

CSI - Ohio

The Common Sense Initiative

Business Impact Analysis

Agency Name: Ohio State Racing Commission

Regulation/Package Title: Chapter 14 No change Rules 2014

Rule Number(s): 3769-14-01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, 13, 15, 16, 20, 21, 22,
24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 42, 43, 45, 46, 47, 48, 49, 50, 52,
53, 54, 99

Date: May 6, 2015

These rules are no-change rules and may be found by accessing the Commission's website at <http://www.racing.ohio.gov/pdfs/HarRul14.pdf> or through LAWriter at <http://codes.ohio.gov/oac/3769-14>.

Rule Type:

- ☐ New
☐ Amended

- ☒ 5-Year Review
☐ Rescinded

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Regulatory Intent

1. Please briefly describe the draft regulation in plain language.

3769-14-01 requires permit holders for commercial racetracks to ensure all persons involved in racing are licensed by the Commission and requires trainers to supply judges with information about owners and grooms

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3769-14-02 requires permit holders to file agreements between horsemen and the permit holder ten days before the race

3769-14-03 prohibits a permit holder from paying purses or earnings to anyone other than the entitled horseman without clear written consent of the horseman

3769-14-04 requires post times for the last race to be 11:55 p.m. or earlier

3769-14-05 prohibits race officials from racing his or her own horses while acting in his or her official capacity, but exempts certain positions from the prohibition

3769-14-06 prohibits individuals who are under eighteen years of age from wagering and prohibits entry to the grandstand by children under sixteen years of age unless accompanied by an adult family member

3769-14-07 prohibits permit holders from allowing unlawful gambling or unlawful gambling devices on its grounds

3769-14-08 prohibits unlawful bookmaking on permit holder premises and describes remedial action to be taken upon discovery

3769-14-09 prohibits tipsters and touts, i.e. people claiming to provide special knowledge for gambling usually in exchange for money, from operating on permit holder premises

3769-14-10 requires permit holders to maintain premises in good condition

3769-14-11 outlines the requirement that permit holders maintain stable area security

3769-14-13 requires permit holders to maintain floodlights at the tracks to light the stable area at night

3769-14-15 requires permit holders to provide adequate restroom facilities and drinking fountains

3769-14-16 requires commission and permit holder approval before allowing tip sheets at the racetrack, but the rule excludes newspapers and other periodicals from the requirement

3769-14-20 requires drivers and trainers to be licensed by the Commission.

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3769-14-21 requires permit holders to provide numbers for the head and numbered saddle pads for horses for identification during races and provides specific colors to be assigned to each number

3769-14-22 requires permit holders to have an alcohol breath analyzer and trained personnel available to ensure drivers test below 0.035 per cent prior to racing, and this rule describes the fine for refusing the test or testing over the limit

3769-14-24 establishes a code of conduct for personnel in the paddock and describes when a person's privilege to use the paddock can be revoked

3769-14-25 describes the general duties of officials and judges before, during, and after races

3769-14-26 explains which judge is designated the state judge and presiding judge and by whom that judge is paid

3769-14-27 gives judges the right to inspect all licenses on the permit premise

3769-14-28 gives the judges the supervisory authority over all licensees and other racing officials, as well as over the premises used for racing

3769-14-29 outlines the powers of the officials and judges to enforce regulations and maintain peace at the racetracks

3769-14-30 allows a judge to appoint a deputy in the case of an emergency and the clerk of course to appoint one if no judges are present, and requires three judges in the stand during races

3769-14-31 allows judges and permit holders to fill vacancies occurring in other official positions

3769-14-32 outlines the conduct that may cause an official to be sanctioned or otherwise disqualified

3769-14-33 requires judges to prepare official reports to the commission

3769-14-34 requires judges to note in the official report when less than unanimous decision is rendered and submit decisions with no majority to the commission

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3769-14-35 gives the judges the authority to supervise the entries and declarations of horses for racing

3769-14-36 gives the judges the authority to disqualify a horse from a race

3769-14-37 gives the judges the authority to withdraw a horse from a race and gives permit holders the authority to postpone races

3769-14-38 allows permit holders to appoint officials and requires Commission approval of all officials

3769-14-39 requires judges, starters, and officials at races to be disinterested in the financial outcome of a race

3769-14-40 gives authority to the Commission to require eye tests for all judges

3769-14-42 allows the judges to determine the finish placement of all horses at the end of the race

