

1 AN ACT relating to Thoroughbred registration.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 230 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) For purposes of this chapter, a registrar of Thoroughbreds shall not restrict the*
6 *number of mares that can be bred to a stallion or otherwise refuse to register any*
7 *foal based upon the number of mares bred to the stallion of the foal submitted for*
8 *registration.*

9 *(2) The racing commission shall select and utilize an entity to serve as the registrar*
10 *of Thoroughbreds. The registrar shall submit to the jurisdiction of Kentucky and*
11 *shall comply with the laws of this chapter.*

12 *(3) On or before September 1, 2022, the racing commission shall promulgate*
13 *administrative regulations in accordance with KRS Chapter 13A to implement*
14 *this section.*

15 ➔Section 2. KRS 230.210 is amended to read as follows:

16 As used in this chapter, unless the context requires otherwise:

17 (1) "Advance deposit account wagering" means a form of pari-mutuel wagering in
18 which an individual may establish an account with a person or entity licensed by the
19 racing commission, and may place a pari-mutuel wager through that account that is
20 permitted by law;

21 (2) "Advance deposit account wagering licensee" means a person or entity licensed by
22 the racing commission to conduct advance deposit account wagering and accept
23 deposits and wagers, issue a receipt or other confirmation to the account holder
24 evidencing such deposits and wagers, and transfer credits and debits to and from
25 accounts;

26 (3) "Appaloosa race" or "Appaloosa racing" means that form of horse racing in which
27 each horse participating in the race is registered with the Appaloosa Horse Club of

- 1 Moscow, Idaho, and is mounted by a jockey;
- 2 (4) "Arabian" means a horse that is registered with the Arabian Horse Registry of
3 Denver, Colorado;
- 4 (5) "Association" means any person licensed by the Kentucky Horse Racing
5 Commission under KRS 230.300 and engaged in the conduct of a recognized horse
6 race meeting;
- 7 (6) "Harness race" or "harness racing" means trotting and pacing races of the
8 standardbred horses;
- 9 (7) "Horse race meeting" means horse racing run at an association licensed and
10 regulated by the Kentucky Horse Racing Commission, and may include
11 Thoroughbred, harness, Appaloosa, Arabian, paint, and quarter horse racing;
- 12 (8) "Host track" means the track conducting racing and offering its racing for intertrack
13 wagering, or, in the case of interstate wagering, means the Kentucky track
14 conducting racing and offering simulcasts of races conducted in other states or
15 foreign countries;
- 16 (9) "Intertrack wagering" means pari-mutuel wagering on simulcast horse races from a
17 host track by patrons at a receiving track;
- 18 (10) "Interstate wagering" means pari-mutuel wagering on simulcast horse races from a
19 track located in another state or foreign country by patrons at a receiving track or
20 simulcast facility;
- 21 (11) "Kentucky quarter horse, paint horse, Appaloosa, and Arabian purse fund" means a
22 purse fund established to receive funds as specified in KRS 230.3771 for purse
23 programs established in KRS 230.446 to supplement purses for quarter horse, paint
24 horse, Appaloosa, and Arabian horse races. The purse program shall be
25 administered by the Kentucky Horse Racing Commission;
- 26 (12) "Kentucky resident" means:
- 27 (a) An individual domiciled within this state;

- 1 (b) An individual who maintains a place of abode in this state and spends, in the
2 aggregate, more than one hundred eighty-three (183) days of the calendar year
3 in this state; or
- 4 (c) An individual who lists a Kentucky address as his or her principal place of
5 residence when applying for an account to participate in advance deposit
6 account wagering;
- 7 (13) "Licensed premises" means a track or simulcast facility licensed by the racing
8 commission under this chapter;
- 9 (14) "Paint horse" means a horse registered with the American Paint Horse Association
10 of Fort Worth, Texas;
- 11 (15) "Pari-mutuel wagering," "pari-mutuel system of wagering," or "mutuel wagering"
12 each means any method of wagering previously or hereafter approved by the racing
13 commission in which one (1) or more patrons wager on a horse race or races,
14 whether live, simulcast, or previously run. Wagers shall be placed in one (1) or
15 more wagering pools, and wagers on different races or sets of races may be pooled
16 together. Patrons may establish odds or payouts, and winning patrons share in
17 amounts wagered including any carryover amounts, plus any amounts provided by
18 an association less any deductions required, as approved by the racing commission
19 and permitted by law. Pools may be paid out incrementally over time as approved
20 by the racing commission;
- 21 (16) "Principal" means any of the following individuals associated with a partnership,
22 trust, association, limited liability company, or corporation that is licensed to
23 conduct a horse race meeting or an applicant for a license to conduct a horse race
24 meeting:
- 25 (a) The chairman and all members of the board of directors of a corporation;
- 26 (b) All partners of a partnership and all participating members of a limited
27 liability company;

