

**KENTUCKY HORSE RACING AND GAMING CORPORATION**  
**(Amended at ARRS Committee)**

**810 KAR 7:080. Kentucky Quarter Horse Development Fund.**

RELATES TO: KRS 138.510, 230.215, 230.225, 230.405, 230.443

STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8), 230.405

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 230.405 requires the corporation to promulgate administrative regulations to carry out the purpose of the statute and to administer the Kentucky Quarter Horse 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 Kentucky Quarter Horse Development Fund.

Section 1. Definitions.

- (1) "AI" means artificial insemination.
- (2) "AQHA" means the American Quarter Horse Association.
- (3) "Broodmare" means a mare that conceives and carries her genetic foal to term.
- (4) "Donor mare" means the mare from which an embryo is harvested for the purpose of performing an embryo transfer.
- (5) "ET" means an embryo transfer in which an embryo is harvested from a donor mare and implanted into a recipient mare that carries the non-genetic foal to term.
- (6) "Fund" means the Kentucky Quarter Horse Development Fund established by KRS 230.405.
- (7) "Kentucky bred" means a horse that meets the requirements of this administrative regulation and is:
  - (a) A Quarter Horse registered with the AQHA or its successor; and
  - (b) A Quarter Horse registered with the KYQHRA or its successor.
- (8) "KQHDF" means the Kentucky Quarter Horse Development Fund, established by KRS.230.405.
- (9) "KYQHRA" means the Kentucky Quarter Horse Racing Association, as the official registrar for the KQHDF pursuant to KRS 230.405
- (10) "Mare" means a broodmare, donor mare, or recipient mare.
- (11) "Qualified breeder" means the breeder of record according to the AQHA.
- (12) "Qualified winner" means a quarter horse registered with the AQHA, registered with the KQHDF, declared the official winner of an eligible race by the stewards, and not eligible to be claimed in that race.
- (13) "Recipient mare" means a mare of any breed that:
  - (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.
- (14) "Stallion" means a stallion registered with the KYQHRA

Section 2. Advisory Committee. The KQHDF advisory committee shall consist of five (5) members, all of whom shall be Kentucky residents, to be appointed by the chair 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 racing;
- (3) Owner of a horse nominated to the fund;
- (4) Owner of a mare registered with the fund; and
- (5) Member of the Kentucky Quarter Horse Racing 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 mare shall be registered with the fund on or before December 31 of the year of conception. Late mare registration shall be accepted if compliant with subsection (7) of this section. Late mare registration shall be on or before July 1 of the foaling year and shall proceed as established by subsection (7) of this section.

(a) Beginning in 2025, and ending in 2028, a mare bred in another state and brought back to Kentucky to foal shall be eligible for moneys from the fund. The pregnant mare shall register with the fund, be in Kentucky at least thirty (30) days prior to foaling, foal in Kentucky, and have the resulting foal registered as a Kentucky-bred quarter horse.

(b) To maintain eligibility of the first foal, the mare shall reregister and be bred back that same foaling year to a Kentucky registered stallion, remain in the state of Kentucky a minimum of 180 days during that year of conception, foal in Kentucky, and register the second resulting foal as a Kentucky-bred. Both foals shall then remain eligible as Kentucky-breds by fulfilling the remaining requirements of this administrative regulation.

(c) Pregnant mares from another state that fail to have a viable foal, fail to breed back or lose one (1) of the two (2) foals to natural causes may maintain their eligibility along with the remaining foal's eligibility by providing to the KYQHRA medical documentation, verified by a licensed veterinarian, as to why a foal passed, the mare did not take, or documentation as to why the mare aborted. The mare shall remain in Kentucky for a period no less than 180 days only if there is a remaining foal on the ground or in utero sought to be eligible.

