

Role and Overview

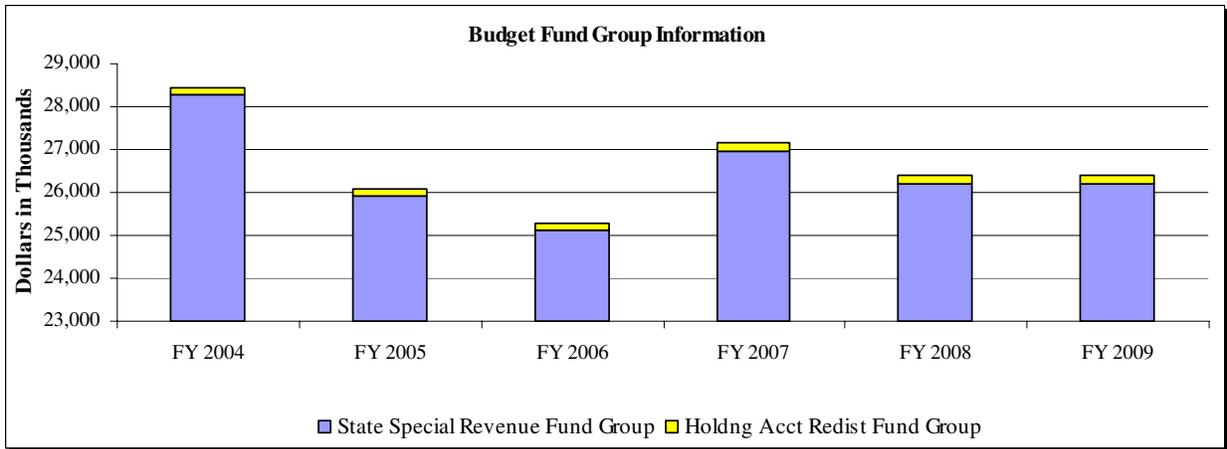
The Ohio State Racing Commission (RAC) regulates and promotes pari-mutuel horse racing in the state. Ideally, the greater the amount of money provided to the winners of a race, the higher the quality of horses and the higher the quality of competition. The commission prescribes the rules, regulations, and conditions under which horse racing with pari-mutuel wagering may be conducted. The commission is responsible for governing Ohio’s seven commercial racetracks, one satellite-wagering facility, and over 70 county fairs.

The commission consists of five members, including a chairman, who are appointed by the Governor for four-year terms. The commission has a staff of 16 full-time employees and five part-time employees and regularly contracts with 11 other individuals who serve as judges, stewards, and veterinarians. The commission’s annual budget is approximately \$26 million. Additional information regarding the Ohio State Racing Commission is available at <http://racing.ohio.gov>.

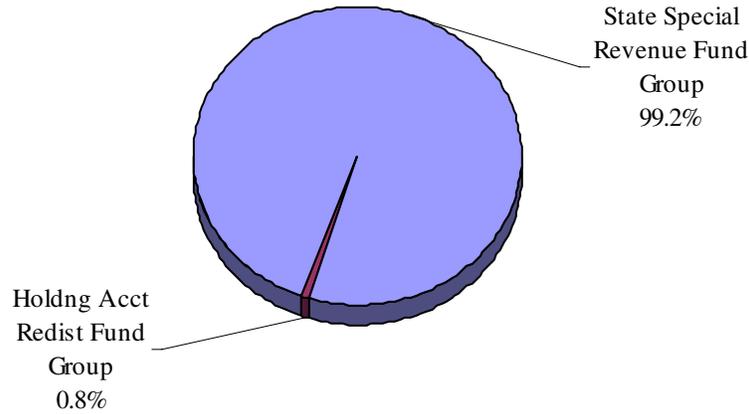
Agency Priorities

- Regulate all pari-mutuel horse racing in Ohio by testing, officiating, and enforcing the rules and laws.
- Promote pari-mutuel horse racing in Ohio by providing purse supplements to Ohio-bred race winners.

Summary of Budget History and Recommendations

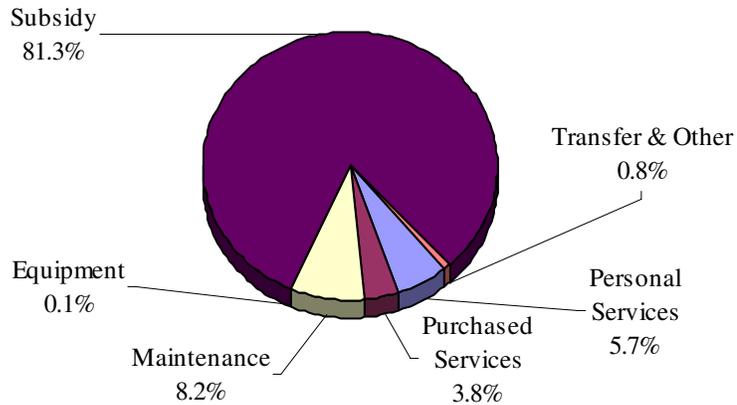


**FY 2008-09 Biennial Appropriation
by Budget Fund Group**



(In thousands) BUDGET FUND GROUP	ACTUAL			ESTIMATE FY 2007	% CHANGE FY 06-07	RECOMMENDED			
	FY 2004	FY 2005	FY 2006			FY 2008	% CHANGE	FY 2009	% CHANGE
State Special Revenue Fund Group	28,290	25,916	25,127	26,944	7.4	26,189	(2.8)	26,189	.0
Holding Acct Redist Fund Group	168	162	164	213	29.9	213	.0	213	.0
TOTAL	28,458	26,078	25,291	27,157	7.4	26,402	(2.8)	26,402	.0

