
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1229 Session of
2015

INTRODUCED BY VOGEL, RAFFERTY AND HUGHES, MAY 6, 2016

SENATOR CORMAN, RULES, RE-REPORTED AS AMENDED, JULY 11, 2016

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled
2 "An act providing for and reorganizing the conduct of the
3 executive and administrative work of the Commonwealth by the
4 Executive Department thereof and the administrative
5 departments, boards, commissions, and officers thereof,
6 including the boards of trustees of State Normal Schools, or
7 Teachers Colleges; abolishing, creating, reorganizing or
8 authorizing the reorganization of certain administrative
9 departments, boards, and commissions; defining the powers and
10 duties of the Governor and other executive and administrative
11 officers, and of the several administrative departments,
12 boards, commissions, and officers; fixing the salaries of the
13 Governor, Lieutenant Governor, and certain other executive
14 and administrative officers; providing for the appointment of
15 certain administrative officers, and of all deputies and
16 other assistants and employes in certain departments, boards,
17 and commissions; providing for the regulation of pari-mutuel
18 thoroughbred horse racing and harness horse racing
19 activities, imposing certain taxes and providing for the
20 disposition of funds from pari-mutuel tickets; and
21 prescribing the manner in which the number and compensation
22 of the deputies and all other assistants and employes of
23 certain departments, boards and commissions shall be
24 determined," IN POWERS AND DUTIES OF THE DEPARTMENT OF <--
25 ENVIRONMENTAL RESOURCES, ITS OFFICERS AND DEPARTMENTAL AND
26 ADVISORY BOARDS AND COMMISSIONS, PROVIDING FOR PRODUCTION
27 REPORTS, FOR RESTORATION OF WELL SITE, FOR WATER STANDARDS
28 AND FOR SOLAR PHOTOVOLTAIC TECHNOLOGY; IN POWERS AND DUTIES
29 OF THE DEPARTMENT OF CORRECTIONS, PROVIDING FOR NOTICE OF
30 PUBLIC HEARING FOR STATE CORRECTIONAL INSTITUTION CLOSURE;
31 AND, in horse race industry reform, further providing for
32 Pennsylvania Breeding Fund.

33 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 ~~Section 1. Section 2836 D of the act of April 9, 1929~~ <--
3 ~~(P.L.177, No.175), known as The Administrative Code of 1929,~~
4 ~~added February 23, 2016 (P.L.15, No.7), is amended to read:~~
5 ~~Section 2836 D. Pennsylvania Breeding Fund.~~

6 ~~(a) Establishment. There is hereby created a restricted~~
7 ~~account in the State Racing Fund to be known as the Pennsylvania~~
8 ~~Breeding Fund which shall consist of the money deposited under~~
9 ~~section 2834 D and any provision of 4 Pa.C.S. Pt. II (relating~~
10 ~~to gaming) and which shall be distributed by the commission.~~

11 ~~(b) Awards from the Pennsylvania Breeding Fund. The~~
12 ~~commission shall distribute money from the Pennsylvania Breeding~~
13 ~~Fund as follows:~~

14 ~~(1) An award of 30% of the purse earned by every~~
15 ~~Pennsylvania bred registered thoroughbred racing horse sired~~
16 ~~in this Commonwealth by a registered Pennsylvania sire at the~~
17 ~~time of conception of the Pennsylvania bred registered~~
18 ~~thoroughbred racing horse sired in this Commonwealth, or an~~
19 ~~award of 20% of the purse earned by every Pennsylvania bred~~
20 ~~registered thoroughbred racing horse [sired] in this~~
21 ~~Commonwealth sired by a nonregistered sire, which finishes~~
22 ~~first, second or third in any race conducted by a licensed~~
23 ~~racing entity under this article shall be paid to the breeder~~
24 ~~of said Pennsylvania bred registered thoroughbred racing~~
25 ~~horse [sired] in this Commonwealth. A single award under this~~
26 ~~paragraph may not exceed 1% of the total annual fund money.~~

27 ~~(2) An award of 10% of the purse earned by any~~
28 ~~Pennsylvania bred registered thoroughbred racing horse sired~~
29 ~~in this Commonwealth which finishes first, second or third in~~
30 ~~any race conducted by a licensed racing entity under this~~

1 ~~article shall be paid to the owner of the registered~~
2 ~~Pennsylvania sire which regularly stood in Pennsylvania at~~
3 ~~the time of conception of the Pennsylvania bred thoroughbred~~
4 ~~racing horse sired in this Commonwealth. A single award under~~
5 ~~this paragraph may not exceed 0.5% of the total annual fund~~
6 ~~money.~~

