

RULE REVIEW

Racing and Wagering Board
Five Year Review of Rules Adopted by the
New York State Racing and Wagering Board
In the Calendar Year 2001
Required to Be Reviewed in
Calendar Year 2006

As required by State Administrative Procedure Act Section 207, the following rule was adopted by the New York State Racing and Wagering Board in the Calendar Year 2001 and must be reviewed in Calendar year 2006. Public comments on the continuation or modification of these rules are invited and those received by September 1, 2006, will be considered by the Secretary to the New York State Racing and Wagering Board, 1 Broadway Center, Suite 600, Schenectady, New York 12305-2553 or by electronic mail to info@racing.state.ny.us.

1. Rule I.D. No.: RWB-34-01-00004-A
Section 4025.10 of Title 9 N.Y.C.R.R.

Description: This rule amends the thoroughbred rules to allow for uncoupling for pari-mutuel wagering of thoroughbred horses with common ownership or training in races with a gross purse of \$1 million or more. Specifically, this amendment created a new subdivision (g) under Section 4025.10 to state: "Notwithstanding the provisions of subdivisions (b) and (d) of this rule, no entry shall be coupled by reason of common ownership or training in any race in which the gross purse is one million dollars or more, provided however that the provisions of subdivision (e) of this rule shall continue to be applicable in any such races. In any race subject to the provisions of this subdivision, the racing secretary shall have the authority to establish a mutuel field and coupled entries in any race with more than 14 starters."

Analysis of the Need for the Rule: This rule is necessary to generate greater revenue in support of horse racing and government by allowing more betting interests at premier thoroughbred races. Coupling is when two horses are entered in the same race and are considered a single betting interest because both horses are owned by the same owner or trained by the same trainer. In general, the purpose of coupling is avoid potential manipulation of betting pools. However, in contests where the gross purse is more than \$1 million, the Board has determined that there is sufficient scrutiny and oversight to uncouple the betting interests without compromising the integrity of pari-mutuel wagering. Such contests are rare, and include such prestigious hallmark races as the the Belmont Stakes, the Breeders' Cup and the Travers Stakes. The size of the betting pools in such races are extraordinarily large and by creating additional betting interests in such races, additional revenue is generated.

Legal Basis for the Rule: Racing, Pari-Mutuel Wagering and Breeding Law Section 101.

