

(126th General Assembly)
(Substitute House Bill Number 546)

AN ACT

To amend sections 3769.083 and 3769.085 and to enact section 3769.22 of the Revised Code to authorize the State Racing Commission to enter into the National Racing Compact in order to provide for the licensure and regulation of individuals involved in the horse racing industry in the Compact states in a specified manner, to change the definition of "Ohio foaled horse," to specify that a thoroughbred mare may leave Ohio for breeding purposes with the Commission's permission and if the mare returns immediately after that activity, to require that all investment earnings on cash balances in the Ohio Thoroughbred Race Fund be credited to the Fund, and to make changes relating to allocations from the Ohio Standardbred Development Fund for harness races.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 3769.083 and 3769.085 be amended and section 3769.22 of the Revised Code be enacted to read as follows:

Sec. 3769.083. (A) As used in this section:

(1) An "accredited Ohio thoroughbred horse" means a horse conceived in this state and born in this state which is both of the following:

(a) Born of a mare that is domiciled in this state at the time of such the horse's conception, that remains continuously in the state through the date on which such the horse is born, and that is registered as required by the rules of the state racing commission;

(b) By a stallion that stands for breeding purposes only in this state in the year in which such the horse is conceived, and that is registered as required by the rules of the ~~racing~~ commission.

(2) An "Ohio foaled horse" means a horse registered as required by the rules of the state racing commission which is either of the following:

(a) A horse born of a mare ~~which that~~ enters this state ~~on or~~ before the fifteenth day of July of the year in which the horse is conceived foaling and remains continuously in this state until the horse is born;

(b) A thoroughbred foal produced within the state by any broodmare shipped into the state to foal and be bred to a registered Ohio stallion. To qualify this foal as an Ohio foaled horse, the broodmare shall remain in ~~Ohio this state~~ one year continuously after foaling or continuously through foaling to the cover of the Ohio stallion, whichever is sooner. All horses previously registered as Ohio conceived and foaled shall be considered as Ohio foaled horses effective January 1, 1976.

Any thoroughbred mare may leave ~~Ohio this state~~ for ~~such~~ periods of time for purposes of ~~such~~ activities such as veterinary treatment or surgery, sales purposes, breeding purposes, racing purposes, and similar activities if permission is granted by the state racing commission and the mare is returned to ~~Ohio this state~~ immediately upon the conclusion of the requested activity.

(3) "Horse," "stallion," "mare," or "foal" means a horse of the thoroughbred breed as distinguished from a horse of the standard breed or any other breed, and "race" means a race for thoroughbred horses conducted by a permit holder of the state racing commission.

(4) "Horse" includes animals of all ages and of both sexes.

(B) There is hereby created in the state treasury the Ohio thoroughbred race fund, to consist of moneys paid into it pursuant to sections 3769.08 and 3769.087 of the Revised Code. All investment earnings on the cash balances in the fund shall be credited to it. Moneys to the credit of the fund shall be distributed on order of the state racing commission. The commission shall, with the advice and assistance of the Ohio thoroughbred racing advisory committee, shall use this the fund, except as provided in divisions (C)(2); and (3); and (D) of this section, to promote races and provide purses for ~~such~~ races for horses in the following classes:

- (1) Accredited Ohio thoroughbred horses;
- (2) Ohio foaled horses.

Not less than ten nor more than twenty-five per cent of the total money to be paid from the fund for all types of races shall be allocated to races restricted to accredited Ohio thoroughbred horses. The commission may combine the classes of horses described in divisions (B)(1) and (2) of this section in one race, except in stake stakes races.

(C)(1) Each permit holder conducting thoroughbred races shall schedule races each week for horses in the classes named in division (B) of this section; the number of ~~such the~~ races shall be prescribed by the state racing

commission. The commission shall, pursuant to division (B) of this section, shall prescribe the class or classes of such the races to be held by each permit holder and shall, with the advice of the Ohio thoroughbred racing advisory committee, shall fix the dates and conditions of such the races and the amount of moneys to be paid from the Ohio thoroughbred race fund to be added in each such race to the minimum purse established by the permit holder for the class of race held.

(2) The commission may, with the advice of the Ohio thoroughbred racing advisory committee, may provide for stake stakes races to be run each year, and fix the number of such stakes races and the time, place, and conditions under which each shall be run. The commission shall fix the amount of moneys to be paid from the Ohio thoroughbred race fund to be added to the purse provided for each such stakes race by the permit holder, except that, in at least four such stake stakes races each year, the commission shall require, if four such stakes races can be arranged, require that the permit holder conducting the stake stakes race provide no less than fifteen thousand dollars for the purse for such stake the stakes race, and the commission shall provide moneys from the fund to be added to such the purse in an amount equal to or greater than the amount provided by the permit holder. The commission may require a nominating, sustaining, and entry fee not to exceed one per cent of the money added from the fund for each horse in any such stake stakes race, which fee shall be added to the purse for the race.

