

STATEMENTS OF POLICY

Title 4—ADMINISTRATION

PART II. EXECUTIVE BOARD

[4 PA. CODE CH. 9]

Reorganization of the Board of Probation and Parole

The Executive Board approved a reorganization of the Board of Probation and Parole effective November 13, 2006.

The organization chart at 36 Pa.B. 7292 (December 2, 2006) is published at the request of the Joint Committee on Documents under 1 Pa. Code § 3.1(a)(9) (relating to contents of Code).

(Editor's Note: The Joint Committee on Documents has found organization charts to be general and permanent in nature. This document meets the criteria of 45 Pa.C.S. § 702(7) (relating to contents of Pennsylvania Code) as a document general and permanent in nature which shall be codified in the Pennsylvania Code.)

[Pa.B. Doc. No. 06-2347. Filed for public inspection December 1, 2006, 9:00 a.m.]

PART II. EXECUTIVE BOARD

[4 PA. CODE CH. 9]

Reorganization of the Fish and Boat Commission

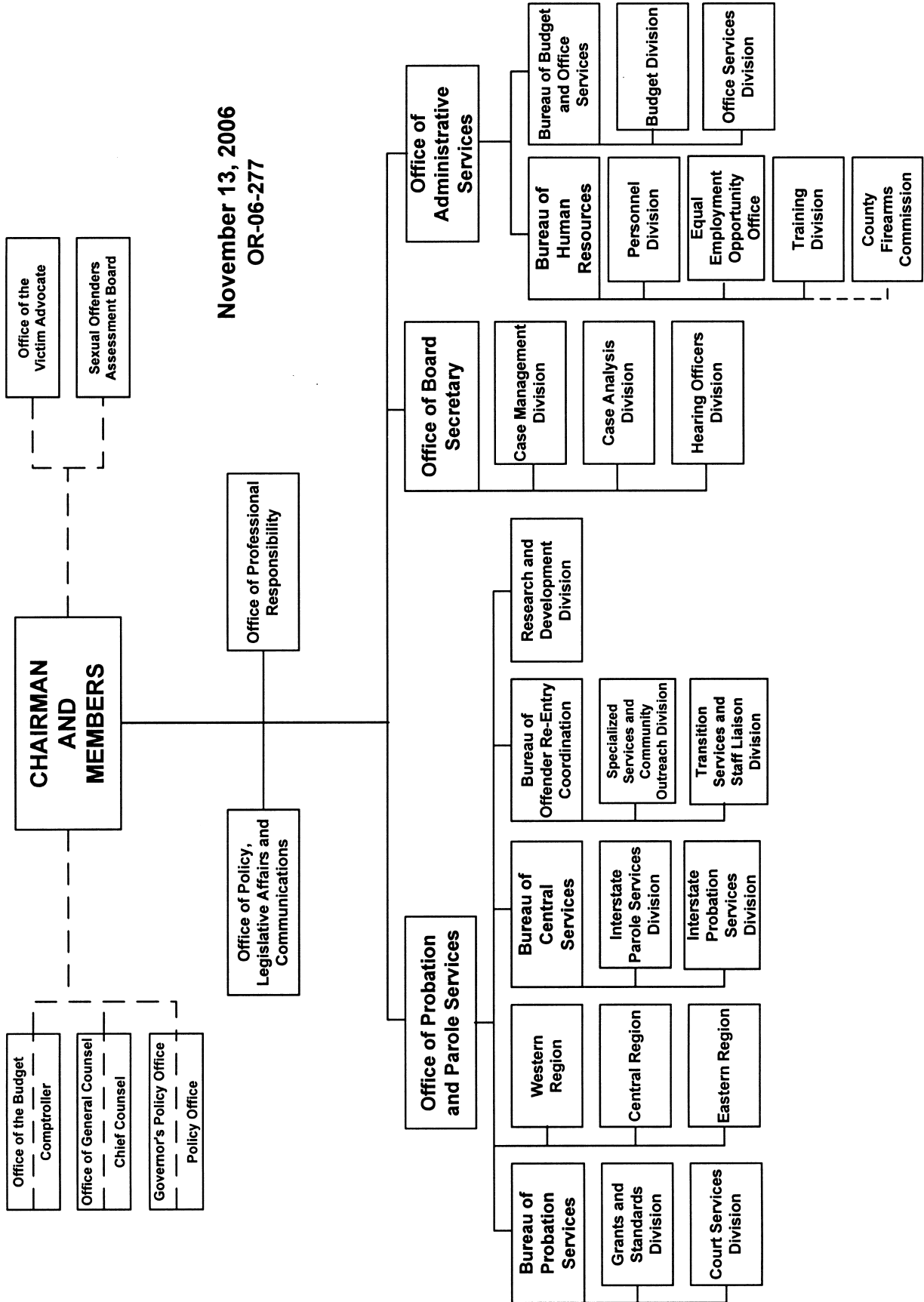
The Executive Board approved a reorganization of the Fish and Boat Commission effective November 13, 2006.

