



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1229

PRINTERS NO. 1983

PRIME SPONSOR: Vogel

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	\$0	\$0
Racing Fund	\$0	\$0
Breeder's Fund Restricted Account	\$0	\$0

SUMMARY: Senate Bill 1229, Printer's Number 1983, repeals language in the Administrative Code and inserts this into Title 3 (Agriculture) and provides for revised horse breeder award payments.

ANALYSIS: This bill repeals the Race Horse Industry Reform article in the Administrative Code and inserts it as Chapter 93 in Title 3 (Agriculture). It also provides for revised horse breeder award distributions from the current Pennsylvania Breeder's Fund, a restricted revenue account in the Racing Fund that provides incentive awards for Pennsylvania born and bred Thoroughbred race horses.

The Breeder's Fund awards are as follows:

- Awards to breeders of First, Second and Third Place Pennsylvania Bred horses sired by Pennsylvania sires changes from 30% to 50% of the purse.
- Awards to breeders of First, Second and Third Place Pennsylvania Bred horses not sired by a Pennsylvania sire changes from 20% to 30% of the purse.
- Awards to owners of Pennsylvania sires of First, Second and Third Place Pennsylvania Bred horses remains at 10% of the purse.
- Eliminates award to owners of Pennsylvania Bred horses winning first.

The remaining funds go to the tracks and are used for purses for owners as follows:

- 50% to owners or to pay purses for races restricted to Pennsylvania bred/sired horses.
- 50% to owners or to pay purses for races restricted to Pennsylvania bred horses.
- In all claiming and nonclaiming races which prefer Pennsylvania bred, if eight or more Pennsylvania bred enter the race, then the race becomes closed to non-PA Bred horses.

The bill also removes the requirement for the Racing Commission to contract with the Pennsylvania Horse Breeders Association as the organization responsible for keeping registration records and managing the PA Breeding Fund. This change permits the commission to contract with any organization to keep records and manage the fund.

This legislation would take effect immediately upon enactment. However, the provisions for payment of awards under the Pennsylvania Breeder's Fund section are retroactive to February 23, 2016.

FISCAL IMPACT: Enactment of this bill will have no fiscal impact on Commonwealth funds. The changes proposed in the legislation do not increase or transfer funds related to the Pennsylvania Breeder's Fund, but revises the percentages available to award distributions for winning Pennsylvania bred horses. The fund has a balance of approximately \$17.5 million and is supported by dedicated slots revenue from the Racing Fund.

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House Appropriations Committee (R)

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Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.