7 ~~(3) An award of 10% of the purse earned by any~~
8 ~~Pennsylvania bred registered thoroughbred racing horse~~
9 ~~[sired] in this Commonwealth which finishes first in any race~~
10 ~~conducted by a licensed racing entity under this article not~~
11 ~~restricting entry to a Pennsylvania bred registered~~
12 ~~[thoroughbreds] thoroughbred racing horse [sired] in this~~
13 ~~Commonwealth shall be paid to the licensed owner of said~~
14 ~~Pennsylvania bred registered thoroughbred horse [sired] in~~
15 ~~this Commonwealth at the time of winning. A single award~~
16 ~~under this paragraph may not exceed 0.5% of the total annual~~
17 ~~fund money.~~

18 ~~(c) Purses from Pennsylvania Breeding Fund. Up to one fifth~~
19 ~~of the total of the estimated Pennsylvania Breeding Fund money~~
20 ~~remaining each year after the deduction of expenses related to~~
21 ~~the administration and development of the Pennsylvania Breeding~~
22 ~~Fund program and the payment of breeder, stallion and owner~~
23 ~~awards, shall be divided among the licensed racing entities that~~
24 ~~conduct thoroughbred horse race meetings in direct proportion to~~
25 ~~the rate by which each licensed racing entity generated the fund~~
26 ~~money during the previous year to be used solely for purses for~~
27 ~~Pennsylvania Breeding Fund stakes races which restrict entry to~~
28 ~~a Pennsylvania bred registered thoroughbred racing horse [sired]~~
29 ~~in this Commonwealth.~~

30 ~~(d) Remaining funds. The Pennsylvania Breeding Fund money~~

1 remaining following disbursements as directed in subsections (b)
2 (1), (2) and (3) and (c) shall be divided among the licensed
3 racing entities that conduct thoroughbred horse race meetings in
4 direct proportion to the rate by which each licensed racing
5 entity generated the fund money during the previous year to be
6 used for purses as follows:

7 (1) Claiming and nonclaiming Pennsylvania Breeding Fund
8 races which restrict entry to Pennsylvania bred registered
9 thoroughbred racing horses [sired] in this Commonwealth.

10 (2) Claiming and nonclaiming Pennsylvania Breeding Fund
11 races which prefer Pennsylvania bred registered thoroughbred
12 racing horses [sired] in this Commonwealth as starters. In
13 these races, should eight or more Pennsylvania bred
14 registered thoroughbred racing horses [sired] in this
15 Commonwealth pass the entry box, the race shall be considered
16 closed to horses other than Pennsylvania bred registered
17 thoroughbred racing horses [sired] in this Commonwealth.

18 (c) Funds not expended. Pennsylvania Breeding Fund money
19 due to licensed racing entities, as outlined in subsections (c)
20 and (d), but not expended during the calendar year may be
21 carried forth in the fund on the accounts of the licensed racing
22 entities to be expended during the succeeding year in addition
23 to the racing entities' fund money annually due to them for
24 purses.

25 (e.1) Committee. There is hereby established the
26 Pennsylvania Breeding Fund Advisory Committee within the
27 commission. The committee shall consist of five individuals, who
28 are residents of this Commonwealth, to be appointed by the
29 commission by June 1 of each year based on the recommendation of
30 the groups identified in this subsection. If a member other than

1 ~~a commissioner has not been recommended by June 1 of each year,~~
2 ~~the commission shall make an appointment for the organization~~
3 ~~failing to so recommend a member of the committee. The committee~~
4 ~~shall assist and advise the commission on the regulation of~~
5 ~~horse racing breeding issues under this article but shall have~~
6 ~~no power in administering the fund. Members of the advisory~~
7 ~~committee shall not receive compensation or reimbursements for~~
8 ~~participation on the committee. The committee shall consist of~~
9 ~~the following members:~~

10 ~~(1) Two members representing the Pennsylvania Horse~~
11 ~~Breeders' Association.~~

12 ~~(2) One member representing licensed racing entities.~~

13 ~~(3) One member representing the association representing~~
14 ~~horsemen racing in Pennsylvania.~~

15 ~~(4) One member of the commission.~~

16 ~~(f) Pennsylvania Horse Breeders' Association. The~~
17 ~~commission shall contract with the Pennsylvania Horse Breeders'~~
18 ~~Association as the organization responsible for the registration~~
19 ~~and records of Pennsylvania bred thoroughbred racing horses~~
20 ~~[sired] in this Commonwealth. The Pennsylvania Horse Breeders'~~
21 ~~Association shall advise the commission when called upon and~~
22 ~~shall determine the qualifications for Pennsylvania bred~~
23 ~~thoroughbred racing horses [sired] in this Commonwealth and~~
24 ~~Pennsylvania sires. Registration and records of the association~~
25 ~~shall be official records of the Commonwealth and shall be~~
26 ~~subject to the act of February 14, 2008 (P.L.6, No.3), known as~~
27 ~~the Right to Know Law. At the close of each calendar year, the~~
28 ~~Pennsylvania Horse Breeders' Association shall submit to the~~
29 ~~commission for its approval an itemized budget of projected~~
30 ~~expenses for the ensuing year relating to the administration and~~

