

HORSERACING INTEGRITY AND SAFETY ACT OF 2020

SEPTEMBER 29, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. PALLONE, from the Committee on Energy and Commerce, submitted the following

R E P O R T

[To accompany H.R. 1754]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 1754) to improve the integrity and safety of horseracing by requiring a uniform anti-doping and medication control program to be developed and enforced by an independent Horseracing Anti-Doping and Medication Control Authority, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

	Page
I. Purpose and Summary .....	17
II. Background and Need for the Legislation .....	17
III. Committee Hearings .....	19
IV. Committee Consideration .....	19
V. Committee Votes .....	20
VI. Oversight Findings .....	23
VII. New Budget Authority, Entitlement Authority, and Tax Expenditures .....	23
VIII. Federal Mandates Statement .....	23
IX. Statement of General Performance Goals and Objectives .....	23
X. Duplication of Federal Programs .....	23
XI. Committee Cost Estimate .....	23
XII. Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....	23
XIII. Advisory Committee Statement .....	24
XIV. Applicability to Legislative Branch .....	24
XV. Section-by-Section Analysis of the Legislation .....	24
XVI. Changes in Existing Law Made by the Bill, as Reported .....	28

The amendment is as follows:  
 Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Horseracing Integrity and Safety Act of 2020”.

**SEC. 2. DEFINITIONS.**

In this Act the following definitions apply:

(1) **AUTHORITY.**—The term “Authority” means the Horseracing Integrity and Safety Authority designated by section 3(a).

(2) **COMMISSION.**—The term “Commission” means the Federal Trade Commission.

(3) **COVERED HORSE.**—The term “covered horse” means any Thoroughbred horse, or any other horse made subject to this Act by election of the applicable State racing commission or the breed governing organization for such horse under section 5(k), during the period—

(A) beginning on the date of the horse’s first timed and reported workout at a racetrack that participates in covered horseraces or at a training facility; and

(B) ending on the date on which the Authority receives written notice that the horse has been retired.

(4) **COVERED HORSERACE.**—The term “covered horserace” means any horserace involving covered horses that has a substantial relation to interstate commerce, including any Thoroughbred horserace that is the subject of interstate off-track or advance deposit wagers.

(5) **COVERED PERSONS.**—The term “covered persons” means all trainers, owners, breeders, jockeys, racetracks, veterinarians, persons (legal and natural) licensed 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.

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

(7) **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 and breeders, trainers, racetracks, veterinarians, State racing commissions, and jockeys.

(8) **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 6(a).

(9) **IMMEDIATE FAMILY MEMBER.**—The term “immediate family member” shall include a spouse, domestic partner, mother, father, aunt, uncle, sibling, or child.

(10) **INTERSTATE OFF-TRACK WAGER.**—The term “interstate off-track wager” has the meaning given such term in section 3 of the Interstate Horseracing Act of 1978 (15 U.S.C. 3002).

(11) **JOCKEY.**—The term “jockey” means a rider or driver of a covered horse in covered horseraces.

(12) **OWNERS AND BREEDERS.**—The term “owners and breeders” means those persons who either hold ownership interests in covered horses or who are in the business of breeding covered horses.

(13) **PROGRAM EFFECTIVE DATE.**—The term “program effective date” means the earlier of—

(A) January 1 of the second year after the date of the enactment of this Act; or

(B) the date that is 540 days after such date of enactment.

(14) **RACETRACK.**—The term “racetrack” means an organization licensed by a State racing commission to conduct covered horseraces.

(15) **RACETRACK SAFETY PROGRAM.**—The term “racetrack safety program” means the program established under section 7(a).

(16) **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.

(17) **STATE RACING COMMISSION.**—The term “State racing commission” means an entity designated by State law or regulation that has jurisdiction over the conduct of horseracing within the applicable State.

(18) **TRAINER.**—The term “trainer” means an individual engaged in the training of covered horses.

(19) **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.

(20) VETERINARIAN.—The term “veterinarian” means a licensed veterinarian who provides veterinary services to covered horses.

(21) 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 Act by election under section 5(k) of the horse’s breed governing organization or the applicable State racing commission.

**SEC. 3. RECOGNITION OF THE HORSERACING INTEGRITY AND SAFETY AUTHORITY.**

(a) IN GENERAL.—The private, independent, self-regulatory, nonprofit 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 policymaking 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 Act 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.

**SEC. 4. 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, United States Code, 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 3(f).

## (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 Act; 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) INTERIM FINAL RULES.—The Commission may adopt an interim final rule, to take effect immediately, under conditions specified in section 553(b)(B) of title 5, United States Code, if the Commission finds that such a rule is necessary to protect—
      - (1) the health and safety of covered horses; or
      - (2) the integrity of covered horseraces and wagering on those horseraces.
- SEC. 5. JURISDICTION OF THE COMMISSION AND THE HORSERACING INTEGRITY AND SAFETY AUTHORITY.**
- (a) IN GENERAL.—Beginning on the program effective date, the Commission, the Authority, and the anti-doping and medication control enforcement agency, each within the scope of their powers and responsibilities under this Act, as limited by subsection (j), shall—
    - (1) implement and enforce the horseracing anti-doping and medication control program and the racetrack safety program;
    - (2) exercise independent and exclusive national authority over—
      - (A) the safety, welfare, and integrity of covered horses, covered persons, and covered horseraces; and
      - (B) all horseracing safety, performance, and anti-doping and medication control matters for covered horses, covered persons, and covered horseraces; and
    - (3) have safety, performance, and anti-doping and medication control authority over covered persons similar to such authority of the State racing commissions before the program effective date.
  - (b) PREEMPTION.—The rules of the Authority promulgated in accordance with this Act shall preempt any provision of State law or regulation with respect to matters within the jurisdiction of the Authority under this Act, as limited by subsection (j). Nothing contained in this Act shall be construed to limit the authority of the Commission under any other provision of law.
  - (c) DUTIES.—
    - (1) IN GENERAL.—The Authority—
      - (A) shall develop uniform procedures and rules authorizing—
        - (i) access to offices, racetrack facilities, other places of business, books, records, and personal property of covered persons that are used in the care, treatment, training, and racing of covered horses;
        - (ii) issuance and enforcement of subpoenas and subpoenas duces tecum; and
        - (iii) other investigatory powers of the nature and scope exercised by State racing commissions before the program effective date; and

(B) with respect to an unfair or deceptive act or practice described in section 10, may recommend that the Commission commence an enforcement action.

(2) APPROVAL OF COMMISSION.—The procedures and rules developed under paragraph (1)(A) shall be subject to approval by the Commission in accordance with section 4.

(d) REGISTRATION OF COVERED PERSONS WITH AUTHORITY.—

(1) IN GENERAL.—As a condition of participating in covered races and in the care, ownership, treatment, and training of covered horses, a covered person shall register with the Authority in accordance with rules promulgated by the Authority and approved by the Commission in accordance with section 4.

(2) AGREEMENT WITH RESPECT TO AUTHORITY RULES, STANDARDS, AND PROCEDURES.—Registration under this subsection shall include an agreement by the covered person to be subject to and comply with the rules, standards, and procedures developed and approved under subsection (c).

(3) COOPERATION.—A covered person registered under this subsection shall, at all times—

(A) cooperate with the Commission, the Authority, the anti-doping and medication control enforcement agency, and any respective designee, during any civil investigation; and

(B) respond truthfully and completely to the best of the knowledge of the covered person if questioned by the Commission, the Authority, the anti-doping and medication control enforcement agency, or any respective designee.

(4) FAILURE TO COMPLY.—Any failure of a covered person to comply with this subsection shall be a violation of section 8(a)(2)(G).

(e) ENFORCEMENT OF PROGRAMS.—

(1) ANTI-DOPING AND MEDICATION CONTROL ENFORCEMENT AGENCY.—

(A) AGREEMENT WITH USADA.—The Authority shall seek to enter into an agreement with the United States Anti-Doping Agency under which the Agency acts as the anti-doping and medication control enforcement agency under this Act for services consistent with the horseracing anti-doping and medication control program.

