



Common Sense Initiative

Mike DeWine, *Governor*
Jon Husted, *Lt. Governor*

Joseph Baker, *Director*

MEMORANDUM

TO: Tanya Boulmetis, Ohio State Racing Commission

FROM: Jacob Ritzenthaler, Business Advocate

DATE: February 21, 2024

RE: CSI Review – Chapter 14 No Change #1 (OAC 3769-14-01 through 3769-14-29)

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Commission as provided for in ORC 107.54.

Analysis

This rule package consists of twenty-nine no-change rules proposed by the Ohio State Racing Commission (Commission) as part of the statutorily required five-year review process. This rule package was submitted to the CSI Office on January 5, 2024, and the public comment period was held open through January 15, 2024. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on January 5, 2024.

Ohio Administrative Code (OAC) Chapter 3769-14 establishes requirements concerning horse racing permit holders and officials. OAC 3769-14-01, 3769-14-02, and 3769-14-03 set forth requirements for issuing licenses, agreements between permit holders and horsemen, and payment to horsemen by written order. OAC 3769-14-04 and 3769-14-05 concern the latest posting time for a race and prohibitions for certain licensees from racing horses in which they have an interest. OAC 3769-14-06 prohibits minors sixteen years of age or younger from admission to grandstands or club houses, as well as persons under eighteen from wagering. OAC 3769-14-07, 3769-14-08, and 3769-14-09 prohibit unlawful gambling, bookmaking, and touting (a form of offering racing tips).

OAC 3769-14-10 through 3769-14-15 set forth requirements for racetrack premises, stable areas, ambulances, floodlights, refuse pits, and bathroom facilities. OAC 3769-14-16 prohibits the sale or

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distribution of tip sheets at racetracks. OAC 3769-14-17 and 3769-14-18 establish requirements for living quarters for stable employees and first aid rooms. OAC 3769-14-19 requires permit holders to make video recordings of each race for judge review. OAC 3769-14-20 and 3769-14-21 require that permit holders ensure anyone driving or training horses on the premises is licensed and are provided with uniformly colored saddle pads. OAC 3769-14-22 and 3769-14-23 require permit holders to provide alcohol breath-testing devices for licensees participating in races and paddocks or receiving barns. OAC 3769-14-24 establishes the code of conduct within the paddock, including allowances for judges or paddock judges to remove paddock privileges to maintain decorum. OAC 3769-14-25 through 3769-14-29 set forth requirements concerning the responsibilities and rights of the judges.

During early stakeholder outreach, the Commission sent the proposed rules to industry stakeholders for feedback, including commercial racetrack permit holders and members of the horsemen's association. No comments were received during that time or during the CSI public comment period.

The business community impacted by the rules includes seven commercial racetrack permit holders and horse racing licensees. The adverse impact created by the rules requires compliance with standards for conducting races, including avoiding conflicts of interest, posting race times, maintaining facilities, and prohibiting unlawful activities. Violations of the rule requirements can result in fines of up to \$1,000 and the suspension or revocation of a license. The Commission states that the adverse impacts are necessary to ensure the integrity of horse racing.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Commission should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.