

7873.0550 DISTRIBUTION OF PURSE MONEY.

Subpart 1. **Purse amounts.** Purse amounts must be set pursuant to Minnesota Statutes, section 240.13, subdivision 5. In making the distribution of purse money, an association must, to the extent possible, maintain purse amounts in proper relationship to actual pari-mutuel handles.

Subp. 2. **Adjustments to purses.** Should the levels of pari-mutuel handle create overpayment or underpayment of purses paid during the course of the race meeting, the association must make adjustments in each publication of its condition book to attempt to keep purses consistent with mutuel handles.

Subp. 3. **Overpayments carried over.** If, at the end of each race meeting, an overpayment of purses has occurred, the overpayment shall be adjusted by contract between the licensee and the horsepersons' organization representing the majority of horsepersons racing the breed involved at the licensee's facility. The association must make its best effort to recover the overpayment on an even basis over the course of the race meeting to prevent serious inconsistencies in purse levels during the race meeting.

Subp. 4. **Underpayments carried over.** If, at the end of a race meeting, an underpayment of purses has occurred, the underpayment shall be carried over to the next race meeting of the same breed. Such underpayment must be paid to horse owners by adding the underpayment to purses. The association must make its best effort to repay the underpayment on an even basis over the course of the race meeting to prevent serious inconsistencies in purse levels during the race meeting.

Subp. 5. **Willful underpayment.** Should the commission determine that an association willfully failed to adjust purse levels in violation of subpart 1, for the purposes of retaining purse underpayments from one race meeting to the next, the association will be subject to disciplinary action by the commission.

Subp. 6. **Segregated accounts.** All money received by an association for races that charge nominating, sustaining, entry, or starting fees must be placed in segregated interest bearing accounts, with all accrued interest added to such races if:

A. the total fees received for such a race exceed \$100,000; or

B. fees are due and payable for such a race more than 180 days in advance of the advertised date of the running of the race.

Statutory Authority: *MS s 240.03; 240.13; 240.15; 240.16; 240.18; 240.23; 240.24; 240.25*

History: *10 SR 1908; 14 SR 332; 19 SR 2307; 42 SR 1258*

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