\$29.10	\$58.60	\$412,685	\$0.00
KY	\$ 129,814,838	14,680	\$8,843	6.0%	11.9%	1.97	\$29.50	\$57.99	\$87.49	\$1,284,408	\$0.00
LA	\$ 74,027,264	22,650	\$3,268	9.3%	6.8%	0.73	\$29.50	\$21.43	\$50.93	\$1,153,656	\$0.00
MD	\$ 57,177,704	10,765	\$5,311	4.4%	5.2%	1.18	\$29.50	\$34.83	\$64.33	\$692,548	\$0.00
MN	\$ 13,455,802	3,926	\$3,427	1.6%	1.2%	0.76	\$29.50	\$22.48	\$51.98	\$204,062	\$0.00
MT****											
ND*****											
NE*****	\$ 2,295,777	2,504	\$917	1.0%	0.2%	0.20	\$29.50	\$6.01	\$35.51	\$88,924	\$0.00
NJ	\$ 26,904,141	4,436	\$6,065	1.8%	2.5%	1.35	\$29.50	\$39.78	\$69.27	\$307,304	\$0.00
NM	\$ 14,196,846	4,430	\$3,205	1.8%	1.3%	0.71	\$29.50	\$21.02	\$50.52	\$223,790	\$0.00
NV*****											
NY	\$ 179,301,233	19,590	\$9,153	8.1%	16.4%	2.03	\$29.50	\$60.03	\$89.52	\$1,753,793	\$0.00
OH	\$ 45,971,838	16,790	\$2,738	6.9%	4.2%	0.61	\$29.50	\$17.96	\$47.46	\$796,794	\$0.00
OK	\$ 23,758,223	7,809	\$3,042	3.2%	2.2%	0.68	\$29.50	\$19.95	\$49.45	\$386,175	\$0.00
OR*****	\$ 1,683,603	1,416	\$1,189	0.6%	0.2%	0.26	\$29.50	\$7.80	\$37.30	\$52,813	\$0.00
PA	\$ 79,624,867	22,190	\$3,588	9.1%	7.3%	0.80	\$29.50	\$23.53	\$53.03	\$1,176,796	\$0.00
TX	\$ 26,463,297	6,706	\$3,946	2.8%	2.4%	0.88	\$29.50	\$25.88	\$55.38	\$371,377	\$0.00
VA	\$ 9,927,650	1,618	\$6,136	0.7%	0.9%	1.36	\$29.50	\$40.24	\$69.74	\$112,838	\$0.00
WA	\$ 5,609,225	2,672	\$2,099	1.1%	0.5%	0.47	\$29.50	\$13.77	\$43.27	\$115,610	\$0.00
WV	\$ 44,558,251	17,480	\$2,549	7.2%	4.1%	0.57	\$29.50	\$16.72	\$46.22	\$807,878	\$0.00
WY	\$ 969,410	879	\$1,103	0.4%	0.1%	0.25	\$29.50	\$7.23	\$36.73	\$32,288	\$0.00
TOTAL	\$1,092,675,229.00	242,916		100.0%	100.0%					\$14,331,949	

*Excludes Purses for Breeders' Cup days on 11/5/2021 and 11/6/2021.

**Idaho is not planning to conduct covered horseraces in 2022.

*** The data for Illinois has been revised based on the 2022 racing calendar. The calculation takes the 2021 average daily purses and starts for Hawthorne and Fanuel Sportsbook And Horse Racing and multiplies those averages by the 2022 planned race days for those tracks.