Stakes races where money is added from the Ohio thoroughbred race fund shall be open only to accredited Ohio thoroughbred horses and Ohio foaled horses. Twenty-five per cent of the total moneys to be paid from the fund for stakes races shall be allocated to races for only accredited Ohio thoroughbred horses. The commission may require a nominating, sustaining, and entry fee, not to exceed one per cent of the money added from the fund, for each horse in any such stake race of these stakes races. These fees shall be accumulated by the commission; and shall be paid out by the commission at its discretion as part of the purse money for additional races.

(3) The commission may pay from the Ohio thoroughbred race fund to the breeder of a horse of class (1) or (2) of division (B) of this section winning first, second, or third prize money of a purse for a thoroughbred race an amount not to exceed fifteen per cent of the first, second, or third prize money of such the purse. For the purposes of this division, the term "breeder" shall be defined by rule of the commission.

The commission may also may provide for stallion owners' awards in an amount equal to not less than three nor more than ten per cent of the first,

second, or third place share of the purse. The award shall be paid to the owner of the stallion, ~~providing provided that~~ the stallion was standing in ~~Ohio this state~~ as provided in division (A)(1)(b) of this section at the time the horse placing first, second, or third was conceived.

(D) The state racing commission may provide for the expenditure of moneys from the Ohio thoroughbred race fund in an amount not to exceed in any one calendar year ten per cent of the total amount received in the account that year to provide for research projects directed toward improving the breeding, raising, racing, and health and soundness of thoroughbred horses in the state and toward education or promotion of the industry. Research for which ~~such funds~~ the moneys from the fund may be used may include, but shall not be limited to, studies of pre-race blood testing, post-race testing, improvement of the breed, and nutrition.

(E) The state racing commission shall appoint ~~such~~ qualified personnel as may be required to supervise registration of horses under the terms of this section, to determine the eligibility of horses for accredited Ohio thoroughbred races, Ohio foaled races, and the ~~stake stakes~~ races authorized by division (C)(2) of this section, and to assist the Ohio thoroughbred racing advisory committee and the commission in determining the conditions, class, and quality of the race program to be established under this section so as to carry out the purposes of this section. ~~Such persons~~ The personnel shall serve at the pleasure of the commission, and compensation shall be fixed by the commission. The compensation of ~~such~~ the personnel and necessary expenses shall be paid out of the Ohio thoroughbred race fund.

The commission shall adopt ~~such~~ rules as are necessary to carry out this section and shall administer the ~~stake stakes~~ race program and other races supported by the Ohio thoroughbred race ~~special account fund~~ in a manner best designed to aid in the development of the thoroughbred horse industry in the state, to upgrade the quality of horse racing in the state, and to improve the quality of horses conceived and foaled in the state.

Sec. 3769.085. (A) There is hereby created in the state treasury the Ohio standardbred development fund, to consist of moneys paid into it pursuant to section 3769.08 of the Revised Code and any fees assessed for or on behalf of the Ohio sires stakes races. All fees so assessed shall be exempt from the requirements of divisions (D) and (M) of ~~that section 3769.08 of the Revised Code~~. All investment earnings on the cash balance in the fund shall be credited to the fund. Moneys to the credit of the fund shall be distributed on order of the state racing commission with the approval of the Ohio standardbred development commission.

(B) The Ohio standardbred development commission shall consist of

three members, all to be residents of this state knowledgeable in breeding and racing, to be appointed by the governor with the advice and consent of the senate. One member shall be a standardbred breeder, and one member shall be a standardbred owner. Of the initial appointments, one member shall be appointed for a term ending June 30, 1977, and two members shall be appointed for terms ending June 30, 1979. Thereafter, appointments for other than unexpired terms shall be for four years. Terms shall begin the first day of July and end the thirtieth day of June. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. Any member shall continue in office subsequent to the expiration date of the member's term until a successor takes office. Members shall receive no compensation, except that they shall be paid actual and necessary expenses from the Ohio standardbred development fund. The state racing commission also shall also be reimbursed from the fund for actual expense expenses approved by the development commission. The development commission may elect one member to serve as secretary.