3769-14-43 requires a permit holder to provide photographic equipment to photograph the finish of each race

3769-14-45 requires a permit holder to hire and retain a track veterinarian

3769-14-46 allows for the use of patrol judges to monitor the races in addition to other judges

3769-14-47 outlines which devices and personnel must be used to time every race

3769-14-48 describes the duties of the racing secretary

3769-14-49 describes the duties of the clerk of course

3769-14-50 describes the duties of the paddock judge

3769-14-52 outlines the restrictions on racing vehicles allowed in harness racing

3769-14-53 describes the process for placing of a horse when a horse leaves the track to the advantage or disadvantage of itself or other horses

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3769-14-54 allows a permit holder to expand the homestretch of its track within specified conditions

3769-14-99 describes the penalties the Commission may impose for violation of any rule in Chapter 3769-14 of the administrative code

2. Please list the Ohio statute authorizing the Agency to adopt this regulation.

R.C. 3769.03

3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?

No, the commission is the only entity that regulates horse racing in Ohio.

4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

The Commission is the only entity that regulates horse racing in Ohio. The Commission is charged with ensuring the integrity of horse racing in this state. Administrative Rules are promulgated pursuant to the Commission's statutory obligation to regulate this industry.

5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

Many of these rules protect the wagering public and ensure fairness in horse racing. Some of these rules also protect the health and safety of race participants and spectators.

6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

As these rules have been implemented for some time, the Commission believes the success of the regulation has been demonstrated. However, the racing commission will continue to evaluate the effectiveness of these rules in regard to protecting the wagering public and ensuring the health and safety of all those involved in horseracing.

Development of the Regulation

7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

The primary stakeholders are the seven commercial permit holders who are required to implement and/or follow these rules pertaining to wagering. These rules were reviewed at a commission meeting.

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- 8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?**

No input was received.

- 9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

As these are no change rules, no additional scientific data was used to develop the rule.

- 10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

No alternative regulations were considered as these rules have been in existence for several years and no changes were found to be warranted.

- 11. Did the Agency specifically consider a performance-based regulation? Please explain.**

No, the commission strives to consistently enforce these regulations because they ensure that horse racing is fair in Ohio and protect the wagering public.

- 12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?**

As no other agency regulates horse racing in Ohio, no duplication would occur.

- 13. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.**

The regulations have been implemented for several years to all commercial tracks in Ohio.

Adverse Impact to Business

- 14. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:**

- a. Identify the scope of the impacted business community;**

The scope is the seven commercial race track permit holders and the licensees of the racing commission.

- b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and**

3769-14-01 The adverse impact to permit holders is the time required to restrict access to areas of their premises. The adverse impact to licensees is the time required for trainers to supply a list of names to the judges.

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3769-14-02 The adverse impact to permit holders is the time to submit their agreements with the horsemen's association to the commission.

3769-14-03 The adverse impact to the permit holders is the time required to obtain written confirmation from the horsemen to pay purse money to anyone other than the appropriate horsemen.

3769-14-04 This review does not apply because this rule does not adversely impact business.

3769-14-05 The adverse impact to licensees is the loss of potential income of officials who cannot race their horses.

3769-14-06 The adverse impact is the loss of potential income from minors.

3769-14-07 The adverse impact is the loss of potential income from illegal betting.

3769-14-08 The adverse impact to the permit holder is the cost to police bookmaking at the race track.

3769-14-09 The adverse impact to the permit holder is the cost to police touting at the race track.

3769-14-10 The adverse impact to the permit holders is the cost to maintain their premises and track.

3769-14-11 The adverse impact of this rule for the permit holders is the cost of hiring security, the time and resources for compliance in filing out a report, the cost of maintaining secure premises with chain fences and proper stables, and potential penalties for failure to comply. Licensed security guards are adversely impacted by the potential penalty for failure to comply as well.

3769-14-13 The adverse impact to the permit holder is the cost to maintain flood lights.

3769-14-15 The adverse impact to the permit holders is the cost to provide and maintain adequate bathrooms and drinking fountains.

3769-14-16 The adverse impact to the permit holders is the cost to police tip sheets at the race tracks.

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3769-14-20 The adverse impact to the permit holder is the cost to review licenses of drivers and trainers.

3769-14-21 The adverse impact to the permit holders is cost to provide head numbers, numbered saddle pads, a starting gate, and a backup starting gate.