****Montana did not conduct covered horseraces in 2021.

*****North Dakota did not conduct covered horseraces in 2021.

*****Nebraska numbers have been adjusted to include only covered horseraces.

*****Nevada did not conduct covered horseraces in 2021.

*****Oregon numbers have been adjusted to include only covered horseraces.

State	Track Name	Purses (Paid)	Starts	% of starts	% of purses	Purses per start	% of purses in state	HISA fee per start	HISA annual cost
AR	OAKLAWN PARK	\$ 40,776,630	5,011	2.1%	3.7%	\$8,137	100.0%	82.87	\$ 415,245
AZ	ARIZONA DOWNS	\$ 1,989,700	1,455	0.6%	0.2%	\$1,367	12.9%	31.50	\$ 45,831
AZ	TURF PARADISE	\$ 13,424,509	7,154	2.9%	1.2%	\$1,877	87.1%	43.22	\$ 309,222
CA	DEL MAR*	\$ 29,540,730	3,564	1.5%	2.7%	\$8,289	24.0%	97.69	\$ 348,178
CA	FERNDALE	\$ 323,206	211	0.1%	0.0%	\$1,532	0.3%	18.05	\$ 3,809
CA	FRESNO	\$ 925,909	267	0.1%	0.1%	\$3,468	0.8%	40.87	\$ 10,913
CA	GOLDEN GATE FIELDS	\$ 26,336,596	8,284	3.4%	2.4%	\$3,179	21.4%	37.47	\$ 310,413
CA	LOS ALAMITOS	\$ 1,881,120	1,292	0.5%	0.2%	\$1,456	1.5%	17.16	\$ 22,172
CA	LOS ALAMITOS RACE COURSE	\$ 7,864,334	1,340	0.6%	0.7%	\$5,869	6.4%	69.17	\$ 92,692
CA	PLEASANTON	\$ 2,235,422	676	0.3%	0.2%	\$3,307	1.8%	38.98	\$ 26,347
CA	SANTA ANITA PARK	\$ 54,022,815	6,188	2.5%	4.9%	\$8,730	43.9%	102.90	\$ 636,732
CO	ARAPAHOE PARK	\$ 2,074,446	1,070	0.4%	0.2%	\$1,939	100.0%	42.21	\$ 45,169
DE	DELAWARE PARK	\$ 18,288,243	4,443	1.8%	1.7%	\$4,116	100.0%	56.49	\$ 251,005
FL	GULFSTREAM PARK	\$ 78,676,410	16,657	6.9%	7.2%	\$4,723	82.3%	65.15	\$ 1,085,265
FL	TAMPA BAY DOWNS	\$ 16,975,798	6,805	2.8%	1.6%	\$2,495	17.7%	34.41	\$ 234,165
IA	PRAIRIE MEADOWS	\$ 15,493,407	3,849	1.6%	1.4%	\$4,025	100.0%	55.90	\$ 215,153
IL***	FANDUEL SPORTSBOOK AND HORSE RACING	\$ 4,900,130	2,397	1.0%	0.4%	\$2,044	33.0%	42.08	\$ 100,872
IL***	HAWTHORNE	\$ 9,959,800	4,669	1.9%	0.9%	\$2,133	67.0%	43.91	\$ 205,028
IN	INDIANA GRAND RACE COURSE	\$ 31,246,055	7,043	2.9%	2.9%	\$4,436	100.0%	58.60	\$ 412,685
KY	CHURCHILL DOWNS	\$ 67,690,823	5,546	2.3%	6.2%	\$12,205	52.1%	120.76	\$ 669,743
KY	ELLIS PARK	\$ 10,125,838	1,710	0.7%	0.9%	\$5,922	7.8%	58.59	\$ 100,187
KY	KENTUCKY DOWNS	\$ 15,043,863	654	0.3%	1.4%	\$23,003	11.6%	227.59	\$ 148,846
KY	KEENELAND	\$ 26,045,824	2,488	1.0%	2.4%	\$10,469	20.1%	103.58	\$ 257,701
KY	TURFWAY PARK	\$ 10,908,490	4,282	1.8%	1.0%	\$2,548	8.4%	25.21	\$ 107,930
LA	DELTA DOWNS	\$ 23,481,180	7,938	3.3%	2.1%	\$2,958	31.7%	46.10	\$ 365,935
LA	EVANGELINE DOWNS	\$ 12,589,265	5,052	2.1%	1.2%	\$2,492	17.0%	38.83	\$ 196,194
LA	FAIR GROUNDS	\$ 29,591,929	5,751	2.4%	2.7%	\$5,146	40.0%	80.19	\$ 461,167
LA	LOUISIANA DOWNS	\$ 8,364,890	3,909	1.6%	0.8%	\$2,140	11.3%	33.35	\$ 130,360
MD	LAUREL PARK	\$ 34,257,495	6,806	2.8%	3.1%	\$5,033	59.9%	60.97	\$ 414,934
MD	PIMLICO	\$ 20,938,314	3,582	1.5%	1.9%	\$5,845	36.6%	70.80	\$ 253,609

State	Track Name	Purses (Paid)	Starts	% of starts	% of purses	Purses per start	% of purses in state	HISA fee per start	HISA annual cost
MD	TIMONIUM	\$ 1,981,895	377	0.2%	0.2%	\$5,257	3.5%	63.67	\$ 24,005
MN	CANTERBURY PARK	\$ 13,455,802	3,926	1.6%	1.2%	\$3,427	100.0%	51.98	\$ 204,062
NE	COLUMBUS	\$ 417,401	388	0.2%	0.0%	\$1,076	18.2%	41.67	\$ 16,167
NE	FONNER PARK	\$ 1,878,376	2,116	0.9%	0.2%	\$888	81.8%	34.38	\$ 72,756
NJ	MEADOWLANDS	\$ 1,040,666	323	0.1%	0.1%	\$3,222	3.9%	36.80	\$ 11,887
NJ	MONMOUTH PARK	\$ 25,863,475	4,113	1.7%	2.4%	\$6,288	96.1%	71.83	\$ 295,417
NM	ALBUQUERQUE	\$ 3,790,351	973	0.4%	0.3%	\$3,896	26.7%	61.41	\$ 59,749
NM	RUIDOSO DOWNS	\$ 2,322,195	1,071	0.4%	0.2%	\$2,168	16.4%	34.18	\$ 36,606
NM	SUNRAY PARK	\$ 2,234,163	690	0.3%	0.2%	\$3,238	15.7%	51.04	\$ 35,218
NM	SUNLAND PARK	\$ 92,692	32	0.0%	0.0%	\$2,897	0.7%	45.66	\$ 1,461
NM	ZIA PARK	\$ 5,757,445	1,664	0.7%	0.5%	\$3,460	40.6%	54.54	\$ 90,757
NY	AQUEDUCT	\$ 46,968,360	5,505	2.3%	4.3%	\$8,532	26.2%	83.45	\$ 459,410
NY	BELMONT PARK	\$ 70,275,740	5,906	2.4%	6.4%	\$11,899	39.2%	116.39	\$ 687,386
NY	FINGER LAKES	\$ 15,259,823	4,962	2.0%	1.4%	\$3,075	8.5%	30.08	\$ 149,260
NY	SARATOGA	\$ 46,797,310	3,217	1.3%	4.3%	\$14,547	26.1%	142.29	\$ 457,737
OH	BELTERRA PARK	\$ 11,171,698	4,857	2.0%	1.0%	\$2,300	24.3%	39.87	\$ 193,630
OH	MAHONING VALLEY RACE COURSE	\$ 16,487,020	6,495	2.7%	1.5%	\$2,538	35.9%	44.00	\$ 285,757
OH	THISTLEDOWN	\$ 18,313,120	5,438	2.2%	1.7%	\$3,368	39.8%	58.37	\$ 317,407
OK	FAIR MEADOWS	\$ 1,841,844	1,010	0.4%	0.2%	\$1,824	7.8%	29.64	\$ 29,938
OK	REMINGTON PARK	\$ 17,836,365	4,992	2.1%	1.6%	\$3,573	75.1%	58.08	\$ 289,919
OK	WILL ROGERS DOWNS	\$ 4,080,014	1,807	0.7%	0.4%	\$2,258	17.2%	36.70	\$ 66,318
OR	GRANTS PASS	\$ 1,683,603	1,416	0.6%	0.2%	\$1,189	100.0%	37.30	\$ 52,813
PA	PENN NATIONAL	\$ 21,305,152	7,371	3.0%	1.9%	\$2,890	26.8%	42.72	\$ 314,874
PA	PRESQUE ISLE DOWNS	\$ 10,469,625	3,458	1.4%	1.0%	\$3,028	13.1%	44.75	\$ 154,733
PA	PARX RACING	\$ 47,850,090	11,361	4.7%	4.4%	\$4,212	60.1%	62.25	\$ 707,188
TX	GILLESPIE COUNTY FAIRGROUND	\$ 146,900	95	0.0%	0.0%	\$1,546	0.6%	21.70	\$ 2,062
TX	SAM HOUSTON RACE PARK	\$ 12,647,840	3,257	1.3%	1.2%	\$3,883	47.8%	54.50	\$ 177,496
TX	LONE STAR PARK	\$ 13,668,557	3,354	1.4%	1.3%	\$4,075	51.7%	57.19	\$ 191,820
VA	COLONIAL DOWNS	\$ 9,927,650	1,618	0.7%	0.9%	\$6,136	100.0%	69.74	\$ 112,838
WA	EMERALD DOWNS	\$ 5,609,225	2,672	1.1%	0.5%	\$2,099	100.0%	43.27	\$ 115,610

