

PUBLIC PROTECTION CABINET
Kentucky Horse Racing Commission
(Amended at ARRS Committee)

809 KAR 10:008. Disciplinary actions and hearings.

RELATES TO: KRS Chapter 230

STATUTORY AUTHORITY: KRS 230.260(16), 230.361

NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.260(16) requires the commission to "promulgate administrative regulations to establish standards for the conduct of sports wagering." KRS 230.361 states the "racing commission shall promulgate administrative regulations to establish a fully functioning sports wagering system...." This administrative regulation establishes procedures and grounds for disciplinary actions, imposing sanctions, investigating suspected violations, providing notice of disciplinary actions, and requesting and conducting an administrative hearing.

Section 1. Grounds for Disciplinary Actions.

- (1) The racing commission may take disciplinary action against any person holding a license for a violation of any of the provisions of KRS Chapter 230 or KAR Titles 809 and 810, by the licensee or its employees or agents.
- (2) Acceptance or renewal of a license by a licensee shall constitute an agreement on the part of the license-holder to comply with KRS Chapter 230 and KAR Titles 809 and 810.

Section 2. Violations.

- (1) It shall be a violation of this administrative regulation if an applicant or licensee:
 - (a) Provides the racing commission, any advisory committee, or any racing commission employee with incorrect, false, or misleading information;
 - (b) Fails to submit information requested by the racing commission, any advisory committee, or any racing commission employee pursuant to KRS Chapter 230 or KAR Titles 809 or 810;
 - (c) Is charged or convicted of a crime:
 1. Involving moral turpitude;
 2. That constitutes a felony;
 3. Involving sports wagering;
 4. Of cruelty, mistreatment, abuse, or neglect of a horse; or
 5. That discredits or tends to discredit the Commonwealth of Kentucky, sports wagering, or the gaming industry;
 - (d) Engages in conduct that is against the best interests of horse racing, pari-mutuel wagering, or sports wagering; or
 - (e) Violates any provision of KRS Chapter 230 or KAR Titles 809 or 810.
- (2) For any violation established in subsection (1) of this section, the racing commission may:
 - (a) Deny a license application;
 - (b) Suspend or revoke a license;
 - (c) Issue a fine or monetary penalty pursuant to 810 KAR 8:030, Section 10(1)(d);
 - (d) Issue licensure conditions, such as restitution of money, restitution of property, or making periodic reports to the racing commission or designee as required; or
 - (e) Issue a written reprimand or admonishment.

Section 3. Disciplinary Process Investigations.

- (1) The racing commission shall investigate suspected violations of KRS Chapter 230 and KAR Titles 809 and 810 of the Kentucky Administrative Regulations.

(2) Upon the completion of the investigation, the person or persons completing the investigation shall submit a written report to the commission containing a statement of facts revealed by the investigation.

(3) Based on consideration of the investigative report, the commission shall determine if there is probable cause to believe that a violation has been committed.

Section 4. Notice of Disciplinary Action and Appeals.

(1) Upon determination that probable cause exists, the commission shall issue written notice of disciplinary action. The notice shall establish:

(a) The statutory or regulatory violation;

(b) The factual basis on which the disciplinary action is based;

(c) The penalty; and

(d) A statement that the notice may be appealed and that an appeal shall be in accordance with KRS Chapter 13B by written notice sent to the racing commission within twenty (20) calendar days.

(2) Notice of a disciplinary action under this section may be appealed to an administrative hearing.

(3) A written request for an administrative hearing shall be filed with the racing commission within twenty (20) calendar days of the date of the notice. The request shall identify the specific issues in dispute and the legal basis on which the racing commission's or designee's decision on each issue is believed to be erroneous.

(4) An administrative hearing under this section shall be conducted in accordance with KRS Chapter 13B.

(5) If the request for an administrative hearing is not timely filed as established in subsection (3) of this section, the penalty stated in the notice of disciplinary action shall be effective upon the expiration of the time to request an administrative hearing.

(6) Denial of an application for licensure may also be appealed. An appeal shall be in accordance with KRS Chapter 13B, by submitting a written request for an administrative hearing to the racing commission within twenty (20) calendar days of the date of the notice of denial.

(50 Ky.R. 569, 1526; eff. 4-2-2024.)

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