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November 6, 2025

Senator Julie Raque Adams, Co-Chair Representative Matt Koch, Co-Chair c/o Emily Caudill, Regulation Compiler Interim Joint Committee for Licensing, Occupations, & Administrative Regulations Legislative Research Commission 083, Capitol Annex Frankfort, Kentucky 40601

Re: 810 KAR 7:060

Dear Co-Chairs Adams and Koch:

After consideration of the issues raised by 810 KAR 7:060, the Kentucky Horse Racing & Gaming Corporation proposes the attached suggested substitute to this ordinary administrative regulation.

Sincerely,

Ashleigh Bailey Chief Legal Officer



Final Version: 11/06/25 at 10:56 AM **STAFF-SUGGESTED SUBSTITUTE**

(Proposed for Licensing and Occupations and Administrative Regulations Interim Joint Committee)

November 20, 2025

KENTUCKY HORSE RACING AND GAMING CORPORATION Licensing and Occupations and Administrative Regulations

810 KAR 7:060. Kentucky [Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund.

RELATES TO: KRS 138.510, 230.215, 230.225, 230.443, 230.445 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8), 230.445

CERTIFICATION STATEMENT: This certifies that this administrative regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) and 230.260 authorize the corporation to promulgate administrative regulations establishing the conditions under which horse racing shall be conducted in Kentucky and to fix and regulate the minimum amount of purses, stakes, or awards to be offered for the conduct of any horse race meeting. KRS 230.445 [establishes the Kentucky][Quarter Horse,][Paint Horse, Appaloosa, and Arabian development fund and] requires the corporation to promulgate administrative regulations to carry out the purpose of the statute and to administer the Paint Horse, Appaloosa, and Arabian Development Fund in a manner to promote and aid in the development of the horse industry in Kentucky, upgrade the quality of racing in Kentucky, and to improve the quality of horses bred in Kentucky. This administrative regulation establishes eligibility standards, administrative practices to enforce the standards, and the administration of purses and payments related to the Paint Horse, Appaloosa, and Arabian Fund[in these races].

Section 1. Definitions.

- (1) "Broodmare" means a mare that conceives and carries her genetic foal to term.
- (2) "Donor mare" means the mare from which an embryo is harvested for the purpose of performing an embryo transfer.
- (3) "Fund" means the Kentucky [Quarter Horse, IPaint Horse, Appaloosa, and Arabian Development Fund established by KRS 230.445.
- (4) "Kentucky bred" means that a horse that meets the requirements of this administrative regulation and is:
 - [(a)] [A Quarter Horse registered with the American Quarter Horse Association or its successor;]
 - (a)[(b)] An Appaloosa registered with the Appaloosa Horse Club or its successor;
- (b)[(c)] An Arabian registered with the Arabian Horse Association Registry or its successor; or
- (c)[(d)] A Paint Horse registered with the American Paint Horse Association or its successor.
- (5) "Mare" means a broodmare, donor mare, or recipient mare.
- (6) "Recipient mare" means a mare of any breed who:
 - (a) Is implanted with an embryo from a donor mare;
 - (b) Carries the non-genetic foal to term; and
 - (c) Is implanted with an electronic horse identification microchip that accurately identifies the horse and is compliant with international standards ISO 11784.

Section 2. Advisory Committee. The fund advisory committee shall consist of five (5) members, all of whom shall be Kentucky residents, to be appointed by the chairman of the corporation by July 1 of each year. The committee shall consist of one (1):

- (1) Member of the corporation;
- (2) Officer or director of a licensed racing association in Kentucky conducting [Quarter Horse,]Paint Horse, Appaloosa, or Arabian racing;
- (3) Owner of a horse nominated to the fund;
- (4) Owner of a mare registered with the fund; and
- (5) Member of <u>a[the]</u> Kentucky <u>Paint, Appaloosa or Arabian[Quarter Horse Racing]</u> association recommended by that organization's board of directors.

Section 3. Mare Eligibility.

