



Common Sense Initiative

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Business Impact Analysis

Agency, Board, or Commission Name: Ohio State Racing Commission

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Regulation/Package Title:

Chapter 2 revision

Rule Number(s): amended 3769-2-01; 3769-2-10; 3769-2-14; 3769-2-18; 3769-2-23; 3769-2-24; 3769-2-35; 3769-2-99. Rescinded 3769-2-03

Date of Submission for CSI Review: February 18, 2025

Public Comment Period End Date: February 25, 2025

Rule Type/Number of Rules:

New/#rules

No Change/# rules (FYR? Choose an item.

Amended/8 rules (FYR? N)

Rescinded/1 rules (FYR? N)

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

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Reason for Submission

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

The rule(s):

- a. ☒ Requires a license, permit, or any other prior authorization to engage in or operate a line of business.
- b. ☒ Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.
- c. ☒ Requires specific expenditures or the report of information as a condition of compliance.
- d. ☐ Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

Regulatory Intent

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

- a. 3769-2-01 The commission has a right to search certain areas.
- b. 3769-2-10 Each application to conduct horseracing must have a list of officials.
- c. 3769-2-14 The permit holders enforcement obligations.
- d. 3769-2-18 Applications for licenses.
- e. 3769-2-23 License qualifications.
- f. 3769-2-24 License fees.
- g. 3769-2-35 Simulcasting of races.
- h. 3769-2-99 Penalties commission may impose.
- i. Rescind - 3769-2-03 The procedures the Commission has to follow when making rules

3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.

- a. 3769.03

4. 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

5. If the regulation implements a federal requirement, but includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

a. Not Applicable.

6. 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)?

a. These rules are in place to advise licensees of their requirements and obligations to ensure safe and fair horseracing.

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

a. These rules have been in place for some time and the Commission believes the success of these rules has been demonstrated.

8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931?

a. No

Development of the Regulation

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

a. The primary stakeholders are the seven commercial permit holders and members of the horsemen's association who are required to implement and/or follow these rules. These rules were circulated with them in January, 2025.

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

a. These rules were provided to the industry for comments. No comments were received about the suggested changes.

11. 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?

a. No additional scientific data was used to develop these rules.

12. 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?

a. No alternative regulations were considered as these rules have been in existence for several years.

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

a. No other agency regulates horse racing in Ohio; therefore, no duplication will occur.

14. 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.

a. The Commission has employees at all commercial tracks to ensure compliance with these rules.

Adverse Impact to Business

15. Provide a summary of the estimated cost of compliance with the rule(s). Specifically, please do the following:

*a. **Identify the scope of the impacted business community,** The scope of the impacted business community includes the seven-commercial permit holders in Ohio and the licensees associated with horse racing and*

*b. **Quantify and identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance, etc.).***

3769-2-01 If a person refuses to consent to searches as described in this rule, they will be automatically suspended. The person could be fined up to \$1,000 and/or suspended.

3769-2-10 The permit holder must take some time to collect information and to complete the application. The commission may not approve an official.

3769-2-14 The permit holder could be fined or suspended for not following this rule. The racing permit could be denied or revoked. The racing permit could be denied or revoked.

3769-2-18 The licensee must fill out an application and pay a license fee.

3769-2-23 A license applicant may not meet qualification requirements. It takes time to fill out an application and if the license is not a reciprocal license there may be a test involved for a first-time licensee.

3769-2-24 A license applicant has to pay the listed license fee which ranges between \$10 to \$100.

3769-2-35 *The permit holder and/or a person could be fined or suspended for not following this rule. A permit holder could lose their permit.*

3769-2-99 *The commission may issue fines or suspensions up to the amount authorized by law. A license or permit may be denied or revoked.*

3769-2-03 – Rescind *The procedure the commission has to follow when making or amending new rules*

- 16. Are there any proposed changes to the rules that will reduce a regulatory burden imposed on the business community? Please identify. (*Reductions in regulatory burden may include streamlining reporting processes, simplifying rules to improve readability, eliminating requirements, reducing compliance time or fees, or other related factors*).**
- a. No
- 17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?**

Regulatory Flexibility

- 18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.**
- a. No, this regulation applies to only seven commercial racetrack permit holders; therefore, an exemption for small businesses is not applicable.
- 19. 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?**
- a. R.C. 119.14 is not applicable.
- 20. What resources are available to assist small businesses with compliance of the regulation?**
- a. The Commission website is www.racingohio.net
- b. The Commission phone number is: 614-466-2757