## Rule # 9.500

Proposed Rule regarding Horsemen's Representative

- The organization that represents the majority of owners of horses participating at the race meet as of July 1, 2023, shall be designated to continue in that capacity for the purpose of CRS 43-32-702 (d), 44-32-510 (2) and all other references in statute or rule regarding such an organization, hereinafter referred to as "horse-owners organization" or "organization."
- 2. Absence of a contract between the licensee and organization shall in no way terminate the organization's role as representative of the majority of owners of horses participating at the race meet.
- 3. A change in organization chosen to represent the majority of owners of horses participating at the race meet shall occur only upon completion of the following:
  - a. An alternate organization can cause an election to be held to consider a different horse-owners organization upon presentation to the commission of individual letters signed by at least 25 percent of owners who started at least one horse at the most recently completed race meet. A lessee shall not be considered an owner.
  - b. If the division determines that the requirement of Paragraph 3.a have been fulfilled, it shall notify the alternate organization that an election shall be held, as well as notify the alternate organization of the estimated costs of such an election, to include preparing, printing, mailing and counting ballots. Before such election shall take place, the alternate organization shall make payment to the Division for an amount equal to the estimated cost of the election. If the actual cost of the election is less than the estimated cost, the difference shall be refunded to the alternate organization.
  - c. The ballot for such an election shall be mailed to all owners who started at least one horse at the most recently completed meet or may be posted on the division website. The ballot question shall state: "(Horse owners organization) currently represents horse owners at (licensee) and is authorized to enter into a contract necessary for (licensee) to conduct a race meet. (Alternate organization) has petitioned the Division of Racing to replace (horse owners organization) as representative of a majority of horse owners. As an owner of a horse that started at the most recent meet conducted by (licensee), you are entitled to vote to select the organization that will represent the majority of horse owners. Vote for ONE of the following: [] (Horse Owners Organization) or [] Alternate Organization.
  - d. Division staff shall supervise the election and may contract with an independent third party to conduct the election. The horse-owners organization and the alternate organization may designate an observer for the counting of ballots. Observers shall be allowed to watch the entire counting process, including opening ballots, verifying signatures and counting ballots. All ballots must be received by the

Division no later than 30 days after ballots are mailed or posted to the Division website. Such ballots may be returned via US mail or delivered by the voting owner to the Division office. Only ballots containing a valid signature of a horse owner who started a horse at the most recently completed meet shall be counted.

e. If the alternate organization receives the votes of a majority of all owners who started a horse at the most recently-completed meet, it shall be designated as the horse owners organization for the purpose of fulfilling CRS 43-32-702 (d), 44-32-510 (2) and all other references in statute or rule regarding such an organization.