

No. 2014-30

AN ACT

SB 1181

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

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

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

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

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

* * *

(2) **[For fiscal year 2013-2014, distributions]** *Distributions* from the fund shall be allocated as follows:

(i) **[Each]** *For fiscal year 2013-2014, each* week, \$802,682 in the fund shall be transferred to the account. This transfer shall not exceed \$17,659,000 annually.

(i.1) In addition to the transfer under subparagraph (i), for a total of 14 weeks from the effective date of this subparagraph, each week, \$300,000 shall be transferred from the fund, for a total amount of \$4,200,000, to the State Racing Fund to be used exclusively for the enforcement of the act of December 17, 1981

(P.L.435, No.135), known as the Race Horse Industry Reform Act. Moneys transferred pursuant to this subparagraph shall not be transferred subsequently to any other State fund or account for any purpose.

(ii) [Each] For fiscal year 2013-2014, each week, the money remaining in the fund after any transfer under [subparagraph (i)] ***subparagraphs (i) and (i.1)*** shall be distributed to each active and operating Category 1 licensee conducting live racing in accordance with the following formula:

(A) Divide:

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

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

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

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

(A) The greater of 4% of the amount to be distributed under subparagraph (ii) or \$220,000 shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at the racetrack at which the licensed racing entity operates for the benefit of the organization's members, their families, employees and others in accordance with the rules and eligibility requirements of the organization, as approved by the State Horse Racing Commission or the State Harness Racing Commission. This amount shall be deposited within five business days of the end of each week into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. Of this amount, a minimum of \$250,000 shall be paid annually by the horsemen's organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at which the licensed racing entity operates for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys or standardbred drivers in accordance with the rules and eligibility requirements of that organization. The total distribution under this clause in any fiscal year shall not exceed \$11,400,000.

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

(I) Eighty-three and one-third percent of the money to be distributed under this clause shall be deposited on a weekly basis into a separate, interest-bearing purse account to be established by and for the benefit of the horsemen. The earned interest on the account shall be credited to the purse account. Licensees shall combine these funds with revenues from

existing purse agreements to fund purses for live races consistent with those agreements with the advice and consent of the horsemen.

(II) For thoroughbred tracks, 16 and 2/3% of the money to be distributed under this clause 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. This act shall take effect immediately.

APPROVED—The 10th day of April, A.D. 2014

TOM CORBETT