

114TH CONGRESS
1ST SESSION

H. R. 3084

To improve the integrity and safety of Thoroughbred horseracing by requiring a uniform anti-doping program to be developed and enforced by an independent Thoroughbred Horseracing Anti-Doping Authority.

IN THE HOUSE OF REPRESENTATIVES

JULY 16, 2015

Mr. BARR (for himself and Mr. TONKO) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To improve the integrity and safety of Thoroughbred horseracing by requiring a uniform anti-doping program to be developed and enforced by an independent Thoroughbred Horseracing Anti-Doping Authority.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Thoroughbred Horse-
5 racing Integrity Act of 2015”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Congress enacted the Interstate Horse-
2 racing Act of 1978 (15 U.S.C. 3001 et seq.) to regu-
3 late interstate commerce with respect to pari-mutuel
4 wagering on Thoroughbred horseracing in order to
5 protect and further the Thoroughbred horseracing
6 industry of the United States. This Act does not
7 modify or eliminate any of the consents, approvals,
8 or agreements required by the Interstate Horse-
9 racing Act of 1978 or impair or restrict the oper-
10 ation and enforcement of State law or regulation of
11 Thoroughbred horseracing with respect to matters
12 unrelated to anti-doping or for violations of State or
13 Federal criminal law.

14 (2) The horseracing industry contributes ap-
15 proximately \$25,000,000,000 to the United States
16 economy annually and generates nearly 380,000 do-
17 mestic jobs. Approximately 50 percent of the
18 317,000 starts by Thoroughbred horses in 2014
19 were made by horses that competed in more than
20 one State.

21 (3) Uniform adoption of national anti-doping
22 standards for Thoroughbred horseracing in the
23 United States will promote interstate commerce, en-
24 courage fair competition and a level playing field, as-
25 sure full and fair disclosure of information to pur-

1 chasers of breeding stock and to the wagering pub-
2 lic, will improve the marketplace for domestic and
3 international sales of the American Thoroughbred,
4 will provide a platform for consistency with all major
5 international Thoroughbred horseracing standards,
6 address growing domestic concerns over disparities
7 with international rules, and provide for the safety
8 and welfare of horses and jockeys.

9 (4) The use of therapeutic medications in Thor-
10 oughbred horseracing in the United States must
11 place the health and welfare of the horse at the
12 highest level of priority while achieving consistency
13 with the uses permitted in major international Thor-
14 oughbred horseracing jurisdictions, including the use
15 of race-day medication. Because the various States
16 have been unable to adopt a national uniform anti-
17 doping program, national uniform regulations with
18 respect to the use of, and testing for, drugs capable
19 of affecting the results of a Thoroughbred horse race
20 and therapeutic medications used in Thoroughbred
21 horseracing, such rules, procedures and enforcement
22 policies should be implemented, consistent with
23 internationally accepted best practices, by an inde-
24 pendent anti-doping organization authorized by an
25 Act of Congress.

1 (5) For human sports, Congress has dem-
2 onstrated its commitment to fair competition
3 through legislation, oversight, funding, and by its
4 execution of an international treaty, the UNESCO
5 International Convention Against Doping in Sport.
6 By ratifying the UNESCO Convention, the United
7 States agreed to adopt appropriate measures con-
8 sistent with the principles of the World Anti-Doping
9 Code and to take appropriate action, including legis-
10 lation, regulation, policies or administrative practices
11 to implement that commitment.

12 (6) In the context of Olympic sports, Congress
13 has recognized the United States Anti-Doping Agen-
14 cy as an independent anti-doping organization pos-
15 sessing high-level expertise and credibility in the de-
16 velopment and administration of an anti-doping pro-
17 gram.

18 (7) Congress supports the establishment of an
19 independent anti-doping organization to ensure the
20 wagering public's confidence in the fairness of Thor-
21 oughbred horseracing and to strengthen and har-
22 monize anti-doping rules and sanctions for Thor-
23 oughbred horseracing in order to ensure fair and
24 transparent Thoroughbred horseraces and to deter
25 the commission of anti-doping rule violations.

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) **AUTHORITY.**—The term “Authority” means
4 the independent Thoroughbred Horseracing Anti-
5 Doping Authority established by section 5.

6 (2) **COVERED HORSERACE.**—The term “covered
7 horserace” means any horserace that involves only
8 Thoroughbreds and that is the subject of interstate
9 off-track wagers.