(B) AGREEMENT WITH OTHER ENTITY.—If the Authority and the United States Anti-Doping Agency are unable to enter into the agreement described in subparagraph (A), the Authority shall enter into an agreement with an entity that is nationally recognized as being a medication regulation agency equal in qualification to the United States Anti-Doping Agency to act as the anti-doping and medication control enforcement agency under this Act for services consistent with the horseracing anti-doping and medication control program.

(C) NEGOTIATIONS.—Any negotiations under this paragraph shall be conducted in good faith and designed to achieve efficient, effective best practices for anti-doping and medication control and enforcement on commercially reasonable terms.

(D) ELEMENTS OF AGREEMENT.—Any agreement under this paragraph shall include a description of the scope of work, performance metrics, reporting obligations, and budgets of the United States Anti-Doping Agency while acting as the anti-doping and medication control enforcement agency under this Act, as well as a provision for the revision of the agreement to increase in the scope of work as provided for in subsection (k), and any other matter the Authority considers appropriate.

(E) DUTIES AND POWERS OF ENFORCEMENT AGENCY.—The anti-doping and medication control enforcement agency under an agreement under this paragraph shall—

(i) serve as the independent anti-doping and medication control enforcement organization for covered horses, covered persons, and covered horseraces, implementing the anti-doping and medication control program on behalf of the Authority;

(ii) ensure that covered horses and covered persons are deterred from using or administering medications, substances, and methods in violation of the rules established in accordance with this Act;

(iii) implement anti-doping education, research, testing, compliance and adjudication programs designed to prevent covered persons and covered horses from using or administering medications, substances, and methods in violation of the rules established in accordance with this Act;

(iv) exercise the powers specified in section 6(c)(4) in accordance with that section; and

- (v) implement and undertake any other responsibilities specified in the agreement.
- (F) TERM AND EXTENSION.—
  - (i) TERM OF INITIAL AGREEMENT.—The initial agreement entered into by the Authority under this paragraph shall be in effect for the 5-year period beginning on the program effective date.
  - (ii) EXTENSION.—At the end of the 5-year period described in clause (i), the Authority may—
    - (I) extend the term of the initial agreement under this paragraph for such additional term as is provided by the rules of the Authority and consistent with this Act; or
    - (II) enter into an agreement meeting the requirements of this paragraph with an entity described by subparagraph (B) for such term as is provided by such rules and consistent with this Act.
- (2) AGREEMENTS FOR ENFORCEMENT BY STATE RACING COMMISSIONS.—
  - (A) STATE RACING COMMISSIONS.—
    - (i) RACETRACK SAFETY PROGRAM.—The Authority may enter into agreements with State racing commissions for services consistent with the enforcement of the racetrack safety program.
    - (ii) ANTI-DOPING AND MEDICATION CONTROL PROGRAM.—The anti-doping and medication control enforcement agency may enter into agreements with State racing commissions for services consistent with the enforcement of the anti-doping and medication control program.
  - (B) ELEMENTS OF AGREEMENTS.—Any agreement under this paragraph shall include a description of the scope of work, performance metrics, reporting obligations, budgets, and any other matter the Authority considers appropriate.
  - (3) ENFORCEMENT OF STANDARDS.—The Authority may coordinate with State racing commissions and other State regulatory agencies to monitor and enforce racetrack compliance with the standards developed under paragraphs (1) and (2) of section 7(c).
- (f) PROCEDURES WITH RESPECT TO RULES OF AUTHORITY.—
  - (1) ANTI-DOPING AND MEDICATION CONTROL.—
    - (A) IN GENERAL.—Recommendations for rules regarding anti-doping and medication control shall be developed in accordance with section 6.
    - (B) CONSULTATION.—The anti-doping and medication control enforcement agency shall consult with the anti-doping and medication control standing committee and the Board of the Authority on all anti-doping and medication control rules of the Authority.
  - (2) RACETRACK SAFETY.—Recommendations for rules regarding racetrack safety shall be developed by the racetrack safety standing committee of the Authority.
  - (g) SUBPOENA AND INVESTIGATORY AUTHORITY.—The Authority shall have subpoena and investigatory authority with respect to civil violations committed under its jurisdiction.
  - (h) CIVIL PENALTIES.—The Authority shall develop a list of civil penalties with respect to the enforcement of rules for covered persons and covered horseraces under its jurisdiction.
  - (i) CIVIL ACTIONS.—
    - (1) IN GENERAL.—In addition to civil sanctions imposed under section 8, the Authority may commence a civil action against a covered person or racetrack that has engaged, is engaged, or is about to engage, in acts or practices constituting a violation of this Act or any rule established under this Act in the proper district court of the United States, the United States District Court for the District of Columbia, or the United States courts of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, to enforce any civil sanctions imposed under that section, and for all other relief to which the Authority may be entitled.
    - (2) INJUNCTIONS AND RESTRAINING ORDERS.—With respect to a civil action commenced under paragraph (1), upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.
  - (j) LIMITATIONS ON AUTHORITY.—
    - (1) PROSPECTIVE APPLICATION.—The jurisdiction and authority of the Authority and the Commission with respect to the horseracing anti-doping and medication control program and the racetrack safety program shall be prospective only.
    - (2) PREVIOUS MATTERS.—
      - (A) IN GENERAL.—The Authority and the Commission may not investigate, prosecute, adjudicate, or penalize conduct in violation of the horse-



racing anti-doping and medication control program and the racetrack safety program that occurs before the program effective date.

(B) STATE RACING COMMISSION.—With respect to conduct described in subparagraph (A), the applicable State racing commission shall retain authority until the final resolution of the matter.

(3) OTHER LAWS UNAFFECTED.—This Act shall not be construed to modify, impair or restrict the operation of the general laws or regulations, as may be amended from time to time, of the United States, the States and their political subdivisions relating to criminal conduct, cruelty to animals, matters unrelated to antidoping, medication control and racetrack and racing safety of covered horses and covered races, and the use of medication in human participants in covered races.

(k) ELECTION FOR OTHER BREED COVERAGE UNDER ACT.—

(1) IN GENERAL.—A State racing commission or a breed governing organization for a breed of horses other than Thoroughbred horses may elect to have such breed be covered by this Act by the filing of a designated election form and subsequent approval by the Authority. A State racing commission may elect to have a breed covered by this Act for the applicable State only.

(2) ELECTION CONDITIONAL ON FUNDING MECHANISM.—A commission or organization may not make an election under paragraph (1) unless the commission or organization has in place a mechanism to provide sufficient funds to cover the costs of the administration of this Act with respect to the horses that will be covered by this Act as a result of the election.

(3) APPORTIONMENT.—The Authority shall apportion costs described in paragraph (2) in connection with an election under paragraph (1) fairly among all impacted segments of the horseracing industry, subject to approval by the Commission in accordance with section 4. Such apportionment may not provide for the allocation of costs or funds among breeds of horses.

#### SEC. 6. HORSERACING ANTI-DOPING AND MEDICATION CONTROL PROGRAM.

(a) PROGRAM REQUIRED.—

(1) IN GENERAL.—Not later than the program effective date, and after notice and an opportunity for public comment in accordance with section 4, the Authority shall establish a horseracing anti-doping and medication control program applicable to all covered horses, covered persons, and covered horseraces in accordance with the registration of covered persons under section 5(d).

(2) CONSIDERATION OF OTHER BREEDS.—In developing the horseracing anti-doping and medication control program with respect to a breed of horse that is made subject to this Act by election of a State racing commission or the breed governing organization for such horse under section 5(k), the Authority shall consider the unique characteristics of such breed.

(b) CONSIDERATIONS IN DEVELOPMENT OF PROGRAM.—In developing the horseracing anti-doping and medication control program, the Authority shall take into consideration the following:

(1) Covered horses should compete only when they are free from the influence of medications, other foreign substances, and methods that affect their performance.

(2) Covered horses that are injured or unsound should not train or participate in covered races, and the use of medications, other foreign substances, and treatment methods that mask or deaden pain in order to allow injured or unsound horses to train or race should be prohibited.

(3) Rules, standards, procedures, and protocols regulating medication and treatment methods for covered horses and covered races should be uniform and uniformly administered nationally.

(4) To the extent consistent with this Act, consideration should be given to international anti-doping and medication control standards of the International Federation of Horseracing Authorities and the Principles of Veterinary Medical Ethics of the American Veterinary Medical Association.