State	Track Name	Purses (Paid)	Starts	% of starts	% of purses	Purses per start	% of purses in state	HISA fee per start	HISA annual cost
WV	HOLLYWOOD CASINO AT CHARLES TOWN RACES	\$ 31,252,350	10,142	4.2%	2.9%	\$3,081	70.1%	55.87	\$ 566,631
WV	MOUNTAINEER CASINO RACETRACK & RESORT	\$ 13,305,901	7,338	3.0%	1.2%	\$1,813	29.9%	32.88	\$ 241,247
WY	ENERGY DOWNS	\$ 302,550	265	0.1%	0.0%	\$1,142	31.2%	38.03	\$ 10,077
WY	SWEETWATER DOWNS	\$ 218,400	158	0.1%	0.0%	\$1,382	22.5%	46.04	\$ 7,274
WY	WYOMING DOWNS	\$ 448,460	456	0.2%	0.0%	\$983	46.3%	32.76	\$ 14,937
		1,092,675,229	242,916	100.0%	100.0%				
									\$ 14,331,949

The information set forth in the columns that are shaded has been supplied by Equibase.

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ATTENTION

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If you do not wish to be bound by the above limitation of liability and disclaimer, please return all of the material furnished to you hereunder to Equibase Company LLC, 821 Corporate Drive, Lexington, KY 40503

written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule § 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly at <https://www.regulations.gov>—as legally required by FTC Rule § 4.9(b), 16 CFR 4.9(b)—we cannot redact or remove your comment, unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule § 4.9(c), and the General Counsel grants that request.

The FTC Act and other laws the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments it receives on or before March 4, 2022. For information on the Commission's privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/siteinformation/privacypolicy>.

IX. Communications by Outside Parties to the Commissioners or Their Advisors

Written communications and summaries or transcripts of oral communications respecting the merits of this proceeding, from any outside party to any Commissioner or Commissioner's advisor, will be placed on the public record. See 16 CFR 1.26(b)(5).

X. Self-Regulatory Organization's Proposed Rule Language

Rule 8500 Series—Methodology for Determining Assessments

8510	Definitions
8520	Annual Calculation of Amounts Required
8300	Disciplinary Hearings and Accreditation Procedures
8310	Application
8320	Adjudication of Violations of Established in the Rule 2200 Series
8330	Adjudication of Rule 8100 Violations
8340	Initial Hearings Conducted Before the Racetrack Safety Committee or the Board of the Authority
8350	Appeal to the Board
8360	Accreditation Procedures
8370	Final Civil Sanction
8400	Investigatory Powers

8500. Methodology for Determining Assessments

8510. Definitions

For purposes of this Rule 8500 Series:

(a) *Annual Covered Racing Starts* means, for the following calendar year, the sum of: (i) 50 percent of the number of Projected Starts; plus (ii) 50 percent of the number of Projected Purse Starts.

(b) *Covered Horserace* has the meaning set forth in 15 U.S.C. 3051(5).

(c) *Projected Starts* means the number of starts in Covered Horseraces in the previous 12 months as reported by Equibase, after taking into consideration alterations in the racing calendar of the relevant State(s) for the following calendar year.

(d) *Projected Purse Starts* means: (i) The total amount of purses for Covered Horseraces as reported by Equibase (not including the Breeders' Cup World Championships Races), after taking into consideration alterations in purses for the relevant State(s) for the following calendar year, divided by (ii) the Projected Starts for the following calendar year.

(e) *Racetrack* has the meaning set forth in 15 U.S.C. 3051(15).

8520. Annual Calculation of Amounts Required

(a) If a State racing commission elects to remit fees pursuant to 15 U.S.C. 3052(f)(2), the State racing commission shall notify the Authority in writing on or before May 2, 2022 of its decision to elect to remit fees.

(b) Not later than April 1, 2022, and not later than November 1 of each year thereafter, the Authority shall determine and provide to each State Racing Commission the estimated amount required from each State pursuant to the calculation set forth in Rule 8520(c) below.