10 (3) **COVERED HORSE.**—The term “covered
11 horses” means any Thoroughbred horse, beginning
12 on the date of the Thoroughbred horse’s first timed
13 and reported workout at a race track that partici-
14 pates in races that are the subject of interstate off-
15 track wagers or a licensed Thoroughbred training fa-
16 cility until the Authority receives written notice that
17 the horse has been retired.

18 (4) **COVERED PERSONS.**—The term “covered
19 persons” means all trainers, owners, veterinarians,
20 and the agents and employees of such persons and
21 other horse support personnel who are engaged in
22 the care, training, or racing of covered horses.

23 (5) **HORSERACING ASSOCIATIONS.**—The term
24 “horseracing association” means a group or associa-
25 tion that represents entities licensed by a State rac-
26 ing commission to conduct covered races.

1 (6) INTERSTATE OFF-TRACK WAGER.—The
2 term “interstate off-track wager” has the meaning
3 given such term in section 3 of the Interstate Horse-
4 racing Act of 1978 (15 U.S.C. 3002).

5 (7) JOCKEY.—The term “jockey” means a rider
6 of a covered horse in covered races.

7 (8) MEDICATION AND REGULATORY EXPERTS
8 GROUPS.—The term “medication and regulatory ex-
9 perts groups” means groups or associations that are,
10 at the time of enactment, actively involved in the es-
11 tablishment of equine medication standards, or
12 groups or associations representing entities respon-
13 sible for the current regulation of the Thoroughbred
14 industry, or groups or associations representing
15 equine practitioners and veterinarians.

16 (9) OWNERS AND BREEDERS.—The term “own-
17 ers and breeders” means those persons who either
18 hold ownership interests in covered horses or who
19 are in the business of breeding covered horses.

20 (10) PROHIBITED METHODS.—The term “pro-
21 hibited methods” means any methods that are on
22 the list of prohibited methods identified in section
23 7(b).

24 (11) PROHIBITED SUBSTANCES.—The term
25 “prohibited substances” means any substances that

1 are on the list of prohibited substances identified in
2 section 7(b).

3 (12) PERMITTED SUBSTANCES.—The term
4 “permitted substances” means those substances con-
5 tained in the list of permitted substances identified
6 in section 7(b).

7 (13) PERMITTED METHODS.—The term “per-
8 mitted methods” means those methods identified in
9 the list of permitted methods identified in section
10 7(b).

11 (14) STATE RACING COMMISSION.—The term
12 “State racing commission” means that entity des-
13 ignated by State statute or, in the absence of stat-
14 ute, by regulation, with jurisdiction to regulate the
15 conduct of Thoroughbred horseracing within the
16 State.

17 (15) TAKEOUT.—The term “takeout” means
18 that portion of a wager that is deducted from or not
19 included in the pari-mutuel pool, and that is distrib-
20 uted to persons other than those placing wagers.

21 (16) THOROUGHBRED.—The term “Thorough-
22 bred” means a horse that has satisfied the rules and
23 requirements set forth in The Jockey Club’s Prin-
24 cipal Rules and Requirements of the American Stud

1 Book and is registered in The Jockey Club's The
2 American Stud Book.

3 (17) THOROUGHBRED CONSTITUENCIES.—The
4 term “Thoroughbred constituencies” means, collec-
5 tively, the owners and breeders, trainers, horse rac-
6 ing associations, veterinarians, State racing commis-
7 sions and jockeys.

8 (18) THOROUGHBRED INDUSTRY REPRESENTA-
9 TIVE.—The term “Thoroughbred industry represent-
10 ative” means an organization regularly and signifi-
11 cantly engaged in the Thoroughbred industry, in-
12 cluding, organizations that represent the interests
13 of, and whose membership consists of, owners and
14 breeders, trainers, horse racing associations, veteri-
15 narians, State racing commissions, and jockeys.

16 (19) THOROUGHBRED HORSERACING ANTI-
17 DOPING PROGRAM.—The term “Thoroughbred horse-
18 racing anti-doping program” means the program es-
19 tablished in accordance with section 7.

20 (20) TRAINERS.—The term “trainer” means an
21 individual engaged in the training of covered horses.

22 (21) VETERINARIAN.—The term “veterinarian”
23 means a licensed veterinarian who provides veteri-
24 nary services to covered horses.

1 (22) WORKOUT.—The term “workout” means a
2 timed running of a horse over a pre-determined dis-
3 tance not associated with a race.