1 ~~development of the Pennsylvania Breeding Fund Program. The~~
2 ~~commission shall reimburse the Pennsylvania Horse Breeders'~~
3 ~~Association for those expenses actually incurred in the~~
4 ~~administration and development of the Pennsylvania Breeding Fund~~
5 ~~Program from the Pennsylvania Breeding Fund, no more than on a~~
6 ~~quarterly basis.~~

7 ~~Section 2. The amendment of section 2836 D of the act shall~~
8 ~~apply retroactively to January 1, 2016.~~

9 SECTION 1. THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN <--
10 AS THE ADMINISTRATIVE CODE OF 1929, IS AMENDED BY ADDING
11 SECTIONS TO READ:

12 SECTION 1938-A. PRODUCTION REPORTS.--THE PRODUCTION REPORTS
13 REQUIRED UNDER THE ACT OF OCTOBER 22, 2014 (P.L.2853, NO.173),
14 KNOWN AS THE UNCONVENTIONAL WELL REPORT ACT, WHICH ARE SUBMITTED
15 ON FEBRUARY 15 AND AUGUST 15 OF EACH YEAR SHALL INCLUDE
16 INFORMATION ON THE AMOUNT AND TYPE OF WASTE PRODUCED AND THE
17 METHOD OF WASTE DISPOSAL OR REUSE FOR THE PRECEDING SIX MONTHS.
18 THE DEPARTMENT OF ENVIRONMENTAL PROTECTION MAY NOT REQUIRE MORE
19 FREQUENT REPORTING THAN WHAT IS REQUIRED UNDER THIS SECTION.
20 WASTE INFORMATION SUBMITTED TO THE DEPARTMENT OF ENVIRONMENTAL
21 PROTECTION IN ACCORDANCE WITH THIS SECTION SHALL BE DEEMED TO
22 SATISFY THE RESIDUAL WASTE BIENNIAL REPORTING REQUIREMENTS UNDER
23 25 PA. CODE § 287.52 (RELATING TO BIENNIAL REPORT).

24 SECTION 1939-A. RESTORATION OF WELL SITE.--IF MULTIPLE WELLS
25 ARE DRILLED OR PERMITTED TO BE DRILLED ON A SINGLE WELL SITE,
26 THE RESTORATION PROVISIONS OF 58 PA.C.S. § 3216(C) (RELATING TO
27 WELL SITE RESTORATION) SHALL APPLY. THE DEPARTMENT OF
28 ENVIRONMENTAL PROTECTION SHALL ENSURE THAT THE RESTORATION
29 PROVISIONS ARE COMPLIED WITH WITHIN 24 MONTHS AFTER COMPLETION
30 OF ALL WELLS DRILLED ON THE WELL SITE OR WITHIN 24 MONTHS AFTER

1 THE EXPIRATION OF ALL EXISTING WELL PERMITS ON THE WELL SITE,
2 WHICHEVER IS LATER.

3 SECTION 1940-A. WATER STANDARDS.--THE DEPARTMENT OF
4 ENVIRONMENTAL PROTECTION MAY NOT PRESCRIBE STANDARDS OR
5 REQUIREMENTS FOR THE STORAGE OF SURFACE WATER, FRESH GROUNDWATER
6 OR WATER OBTAINED FROM AN APPROVED PUBLIC WATER PURVEYOR FOR USE
7 IN OIL AND GAS DEVELOPMENT THAT ARE MORE STRINGENT THAN THOSE
8 IMPOSED FOR THE STORAGE OF SIMILAR FRESHWATER SOURCES USED FOR
9 PURPOSES OTHER THAN OIL AND GAS DEVELOPMENT.

10 SECTION 1941-A. SOLAR PHOTOVOLTAIC TECHNOLOGY.--(A)
11 NOTWITHSTANDING THE PROVISIONS OF SECTION 4 OF THE ACT OF
12 NOVEMBER 30, 2004 (P.L.1672, NO.213), KNOWN AS THE "ALTERNATIVE
13 ENERGY PORTFOLIO STANDARDS ACT," TO MEET THE REQUIREMENTS OF
14 SECTION 4 OF THE "ALTERNATIVE ENERGY PORTFOLIO STANDARDS ACT,"
15 ALL SOLAR PHOTOVOLTAIC TECHNOLOGY REGISTERED IN ACCORDANCE WITH
16 THE "ALTERNATIVE ENERGY PORTFOLIO STANDARDS ACT" SHALL DIRECTLY
17 DELIVER THE ELECTRICITY IT GENERATES TO THE DISTRIBUTION SYSTEM
18 OPERATED BY AN ELECTRIC DISTRIBUTION COMPANY OPERATING WITHIN
19 THIS COMMONWEALTH AND CURRENTLY OBLIGATED TO MEET THE COMPLIANCE
20 REQUIREMENTS CONTAINED IN THE "ALTERNATIVE ENERGY PORTFOLIO
21 STANDARDS ACT."