- 1 (c) All trustees and trust beneficiaries of an association;
- 2 (d) The president or chief executive officer and all other officers, managers, and
3 employees who have policy-making or fiduciary responsibility within the
4 organization;
- 5 (e) All stockholders or other individuals who own, hold, or control, either directly
6 or indirectly, five percent (5%) or more of stock or financial interest in the
7 collective organization; and
- 8 (f) Any other employee, agent, guardian, personal representative, or lender or
9 holder of indebtedness who has the power to exercise a significant influence
10 over the applicant's or licensee's operation;
- 11 (17) "Quarter horse" means a horse that is registered with the American Quarter Horse
12 Association of Amarillo, Texas;
- 13 (18) "Racing commission" means the Kentucky Horse Racing Commission;
- 14 (19) "Receiving track" means a track where simulcasts are displayed for wagering
15 purposes. A track that submits an application for intertrack wagering shall meet all
16 the regulatory criteria for granting an association license of the same breed as the
17 host track, and shall have a heated and air-conditioned facility that meets all state
18 and local life safety code requirements and seats a number of patrons at least equal
19 to the average daily attendance for intertrack wagering on the requested breed in the
20 county in which the track is located during the immediately preceding calendar year;
- 21 (20) "Simulcast facility" means any facility approved pursuant to the provisions of KRS
22 230.380 to simulcast live racing and conduct pari-mutuel wagering on live racing;
- 23 (21) "Simulcasting" means the telecast of live audio and visual signals of horse races for
24 the purpose of pari-mutuel wagering;
- 25 (22) "Telephone account wagering" means a form of pari-mutuel wagering where an
26 individual may deposit money in an account at a track and may place a wager by
27 direct telephone call or by communication through other electronic media owned by

1 the holder of the account to the track;

2 (23) "Thoroughbred race" or "Thoroughbred racing" means a form of horse racing in
3 which each horse participating in the race is a Thoroughbred~~[(i.e., meeting the~~
4 ~~requirements of and registered with The Jockey Club of New York)]~~ and is mounted
5 by a jockey; and

6 (24) "Track" means any association duly licensed by the Kentucky Horse Racing
7 Commission to conduct horse racing and shall include:

8 (a) For facilities in operation as of 2010, the location and physical plant described
9 in the "Commonwealth of Kentucky Initial/Renewal Application for License
10 to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering,"
11 filed for racing to be conducted in 2010;

12 (b) Real property of an association, if the association received or receives
13 approval from the racing commission after 2010 for a location at which live
14 racing is to be conducted; or

15 (c) One (1) facility or real property that is:

16 1. Owned, leased, or purchased by an association within a sixty (60) mile
17 radius of the association's racetrack but not contiguous to racetrack
18 premises, upon racing commission approval; and

19 2. Not within a sixty (60) mile radius of another licensed track premise
20 where live racing is conducted and not within a forty (40) mile radius of
21 a simulcast facility, unless any affected track or simulcast facility agrees
22 in writing to permit a noncontiguous facility within the protected
23 geographic area.

