



Common Sense Initiative

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

Joseph Baker, *Director*

MEMORANDUM

TO: Tanya Boulmetis, Ohio State Racing Commission

FROM: Michael Bender, Business Advocate

DATE: January 3, 2024

RE: **CSI Review – Amended Chapter 2 Rules (OAC 3769-2-01 through 3769-2-30, 3769-2-32 through 3769-2-39, 3769-2-41, 3769-2-42, and 3769-2-99)**

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 forty-one amended rules proposed by the Ohio State Racing Commission (Commission) as part of the statutory five-year review process. This rule package was submitted to the CSI Office on November 30, 2023, and the public comment period was held open through December 8, 2023. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on November 30, 2023.

Ohio Administrative Code (OAC) 3769-2 contains administrative rules related to the Commission's regulation of thoroughbred racing. The rules in this package entail subject matters such as Commission investigations and procedures, applications, permit and licensure requirements, financial responsibilities, confidential personal information, and penalties. The rules are amended to make technical corrections, update language, grammar, and a rule title, and incorporate the breed-specific content from OAC 3769-12, which is proposed for rescission in its entirety in a separate rule package.

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During early stakeholder outreach, the Commission provided the rules to the seven commercial permit holders and members of the horsemen's associations who implement and/or follow the rules. The revisions to the rules incorporate the feedback given by the industry. No comments were received during the CSI public comment period, although the Commission revised the rules to make technical and grammatical corrections as well as remove provisions requiring applicants to affirm the truth of all statements on their applications before a notary public.

The business community impacted by the rules includes commercial permit holders and licensees associated with horse racing. The adverse impacts created by the rules include making records available upon request, completing applications, financial obligations, obtaining permits and licensure, submitting fingerprints, and penalties for failure to comply with the rules. Such penalties may include fines or denial, suspension, or revocation of a license or permit. The Commission states that the adverse impacts to business are justified to implement statutory requirements and ensure the integrity of 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.