**FY 2008-09 Biennial Appropriation
by Expense Category**



State of Ohio
State Racing Commission

(In thousands) OBJECT OF EXPENSE	ACTUAL			ESTIMATE	%	RECOMMENDED			
	FY 2004	FY 2005	FY 2006	FY 2007	FY 06-07	FY 2008	%	FY 2009	%
Personal Services	1,981	1,833	1,300	1,189	(8.5)	1,498	26.0	1,530	2.1
Purchased Services	2,140	1,924	1,191	977	(18.0)	1,002	2.6	1,002	.0
Maintenance	448	344	1,416	1,789	26.3	2,197	22.8	2,147	.0
Equipment	24	48	31	294	836.3	25	(91.5)	50	100.0
Subsidy	23,696	21,763	21,182	22,686	7.1	21,465	(5.4)	21,458	.0
Transfer & Other	170	166	171	223	30.1	215	(3.6)	215	.0
TOTAL	28,459	26,078	25,291	27,158	7.4	26,402	(2.8)	26,402	.0

PROGRAM SERIES 01: Horse Racing Industry Administration

This program series promotes and regulates horse racing in Ohio.

Program 01.01: Regulation

This program provides for the enforcement of guidelines under which pari-mutuel horse racing is conducted in Ohio. This is achieved through officiating races, laboratory testing of horses and riders, issuing licenses, conducting investigations, and the administration of racing dates, participants, and facilities.

The Executive Recommendation will:

- Support five commission members, 19 staff, and contractors who oversee the continued enforcement of horse racing industry rules and regulations at the seven live-racing tracks, one satellite facility, and over 65 county fairs where pari-mutuel wagering takes place;
- Fund race stewards, judges, and veterinarians at over 1,000 annual live race dates; and
- Fund drug testing conducted at the Ohio Department of Agriculture Analytical Toxicology Laboratory.

FUND				RECOMMENDED	
GROUP	FUND	ALI	ALI NAME	FY 2008	FY 2009
SSR	562	875-601	Thoroughbred Race Fund	116,780	120,868
SSR	563	875-602	Standardbred Development Fund	81,065	83,902
SSR	565	875-604	Racing Commission Operating	4,487,599	4,487,599
090	R21	875-605	Bond Reimbursements	212,900	212,900
TOTAL FOR PROGRAM				4,898,344	4,905,269

Program 01.02: Promotion

This program provides additional purse money that can be won by horses bred in Ohio to increase interest in the breeding of such horses.

The Executive Recommendation will:

- Support three employees who register, inspect, and track over 7,000 horses; and
- Promote Ohio's horse racing industry through increased purse sizes.

State of Ohio
State Racing Commission

FUND				RECOMMENDED	
GROUP	FUND	ALI	ALI NAME	FY 2008	FY 2009
SSR	5C4	875-607	Simulcast Horse Racing Purse	16,000,000	16,000,000
SSR	562	875-601	Thoroughbred Race Fund	2,983,220	2,979,132
SSR	563	875-602	Standardbred Development Fund	2,518,935	2,516,098
SSR	564	875-603	Quarterhorse Development Fund	1,000	1,000
TOTAL FOR PROGRAM				21,503,155	21,496,230

Appropriation Line Item Analyses for Fiscal Years 2008 and 2009

Line Item Notes

875-604, Racing Commission Operating: The increase in this line item allows for increased drug testing expenditures.

LINE ITEM SUMMARY - Racing Commission

FUND	ALI	ALI TITLE	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 RECOMMENDED	% CHANGE	FY 2009 RECOMMENDED	% CHANGE
5C4	875-607	Simulcast Horse Racing Purse	17,737,546	16,569,596	16,139,335	16,563,948	16,000,000	(3.4)	16,000,000	.0
562	875-601	Thoroughbred Race Fund	3,672,045	2,884,194	2,678,733	3,216,622	3,100,000	(3.6)	3,100,000	.0
563	875-602	Standardbred Development Fund	2,538,565	2,539,510	2,585,459	3,161,675	2,600,000	(17.8)	2,600,000	.0
564	875-603	Quarterhorse Development Fund	0	0	2,000	2,000	1,000	(50.0)	1,000	.0
565	875-604	Racing Commission Operating	4,341,561	3,922,590	3,721,951	4,000,000	4,487,599	**	4,487,599	.0
TOTAL State Special Revenue Fund Group			28,289,717	25,915,890	25,127,478	26,944,245	26,188,599	(2.8)	26,188,599	.0
R21	875-605	Bond Reimbursements	167,600	162,400	164,200	212,900	212,900	.0	212,900	.0
TOTAL Holdng Acct Redist Fund Group			167,600	162,400	164,200	212,900	212,900	.0	212,900	.0
TOTAL Racing Commission			28,457,317	26,078,290	25,291,678	27,157,145	26,401,499	(2.8)	26,401,499	.0