4 **SEC. 4. JURISDICTION OF AUTHORITY FOR ANTI-DOPING**
5 **MATTERS AND CONDITION FOR ACCEPTANCE**
6 **OF WAGERS.**

7 (a) JURISDICTION FOR ANTI-DOPING MATTERS.—
8 Effective January 1, 2017, the Authority shall have exclu-
9 sive jurisdiction for anti-doping matters over all covered
10 horses, covered persons, and covered horseraces.

11 (b) CONDITION FOR ACCEPTANCE OF WAGERS.—The
12 jurisdiction and authority of the Authority are hereby im-
13 posed, in addition to compliance with the Interstate
14 Horseracing Act of 1978 (15 U.S.C. 3001–3007), as con-
15 ditions upon the privilege to accept, receive or transmit
16 wagers on covered horseraces and to participate in such
17 races.

18 (c) POWERS AND AUTHORITY.—The Authority shall
19 be vested with the same powers over Thoroughbred horse-
20 racing licensees as the State racing commissions have in
21 their respective States in respect to access to offices, track
22 facilities and other places of business of licensees, search
23 and seizure, issuance and enforcement of subpoenas and
24 subpoenas duces tecum, and other investigatory powers.
25 As a condition of eligibility to participate in covered

1 horseraces, covered persons agree that they and their cov-
2 ered horses shall be bound by the provisions of the Thor-
3 oughbred horseracing anti-doping program established in
4 accordance with section 7(a).

5 **SEC. 5. INDEPENDENT ANTI-DOPING AUTHORITY FOR**
6 **INTERSTATE HORSERACING.**

7 (a) ESTABLISHMENT.—There is established the
8 Thoroughbred Horseracing Anti-Doping Authority, an
9 independent organization with responsibility for devel-
10 oping and administering an anti-doping program for cov-
11 ered horses, covered persons, and covered horseraces.

12 (b) COMPOSITION.—The Authority shall be a non-
13 profit corporation governed by a board initially comprised
14 of the United States Anti-Doping Agency’s chief executive
15 officer, five United States Anti-Doping Agency board
16 members, and five individuals from different constitu-
17 encies of the Thoroughbred industry who shall be ap-
18 pointed by the United States Anti-Doping Agency, as fol-
19 lows:

20 (1) The United States Anti-Doping Agency
21 shall solicit lists of two candidates each from a
22 cross-section of thoroughbred industry representa-
23 tives, the members of which include owners and
24 breeders, trainers, veterinarians, racing associations,
25 State racing commissions and jockeys.

1 (2) The United States Anti-Doping Agency
2 may, in its sole discretion, include more than one
3 thoroughbred industry representative from each such
4 Thoroughbred constituency but shall make reason-
5 able efforts to include the largest and most broadly
6 based organization or organizations from each Thor-
7 oughbred constituency.

8 (3) The United States Anti-Doping Agency
9 shall endeavor to provide diversity of industry mem-
10 bership on the board by allocating board positions
11 among the nominees from those Thoroughbred con-
12 stituencies to the greatest extent practicable and
13 consistent with the standards for board membership
14 set forth in this section.

15 (4) Should such Agency not fill all open board
16 positions from among the initially listed candidates,
17 it shall ask each of the Thoroughbred industry rep-
18 resentatives to submit an additional list of two per-
19 sons from which the Agency may fill the then re-
20 maining open board positions.

21 (5) Should such Agency choose not to fill any
22 of the then remaining open board positions from the
23 second set of candidate lists, it may choose one or
24 more persons at large with substantial experience in
25 the Thoroughbred industry as board members.

1 (c) CONFLICTS OF INTEREST.—To avoid any conflict
2 of interest, no nominee or board member shall be—

3 (1) an individual who has a financial interest in
4 or provides goods or services to covered horses;

5 (2) an official, officer, or serve in any govern-
6 ance or policymaking capacity for any Thoroughbred
7 industry representative; or

8 (3) an employee or have a business or commer-
9 cial relationship with any of the individuals or orga-
10 nizations described in paragraphs (1) or (2).

11 (d) TERMS; VACANCIES.—The terms of board mem-
12 bers shall be three years and shall be staggered so that
13 the terms of no more than four board members expire in
14 any year. Board members may serve for no more than two
15 consecutive full terms. Vacancies among board positions
16 held by Thoroughbred industry candidates shall be filled
17 pursuant to the provisions of subsection (b) and any other
18 vacancies will be filled pursuant to the provisions of the
19 Authority's bylaws.

20 (e) STANDING COMMITTEES.—The Authority shall
21 establish one or more standing advisory and technical
22 committees, which shall include qualified representatives
23 from horseracing industry constituencies including train-
24 ers, owners, the breed registry, veterinarians, regulators,
25 race tracks, testing laboratories, customers, and jockeys.

