

## No. 358

## AN ACT

## HB 1286

Amending the act of December 11, 1967 (P.L.707, No.331), entitled "An act providing for and regulating thoroughbred horse racing with pari-mutuel wagering on the results thereof, creating the State Horse Racing Commission as an independent administrative commission and defining its powers and duties; providing for the establishment and operation of thoroughbred horse racing plants; imposing taxes on revenues of such plants; disposing of all moneys received by the commission and all moneys collected from the taxes; authorizing penalties; and making appropriations," further providing for distribution of pari-mutuel pools, providing for purses for Pennsylvania-bred horses; awards for breeders and owners of sires of Pennsylvania-bred horses; and establishing a fund and an advisory committee.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 17, act of December 11, 1967 (P.L.707, No.331), entitled "An act providing for and regulating thoroughbred horse racing with pari-mutuel wagering on the results thereof, creating the State Horse Racing Commission as an independent administrative commission and defining its powers and duties; providing for the establishment and operation of thoroughbred horse racing plants; imposing taxes on revenues of such plants; disposing of all moneys received by the commission and all moneys collected from the taxes; authorizing penalties; and making appropriations," is amended to read:

Section 17. Disposition of Pari-mutuel Pools.—Every corporation authorized under this act to conduct pari-mutuel betting at a thoroughbred horse race meeting on races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets be presented for payment before April first of the year following the year of their purchase, less **[fifteen] seventeen** percent of the total deposits plus the breaks. **[and as to thoroughbred horse race meetings held within school districts of the first class, less seventeen percent of the total deposits plus the breaks]** At the close of each racing day, the permit holder out of the amount retained on said day by said permit holder, shall pay, through the Department of Revenue into the State Treasury for credit to the State Horse Racing Fund, a tax of **[five] four and three-quarters** percent of the amount wagered each day, which tax is hereby imposed. *At the close of each racing day the permit holder shall pay one-half of one percent of the amount wagered through the Department of Revenue into the State Treasury which shall be credited to the Pennsylvania Breeding Fund by the Treasury Department, which fund is hereby appropriated to the State Horse Racing Commission for distribution in accordance with the terms of this act,* and as to thoroughbred horse race meetings held within school districts of the first class the permit holder shall pay the school

district in which the thoroughbred horse race meeting is held a tax of two percent of the amount wagered each day, which tax is hereby imposed for general school purposes. *The remainder shall be retained by the permit holder of which at least five percent of the amount wagered each day shall be paid in purse money.*

*During the calendar years 1975 and 1976 the amount paid to the Pennsylvania Breeding Fund shall not exceed one million two hundred fifty thousand dollars (\$1,250,000) per annum. The excess moneys, if any, shall be divided in proportion to the amount wagered among the permit holders in 1975 and 1976 and shall be used exclusively for purses.*

In addition, each permit holder shall be allowed to retain the odd cents of all redistribution to be made on all mutuel contributions exceeding a sum equal to the next lowest multiple of ten, subject to a tax of fifty percent of the total sum of such odd cents, which tax is hereby imposed and shall be paid by the permit holder at the close of each racing day to the Department of Revenue for credit to the State Horse Racing Fund.

Section 2. The act is amended by adding a section to read:

*Section 17.1. Pennsylvania Breeding Fund.—(a) There is hereby created the Pennsylvania Breeding Fund which shall consist of the money appropriated under the provisions of section 17 and which shall be administered by the commission.*

*(b) After the deduction of expenses for advisory services of the Pennsylvania Horse Breeder's Association the commission shall, by rule or regulation, provide for awards and for purses, the latter to be divided equally among the pari-mutuel permit holders in Pennsylvania as follows:*

*(1) Non-claiming Pennsylvania-bred fund races, with Pennsylvania-bred horses preferred.*

*(2) Claiming races with Pennsylvania-bred horses preferred.*

*(3) An award of fifteen percent of the purse earned to the breeder of every Pennsylvania-bred horse which finishes first, second or third in a race conducted by a pari-mutuel permit holder in Pennsylvania.*

*(4) An award of five percent of the purse earned to the owner of a Pennsylvania sire, which regularly stands for a breeding season in Pennsylvania, of any Pennsylvania-bred horse which wins a race conducted by a pari-mutuel permit holder in Pennsylvania.*

*(c) The Pennsylvania Breeding Fund Advisory Committee, under jurisdiction of the State Horse Racing Commission, is hereby established and shall be part of the Pennsylvania State Horse Racing Commission. The committee shall consist of five members, all of whom shall be residents of Pennsylvania, to be appointed by the commission by June 1 of each year. The committee shall consist of two members of the Pennsylvania Horse Breeder's Association, recommended by it; one member from the permit holders recommended by them; one member*

*from the association representing horsemen racing in Pennsylvania, recommended by it and one member of the commission designated by it. If any member other than the commission member has not been recommended by June 1 of each year, the commission with the approval of the Governor shall make an appointment for the organization failing to so recommend a member of the committee. The committee shall assist and advise the commission in accordance with the provisions of this act but shall have no power in administering the fund. The members of the committee shall receive no compensation for their services as members.*

*(d) The Pennsylvania Horse Breeder's Association as the responsible body for the registration and records of Pennsylvania-breds, shall advise the commission when called upon, shall determine the qualifications for Pennsylvania-bred horses and Pennsylvania sires, and its registration and record facts are hereby declared as official Pennsylvania records. The commission shall on an annual basis reimburse for expenses actually incurred, from moneys in the Pennsylvania-bred Race Fund, the Pennsylvania Horse Breeder's Association for the services it renders in its capacity as advisor to the commission.*

Section 3. This act shall take effect immediately.

APPROVED—The 30th day of December, A. D. 1974.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 358.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive, flowing style.

Secretary of the Commonwealth.