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Emergency Regulation Agency Background Document

Agency name	Virginia Racing Commission
Virginia Administrative Code (VAC) citation(s)	11VAC10-47-10, 11VAC10-47-20, 11VAC10-47-30, 11VAC10-47-40, 11VAC10-47-50, 11VAC10-47-60, 11VAC10-47-70, 11VAC10-47-80, 11VAC10-47-90, 11VAC10-47-100, 11VAC10-47-110, 11VAC10-47-120, 11VAC10-47-130, 11VAC10-47-140, 11VAC10-47-150, 11VAC10-47-160, 11VAC10-47-170, 11VAC10-47-180, 11VAC10-47-190, and 11VAC10-47-200
Regulation title(s)	Regulations Pertaining to Horse Racing With Pari-Mutuel Wagering
Action title	To Promulgate Regulations Pertaining to Historical Horse Racing
Date this document prepared	October 2, 2018

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 17 (2014) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief Summary

Please provide a brief summary (preferably no more than 2 or 3 paragraphs) of the subject matter, intent, and goals of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation).

The purpose of this action is to promulgate regulations that will implement the provisions of Chapter 811 of the 2018 Virginia Acts of Assembly, which authorizes Historical Horse Racing at facilities licensed by the Virginia Racing Commission throughout the Commonwealth of Virginia.

Acronyms and Definitions

Please define all acronyms used in the Agency Background Document. Also, please define any technical terms that are used in the document that are not also defined in the "Definition" section of the regulations.

None

Mandate and Impetus (Necessity for Emergency)

Please explain why this rulemaking is an emergency situation in accordance with Virginia Code § 2.2-4011 A and B. In doing so, please either:

- a) Indicate whether the Governor’s Office has already approved the use of emergency regulatory authority for this regulatory change.*
- b) Provide specific citations to Virginia statutory law, the appropriation act, federal law, or federal regulation that require that a regulation be effective in 280 days or less from its enactment.*

As required by § 2.2-4011, please also describe the nature of the emergency and of the necessity for this regulatory change. In addition, delineate any potential issues that may need to be addressed as part of this regulatory change.

Chapter 811 of the 2018 Virginia Acts of Assembly requires the Virginia Racing Commission to promulgate regulations to implement the provisions of the act to be effective within 180 days of its enactment.

Legal Basis

Please identify (1) the agency or other promulgating entity, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia or Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating entity to regulate this specific subject or program, as well as a reference to the agency or promulgating entity’s overall regulatory authority.

Chapter 811 of the 2018 Virginia Acts of Assembly requires the Virginia Racing Commission to promulgate regulations to implement the provisions of the act to be effective within 180 days of its enactment.

Purpose

Please describe the specific reasons why the agency has determined that this regulation is essential to protect the health, safety, or welfare of citizens. In addition, please explain any potential issues that may need to be addressed as the regulation is developed.

The Virginia Racing Commission must promulgate these regulations in order to ensure the integrity and proper oversight of Historical Horse Racing in the Commonwealth of Virginia.

Substance

Please describe any changes that are proposed. Please outline new substantive provisions, all substantive changes to existing sections, or both where appropriate. Set forth the specific reasons the

agency has determined that the proposed regulatory action is essential to protect the health, safety, or welfare of Virginians.

N/A – These are new regulations.

For changes to existing regulations, use this chart:

Current section number	New section number, if applicable	Current requirement	Change, intent, rationale, and likely impact of new requirements

If a new regulation is being promulgated, use this chart:

New chapter-section number	New requirements	Other regulations and law that apply	Intent and likely impact of new requirements
10	Definitions		Clarifies the terms for a better understanding by licensees, staff, and the public.
20	Pari-mutuel wagering; generally		Provides authorization to issue licenses.
30	Observance of regulations		Outlines responsibilities of licensee to ensure proper observance and compliance with the regulations.
40	Requirements for wagering on historical horse racing		Provides requirements for licensee and terminals to protect integrity and validity.
50	Location and hours of operation of terminals used for wagering on historical horse racing		Outlines the location, physical layout, and age restrictions on the Historical Horse Racing area.
60	Payouts from pari-mutuel pools generated by wagering on historical horse racing		Provides requirements for wagering payouts to ensure that licensee conforms to the regulations.
70	Commission approval of historical horse racing games and displays		Outlines the process of submitting a request to offer a multiple wager on a historical horse race.
80	Equipment required for pari-mutuel wagering on historical horse races		Outlines the technical requirements for the wagering terminals.
90	Requirements for tickets or vouchers used in historical horse racing		Specifies requirements for printed vouchers.
100	Accounting and occurrence meter requirements		Provides requirements for various accounting and occurrence meters.

110	Historical horse race specifications and selection requirements		Provides requirements for the selection and details of each race.
120	Wagering terminal historical race display		Provides detailed requirements for the display of the wagering terminals.
130	Required reports for wagering on historical horse races; audit and inspection by the commission		Outlines the availability and required data to be included on the financial reports.
140	Permits required		Provides requirements the permitting of all employees involved in wagering on Historical Horse Racing.
150	Filing of application; fee		Sets forth the process and filing fee for a Historical Horse Racing application.
160	Required information		Outlines the required information to be included with a Historical Horse Racing application.
170	Duration of license; transfer		Sets forth the effective term of the license and rules for the transfer of a license.
180	Simulcast operations		Outlines the requirements of a satellite wagering facility that offers wagering on Historical Horse Racing.
190	Significant infrastructure limited licensee operations		Outlines certain conditions of a significant infrastructure limited licensee relating to race days and number of terminals.
200	Responsible gaming		Sets forth the requirements of a program to promote responsible gaming to be implemented by the licensee.

Issues

Please identify the issues associated with the regulatory change, including: 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions; 2) the primary advantages and disadvantages to the agency or the Commonwealth; and 3) other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, include a specific statement to that effect.

N/A – These are new regulations required by Chapter 811 of the 2018 Virginia Acts of Assembly.

Alternatives

Please describe all viable alternatives to the proposed regulatory action that have been considered to meet the essential purpose of the action. Also describe the process by which the agency has considered or will consider other alternatives for achieving the need in the most cost-effective manner.

Chapter 811 of the 2018 Virginia Acts of Assembly requires the Virginia Racing Commission to promulgate regulations to implement the provisions of this act. There are not any viable alternatives for this action as it is mandated by Chapter 811 of the 2018 Virginia Acts of Assembly.