- (1) In order for a foal to be eligible to earn money from the fund, the broodmare or both the donor and recipient mares shall be registered with the fund on or before <u>December 31[February 15]</u> of the year of conception. Late registration may be accepted on or before <u>July 1[June 15]</u> of the <u>foaling</u> year [of conception-] as established by subsection (3) of this section.
- [(a)] [Registration fees for mares conceiving foals during the 2023 and 2024 breeding seasons shall be waived, and the registration deadlines for each year of conception shall be extended to December 31 of the year of conception, in order to promote field growth.]
- [(b)] [Weanling and all other applicable fees regarding the foals shall remain in effect for all foals, including foals conceived during 2023 and 2024.]
- (2) In order to be eligible to be registered with the fund, a mare, whether a broodmare, donor mare, or recipient mare, shall reside in Kentucky for a period of no less than <u>180[120]</u> days from conception or embryo transfer implantation until foaling.
- (3) A mare shall be registered with the fund by:
- (a) Completing and filing with the corporation a Kentucky [Quarter Horse, -]Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form, KHRGC 7-060-1, and accompanying registration fee of:
 - 1. Twenty-five (25) dollars if postmarked by December 31[February 15] of the year of conception; or
 - 2. \$200 if postmarked on or before July 1 of the foaling year[between February 16 and June 15 of the year of conception]; and;
- (b) Providing the corporation with a photocopy of:
- 1. The mare's official breed registration papers from the [American] [Quarter Horse Association,]American Paint Horse Association, Appaloosa Horse Club, the Arabian Horse Association Registry, or The Jockey Club or their respective successors; or
- 2. Documentation regarding a recipient mare's electronic horse identification microchip.

Section 4. Nomination.

- (1) Except as established in subsection (4) of this section, in order for a horse to be eligible to earn money from the fund, it shall be "Kentucky bred" as defined by Section 1 of this administrative regulation and shall be nominated to the fund by:
- (a) Completing and filing with the corporation a Kentucky [Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form, KHRGC 7-060-2, and accompanying registration fee of:
 - 1. Twenty-five (25) dollars to nominate a weanling;
 - 2. \$100 to nominate a yearling; or

3. \$300 to nominate a horse of racing age; and[;]

- (b) Providing the corporation with a photocopy of the horse's official breed registration papers from the [American Quarter Horse Association,-]American Paint Horse Association, Appaloosa Horse Club, or the Arabian Horse Association Registry, or their respective successors
- (2) In order for a foal that is the product of an embryo transfer to be eligible to earn monies from the fund, the donor mare and the recipient mare shall be registered as established in Section 3 of this administrative regulation and shall meet the other requirements of this administrative regulation.
- (3) If a registered donor mare produces more than one (1) foal in one (1) breeding season, two (2) genetic foals may be nominated to the fund as determined by the owner of the donor mare.
- (4) [A horse born before 2024 shall be eligible for nomination to the fund and participate in races offering monies from the fund.] A horse shall be nominated by:
- (a) Completing and filing with the corporation a Kentucky [Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form, KHRGC 7-060-2, and accompanying registration fee of:
 - 1. Twenty-five (25) dollars to nominate a weanling;
 - 2. \$100 to nominate a yearling; or
 - 3. \$300 to nominate a horse of racing age; and
- (b) Including the following with the nomination form:
 - 1. A photocopy of the official breed registration papers from the [American Quarter Horse Association, -]American Paint Horse Association, Appaloosa Horse Club, or the Arabian Horse Association Registry, or their respective successors;
 - 2. Registration papers showing ownership and demonstrating that the horse was foaled in Kentucky;
 - 3. An official breed registry shipped semen report or a stallion breeders certificate demonstrating that the horse was conceived in Kentucky; and
- 4. A signed affidavit from the owner of the mare at the time of her pregnancy stating that the mare resided in Kentucky for a period of no less than <u>180[120]</u> days from conception or embryo transfer implantation until foaling.
- (5) Nothing in this section shall prevent a registered mare from being eligible to race for monies from the fund.

Section 5. Monies Allocated.

- (1) Money deposited to the Fund shall be allocated on an equitable basis as determined by the corporation, pursuant to KRS 230.445.
- (2) In allocating, the corporation shall consider at least the following factors:
 - (a) The amount contributed to the fund by each association;
 - (b) The amount of handle collected by each association;
 - (c) The breed or breeds approved for racing in Kentucky; and
 - (d) The population of horses by breed registered in Kentucky that are registered with the fund.

Section 6. Distribution of Funds.

- (1) Each association shall submit a request to the advisory committee, including the proposed races eligible to receive monies from the fund and the proposed purse structure for those races, at least forty-five (45) days prior to the opening day of the live racing meet.
- (2) Unless there is a corporation-approved proposal to the contrary, the proposed purse structure shall not exceed the total dollars generated by that breed to the association's fund account. Corporation approval shall be based on the standards established in Section 5(2) of this administrative regulation.

- (3) The advisory committee shall review the proposed eligible races and purse structure and make a recommendation whether or not to approve the proposed races and purse structure to the corporation based upon the best interests of Kentucky racing.
- (4) Two (2) or more associations conducting [Quarter Horse,]Paint Horse, Appaloosa, or Arabian racing may request permission from the advisory committee to combine their respective fund monies to supplement purses at one (1) of the associations. The advisory committee shall recommend to the corporation whether or not to approve the request, based on Section 5(2) of this administrative regulation.