22 (B) FOR PURPOSES OF THIS SECTION, "ELECTRIC DISTRIBUTION
23 COMPANY" SHALL HAVE THE SAME MEANING GIVEN TO IT UNDER 66
24 PA.C.S. CH. 28 (RELATING TO RESTRUCTURING OF ELECTRIC UTILITY
25 INDUSTRY).

26 SECTION 915-B. NOTICE OF PUBLIC HEARING FOR STATE
27 CORRECTIONAL INSTITUTION CLOSURE.--DURING THE FISCAL YEAR 2016-
28 2017, THE DEPARTMENT OF CORRECTIONS MAY NOT CLOSE A STATE
29 CORRECTIONAL INSTITUTION AS DEFINED IN 61 PA.C.S. § 102
30 (RELATING TO DEFINITIONS), UNLESS THE DEPARTMENT OF CORRECTIONS

1 CONDUCTS A PUBLIC HEARING. THE DEPARTMENT OF CORRECTIONS SHALL
2 PROVIDE NOTICE THIRTY (30) DAYS BEFORE THE PUBLIC HEARING IN THE
3 PENNSYLVANIA BULLETIN AND IN AT LEAST TWO LOCAL NEWSPAPERS.

4 SECTION 2. SECTION 2836-D OF THE ACT, ADDED FEBRUARY 23,
5 2016 (P.L.15, NO.7), IS AMENDED TO READ:

6 SECTION 2836-D. PENNSYLVANIA BREEDING FUND.

7 [(A) ESTABLISHMENT.--THERE IS HEREBY CREATED A RESTRICTED
8 ACCOUNT IN THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA
9 BREEDING FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
10 SECTION 2834-D AND ANY PROVISION OF 4 PA.C.S. PT. II (RELATING
11 TO GAMING) AND WHICH SHALL BE DISTRIBUTED BY THE COMMISSION.

12 (B) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE
13 COMMISSION SHALL DISTRIBUTE MONEY FROM THE PENNSYLVANIA BREEDING
14 FUND AS FOLLOWS:

15 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
16 REGISTERED THOROUGHBRED RACING HORSE SIRE IN THIS
17 COMMONWEALTH BY A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF
18 CONCEPTION OF THE REGISTERED THOROUGHBRED RACING HORSE SIRE
19 IN THIS COMMONWEALTH, OR AN AWARD OF 20% OF THE PURSE EARNED
20 BY EVERY REGISTERED THOROUGHBRED RACING HORSE SIRE IN THIS
21 COMMONWEALTH SIRE BY A NONREGISTERED SIRE, WHICH FINISHES
22 FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A LICENSED
23 RACING ENTITY UNDER THIS ARTICLE SHALL BE PAID TO THE BREEDER
24 OF SAID REGISTERED THOROUGHBRED RACING HORSE SIRE IN THIS
25 COMMONWEALTH. A SINGLE AWARD UNDER THIS PARAGRAPH MAY NOT
26 EXCEED 1% OF THE TOTAL ANNUAL FUND MONEY.

27 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
28 REGISTERED THOROUGHBRED RACING HORSE SIRE IN THIS
29 COMMONWEALTH WHICH FINISHES FIRST, SECOND OR THIRD IN ANY
30 RACE CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS ARTICLE

1 SHALL BE PAID TO THE OWNER OF THE REGISTERED PENNSYLVANIA
2 SIRE WHICH REGULARLY STOOD IN PENNSYLVANIA AT THE TIME OF
3 CONCEPTION OF THE THOROUGHBRED RACING HORSE Sired IN THIS
4 COMMONWEALTH. A SINGLE AWARD UNDER THIS PARAGRAPH MAY NOT
5 EXCEED 0.5% OF THE TOTAL ANNUAL FUND MONEY.

6 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
7 REGISTERED THOROUGHBRED RACING HORSE Sired IN THIS
8 COMMONWEALTH WHICH FINISHES FIRST IN ANY RACE CONDUCTED BY A
9 LICENSED RACING ENTITY UNDER THIS ARTICLE NOT RESTRICTING
10 ENTRY TO REGISTERED THOROUGHBREDS RACING HORSE Sired IN THIS
11 COMMONWEALTH SHALL BE PAID TO THE LICENSED OWNER OF SAID
12 REGISTERED THOROUGHBRED HORSE Sired IN THIS COMMONWEALTH AT
13 THE TIME OF WINNING. A SINGLE AWARD UNDER THIS PARAGRAPH MAY
14 NOT EXCEED 0.5% OF THE TOTAL ANNUAL FUND MONEY.

