

# Louisiana State Racing Commission

Member of the  
Association of Racing  
Commissioners  
International, Inc.



Executive Department  
Office of the Governor

## Agenda

February 23, 2026 – 10:00AM  
The Black Gold Room  
Fair Grounds Race Course & Slots  
1751 Gentilly Boulevard  
New Orleans, Louisiana

*Notice of this meeting was duly given in accordance with Law.*

# ROLL CALL

**COMMISSIONERS**

- Mr. Edward J. Koehl, Jr., *Chairman*
- Mr. Earl A. "Boo" Landry, Jr., *1<sup>st</sup> Vice Chair*
- Dr. Vincent V. Tumminello, Jr., *2<sup>nd</sup> Vice Chair*
- Dr. Patrick Bernard, *Commissioner*
- Mr. Rock M. Bordelon, *Commissioner*
- Ms. Leslie M. Bouie, *Commissioner*
- Dr. Larry L. Findley, Sr., *Commissioner*
- Dr. K. R. "Ron" Finkelstein, *Commissioner*
- Mr. Nathan C. Granger, *Commissioner*
- Dr. Travis K. Miller, *Commissioner*
- Mr. Deano Thornton, *Commissioner*
- Ms. Katherine Winters, *Commissioner*

**QUORUM PRESENT**

**EXECUTIVE DIRECTOR**

- Mr. Stephen Landry, *Executive Director*

**ATTORNEYS**

- Mr. Brett Bonin, *Asst. Attorney General*
- Ms. Dawn Himel, *Director of Gaming,  
Office of Attorney General*
- Mr. Jeremy Gathe, *Asst. Attorney General*

**LSRC STAFF**

- Ms. Katie White, *Assistant Executive Director*
- Mr. Michael J. Dildy, *Director of Administration*
- Ms. Emma R. Brock, *Admin. Program Specialist*
- Ms. Jean Hernandez, *Field Office Supervisor*
- Mr. Patrick Stanley, *Chief Auditor*
- Mr. Tony Magee, *Director of Racing Compliance &  
Modernization*
- Mr. Bobby Granger, *State Steward, Delta Downs*
- Mr. Charles Ashy, *State Steward, EVD/FG*
- Mr. Frank Rudis, *State Steward, LaD*
- Mr. Charles Gardiner, *Director of Policy & Procedure*
- Ms. Stephanie Matthews, *Program Manager*
- Dr. Catherine Mauberret, *Equine Medical Director*
- Mr. Nathan Broussard, *Horse Racing Activity  
Investigator*

**STATE POLICE**

- State Police Staff

## I. ASSOCIATION REQUESTS/REPORTS

**A. BOYD RACING, LLC d/b/a DELTA DOWNS RACETRACK, CASINO & HOTEL**  
1. **PROGRESS REPORT**

**B. THE OLD EVANGELINE DOWNS, LLC**  
d/b/a **EVANGELINE DOWNS RACETRACK & CASINO**  
1. **PROGRESS REPORT**

**2026 THOROUGHBRED MEET**

**2. REQUEST BY EVANGELINE DOWNS, LLC TO AMEND RACING DATES APPROVED ON AUGUST 29, 2025 (R.S. 4:158A) TO REMOVE 3 RACE DAYS TOTAL (Changes highlighted and in bold)**

**a. Approval for 2026 thoroughbred meet:**

1. Thoroughbred racing on the flat.
2. **76 73** thoroughbred race dates (04/04/26 through 09/07/26):
 

April	3,4,8,9,10,11,15,16,17,18,22,23,24,25,29,30
May	1,2,6,7,8,9,13,14,15,16,20,21,22,23,28,29,30
June	4,5,6,11,12,13,18,19,20,25,26,27
July	2,3,4,9,10,11,16,17,18,23,24,25,30,31
August	1,6,7,8,13,14,15,20,21,22,27,28,29,31
September	3,4,5,7
3. Hold a minimum of 8.5 thoroughbred races daily.
4. Daily post time 5:30 PM.

