

# CSI - Ohio

The Common Sense Initiative

## Business Impact Analysis

Agency Name: Ohio State Racing Commission

Regulation/Package Title: Chapter 17 NO CHANGE RULES

Rule Number(s): 3769-17-04, 06, 12, 18, 19, 35, 43,

Date: April 4, 2019

These rules are no-change rules and may be found by accessing the Commission's website at [www.racingohio.net](http://www.racingohio.net).

**Rule Type:**

New

5-Year Review

Amended

Rescinded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.**

3769-17-04 When a trainer is absent more than two days, the trainer must have a substitute trainer assume joint responsibility for the horse.

3769-17-06 If a driver has any financial interest in a race horse at the track, the driver cannot drive any other horse in a race.

3769-17-12 The judges can penalize a driver even if no objection has been filed.

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3769-17-18 The brutal use of a whip shall be punished by a fine or suspension.

3769-17-19 This rule states the restrictions when a horse wears hobbles.

3769-17-35 A licensed person cannot use improper language to racing officials or members of the commission.

3769-17-43 The purse is redistributed after a race for violation of the rules of racing.

**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, it is not part of any federal program

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

These rules are not part of any federal requirement or program

**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)?**

It also protects the integrity of horse racing. These regulations protect race participants and the wagering public by outlining the requirements for licensees who want to participate in horse racing.

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

These regulations have been in place for some time and the Commission believes the success of the regulation has been demonstrated. The stakeholders did not request any changes to these rules.

**Development of the Regulation**

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

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The stakeholders include the seven commercial permit holders and horsemen's and racing associations.

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

These rules were provided to the industry for comments. There were no comments received on any of these rules. The commission staff reviewed the rules and did not recommend any changes.

**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?**

No additional scientific data was used to develop these rules.

**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?**

After the stakeholders and commission staff have reviewed the rules and no alternative regulations were suggested.

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

No, these regulations require licensees to follow a consistent set of rules.

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

No measures were taken because no other Ohio agency regulates horse racing. Therefore, no duplication will 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 at all permit holders and no suggested changes were voiced by the stakeholders.

**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;

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The scope of the impacted business community includes permit holders in Ohio and the licensees associated with horse racing.

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

3769-17-04 The adverse impact is that the trainer will have to pay a substitute trainer to do his duties.

3769-17-06 The adverse impact is a driver could be fined or suspended. The driver would not be able to race

3769-17-12 The adverse impact is the driver could be fined or suspended. The horse could be placed lower in the race.

3769-17-18 The adverse impact is the driver could be fined and/or suspended.

3769-17-19 The adverse impact is the licensed person could be fined and/or suspended.

3769-17-35 The adverse impact is the person could be ejected, fined or suspended from the permit holder's facility.

3769-17-43 The adverse impact of a disqualification is the owner will lose money when the purse is redistributed.

**c. Quantify the expected adverse impact from the regulation.**

3769-17-04 Trainer's fees range from no charge to \$200 a day.

3769-17-06 The driver could earn less money. It is hard to determine an amount. The driver could be suspended for up to one year and fined one thousand dollars

3769-17-12 A driver could be fined up to one thousand dollars and/or be suspended up to one year. The owner could lose purse money depending on the purse for the race.

3769-17-18 The driver could be fined up to one thousand dollars and suspended up to one year.

3769-17-19 The licensed person could be fined up to one thousand dollars and suspended up to one year.

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3769-17-35 The licensed person could be fined up to one thousand dollars and suspended up to one year.

3769-17-43 A disqualification can affect the owner, trainer and driver depending on the size of the purse.

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

3769-17-04 The adverse impact is justified as the judges need to be kept informed of who is responsible for horses being trained.

3769-17-06 The rule is justified because if a driver has financial interest in a horse in training, he/she may not ride another horse with sufficient effort to win a race which would hurt the integrity of racing.

3769-17-12 The judges need to penalize foul driving if an objection is filed or not. The rule is justified to protect wagering and the public integrity of racing through prohibiting drivers from foul driving during a race.

3769-17-18 The rule justified to protect the health of the horse.

3769-17-19 The adverse impact is justified to ensure no horse has an advantage in a race.

3769-17-35 The adverse impact is justified to ensure the integrity of racing by ensuring the races are conducted in a safe manner.

3769-17-43 The rule is justified because it disqualifies a horse and allows the redistribution of the purse and it rewards licensees who follow the rules.

## **Regulatory Flexibility**

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

No, this regulation applies to seven commercial race track permit holders. It also applies to every licensee to apply these rules to all 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](http://www.racing.ohio.gov)

The Commission phone number at 614-466-2757

The Commission facsimile number at 614-466-1900

The Deputy Director at [Michael.Rzymek@racing.ohio.gov](mailto:Michael.Rzymek@racing.ohio.gov)