24 ➔Section 3. KRS 230.400 is amended to read as follows:

25 (1) There is hereby created a trust and revolving fund for the Kentucky Horse Racing
26 Commission, designated as the Kentucky Thoroughbred development fund,
27 consisting of money allocated to the fund under the provisions of KRS 138.510,

1 together with other money contributed to or allocated to the fund from all other
2 sources. Money to the credit of the Kentucky Thoroughbred development fund shall
3 be distributed by the Treasurer for the purposes of this section upon authorization of
4 the Kentucky Horse Racing Commission and upon approval of the secretary of the
5 Finance and Administration Cabinet. Money from the Kentucky Thoroughbred
6 development fund shall be allocated to each licensed association in an amount equal
7 to the amount the association contributed to the fund. Money to the credit of the
8 Kentucky Thoroughbred development fund at the end of each fiscal year shall not
9 lapse, but shall be carried forward in such fund to the succeeding fiscal year.

10 (2) There is hereby established, under the general jurisdiction of the Kentucky Horse
11 Racing Commission, a Kentucky Thoroughbred Development Fund Advisory
12 Committee. The advisory committee shall consist of five (5) members, all of whom
13 shall be residents of Kentucky, to be appointed by the chairman of the Kentucky
14 Horse Racing Commission by July 1 of each year. The committee shall consist of
15 two (2) Thoroughbred breeders recommended by the Kentucky Thoroughbred
16 Owners and Breeders, Inc.; one (1) Thoroughbred owner recommended by the
17 Kentucky division of the Horsemen's Benevolent and Protective Association; one
18 (1) officer or director of a licensed association conducting Thoroughbred racing in
19 Kentucky, recommended by action of all of the licensed associations conducting
20 Thoroughbred racing in Kentucky; and one (1) member of the Kentucky Horse
21 Racing Commission. If any member other than the racing commission member has
22 not been recommended for appointment by July 1 of each year, the chairman of the
23 Kentucky Horse Racing Commission shall make an appointment for the
24 organization or organizations failing to recommend a member of the committee.
25 The members of the advisory committee shall serve without compensation, but shall
26 be entitled to reimbursement for all expenses incurred in the discharge of official
27 business. The advisory committee shall select from its membership annually a

1 chairman and a vice chairman.

2 (3) (a) The Kentucky Thoroughbred Development Fund Committee shall advise and
3 assist the Kentucky Horse Racing Commission in the development of the
4 supplemental purse program provided herein for Kentucky-bred
5 Thoroughbreds, shall make recommendations to the racing commission from
6 time to time with respect to the establishment of guidelines, administrative
7 regulations for the provision of supplemental purses, the amount thereof, the
8 races for which the purses are to be provided and the conditions thereof,
9 manner and method of payment of supplemental purses, registry of
10 Thoroughbred stallions standing within the Commonwealth of Kentucky,
11 registry of Kentucky-bred Thoroughbreds for purposes of this section, nature
12 and type of forms and reports to be employed and required in connection with
13 the establishment, provision for, award and payment of supplemental purses,
14 and with respect to all other matters necessary in connection with the carrying
15 out of the intent and purposes of this section.

16 (b) The Kentucky Horse Racing Commission shall employ qualified personnel as
17 may be required to assist the racing commission and the advisory committee
18 in carrying out the provisions of this section. These persons shall serve at the
19 pleasure of the racing commission and compensation for these personnel shall
20 be fixed by the racing commission. The compensation of these personnel and
21 the necessary expenses incurred by the racing commission or by the
22 committee in carrying out the provisions of this section shall be paid out of the
23 Kentucky Thoroughbred development fund.

24 (4) The Kentucky Horse Racing Commission, with the advice and assistance of the
25 Kentucky Thoroughbred Development Fund Advisory Committee, shall use the
26 Kentucky Thoroughbred development fund to promote, enhance, improve, and
27 encourage the further and continued development of the Thoroughbred breeding

1 industry in Kentucky by providing, out of the Kentucky Thoroughbred development
2 fund, supplemental purses for designated stakes, handicap, allowance, nonclaiming
3 maiden races, and allowance optional claiming races for a claiming price of not less
4 than twenty-five thousand dollars (\$25,000) contested at licensed Thoroughbred
5 race meetings in Kentucky. The Kentucky Horse Racing Commission shall, by
6 administrative regulation promulgated in accordance with KRS Chapter 13A,
7 establish the requirements, conditions, and procedures for awarding and payment of
8 supplemental purses in designated races by Kentucky-bred Thoroughbred horses.
9 That portion of the supplemental purse provided for any designated race shall be
10 awarded and paid to the owner of the horse only if the horse is a Kentucky-bred
11 Thoroughbred duly registered with the official registrar. Any portion of the
12 supplemental purse which is not awarded and paid over shall be returned to the
13 Kentucky Thoroughbred development fund.