**3. REQUEST BY EVANGELINE DOWNS, LLC TO AMEND WAGERING APPROVED ON AUGUST 29, 2025 (R.S. 4:158A)**

- a. Approval of new Jackpot Pick 6 wagering format for 2026 thoroughbred meet.**

**C. CHURCHILL DOWNS INVESTMENT COMPANY, LLC**  
d/b/a **FAIR GROUNDS RACE COURSE & SLOTS**  
1. **PROGRESS REPORT**

**D. LOUISIANA DOWNS INVESTMENT COMPANY, LLC  
d/b/a LOUISIANA DOWNS CASINO & RACETRACK**

**1. PROGRESS REPORT**

**2026 QUARTER HORSE MEET**

**2. REQUEST BY LOUISIANA DOWNS, LLC TO AMEND RACING DATES APPROVED ON NOVEMBER 17, 2025 (R.S. 4:158A) TO MAKE UP FOR WEATHER-RELATED CLOSURES (Changes highlighted and in bold)**

- a. **Approval** for 2026 quarter horse meet:
  - 1. Quarter horse racing on the flat.
  - 2. 26 quarter horse race dates (1/12/26 through 3/28/26):
    - January 12,13,19,20,**26,27**
    - February 2,3,9,10,16,17,**23,24**
    - March 5,6,7,**8**,12,13,14,19,20,21,**25**,26,27,28
  - 3. Hold a minimum of 7 live quarter horse races daily.
  - 4. Daily post time 1:35 pm, with the following exception:  
12:45 PM on Tuesday, February 24, 2026.

**3. RACES**

- a. **Ratification** of first condition book for 2026 quarter horse meet.

**4. STEWARDS, OFFICIALS & MANAGEMENT**

- a. **Approval** of officials for 2026 quarter horse meet:
  - Roxanne Tanner – Director of Racing
  - Stuart Slagle – Racing Secretary
  - Whitney Pellerito – Assistant Racing Secretary
  - Cynthia “Red” Menard – Paddock Judge
  - Nannette Welch – Horse Identifier
  - Whitney Pellerito – Program Coordinator/Claims Clerk
  - Jacque Bohannon – Placing Judge/Entry Clerk
  - Kenneth Loggins – Placing Judge/Entry Clerk
  - Gilbert Ortiz – Clerk of Scales
  - \*Sarah Watson – Clocker
  - Jimmy Cordell – Starter
  - Natalie Ardoin – Stall Superintendent
  - Melvin Holland – Association Steward
  - Charles T. McGee – Association Steward
  - Willie Lavergne – Outrider
  - Kevin Melancon – Outrider
  - Billy McKeever – Track Superintendent
  - \*New Official*

**2026 THOROUGHBRED MEET**

**5. REQUEST BY LOUISIANA DOWNS, LLC TO AMEND RACING DATES APPROVED ON AUGUST 28, 2025 (R.S. 4:158A) TO REMOVE 21 DAYS TOTAL (Changes highlighted and in bold)**

- a. **Approval** for 2026 thoroughbred meet:
  - 1. Thoroughbred racing on the flat.
  - 2. **76 55** thoroughbred race dates (05/02/26 through 09/30/26):
    - May 2,~~3~~,4,5,~~10~~,11,12,16,~~17~~,18,19,~~24~~,25,26,~~31~~
    - June ~~1~~,2,~~3~~,4,5,8,9,~~10~~,11,~~12~~,13,15,16,~~17~~,18,~~19~~,22,23,~~24~~,~~25~~,~~26~~,~~29~~,30
    - July ~~3~~,4,5,6,7,~~12~~,~~13~~,14,15,~~19~~,20,21,22,~~26~~,27,28,29
    - August ~~2~~,3,4,5,9,10,11,~~12~~,~~16~~,17,18,~~19~~,~~23~~,24,25,~~26~~,~~30~~,~~31~~
    - September ~~1~~,2,~~5~~,6,7,8,9,~~12~~,14,15,16,19,~~20~~,21,22,23,~~27~~,28,29,30
  - 3. Hold a minimum of 7 live thoroughbred races daily.
  - 4. Daily post time 4:05 PM.