(5) The administration of medications and treatment methods to covered horses should be based upon an examination and diagnosis that identifies an issue requiring treatment for which the medication or method represents an appropriate component of treatment.

(6) The amount of therapeutic medication that a covered horse receives should be the minimum necessary to address the diagnosed health concerns identified during the examination and diagnostic process.

(7) The welfare of covered horses, the integrity of the sport, and the confidence of the betting public require full disclosure to regulatory authorities regarding the administration of medications and treatments to covered horses.

(c) ACTIVITIES.—The following activities shall be carried out under the horseracing anti-doping and medication control program:

(1) STANDARDS FOR ANTI-DOPING AND MEDICATION CONTROL.—Not later than 120 days before the program effective date, the Authority shall issue, by rule—

(A) uniform standards for—

(i) the administration of medication to covered horses by covered persons; and

(ii) laboratory testing accreditation and protocols; and

(B) a list of permitted and prohibited medications, substances, and methods, including allowable limits of permitted medications, substances, and methods.

(2) REVIEW PROCESS FOR ADMINISTRATION OF MEDICATION.—The development of a review process for the administration of any medication to a covered horse during the 48-hour period preceding the next racing start of the covered horse.

(3) AGREEMENT REQUIREMENTS.—The development of requirements with respect to agreements under section 5(e).

(4) ANTI-DOPING AND MEDICATION CONTROL ENFORCEMENT AGENCY.—

(A) CONTROL RULES, PROTOCOLS, ETC.—Except as provided in paragraph

(5), the anti-doping and medication control program enforcement agency under section 5(e) shall, in consultation with the anti-doping and medication control standing committee of the Authority and consistent with international best practices, develop and recommend anti-doping and medication control rules, protocols, policies, and guidelines for approval by the Authority.

(B) RESULTS MANAGEMENT.—The anti-doping and medication control enforcement agency shall conduct and oversee anti-doping and medication control results management, including independent investigations, charging and adjudication of potential medication control rule violations, and the enforcement of any civil sanctions for such violations. Any final decision or civil sanction of the anti-doping and medication control enforcement agency under this subparagraph shall be the final decision or civil sanction of the Authority, subject to review in accordance with section 9.

(C) TESTING.—The anti-doping enforcement agency shall perform and manage test distribution planning (including intelligence-based testing), the sample collection process, and in-competition and out-of-competition testing (including no-advance-notice testing).

(D) TESTING LABORATORIES.—The anti-doping and medication control enforcement agency shall accredit testing laboratories based upon the standards established under this Act, and shall monitor, test, and audit accredited laboratories to ensure continuing compliance with accreditation standards.

(5) ANTI-DOPING AND MEDICATION CONTROL STANDING COMMITTEE.—The anti-doping and medication control standing committee shall, in consultation with the anti-doping and medication control enforcement agency, develop lists of permitted and prohibited medications, methods, and substances for recommendation to, and approval by, the Authority. Any such list may prohibit the administration of any substance or method to a horse at any time after such horse becomes a covered horse if the Authority determines such substance or method has a long-term degrading effect on the soundness of a horse.

(d) PROHIBITION.—Except as provided in subsections (e) and (f), the horseracing anti-doping and medication control program shall prohibit the administration of any prohibited or otherwise permitted substance to a covered horse within 48 hours of its next racing start, effective as of the program effective date.

(e) ADVISORY COMMITTEE STUDY AND REPORT.—

(1) IN GENERAL.—Not later than the program effective date, the Authority shall convene an advisory committee comprised of horseracing anti-doping and medication control industry experts, including a member designated by the anti-doping and medication control enforcement agency, to conduct a study on the use of furosemide on horses during the 48-hour period before the start of a race, including the effect of furosemide on equine health and the integrity of competition and any other matter the Authority considers appropriate.

(2) REPORT.—Not later than three years after the program effective date, the Authority shall direct the advisory committee convened under paragraph (1) to submit to the Authority a written report on the study conducted under that paragraph that includes recommended changes, if any, to the prohibition in subsection (d).

(3) MODIFICATION OF PROHIBITION.—

(A) IN GENERAL.—After receipt of the report required by paragraph (2), the Authority may, by unanimous vote of the Board of the Authority, mod-

ify the prohibition in subsection (d) and, notwithstanding subsection (f), any such modification shall apply to all States beginning on the date that is three years after the program effective date.

(B) CONDITION.—In order for a unanimous vote described in subparagraph (A) to effect a modification of the prohibition in subsection (d), the vote must include unanimous adoption of each of the following findings:

- (i) That the modification is warranted.
- (ii) That the modification is in the best interests of horse racing.
- (iii) That furosemide has no performance enhancing effect on individual horses.
- (iv) That public confidence in the integrity and safety of racing would not be adversely affected by the modification.

(f) EXEMPTION.—

(1) IN GENERAL.—Except as provided in paragraph (2), only during the three-year period beginning on the program effective date, a State racing commission may submit to the Authority, at such time and in such manner as the Authority may require, a request for an exemption from the prohibition in subsection (d) with respect to the use of furosemide on covered horses during such period.

(2) EXCEPTIONS.—An exemption under paragraph (1) may not be requested for—

- (A) two-year-old covered horses; or
- (B) covered horses competing in stakes races.

(3) CONTENTS OF REQUEST.—A request under paragraph (1) shall specify the applicable State racing commission's requested limitations on the use of furosemide that would apply to the State under the horseracing anti-doping and medication control program during such period. Such limitations shall be no less restrictive on the use and administration of furosemide than the restrictions set forth in State's laws and regulations in effect as of September 1, 2020.

(4) GRANT OF EXEMPTION.—Subject to subsection (e)(3), the Authority shall grant an exemption requested under paragraph (1) for the remainder of such period and shall allow the use of furosemide on covered horses in the applicable State, in accordance with the requested limitations.

(g) BASELINE ANTI-DOPING AND MEDICATION CONTROL RULES.—

(1) IN GENERAL.—Subject to paragraph (3), the baseline anti-doping and medication control rules described in paragraph (2) shall—

- (A) constitute the initial rules of the horseracing anti-doping and medication control program; and
- (B) except as exempted pursuant to subsections (e) and (f), remain in effect at all times after the program effective date.

(2) BASELINE ANTI-DOPING MEDICATION CONTROL RULES DESCRIBED.—

(A) IN GENERAL.—The baseline anti-doping and medication control rules described in this paragraph are the following:

- (i) The lists of permitted and prohibited substances (including drugs, medications, and naturally occurring substances and synthetically occurring substances) in effect for the International Federation of Horseracing Authorities, including the International Federation of Horseracing Authorities International Screening Limits for urine, dated May 2019, and the International Federation of Horseracing Authorities International Screening Limits for plasma, dated May 2019.
- (ii) The World Anti-Doping Agency International Standard for Laboratories (version 10.0), dated November 12, 2019.
- (iii) The Association of Racing Commissioners International out-of-competition testing standards, Model Rules of Racing (version 9.2).
- (iv) The Association of Racing Commissioners International penalty and multiple medication violation rules, Model Rules of Racing (version 6.2).

(B) CONFLICT OF RULES.—In the case of a conflict among the rules described in subparagraph (A), the most stringent rule shall apply.

(3) MODIFICATIONS TO BASELINE RULES.—

(A) DEVELOPMENT BY ANTI-DOPING AND MEDICATION CONTROL STANDING COMMITTEE.—The anti-doping and medication control standing committee, in consultation with the anti-doping and medication control enforcement agency, may develop and submit to the Authority for approval by the Authority proposed modifications to the baseline anti-doping and medication control rules.

(B) AUTHORITY APPROVAL.—If the Authority approves a proposed modification under this paragraph, the proposed modification shall be submitted to and considered by the Commission in accordance with section 4.

(C) ANTI-DOPING AND MEDICATION CONTROL ENFORCEMENT AGENCY VETO AUTHORITY.—The Authority shall not approve any proposed modification that renders an anti-doping and medication control rule less stringent than the baseline anti-doping and medication control rules described in paragraph (2) (including by increasing permitted medication thresholds, adding permitted medications, removing prohibited medications, or weakening enforcement mechanisms) without the approval of the anti-doping and medication control enforcement agency.

