

**VIRGINIA RACING COMMISSION**

Statement of Final Agency Action:

On September 18, 2002, the Virginia Racing Commission adopted a final and exempt regulation entitled "Regulations Pertaining to Horse Racing with Pari-Mutuel Wagering - Virginia Breeders Fund" (11 VAC 10-130-80).

Explanation of Substantive Changes:

In an effort to expand participation in the fund, the Standardbred Subcommittee of the Virginia Breeders Fund Advisory Committee recommended to the Virginia Racing Commission that it approve the amendments of the Virginia Breeders Fund regulations in Section 80 entitled "Allocation and restriction of funds:"

In Subsection 3, the Standardbred Subcommittee recommended and the Commission amended the regulation in two places.

First, in Subdivision "a," the words "two and three year old" were stricken.

Second, in Subdivision "b," the phrase "or earns purse money" was added.

Summary of Public Comments and Agency's Response:

The Standardbred Subcommittee of the Virginia Breeders Fund Advisory Committee advises the Virginia Racing Commission on the administration and promotion of that phase of the fund.

The Standardbred Subcommittee desired to implement a phase of the fund operations made through an amendment during the 2002 Session of the General Assembly to §59.1-372 allowing payment of owner awards to horses that earn purse money as well as win races. The amendment also makes payment of purse monies for horses four years old and older.

Summary of Regulation:

The amendments reflect an effort to expand participation in the Standardbred portion of the Virginia Breeders Fund (i) by making horses four years old and older eligible for purse money, and (ii) paying owner awards for horses that win or earn purse money in nonsupplemented races.

Statement of Basis, Purpose, Substance, Issues and Impact:

Basis: The Virginia Racing Commission derives its statutory authority to promulgate regulations from the provisions of §59.1-369 of the Code of Virginia. The Code states, in part in subdivision 3, "The commission shall promulgate regulations and conditions under which horse racing with pari-mutuel wagering shall be conducted in the Commonwealth, and all such other regulations it deems necessary and appropriate to effect the purposes of this chapter. Further, the commission's regulatory action is exempted under the provisions of §2.2-4002 (B) (21) that exempts regulations pertaining to the Virginia Breeders Fund.

Purpose: The commission relies heavily upon the Standardbred Subcommittee of the Virginia Breeders Fund Advisory Committee for the administration and promotion of its share of the program. The committee believes that attracting the widest possible participation in the Virginia Breeders Fund is important to strengthening the horse breeding industry. For this purpose, the subcommittee recommended and the commission adopted the two minor, but very important, changes in the regulation pertaining to Section 80 entitled, "Allocation and restriction of funds."

Substance: The commission in adopting the recommendations of the subcommittee made two changes. First, in subdivision "a," the phrase "two and three year old" were stricken from the regulation so that four year old and older horses could also participate in the program. Second, in subdivision "b," the phrase "or earns purse money" was added so that horses that earn purse money would be entitled to an owner's award.

Issues: The amendments bring the commission's regulatory practices into a greater degree of uniformity with those adhered to among the neighboring states within the Mid-Atlantic Region.

Impact Upon Families: The amendments will have no impact upon families in the Commonwealth.