The organization chart at 36 Pa.B. 7293 (December 2, 2006) is published at the request of the Joint Committee on Documents under 1 Pa. Code § 3.1(a)(9) (relating to contents of Code).

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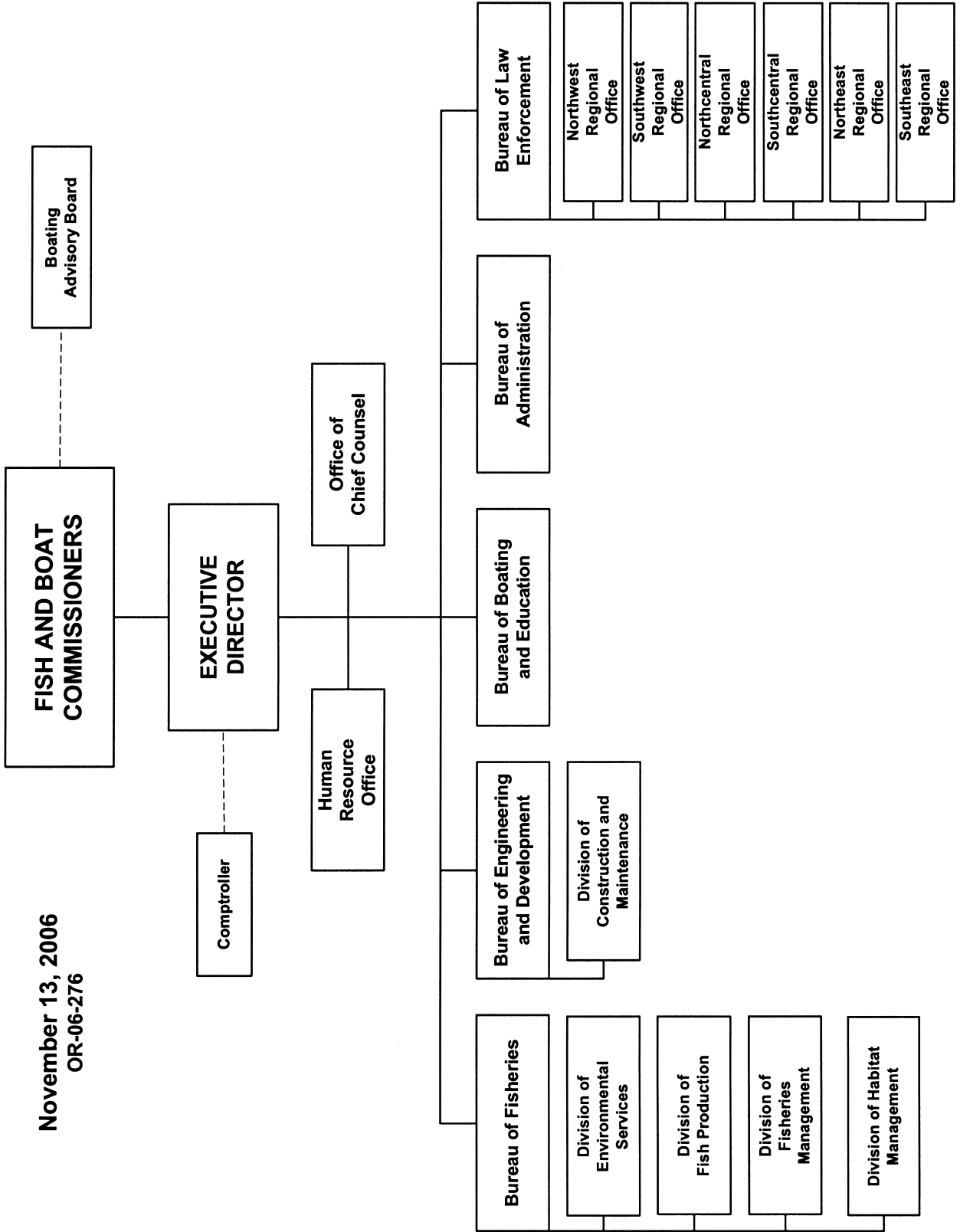
[Pa.B. Doc. No. 06-2348. Filed for public inspection December 1, 2006, 9:00 a.m.]