(c) Upon the approval of the budget for the following calendar year by the Board of the Authority, and after taking into account other sources of Authority revenue, the Authority shall allocate the calculation due from each State pursuant to 15 U.S.C. 3052(f)(1)(C)(i) proportionally by each State's respective percentage of the Annual Covered Racing Starts. The proportional calculation for each State's respective percentage of the Annual Covered Racing Starts shall be calculated as follows:

(1) The total amount due from all States pursuant to 15 U.S.C. 3052(f)(1)(C)(i) shall be divided by the Projected Starts of all Covered Horseraces; then

(2) 50 percent of the quotient calculated in (c)(1) is multiplied by the quotient of (i) the relevant State's percentage of the total amount of purses for all Covered Horseraces as reported by Equibase (not including the Breeders' Cup World Championships Races), after

taking into consideration alterations in purses for the relevant State for the following calendar year; divided by (ii) the relevant State's percentage of the Projected Starts of all Covered Horseraces starts; then

(3) the sum of the product of the calculation in (c)(2) and 50 percent of the quotient calculated in (c)(1) is multiplied by the Projected Starts in the applicable State.

Provided however, that no State's allocation shall exceed 10 percent of the total amount of purses for Covered Horseraces as reported by Equibase in the State (not including the Breeders' Cup World Championships Races). All amounts in excess of the 10 percent maximum shall be allocated proportionally to all States that do not exceed the maximum, based on each State's respective percentage of the Annual Covered Racing Starts.

(d) Pursuant to 15 U.S.C. 3052(f)(2)(B), a State racing commission that elects to remit fees shall remit fees on a monthly basis and each payment shall equal one-twelfth of the estimated annual amount required from the State for the following year.

(e) If a State racing commission does not elect to remit fees pursuant to 15 U.S.C. 3052(f)(2):

(1) The Authority shall on a monthly basis calculate and notify each Racetrack in the State of the applicable fee per racing start for the next month based upon the following calculations:

(i) Calculate the amount due from the State as if the State had elected to remit fees pursuant to 15 U.S.C. 3052(f)(2) (the "Annual Calculation").

(ii) Calculate the number of starts in Covered Horseraces in the previous twelve months as reported by Equibase (the "Total Starts").

(iii) Calculate the number of starts in Covered Horseraces in the previous month as reported by Equibase (the "Monthly Starts").

(iv) The applicable fee per racing start shall equal the quotient of Monthly Starts, divided by Total Starts, multiplied by the Annual Calculation.

(2) The Authority shall on a monthly basis calculate and notify each Racetrack in the jurisdiction of the following calculations:

(i) Multiply the number of starts in Covered Horseraces in the previous month by the applicable fee per racing start calculated pursuant to paragraph (e)(1)(iv) above.

(ii) The calculation set forth in 15 U.S.C. 3052(f)(3)(A) shall be equal to the amount calculated pursuant to paragraph (e)(2)(i) (the "Assessment Calculation").

(3) The Authority shall allocate the monthly Assessment Calculation proportionally based on each Racetrack's proportionate share in the total purses in Covered Horseraces in the State over the next month and shall notify each Racetrack in the jurisdiction of the amount required from the Racetrack. Each Racetrack shall pay its share of the Assessment Calculation to the Authority within 30 days of the end of the monthly period.

(4) Not later than May 1, 2022 and not later than November 1 each year thereafter, each Racetrack in the State shall submit to the Authority its proposal for the allocation of the Assessment Calculation among covered persons involved with Covered Horseraces (the "Covered Persons Allocation"). On or before 30 days from the receipt of the Covered Persons Allocation from the Racetrack, the Authority shall determine whether the Covered Persons Allocation has been allocated equitably in accordance with 15 U.S.C. 3052(f)(3)(B), and, if so, the Authority shall notify the Racetrack that the Covered Persons Allocation is approved. If a Racetrack fails to submit its proposed Covered Person Allocation in accordance with the deadlines set forth in this paragraph, or if the Authority has not approved the Covered Persons Allocation in accordance with this paragraph, the Authority shall determine the Covered Persons Allocation for the Racetrack. Upon the approval of or the determination by the Authority of the Covered Persons Allocation, the Racetrack shall collect the Covered Persons Allocation from the covered persons involved with Covered Horseraces.

(f) All notices required to be given to the Authority pursuant to the Act and these rules must be in writing and must be mailed to 401 West Main Street, Suite 222, Lexington, Kentucky 40507, and emailed to feedback@hisaus.org.

By direction of the Commission.

April J. Tabor,
Secretary.

[FR Doc. 2022-03717 Filed 2-17-22; 8:45 am]

BILLING CODE 6750-01-P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000-0075; Docket No. 2022-0053; Sequence No. 7]

Information Collection; Government Property

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, and the Office of Management and Budget (OMB) regulations, DoD, GSA, and NASA invite the public to comment on an extension concerning government property. DoD, GSA, and NASA invite comments on: Whether the proposed collection of information is necessary for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility; the accuracy of the estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of information technology. OMB has approved this information collection for use through April 30, 2022. DoD, GSA, and NASA propose that OMB extend its approval for use for three additional years beyond the current expiration date.

DATES: DoD, GSA, and NASA will consider all comments received by April 19, 2022.

ADDRESSES: DoD, GSA, and NASA invite interested persons to submit comments on this collection through <https://www.regulations.gov> and follow the instructions on the site. This website provides the ability to type short comments directly into the comment field or attach a file for lengthier comments. If there are difficulties submitting comments, contact the GSA Regulatory Secretariat Division at 202-501-4755 or GSARegSec@gsa.gov.

Instructions: All items submitted must cite OMB Control No. 9000-0075, Government Property. Comments received generally will be posted without change to <https://www.regulations.gov>, including any

personal and/or business confidential information provided. To confirm receipt of your comment(s), please check www.regulations.gov, approximately two-to-three days after submission to verify posting.

FOR FURTHER INFORMATION CONTACT: Zenaida Delgado, Procurement Analyst, at telephone 202-969-7207, or zenaida.delgado@gsa.gov.