15 (C) PURSES FROM PENNSYLVANIA BREEDING FUND.--UP TO ONE-FIFTH
16 OF THE TOTAL OF THE ESTIMATED PENNSYLVANIA BREEDING FUND MONEY
17 REMAINING EACH YEAR AFTER THE DEDUCTION OF EXPENSES RELATED TO
18 THE ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING
19 FUND PROGRAM AND THE PAYMENT OF BREEDER, STALLION AND OWNER
20 AWARDS, SHALL BE DIVIDED AMONG THE LICENSED RACING ENTITIES THAT
21 CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO
22 THE RATE BY WHICH EACH LICENSED RACING ENTITY GENERATED THE FUND
23 MONEY DURING THE PREVIOUS YEAR TO BE USED SOLELY FOR PURSES FOR
24 PENNSYLVANIA BREEDING FUND STAKES RACES WHICH RESTRICT ENTRY TO
25 REGISTERED THOROUGHBRED RACING HORSE Sired IN THIS COMMONWEALTH.

26 (D) REMAINING FUNDS.--THE PENNSYLVANIA BREEDING FUND MONEY
27 REMAINING FOLLOWING DISBURSEMENTS AS DIRECTED IN SUBSECTIONS (B)
28 (1), (2) AND (3) AND (C) SHALL BE DIVIDED AMONG THE LICENSED
29 RACING ENTITIES THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN
30 DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED RACING

1 ENTITY GENERATED THE FUND MONEY DURING THE PREVIOUS YEAR TO BE
2 USED FOR PURSES AS FOLLOWS:

3 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
4 RACES WHICH RESTRICT ENTRY TO REGISTERED THOROUGHBRED RACING
5 HORSES SIRE IN THIS COMMONWEALTH.

6 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
7 RACES WHICH PREFER REGISTERED THOROUGHBRED RACING HORSES
8 SIRE IN THIS COMMONWEALTH AS STARTERS. IN THESE RACES,
9 SHOULD EIGHT OR MORE REGISTERED THOROUGHBRED RACING HORSES
10 SIRE IN THIS COMMONWEALTH PASS THE ENTRY BOX, THE RACE SHALL
11 BE CONSIDERED CLOSED TO HORSES OTHER THAN REGISTERED
12 THOROUGHBRED RACING HORSES SIRE IN THIS COMMONWEALTH.

13 (E) FUNDS NOT EXPENDED.--PENNSYLVANIA BREEDING FUND MONEY
14 DUE TO LICENSED RACING ENTITIES, AS OUTLINED IN SUBSECTIONS (C)
15 AND (D), BUT NOT EXPENDED DURING THE CALENDAR YEAR MAY BE
16 CARRIED FORTH IN THE FUND ON THE ACCOUNTS OF THE LICENSED RACING
17 ENTITIES TO BE EXPENDED DURING THE SUCCEEDING YEAR IN ADDITION
18 TO THE RACING ENTITIES' FUND MONEY ANNUALLY DUE TO THEM FOR
19 PURSES.

20 (E.1) COMMITTEE.--THERE IS HEREBY ESTABLISHED THE
21 PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE WITHIN THE
22 COMMISSION. THE COMMITTEE SHALL CONSIST OF FIVE INDIVIDUALS, WHO
23 ARE RESIDENTS OF THIS COMMONWEALTH, TO BE APPOINTED BY THE
24 COMMISSION BY JUNE 1 OF EACH YEAR BASED ON THE RECOMMENDATION OF
25 THE GROUPS IDENTIFIED IN THIS SUBSECTION. IF A MEMBER OTHER THAN
26 A COMMISSIONER HAS NOT BEEN RECOMMENDED BY JUNE 1 OF EACH YEAR,
27 THE COMMISSION SHALL MAKE AN APPOINTMENT FOR THE ORGANIZATION
28 FAILING TO SO RECOMMEND A MEMBER OF THE COMMITTEE. THE COMMITTEE
29 SHALL ASSIST AND ADVISE THE COMMISSION ON THE REGULATION OF
30 HORSE RACING BREEDING ISSUES UNDER THIS ARTICLE BUT SHALL HAVE

1 NO POWER IN ADMINISTERING THE FUND. MEMBERS OF THE ADVISORY
2 COMMITTEE SHALL NOT RECEIVE COMPENSATION OR REIMBURSEMENTS FOR
3 PARTICIPATION ON THE COMMITTEE. THE COMMITTEE SHALL CONSIST OF
4 THE FOLLOWING MEMBERS:

5 (1) TWO MEMBERS REPRESENTING THE PENNSYLVANIA HORSE
6 BREEDERS' ASSOCIATION.

7 (2) ONE MEMBER REPRESENTING LICENSED RACING ENTITIES.

8 (3) ONE MEMBER REPRESENTING THE ASSOCIATION REPRESENTING
9 HORSEMEN RACING IN PENNSYLVANIA.

10 (4) ONE MEMBER OF THE COMMISSION.