(d) Foals born in 2025 from a mare bred in another state may late register by submitting a Late Mare Registration Form, 7-080-2, and accompanying registration fee of \$100 (note that the normal fee shall be discounted by fifty (50) percent for 2025 only), and a Late KY Stallion Registration Form, 7-080-4, and accompanying registration fee of \$100 (note that the normal fee shall be discounted by fifty (50) percent for 2025 only), by July 1, 2026, and registering the resulting foal as a Kentucky-bred. The mare and foal shall then fulfill the additional requirements in paragraphs (a) through (c) of this subsection.

(e) Registration Deadlines for mares bred in 2025, with resulting foals of 2026, shall be extended to July 1, 2026, without penalty, by submitting both a Mare Registration Form, 7-080-1, and accompanying registration fee of fifty (50) dollars, and a KY Stallion Registration Form, 7-080-3, and accompanying registration fee of \$100.

(2) A mare shall be bred naturally, by AI, or by ET in the state of Kentucky and foal in the state of Kentucky.

(3) In order to be eligible to be registered with the fund, a pregnant mare, shall reside in Kentucky for a period no less than 180 days during the year of conception.

(4) Registrations shall be received by the KYQHRA by close of business or postmarked on the date of the deadline. If that deadline falls on a non-business day or federal holiday, the deadline shall extend to the next business day.

(5) Breeding involving an ET.

(a)

1. A donor mare and recipient mare shall both be registered; and
2. A recipient mare shall be microchipped.

(b) A maximum of two (2) ET's, bred to a single stallion, may be done in a single breeding season as determined by the owner of the donor mare.

(c) A donor mare may also carry her own genetic foal to term and, if she has natural twins, both foals shall be eligible to the fund.

(6) A mare shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a Mare Registration Form, KHRGC 7-080-1, and accompanying registration fee of fifty (50) dollars; and

(b) Providing a photocopy of:

1. The mare's official breed registration papers from the AQHA;
2. Documentation regarding a recipient mare's electronic horse identification; and
3. A stallion breeding report from AQHA.

(7) A late mare shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a Late Mare Registration Form, KHRGC 7-080-2, and accompanying registration fee of \$200; and

(b) Providing a photocopy of:

1. The mare's official breed registration papers from the AQHA;
2. Documentation regarding a recipient mare's electronic horse identification; and
3. A stallion breeding report from AQHA.

Section 4. Stallion Eligibility.

(1) In order for a foal to be eligible to earn money from the fund, the stallion shall be registered with the fund on or before December 31 of the year of conception. Late stallion registration shall be accepted if compliant with subsection (4) of this section. Late stallion registration shall be on or before July 1 of the foaling year and shall proceed as established by subsection (4) of this section.

(2) Stallions do not have to reside in the state of Kentucky to maintain eligibility and may breed by AI.

(3) A stallion shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a KY Stallion Registration Form, KHRGC 7-080-3, and accompanying registration fee of \$100; and

(b) Providing a photocopy of:

1. The stallion's official breed registration papers from the AQHA; and
2. A stallion breeding report from AQHA.

(4) A late stallion shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a Late Stallion Registration Form, KHRGC 7-080-4, and accompanying registration fee of \$200; and

(b) Providing a photocopy of:

1. The stallion's official breed registration papers from the AQHA; and
2. A stallion breeding report from AQHA.

Section 5. Nomination. In order for a horse to be eligible to earn money from the fund, the horse shall be registered as Kentucky bred at the time of entry for an eligible race and shall be nominated to the fund by:

(1) Completing and filing with the KYQHRA, a Nomination Form, KHRGC 7-080-5, and accompanying registration fee of:

- (a) Fifty (50) dollars to nominate a weanling;
- (b) \$100 to nominate a yearling; or
- (c) \$300 to nominate a horse of racing age; and

(2) Providing the KYQHRA with a photocopy of the horse's official AQHA registration.

Section 6. Purse Structure.

- (1) Each licensed association shall submit its KQHDF purse structure proposal to the KQHDF advisory committee for approval at least forty-five (45) days prior to the opening day of the live race meet.
- (2) The KQHDF advisory committee shall review the proposed purse structure and make a recommendation to the corporation whether to approve or deny the proposal based upon the best interests of Kentucky racing.

