

by a State racing commission and the agents, assigns, and employees of such persons and other horse support personnel who are engaged in the care, training, or racing of covered horses.

**(7) Equine constituencies**

The term “equine constituencies” means, collectively, owners, breeders, trainers, racetracks, veterinarians, State racing commissions, and jockeys who are engaged in the care, training, or racing of covered horses.

**(8) Equine industry representative**

The term “equine industry representative” means an organization regularly and significantly engaged in the equine industry, including organizations that represent the interests of, and whose membership consists of, owners, breeders, trainers, racetracks, veterinarians, State racing commissions, and jockeys.

**(9) Horseracing anti-doping and medication control program**

The term “horseracing anti-doping and medication control program” means the anti-doping and medication program established under section 3055(a) of this title.

**(10) Immediate family member**

The term “immediate family member” shall include a spouse, domestic partner, mother, father, aunt, uncle, sibling, or child.

**(11) Interstate off-track wager**

The term “interstate off-track wager” has the meaning given such term in section 3002 of this title.

**(12) Jockey**

The term “jockey” means a rider or driver of a covered horse in covered horseraces.

**(13) Owner**

The term “owner” means a person who holds an ownership interest in one or more covered horses.

**(14) Program effective date**

The term “program effective date” means July 1, 2022.

**(15) Racetrack**

The term “racetrack” means an organization licensed by a State racing commission to conduct covered horseraces.

**(16) Racetrack safety program**

The term “racetrack safety program” means the program established under section 3056(a) of this title.

**(17) Stakes race**

The term “stakes race” means any race so designated by the racetrack at which such race is run, including, without limitation, the races comprising the Breeders’ Cup World Championships and the races designated as graded stakes by the American Graded Stakes Committee of the Thoroughbred Owners and Breeders Association.

**(18) State racing commission**

The term “State racing commission” means an entity designated by State law or regula-

tion that has jurisdiction over the conduct of horseracing within the applicable State.

**(19) Trainer**

The term “trainer” means an individual engaged in the training of covered horses.

**(20) Training facility**

The term “training facility” means a location that is not a racetrack licensed by a State racing commission that operates primarily to house covered horses and conduct official timed workouts.

**(21) Veterinarian**

The term “veterinarian” means a licensed veterinarian who provides veterinary services to covered horses.

**(22) Workout**

The term “workout” means a timed running of a horse over a predetermined distance not associated with a race or its first qualifying race, if such race is made subject to this chapter by election under section 3054(k)<sup>1</sup> of this title of the horse’s breed governing organization or the applicable State racing commission.

(Pub. L. 116–260, div. FF, title XII, § 1202, Dec. 27, 2020, 134 Stat. 3252.)

**Editorial Notes**

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act” and was translated as reading “this title”, meaning title XII of div. FF of Pub. L. 116–260, to reflect the probable intent of Congress.

**Statutory Notes and Related Subsidiaries**

SHORT TITLE

Pub. L. 116–260, div. FF, title XII, § 1201, Dec. 27, 2020, 134 Stat. 3252, provided that: “This title [enacting this chapter] may be cited as the ‘Horseracing Integrity and Safety Act of 2020’.”

**§ 3052. Recognition of the Horseracing Integrity and Safety Authority**

**(a) In general**

The private, independent, self-regulatory, non-profit corporation, to be known as the “Horseracing Integrity and Safety Authority”, is recognized for purposes of developing and implementing a horseracing anti-doping and medication control program and a racetrack safety program for covered horses, covered persons, and covered horseraces.

**(b) Board of directors**

**(1) Membership**

The Authority shall be governed by a board of directors (in this section referred to as the “Board”) comprised of nine members as follows:

**(A) Independent members**

Five members of the Board shall be independent members selected from outside the equine industry.

**(B) Industry members**

**(i) In general**

Four members of the Board shall be industry members selected from among the various equine constituencies.

**(ii) Representation of equine constituencies**

The industry members shall be representative of the various equine constituencies, and shall include not more than one industry member from any one equine constituency.

**(2) Chair**

The chair of the Board shall be an independent member described in paragraph (1)(A).

**(3) Bylaws**

The Board of the Authority shall be governed by bylaws for the operation of the Authority with respect to—

- (A) the administrative structure and employees of the Authority;
- (B) the establishment of standing committees;
- (C) the procedures for filling vacancies on the Board and the standing committees;
- (D) term limits for members and termination of membership; and
- (E) any other matter the Board considers necessary.

**(c) Standing committees**

**(1) Anti-doping and medication control standing committee**

**(A) In general**

The Authority shall establish an anti-doping and medication control standing committee, which shall provide advice and guidance to the Board on the development and maintenance of the horseracing anti-doping and medication control program.

**(B) Membership**

The anti-doping and medication control standing committee shall be comprised of seven members as follows:

**(i) Independent members**

A majority of the members shall be independent members selected from outside the equine industry.

