

SYNOPSIS OF MODEL BILL  
*for an Interstate Racing and Wagering Compact*

Article I. Purposes, to enable member states to cooperatively improve horse racing regulation.

Article II. Definitions.

Article III. Composition and Meetings of the compact commission. The member states create a compact commission in which state racing commissions can coordinate their activities. A delegate represents each racing commission, as its agent. Six states are needed to form the compact and a state may withdraw by repealing this statute. A state's vote is required for any compact action to take effect in the state (subd. E).

Article IV. Operations: officers, by-laws, executive committee, budget. Under budget, the compact may accept appropriations from a state, that decides to fund the compact, that has no compact fee.

Article V. General Powers of member states (not racing commissions) under the compact. Basically the member states give themselves latitude to do anything about racing and wagering that they might want. The Legislature maintains its pre-eminence because it, not the racing commission, has these broad powers.

Article VI. Incidental powers like the ability to enter into contracts, issue subpoenas, create a common set of open meetings and FOIL rules for the compact from among the member states' laws.

Article VII. Rule Making. Compact must collaborate with industry and follow a Model SAPA (public notice, etc.). A proposed compact rule is published in each member state registry, unless the state objects. A state can unilaterally rescind (for its state) a state rule that it had adopted through the compact.

Article VIII. Compact Fees. Compact can charge for programs and establish a fee within racing. Must collaborate with industry and undergo public participation.

Article IX. Relationship to member states. The compact has to fund itself and no member state is liable for its debts.

Article X. Rights and duties of member states. States reserve the right to charge own fees, apply own rules, enforce all rules including ones adopted through compact. State agencies will cooperate. Racing commission is not diminished.

Article XI. Enforcement of compact. Member states can settle disputes in federal court.

Article XII. Legal actions against compact. Wronged parties can sue compact in state court. Compact answers for damages just like racing commission (11th Amendment immunity).

Article XIII. Restrictions applicable to New York. State cannot set take-out or expand who must be licensed at racetrack through compact. All state racing and wagering laws (e.g., the define racing commission powers and duties) continue. No compact fee can be imposed on New York horsemen or racetracks without their consent.

Article XIV. Saving clause.