**II. HBPA**

**A. LOUISIANA HORSEMEN’S BENEVOLENT AND PROTECTIVE ASSOCIATION (LAHBPA)**

**1. PROGRESS REPORT**

### III. BREEDER UPDATES

#### A. LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION (LTBA)

##### 1. PROGRESS REPORT

#### B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)

##### 1. PROGRESS REPORT

### IV. RULE

#### A. FORMAL ADOPTION:

1. LAC 35:XV.Chapter 126 – Offtrack Wagering in Sports Book Lounge [NEW]

### V. ADJUDICATIONS

#### A. VIOLATION OF LAC § 35:V.7901 (Careless Riding)

1. **Isaac Castillo, Jockey** *(Adjudication Appealed)*  
Ruling #FG 26304 of 01/17/26 Careless Riding

#### B. VIOLATIONS OF LA. R.S. § 4:175 & LAC § 35:I.1705, *et seq.* (Electrical Device)

1. **Ricardo Hernandez, Jr., Jockey** *(Adjudication Referred & Appealed)*  
Ruling #DD 25965 of 06/04/25 Possession of Electrical Device  
*\*Continued from November 17, 2025 Commission Meeting.*  
Attorney – Allyson Melancon

2. **Martin Osuna, Jockey** *(Adjudication Referred)*  
Ruling #ED 25705 of 12/04/24 Possession of Electrical Device  
*\*Continued from November 17, 2025 Commission Meeting.*

#### C. VIOLATIONS OF LAC § 35:I.1797 (Equine Positives)

1. **Patrick L. Clemons, Trainer** *(Adjudication Referred)*  
Ruling #ED 26231 of 12/03/25 Methylprednisolone (ARCI Category IV Ordinary – 4<sup>th</sup> Violation in 12 Months)
2. **Renato Contreras, Trainer** *(Adjudication Referred)*  
Ruling #ED 26262 of 12/20/25 Dexamethasone (ARCI Category IV – Gross)
3. **Lazaro Cribeiro, Trainer** *(Adjudication Referred)*  
Ruling #ED 26230 of 12/03/25 Boldenone (ARCI Category III)
4. **Lanny D. Keith, Trainer** *(Adjudication Referred & Appealed)*  
Ruling #DD 26140 of 09/12/25 Albuterol (ARCI Category III)  
*\*Continued from November 17, 2025 Commission Meeting.*  
Attorney – Eddie Guidry
5. **John. E. Norwood, Jr., Trainer** *(Adjudications Referred)*  
Ruling #ED 26201 of 11/12/25 Albuterol (ARCI Category III)  
Ruling #ED 26202 of 11/12/25 Albuterol (ARCI Category III)
6. **Eric Palacio, Trainer** *(Adjudication Referred)*  
Ruling #ED 26237 of 12/10/25 Clenbuterol (ARCI Category III)
7. **Julio Ramirez, Trainer** *(Adjudication Referred)*  
Ruling #ED 26190 of 10/31/25 Zeranol (ARCI Category IV)  
Taleranol (ARCI Category IV)  
Zearalanone (ARCI Category IV)

#### D. VIOLATIONS OF LAC § 35:I.303 (Impermissible Conduct)

1. **Martin Osuna, Jockey** *(Adjudication Referred)*  
Ruling #ED 25706 of 12/04/24 Impermissible Conduct  
*\*Continued from November 17, 2025 Commission Meeting.*

- 2. **Brison J. Thibodeaux, Exercise Person** *(Adjudication Referred)*  
Ruling #FG 25843 of 03/09/25 Impermissible Conduct  
Ruling #ED 26047 of 07/10/25 Impermissible Conduct  
*\*Continued from November 17, 2025 Commission Meeting.*

**E. VIOLATION OF LAC § 35:I.1743 (Possession of Drugs, Syringes or Needles)**

- 1. **Thomas W. Nixon, Trainer** *(Adjudication Appealed)*  
Ruling #DD 26260 of 12/19/25 Possession of Syringes

**F. STEWARDS' DECISION NOT TO DISQUALIFY HORSE**

**LAC 35:V.7901, et seq. (Right to the Track; Swerve)**

- 1. **Maria De Jesus Rios Carlos** *(Adjudication Appealed)*  
Fair Grounds, Race 4, 01/18/26  
Appeal of Stewards' decision not to disqualify *Time to Party* in the 4<sup>th</sup> race on January 18, 2026, at Fair Grounds.