BOARD OF PROBATION AND PAROLE



**November 13, 2006
OR-06-277**

FISH AND BOAT COMMISSION



November 13, 2006
OR-06-276

Title 58—RECREATION

PENNSYLVANIA GAMING CONTROL BOARD

[58 PA. CODE CH. 436a]

Use of Funds Allocated to Horsemen's Organizations

The Pennsylvania Gaming Control Board (Board), at its October 25, 2006, public meeting, as required by 4 Pa.C.S. § 1406(b) (relating to distributions from Pennsylvania Race Horse Development Fund), adopted a statement of policy for the use of funds allocated to horsemen's organizations. These funds are to be used to finance programs to benefit horsemen of this Commonwealth.

Fiscal Impact

This statement of policy provides guidance to horsemen's organizations for compliance with 58 Pa. Code Chapter 436 (relating to horsemen's organizations). Since this statement of policy does not impose additional responsibilities, it does not impose costs on horsemen's organizations or the Board.

Contact Person

The contact persons for questions about this statement of policy are Richard Sandusky, Director of Regulatory Review, (717) 214-8111; and Michelle Afragola, Deputy Director of Regulatory Review, (610) 943-1338.

Effective Date

This statement of policy will take effect upon publication in the *Pennsylvania Bulletin*.

(*Editor's Note:* Title 58 of the Pa. Code is amended by adding a statement of policy in §§ 436a.1—436a.6 to read as set forth in Annex A.)

THOMAS A. DECKER,
Chairperson

Fiscal Note: 125-50. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart B. LICENSING, REGISTERING, CERTIFYING AND PERMITTING

CHAPTER 436A. USE OF FUNDS ALLOCATED TO HORSEMEN'S ORGANIZATIONS

Sec.

- 436a.1. Scope.
- 436a.2. Definitions.
- 436a.3. Responsibilities of horsemen's organizations.
- 436a.4. Audits of horsemen's organizations.
- 436a.5. Reports.
- 436a.6. Responsibilities of Category 1 licensees.

§ 436a.1. Scope.

The act requires the Board to:

(1) Establish guidelines that ensure that funds distributed from the Fund and which are allocated to horsemen's organizations, as defined by the act, are used to finance programs that benefit the horsemen of this Commonwealth. (See 4 Pa.C.S. § 1406(b) (relating to distributions from Pennsylvania Race Horse Development Fund).)

(2) Ensure that funds allocated to the horsemen's organizations are used to finance programs which benefit the horsemen of this Commonwealth. (See 4 Pa.C.S. § 1406(c).)

(3) Ensure that no more than 15% of funds available annually for benevolent programs, including pension, health and insurance plans, are used to administer the programs.

(4) Ensure that the horsemen's organizations that receive funds from the Fund file an annual audit prepared by a certified public accountant. (See 4 Pa.C.S. § 1406(e).)

(5) Approve the health and pension benefit contracts entered into by the horsemen's organizations. (See 4 Pa.C.S. § 1406(f).)

§ 436a.2. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Fund—The Pennsylvania Race Horse Development Fund.

Registered horsemen's organization—A horsemen's organization that receives funds from the Fund and which shall register with the Board under § 436.2 (relating to horsemen's organization registration).

§ 436a.3. Responsibilities of horsemen's organizations.

(a) A horsemen's organization shall register with the Board under § 436.2 (relating to horsemen's organization registration).

