

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1181 Session of 2013

INTRODUCED BY VOGEL, PILEGGI, SCARNATI, TOMLINSON AND
McILHINNEY, NOVEMBER 18, 2013

REFERRED TO APPROPRIATIONS, NOVEMBER 18, 2013

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,
2 as amended, "An act relating to the finances of the State
3 government; providing for the settlement, assessment,
4 collection, and lien of taxes, bonus, and all other accounts
5 due the Commonwealth, the collection and recovery of fees and
6 other money or property due or belonging to the Commonwealth,
7 or any agency thereof, including escheated property and the
8 proceeds of its sale, the custody and disbursement or other
9 disposition of funds and securities belonging to or in the
10 possession of the Commonwealth, and the settlement of claims
11 against the Commonwealth, the resettlement of accounts and
12 appeals to the courts, refunds of moneys erroneously paid to
13 the Commonwealth, auditing the accounts of the Commonwealth
14 and all agencies thereof, of all public officers collecting
15 moneys payable to the Commonwealth, or any agency thereof,
16 and all receipts of appropriations from the Commonwealth,
17 authorizing the Commonwealth to issue tax anticipation notes
18 to defray current expenses, implementing the provisions of
19 section 7(a) of Article VIII of the Constitution of
20 Pennsylvania authorizing and restricting the incurring of
21 certain debt and imposing penalties; affecting every
22 department, board, commission, and officer of the State
23 government, every political subdivision of the State, and
24 certain officers of such subdivisions, every person,
25 association, and corporation required to pay, assess, or
26 collect taxes, or to make returns or reports under the laws
27 imposing taxes for State purposes, or to pay license fees or
28 other moneys to the Commonwealth, or any agency thereof,
29 every State depository and every debtor or creditor of the
30 Commonwealth," in additional special funds, further providing
31 for the Pennsylvania Race Horse Development Fund.

32 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. Section 1723-A.1(2) of the act of April 9, 1929
3 (P.L.343, No.176), known as The Fiscal Code, added July 18, 2013
4 (P.L.574, No.71), is amended to read:

5 Section 1723-A.1. Distributions from Pennsylvania Race Horse
6 Development Fund.

7 Funds in the fund are appropriated to the department on a
8 continuing basis for the purposes set forth in this subsection
9 and shall be distributed to each active and operating Category 1
10 licensee conducting live racing as follows:

11 * * *

12 (2) For fiscal year 2013-2014, distributions from the
13 fund shall be allocated as follows:

14 (i) Each week, \$802,682 in the fund shall be
15 transferred to the account. This transfer shall not
16 exceed \$17,659,000 annually.

17 (i.1) After December 31, 2013, and before July 1,
18 2014, the following apply:

19 (A) Subject to clause (B), each week, \$250,000
20 in the fund shall be transferred to the State Racing
21 Fund to be used for the enforcement of the act of
22 December 17, 1981 (P.L.435, No.135), known as the
23 Race Horse Industry Reform Act.

24 (B) The total transfer under this subparagraph
25 shall not exceed \$5,000,000.

26 (ii) Each week, the money remaining in the fund
27 after any transfer under subparagraph (i) shall be
28 distributed to each active and operating Category 1
29 licensee conducting live racing in accordance with the
30 following formula:

1 (A) Divide:

2 (I) the total daily assessments paid, by
3 each active and operating Category 1 licensee
4 conducting live racing, into the fund for that
5 week; by

6 (II) the total daily assessments paid, by
7 all active and operating Category 1 licensees
8 conducting live racing, into the fund for that
9 week.

10 (B) Multiply the quotient under clause (A) by
11 the amount to be distributed under this subparagraph.

12 (iii) The distribution under subparagraph (ii) shall
13 be allocated as follows:

14 (A) The greater of 4% of the amount to be
15 distributed under subparagraph (ii) or \$220,000 shall
16 be used to fund health and pension benefits for the
17 members of the horsemen's organizations representing
18 the owners and trainers at the racetrack at which the
19 licensed racing entity operates for the benefit of
20 the organization's members, their families, employees
21 and others in accordance with the rules and
22 eligibility requirements of the organization, as
23 approved by the State Horse Racing Commission or the
24 State Harness Racing Commission. This amount shall be
25 deposited within five business days of the end of
26 each week into a separate account to be established
27 by each respective horsemen's organization at a
28 banking institution of its choice. Of this amount, a
29 minimum of \$250,000 shall be paid annually by the
30 horsemen's organization to the thoroughbred jockeys

1 or standardbred drivers organization at the racetrack
2 at which the licensed racing entity operates for
3 health insurance, life insurance or other benefits to
4 active and disabled thoroughbred jockeys or
5 standardbred drivers in accordance with the rules and
6 eligibility requirements of that organization. The
7 total distribution under this clause in any fiscal
8 year shall not exceed \$11,400,000.

9 (B) Of the money remaining to be distributed
10 under subparagraph (ii) after application of clause
11 (A), the following disbursements shall be made:

12 (I) Eighty-three and one-third percent of
13 the money to be distributed under this clause
14 shall be deposited on a weekly basis into a
15 separate, interest-bearing purse account to be
16 established by and for the benefit of the
17 horsemen. The earned interest on the account
18 shall be credited to the purse account. Licensees
19 shall combine these funds with revenues from
20 existing purse agreements to fund purses for live
21 races consistent with those agreements with the
22 advice and consent of the horsemen.

23 (II) For thoroughbred tracks, 16 and 2/3% of
24 the money to be distributed under this clause
25 shall be deposited on a weekly basis into the
26 Pennsylvania Breeding Fund established in section
27 223 of the Race Horse Industry Reform Act. For
28 standardbred tracks, 8 and 1/3% of the money to
29 be distributed under this clause shall be
30 deposited on a weekly basis into the Pennsylvania

1 Sire Stakes Fund as defined in section 224 of the
2 Race Horse Industry Reform Act; and 8 and 1/3% of
3 the money to be distributed under this clause
4 shall be deposited on a weekly basis into a
5 restricted account in the State Racing Fund to be
6 known as the Pennsylvania Standardbred Breeders
7 Development Fund. The State Harness Racing
8 Commission shall, in consultation with the
9 Secretary of Agriculture, promulgate regulations
10 adopting a standardbred breeders program that
11 will include the administration of the
12 Pennsylvania Stallion Award, the Pennsylvania
13 Bred Award and the Pennsylvania Sired and Bred
14 Award.

15 Section 2. If this section takes effect after January 1,
16 2014, the addition of section 1723-A.1(2)(i.1) of the act shall
17 apply retroactively to January 1, 2014.

18 Section 3. This act shall take effect immediately.