**VI. ADJOURNMENT**

**FORMAL ADOPTION**  
**Office of the Governor**  
**Division of Administration**  
**Racing Commission**

Offtrack Wagering in Sports Book Lounge (LAC 35:XV.Chapter 126)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 4:148, notice is hereby given that the Racing Commission proposes to adopt LAC 35:XV.Chapter 126. The proposed rule change would enact administrative rules and requirements in order for sports book lounges to operate pari-mutuel wagering per the authority granted by and requirements included in R.S. 4:213.

**Title 35**  
**HORSE RACING**  
**Part XV. Off-Track Wagering**

**Chapter 126. Offtrack Wagering in Sports Book Lounge**

**§12601. Plan of Operations for Sports Book Lounge**

A. Pursuant to R.S. 4:213(B), an association licensed by the Commission, who is the primary licensee operating at a pari-mutuel facility, who seeks to offer pari-mutuel wagering in the retail sports book lounge of a host entity, as defined in R.S. 4:211, shall first apply for an offtrack wagering facility license in accordance with racing laws including, but not limited to, R.S. 4:213 and 4:214. The association shall submit its agreement with the respective host entity to the Commission as part of the offtrack wagering license application. The agreement shall be subject to approval by the Commission and Louisiana Gaming Control Board, prior to the approval of the application and offering offtrack wagering in a sports book lounge of a host entity.

B. Pursuant to R.S. 4:213(C), an association who holds a pari-mutuel live racing license, an offtrack wagering facility license, and a license, as defined in La. R.S. 27:353, for its eligible facility who seeks to offer pari-mutuel wagering in its retail sports book lounge shall petition the Commission and Louisiana Gaming Control Board prior to offering pari-mutuel wagering in its sports book lounge. The petition shall include its proposed plan of operation, which shall be subject to approval by the Commission and Louisiana Gaming Control Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12603. Agreement for Sports Book Lounge**

A. The agreement required by R.S. 4:213(B) and LAC 35:XV.12601.A shall be in accordance with R.S. 4:213(B) and shall include, at a minimum, the following detailed terms:

1. The agreement shall explicitly state that all pari-mutuel wagering shall be conducted within the physical confines of the host entity's retail sports book lounge licensed in accordance with R.S. 27:601 et seq.;

2. A detailed proposed plan of design, including:

- a. architect's rendering of floor plan and picture of the proposed pari-mutuel area in the sports book lounge;
- b. placement of pari-mutuel self-betting terminals in the sports book lounge;
- c. placement of pari-mutuel teller stands in the sports book lounge; and
- d. placement of pari-mutuel cages in the sports book lounge;

3. The agreement shall contain a definitive statement that both the licensed association and the host entity shall, at all times, comply with the provisions of R.S. Titles 4 and 27 and any and all rules, regulations, and directives issued by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division;

4. The agreement shall include a provision requiring that all pari-mutuel wagers shall be maintained in a separate and distinct account from all other sports wagers and other funds of the host entity;

a. The agreement must describe the accounting system and software that will be utilized in order to ensure the separation of funds.

5. The agreement shall grant the Louisiana State Police, Gaming Enforcement Division and any authorized representative of the Commission or the Louisiana Gaming Control Board immediate and unrestricted access to all files, records, documents, film, tape, financial statements, and all data and information related to the pari-mutuel wagering operations. This includes, but is not limited to:

a. Surveillance footage from all cameras that monitor the retail sports book lounge and pari-mutuel wagering areas;

b. Access to all personnel and personnel information involved in pari-mutuel wagering operations; and

c. Ability to conduct audits of the accounting system and software;

6. The agreement shall specify and include a detailed calculation of the compensation payments to the host entity in consideration for hosting, as required by La. R.S. 4:213(B)(3)(e) and shall specify the schedule for payments and method of payments in the agreement;

7. The agreement must clearly outline the process for the distribution of all commissions, fees, and other distributions as specified in Chapter 4 of R.S. Title 4; and

8. The agreement shall include any other provisions or requirements as determined by the Commission, Louisiana Gaming Control Board, and Louisiana State Police, Gaming Enforcement Division.

B. After the agreement is approved by the Commission, the association and host entity must petition the Louisiana Gaming Control Board for consideration of the agreement and any modifications to the retail sports book lounge. The Commission's approval of the offtrack wagering license application and the conduct of offtrack pari-mutuel wagering as specified in the

agreement shall be subject to the Louisiana Gaming Control Board's approval of the agreement and any changes to the retail sports book lounge.