14 (5) (a) For purposes of this section, the term "Kentucky Thoroughbred stallion" shall
15 mean and include only a Thoroughbred stallion standing the entire breeding
16 season in Kentucky and registered as a Kentucky Thoroughbred stallion with
17 the official registrar of the Kentucky Thoroughbred development fund.

18 (b) Except for Thoroughbred horses foaled prior to January 1, 1980, the term
19 "Kentucky-bred Thoroughbreds," for purposes of this section, shall mean and
20 include only Thoroughbred horses sired by Kentucky Thoroughbred stallions
21 foaled in Kentucky and registered as a Kentucky-bred Thoroughbred with the
22 official registrar of the Kentucky Thoroughbred development fund.

23 (c) Any Thoroughbred horse foaled prior to January 1, 1980, may qualify as a
24 Kentucky-bred Thoroughbred for purposes of this section if the horse was
25 foaled in Kentucky and if the sire of the Thoroughbred was standing at stud
26 within Kentucky at the time of conception of such Thoroughbred, provided
27 the Thoroughbred is duly registered as a Kentucky-bred Thoroughbred with

1 the official registrar of the Kentucky Thoroughbred development fund.

2 (d) In order for an owner of a Kentucky-sired Thoroughbred to be eligible to
3 demand, claim, and receive a portion of a supplemental purse provided by the
4 Kentucky Thoroughbred development fund, the Thoroughbred horse in a
5 designated race for which a supplemental purse has been provided by the
6 Kentucky Thoroughbred development fund must have been duly registered as
7 a Kentucky-bred Thoroughbred with the official registrar of the Kentucky
8 Thoroughbred development fund prior to entry in the race.

9 (6) (a) Kentucky Thoroughbred Owners and Breeders, Inc., is hereby recognized and
10 designated as the sole official registrar of the Kentucky Thoroughbred
11 development fund for the purposes of registering Kentucky Thoroughbred
12 stallions and Kentucky-bred Thoroughbreds in accordance with the terms of
13 this section and any administrative regulations promulgated by the Kentucky
14 Horse Racing Commission. When a Kentucky-bred Thoroughbred is
15 registered with the official registrar, the registrar shall be authorized to stamp
16 the ~~Jockey Club~~ certificate issued for the Thoroughbred with the seal of the
17 registrar, certifying that the Thoroughbred is a duly qualified and registered
18 Kentucky-bred Thoroughbred for purposes of this section. The registrar may
19 establish and charge, with the approval of the racing commission, reasonable
20 registration fees for its services in the registration of Kentucky Thoroughbred
21 stallions and in the registration of Kentucky-bred Thoroughbreds. Registration
22 records of the registrar shall be public records and open to public inspection at
23 all normal business hours and times.

24 (b) Any interested party aggrieved by the failure or refusal of the official registrar
25 to register a stallion or Thoroughbred as a Kentucky stallion or as a Kentucky-
26 bred Thoroughbred shall have the right to file with the racing commission,
27 within thirty (30) days of such failure or refusal of the registrar, a petition

1 seeking registration of the Thoroughbred. The racing commission shall
2 promptly hear the matter de novo and issue its order directing the official
3 registrar to register or not to register as it may be determined by the racing
4 commission.

5 (7) The Kentucky Horse Racing Commission shall promulgate administrative
6 regulations as may be necessary to carry out the provisions and purposes of this
7 section, including the promulgation of administrative regulations and forms as may
8 be appropriate for the proper registration of Kentucky stallions and Kentucky-bred
9 Thoroughbreds with the official registrar, and shall administer the Kentucky-bred
10 Thoroughbred program created hereby in a manner best designed to promote and
11 aid in the further development of the Thoroughbred breeding industry in Kentucky,
12 to upgrade the quality of Thoroughbred racing in Kentucky, and to improve the
13 quality of Thoroughbred horses bred in Kentucky.