1 The Authority shall designate a representative of the
2 medication and regulatory experts groups to a standing
3 advisory and technical committee on permitted and pro-
4 hibited substances and methods. The committees will as-
5 sist the Authority in establishing and administering the
6 Thoroughbred horseracing anti-doping program.

7 (f) REPORTS TO CONGRESS.—Following the third an-
8 niversary of the date on which the anti-doping program
9 identified in section 7(a) takes effect, and every four years
10 thereafter, the Comptroller General of the United States
11 shall analyze the Authority’s operations and provide to
12 Congress a report regarding the performance of the Au-
13 thority, limited to the Authority’s effectiveness as an anti-
14 doping organization and the efficiency of such anti-doping
15 program.

16 **SEC. 6. AUTHORITY AND POWERS OF THOROUGHBRED**
17 **HORSE RACING ANTI-DOPING AUTHORITY.**

18 (a) IN GENERAL.—The Authority, after notice to and
19 with appropriate opportunity for comment from Thor-
20 oughbred industry representatives and the public, shall de-
21 velop and administer the Thoroughbred horseracing anti-
22 doping program for covered horses, covered persons, and
23 covered horseraces. The Thoroughbred horseracing anti-
24 doping program shall include—

1 (1) lists of permitted and prohibited substances
2 and methods;

3 (2) a schedule of sanctions for violations;

4 (3) programs relating to anti-doping research
5 and education;

6 (4) testing procedures, standards, and protocols
7 for both in-competition and out-of-competition test-
8 ing;

9 (5) procedures for investigating, charging, and
10 adjudicating violations and for the enforcement of
11 sanctions for violations; and

12 (6) laboratory standards for accreditation and
13 testing requirements, procedures, and protocols.

14 (b) COVERED HORSES AND PERSONS.—The Thor-
15 oughbred horseracing anti-doping program developed pur-
16 suant to subsection (a) shall apply to all covered horses,
17 covered persons, and covered horseraces. As a condition
18 of eligibility to participate in covered horseraces, covered
19 persons agree that they and their covered horses shall be
20 bound by the provisions of the Thoroughbred horseracing
21 anti-doping program developed pursuant to subsection (a).

22 (c) LIMITATION OF AUTHORITY.—The jurisdiction
23 and authority of the Authority shall be prospective only.
24 It shall have no authority or responsibility to investigate,
25 prosecute, adjudicate or penalize conduct occurring prior

1 to the effective date of its Thoroughbred horseracing anti-
2 doping program as set forth in section 7. State racing
3 commissions shall retain authority over such matters until
4 the final resolution of any resulting charges.

5 **SEC. 7. OUTLINE OF THE THOROUGHBRED HORSERACING**
6 **ANTI-DOPING PROGRAM.**

7 (a) IN GENERAL.—The Thoroughbred horseracing
8 anti-doping program shall take into consideration inter-
9 national anti-doping standards, including the World Anti-
10 Doping Code and the Principles of Veterinary Medical
11 Ethics of the American Veterinary Medical Association,
12 that could be applicable to the Thoroughbred horseracing
13 anti-doping program and shall take effect upon January
14 1, 2017. The Thoroughbred horseracing anti-doping pro-
15 gram shall be updated from time to time and shall in-
16 clude—

- 17 (1) a uniform set of anti-doping rules;
- 18 (2) a list of permitted and prohibited sub-
19 stances and methods;
- 20 (3) a process for sample collection and analysis
21 and test distribution;
- 22 (4) programs for in-competition and out-of-com-
23 petition testing (including no-advance-notice testing
24 and mandatory reporting of each horse’s location for
25 testing);

1 (5) investigations related to anti-doping rule
2 violations;

3 (6) management of violation results;

4 (7) laboratory accreditation; and

5 (8) disciplinary hearings, which may include
6 binding arbitration, sanctions, research and edu-
7 cation.