Section 7. Reconciliation.

- (1) Each association shall file weekly with the corporation a copy of the pari-mutuel tax form filed with the Department of Revenue, along with a copy of the check submitted for each report.
- (2) Each association shall report to the corporation the actual purse distribution within fifteen (15) calendar days after the last day of a live race meeting.
- (3) The corporation shall, on a monthly basis, reconcile the weekly reports submitted by the association with the Department of Revenue's reports and deposits.
- (4) If, at the close of a live race meet, an association has a balance of monies earned for that meet that has not been distributed in actual fund purse distribution, then the association may choose one (1) of the following options to distribute the remaining balance, contingent on the recommendation of the advisory committee and the approval of the corporation:
- (a) Use fund monies previously earned to supplement purses at future live racing meets held by that association; or
- (b) Use fund monies previously earned to supplement purses already distributed at the last live racing meet held by the association to the recipients of the original purse allocations.
- (5) If, at the close of a live race meet, an association offering wagering on historical horse races has a balance of fund monies earned from historical horse race wagers that has not been distributed in actual fund purse distribution, then the association may choose one (1) of the following options to distribute a portion of the balance, contingent on the recommendation of the advisory committee and the approval of the corporation:
- (a) Use the historical horse race fund monies previously earned to supplement purses at future live racing meets held by that association;
- (b) Use historical horse race fund monies previously earned to supplement purses already distributed at the last live racing meet held by the association to the recipients of the original purse allocations; or
- (c) Use historical horse race fund monies previously earned to supplement purses at another licensed Kentucky racetrack.
- (6) Reasonable and customary corporation charges for time spent reconciling the account may be charged to each association by the corporation based on the percentage of funds generated by each association for the previous calendar year.
- (7) Each association shall sign an agreement stating that it accepts and agrees with the reconciliation prior to reimbursement of any funds.

Section 8. Incorporation by Reference.

- (1) The following material is incorporated by reference:
- (a) "Kentucky [Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form", KHRGC 7-060-1, November[September] 2025[04/2023];

- (b) "Kentucky [Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form", KHRGC 7-060-2, **September 2025**[**04/2023**]; and
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Horse Racing and Gaming Corporation, 4047 Iron Works Parkway, Lexington, Kentucky 40511, Monday through Friday, 8:00 a.m. to 4:30 p.m. This material is also available on the corporation's Web site at http://khrc.ky.gov.

*General Reviewer's Note: The "clean-up" changes to form KHRGC 7-060-2 include: (1) revising the deadlines for fees analogous to the deadline changes in the initially filed amendment; (2) revising from 120 to 180 (in two places), the number of days from conception or embryo transfer implantation until foaling (commensurate with the initially filed amendment); (3) correcting the agency name to the new corporation in four places; and (4) updating the agency address.

Kentucky Paint Horse, Appaloosa, and Arabian **Development Fund Mare Registration Form**



MUST INCLUDE & SUBMIT THE FOLLOWING:

Proper payment in U.S. Funds Only (check or money order) *A Copy of the Mare's Official Breed Registration Papers* postmarked by December 31st of the year of conception.

\$25 S \$200 postmarked by July 1 of the foaling year. (Late Nomination)

40	UCKY HORSE RACING & GAMING CORF 047 Iron Works Parkway Lexington, KY lephone: (859) 246-2847 Fax: (859) 24	40511		
EMBRYO TRANSFER? : YES *If "Yes,"	" Shall Also Fill Out Back Page* 🔲 N	IO *If "No," Fill Out This Po	ıge Only*	
BROODMARE OR DONOR MARE:				
REGISTRATION #:	MICROCHIP #:		YOB:	
BRED TO:			YOB:	
MARE WILL RESIDE AT:		PHONE:		
FARM'S PHYSICAL ADDRESS:				
CITY:		ST:	ZIP:	
KY RESIDENCY: FROM: / / (Minimum: 180 Days) (If not consecutive, please	TO:	TOTAL DAYS:	(A)	
NON-KY RESIDENCY: FROM:/_/		TOTAL DAYS:	(B)	
OWNER / NOMINATOR:				
ADDRESS:				
CITY:		ST:	_ ZIP:	
PHONE:	EMAIL:			
This registration is subject to all applicable st regulation concerning the Kentucky Paint Ho				
I certify that a mare, whether a broodmare, do hundred eighty (180) days from conception o			no less than one	
belief and that this statement is executed with be deemed sufficient cause for denial and any requirement contained in 810 KAR 7:060 may be Kentucky statute or regulation. I agree to & Gaming Corporation relating to the registrarelated to transportation and all invoicing related to transportation and all invoicing related to the request of the Kentucky Horse If submitted by an authorized agent, then the fillings are subject to audit by the corporation	y and all other penalties available under ay subject me to the penalties contained promptly provide any additional information. I certify that I will keep accurate ated to a mare's residency so that I will be Racing & Gaming Corporation.	r the law. I understand that therein and other applicab nation requested by the Ker and updated records on fil have all documentation re	t failure to meet any ole penalties provided ntucky Horse Racing le for any transactions eadily available to	