SUPPLEMENTARY INFORMATION:

A. OMB Control Number, Title, and any Associated Form(s)

9000-0075, Government Property, and Standard Forms 1428, and 1429.

B. Need and Uses

This clearance covers the information that contractors must submit to comply with the following Federal Acquisition Regulation (FAR) requirements:

1. FAR clause 52.245-1, Government Property.

a. Paragraph (f)(1)(ii) requires contractors to document the receipt of Government property.

b. Paragraph (f)(1)(ii)(A) requires contractors to submit a written statement to the Property Administrator containing all relevant facts, such as cause or condition and a recommended course(s) of action, if overages, shortages, or damages and/or other discrepancies are discovered upon receipt of Government-furnished property.

c. Paragraph (f)(1)(iii) requires contractors to create and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property. Property records shall, unless otherwise approved by the Property Administrator, contain the following:

i. The name, part number and description, National Stock Number (if needed for additional item identification tracking and/or disposition), and other data elements as necessary and required in accordance with the terms and conditions of the contract.

ii. Quantity received (or fabricated), issued, and balance-on-hand.

iii. Unit acquisition cost.

iv. Unique-item identifier or equivalent (if available and necessary for individual item tracking).

v. Unit of measure.

vi. Accountable contract number or equivalent code designation.

vii. Location.

viii. Disposition.

ix. Posting reference and date of transaction.

Horseracing Integrity and Safety Authority
401 W Main Street, Suite 222
Lexington, Kentucky 40507

May 9, 2022

Dear Mr. Morris,

This is to advise you that the racing commission in your state has elected not to remit fees to the Horseracing Integrity and Safety Authority ("HISA") for the 2022 budget. As a consequence, HISA's Methodology Rule 8520 places responsibility on each racetrack in the state to submit a proposal to HISA which describes how it will allocate the fees among "covered persons", subject to HISA's review and approval. Pursuant to 15 USC 3052(f)(3)(B) of the Act, the proposal can only be approved if the Authority determines the costs are allocated equitably among covered persons.

The proposed allocation must be submitted to HISA on or before May 23, 2022. Additional information is provided in the attached HISA Guidance and spreadsheet.

Please contact one of the following persons if you have any questions:

John Roach--john@rrrfirm.com
Tom DiPasquale--tjdipasquale@msn.com
Alex Waldrop--ajwald228@gmail.com

Respectfully,



Lisa Lazarus
President and CEO

Horseracing Integrity and Safety Authority
401 W Main Street Suite 222
Lexington, Kentucky 40507

Guidance of the Horseracing Integrity and Safety Authority

As set forth in the Horseracing Integrity and Safety Authority’s (“Authority”) March 14, 2022 letter to the Federal Trade Commission concerning the proposed rule establishing the methodology for determining assessments (the “Methodology Rule”) under the Horseracing Integrity and Safety Act of 2020 (the “Act”), the Authority issues the following guidance.

Background

For states where the State racing commission does not elect to remit fees pursuant to 15 U.S.C. § 3052(f), the Authority recognized that it was not advisable or practicable to directly charge and collect from each Covered Person. Instead, the Methodology Rule places the responsibility on the covered racetracks in such states to collect the fees from Covered Persons, subject to the Authority approving the racetrack’s proposed assessments to Covered Persons. *See* Rule 8520(e)(4). The amount each covered racetrack is responsible for collecting is based on the percentage of total purse money paid out for covered races conducted within the State over the relevant period. *See* Rule 8520(e)(3). The racetracks are required to submit a proposal of the allocation of the Assessment Calculation (as defined in Rule 8520(e)(2)) among Covered Persons to the Authority (the “Covered Persons Allocation”). The proposed Covered Person Allocation is subject to review and approval by the Authority and the allocation shall only be approved by the Authority if it determines that the “Covered Persons Allocation has been allocated equitably in accordance with 15 USC 3052(f)(3)(B).” Rule 8520(e)(4). If this standard is not met, the Authority determines the Covered Persons Allocation for the applicable racetrack. The Authority has received questions about how it intends to administer its authority under 15 USC 3052(f)(3)(B) and Rule 8520(e)(4) to determine whether a proposed Covered Person Allocation has been allocated equitably.

Deadline

The proposed Covered Persons Allocation for 2022 shall be submitted to the Authority on or before May 23, 2022. Please note that the Methodology Rule requires all notices to the Authority to be in writing and mailed to 401 West Main Street, Suite 222, Lexington, Kentucky 40507, and emailed to feedback@hisaus.org. Please copy John Roach at john@rrrfirm.com on any submissions.

Guidance

A proposed Covered Person Allocation agreed to by the applicable racetrack and the group which represents the majority of owners and trainers racing at such racetrack (the “Horsemen’s Group”) will be presumptively considered an equitable allocation among the racetrack, trainers and

GUIDANCE – April 28, 2022

owners.¹ To the extent any Covered Person Allocation agreed upon between the applicable racetrack and the Horsemen's Group does not utilize the purse account exclusively for the non-racetrack allocation and proposes direct fees from Covered Persons other than the racetrack, trainers and owners, the Authority will approve such proposals only if there is a sufficient factual basis to establish that the Covered Persons Allocation is equitable.

¹ A Covered Person Allocation derived exclusively from a racetrack and the purse account will be deemed to be allocated among Covered Persons involved in Covered Horseraces. Payments from a purse account impact owners, trainers, jockeys and jockey agents directly. The omission of other Covered Persons in most cases will be considered as de minimis or as imposing undue hardship.



May 23, 2022

Ms. Lisa Lazarus, President and CEO
Horseracing Integrity and Safety Authority
401 W Main Street, Suite 222
Lexington, Kentucky 40507

RE: Horseshoe Indianapolis Proposal for Fee Allocation

Dear Ms. Lazarus:

In response to your letter dated May 9, 2022, please accept this correspondence as Horseshoe Indianapolis's proposal for its Covered Persons Allocation as that term is defined in the Horseracing Integrity and Safety Authority's ("HISA") Methodology Rule 8520(e)(4).