3769-14-22 The adverse impact to the licensees is the potential suspension, specific fines for positive breathalyzer tests, and fines for refusing to submit to a breathalyzer test. The adverse impact to permit holders is the time for judges to report suspensions and refer cases to the commission. Permit holders are also responsible for administering the breathalyzer test and the equipment needed.

3769-14-24 The adverse impact to the permit holder is the time for the paddock judge to enforce the code of conduct. The adverse impact to licensees is the potential loss of paddock privileges to owners.

3769-14-25 The adverse impact to the permit holder is the time for the judges, who are paid by the permit holders, to make decisions.

3769-14-26 This review does not apply because this rule does not adversely impact business. The state judge is paid by the racing commission.

3769-14-27 The adverse impact to the permit holders is the time for judges to inspect the documentations of licensees. The adverse impact to the licensees is the time to provide documentation.

3769-14-28 The adverse impact to the permit holder is the time required for judges to supervise each race day.

3769-14-29 The adverse impact to the permit holder is the time required for judges to penalizing licensees and enforcing rules. Also, the time required for judges to report in writing to the commission when adopting regulations is an adverse impact to permit holders.

3769-14-30 The adverse impact to the permit holder is the time to report absence of judges to the commission.

3769-14-31 The adverse impact to the permit holder is the time to fill other vacancies.

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3769-14-32 The adverse impact to officials, who are licensees, is potential disqualification or other penalties.

3769-14-33 The adverse impact to the permit holders is the time and resources required to prepare and send a daily report to the commission.

3769-14-34 The adverse impact to the permit holders is the time to note minority opinions and the time to submit to the commission if there is no majority opinion.

3769-14-35 The adverse impact to the permit holders is the time to refuse entries. The adverse impact to licensees is the potential to be refused an entry.

3769-14-36 The adverse impact to the licensees is the time required to prove that their horse is qualified. Also, licensees are impacted when horses are disqualified. The adverse impact to the permit holder is the time to check the proof of qualification.

3769-14-37 The adverse impact to licensees is the potential lost income from postponing races.

3769-14-38 The adverse impact is the time required for permit holders to send appointments of officials to the commission for approval.

3769-14-39 The adverse impact to officials, who are licensees, is potential disqualification from being an official.

3769-14-40 The adverse impact to licensees is the cost in time and money for an eye tests.

3769-14-42 The adverse impact to permit holders is the time required for the judges to determine placement of horses.

3769-14-43 The adverse impact is the cost of the photographic finish machine.

3769-14-45 The adverse impact to the permit holders is the cost of hiring a track veterinarian and the supplies required for the veterinarian to maintain a list of unfit horses.

3769-14-46 The adverse impact to the permit holders is the cost of hiring a patrol judge or, in the alternative, buying recording equipment.

3769-14-47 The adverse impact to the permit holders is the cost in time and equipment to keep the time at the race tracks. This requires the hiring of several staff members. The county fair permit holders must also comply with this rule.

3769-14-48 The adverse impact to the permit holders is the time to complete all of the duties of the race secretary which are listed. These duties include writing conditions and examining declarations.

3769-14-49 The adverse impact to the permit holders is the time to complete all of the duties of the clerk of course which are listed in this rule. These duties include assisting in drawing positions and keeping the judges' book.

3769-14-50 The adverse impact to the permit holders is the time to complete all of the duties of the paddock judge which are listed in this rule. These duties include supervision of the paddock and direction of the paddock blacksmith.

3769-14-52 The adverse impact to licensees is the cost of supplying their own sulky for use during the race.

3769-14-53 The adverse impact for licensees is the potential disqualification for failure to stay on the track.

3769-14-54 The adverse impact to the permit holders is the time to ask for approval to expand the homestretch. The adverse impact to licensees is the potential loss of placement, disqualification, suspension, or fine.

3769-14-99 The business impact of this rule is the potential fines or suspensions for permit holders and licensees. Many rules in this chapter cite this rule to reiterate the judges' ability to penalize permit holders and licensees. These rules include 3769-14-01, 08, 09, 11, 25, 27, and 53. However, a violation of any rule in this chapter can result in a penalty under 3769-14-99.

c. Quantify the expected adverse impact from the regulation.

3769-14-01 The time for permit holders to restrict access is minimal because the permit holders must already comply with a security requirement. Licensees only need a few minutes to provide a list of names of owners.

