

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 1181** Session of
2013

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

SENATOR CORMAN, APPROPRIATIONS, AS AMENDED, NOVEMBER 19, 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 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW <--
27 TO THE CONTRARY, THE BALANCE REMAINING IN THE STATE
28 RACING FUND AS OF JUNE 30, 2014, AFTER ALL TRANSFERS
29 AND PAYMENTS HAVE BEEN MADE FROM THE STATE RACING
30 FUND, SHALL REMAIN IN THE STATE RACING FUND.

1 (ii) Each week, the money remaining in the fund
2 after any transfer under [subparagraph (i)] SUBPARAGRAPHS <--
3 (I) AND (I.1) shall be distributed to each active and
4 operating Category 1 licensee conducting live racing in
5 accordance with the following formula:

6 (A) Divide:

7 (I) the total daily assessments paid, by
8 each active and operating Category 1 licensee
9 conducting live racing, into the fund for that
10 week; by

11 (II) the total daily assessments paid, by
12 all active and operating Category 1 licensees
13 conducting live racing, into the fund for that
14 week.

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

17 (iii) The distribution under subparagraph (ii) shall
18 be allocated as follows:

19 (A) The greater of 4% of the amount to be
20 distributed under subparagraph (ii) or \$220,000 shall
21 be used to fund health and pension benefits for the
22 members of the horsemen's organizations representing
23 the owners and trainers at the racetrack at which the
24 licensed racing entity operates for the benefit of
25 the organization's members, their families, employees
26 and others in accordance with the rules and
27 eligibility requirements of the organization, as
28 approved by the State Horse Racing Commission or the
29 State Harness Racing Commission. This amount shall be
30 deposited within five business days of the end of

1 each week into a separate account to be established
2 by each respective horsemen's organization at a
3 banking institution of its choice. Of this amount, a
4 minimum of \$250,000 shall be paid annually by the
5 horsemen's organization to the thoroughbred jockeys
6 or standardbred drivers organization at the racetrack
7 at which the licensed racing entity operates for
8 health insurance, life insurance or other benefits to
9 active and disabled thoroughbred jockeys or
10 standardbred drivers in accordance with the rules and
11 eligibility requirements of that organization. The
12 total distribution under this clause in any fiscal
13 year shall not exceed \$11,400,000.

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

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

28 (II) For thoroughbred tracks, 16 and 2/3% of
29 the money to be distributed under this clause
30 shall be deposited on a weekly basis into the

Pennsylvania Breeding Fund established in section 223 of the Race Horse Industry Reform Act. For standardbred tracks, 8 and 1/3% of the money to be distributed under this clause shall be deposited on a weekly basis into the Pennsylvania Sire Stakes Fund as defined in section 224 of the Race Horse Industry Reform Act; and 8 and 1/3% of the money to be distributed under this clause shall be deposited on a weekly basis into a restricted account in the State Racing Fund to be known as the Pennsylvania Standardbred Breeders Development Fund. The State Harness Racing Commission shall, in consultation with the Secretary of Agriculture, promulgate regulations adopting a standardbred breeders program that will include the administration of the Pennsylvania Stallion Award, the Pennsylvania Bred Award and the Pennsylvania Sired and Bred Award.

Section 2. If this section takes effect after January 1, 2014, the ~~addition of section 1723-A.1(2)(i.1)~~ AMENDMENT OF SECTION 1723-A.1(2) of the act shall apply retroactively to January 1, 2014.

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Section 3. This act shall take effect immediately.