8 (b) **LISTS OF PROHIBITED SUBSTANCES AND METH-**
9 **ODS.—**

10 (1) **IN GENERAL.—**The Authority shall develop,
11 maintain, and publish lists of permitted and prohib-
12 ited substances and methods. The initial list of pro-
13 hibited substances and methods developed by the
14 Authority, which shall be in effect until amended by
15 the Authority, shall include any substance or method
16 that is included on either—

17 (A) class 1, 2, 3, and 4 drugs, medications
18 and substances in the Uniform Classification
19 Guidelines for Foreign Substances of the Asso-
20 ciation of Racing Commissioners International,
21 Version 9.0, revised April 2015, or

22 (B) the 2015 Prohibited List, Inter-
23 national Standard, of the World Anti-Doping
24 Code,

1 unless and to the extent that such a substance or
2 method described in subparagraph (A) or (B) is con-
3 tained on the list of permitted substances and meth-
4 ods identified on the Association of Racing Commis-
5 sioners International Therapeutic Medication Sched-
6 ule for Horses, Version 2.2.

7 (2) DEADLINES.—The lists of permitted and
8 prohibited substances and methods effective as of
9 January 1, 2017, including all modifications to the
10 initial lists, shall be developed and published by the
11 Authority not later than 120 days prior to the effec-
12 tive date of the Thoroughbred horseracing anti-
13 doping program as set forth in subsection (a).

14 (3) PERIODIC REVIEW.—The inclusion of per-
15 mitted or prohibited substances or methods on the
16 lists shall be subject to periodic review by the Au-
17 thority for modification, substitution, addition to or
18 deletion from the lists. The Authority shall also es-
19 tablish a notice, consultation, and comment process,
20 involving Thoroughbred industry representatives and
21 the public, in connection with modifying, sub-
22 stituting, adding or deleting permitted and prohib-
23 ited substances and methods from the lists.

24 (c) ANTI-DOPING RULE VIOLATIONS.—The Author-
25 ity, after notice to and with appropriate opportunity for

1 comment from Thoroughbred industry representatives and
2 the public, shall establish a list of anti-doping rule viola-
3 tions applicable to either horses or covered persons includ-
4 ing—

5 (1) strict liability for the presence of a prohib-
6 ited substance or method in a horse's sample or the
7 use of a prohibited substance or method;

8 (2) attempted use of a prohibited substance or
9 method;

10 (3) possession of any prohibited substance or
11 method;

12 (4) attempted possession of any prohibited sub-
13 stance or method;

14 (5) administration or attempted administration
15 of any prohibited substance or method;

16 (6) refusing or failing without compelling jus-
17 tification to submit a horse for sample collection;

18 (7) tampering or attempted tampering with any
19 part of doping control; and

20 (8) trafficking or attempted trafficking in any
21 prohibited substance or method and complicity in
22 any anti-doping rule violation.

23 (d) TESTING LABORATORIES.—Not later than 120
24 days prior to the effective date of the Thoroughbred horse-
25 racing anti-doping program as set forth in subsection (a),

1 the Authority shall establish standards of accreditation for
2 laboratories involved in the testing of samples taken from
3 Thoroughbred horses, the process for achieving and main-
4 taining accreditation, and the standards and protocols for
5 testing of samples. The Authority may, in its sole discre-
6 tion, extend provisional or interim accreditation to labora-
7 tories accredited by the Racing Medication and Testing
8 Consortium, Inc. Each State racing commission shall de-
9 termine the laboratory to be used in testing samples taken
10 within its jurisdiction, provided that the laboratory se-
11 lected has been accredited by, and complies with the test-
12 ing protocols and standards established by, the organiza-
13 tion.

14 (e) RESULTS MANAGEMENT AND DISCIPLINARY
15 PROCESS.—Not later than 120 days prior to the effective
16 date of this Act, the Authority, after notice to and with
17 appropriate opportunity for comment from Thoroughbred
18 industry representatives and the public, shall establish
19 rules for anti-doping results management and the discipli-
20 nary process for anti-doping rule violation results manage-
21 ment including, provisions for notification of anti-doping
22 rule violations, hearing procedures, burden of proof, pre-
23 sumptions, evidentiary rules, appeals and guidelines for
24 confidentiality and public reporting of decisions. Such
25 rules shall provide adequate due process, including impar-

1 tial hearing officers or tribunals commensurate with the
2 seriousness of the alleged anti-doping rule violation and
3 the possible sanctions for such violation.

4 (f) SANCTIONS.—The Authority, after notice to and
5 with appropriate opportunity for comment from Thor-
6 oughbred industry representatives and the public, shall es-
7 tablish uniform rules imposing sanctions against covered
8 persons and/or covered horses for anti-doping rule viola-
9 tions. The sanctioning rules shall take into account the
10 unique aspects of Thoroughbred horseracing, and shall be
11 designed to ensure fair and transparent Thoroughbred
12 horseraces and deter the commission of anti-doping rule
13 violations. The rules shall impose sanctions up to and in-
14 cluding a lifetime ban from horseracing and shall include
15 opportunities for anti-doping rule violators to reduce the
16 otherwise applicable sanctions generally comparable to
17 those opportunities afforded by the United States Anti-
18 Doping Agency’s Protocol for Olympic Movement Testing.