After consultation with the staff of the Indiana Horse Racing Commission ("IHRC") and representatives of the Indiana Horsemen's Benevolent and Protective Association ("IHBPA"), Horseshoe Indianapolis intends to utilize funds generated from the track's export signal sale before expenses and splits in order to generate the fees due to HISA. This draw will result in equal contributions from the track commissions and horsemen purses; after the correct amount is withheld to cover the fees due to HISA, the parties' normal splits will commence in accordance with the terms of our contract.

Your May 9th correspondence indicates the total amount due from the racing operations of Horseshoe Indianapolis is \$412,685. Subject to the approval of HISA, Horseshoe Indianapolis intends to submit payments to HISA in four (4) equal payments of \$103,171.25 on or before the first day of each of September, October, November, and December of 2022.

The Covered Persons Allocation described above is contingent upon the formal approval of the IHBPA and the IHRC.

Horseshoe Indianapolis respectfully requests that HISA determine that the Covered Persons Allocation set forth herein is allocated equitably in accordance with 15 U.S.C. 3052(f)(3)(B).

Should you have any questions or wish to discuss this further, please do not hesitate to contact me at (859) 621-8286.

Sincerely,

CAESARS ENTERPRISE SERVICES, LLC

Joe Morris
SVP Racing

Ms. Lisa Lazarus, President and CEO

May 23, 2022

Page 2

cc: feedback@hisaus.org
Deena Pitman, Executive Director, IHRC
Brian Elmore, Executive Director IHBPA
Joe Davis, President, IHBPA
John Roach, HISA
Tom DiPasquale, HISA
Alex Waldrop, HISA
Steve Jarmuz, Horseshoe Indianapolis
Eric Halstrom, Horseshoe Indianapolis
Tim Lambert, Caesars Enterprise Services

AMENDMENT TO 2022 HBPA CONTRACT

This Amendment to 2022 HBPA Contract (this "Amendment") is dated this ____ day of June 2022, by and between Centaur Acquisition, LLC, an Indiana limited liability company, d/b/a Horseshoe Indianapolis f/k/a Indiana Grand ("Indiana Grand") and the Indiana Horsemen's Benevolent and Protective Association, Inc., an Indiana not-for-profit corporation ("HBPA"). Indiana Grand and the HBPA may individually be referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Indiana Grand and the HBPA entered into a 2022 HBPA Contract dated September 20, 2021 (the "Agreement") wherein the Parties agreed to certain terms and conditions by which the HBPA's members race at the Horseshoe Indianapolis facility located at 4300 N. Michigan Rd., Shelbyville, IN 46176 (the "Track");

WHEREAS, the Horseracing Integrity and Safety Authority ("HISA") requires payment ("HISA Payment") from Covered Persons, as that term is defined in HISA's Methodology Rule 8520(e)(4), who participate in racing operations at the Track during the 2022 racing season;

WHEREAS, the Parties have agreed to a Covered Persons Allocation for the 2022 racing season, which has been submitted to HISA and has been or is expected to be determined by HISA to be allocated equitably in accordance with 15 U.S.C. 3052(f)(3)(B); and

WHEREAS, the Parties desire to amend the Agreement to modify certain terms and conditions in order to reflect the Parties' agreement as to the Covered Persons Allocation.

NOW, THEREFORE, for good and valuable consideration, of which the Parties acknowledge receipt and in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

1. Subsection 7(C) of the Agreement, "Satellite Wagering – Out-of-State" is hereby deleted in its entirety and replaced with the following:

"C. Satellite Wagering – Out-of-State. When Indiana Grand simulcasts a Thoroughbred race run live at the Racetrack to an out-of-state facility, the net receipts generated by simulcasting on that race shall first be used to make any and all payments due to the Horseracing Integrity and Safety Authority ("HISA") for racing operations at the Racetrack, as described in more detail in the letter to HISA from Joe Morris dated May 23, 2022, attached hereto as Exhibit B.¹ Once all fees due to HISA

¹ HISA has advised the Parties that the fees for the 2022 Horseshoe Indianapolis racing season will total \$412,685.00.

have been remitted, 50% of the net receipts generated by simulcasting on that race, including any source market fees and distribution and communication fees received by Indiana Grand (net of reasonable expenses incurred by Indiana Grand) on the simulcast of that Thoroughbred race run live at the Racetrack, shall go to the Thoroughbred Horsemen's Purse Account. For purposes of this Subsection C, "net receipts" shall mean all funds received by Indiana Grand under the applicable contracts less any applicable excise taxes."

2. All capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings set forth in the Agreement.
3. This Amendment may be executed in counterparts, which together shall constitute a complete document. Unless otherwise prohibited by any applicable laws or regulations, this Amendment may be signed electronically, and such electronic signature shall be deemed, and shall have the same legal force and effect as, an original signature. An electronic copy thereof shall be deemed, and shall have the same legal force and effect as, an original document.
4. In the event of a conflict between any of the provisions in the Agreement and this Amendment, the terms of this Amendment shall control. It is expressly understood and agreed by the Parties that this Amendment shall serve as a supplement to the Agreement and all terms, conditions, and provisions of the Agreement, unless specifically amended or modified herein, shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment on the respective date(s) indicated.

Centaur Acquisition, LLC

Indiana Horsemen's Benevolent and Protective Association, Inc.

By: _____
Eric Halstrom
VP and General Manager of Racing

By: _____
Joe Davis
President

Date: _____

Date: _____



May 23, 2022

Ms. Lisa Lazarus, President and CEO
Horseracing Integrity and Safety Authority
401 W Main Street, Suite 222
Lexington, Kentucky 40507

RE: Horseshoe Indianapolis Proposal for Fee Allocation

Dear Ms. Lazarus:

In response to your letter dated May 9, 2022, please accept this correspondence as Horseshoe Indianapolis's proposal for its Covered Persons Allocation as that term is defined in the Horseracing Integrity and Safety Authority's ("HISA") Methodology Rule 8520(e)(4).

