

Racing Compact Amended Bill (S3022-A)

The amendments to the compact bill (S3022-A) fully resolve all issues with the compact bill.

This model bill (S3022-A) was circulated to the involved horsemen organizations in February 2010 (fee-consent in April 2010). It has resolved all of their objections to A8183.

All amendments were written and/or approved by Rick Masters, Special Counsel on Interstate Compacts, The Council of State Governments.

Usurps Legislative Authority:

- KEY AMENDMENT: The General Powers of the compact are vested in the member states (not racing commissions). Section 1205 (preamble).
- KEY AMENDMENT: The compact commission will coordinate the actions of each racing commission. Section 1203(b). (Who are still subject to state laws.)
- KEY AMENDMENT: NY racing and wagering laws, which govern the RWB, "shall remain in full force and effect." Section 1213(b).

The RWB can make rules, but not laws, through the compact. Moreover, as no state relies on the another state's position (only a state's own vote matters), our Legislature by joining the compact does not forfeit any law making authority. All Legislative matters continue to be under the sole control and discretion of the State Legislature.

Cedes State power to other states:

Nothing done in the Compact ever takes effect in a state unless it votes for it. Section 1203(e); 1207(c)(rules). A member state can unilaterally repeal any rule it adopts for its state via the compact. Section 1207(d).

- KEY AMENDMENT: S3022-A says compact-made rules are like other state rules (1205(d)). [A8183/S3022 said they "supersede" state rules.]

State rule makers will be unduly influenced by other states:

This issue is raised by only those with no knowledge or experience with Model Rules. It is like saying my legislator can't go to the state capitol and talk to other ones. It ignores that racing states already go to quarterly RCI meetings to adopt and improve a model code of rules, and that the compact centralizes only the process of rule making, not the decision-making (still by each state).

One person (representative to compact) will have too much control:

- KEY AMENDMENT: Section 1203(d) says the compact representative is an "agent" of the Racing & Wagering Board (RWB).
- KEY AMENDMENT: Section 1203(b) defines the purpose of the compact as to coordinate the actions of member state racing commissions.

- KEY AMENDMENT: Section 1210(f) says that the adoption of the compact does not diminish the state racing commission.

By making the compact representative an agent of the racing commission, which casts the vote to adopt state racing rules, the status quo is preserved.

Creates "Super Agency" that will be costly:

All enforcement authority is reserved and still exercised by each state. Section 1210(e).

Funding: the compact is self-funded and has NO ability to levy on state governments. Section 1209(e)(state liable for only damages actions). It can charge a user fee for services (e.g., a national license application fee) or a fee within racing, which require horsemen consent.

- KEY AMENDMENT: A compact fee on horsemen or racetracks requires their prior consent. Section 1213(c).
- KEY AMENDMENT: No compact fee will be adopted without a formal public-participation process. Section 1208(e).

User fees require consent at the time of purchase. No purchase is required.

Horsemen will lose access to rule making process:

Compact rule making must follow the Model SAPA of 1981 (which no opponent has read). Under Model SAPA, every right of the horsemen and racetracks is guaranteed.

The racing commission consulting with horsemen when drafting rules now becomes CODIFIED:

- KEY AMENDMENT: To make a rule in compact, the racing commissions must "conduct a collaborative approach in the design and advancement of compact rules." Section 1207(b).
- KEY AMENDMENT: compact commission may collaborate with industry. Section 1205(b).
- KEY AMENDMENT: compact will appoint industry rule making committee to give advice. Sections 1204(c), 1207(b)

As you can see, these extensive revisions were done to satisfy all concerns raised about A8183.

The Council of State Governments played a major role and its Special Counsel strongly endorses the amended bill. Its language was also approved by a Steering Committee with representatives of the largest industry organizations: USTA (harness), Jockey Club, NTRA, and NHBPA (trainers).

The amended bill is endorsed by RCI, The Jockey Club, Vernon and Tioga Downs, and NYRA.

The Senate bill has been amended (S3022-A) and represents the current version (June 24, 2010) that incorporates changes to address each concern raised by Legislative staff or industry.