



Ohio Legislative Service Commission

Bill Analysis

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Am. H.B. 277

129th General Assembly
(As Passed by the House)

Reps. Blessing and Gerberry, Boyd, Buchy, Driehaus, Hackett, R. Hagan, Henne, Letson, Mallory, Mecklenborg, O'Brien, Ruhl, Sykes, Uecker, Winburn, Yuko

BILL SUMMARY

- Permits a horse-racing permit holder who is eligible to become a video lottery sales agent to apply to the State Racing Commission to move its track to another location.

CONTENT AND OPERATION

Racetrack relocation procedure

For a period of two years after the bill's effective date, the bill permits a permit holder who is eligible to become a video lottery sales agent to apply to the State Racing Commission to move its track to another location using the following approval procedure:

(1) The permit holder must submit, for the consideration of the State Racing Commission in its determination on whether to approve the transfer, its proposal to the State Racing Commission and must specify the location of the new track and the incremental economic benefits the permit holder is willing to provide to the state.

(2) The State Racing Commission must approve or deny the transfer.

(3) The permit holder can apply to the State Lottery Commission for a video lottery sales agent license at the new track location.

The bill requires the State Racing Commission to give preference to transfer proposals involving moves to locations in which neither horse-racing meetings nor casino gaming have been authorized before July 1, 2011.

A permit holder that is authorized to transfer its track and that is a video lottery sales agent can operate at a temporary facility at its new location while constructing or otherwise preparing its new track at that location.

The bill allows the state to discuss and negotiate with parties regarding the transferring of racing permits to new track locations and may, in its discretion, enter into agreements regarding the transfer of permits to new locations in advance of the process set forth in this section.

Under the bill, a permit holder who is located on property owned by a political subdivision and who is eligible to conduct video lotteries at its existing track can move its track to a new location in the immediate vicinity where the conducting of video lotteries is lawful. That permit holder must not be charged any fee by or be required to provide any other incremental economic benefits to the state in exchange for applying for a move, for having its move approved, or for moving its existing track as specified in this paragraph.

The bill specifies that the Gambling Law (R.C. Chapter 2915.) does not apply to, affect, or prohibit lotteries or video lotteries conducted under the bill and the Lottery Law.

The bill permits the State Racing Commission to promulgate rules to effectuate the bill and to establish fees for applicants.¹

The bill specifies that the procedure described above "notwithstanding" certain sections of current law. One of these provisions allows for a track relocation of up to 56 racing days for tracks damaged by fire or other cause under certain conditions.² Those current law sections also set out the procedure, required information, and fees for a person desiring to hold or conduct a horse-racing meeting, wherein the pari-mutuel system of wagering is allowed, to apply to the State Racing Commission for a permit to do so. Also, this provision requires, if the application requests a permit for a horse-racing meet at a location at which such a meet has not previously been conducted by permission of the Commission to include a petition signed by at least 51% of the qualified electors voting for Governor at the most recent general election in the townships in which the racing meet is proposed to be conducted, together with a certificate of the board of elections of the counties in which such townships are situated that the signatures on the petition are valid and in compliance.³ Apparently, this

¹ Section 1.

² R.C. 3772.13.

³ R.C. 3769.04.

petition procedure would not need to be followed under a relocation allowed under the bill.

Definitions

The bill defines the following terms:

- "Permit holder" means a person that has been authorized by the State Racing Commission to conduct one or more horse-racing meetings under the Horse Racing Law.
- "Track" means any place, track, or enclosure where a permit holder conducts live horse racing for profit at a racing meeting. "Track" includes facilities or premises contiguous or adjacent to those places, tracks, or enclosures.
- "Video lottery sales agent" means a person who is a permit holder and holds a current license issued by the State Lottery Commission to assist the Commission in conducting video lotteries through the use of video lottery terminals at a track.

HISTORY

ACTION	DATE
Introduced	06-22-11
Reported, H. State Government and Elections	06-23-11
Passed House (77-17)	06-23-11

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