3769-14-02 Permit holders must spend a few minutes submitting agreements to the commission.

3769-14-03 The time required for the written confirmation is a few minutes.

3769-14-05 This impact can be thousands of dollars, but the amount largely depends on the horses which the official owns.

3769-14-06 An individual patron wagers about \$80 per race day and the permit holders retain about 7% of wagers. Hypothetically, the permit holder loses this amount each time a minor is turned away.

3769-14-07 The amount a permit holder could make from illegal betting cannot be quantified because the many possibilities of illegal betting are immeasurable and are only limited by the creativity of the criminal mind.

3769-14-08 The permit holders employ trained security guards who make sure there is no bookmaking. These security guards are paid about \$15 per hour and work about 4 hours on race days.

3769-14-09 The permit holders employ trained security guards who make sure there is no touting. These security guards are paid about \$15 per hour and work about 4 hours on race days.

3769-14-10 The permit holders pay about \$1500 per race day to maintain their premises and track.

3769-14-11 The cost of security which is paid for by the permit holders is about \$720 per race day. The cost of building a chain fence and providing appropriate temporary partitions could be around \$30,000 to \$50,000 depending on whether the permit holder has a stable area. However, these fences last a very long time and many have been in place for decades. The daily report of unauthorized people entering secured areas may take about 20 minutes to complete. The cost of sending the daily report is covered in 3769-14-33, below. Penalties for violations of this rule can vary depending on the circumstances, but cannot exceed \$10,000.

3769-14-13 Permit holders spend about \$100 per day on flood lights.

3769-14-15 Permit holders spend about \$150 per day maintaining these facilities. The cost to build these facilities is part of the larger cost of building the entire premises, which can be in the millions of dollars.

3769-14-16 The permit holders employ trained security guards who check that there are no tip sheets at the race track. These security guards are paid about \$15 per hour and work about 4 hours on race days.

3769-14-20 The permit holders pay for security guards for the paddock area who check licenses. The cost of this security which is paid for by the permit holders is about \$720 per race day.

3769-14-21 The permit holders spend about \$3,000 for head numbers and \$15,000 for numbered saddle pads which can be used over and over. Permit holders pay about \$500 each race day for a starting gate and a backup.

3769-14-22 Suspensions for licensees can cost thousands of dollars. The cost depends on their role and their potential earnings. Fines can vary from \$100 to \$250 for positive tests or refusals. Permit holders pay judges about \$150-\$200 per day. If the judge must report to the commission or refer a case, the judge must spend several minutes on this task. The cost of breathalyzer equipment is about \$5,000. Permit holders must spend four hours completing this task on race days.

3769-14-24 The permit holders must spend the entire four hours of race time each race day enforcing this code through the paddock judge. The adverse impact to owners cannot be quantified in time or money, but is merely an inconvenience.

3769-14-25 The permit holders pay two judges about \$150-\$200 per race day. The responsibilities in this rule take up the bulk of their race day.

3769-14-27 The time required for inspection is a few minutes per license inspected. Two judges are paid about \$150-\$200 per day and this is a part of their duties.

3769-14-28 The supervisory role of the judges encompasses another large part of their eight hour race day. Two judges are paid by the permit holder at a rate of about \$150-\$200 per day.

3769-14-29 The disciplinary role of the judges also encompasses a large part of their eight hour race day. Two judges are paid by the permit holder at a rate of about \$150-\$200 per day.

3769-14-30 The time required to report an absence of judges is a few minutes.

3769-14-31 The time required to fill other vacancies is only a few minutes in most circumstances.

3769-14-32 Officials can make between \$100 and \$300 per race day which they could lose if they are disqualified. Fines can reach up to \$10,000 by statute.

3769-14-33 The judges can prepare the daily reports in less than an hour. One of the three judges is paid by the commission and the other two are paid by the permit holder. The stewards paid by the permit holder make about \$150-\$200 per race day.

3769-14-34 The time for judges to note the minority opinion and report to the commission when there is no majority is a few minutes. Two judges are paid, by the permit holder, about \$150-\$200 per day.

3769-14-35 The time to refuse entries is several minutes per day for the judges. Judges are paid about \$150-\$200 by the permit holder. Licensees could lose several thousand dollars if they are refused entry depending on the size of the purse and their ability.