**SEC. 7. RACETRACK SAFETY PROGRAM.**

(a) ESTABLISHMENT AND CONSIDERATIONS.—

(1) IN GENERAL.—Not later than the program effective date, and after notice and an opportunity for public comment in accordance with section 4, the Authority shall establish a racetrack safety program applicable to all covered horses, covered persons, and covered horseraces in accordance with the registration of covered persons under section 5(d).

(2) CONSIDERATIONS IN DEVELOPMENT OF SAFETY PROGRAM.—In the development of the horseracing safety program for covered horses, covered persons, and covered horseraces, the Authority and the Commission shall take into consideration existing safety standards including the National Thoroughbred Racing Association Safety and Integrity Alliance Code of Standards, the International Federation of Horseracing Authority's International Agreement on Breeding, Racing, and Wagering, and the British Horseracing Authority's Equine Health and Welfare program.

(b) ELEMENTS OF HORSERACING SAFETY PROGRAM.—The horseracing safety program shall include the following:

(1) A set of training and racing safety standards and protocols taking into account regional differences and the character of differing racing facilities.

(2) A uniform set of training and racing safety standards and protocols consistent with the humane treatment of covered horses, which may include lists of permitted and prohibited practices or methods (such as crop use).

(3) A racing surface quality maintenance system that—

(A) takes into account regional differences and the character of differing racing facilities; and

(B) may include requirements for track surface design and consistency and established standard operating procedures related to track surface, monitoring, and maintenance (such as standardized seasonal assessment, daily tracking, and measurement).

(4) A uniform set of track safety standards and protocols, that may include rules governing oversight and movement of covered horses and human and equine injury reporting and prevention.

(5) Programs for injury and fatality data analysis, that may include pre- and post-training and race inspections, use of a veterinarian's list, and concussion protocols.

(6) The undertaking of investigations at racetrack and non-racetrack facilities related to safety violations.

(7) Procedures for investigating, charging, and adjudicating violations and for the enforcement of civil sanctions for violations.

(8) A schedule of civil sanctions for violations.

(9) Disciplinary hearings, which may include binding arbitration, civil sanctions, and research.

(10) Management of violation results.

(11) Programs relating to safety and performance research and education.

(12) An evaluation and accreditation program that ensures that racetracks in the United States meet the standards described in the elements of the Horseracing Safety Program.

(c) ACTIVITIES.—The following activities shall be carried out under the racetrack safety program:

(1) STANDARDS FOR RACETRACK SAFETY.—The development, by the racetrack safety standing committee of the Authority in section 3(c)(2) of uniform standards for racetrack and horseracing safety.

(2) STANDARDS FOR SAFETY AND PERFORMANCE ACCREDITATION.—

(A) IN GENERAL.—Not later than 120 days before the program effective date, the Authority, in consultation with the racetrack safety standing committee, shall issue, by rule in accordance with section 4—

(i) safety and performance standards of accreditation for racetracks; and

(ii) the process by which a racetrack may achieve and maintain accreditation by the Authority.

**(B) MODIFICATIONS.—**

(i) **IN GENERAL.**—The Authority may modify rules establishing the standards issued under subparagraph (A), as the Authority considers appropriate.

(ii) **NOTICE AND COMMENT.**—The Commission shall publish in the Federal Register any proposed rule of the Authority, and provide an opportunity for public comment with respect to, any modification under clause (i) in accordance with section 4.

**(C) EXTENSION OF PROVISIONAL OR INTERIM ACCREDITATION.**—The Authority may, by rule in accordance with section 4, extend provisional or interim accreditation to a racetrack accredited by the National Thoroughbred Racing Association Safety and Integrity Alliance on a date before the program effective date.

**(3) NATIONWIDE SAFETY AND PERFORMANCE DATABASE.—**

**(A) IN GENERAL.**—Not later than one year after the program effective date, and after notice and an opportunity for public comment in accordance with section 4, the Authority, in consultation with the Commission, shall develop and maintain a nationwide database of racehorse safety, performance, health, and injury information for the purpose of conducting an epidemiological study.

**(B) COLLECTION OF INFORMATION.**—In accordance with the registration of covered persons under section 5(d), the Authority may require covered persons to collect and submit to the database described in subparagraph (A) such information as the Authority may require to further the goal of increased racehorse welfare.

**SEC. 8. RULE VIOLATIONS AND CIVIL SANCTIONS.****(a) DESCRIPTION OF RULE VIOLATIONS.—**

**(1) IN GENERAL.**—The Authority shall issue, by rule in accordance with section 4, a description of safety, performance, and anti-doping and medication control rule violations applicable to covered horses and covered persons.

**(2) ELEMENTS.**—The description of rule violations established under paragraph (1) may include the following:

**(A)** With respect to a covered horse, strict liability for covered trainers for—

(i) the presence of a prohibited substance or method in a sample or the use of a prohibited substance or method;

(ii) the presence of a permitted substance in a sample in excess of the amount allowed by the horseracing anti-doping and medication control program; and

(iii) the use of a permitted method in violation of the applicable limitations established under the horseracing anti-doping and medication control program.

**(B)** Attempted use of a prohibited substance or method on a covered horse.

**(C)** Possession of any prohibited substance or method.

**(D)** Attempted possession of any prohibited substance or method.

**(E)** Administration or attempted administration of any prohibited substance or method on a covered horse.

**(F)** Refusal or failure, without compelling justification, to submit a covered horse for sample collection.

**(G)** Failure to cooperate with the Authority or an agent of the Authority during any investigation.

**(H)** Failure to respond truthfully, to the best of a covered person's knowledge, to a question of the Authority or an agent of the Authority with respect to any matter under the jurisdiction of the Authority.

**(I)** Tampering or attempted tampering with the application of the safety, performance, or anti-doping and medication control rules or process adopted by the Authority, including—

(i) the intentional interference, or an attempt to interfere, with an official or agent of the Authority;

(ii) the procurement or the provision of fraudulent information to the Authority or agent; and

(iii) the intimidation of, or an attempt to intimidate, a potential witness.

**(J)** Trafficking or attempted trafficking in any prohibited substance or method.

**(K)** Assisting, encouraging, aiding, abetting, conspiring, covering up, or any other type of intentional complicity involving a safety, performance, or

anti-doping and medication control rule violation or the violation of a period of suspension or eligibility.

(L) Threatening or seeking to intimidate a person with the intent of discouraging the person from the good faith reporting to the Authority, an agent of the Authority or the Commission, or the anti-doping and medication control enforcement agency under section 5(e), of information that relates to—

- (i) an alleged safety, performance, or anti-doping and medication control rule violation; or
- (ii) alleged noncompliance with a safety, performance, or anti-doping and medication control rule.

(b) TESTING LABORATORIES.—

(1) ACCREDITATION AND STANDARDS.—Not later than 120 days before the program effective date, the Authority shall, in consultation with the anti-doping and medication control enforcement agency, establish, by rule in accordance with section 4—

- (A) standards of accreditation for laboratories involved in testing samples from covered horses;
- (B) the process for achieving and maintaining accreditation; and
- (C) the standards and protocols for testing such samples.

(2) ADMINISTRATION.—The accreditation of laboratories and the conduct of audits of accredited laboratories to ensure compliance with Authority rules shall be administered by the anti-doping and medication control enforcement agency. The anti-doping and medication control enforcement agency shall have the authority to require specific test samples to be directed to and tested by laboratories having special expertise in the required tests.

(3) EXTENSION OF PROVISIONAL OR INTERIM ACCREDITATION.—The Authority may, by rule in accordance with section 4, extend provisional or interim accreditation to a laboratory accredited by the Racing Medication and Testing Consortium, Inc., on a date before the program effective date.

(4) SELECTION OF LABORATORIES.—

(A) IN GENERAL.—Except as provided in paragraph (2), a State racing commission may select a laboratory accredited in accordance with the standards established under paragraph (1) to test samples taken in the applicable State.

(B) SELECTION BY THE AUTHORITY.—If a State racing commission does not select an accredited laboratory under subparagraph (A), the Authority shall select such a laboratory to test samples taken in the State concerned.