C. The association shall comply with all requests for information or additional documentation as requested and required by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12605. Plan of Operations**

A. The plan of operation required by R.S. 4:213(C) and LAC 35:XV.12601.B shall be in accordance with R.S. 4:213(B) and shall include, at a minimum:

1. Identifying information, including:
  - a. name of licensed offtrack wagering establishment;
  - b. name of licensed sports book lounge in which pari-mutuel offtrack wagering is planned to be offered;
  - c. federal tax identification number of offtrack wagering licensee;
  - d. parish of establishment;
  - e. physical address of establishment; and
  - f. mailing address, if different from physical address.
2. A detailed proposed plan of design, including:
  - a. architect's rendering of floor plan and picture of the proposed pari-mutuel area in the sports book lounge;
  - b. placement of pari-mutuel self-betting terminals in the sports book lounge;
  - c. placement of pari-mutuel teller stands in the sports book lounge; and
  - d. placement of pari-mutuel cages in the sports book lounge;
3. Days and hours of operation each week;
4. Lounge operations, including:
  - a. name of the company that operates the retail sports book lounge and their address, telephone number, and email;
  - b. list of names, addresses, telephone numbers, and emails of all vending machine companies and the services provided; and
  - c. copies of all contracts, leases and agreements, whether written or oral.
5. Offtrack pari-mutuel wagering operations, including:
  - a. name, address, telephone number, and email of the totalizator company employed;
  - b. name, address, telephone number, and email of the satellite service company employed;

- c. listing of all racetrack simulcast signals and copies of agreements;
- d. listing of all account wagering centers (ADWs) that will operate in the sports book lounge and copies of agreements;
- e. policy and procedures for accounting and maintaining offtrack pari-mutuel wagers separate from all sports wagers in sports book lounge;
- f. list of all known employees of the association who will be assigned to the pari-mutuel wagering area of the sport book lounge, their duties, and copy of their commission licenses;
- g. proposed employee positions required to operate the pari-mutuel wagering in the sports book lounge; and
- h. policy and procedures for internal auditing of all proceeds from pari-mutuel wagering in sports book lounge.

6. All provisions required by R.S. Title 4, including, but not limited to:

- a. Offtrack pari-mutuel wagering in the sports book lounge shall be conducted under the provisions of Chapter 4 of R.S. Title 4;
- b. Offtrack pari-mutuel wagers placed in the sports book lounge shall be maintained and accounted separate and distinct from all other sports wagers placed in the sports book lounge; and
- c. The gaming division of the office of state police shall have access to all files, records, documents, film, tape, including surveillance tape, and any other information and personnel necessary to determine compliance with all gaming laws, rules, and regulations on gaming activities and operations under the commission's jurisdiction or the Louisiana Gaming Control Board's jurisdiction.

B. After the plan of operation is approved by the Commission, the association must petition the Louisiana Gaming Control Board for consideration of the agreement and any modifications to the retail sports book lounge. The Commission's approval of the plan of operation and the conduct of off-track pari-mutuel wagering in the retail sports book lounge shall be subject to the Louisiana Gaming Control Board's approval of the plan of operations and any changes to the retail sports book lounge.

C. The association shall comply with all requests for information or additional documentation as requested and required by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12607. Pari-Mutuel Self-Betting Terminals in Sports Book Lounges**

A. The licensed association may install and operate a self-service betting terminal, specifically for the use of pari-mutuel wagering only, in the retail sports book lounge. Any self-betting terminal may be allowed in the designated retail sports book lounge areas of: the host entity, pursuant to the agreement; or the association that holds an offtrack wagering facility license and also holds a license per R.S. 27:353, pursuant to its plan of operation.

B. Each self-betting terminal for pari-mutuel wagering must be a fixed, self-service device. Additionally it must be marked and identifiable as being solely used for pari-mutuel wagering only. The display on said self-betting terminal and user interface must display only horse racing and must not offer any sports wagering activity.

C. The self-betting terminals must be in compliance and operate in accordance with agreement per LAC 35:XV.12603 or plan of operations per LAC 35:XV.12605 that is submitted and approved by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12609. Teller Stands**

A. Each teller stand used for pari-mutuel wagering must be physically separate and distinguishable from the teller windows used for sports wagering.