11 (F) PENNSYLVANIA HORSE BREEDERS' ASSOCIATION.--THE
12 COMMISSION SHALL CONTRACT WITH THE PENNSYLVANIA HORSE BREEDERS'
13 ASSOCIATION AS THE ORGANIZATION RESPONSIBLE FOR THE REGISTRATION
14 AND RECORDS OF THOROUGHBRED RACING HORSES SIRE IN THIS
15 COMMONWEALTH. THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL
16 ADVISE THE COMMISSION WHEN CALLED UPON AND SHALL DETERMINE THE
17 QUALIFICATIONS FOR THOROUGHBRED RACING HORSES SIRE IN THIS
18 COMMONWEALTH AND PENNSYLVANIA SIRE. REGISTRATION AND RECORDS OF
19 THE ASSOCIATION SHALL BE OFFICIAL RECORDS OF THE COMMONWEALTH
20 AND SHALL BE SUBJECT TO THE ACT OF FEBRUARY 14, 2008 (P.L.6,
21 NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW. AT THE CLOSE OF EACH
22 CALENDAR YEAR, THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION
23 SHALL SUBMIT TO THE COMMISSION FOR ITS APPROVAL AN ITEMIZED
24 BUDGET OF PROJECTED EXPENSES FOR THE ENSUING YEAR RELATING TO
25 THE ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING
26 FUND PROGRAM. THE COMMISSION SHALL REIMBURSE THE PENNSYLVANIA
27 HORSE BREEDERS' ASSOCIATION FOR THOSE EXPENSES ACTUALLY INCURRED
28 IN THE ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA
29 BREEDING FUND PROGRAM FROM THE PENNSYLVANIA BREEDING FUND, NO
30 MORE THAN ON A QUARTERLY BASIS.] (A) ESTABLISHMENT.--THERE IS

1 CREATED A RESTRICTED ACCOUNT IN THE STATE RACING FUND TO BE
2 KNOWN AS THE PENNSYLVANIA BREEDING FUND WHICH SHALL CONSIST OF
3 THE MONEY DEPOSITED UNDER SECTION 2834-D AND ANY PROVISION OF 4
4 PA.C.S. PT. II (RELATING TO GAMING) AND WHICH SHALL BE
5 DISTRIBUTED BY THE COMMISSION.

6 (B) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE
7 COMMISSION SHALL DISTRIBUTE MONEY FROM THE PENNSYLVANIA BREEDING
8 FUND AS FOLLOWS:

9 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
10 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE SIRE
11 BY A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION
12 OF THE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING
13 HORSE, OR AN AWARD OF 20% OF THE PURSE EARNED BY EVERY
14 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE SIRE
15 BY A NONREGISTERED SIRE, WHICH FINISHES FIRST, SECOND OR
16 THIRD IN ANY RACE CONDUCTED BY A LICENSED RACING ENTITY UNDER
17 THIS ARTICLE SHALL BE PAID TO THE BREEDER OF SAID REGISTERED
18 PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE. A SINGLE AWARD
19 UNDER THIS PARAGRAPH MAY NOT EXCEED 1% OF THE TOTAL ANNUAL
20 FUND MONEY.

21 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
22 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE WHICH
23 FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A
24 LICENSED RACING ENTITY UNDER THIS ARTICLE SHALL BE PAID TO
25 THE OWNER OF THE REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY
26 STOOD IN PENNSYLVANIA AT THE TIME OF CONCEPTION OF THE
27 PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE. A SINGLE AWARD
28 UNDER THIS PARAGRAPH MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL
29 FUND MONEY.

30 (C) PURSES FROM PENNSYLVANIA BREEDING FUND.--UP TO ONE-FIFTH

1 OF THE TOTAL OF THE ESTIMATED PENNSYLVANIA BREEDING FUND MONEY
2 REMAINING EACH YEAR AFTER THE DEDUCTION OF EXPENSES RELATED TO
3 THE ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING
4 FUND PROGRAM AND THE PAYMENT OF BREEDER AND STALLION AWARDS,
5 SHALL BE DIVIDED AMONG THE LICENSED RACING ENTITIES THAT CONDUCT
6 THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO THE
7 RATE BY WHICH EACH LICENSED RACING ENTITY GENERATED THE FUND
8 MONEY DURING THE PREVIOUS YEAR TO BE USED SOLELY FOR PURSES FOR
9 PENNSYLVANIA BREEDING FUND STAKES RACES WHICH RESTRICT ENTRY TO
10 A REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE.

11 (D) REMAINING FUNDS.--THE PENNSYLVANIA BREEDING FUND MONEY
12 REMAINING FOLLOWING DISBURSEMENTS AS DIRECTED IN SUBSECTIONS (B)
13 (1) AND (2) AND (C) SHALL BE DIVIDED AMONG THE LICENSED RACING
14 ENTITIES THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN DIRECT
15 PROPORTION TO THE RATE BY WHICH EACH LICENSED RACING ENTITY
16 GENERATED THE FUND MONEY DURING THE PREVIOUS YEAR TO BE USED FOR
17 PURSES AS FOLLOWS:

18 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
19 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
20 THOROUGHBRED RACING HORSES.