Section 7. Reconciliation.

- (1) Each licensed association shall file 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. These reports shall be filed weekly.
- (2) The corporation shall reconcile the weekly reports submitted by the licensed association with the Department of Revenue's reports and deposit monthly.
- (3) If at the close of a live race meet, a licensed association has a surplus balance of KQHDF monies earned pursuant to KRS 230.405, then the licensed association may request to distribute a portion of that balance, contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation, based on promoting the best interests of racing, to:
  - (a) Supplement purses at future live race meets held by that licensed association;
  - (b) Fund supplemental purse structures approved by the corporation for a previous live race meet held by the licensed association to the recipients of the original purse allocation; or
  - (c) Supplement quarter horse purses at another licensed Kentucky racetrack conducting quarter horse racing.
- (4) Reasonable and customary administrative charges for time spent reconciling the KQHDF account may be charged by the corporation.
- (5) A licensed association, at its option, may pay reasonable advertising charges billed to the association by the KYQHRA from the association's KQHDF available balance, if the advertising charges are consistent with the intent of the KQHDF. Approval of any advertising payment shall be contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation based on promoting the best interests of racing.
- (6) Each licensed association shall submit its purses paid reports, advertising invoices, or any other documentation requested by the corporation, pertinent to reimbursement, within fifteen (15) calendar days after the last day of a live race meet. Each licensed association shall sign an acknowledgment from the corporation stating that the association accepts and agrees with the reconciliation prior to the reimbursement of any KQHDF funds.

Section 8. Breeder Awards.

- (1) An incentive of \$5,000 shall be awarded to the qualified breeder of the qualified winner of the following quarter horse race types with a minimum purse of \$15,000:
  - (a) Grade I, II or III stakes race, as defined by the AQHA Graded Stakes Committee anywhere in the USA;
  - (b) Non-Grades stakes race, as defined by the AQHA, anywhere in the USA;
  - (c) Allowance race, as defined by the AQHA, anywhere in the USA; and
  - (d) Maiden race, as defined by the AQHA, anywhere in the USA.
- (2) Any race with a claiming component shall not be eligible.
- (3) The qualified breeder of a qualified winner shall be notified by the corporation of an eligible award by July 1 the year after the eligible race was won.
- (4) The qualified breeder shall have until December 31st of the year after the eligible race was won to claim the award by submitting to the corporation a completed Application for

Breeder Award, KHRGC 7-080-6. Any award not claimed shall roll back into the KQHDF.

Section 9. Shortfall and Bonus Calculation.

- (1) Purses approved as established in Section 6 of this administrative regulation, shall be paid first.
- (2) If, at the close of any calendar year, inadequate funding is available in the KQHDF to fund the awards provided for in Section 8 of this administrative regulation, the funding shall be decreased proportionally among all awards.
- (3) If, at the close of any calendar year, extra funding is available in the KQHDF, a bonus to breeders winning awards in Section 8 of this administrative regulation may be provided; contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation based on promoting the best interests of racing.

Section 10. Incorporation by Reference.

- (1) The following material is incorporated by reference:
  - (a) "Mare Registration Form", KHRGC 7-080-1, September 2025;
  - (b) "Late Mare Registration Form", KHRGC 7080-2, September 2025;
  - (c) "KY Stallion Registration Form", KHRGC 7080-3, September 2025;
  - (d) "Late KY Stallion Registration Form", KHRGC 7080-4, September 2025;
  - (e) "Nomination Form", KHRGC 7080-5, September 2025; and
  - (f) "Application for Breeder Award", KHRGC 7-080-6, September 2025.
- (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 a.m. to 4:30 p.m.
- (3) This material is also available at <http://khrgc.ky.gov>.

(810 KAR 007:080. 52 Ky.R. 346, 751; eff. 11-20-2025.)

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