**(ii) Industry members**

A minority of the members shall be industry members selected to represent the various equine constituencies, and shall include not more than one industry member from any one equine constituency.

**(iii) Qualification**

A majority of individuals selected to serve on the anti-doping and medication control standing committee shall have significant, recent experience in anti-doping and medication control rules.

**(C) Chair**

The chair of the anti-doping and medication control standing committee shall be an independent member of the Board described in subsection (b)(1)(A).

**(2) Racetrack safety standing committee**

**(A) In general**

The Authority shall establish a racetrack safety standing committee, which shall provide advice and guidance to the Board on the

development and maintenance of the racetrack safety program.

**(B) Membership**

The racetrack safety standing committee shall be comprised of seven members as follows:

**(i) Independent members**

A majority of the members shall be independent members selected from outside the equine industry.

**(ii) Industry members**

A minority of the members shall be industry members selected to represent the various equine constituencies.

**(C) Chair**

The chair of the racetrack safety standing committee shall be an industry member of the Board described in subsection (b)(1)(B).

**(d) Nominating committee**

**(1) Membership**

**(A) In general**

The nominating committee of the Authority shall be comprised of seven independent members selected from business, sports, and academia.

**(B) Initial membership**

The initial nominating committee members shall be set forth in the governing corporate documents of the Authority.

**(C) Vacancies**

After the initial committee members are appointed in accordance with subparagraph (B), vacancies shall be filled by the Board pursuant to rules established by the Authority.

**(2) Chair**

The chair of the nominating committee shall be selected by the nominating committee from among the members of the nominating committee.

**(3) Selection of members of the Board and standing committees**

**(A) Initial members**

The nominating committee shall select the initial members of the Board and the standing committees described in subsection (c).

**(B) Subsequent members**

The nominating committee shall recommend individuals to fill any vacancy on the Board or on such standing committees.

**(e) Conflicts of interest**

To avoid conflicts of interest, the following individuals may not be selected as a member of the Board or as an independent member of a nominating or standing committee under this section:

- (1) An individual who has a financial interest in, or provides goods or services to, covered horses.
- (2) An official or officer—
  - (A) of an equine industry representative; or

(B) who serves in a governance or policy-making capacity for an equine industry representative.

(3) An employee of, or an individual who has a business or commercial relationship with, an individual described in paragraph (1) or (2).

(4) An immediate family member of an individual described in paragraph (1) or (2).

**(f) Funding**

**(1) Initial funding**

**(A) In general**

Initial funding to establish the Authority and underwrite its operations before the program effective date shall be provided by loans obtained by the Authority.

**(B) Borrowing**

The Authority may borrow funds toward the funding of its operations.

**(C) Annual calculation of amounts required**

**(i) In general**

Not later than the date that is 90 days before the program effective date, and not later than November 1 each year thereafter, the Authority shall determine and provide to each State racing commission the estimated amount required from the State—

(I) to fund the State's proportionate share of the horseracing anti-doping and medication control program and the racetrack safety program for the next calendar year; and

(II) to liquidate the State's proportionate share of any loan or funding shortfall in the current calendar year and any previous calendar year.

**(ii) Basis of calculation**

The amounts calculated under clause (i) shall—

(I) be based on—

(aa) the annual budget of the Authority for the following calendar year, as approved by the Board; and

(bb) the projected amount of covered racing starts for the year in each State; and

(II) take into account other sources of Authority revenue.

**(iii) Requirements regarding budgets of Authority**

**(I) Initial budget**

The initial budget of the Authority shall require the approval of  $\frac{2}{3}$  of the Board.

**(II) Subsequent budgets**

Any subsequent budget that exceeds the budget of the preceding calendar year by more than 5 percent shall require the approval of  $\frac{2}{3}$  of the Board.

**(iv) Rate increases**

**(I) In general**

A proposed increase in the amount required under this subparagraph shall be reported to the Commission.

**(II) Notice and comment**

The Commission shall publish in the Federal Register such a proposed increase and provide an opportunity for public comment.

**(2) Assessment and collection of fees by States**

**(A) Notice of election**

Any State racing commission that elects to remit fees pursuant to this subsection shall notify the Authority of such election not later than 60 days before the program effective date.

**(B) Requirement to remit fees**

After a State racing commission makes a notification under subparagraph (A), the election shall remain in effect and the State racing commission shall be required to remit fees pursuant to this subsection according to a schedule established in rule developed by the Authority and approved by the Commission.

**(C) Withdrawal of election**

A State racing commission may cease remitting fees under this subsection not earlier than one year after notifying the Authority of the intent of the State racing commission to do so.

**(D) Determination of methods**

Each State racing commission shall determine, subject to the applicable laws, regulations, and contracts of the State, the method by which the requisite amount of fees, such as foal registration fees, sales contributions, starter fees, and track fees, and other fees on covered persons, shall be allocated, assessed, and collected.