B. Each teller stand must be in a location that has continuous surveillance by the host entity's surveillance system. All surveillance recordings must be maintained and made available to the Louisiana State Police, Gaming Enforcement Division, and/or the Commission upon request.

C. All individuals operating a pari-mutuel teller stand must be at least 18 years of age and hold a valid license from the Commission.

D. All pari-mutuel transactions must be processed through an approved pari-mutuel terminal.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12611. Separation of Employee Duties**

A. No employee shall be licensed or authorized to perform pari-mutuel, casino, and sports wagering duties.

B. An individual employed by the licensed association including, but not limited to, pari-mutuel managers, calculators, supervisors, tellers, and any other persons as designated by the Commission shall not engage in any of the host entity's sports wagering operation or vice versa.

C. The job description and internal controls for employees needs to be limited to their respective wagering type.

D. The licensed association shall ensure that its pari-mutuel employees are working in areas designated for pari-mutuel wagering operations, and the host entity shall ensure that its sports wagering employees are working in areas that are designated for sports wagering. Additionally, while both may be within the same lounge, they must maintain separate work stations, terminals, machine maintenance, and cash handling procedures.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12613. Required Annual Audits**

A. The licensed association shall conduct annual financial audits to ensure compliance with racing laws and regulations. In addition to annual audits, the licensed association shall commence and complete a special audit upon the request of the Commission, Louisiana Gaming Control Board, or Louisiana State Police, Gaming Enforcement Division. All audits shall be made available to the Commission, Louisiana Gaming Control Board, or Louisiana State Police, Gaming Enforcement Division upon request in a timely manner.

B. The licensed association shall comply with pari-mutuel reporting requirements per LAC 35:III.12351 for its offtrack pari-mutuel wagering in a sports book lounge.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12615. Records to be Maintained**

A. Each association shall maintain complete records of all pari-mutuel wagering transactions, including the amounts wagered at each self-betting terminal.

B. A copy of the wagering records shall be retained and safeguarded for a period of not less than 5 years and shall not be destroyed without the prior written permission of the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

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**FORMAL ADOPTION**  
**(Attached with Non-Substantive Changes from Notice of Intent)**  
**Office of the Governor**  
**Division of Administration**  
**Racing Commission**

Offtrack Wagering in Sports Book Lounge (LAC 35:XV.Chapter 126)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 4:148, notice is hereby given that the Racing Commission proposes to adopt LAC 35:XV.Chapter 126. The proposed rule change would enact administrative rules and requirements in order for sports book lounges to operate pari-mutuel wagering per the authority granted by and requirements included in R.S. 4:213.

**Title 35**  
**HORSE RACING**  
**Part XV. Off-Track Wagering**

**Chapter 126. Offtrack Wagering in Sports Book Lounge**

**§12601. Plan of Operations for Sports Book Lounge**

A. Pursuant to R.S. 4:213(B), an association licensed by the Commission, who is the primary licensee operating at a pari-mutuel facility, who seeks to offer pari-mutuel wagering in the retail sports book lounge of a host entity, as defined in R.S. 4:211, shall first apply for an offtrack wagering facility license in accordance with racing laws including, but not limited to, R.S. 4:213 and 4:214. The association shall submit its agreement with the respective host entity to the Commission as part of the offtrack wagering license application. The agreement shall be subject to approval by the Commission and Louisiana Gaming Control Board, prior to the approval of the application and offering offtrack wagering in a sports book lounge of a host entity.

B. Pursuant to R.S. 4:213(C), an association who holds a pari-mutuel live racing license, an offtrack wagering facility license, and a license, as defined in La. R.S. 27:353, for its eligible facility who seeks to offer pari-mutuel wagering in its retail sports book lounge shall petition the Commission and Louisiana Gaming Control Board prior to offering pari-mutuel wagering in its sports book lounge. The petition shall include its proposed plan of operation, which shall be subject to approval by the Commission and Louisiana Gaming Control Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12603. Agreement for Sports Book Lounge**

A. The agreement required by R.S. 4:213(B) and LAC 35:XV.12601.A shall be in accordance with R.S. 4:213(B) and shall include, at a minimum, the following detailed terms:

1. The agreement shall explicitly state that all pari-mutuel wagering shall be conducted within the physical confines of the host entity's retail sports book lounge licensed in accordance with R.S. 27:601 et seq.;