21 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
22 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
23 RACING HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR
24 MORE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSES
25 PASS THE ENTRY BOX, THE RACE SHALL BE CONSIDERED CLOSED TO
26 HORSES OTHER THAN REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
27 RACING HORSES.

28 (E) FUNDS NOT EXPENDED.--PENNSYLVANIA BREEDING FUND MONEY
29 DUE TO LICENSED RACING ENTITIES, AS OUTLINED IN SUBSECTIONS (C)
30 AND (D), BUT NOT EXPENDED DURING THE CALENDAR YEAR MAY BE

1 CARRIED FORTH IN THE FUND ON THE ACCOUNTS OF THE LICENSED RACING
2 ENTITIES TO BE EXPENDED DURING THE SUCCEEDING YEAR IN ADDITION
3 TO THE LICENSED RACING ENTITIES' FUND MONEY ANNUALLY DUE TO THEM
4 FOR PURSES.

5 (E.1) COMMITTEE.--THERE IS HEREBY ESTABLISHED THE
6 PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE WITHIN THE
7 COMMISSION. THE COMMITTEE SHALL CONSIST OF FIVE INDIVIDUALS, WHO
8 ARE RESIDENTS OF THIS COMMONWEALTH, TO BE APPOINTED BY THE
9 COMMISSION BY JUNE 1 OF EACH YEAR BASED ON THE RECOMMENDATION OF
10 THE GROUPS IDENTIFIED IN THIS SUBSECTION. IF A MEMBER OTHER THAN
11 A COMMISSIONER HAS NOT BEEN RECOMMENDED BY JUNE 1 OF EACH YEAR,
12 THE COMMISSION SHALL MAKE AN APPOINTMENT FOR THE ORGANIZATION
13 FAILING TO SO RECOMMEND A MEMBER OF THE COMMITTEE. THE COMMITTEE
14 SHALL ASSIST AND ADVISE THE COMMISSION ON THE REGULATION OF
15 HORSE RACING BREEDING ISSUES UNDER THIS ARTICLE BUT SHALL HAVE
16 NO POWER IN ADMINISTERING THE FUND. MEMBERS OF THE ADVISORY
17 COMMITTEE SHALL NOT RECEIVE COMPENSATION OR REIMBURSEMENTS FOR
18 PARTICIPATION ON THE COMMITTEE. THE COMMITTEE SHALL CONSIST OF
19 THE FOLLOWING MEMBERS:

20 (1) TWO MEMBERS REPRESENTING THE PENNSYLVANIA HORSE
21 BREEDERS' ASSOCIATION.

22 (2) ONE MEMBER REPRESENTING LICENSED RACING ENTITIES.

23 (3) ONE MEMBER REPRESENTING THE ASSOCIATION REPRESENTING
24 HORSEMEN RACING IN PENNSYLVANIA.

25 (4) ONE MEMBER OF THE COMMISSION.

26 (F) PENNSYLVANIA HORSE BREEDERS' ASSOCIATION.--THE
27 COMMISSION SHALL CONTRACT WITH THE PENNSYLVANIA HORSE BREEDERS'
28 ASSOCIATION AS THE ORGANIZATION RESPONSIBLE FOR THE REGISTRATION
29 AND RECORDS OF PENNSYLVANIA-BRED THOROUGHBRED RACING HORSES. THE
30 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL ADVISE THE

1 COMMISSION WHEN CALLED UPON AND SHALL DETERMINE THE
2 QUALIFICATIONS FOR PENNSYLVANIA-BRED THOROUGHBRED RACING HORSES
3 AND PENNSYLVANIA SIRES. REGISTRATION AND RECORDS OF THE
4 ASSOCIATION SHALL BE OFFICIAL RECORDS OF THE COMMONWEALTH AND
5 SHALL BE SUBJECT TO THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3),
6 KNOWN AS THE RIGHT-TO-KNOW LAW. AT THE CLOSE OF EACH CALENDAR
7 YEAR, THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL SUBMIT
8 TO THE COMMISSION FOR ITS APPROVAL AN ITEMIZED BUDGET OF
9 PROJECTED EXPENSES FOR THE ENSUING YEAR RELATING TO THE
10 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
11 PROGRAM. THE COMMISSION, ON NO MORE THAN A QUARTERLY BASIS,
12 SHALL REIMBURSE FROM THE FUND THE PENNSYLVANIA HORSE BREEDERS'
13 ASSOCIATION FOR THOSE EXPENSES ACTUALLY INCURRED IN THE
14 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
15 PROGRAM.