**(3) Assessment and collection of fees by the Authority**

**(A) Calculation**

If a State racing commission does not elect to remit fees pursuant to paragraph (2) or withdraws its election under such paragraph, the Authority shall, not less frequently than monthly, calculate the applicable fee per racing start multiplied by the number of racing starts in the State during the preceding month.

**(B) Allocation**

The Authority shall allocate equitably the amount calculated under subparagraph (A) collected among covered persons involved with covered horseraces pursuant to such rules as the Authority may promulgate.

**(C) Assessment and collection**

**(i) In general**

The Authority shall assess a fee equal to the allocation made under subparagraph (B) and shall collect such fee according to such rules as the Authority may promulgate.

**(ii) Remittance of fees**

Covered persons described in subparagraph (B) shall be required to remit such fees to the Authority.

**(D) Limitation**

A State racing commission that does not elect to remit fees pursuant to paragraph (2) or that withdraws its election under such paragraph shall not impose or collect from any person a fee or tax relating to anti-doping and medication control or racetrack safety matters for covered horseraces.

**(4) Fees and fines**

Fees and fines imposed by the Authority shall be allocated toward funding of the Authority and its activities.

**(5) Rule of construction**

Nothing in this chapter shall be construed to require—

- (A) the appropriation of any amount to the Authority; or
- (B) the Federal Government to guarantee the debts of the Authority.

**(g) Quorum**

For all items where Board approval is required, the Authority shall have present a majority of independent members.

(Pub. L. 116-260, div. FF, title XII, §1203, Dec. 27, 2020, 134 Stat. 3253.)

**Editorial Notes****REFERENCES IN TEXT**

This chapter, referred to in subsec. (f)(5), was in the original “this Act” and was translated as reading “this title”, meaning title XII of div. FF of Pub. L. 116-260, to reflect the probable intent of Congress.

**§ 3053. Federal Trade Commission oversight****(a) In general**

The Authority shall submit to the Commission, in accordance with such rules as the Commission may prescribe under section 553 of title 5, any proposed rule, or proposed modification to a rule, of the Authority relating to—

- (1) the bylaws of the Authority;
- (2) a list of permitted and prohibited medications, substances, and methods, including allowable limits of permitted medications, substances, and methods;
- (3) laboratory standards for accreditation and protocols;
- (4) standards for racing surface quality maintenance;
- (5) racetrack safety standards and protocols;
- (6) a program for injury and fatality data analysis;
- (7) a program of research and education on safety, performance, and anti-doping and medication control;
- (8) a description of safety, performance, and anti-doping and medication control rule violations applicable to covered horses and covered persons;
- (9) a schedule of civil sanctions for violations;
- (10) a process or procedures for disciplinary hearings; and
- (11) a formula or methodology for determining assessments described in section 3052(f) of this title.

**(b) Publication and comment****(1) In general**

The Commission shall—

(A) publish in the Federal Register each proposed rule or modification submitted under subsection (a); and

(B) provide an opportunity for public comment.

**(2) Approval required**

A proposed rule, or a proposed modification to a rule, of the Authority shall not take effect unless the proposed rule or modification has been approved by the Commission.

**(c) Decision on proposed rule or modification to a rule****(1) In general**

Not later than 60 days after the date on which a proposed rule or modification is published in the Federal Register, the Commission shall approve or disapprove the proposed rule or modification.

**(2) Conditions**

The Commission shall approve a proposed rule or modification if the Commission finds that the proposed rule or modification is consistent with—

- (A) this chapter; and
- (B) applicable rules approved by the Commission.

**(3) Revision of proposed rule or modification****(A) In general**

In the case of disapproval of a proposed rule or modification under this subsection, not later than 30 days after the issuance of the disapproval, the Commission shall make recommendations to the Authority to modify the proposed rule or modification.

**(B) Resubmission**

The Authority may resubmit for approval by the Commission a proposed rule or modification that incorporates the modifications recommended under subparagraph (A).

**(d) Proposed standards and procedures****(1) In general**

The Authority shall submit to the Commission any proposed rule, standard, or procedure developed by the Authority to carry out the horseracing anti-doping and medication control program or the racetrack safety program.

**(2) Notice and comment**

The Commission shall publish in the Federal Register any such proposed rule, standard, or procedure and provide an opportunity for public comment.

**(e) Amendment by Commission of rules of authority**

The Commission, by rule in accordance with section 553 of title 5, may abrogate, add to, and modify the rules of the Authority promulgated in accordance with this chapter as the Commission finds necessary or appropriate to ensure the fair administration of the Authority, to conform the rules of the Authority to requirements of this chapter and applicable rules approved by the Commission, or otherwise in furtherance of the purposes of this chapter.

(Pub. L. 116-260, div. FF, title XII, §1204, Dec. 27, 2020, 134 Stat. 3257; Pub. L. 117-328, div. O, title VII, § 701, Dec. 29, 2022, 136 Stat. 5231.)