2. A detailed proposed plan of design, including:

- a. architect's rendering of floor plan and picture of the proposed pari-mutuel area in the sports book lounge;
- b. placement of pari-mutuel self-betting terminals in the sports book lounge;
- c. placement of pari-mutuel teller stands in the sports book lounge; and
- d. placement of pari-mutuel cages in the sports book lounge;

3. The agreement shall contain a definitive statement that both the licensed association and the host entity shall, at all times, comply with the provisions of R.S. Titles 4 and 27 and any and all rules, regulations, and directives issued by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division;

4. The agreement shall include a provision requiring that all pari-mutuel wagers shall be maintained in a separate and distinct account from all other sports wagers and other funds of the host entity;

a. The agreement must describe the accounting system and software that will be utilized in order to ensure the separation of funds.

5. The agreement shall grant the Louisiana State Police, Gaming Enforcement Division and any authorized representative of the Commission or the Louisiana Gaming Control Board immediate and unrestricted access to all files, records, documents, film, tape, financial statements, and all data and information related to the pari-mutuel wagering operations. This includes, but is not limited to:

a. Surveillance footage from all cameras that monitor the retail sports book lounge and pari-mutuel wagering areas;

b. Access to all personnel and personnel information involved in pari-mutuel wagering operations; and

c. Ability to conduct audits of the accounting system and software;

6. The agreement shall specify and include a detailed calculation of the compensation payments to the host entity in consideration for hosting, as required by La. R.S. 4:213(B)(3)(e) and shall specify the schedule for payments and method of payments in the agreement;

7. The agreement must clearly outline the process for the distribution of all commissions, fees, and other distributions as specified in Chapter 4 of R.S. Title 4; and

8. The agreement shall include any other provisions or requirements as determined by the Commission, Louisiana Gaming Control Board, and Louisiana State Police, Gaming Enforcement Division.

B. After the agreement is approved by the Commission, the association and host entity must petition the Louisiana Gaming Control Board for consideration of the agreement and any modifications to the retail sports book lounge. The Commission's approval of the offtrack wagering license application and the conduct of offtrack pari-mutuel wagering as specified in the

agreement shall be subject to the Louisiana Gaming Control Board's approval of the agreement and any changes to the retail sports book lounge.

C. The association shall comply with all requests for information or additional documentation as requested and required by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12605. Plan of Operations**

A. The plan of operation required by R.S. 4:213(C) and LAC 35:XV.12601.B shall be in accordance with R.S. 4:213(B) and shall include, at a minimum:

1. Identifying information, including:
  - a. name of licensed offtrack wagering establishment;
  - b. name of licensed sports book lounge in which pari-mutuel offtrack wagering is planned to be offered;
  - c. federal tax identification number of offtrack wagering licensee;
  - d. parish of establishment;
  - e. physical address of establishment; and
  - f. mailing address, if different from physical address.
2. A detailed proposed plan of design, including:
  - a. architect's rendering of floor plan and picture of the proposed pari-mutuel area in the sports book lounge;
  - b. placement of pari-mutuel self-betting terminals in the sports book lounge;
  - c. placement of pari-mutuel teller stands in the sports book lounge; and
  - d. placement of pari-mutuel cages in the sports book lounge;
3. Days and hours of operation each week;
4. Lounge operations, including:
  - a. name of the company that operates the retail sports book lounge and their address, telephone number, and email;
  - b. list of names, addresses, telephone numbers, and emails of all vending machine companies and the services provided; and
  - c. copies of all contracts, leases and agreements, whether written or oral.
5. Offtrack pari-mutuel wagering operations, including:
  - a. name, address, telephone number, and email of the totalizator company employed;
  - b. name, address, telephone number, and email of the satellite service company employed;

- c. listing of all racetrack simulcast signals and copies of agreements;
- d. listing of all account wagering centers (ADWs) that will operate in the sports book lounge and copies of agreements;
- e. policy and procedures for accounting and maintaining offtrack pari-mutuel wagers separate from all sports wagers in sports book lounge;
- f. list of all known employees of the association who will be assigned to the pari-mutuel wagering area of the sport book lounge, their duties, and copy of their commission licenses;
- g. proposed employee positions required to operate the pari-mutuel wagering in the sports book lounge; and
- h. policy and procedures for internal auditing of all proceeds from pari-mutuel wagering in sports book lounge.