(c) RESULTS MANAGEMENT AND DISCIPLINARY PROCESS.—

(1) IN GENERAL.—Not later than 120 days before the program effective date, the Authority shall establish in accordance with section 4—

- (A) rules for safety, performance, and anti-doping and medication control results management; and
- (B) the disciplinary process for safety, performance, and anti-doping and medication control rule violations.

(2) ELEMENTS.—The rules and process established under paragraph (1) shall include the following:

- (A) Provisions for notification of safety, performance, and anti-doping and medication control rule violations.
- (B) Hearing procedures.
- (C) Standards for burden of proof.
- (D) Presumptions.
- (E) Evidentiary rules.
- (F) Appeals.
- (G) Guidelines for confidentiality and public reporting of decisions.

(3) DUE PROCESS.—The rules established under paragraph (1) shall provide for adequate due process, including impartial hearing officers or tribunals commensurate with the seriousness of the alleged safety, performance, or anti-doping and medication control rule violation and the possible civil sanctions for such violation.

(d) CIVIL SANCTIONS.—

(1) IN GENERAL.—The Authority shall establish uniform rules, in accordance with section 4, imposing civil sanctions against covered persons or covered horses for safety, performance, and anti-doping and medication control rule violations.

(2) REQUIREMENTS.—The rules established under paragraph (1) shall—

- (A) take into account the unique aspects of horseracing;
- (B) be designed to ensure fair and transparent horseraces; and

(C) deter safety, performance, and anti-doping and medication control rule violations.

(3) SEVERITY.—The civil sanctions under paragraph (1) may include—

(A) lifetime bans from horseracing, disgorgement of purses, monetary fines and penalties, and changes to the order of finish in covered races; and

(B) with respect to anti-doping and medication control rule violators, an opportunity to reduce the applicable civil sanctions that is comparable to the opportunity provided by the Protocol for Olympic Movement Testing of the United States Anti-Doping Agency.

(e) MODIFICATIONS.—The Authority may propose a modification to any rule established under this section as the Authority considers appropriate, and the proposed modification shall be submitted to and considered by the Commission in accordance with section 4.

**SEC. 9. REVIEW OF FINAL DECISIONS OF THE AUTHORITY.**

(a) NOTICE OF CIVIL SANCTIONS.— If the Authority imposes a final civil sanction for a violation committed by a covered person pursuant to the rules or standards of the Authority, the Authority shall promptly submit to the Commission notice of the civil sanction in such form as the Commission may require.

(b) REVIEW BY ADMINISTRATIVE LAW JUDGE.—

(1) IN GENERAL.—With respect to a final civil sanction imposed by the Authority, on application by the Commission or a person aggrieved by the civil sanction filed not later than 30 days after the date on which notice under subsection (a) is submitted, the civil sanction shall be subject to de novo review by an administrative law judge.

(2) NATURE OF REVIEW.—

(A) IN GENERAL.—In matters reviewed under this subsection, the administrative law judge shall determine whether—

(i) a person has engaged in such acts or practices, or has omitted such acts or practices, as the Authority has found the person to have engaged in or omitted;

(ii) such acts, practices, or omissions are in violation of this Act or the anti-doping and medication control or racetrack safety rules approved by the Commission; or

(iii) the final civil sanction of the Authority was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

(B) CONDUCT OF HEARING.—An administrative law judge shall conduct a hearing under this subsection in such a manner as the Commission may specify by rule, which shall conform to section 556 of title 5, United States Code.

(3) DECISION BY ADMINISTRATIVE LAW JUDGE.—

(A) IN GENERAL.—With respect to a matter reviewed under this subsection, an administrative law judge—

(i) shall render a decision not later than 60 days after the conclusion of the hearing;

(ii) may affirm, reverse, modify, set aside, or remand for further proceedings, in whole or in part, the final civil sanction of the Authority; and

(iii) may make any finding or conclusion that, in the judgment of the administrative law judge, is proper and based on the record.

(B) FINAL DECISION.—A decision under this paragraph shall constitute the decision of the Commission without further proceedings unless a notice or an application for review is timely filed under subsection (c).

(c) REVIEW BY COMMISSION.—

(1) NOTICE OF REVIEW BY COMMISSION.—The Commission may, on its own motion, review any decision of an administrative law judge issued under subsection (b)(3) by providing written notice to the Authority and any interested party not later than 30 days after the date on which the administrative law judge issues the decision.

(2) APPLICATION FOR REVIEW.—

(A) IN GENERAL.—The Authority or a person aggrieved by a decision issued under subsection (b)(3) may petition the Commission for review of such decision by filing an application for review not later than 30 days after the date on which the administrative law judge issues the decision.

(B) EFFECT OF DENIAL OF APPLICATION FOR REVIEW.—If an application for review under subparagraph (A) is denied, the decision of the administrative law judge shall constitute the decision of the Commission without further proceedings.

(C) DISCRETION OF COMMISSION.—

(i) **IN GENERAL.**—A decision with respect to whether to grant an application for review under subparagraph (A) is subject to the discretion of the Commission.

(ii) **MATTERS TO BE CONSIDERED.**—In determining whether to grant such an application for review, the Commission shall consider whether the application makes a reasonable showing that—

(I) a prejudicial error was committed in the conduct of the proceeding; or

(II) the decision involved—

(aa) an erroneous application of the anti-doping and medication control or racetrack safety rules approved by the Commission; or

(bb) an exercise of discretion or a decision of law or policy that warrants review by the Commission.

(3) **NATURE OF REVIEW.**—

(A) **IN GENERAL.**—In matters reviewed under this subsection, the Commission may—

(i) affirm, reverse, modify, set aside, or remand for further proceedings, in whole or in part, the decision of the administrative law judge; and

(ii) make any finding or conclusion that, in the judgement of the Commission, is proper and based on the record.

(B) **DE NOVO REVIEW.**—The Commission shall review de novo the factual findings and conclusions of law made by the administrative law judge.

(C) **CONSIDERATION OF ADDITIONAL EVIDENCE.**—

(i) **MOTION BY COMMISSION.**—The Commission may, on its own motion, allow the consideration of additional evidence.

(ii) **MOTION BY A PARTY.**—

(I) **IN GENERAL.**—A party may file a motion to consider additional evidence at any time before the issuance of a decision by the Commission, which shall show, with particularity, that—

(aa) such additional evidence is material; and

(bb) there were reasonable grounds for failure to submit the evidence previously.

(II) **PROCEDURE.**—The Commission may—

(aa) accept or hear additional evidence; or

(bb) remand the proceeding to the administrative law judge for the consideration of additional evidence.

(d) **STAY OF PROCEEDINGS.**—Review by an administrative law judge or the Commission under this section shall not operate as a stay of a final civil sanction of the Authority unless the administrative law judge or Commission orders such a stay.

#### **SEC. 10. UNFAIR OR DECEPTIVE ACTS OR PRACTICES.**

The sale of a covered horse, or of any other horse in anticipation of its future participation in a covered race, shall be considered an unfair or deceptive act or practice in or affecting commerce under section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)) if the seller—

(1) knows or has reason to know the horse has been administered—

(A) a bisphosphonate prior to the horse's fourth birthday; or

(B) any other substance or method the Authority determines has a long-term degrading effect on the soundness of the covered horse; and

(2) fails to disclose to the buyer the administration of the bisphosphonate or other substance or method described in paragraph (1)(B).

#### **SEC. 11. STATE DELEGATION; COOPERATION.**

(a) **STATE DELEGATION.**—

(1) **IN GENERAL.**—The Authority may enter into an agreement with a State racing commission to implement, within the jurisdiction of the State racing commission, a component of the racetrack safety program or, with the concurrence of the anti-doping and medication control enforcement agency under section 5(e), a component of the horseracing anti-doping and medication control program, if the Authority determines that the State racing commission has the ability to implement such component in accordance with the rules, standards, and requirements established by the Authority.

(2) **IMPLEMENTATION BY STATE RACING COMMISSION.**—A State racing commission or other appropriate regulatory body of a State may not implement such a component in a manner less restrictive than the rule, standard, or requirement established by the Authority.