After consultation with the staff of the Indiana Horse Racing Commission ("IHRC") and representatives of the Indiana Horsemen's Benevolent and Protective Association ("IHBPA"), Horseshoe Indianapolis intends to utilize funds generated from the track's export signal sale before expenses and splits in order to generate the fees due to HISA. This draw will result in equal contributions from the track commissions and horsemen purses; after the correct amount is withheld to cover the fees due to HISA, the parties' normal splits will commence in accordance with the terms of our contract.

Your May 9th correspondence indicates the total amount due from the racing operations of Horseshoe Indianapolis is \$412,685. Subject to the approval of HISA, Horseshoe Indianapolis intends to submit payments to HISA in four (4) equal payments of \$103,171.25 on or before the first day of each of September, October, November, and December of 2022.

The Covered Persons Allocation described above is contingent upon the formal approval of the IHBPA and the IHRC.

Horseshoe Indianapolis respectfully requests that HISA determine that the Covered Persons Allocation set forth herein is allocated equitably in accordance with 15 U.S.C. 3052(f)(3)(B).

Should you have any questions or wish to discuss this further, please do not hesitate to contact me at (859) 621-8286.

Sincerely,

CAESARS ENTERPRISE SERVICES, LLC

Joe Morris
SVP Racing

Ms. Lisa Lazarus, President and CEO

May 23, 2022

Page 2

cc: feedback@hisaus.org
Deena Pitman, Executive Director, IHRC
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Joe Davis, President, IHBPA
John Roach, HISA
Tom DiPasquale, HISA
Alex Waldrop, HISA
Steve Jarmuz, Horseshoe Indianapolis
Eric Halstrom, Horseshoe Indianapolis
Tim Lambert, Caesars Enterprise Services

Agenda Item #8



CAESARS
ENTERTAINMENT

Harrahs
HOOSIER PARK



HORSESHOE
INDIANAPOLIS

2022 Community Giving Report Quarter Two

Harrah's Hoosier Park 2022 Community Giving



2022 Budgeted Community Relations Spend – \$430,000

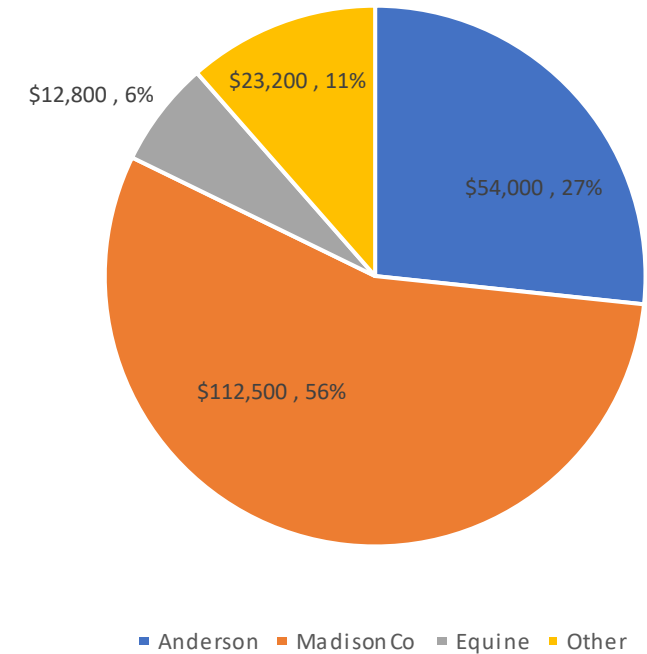
Harrah's Hoosier Park supports numerous worthy causes in Madison County and surrounding communities throughout Indiana. Our team maintains continuous involvement in various community-related endeavors, primarily through giving, volunteerism and service on local boards and organizations. By contributing time, energy, and monetary support to the efforts of many worthy causes, Harrah's Hoosier Park reinforces its strong commitment to its host community.

With a proactive approach, the community relations team at Harrah's Hoosier Park frequently meets with organizations to learn their needs and areas of development. Annual plans are created with those organizations identifying strategy with funding, auction items, boardmanships and HERO hours. The property's primary community giving spend is to Anderson and Madison County organizations and equine health.

Quarterly Update

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Anderson	\$10,000	\$44,000			\$54,000
Madison Co	\$58,000	\$54,500			\$112,500
Equine	\$7,500	\$5,300			\$12,800
Other	\$3,200	\$20,000			\$23,200
Total	\$78,700	\$123,800	\$-	\$-	\$202,500

Year to Date Giving



Harrah's Hoosier Park 2022 Community Giving



Quarter One & Two Highlights

- Walked in the Indy Pride parade in Downtown Indianapolis with Team Members representing Harrah's Hoosier Park and Caesars Entertainment



Harrah's Hoosier Park

2022 Community Giving



Quarter One Organizations

D.A.D.S.
Habitat For Humanity Madison County
Sista's of Royalty
Stripped, Inc.
The Community Center at Anderson First Church
Indiana Plan
NAACP of Madison County
Harness Horse Youth Foundation
St. Vincent Ascension Foundation
Chamber of Commerce of Madison County
Madison County Historical Society
Redefined Life
Standardbred Retirement Foundation
Union Missionary Baptist Church
Willow Place

Quarter Two Organizations

Alternatives, Inc.
Harness Youth Foundation
Leadership Academy of Madison County
Meridian Health Services
St. Vincent Foundation
Animal Protection League
Central Indiana Community Foundation
Debtante Cotillion/Beautillion
Friends of Falls Park
Indiana Coalition Against Domestic Violence
Muncie Light Horse Club
United Way of Madison County
Sweet Liberty Ranch and Rescue
Paramount Theater
Madison County Humane Center
Indy Pride, Inc
Court Appointed Special Advocate
Anderson/Madison County Black Chamber of
Commerce

Horseshoe Indianapolis 2022 Community Giving



2022 Budgeted Community Relations Spend – \$525,000

Horseshoe Indianapolis has a holistic approach in utilizing funds in support of our area communities. Our team members and patrons, live, work, and commute, not only from Shelby County, but the areas of Indianapolis and beyond. In being good stewards and to show care for the communities they call home, we work to understand, review and assess needs that are both apparent and those that come to light through specific request.