19 **SEC. 8. OTHER LAWS UNAFFECTED.**

20 This Act shall not be construed to modify, impair,
21 or restrict the operation or effectiveness of State or Fed-
22 eral statutes and regulations directed at—

23 (1) any of the consents, approvals, or agree-
24 ments required by the Interstate Horseracing Act of
25 1978;

1 (2) criminal conduct by covered persons and
2 others;

3 (3) Thoroughbred horseracing matters unre-
4 lated to anti-doping as addressed in this Act; or

5 (4) the use of medication in human participants
6 in covered races.

7 **SEC. 9. STATE DELEGATION; DUTY OF COOPERATION.**

8 (1) The Authority may enter into agreements
9 with one or more State racing commissions to imple-
10 ment within their respective jurisdictions any of the
11 components of the Thoroughbred horseracing anti-
12 doping program established by the Authority if the
13 Authority determines, in its sole discretion, that a
14 particular State racing commission will be able to
15 implement a component of the Thoroughbred horse-
16 racing anti-doping program in accordance with the
17 standards and requirements established by the Au-
18 thority. Any such agreement shall remain in effect
19 as long as the Authority, in its sole discretion, deter-
20 mines the applicable racing commission to be imple-
21 menting the components of the medication regula-
22 tion program covered by the agreement in compli-
23 ance with the standards and requirements estab-
24 lished by the Authority.

1 (2) Where conduct by any person subject to the
2 Thoroughbred horseracing anti-doping program may
3 involve both an anti-doping rule violation and viola-
4 tion of State or Federal law, this Act imposes a duty
5 to cooperate and share information between the Au-
6 thority and State and Federal law enforcement au-
7 thorities.

8 **SEC. 10. RULES OF CONSTRUCTION.**

9 The Authority shall not have the power to impose
10 criminal sanctions and shall not be considered nor con-
11 strued to be an agent of, or an actor on behalf of, the
12 United States Government or any State.

13 **SEC. 11. EFFECTIVE DATE.**

14 The Thoroughbred horseracing anti-doping program
15 established by this Act shall take effect on January 1,
16 2017. The Authority and State regulatory authorities shall
17 work cooperatively to develop transition rules with respect
18 to doping conduct, sanctions, and investigations arising
19 prior to the effective date of the Thoroughbred horse-
20 racing anti-doping program established in accordance with
21 in this Act.

22 **SEC. 12. FUNDING.**

23 Nothing in this Act requires the United States Gov-
24 ernment to provide funding for or to guarantee the debts
25 of the Authority. The funds necessary for the establish-

1 ment and administration of the Thoroughbred horseracing
2 anti-doping program shall be paid entirely by the Thor-
3 oughbred horseracing industry in accordance with the fol-
4 lowing provisions:

5 (1) Initial funding to establish the Authority
6 and underwrite its operations prior to the effective
7 date shall be provided by loans obtained by and do-
8 nations made to the Authority; the Authority is em-
9 powered to borrow money and to accept private do-
10 nations and contributions toward the funding of its
11 operations.

12 (2) By November 1, 2016, and prior to Novem-
13 ber 1 of each year thereafter, the Authority shall de-
14 termine and provide to each State racing commission
15 the estimated amount required per racing starter to
16 fund the Thoroughbred horseracing anti-doping pro-
17 gram for the coming year and to liquidate any loans
18 or funding shortfall in the current year and any
19 prior years. Such amount shall be based upon the
20 annual budget of the Authority for the succeeding
21 year, as approved by the Authority's board of direc-
22 tors. The Authority's initial budget shall require the
23 approval of two-thirds of its board of directors and
24 any subsequent budget that exceeds the preceding
25 year's budget by more than 5 percent shall also re-

1 quire the approval of two-thirds of the Authority's
2 board of directors.

3 (3) On or before the 20th day of each calendar
4 month, each State racing commission shall remit to
5 the Authority an amount equal to the applicable fee
6 per racing start multiplied by the number of racing
7 starts in the State in the previous month.

8 (4) Each State racing commission shall deter-
9 mine, subject to the applicable laws and regulations
10 of the State, the method by which the requisite
11 amount shall be allocated, assessed, and collected,
12 provided that in no event shall the funds be obtained
13 by means of an increase in the takeout.

○