(b) **COOPERATION.**—To avoid duplication of functions, facilities, and personnel, and to attain closer coordination and greater effectiveness and economy in administra-



tion of Federal and State law, where conduct by any person subject to the horseracing medication control program or the racetrack safety program may involve both a medication control or racetrack safety rule violation and violation of Federal or State law, the Authority and Federal or State law enforcement authorities shall cooperate and share information.

#### I. PURPOSE AND SUMMARY

H.R. 1754, the “Horseracing Integrity and Safety Act”, was introduced on March 14, 2019, by Representatives Paul D. Tonko (D-NY) and Andy Barr IV (R-KY) and was referred to the Committee on Energy and Commerce. H.R. 1754 would improve the integrity and safety of horseracing by requiring uniform safety and performance standards, including a horseracing anti-doping and medication control program and a racetrack safety program, to be developed and enforced by an independent Horseracing Integrity and Safety Authority.

#### II. BACKGROUND AND NEED FOR LEGISLATION

In 2019, 441 Thoroughbred racehorses suffered fatal injuries.<sup>1</sup> The fatality rate in the United States is two and a half to five times greater per race start than the fatality rates in Europe and Asia.<sup>2</sup> Additionally, between 1940 and 2012, 129 jockeys died in training or racing accidents in the United States.<sup>3</sup> Over half of all jockey falls result in injury, and the majority of falls are due to catastrophic injury or sudden death of the horse.<sup>4</sup>

Many factors contribute to breakdowns, including training methods, racing protocols, and racing surfaces. Aggressive training schedules can deprive racehorses of the time needed to recover from intense physical activity increasing the likelihood of injury.<sup>5</sup> Further, track surfaces that give support when a racehorse’s hoof lands without jolting the horse’s leg are considered safe.<sup>6</sup> Wet or deep surfaces may bog down a racehorse’s hooves, applying additional pressure to their soft tissues and muscles.<sup>7</sup> Firm surfaces can cause percussive injuries to the bone while loose, slick surfaces increase pressure on racehorses’ tendons and muscles.<sup>8</sup>

The use of performance enhancing drugs (PEDs) and certain therapeutic medications may also contribute to horseracing deaths.<sup>9</sup> Some therapeutic medications and practices for administering those therapeutics even for legitimate purposes can also mask minor injuries, making it more difficult to detect relatively insignificant ailments that could lead to fatal injuries if not treated.<sup>10</sup> For example, nearly every racehorse in the United States is

<sup>1</sup>The Jockey Club, *Supplemental Tables of Equine Injury Database Statistics for Thoroughbreds* (Mar. 12, 2020) ([jockeyclub.com/pdfs/eid\\_11\\_year\\_tables.pdf](http://jockeyclub.com/pdfs/eid_11_year_tables.pdf)).

<sup>2</sup>*Why So Many Horses Have Died at Santa Anita*, New York Times (June 26, 2019).

<sup>3</sup>Peta L. Hitchens, et al., *Jockey Falls, Injuries, and Fatalities Associated with Thoroughbred and Quarter Horse Racing in California, 2007–2011*, *Orthopedic Journal of Sports Medicine* (Jun. 11, 2019).

<sup>4</sup>*Id.*

<sup>5</sup>*The Super-Optimized Dirt that Helps Keep Racehorses Safe*, *Wired* (Oct. 30, 2019) ([www.wired.com/story/super-optimized-dirt-that-helps-keep-racehorses-safe/](http://www.wired.com/story/super-optimized-dirt-that-helps-keep-racehorses-safe/)); *Why Horse Racing is so Dangerous*, National Geographic (Jan. 21, 2020) ([www.nationalgeographic.com/animals/2019/05/horse-racing-risks-deaths-sport/](http://www.nationalgeographic.com/animals/2019/05/horse-racing-risks-deaths-sport/)).

<sup>6</sup>*Id.*

<sup>7</sup>*Id.*

<sup>8</sup>*Id.*

<sup>9</sup>*Is Horse Racing ‘Addicted to Drugs’ as Critics Charge? Necropsies Reveal Strong Clues*, *Pasadena Star-News* (Apr. 12, 2019).

<sup>10</sup>*Id.*

administered phenylbutazone, a pain relieving anti-inflammatory.<sup>11</sup> Yet according to recent studies, phenylbutazone may mask chronic, possibly undetected underlying damage, injury, or soreness.<sup>12</sup> Racehorses using this drug may train and compete with these injuries undiagnosed and untreated.<sup>13</sup> In addition, PEDs that stimulate endurance, deaden nerves, increase oxygen intake, and reduce inflammation can also cause significant health problems, including cardiac issues and overexertion.<sup>14</sup>

Furosemide, a powerful diuretic that is administered to treat exercise-induced pulmonary hemorrhaging, is prohibited from being administered to horses on race day internationally but is widely used on race day in the United States.<sup>15</sup> Although furosemide is not allowed on race day abroad, it is administered to horses throughout training.<sup>16</sup> Rather than administer furosemide on race days, other racing jurisdictions dehydrate their horses for up to 48 hours before a race.<sup>17</sup> Some argue furosemide is the more humane way to treat horses.<sup>18</sup> Phenylbutazone is prohibited from being administered to a horse less than six days before a race in international racing jurisdictions, but may be used up to one day before a race in the United States.<sup>19</sup> Banamine, another pain suppressor, cannot be administered within five days of an international race, but is permitted to be administered 32 hours before a race in the United States.<sup>20</sup> Naproxen, a medication administered for pain management, must be discontinued 15 days before an international race, but can be administered up to two days before a race in the United States.<sup>21</sup>

The testing regimen in the United States also differs from its international counterparts. Less than one percent of testing on Thoroughbred racehorses in the United States is performed out of competition.<sup>22</sup> In comparison, approximately 14 percent of tests conducted by the British Horseracing Authority are out of competition, as are 21 percent of tests in Australia, 11 percent of tests in France, and 10 percent of tests in Hong Kong.<sup>23</sup> Further, only one lab in the United States meets the more rigorous international testing standards.<sup>24</sup>

Horseracing has no national governing body. Instead, horseracing is regulated independently by each of the 38 States in which the

<sup>11</sup> *Should Racehorses Be Medicated?*, NPR (June 5, 2019) ([www.npr.org/2019/06/05/729344390/should-racehorses-be-medicated/](http://www.npr.org/2019/06/05/729344390/should-racehorses-be-medicated/)).

<sup>12</sup> *Study Finds Statistical Relationship Between Pre-Race Bute and Injury in South American Runners*, Paulick Report (Dec. 3, 2019) ([www.paulickreport.com/horse-care-category/study-finds-statistical-relationship-between-pre-race-bute-and-injury-in-south-american-runners/](http://www.paulickreport.com/horse-care-category/study-finds-statistical-relationship-between-pre-race-bute-and-injury-in-south-american-runners/)).

<sup>13</sup> *Id.*

<sup>14</sup> *Horse Racing Trainers and Veterinarians Charged in International Doping Scandal*, NBC News (Mar. 9, 2020) ([www.nbcnews.com/news/us-news/horse-racing-trainers-veterinarians-charged-nationwide-doping-scandal-n1153126](http://www.nbcnews.com/news/us-news/horse-racing-trainers-veterinarians-charged-nationwide-doping-scandal-n1153126)).

<sup>15</sup> The Jockey Club, *Vision 2025: To Prosper, Horse Racing Needs Comprehensive Reform* (Mar. 28, 2019) ([jockeyclub.com/pdfs/vision\\_2025.pdf](http://jockeyclub.com/pdfs/vision_2025.pdf)).

<sup>16</sup> *Larry Bramlage*, *Thoroughbred Daily News* (June 14, 2017) ([www.thoroughbreddailynews.com/q-and-a-with-larry-bramlage-shared-archive/](http://www.thoroughbreddailynews.com/q-and-a-with-larry-bramlage-shared-archive/)).

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> *See* note 14.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> *Id.*

sport is legal.<sup>25</sup> Despite attempts to unify State rules, differences exist when it comes to the types and dosage of medications, approved drug testing, laboratory accreditation, sanctions for violations, racetrack safety standards, and training and racing protocols.<sup>26</sup>

H.R. 1754 would recognize the Horseracing Integrity and Safety Authority for the purposes of developing and implementing a national horseracing anti-doping and medication control program and a racetrack safety program.