6. All provisions required by R.S. Title 4, including, but not limited to:

- a. Offtrack pari-mutuel wagering in the sports book lounge shall be conducted under the provisions of Chapter 4 of R.S. Title 4;
- b. Offtrack pari-mutuel wagers placed in the sports book lounge shall be maintained and accounted separate and distinct from all other sports wagers placed in the sports book lounge; and
- c. The gaming division of the office of state police shall have access to all files, records, documents, film, tape, including surveillance tape, and any other information and personnel necessary to determine compliance with all gaming laws, rules, and regulations on gaming activities and operations under the commission's jurisdiction or the Louisiana Gaming Control Board's jurisdiction.

B. After the plan of operation is approved by the Commission, the association must petition the Louisiana Gaming Control Board for consideration of the agreement and any modifications to the retail sports book lounge. The Commission's approval of the plan of operation and the conduct of off-track pari-mutuel wagering in the retail sports book lounge shall be subject to the Louisiana Gaming Control Board's approval of the plan of operations and any changes to the retail sports book lounge.

C. The association shall comply with all requests for information or additional documentation as requested and required by the Commission, the Louisiana Gaming Control Board, and the Louisiana State Police, Gaming Enforcement Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12607. Pari-Mutuel Self-Betting Terminals in Sports Book Lounges**

A. The licensed association may install and operate a self-service betting terminal, specifically for the use of pari-mutuel wagering only, in the retail sports book lounge. Any self-betting terminal may be allowed in the designated retail sports book lounge areas of: the host entity, pursuant to the agreement; or the association that holds an offtrack wagering facility license and also holds a license per R.S. 27:353, pursuant to its plan of operation.

B. Each self-betting terminal for pari-mutuel wagering must be a fixed, self-service device. Additionally it must be marked and identifiable as being solely used for pari-mutuel wagering only. The display on said self-betting terminal and user interface must display only horse racing and must not offer any sports wagering activity.

C. The self-betting terminals must be in compliance and operate in accordance with agreement per LAC 35:XV.12603 or plan of operations per LAC 35:XV.12605 that is submitted and approved by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12609. Teller Stands**

A. Each teller stand used for pari-mutuel wagering must be physically separate and distinguishable from the teller windows used for sports wagering.

B. Each teller stand must be in a location that has continuous surveillance by the host entity's surveillance system. All surveillance recordings must be maintained and made available to the Louisiana State Police, Gaming Enforcement Division, and/or the Commission upon request.

C. All individuals operating a pari-mutuel teller stand must be at least 18 years of age and hold a valid license from the Commission.

D. All pari-mutuel transactions must be processed through an approved pari-mutuel terminal.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

### **§12611. Separation of Employee Duties**

A. Any person designated by the Commission shall not engage in any of the host entity's sports wagering operation or vice versa.

B. The job description and internal controls for employees needs to be limited to respective wagering types.

C. The licensed association shall ensure that its pari-mutuel employees are working in areas designated for pari-mutuel wagering operations, and the host entity shall ensure that its sports wagering employees are working in areas that are designated for sports wagering. Additionally, while both may be within the same lounge, they must maintain separate work stations, terminals, machine maintenance, and cash handling procedures.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12613. Required Annual Audits**

A. The licensed association shall conduct annual financial audits to ensure compliance with racing laws and regulations. In addition to annual audits, the licensed association shall commence and complete a special audit upon the request of the Commission, Louisiana Gaming Control Board, or Louisiana State Police, Gaming Enforcement Division. All audits shall be made available to the Commission, Louisiana Gaming Control Board, or Louisiana State Police, Gaming Enforcement Division upon request in a timely manner.

B. The licensed association shall comply with pari-mutuel reporting requirements per LAC 35:III.12351 for its offtrack pari-mutuel wagering in a sports book lounge.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

**§12615. Records to be Maintained**

A. Each association shall maintain complete records of all pari-mutuel wagering transactions, including the amounts wagered at each self-betting terminal.

B. A copy of the wagering records shall be retained and safeguarded for a period of not less than 5 years and shall not be destroyed without the prior written permission of the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:147 and R.S. 4:213.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Racing Commission LR

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