QUALIFIED OWNER, LESSEE OR AUTHORIZED AGENT

Signature / Date

Kentucky Paint Horse, Appaloosa and Arabian Development Fund Mare Registration Form

Fill Out **Only** in the Event of an Embryo Transfer:

Recipient Mare Information:

RECIPIENT MARE:		YOB:	
RECIPIENT MARE MICROCHIP ID NUMBER:			
MARE OWNED BY:			
PHONE:	EMAIL:		
ADDRESS:	CITY:	ST:	_ZIP:
(RECIPIENT MARE) BOARDING FARM:			
PHONE:	EMAIL:		
ADDRESS:	CITY:	ST:	_ZIP:

(Physical Address Only | No PO Boxes)

Kentucky Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form

MUST INCLUDE & SUBMIT THE FOLLOWING:

Proper payment in U.S. Funds Only (check or money order) *A Copy of the Mare's Official Breed Registration Papers* postmarked by [February 15th] December 31st of the year of conception. postmarked [between February 16th and June 15th of the year of conception] by July 1 of the (Late Nomination) foaling year. KENTUCKY HORSE RACING [COMMISSION] & GAMING CORPORATION [4063] 4047 Iron Works Parkway[, Building B] | Lexington, KY 40511 Telephone: (859) 246-2847 | Fax: (859) 246-2887 ▼YES *If "Yes," Shall Also Fill Out Back Page* ■ NO *If "No," Fill Out This Page Only* **EMBRYO TRANSFER?:** BROODMARE OR DONOR MARE: REGISTRATION #: MICROCHIP #: YOB: BRED TO: YOB: MARE WILL RESIDE AT:______ PHONE:_____ FARM'S PHYSICAL ADDRESS: (Physical Address Only | No PO Boxes) ______ST: _______ ZIP: _____ KY RESIDENCY: FROM: / TO: //
(Minimum: [420]180 Days) (If not consecutive, please provide other date ranges) TOTAL DAYS: (A) NON-KY RESIDENCY: FROM:___/___ TO: ___/___ ST: _____ TOTAL DAYS: ____ OWNER / NOMINATOR: ADDRESS: _____ ______ST: ZIP: CITY: _____EMAIL:____ This registration is subject to all applicable statutes, regulations and rules, including KRS Chapter 230 and KAR Title 810. The regulation concerning the Kentucky Paint Horse, Appaloosa, and Arabian Development Fund can be found at 810 KAR 7:060. I certify that a mare, whether a broodmare, donor mare, or recipient mare, shall reside in Kentucky for a period no less than one hundred [twenty (120)] eighty (180) days from conception or embryo transfer implantation until foaling. , affirm that the above statements are true and correct to the best of my knowledge and belief and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial and any and all other penalties available under the law. I understand that failure to meet any requirement contained in 810 KAR 7:060 may subject me to the penalties contained therein and other applicable penalties provided by Kentucky statute or regulation. I agree to promptly provide any additional information requested by the Kentucky Horse Racing [Commission] & Gaming Corporation relating to the registration. I certify that I will keep accurate and updated records on file for any transactions related to transportation and all invoicing related to a mare's residency so that I will have all documentation readily available to produce at the request of the Kentucky Horse Racing [Commission] & Gaming Corporation. If submitted by an authorized agent, then the agent, as well as the mare owner, may be subject to all appropriate penalties. All filings are subject to audit by the [commission] corporation. QUALIFIED OWNER, LESSEE OR AUTHORIZED AGENT Signature / Date (RHRR(V 1900+1Nem#)) KHRGC 7060-1 Nov. 2025

Kentucky Paint Horse, Appaloosa and Arabian Development Fund Mare Registration Form

Fill Out **Only** in the Event of an Embryo Transfer:

Recipient Mare Information:

RECIPIENT MARE MICROCHIP ID NUMBER: MARE OWNED BY: PHONE:EMAIL: ADDRESS:CITY:ST:ZIP:	
PHONE:EMAIL: ADDRESS:ST:ZIP:	
ADDRESS:ST:ST:ZIP:	
ADDRESS:ST:ST:ZIP:	
(RECIPIENT MARE) BOARDING FARM:	
PHONE:EMAIL:	
ADDRESS:ST:ZIP:	