### III. COMMITTEE HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress, the following hearing was used to develop or consider H.R. 1754:

The Subcommittee on Consumer Protection and Commerce held a legislative hearing on Tuesday, January 28, 2020. The hearing was entitled, “Legislation to Promote the Health and Safety of Racehorses.” The Subcommittee received testimony from the following witnesses:

- The Honorable Andy Barr, Congressman, Kentucky’s Sixth District;
- Dr. Kathleen M. Anderson, Equine Veterinarian;
- Joseph A. De Francis, Chairman, National Horseracing Advisory Council of the Humane Society of the United States;
- Dennis A. Drazin, Chairman and CEO, Darby Development, Operator of Monmouth Park Racetrack;
- Marty Irby, Executive Director, Animal Wellness Action;
- William M. Lear, Jr., Vice Chairman, The Jockey Club;
- Edward J. Martin, President and CEO, Association of Racing Commissioners International, Inc.; and
- Christopher J. McCarron, Hall of Fame Jockey, Retired.

### IV. COMMITTEE CONSIDERATION

H.R. 1754, the “Horseracing Integrity and Safety Act of 2019”, was introduced on March 14, 2019, by Representatives Tonko (D-NY) and Barr (R-KY) and was referred to the Committee on Energy and Commerce. The bill was then referred to the Subcommittee on Consumer Protection and Commerce on March 15, 2019. A legislative hearing was held on January 28, 2020.

On September 9, 2020, H.R. 1754 was discharged from further action by the Subcommittee on Consumer Protection and Commerce as the bill was called up for markup by the full Committee on Energy and Commerce. The full Committee met in virtual open markup session on September 9, 2020, pursuant to notice, to consider H.R. 1754. During consideration of the bill, an amendment in the nature of a substitute offered by Mr. Tonko was agreed to by a roll call vote of 46 yeas to 5 nays (roll call no. 60). Mr. Pallone, Chairman of the committee, offered a motion to order H.R. 1754 reported favorably to the House, amended. The motion on final passage was agreed to by a roll call vote of 46 yeas to 5 nays (roll call no. 61), a quorum being present.

<sup>25</sup>*Drug Reform in U.S. Horse Racing Faces Obstacles*, Reuters (Oct. 30, 2019) ([www.reuters.com/article/us-horseracing-legislation/drug-reform-in-u-s-horse-racing-faces-obstacles-idUSKBN1X9222](http://www.reuters.com/article/us-horseracing-legislation/drug-reform-in-u-s-horse-racing-faces-obstacles-idUSKBN1X9222)).

<sup>26</sup>*Id.*

## V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were two record votes taken on H.R. 1756, including a motion by Mr. Pallone ordering H.R. 1756 reported favorably to the House, amended. The motion on final passage of the bill was approved by a record vote of 46 yeas to 5 nays. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

**COMMITTEE ON ENERGY AND COMMERCE – 116TH CONGRESS  
ROLL CALL VOTE # 60  
VIRTUAL MARKUP SESSION**

**BILL:** H.R. 1754, the “Horseracing Integrity Act of 2019”

**AMENDMENT:** An Amendment to the Nature of a Substitute (AINS), No. 1, offered by Mr. Tonko of New York, to establish minimum standards for racing surfaces, pre-race inspections, equine medical directors, workout requirements, and safety stewards. Provides federal recognition and enforcement power to the Horseracing Integrity and Safety Authority (the “Authority”), an independent, non-governmental regulatory body, to develop and implement a horseracing anti-doping and medication control program and a racetrack safety program.

**DISPOSITION:** **AGREED TO** by a roll call vote of 46 yeas to 5 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Rush	X			Mr. Walden	X		
Ms. Eshoo	X			Mr. Upton	X		
Mr. Engel				Mr. Shimkus		X	
Ms. DeGette	X			Mr. Burgess		X	
Mr. Doyle	X			Mr. Scalise	X		
Ms. Schakowsky	X			Mr. Latta	X		
Mr. Butterfield	X			Ms. Rodgers	X		
Ms. Matsui	X			Mr. Guthrie	X		
Ms. Castor	X			Mr. Olson	X		
Mr. Sarbanes	X			Mr. McKinley	X		
Mr. McNerney	X			Mr. Kinzinger			
Mr. Welch	X			Mr. Griffith		X	
Mr. Luján	X			Mr. Bilirakis	X		
Mr. Tonko	X			Mr. Johnson	X		
Ms. Clarke				Mr. Long	X		
Mr. Loeb sack	X			Mr. Bucshon	X		
Mr. Schrader		X		Mr. Flores	X		
Mr. Kennedy	X			Mrs. Brooks	X		
Mr. Cárdenas	X			Mr. Mullin		X	
Mr. Ruiz	X			Mr. Hudson	X		
Mr. Peters	X			Mr. Walberg	X		
Mrs. Dingell	X			Mr. Carter	X		
Mr. Veasey	X			Mr. Duncan	X		
Ms. Kuster	X			Mr. Gianforte	X		
Ms. Kelly	X						
Ms. Barragán	X						
Mr. McEachin							
Ms. Blunt Rochester	X						
Mr. Soto	X						
Mr. O’Halloran	X						
Mr. Pallone, <i>Chairman</i>	X						

09/09/2020

**COMMITTEE ON ENERGY AND COMMERCE – 116TH CONGRESS  
ROLL CALL VOTE # 61  
VIRTUAL MARKUP SESSION**

**BILL:** H.R. 1754, the “Horsereading Integrity Act of 2019”

**MOTION:** A motion by Mr. Pallone to order H.R. 1754 reported favorably to the House, amended.  
(Final Passage)

**DISPOSITION:** **AGREED TO** by a roll call vote of 46 yeas to 5 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Rush	X			Mr. Walden	X		
Ms. Eshoo	X			Mr. Upton	X		
Mr. Engel				Mr. Shimkus		X	
Ms. DeGette	X			Mr. Burgess		X	
Mr. Doyle	X			Mr. Scalise	X		
Ms. Schakowsky	X			Mr. Latta	X		
Mr. Butterfield	X			Ms. Rodgers	X		
Ms. Matsui	X			Mr. Guthrie	X		
Ms. Castor	X			Mr. Olson	X		
Mr. Sarbanes	X			Mr. McKinley	X		
Mr. McNerney	X			Mr. Kinzinger			
Mr. Welch	X			Mr. Griffith		X	
Mr. Luján	X			Mr. Bilirakis	X		
Mr. Tonko	X			Mr. Johnson	X		
Ms. Clarke				Mr. Long	X		
Mr. Loeb sack	X			Mr. Bucshon	X		
Mr. Schrader		X		Mr. Flores	X		
Mr. Kennedy	X			Mrs. Brooks	X		
Mr. Cárdenas	X			Mr. Mullin		X	
Mr. Ruiz	X			Mr. Hudson	X		
Mr. Peters	X			Mr. Walberg	X		
Mrs. Dingell	X			Mr. Carter	X		
Mr. Veasey	X			Mr. Duncan	X		
Ms. Kuster	X			Mr. Gianforte	X		
Ms. Kelly	X						
Ms. Barragán	X						
Mr. McEachin							
Ms. Blunt Rochester	X						
Mr. Soto	X						
Mr. O’Halloran	X						
Mr. Pallone, <i>Chairman</i>	X						

09/09/2020

## VI. OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

## VII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

## VIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

## IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to improve the integrity and safety of horseracing by requiring a uniform anti-doping and medication control program and racetrack safety program to be developed and enforced by an independent Horseracing Integrity and Safety Authority.

## X. DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 1756 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

## XI. COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

## XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 1754 contains no earmarks, limited tax benefits, or limited tariff benefits.

## XIII. ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

## XIV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1. Short title*

Section 1 designates that the short title may be cited as the “Horseracing Integrity and Safety Act of 2020”.

*Sec. 2. Definitions*

Section 2 defines multiple terms used throughout the legislation, including “covered horse,” “covered horserace,” “covered person,” and “racetrack”, among others.

*Sec. 3. Recognition of the Horseracing Integrity and Safety Authority*

Section 3 recognizes the Horseracing Integrity and Safety Authority (Authority), which is an independent, self-regulatory entity, for the purposes of developing and implementing the horseracing anti-doping and medication control program and the racetrack safety program for covered horses, covered persons, and covered horseraces.

