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Sub. H. B. No. 546

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A B I L L

To amend sections 3769.083 and 3769.085 and to enact	1
section 3769.22 of the Revised Code to authorize	2
the State Racing Commission to enter into the	3
National Racing Compact in order to provide for	4
the licensure and regulation of individuals	5
involved in the horse racing industry in the	6
Compact states in a specified manner, to change	7
the definition of "Ohio foaled horse," to specify	8
that a thoroughbred mare may leave Ohio for	9
breeding purposes with the Commission's permission	10
and if the mare returns immediately after that	11
activity, to require that all investment earnings	12
on cash balances in the Ohio Thoroughbred Race	13
Fund be credited to the Fund, and to make changes	14
relating to allocations from the Ohio Standardbred	15
Development Fund for harness races.	16

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3769.083 and 3769.085 be amended and	17
section 3769.22 of the Revised Code be enacted to read as follows:	18
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Sec. 3769.083. (A) As used in this section: 20

(1) An "accredited Ohio thoroughbred horse" means a horse 21
conceived in this state and born in this state which is both of 22
the following: 23

(a) Born of a mare that is domiciled in this state at the 24
time of ~~such~~ the horse's conception, that remains continuously in 25
the state through the date on which ~~such~~ the horse is born, and 26
that is registered as required by the rules of the state racing 27
commission; 28

(b) By a stallion that stands for breeding purposes only in 29
this state in the year in which ~~such~~ the horse is conceived, and 30
that is registered as required by the rules of the ~~racing~~ 31
commission. 32

(2) An "Ohio foaled horse" means a horse registered as 33
required by the rules of the state racing commission which is 34
either of the following: 35

(a) A horse born of a mare ~~which~~ that enters this state ~~on or~~ 36
~~before the fifteenth day of July of the year in which the horse is~~ 37
~~conceived~~ foaling and remains continuously in this state until the 38
horse is born; 39

(b) A thoroughbred foal produced within the state by any 40
broodmare shipped into the state to foal and be bred to a 41
registered Ohio stallion. To qualify this foal as an Ohio foaled 42
horse, the broodmare shall remain in ~~Ohio~~ this state one year 43
continuously after foaling or continuously through foaling to the 44
cover of the Ohio stallion, whichever is sooner. All horses 45
previously registered as Ohio conceived and foaled shall be 46
considered as Ohio foaled horses effective January 1, 1976. 47

Any thoroughbred mare may leave ~~Ohio~~ this state for ~~such~~ 48
periods of time for purposes of ~~such~~ activities such as veterinary 49

treatment or surgery, sales purposes, breeding purposes, racing 50
purposes, and similar activities if permission is granted by the 51
state racing commission and the mare is returned to ~~Ohio~~ this 52
state immediately upon the conclusion of the requested activity. 53

(3) "Horse," "stallion," "mare," or "foal" means a horse of 54
the thoroughbred breed as distinguished from a horse of the 55
standard breed or any other breed, and "race" means a race for 56
thoroughbred horses conducted by a permit holder of the state 57
racing commission. 58

(4) "Horse" includes animals of all ages and of both sexes. 59

(B) There is hereby created in the state treasury the Ohio 60
thoroughbred race fund, to consist of moneys paid into it pursuant 61
to sections 3769.08 and 3769.087 of the Revised Code. All 62
investment earnings on the cash balances in the fund shall be 63
credited to it. Moneys to the credit of the fund shall be 64
distributed on order of the state racing commission. The 65
commission ~~shall~~, with the advice and assistance of the Ohio 66
thoroughbred racing advisory committee, shall use ~~this~~ the fund, 67
except as provided in divisions (C)(2) ~~and~~ (3) ~~and~~ (D) of this 68
section, to promote races and provide purses for ~~such~~ races for 69
horses in the following classes: 70

(1) Accredited Ohio thoroughbred horses; 71

(2) Ohio foaled horses. 72

Not less than ten nor more than twenty-five per cent of the 73
total money to be paid from the fund for all types of races shall 74
be allocated to races restricted to accredited Ohio thoroughbred 75
horses. The commission may combine the classes of horses described 76
in divisions (B)(1) and (2) of this section in one race, except in 77
~~state~~ stakes races. 78

(C)(1) Each permit holder conducting thoroughbred races shall 79
schedule races each week for horses in the classes named in 80

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. 113
The commission may require a nominating, sustaining, and entry 114
fee, not to exceed one per cent of the money added from the fund, 115
for each horse in any ~~such stake race~~ of these stakes races. These 116
fees shall be accumulated by the commission, and shall be paid out 117
by the commission at its discretion as part of the purse money for 118
additional races. 119

(3) The commission may pay from the Ohio thoroughbred race 120
fund to the breeder of a horse of class (1) or (2) of division (B) 121
of this section winning first, second, or third prize money of a 122
purse for a thoroughbred race an amount not to exceed fifteen per 123
cent of the first, second, or third prize money of ~~such~~ the purse. 124
For the purposes of this division, the term "breeder" shall be 125
defined by rule of the commission. 126