(b) Registered horsemen's organizations shall ensure that funds received from the Fund are used to benefit all horsemen and are kept apart from funds acquired from other sources. Funds that are allocated to horsemen's organizations for benevolent programs are not to be used for the personal benefit of any officer, director, representative or fiduciary of the horsemen's organization.

(c) Registered horsemen's organizations shall ensure that administrative costs are reasonable as required by 4 Pa.C.S. § 1406(d) (relating to distributions from Pennsylvania Race Horse Development Fund). Costs that do not exceed 15% of the annual total statutory allocation are deemed reasonable.

(d) Registered horsemen's organizations shall ensure that health and pension benefits contracts entered into by the horsemen's organizations are approved by the Board.

(e) The officers, directors, fiduciaries and representatives of a registered horsemen's organization shall file an application for a permit with the Board under § 436.3 (relating to permitting of officers, directors, representatives and fiduciaries).

(f) The officers, directors, fiduciaries and representatives of a registered horsemen's organization shall comply with §§ 436.4 and 436.5 (relating to responsibilities of horsemen's organizations, officers, directors, representatives and fiduciaries; and fiduciaries) relative to the responsibilities of the horsemen's organizations and their officers, directors, representatives and fiduciaries.

§ 436a.4. Audits of horsemen's organizations.

(a) Registered horsemen's organizations that receive funds from the Fund shall file annually, with the appropriate racing commission and the Board, an audit prepared by a certified public accountant of the funds received under 4 Pa.C.S. § 1406(e) (relating to distribu-

tions from Pennsylvania Race Horse Development Fund). Audits shall be available for public review.

(b) Audits submitted to the Board must reflect all funds received from the Fund which are used or intended to be used for purse supplements under 4 Pa.C.S. § 1406(a)(1)(i) and health and pension benefits under 4 Pa.C.S. § 1406(a)(1)(iii).

(c) Audits shall be mailed to the Pennsylvania Gaming Control Board, Attn: Director, Racetrack Gaming, P. O. Box 69060, Harrisburg, Pennsylvania 17106-9060 in sufficient time to be received no later than March 30th of each calendar year.

§ 436a.5. Reports.

(a) Registered horsemen's organizations shall file with the Board no later than the 20th day of the month following the end of each calendar quarter the following reports:

(1) Quarterly report of funds received from the Fund through the Category 1 licensee conducting live racing into the account established by and for the benefit of the horsemen under 4 Pa.C.S. § 1406(1)(a)(i) (relating to distributions from Pennsylvania Race Horse Development Fund).

(2) Quarterly report of funds distributed for purse supplements from the account established by and for the benefit of the horsemen under 4 Pa.C.S. § 1406(1)(a)(i).

(3) Quarterly report of funds received for health and pension benefits health and pension benefits under 4 Pa.C.S. § 1406(1)(a)(iii).

(b) Horsemen's organizations shall ensure that funds allocated for thoroughbred jockeys and standardbred drivers are paid as required by 4 Pa.C.S. § 1406(a)(1)(iii) and that the distribution of these proceeds is reflected in the annual audit required by 4 Pa.C.S. § 1406(e).

§ 436a.6. Responsibilities of Category 1 licensees.

(a) Category 1 licensees conducting live racing and who receive distributions from the Fund for distribution to purses shall file with the Board no later than the 20th day of the month following the end of each calendar quarter the following reports:

(1) Quarterly report of funds received from the Fund.

(2) Quarterly report of funds deposited into a separate, interest-bearing purse account established by and for the benefit of the horsemen under 4 Pa.C.S. § 1406(a)(1)(i) (relating to distributions from Pennsylvania Race Horse Development Fund) and § 441.9(b)(3)(i) (relating to responsibilities of licensed organizations).

(3) Quarterly report of funds distributed to the horsemen's organization representing the owners and trainers at the racetrack at which the licensed racing entity operates for health and pension benefits under 4 Pa.C.S. § 1406(a)(1)(iii) and § 441.9(b)(3)(ii).

(4) Quarterly report of expenditures for backside improvements in conformity with 4 Pa.C.S. § 1404 (relating to distributions from licensee's revenue receipts).

[Pa.B. Doc. No. 06-2349. Filed for public inspection December 1, 2006, 9:00 a.m.]