(C) Upon application not later than the first day of December from the harness tracks conducting races with pari-mutuel wagering, other than agricultural expositions and fairs, the Ohio standardbred development commission shall, after a hearing and not later than the twentieth day of January, shall allocate and approve all available moneys for colt races for two-year-old and three-year-old colts and fillies, both trotting and pacing. Separate races for fillies shall be provided at each age and gait. At least Up to five races and a championship race shall be scheduled for each of the eight categories of age, sex, and gait. The allocations shall take into account the time of year that racing colts is feasible, the equity and continuity of the proposed dates for racing ~~the~~ events, and the amounts to be added by the tracks, looking to the maximum benefit for those participating in the races. Representatives of the tracks and the Ohio harness ~~horsemens~~ horsemen's association shall be given an opportunity to be heard before the allocations are made. No races shall be contested earlier than the first day of May or later than the first day of November; all permit holders operating extended pari-mutuel meetings between those dates shall be entitled to at least three races. No funds for a race shall be allocated to and paid to a permit holder by the development commission unless the permit holder adds at least twenty-five per cent to the amount allocated by the development commission, and not less than five thousand dollars to each race.

Colts and fillies eligible to the races shall be only those sired by a standardbred stallion that was registered with the state racing commission

and stood in the state the entire breeding season of the year the colt or filly was conceived ~~and fillies foaled before November 1, 1979, that are not so qualified but wholly owned by a resident or residents of the state on the first day of January of the year that such filly would be eligible to race as a two year old and also wholly owned by a resident or residents of the state on the date the race is contested.~~

If the development commission concludes that sufficient funds are available to add aged races without reducing purse levels of the colt and filly races, the development commission may allocate funds to four-year-old and ~~five year old up~~ races of each sex and gait with Ohio eligibility required as set forth in this section.

(D) The state racing commission may allocate an amount not to exceed five per cent of the total Ohio standardbred development fund available in any one calendar year to research projects directed toward improving the breeding, raising, racing, and health and soundness of horses in the state and toward education or promotion of the industry.

Sec. 3769.22. (A) The general assembly finds and declares all of the following:

(1) A national racing compact, comprised of states that are party to the compact, exists to provide for the licensure and regulation of individuals involved in the horse racing industry.

(2) The intent of the compact is to prevent individual owners, trainers, jockeys, drivers, backstretch employees, totalizator employees, farriers, concessionaires, veterinarians, and other persons involved in live horse racing upon which pari-mutuel wagering is conducted from having to be licensed in each state in which they may conduct business.

(3) The compact authorizes the individuals described in division (A)(2) of this section to be licensed in occupational categories established by the compact committee that oversees the compact and, thus, to be able to practice their occupation in all states that are parties to the compact.

(4) The purposes of the compact are to do all of the following:

(a) Establish uniform requirements among the states that are parties to the compact for the licensure of the individuals described in division (A)(2) of this section and to ensure that all of those individuals licensed pursuant to the compact meet a uniform minimum standard of honesty and integrity;

(b) Facilitate the growth of the horse racing industry in each state that is a party to the compact and throughout the country by simplifying the licensing process for the individuals described in division (A)(4)(a) of this section and by reducing the duplicative and costly process of separate licensing by the applicable agency in each state that is a party to the

compact:

(c) Provide for participation in the compact by officials of the states that are parties to the compact, and permit those officials, through the compact committee established by the compact, to enter into contracts with governmental agencies and nongovernmental persons and entities to carry out the purposes of the compact;

(d) Establish the compact committee as an interstate governmental entity authorized to request and receive criminal record history information from the federal bureau of investigation, other federal law enforcement agencies, the royal Canadian mounted police, law enforcement agencies of other nations, and state and local law enforcement agencies.

(5) Both of the following apply under the compact:

(a) No state that is party to the compact, including that state's racing commission or equivalent agency, is liable for the debts or other financial obligations incurred by the compact committee.

(b) No official of a state that is a party to the compact or employee of the compact committee is personally liable for any act the official or employee performs or omits to perform in good faith while carrying out the official's or employee's responsibilities and duties under the compact.

(B)(1) The state racing commission is hereby authorized to enter into and participate in the compact described in division (A) of this section for the purposes described in that division.

(2) The participation of this state and the commission in the compact shall not have any of the following consequences:

(a) Result in the diminution of any applicable existing standards governing the issuance, denial, suspension, or revocation of a license issued under section 3769.03 of the Revised Code;

(b) Prevent the enforcement of any statute or rule affecting the holder of any such license;

(c) Relieve any individual or entity of its duty to obtain any such license or pay any license fee;

(d) Make the state or the commission liable for the debts or other financial obligations incurred by the compact committee;

(e) Make any officer or employee of this state personally liable for any act the official or employee performs or omits to perform in good faith while carrying out the official's or employee's responsibilities and duties under the compact.

(3) The commission shall designate an individual to represent this state and the commission on the compact committee in the administration of the compact.

Sub. H. B. No. 546

SECTION 2. That existing sections 3769.083 and 3769.085 of the Revised Code are hereby repealed.

Speaker _____ of the House of Representatives.

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the _____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____