The commission ~~may~~ also may provide for stallion owners' 127
awards in an amount equal to not less than three nor more than ten 128
per cent of the first, second, or third place share of the purse. 129
The award shall be paid to the owner of the stallion, ~~providing~~ 130
provided that the stallion was standing in ~~Ohio~~ this state as 131
provided in division (A)(1)(b) of this section at the time the 132
horse placing first, second, or third was conceived. 133

(D) The state racing commission may provide for the 134
expenditure of moneys from the Ohio thoroughbred race fund in an 135
amount not to exceed in any one calendar year ten per cent of the 136
total amount received in the account that year to provide for 137
research projects directed toward improving the breeding, raising, 138
racing, and health and soundness of thoroughbred horses in the 139
state and toward education or promotion of the industry. Research 140
for which ~~such funds~~ the moneys from the fund may be used may 141
include, but shall not be limited to, studies of pre-race blood 142
testing, post-race testing, improvement of the breed, and 143
nutrition. 144

(E) The state racing commission shall appoint ~~such~~ qualified 145
personnel as may be required to supervise registration of horses 146
under the terms of this section, to determine the eligibility of 147
horses for accredited Ohio thoroughbred races, Ohio foaled races, 148
and the ~~state~~ stakes races authorized by division (C)(2) of this 149
section, and to assist the Ohio thoroughbred racing advisory 150
committee and the commission in determining the conditions, class, 151
and quality of the race program to be established under this 152
section so as to carry out the purposes of this section. ~~Such~~ 153
~~persons~~ The personnel shall serve at the pleasure of the 154
commission, and compensation shall be fixed by the commission. The 155
compensation of ~~such~~ the personnel and necessary expenses shall be 156
paid out of the Ohio thoroughbred race fund. 157

The commission shall adopt ~~such~~ rules as are necessary to 158
carry out this section and shall administer the ~~state~~ stakes race 159
program and other races supported by the Ohio thoroughbred race 160
~~special-account~~ fund in a manner best designed to aid in the 161
development of the thoroughbred horse industry in the state, to 162
upgrade the quality of horse racing in the state, and to improve 163
the quality of horses conceived and foaled in the state. 164

Sec. 3769.085. (A) There is hereby created in the state 165
treasury the Ohio standardbred development fund, to consist of 166
moneys paid into it pursuant to section 3769.08 of the Revised 167
Code and any fees assessed for or on behalf of the Ohio sires 168
stakes races. All fees so assessed shall be exempt from the 169
requirements of divisions (D) and (M) of that section ~~3769.08 of~~ 170
~~the Revised Code~~. All investment earnings on the cash balance in 171
the fund shall be credited to the fund. Moneys to the credit of 172
the fund shall be distributed on order of the state racing 173
commission with the approval of the Ohio standardbred development 174
commission. 175

(B) The Ohio standardbred development commission shall 176
consist of three members, all to be residents of this state 177
knowledgeable in breeding and racing, to be appointed by the 178
governor with the advice and consent of the senate. One member 179
shall be a standardbred breeder, and one member shall be a 180
standardbred owner. Of the initial appointments, one member shall 181
be appointed for a term ending June 30, 1977, and two members 182
shall be appointed for terms ending June 30, 1979. Thereafter, 183
appointments for other than unexpired terms shall be for four 184
years. Terms shall begin the first day of July and end the 185
thirtieth day of June. Any member appointed to fill a vacancy 186
occurring prior to the expiration of the term for which the 187
member's predecessor was appointed shall hold office for the 188
remainder of that term. Any member shall continue in office 189
subsequent to the expiration date of the member's term until a 190
successor takes office. Members shall receive no compensation, 191
except that they shall be paid actual and necessary expenses from 192
the Ohio standardbred development fund. The state racing 193
commission also shall ~~also~~ be reimbursed from the fund for actual 194
~~expense~~ expenses approved by the development commission. The 195
development commission may elect one member to serve as secretary. 196

(C) Upon application not later than the first day of December 197
from the harness tracks conducting races with pari-mutuel 198
wagering, other than agricultural expositions and fairs, the Ohio 199
standardbred development commission ~~shall~~, after a hearing and not 200
later than the twentieth day of January, shall allocate and 201
approve all available moneys for colt races for two-year-old and 202
three-year-old colts and fillies, both trotting and pacing. 203
Separate races for fillies shall be provided at each age and gait. 204
~~At least~~ Up to five races and a championship race shall be 205
scheduled for each of the eight categories of age, sex, and gait. 206
The allocations shall take into account the time of year that 207

208 racing colts is feasible, the equity and continuity of the
209 proposed dates for racing ~~the~~ events, and the amounts to be added
210 by the tracks, looking to the maximum benefit for those
211 participating in the races. Representatives of the tracks and the
212 Ohio harness ~~horsemens~~ horsemen's association shall be given an
213 opportunity to be heard before the allocations are made. No races
214 shall be contested earlier than the first day of May or later than
215 the first day of November; all permit holders operating extended
216 pari-mutuel meetings between those dates shall be entitled to at
217 least three races. No funds for a race shall be allocated to and
218 paid to a permit holder by the development commission unless the
219 permit holder adds at least twenty-five per cent to the amount
220 allocated by the development commission, and not less than five
221 thousand dollars to each race.