16 (G) ADJUSTMENT OF AWARDS.--THE FOLLOWING SHALL APPLY:

17 (1) SUBJECT TO PARAGRAPH (3), THE COMMISSION MAY ADJUST
18 THE AWARDS UNDER SUBSECTION (B) AFTER:

19 (I) ITS REVIEW OF THE REPORT ISSUED UNDER SECTION
20 4.1 OF THE ACT OF FEBRUARY 23, 2016 (P.L.15, NO.7),
21 ENTITLED "AN ACT AMENDING THE ACT OF APRIL 9, 1929
22 (P.L.177, NO.175), ENTITLED 'AN ACT PROVIDING FOR AND
23 REORGANIZING THE CONDUCT OF THE EXECUTIVE AND
24 ADMINISTRATIVE WORK OF THE COMMONWEALTH BY THE EXECUTIVE
25 DEPARTMENT THEREOF AND THE ADMINISTRATIVE DEPARTMENTS,
26 BOARDS, COMMISSIONS, AND OFFICERS THEREOF, INCLUDING THE
27 BOARDS OF TRUSTEES OF STATE NORMAL SCHOOLS, OR TEACHERS
28 COLLEGES; ABOLISHING, CREATING, REORGANIZING OR
29 AUTHORIZING THE REORGANIZATION OF CERTAIN ADMINISTRATIVE
30 DEPARTMENTS, BOARDS, AND COMMISSIONS; DEFINING THE POWERS

1 AND DUTIES OF THE GOVERNOR AND OTHER EXECUTIVE AND
2 ADMINISTRATIVE OFFICERS, AND OF THE SEVERAL
3 ADMINISTRATIVE DEPARTMENTS, BOARDS, COMMISSIONS, AND
4 OFFICERS; FIXING THE SALARIES OF THE GOVERNOR, LIEUTENANT
5 GOVERNOR, AND CERTAIN OTHER EXECUTIVE AND ADMINISTRATIVE
6 OFFICERS; PROVIDING FOR THE APPOINTMENT OF CERTAIN
7 ADMINISTRATIVE OFFICERS, AND OF ALL DEPUTIES AND OTHER
8 ASSISTANTS AND EMPLOYES IN CERTAIN DEPARTMENTS, BOARDS,
9 AND COMMISSIONS; AND PRESCRIBING THE MANNER IN WHICH THE
10 NUMBER AND COMPENSATION OF THE DEPUTIES AND ALL OTHER
11 ASSISTANTS AND EMPLOYES OF CERTAIN DEPARTMENTS, BOARDS
12 AND COMMISSIONS SHALL BE DETERMINED,' IN ORGANIZATION OF
13 INDEPENDENT ADMINISTRATIVE BOARDS AND COMMISSIONS,
14 PROVIDING FOR PENNSYLVANIA GAMING CONTROL BOARD; IN
15 ORGANIZATION, FURTHER PROVIDING FOR ADVISORY BOARDS AND
16 COMMISSIONS; IN COMMONWEALTH AGENCY FEES, FURTHER
17 PROVIDING FOR DISTILLERY OF HISTORICAL SIGNIFICANCE
18 LICENSE FEE REDUCTION; PROVIDING FOR RACE HORSE INDUSTRY
19 REFORM; CONFERRING DUTIES UPON THE JOINT STATE GOVERNMENT
20 COMMISSION; MAKING EDITORIAL CHANGES; AND MAKING RELATED
21 REPEALS"; AND

22 (II) A HEARING ON THE MATTER OF THE ADJUSTMENT.

23 (2) THE REVIEW AND HEARING PROCESS UNDER THIS SUBSECTION
24 MUST BE COMPLETED BY DECEMBER 31, 2017, WITH ANY ADJUSTMENT
25 EFFECTIVE JANUARY 1, 2018.

26 (3) (I) WITH RESPECT TO AN AWARD UNDER SUBSECTION (B)
27 (1), ANY ADJUSTMENT REGARDING THE AWARD OF THE PURSE
28 EARNED BY A RACING HORSE Sired BY A REGISTERED
29 PENNSYLVANIA SIRE MAY NOT BE LESS THAN 30% AND MAY NOT BE
30 MORE THAN 50%.

1 (II) ANY ADJUSTMENT REGARDING THE AWARD OF THE PURSE
2 EARNED BY A RACING HORSE Sired BY A NONREGISTERED SIRE
3 MAY NOT BE LESS THAN 20% AND MAY NOT BE MORE THAN 40%.

4 (4) ANY ADJUSTMENT UNDER THIS SUBSECTION MAY ONLY OCCUR
5 ONCE UNDER THIS SUBSECTION, UNLESS ANOTHER REVIEW PROCESS IS
6 ESTABLISHED BY LAW.

7 SECTION 3. THE ADDITION OF SECTION 2836-D(B), (C) AND (D) OF
8 THE ACT SHALL APPLY RETROACTIVELY TO FEBRUARY 23, 2016.

9 Section 3 4. This act shall take effect immediately.

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