Racehorse Health and Safety Act of 2023 ("RHSA")

Purpose: The purpose of the RHSA is to protect the health and welfare of the racing horse and improve the integrity and safety of horseracing by providing a structure to coordinate the vast funding, knowledge, and enforcement capabilities of the States, leading to medication and safety rules that will be uniform as to each equine racing breed.

Interstate Compact: The Act grants Congressional consent under the authority of the Compact Clause of the U.S. Constitution to States to form an interstate compact to develop and enforce scientific medication control and racetrack safety rules uniform as to each racehorse breed: Thoroughbred, Standardbred, and Quarter Horse. To incentivize best practices and cooperation among the States, the Act prohibits exporting simulcast signals for interstate, off-site betting except from participating States.

The Act requires participating States to establish a Racehorse Health and Safety Organization (RHSO) that, through its Board of Directors, adopts rules governing medication control and racetrack safety. The RHSO must ensure that all rules are based on generally accepted scientific principles and peer-reviewed studies to the extent possible.

The Board of Directors: The RHSO Board of Directors is appointed by State racing commissions. The five States with the most racing days according to the preceding three years each appoint one board member, and the remaining States shall appoint the four other board members, the members serving staggered three-year terms. The Board appoints three Scientific Medication Control Committees ("SMCC"), one for each breed, and one Racetrack Safety Committee ("RSC") to recommend breed-specific rules to the Board. Each committee consists of three members appointed by the Board and four members appointed by industry groups, the members serving staggered three-year terms. An individual may serve on two committees at most. The Board evaluates committee recommendations and adopts them unless generally accepted scientific principles counsel otherwise.

Funding: The funding of the RHSO will be provided by annual fees assessed to participating State racing commissions based on the racing starts of each breed. State racing commissions may collect fees however they choose so long as collections are proportionate to each breed's share of the cost to regulate that particular breed.

<u>Enforcement</u>: The Act grants the RHSO powers to investigate rule violations, including by obtaining blood/ serum, hair, and urine samples from covered horses in participating States and issuing subpoenas. State racing commissions may choose whether to enforce the scientific medication control and racetrack safety rules within their State or to allow the RHSO to enforce them. RHSO rules preempt any conflicting State laws or regulations within the jurisdiction of the RHSO.

Effective Date: The Act specifies that immediately upon the date of enactment, the Horseracing Integrity and Safety Act is repealed, and the States may form their interstate compact. The Act takes effect 2 years after the date of the enactment. At that time, the RHSO is established, its Board of Directors may be appointed, and the simulcast ban begins for nonparticipating states. Ninety days later, the Board commences its duties, and the SMCCs and RSC members may be appointed and commence their duties.