222 Colts and fillies eligible to the races shall be only those
223 sired by a standardbred stallion that was registered with the
224 state racing commission and stood in the state the entire breeding
225 season of the year the colt or filly was conceived ~~and fillies~~
226 ~~foaled before November 1, 1979, that are not so qualified but~~
227 ~~wholly owned by a resident or residents of the state on the first~~
228 ~~day of January of the year that such filly would be eligible to~~
229 ~~race as a two-year-old and also wholly owned by a resident or~~
230 ~~residents of the state on the date the race is contested.~~

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

236 (D) The state racing commission may allocate an amount not to
237 exceed five per cent of the total Ohio standardbred development
238 fund available in any one calendar year to research projects
239 directed toward improving the breeding, raising, racing, and

health and soundness of horses in the state and toward education 240
or promotion of the industry. 241

Sec. 3769.22. (A) The general assembly finds and declares all 242
of the following: 243

(1) A national racing compact, comprised of states that are 244
party to the compact, exists to provide for the licensure and 245
regulation of individuals involved in the horse racing industry. 246

(2) The intent of the compact is to prevent individual 247
owners, trainers, jockeys, drivers, backstretch employees, 248
totalizator employees, farriers, concessionaires, veterinarians, 249
and other persons involved in live horse racing upon which 250
pari-mutuel wagering is conducted from having to be licensed in 251
each state in which they may conduct business. 252

(3) The compact authorizes the individuals described in 253
division (A)(2) of this section to be licensed in occupational 254
categories established by the compact committee that oversees the 255
compact and, thus, to be able to practice their occupation in all 256
states that are parties to the compact. 257

(4) The purposes of the compact are to do all of the 258
following: 259

(a) Establish uniform requirements among the states that are 260
parties to the compact for the licensure of the individuals 261
described in division (A)(2) of this section and to ensure that 262
all of those individuals licensed pursuant to the compact meet a 263
uniform minimum standard of honesty and integrity; 264

(b) Facilitate the growth of the horse racing industry in 265
each state that is a party to the compact and throughout the 266
country by simplifying the licensing process for the individuals 267
described in division (A)(4)(a) of this section and by reducing 268
the duplicative and costly process of separate licensing by the 269

applicable agency in each state that is a party to the compact; 270

(c) Provide for participation in the compact by officials of 271
the states that are parties to the compact, and permit those 272
officials, through the compact committee established by the 273
compact, to enter into contracts with governmental agencies and 274
nongovernmental persons and entities to carry out the purposes of 275
the compact; 276

(d) Establish the compact committee as an interstate 277
governmental entity authorized to request and receive criminal 278
record history information from the federal bureau of 279
investigation, other federal law enforcement agencies, the royal 280
Canadian mounted police, law enforcement agencies of other 281
nations, and state and local law enforcement agencies. 282

(5) Both of the following apply under the compact: 283

(a) No state that is party to the compact, including that 284
state's racing commission or equivalent agency, is liable for the 285
debts or other financial obligations incurred by the compact 286
committee. 287

(b) No official of a state that is a party to the compact or 288
employee of the compact committee is personally liable for any act 289
the official or employee performs or omits to perform in good 290
faith while carrying out the official's or employee's 291
responsibilities and duties under the compact. 292

(B)(1) The state racing commission is hereby authorized to 293
enter into and participate in the compact described in division 294
(A) of this section for the purposes described in that division. 295

(2) The participation of this state and the commission in the 296
compact shall not have any of the following consequences: 297

(a) Result in the diminution of any applicable existing 298
standards governing the issuance, denial, suspension, or 299

<u>revocation of a license issued under section 3769.03 of the</u>	300
<u>Revised Code;</u>	301
<u>(b) Prevent the enforcement of any statute or rule affecting</u>	302
<u>the holder of any such license;</u>	303
<u>(c) Relieve any individual or entity of its duty to obtain</u>	304
<u>any such license or pay any license fee;</u>	305
<u>(d) Make the state or the commission liable for the debts or</u>	306
<u>other financial obligations incurred by the compact committee;</u>	307
<u>(e) Make any officer or employee of this state personally</u>	308
<u>liable for any act the official or employee performs or omits to</u>	309
<u>perform in good faith while carrying out the official's or</u>	310
<u>employee's responsibilities and duties under the compact.</u>	311
<u>(3) The commission shall designate an individual to represent</u>	312
<u>this state and the commission on the compact committee in the</u>	313
<u>administration of the compact.</u>	314
Section 2. That existing sections 3769.083 and 3769.085 of	315
the Revised Code are hereby repealed.	316