3769-14-36 Licensees must spend a few minutes showing proof of qualification. The cost to the licensee when a horse is not allowed to race can vary dramatically depending on the race. The potential lost income could be as much as \$180,000 or as low as nothing, depending on whether the horse would have won and how much the purse was for that particular race. Judges, two of which are paid by permit holders, must spend an hour each day determining qualifications. These judges are paid about \$150-\$200 per day.

3769-14-37 In theory, licensees could lose thousands if a race is canceled or postponed.

3769-14-38 Permit holders generally make these appointments once a year and it takes about an hour.

3769-14-39 Officials can make between \$100 and \$300 per race day which they could lose if they are disqualified.

3769-14-40 Judges must spend an hour going to an eye test which cost about \$200 depending on the doctor and insurance of the judge.

3769-14-42 Judges spend only a few minutes after each race determining placement. Permit holders pay judges about \$150-\$200 per race day.

3769-14-43 The cost of the photographic finish machine is about \$200 per race day.

3769-14-45 Track veterinarians cost the permit holders about \$300 per race day. The supplies required for a veterinarian's list are less than \$10.

3769-14-46 Permit holders who employ patrol judges spend about \$100 per race day. However, most tracks use video recording equipment instead. This cost about \$1,000 to lease each day and fulfills other requirements of these rules.

3769-14-47 The cost of time and equipment used for timing races is about \$1,000 per race day.

3769-14-48 The permit holders are responsible for paying the racing secretary. Racing secretaries make about \$75,000 per year. Their daily duties are largely described in this rule.

3769-14-49 The permit holders are responsible for paying the clerk of course. Clerks of course make about \$300 per race day. These duties described encompass their entire race day.

3769-14-50 The permit holders are responsible for paying the paddock judge. Paddock judges make about \$100 per race day. These duties described encompass their entire race day.

3769-14-52 Licensees spend about \$5,000 on their sulkies. This is a normal cost of doing business as a driver.

3769-14-53 Licensees can lose thousands if they are disqualified depending on the race and the purse. The other penalties are addressed in 14-99.

3769-14-54 Permit holders must take a few minutes to ask for approval. Licensees may lose thousands depending on the race, if they are disqualified, lose their place, or are suspended. Fines cannot exceed \$10,000, but are usually much lower.

3769-14-99 Fines cannot exceed \$10,000, but are generally less than that amount. Suspensions impact the permit holder or licensees entire business and can cost them thousands more in lost income.

15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

The regulation of gaming in Ohio has long been one of stricter compliance and regulation due to the trust of the general public and protection of state wagering dollars. These restrictions are designed to insure the integrity of parimutuel wagering and the safety of both race participants and the public in attendance at the race track.

3769-14-01 The impact is justified because the time required of the permit holders and licensees is minimal and the rule protects the wagering public from unfair practices in the paddock.

3769-14-02 The impact is justified because the commission's knowledge of agreements between the horsemen and the permit holders is essential to effectively regulate the industry. In some cases, rules are dependent on these agreements.

3769-14-03 This rule is justified because it protects the licensee's money from improper appropriation.

3769-14-05 The impact is justified because this rule ensures the fairness of racing by not allowing official's to have a conflict of interest when serving in their official capacity.

3769-14-06 The impact is justified because the rule protects minors from gambling.

3769-14-07 The impact is justified because gaming has been well regulated in Ohio to protect the general public. Therefore, the power to limit unlawful gambling is essential to the regulatory power of the racing commission.

3769-14-08 The impact of this rule is justified because bookmaking is deleterious to the sport and legal wagering. Therefore, this rule protects all participants in racing and the wagering public.

3769-14-09 The impact of this rule is justified because touting is deleterious to the sport and legal wagering. Therefore, this rule protects all participants in racing and the wagering public.

3769-14-10 This impact is justified because it ensures the health and safety of the public in attendance at the track and the race participants. As with many of these costs, this is a normal cost of doing business as a track owner.

3769-14-11 This impact is justified because a secure stable area ensures the safety and fairness of the sport.

3769-14-13 This impact is justified because a secure stable area ensures the safety and fairness of the sport. Flood lights contribute to the security of the stable area.

3769-14-15 The adverse impact is justified because the rule provides for the health and safety of those in attendance at the tracks.

3769-14-16 The impact of this rule is justified because tip sheets are deleterious to the sport and legal wagering. Therefore, this rule protects all participants in racing and the wagering public.