Research of the organization is done to see what type of support will best suit their needs and if it is proper and aligns with the mission of Caesars Entertainment philanthropy efforts. We work within our annual budget to offer aid through gift certificates, direct donations and support of events. We also encourage our team members to get actively involved in their communities through volunteerism. The more they immerse themselves in lending a helping hand, the better our relationship with our neighbors become.

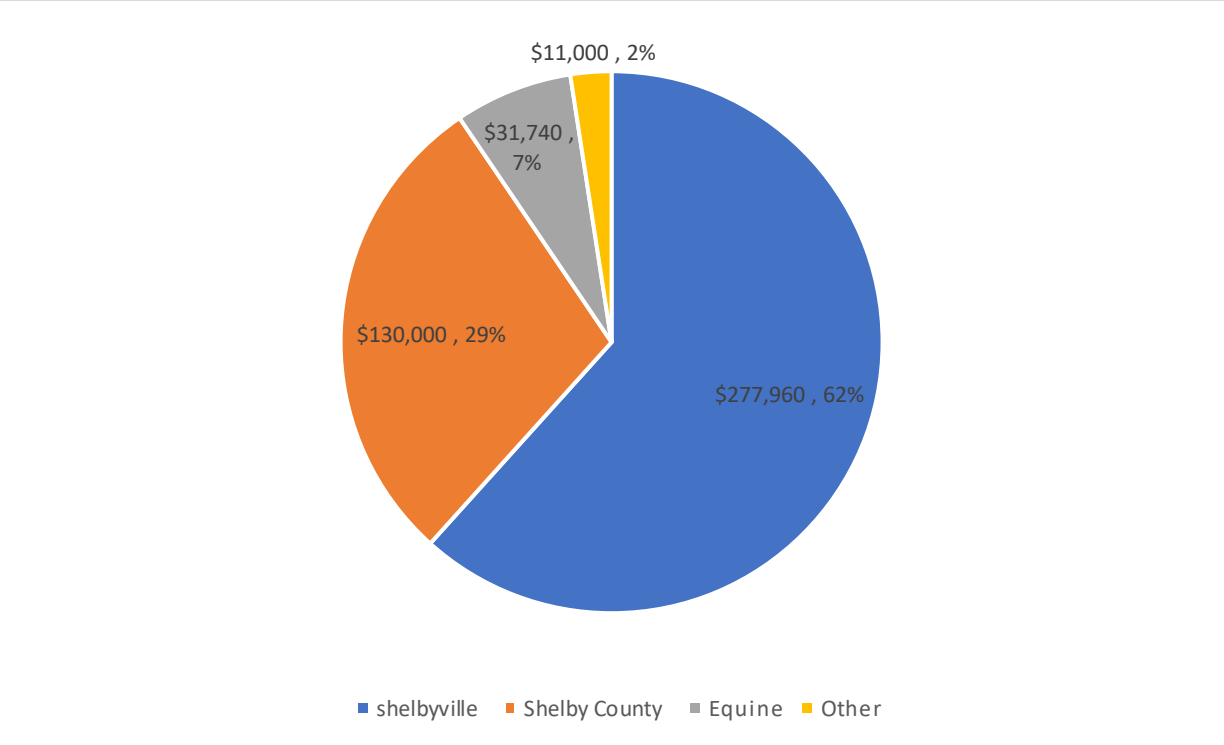
Horseshoe Indianapolis 2022 Community Giving



Quarterly Update

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Shelbyville	\$20,960	\$257,000			\$277,960
Shelby County	\$-	\$130,000			\$130,000
Equine	\$11,500	\$20,240			\$31,740
Other	\$2,500	\$8,500			\$11,000
Total	\$34,960	\$415,740	\$-	\$-	\$450,700

Year to Date Giving



Horseshoe Indianapolis 2022 Community Giving



Quarter One Organizations

Tri-State Thoroughbreds

University of Arizona Schuster Scholarship

Horse Angels, Inc.

North Decatur High School

Shelby Chamber

Quarter Two Organizations

Friends of Ferdinand

Thoroughbred Aftercare Alliance

New Vocations Racehorse Adoption

Old Friends

Agape of Greenfield

Shelby County United Fund for You

Indiana Coalition Against Domestic Violence

Friends of NRA

Jeep Jam

Shelby Go

Horseshoe Indianapolis 2022 Community Giving



Quarter One & Quarter Two Highlights

- Two benches were donated to the Morrison Park revitalization, headed up by the Leadership Shelby County committee. The benches were placed in the new Zen Garden being constructed at the park. Morrison Park's Rededication Ceremony took place Saturday, June 18. The park has received more than \$20,000 in updates and repairs thanks to several organizations in Shelby County, including Horseshoe Indianapolis.
- Horseshoe Indianapolis donated a bus to the Horsemen's Benevolent and Protective Association for use in their backstretch. The bus is utilized to transport backstretch workers to area grocery and pharmacy needs as well as by the HPBA's ministerial program, which utilizes it for many functions including group worship events. (from left, Mickey, Otto and Eric Halstrom)
- Horseshoe Indianapolis played host to members of the business class at Martin University during the races June 20. Pictured with Jockey Joe Ramos