Subsection (b) requires that the Authority be governed by a 9-member board of directors (Board), which comprises five independent members selected from outside of the equine industry and four members representing the various equine constituencies. The Board of the Authority shall be chaired by an independent member and governed by bylaws for the operation of the Authority with respect to the administrative structure and employees of the Authority, the establishment of standing committees, the procedures for filling vacancies on the Board and the standing committees, and term limits for members and termination of membership.

Subsection (c) directs the Authority to establish the anti-doping and medication control standing committee and the racetrack safety standing committee. Each standing committee will be made up of seven members, a majority of which will be independent members from outside the equine industry, and a minority comprising industry members. The standing committees will provide advice and guidance to the Board on the development of rules and regulations under the Authority’s jurisdiction.

Subsection (d) mandates that the initial members of the Board and two standing committees shall be selected by a nominating committee. The nominating committee shall recommend individuals to fill any vacancy on the Board or on the two standing committees. Initial membership of the nominating committee shall be set forth in the governing corporate documents of the Authority, and subsequent vacancies on the nominating committee shall be filled pursuant to rules established by the Authority.



Subsection (e) requires that all members of the Board and independent members of the nominating and standing committees be subject to certain conflict of interest standards, including prohibitions on having a financial interest in covered horses or serving in a governance capacity for an equine industry representative.

Subsection (f) establishes a funding mechanism for the Authority. The Authority, with the approval of the Board, is authorized to take out loans to meet its initial funding needs. Each year, the Authority shall determine and provide to each State racing commission the estimated amount required from the State to fund the horseracing anti-doping and medication control program and the racetrack safety program and liquidate the State's share of any loan or funding shortfall. State racing commissions are permitted to remit fees to fund their proportionate share of anti-doping and medication control program and the racetrack safety program. If a State racing commission elects to not remit fees, the Authority is required to equitably allocate fees among covered persons involved with covered horseraces in the State.

*Sec. 4. Federal Trade Commission oversight.*

Section 4 directs the Authority to submit to the Federal Trade Commission (Commission) any proposed rule or proposed modification to a rule relating to several matters, including the bylaws of the Authority; the list of permitted and prohibited medications, substances, and methods; and standards for racing surface quality maintenance. The Authority is also required to 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 and the racetrack safety program. The Commission is required to publish each proposed rule, modification of a rule, standard, and procedure developed by the Authority in the Federal Register and provide for an opportunity for public comment. A proposed rule or proposed modification to a rule cannot take effect unless approved by the Commission. The Commission is authorized to grant such approval if the proposed rule or modification of a rule is consistent with the requirements in this legislation and any applicable rules approved by the Commission. The Commission is granted the authority to prescribe rules and interim final rules to carry out their responsibilities under this section using the rulemaking process under the Administrative Procedure Act.

*Sec. 5. Jurisdiction of the Commission and the Horseracing Integrity and Safety Authority*

Subsections (a) and (b) grant the Authority exclusive jurisdiction over anti-doping and medication control and racetrack safety protocols for covered horses, covered persons, and covered horseraces, and preempts State laws or regulations with respect to matters within the jurisdiction of the Authority. Subsection (b) also clarifies that the legislation shall not be construed to modify State or local law for matters unrelated to antidoping, medication control, and racetrack and racing safety.

Subsection (c) establishes the duties of the Authority, including developing uniform procedures and rules with respect to investigations and enforcement of violations.

Subsection (d) requires all covered persons to register with the Authority as a condition of participating in covered horseraces or in the care, ownership, treatment, or training of covered horses. Registration with the Authority shall include an agreement by the covered person to be subject to rules approved by the Authority.

Subsection (e)(1) establishes the anti-doping and medication control enforcement agency. The anti-doping and medication control enforcement agency is charged with serving as an independent organization responsible for implementing and enforcing the anti-doping and medication control program, and other related matters, on behalf of the Authority. The Authority shall seek to enter into an agreement with the U.S. Anti-Doping Agency (USADA) to serve as the anti-doping and medication control enforcement agency for the initial 5 years of the program, which may be extended. Subsequently, or if an agreement cannot be reached with USADA, the Authority may contract with a different nationally recognized anti-doping entity.

Subsection (e)(2) permits the Authority to contract with State racing commissions for services consistent with the enforcement of the racetrack safety program. In addition, the anti-doping and medication control enforcement agency is authorized to contract with State racing commissions for services consistent with the enforcement of the anti-doping and medication control program.

Subsection (f) establishes procedures for developing rules for anti-doping and medication control and racetrack safety. Subsections (g), (h), and (i) grant the Authority subpoena and investigatory authority for matters under its jurisdiction and directs the Authority to develop a list of civil penalties and actions for the enforcement of rules and regulations under its authority. Subsection (j) clarifies that the jurisdiction of the Authority is prospective only.

Subsection (k) permits State racing commissions and breed governing organizations for a breed of horses other than Thoroughbred horses to opt-in to coverage under the Horseracing Integrity and Safety Authority.

#### *Sec. 6. Horseracing Anti-Doping and Medication Control Program*

Section 6 requires the Authority to develop an anti-doping and medication control program applicable to all covered horses, covered persons, and covered horseraces. This section establishes baseline anti-doping and medication control rules, which the Authority may modify or replace as long as the rules are not less stringent than the existing standards. This section prohibits the administration of any medication to a covered horse during the 48-hour period proceeding that horse's next racing start. For the three-year period beginning on the program effective date, a State racing commission may request an exemption from the prohibition on the administration of furosemide to covered horses 48 hours before a race start as long as the horse is not two-years-old or competing in a stakes race. During that three-year period, the Authority is required to convene an advisory committee to conduct a study on the use of furosemide on horses during the 48-hour-period before the start of a race. Following the study, the Authority may choose to permit, by unanimous vote of the Board, the administration of furosemide within the 48-hour-period leading up to covered races beyond the initial three-year exemption period.

*Sec. 7. Racetrack safety program*

Section 7 requires the Authority, in consultation with the racetrack safety standing committee, to establish a racetrack safety program to develop, implement, and enforce standards and protocols for racetracks, racing, and training. The Authority is also directed to develop and maintain a nationwide database of racehorse safety, performance, health, and injury information.

*Sec. 8. Rule violations and civil sanctions*

Section 8 mandates that the Authority develop a description of safety, performance, and anti-doping and medication control rule violations. The Authority must also establish uniform rules for the disciplinary process for covered persons or covered horses in violation of safety, performance, and anti-doping and medication control rules. Such rules must include provisions for notification of violation, hearing procedures, standards for burden of proof, presumptions, evidentiary rules, appeals, and guidelines for confidentiality. The Authority is required to establish rules for the imposition of civil sanctions for safety, performance, and anti-doping and medication control rule violations. Further, the Authority is directed to establish standards of accreditation for laboratories as well as standards and protocols for testing samples collected under the anti-doping and medication control program.

*Sec. 9. Review of final decisions of the Authority*

Section 9 requires the Authority to submit notice of civil sanctions to the Commission. The Commission or a person aggrieved by the civil sanction may request that an administrative law judge review the civil sanction imposed by the Authority. An administrative law judge may affirm, reverse, modify, set aside, or remand for further proceedings, in whole or in part, the civil sanction of the Authority. Any decision rendered by the administrative law judge may be reviewed by the Commission, which may also affirm, reverse, modify, set aside, or remand for further proceedings, in whole or in part, the decision of the administrative law judge.

*Sec. 10. Unfair or deceptive acts or practices*

Section 10 makes it an unfair or deceptive act or practice under section 5(a) of the Federal Trade Commission Act for a seller of a covered horse to fail to disclose to a buyer that the horse has been administered a bisphosphonate prior to the horse's fourth birthday or any other substances or methods that the Authority determines has a long-term degrading effect on the soundness of the covered horse.

*Sec. 11. State delegation; Cooperation*

Section 11 permits the Authority to enter into an agreement with a State racing commission to implement a component of the racetrack safety program and, with the concurrence of the anti-doping and medication control enforcement agency, a component of the horseracing anti-doping and medication control program.

XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

There were no changes to existing law made by H.R. 1754, as reported.