3769-14-20 This impact is justified because the racing commission sets standards for these licenses and the regulatory scheme is undermined if permit holders allow unlicensed individuals to serve as drivers or trainers.

3769-14-21 The impact is justified because the proper identification of horses is important to accurately determine the outcome of the race. This rule protects the wagering public from improper identification of horses through the use of uniform saddle pads and head numbers. Also, an adequate starting gate contributes to the fairness of the race by ensuring a fair start to the race.

3769-14-22 The impact is justified because drivers who drive under the influence are a danger to themselves and all race participants.

3769-14-24 This impact is justified because the proper conduct of people in the paddock protects the safety of horses and race participants.

3769-14-25 This impact is justified because the role of judges allows the commission to enforce most of the rules in OAC 3769.

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3769-14-27 This impact is justified because the racing commission sets standards for these licenses and the regulatory scheme is undermined if unlicensed individuals are allowed to serve as drivers or trainers.

3769-14-28 This impact is justified because the role of judges allows the commission to enforce most of the rules in OAC 3769.

3769-14-29 This rule is justified because it allows the commission to enforce the rules through the judges. Otherwise, enforcement would be very difficult.

3769-14-30 The impact is justified because the time is minimal and the commission needs an adequate number of judges on duty in order to enforce rules.

3769-14-31 The impact is justified because the time is minimal and the commission needs an adequate number of judges on duty in order to enforce rules.

3769-14-32 The adverse impact is justified because the rule ensures that officials are competent, which protects race participants and the wagering public from unfair outcomes.

3769-14-33 The impact is justified because the commission must keep detailed reports in order to determine if the rules are being carried out and if the correct penalties were applied.

3769-14-34 This time is justified because this information is necessary in the case of disputed races.

3769-14-35 This adverse impact is justified because it allows judges to enforce the rules. Limitation of entries is an important power of the judge to enforce the rules.

3769-14-36 These impacts are justified because the rule protects the wagering public from wagering on a race with an unqualified horse.

3769-14-37 The adverse impact is justified because the rule protects the safety of race participants from unfavorable conditions of the track.

3769-14-38 This time is justified because the commission is accountable for racing officials.

3769-14-39 This rule is justified because requiring officials to be disinterested ensures that races are fair to the wagering public and the race participants.

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3769-14-40 The adverse impact is justified because the judges must have adequate vision to fairly judge the race. This protects race participants and the wagering public from incorrect decisions by the judges.

3769-14-42. This impact is justified because the placement is important for determining purse money distribution and wagering distribution.

3769-14-43 This impact is justified because it requires appropriate technology for determining outcomes of the race. The outcome is important for purse money distribution and wagering distribution.

3769-14-45 The adverse impact is justified because the track veterinarian ensures the humane treatment of horses and protects the wagering public from wagering on lame horses.

3769-14-46 The adverse impact is justified because the patrol judge also ensures that no rules are violated. Also, the rule is justified because it allows the permit holders to choose different alternatives.

3769-14-47 This rule is justified because the time keeping of a race is important to determine the outcome. The outcome affects wagering and purse money.

3769-14-48 This impact is justified because the race secretary is an essential employee of the permit holder. Completion of the racing secretary's duties ensures consistent treatment of the licensees

3769-14-49 This rule is justified because the clerk of course is necessary to aid the judges in keeping track of horses and determining eligibility. This ensures that licensees are treated fairly.

3769-14-50 This rule is justified because proper regulation of the paddock is important to protect the safety of race participants.

3769-14-52. The adverse impact is justified because the sulky is a piece of equipment used by the driver for their own use.

3769-14-53 This impact is justified because this rule protects race participants from crashes on the track, thus protecting the safety of race participants.

3769-14-54 This impact is justified because the consistency of the homestretch ensures the fairness of the race. Also, the potential penalties for licensees are justified because blocking can be dangerous to race participants.

3769-14-99 Fines and penalties act as a deterrent to licensees and permit holders. In order to regulate this industry, these rules must be enforceable through these penalties.

Regulatory Flexibility

16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

No, these regulations apply to seven permit holders in Ohio and licensees. Therefore, an exemption for small businesses is not applicable.

17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

R.C. 119.14 is not applicable.

18. What resources are available to assist small businesses with compliance of the regulation?

The Commission website at www.racing.ohio.gov

The Commission phone number at 614-466-2757

The Commission facsimile number at 614-466-1900

The Executive Director at bill.crawford@rc.state.oh.us