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## OHIO STATE RACING COMMISSION

- Eliminates the requirement that the Governor, State Racing Commission, and necessary parties discuss, negotiate, and reach an agreement for providing annual \$500,000 payments to certain municipal corporations or townships in which a racetrack is located.
- Requires each municipal corporation or township to receive \$1 million over the next two fiscal years, with half from the Casino Operator Settlement Fund and half from the permit holder of the racetrack.
- Removes the provision that prohibited the maximum number of live racing days for any permit holder from exceeding 210.
- Removes the provision that prohibited simulcast hosts from conducting pari-mutuel wagering on certain simulcast racing programs if certain live harness horse racing programs were being conducted at a nearby track.
- Eliminates the Ohio Quarter Horse Development Fund and requires that funds formerly paid into it instead be paid into the Ohio Thoroughbred Race Fund to support quarter horse development and purses.
- Increases the amount of moneys paid to the Tax Commissioner by thoroughbred racing permit holders that the Tax Commissioner must pay into the Ohio Thoroughbred Race Fund.
- Abolishes the Ohio Quarter Horse Development Commission.
- Requires the State Racing Commission to adopt rules regarding the maintenance and use of money collected for quarter horse development and purses.

### **Payments to entities with video lottery terminal facilities**

(Sections 233.10, 610.32, and 610.33)

The act limits payments and specifies funding sources for payments to municipal corporations and townships in which racetracks with video lottery terminals are



located. Under the act, each eligible entity<sup>151</sup> must receive a total of \$1 million in the following manner:

By December 31, 2015:

--The Ohio Casino Control Commission must pay \$250,000 to each eligible entity from the Casino Operator Settlement Fund.<sup>152</sup>

--The permit holder of a track located in an eligible entity must pay \$250,000 to the eligible entity.

By December 31, 2016:

--The Commission must pay \$250,000 to each eligible entity from the Casino Operator Settlement Fund.<sup>153</sup>

--The permit holder of a track located in an eligible entity must pay \$250,000 to the eligible entity.

The act also declares that it is the General Assembly's intent that all payments made under this provision are made in full, complete, and total satisfaction of any payment contemplated or required by any version of the provision.

The act eliminates the law that had required the Governor, State Racing Commission, and necessary parties to discuss, negotiate, and reach an agreement for providing \$500,000 payments to certain municipal corporations or townships in which a racetrack is located. Under the prior law, the first payment was to have been made by December 31, 2014, and annually thereafter.

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<sup>151</sup> "Eligible entity" means the municipal corporation or township in which more than 50% of the real property of a commercial racetrack was located on June 11, 2012, or a municipal corporation or township to which more than 50% of the real property of a commercial racetrack is to relocate. The law excludes a municipal corporation or township in a county with a population between 1.1 million and 1.2 million (Franklin County) from receiving the payments, and limits the payments to not more than six municipal corporations or townships: Anderson Township in Hamilton County; Austintown Township in Mahoning County; City of Dayton in Montgomery County; Turtlecreek Township in Warren County; Village of Northfield in Summit County; and Village of North Randall in Cuyahoga County (Section 10 of H.B. 386 of the 129th General Assembly, as subsequently amended).

<sup>152</sup> The Casino Operator Settlement Fund is in the state treasury and receives any money paid to the state by casino operators in excess of any required licenses, fees, or taxes. The Fund can be used for activities related to workforce development, economic development, job creation, training, education, food banks, and expenses (R.C. 3772.34, not in the act).

<sup>153</sup> The act erroneously cross-references Section 235.20 instead of Section 233.10.



## **Live racing days**

(R.C. 3769.089(B))

For horse racing tracks with video lottery terminals, the act eliminates maximum racing days. In this regard, the act removes the prohibition that the maximum number of live racing days for any permit holder must not have exceeded 210 racing days. The act also removes the provision that allowed an agreement, subject to the State Racing Commission's approval, to increase the number of live racing days to a number that is greater than the permitted maximum.

## **Simulcast racing**

(R.C. 3769.089(D))

The act removes a provision of law that provided that if a simulcast host conducted a racing program that featured thoroughbred or quarter horses on the same day that another simulcast host conducted a live harness horse racing program at a track located in the same county as, or within 20 miles of, the first simulcast host's track, the first simulcast host must not have conducted pari-mutuel wagering on simulcast racing programs that began after 4 p.m. on that day and the second simulcast host must not have conducted wagering on simulcast racing programs that began before 3 p.m. on that day.

## **Quarter Horse Development Fund**

(R.C. 3769.03, 3769.08, 3769.083, 3769.086 (repealed), 3769.087, and 3769.101; Section 803.210)

The act eliminates the Ohio Quarter Horse Development Fund, the purpose of which was to "advance and improve the breeding of racing quarter horses in Ohio." The funds paid into the Fund under prior law, five-eighths of one percent of moneys wagered, beginning January 1, 2016, instead must be paid into the Ohio Thoroughbred Race Fund to support quarter horse development and purses.

Beginning January 1, 2016, the act increases the amount of additional moneys retained and paid to the Tax Commissioner by thoroughbred racing permit holders, from one-twelfth to one-sixth, that the Tax Commissioner must pay into the Ohio Thoroughbred Race Fund.<sup>154</sup>

The Quarter Horse Development Commission, which administered the Quarter Horse Development Fund under prior law, is eliminated by the act. The State Racing

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<sup>154</sup> The amendment to this section may not properly account for its fiscal effect.



Commission is required to adopt rules regarding the maintenance and use of money collected for quarter horse development and purses.

