

INTERIM JOINT COMMITTEE ON AGRICULTURE

Subcommittee on Equine Issues

Minutes of the 1st Meeting of the 2018 Interim

November 14, 2018

Call to Order and Roll Call

The 1st meeting of the Subcommittee on Equine Issues of the Interim Joint Committee on Agriculture was held on Wednesday, November 14, 2018, at 10:00 AM, in Room 129 of the Capitol Annex. Senator Stephen West, Co-Chair and Representative Brandon Reed, Co-Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen West, Co-Chair; Representative Brandon Reed, Co-Chair; Senators C.B. Embry Jr., Paul Hornback, Dennis Parrett, and Damon Thayer; Representatives Derrick Graham, Richard Heath, Sannie Overly, Phillip Pratt, Rob Rothenburger, James Tipton, and Susan Westrom.

Guests: Dr. Jeanne Flounders, Veterinarian; Mick Peterson, Ph.D., Director of Ag Equine Programs, University of Kentucky, Nancy Cox, Ph.D., Dean of the College of Agriculture, Food and Environment, University of Kentucky; Marc Guilfoil, Executive Director, Kentucky Horse Racing Commission, Jamie Eads, Deputy Executive Director, Kentucky Horse Racing Commission and Anne Hardy, Executive Director, Horse Country, Inc.

LRC Staff: Stefan Kasacavage, CSA and Susan Spoonamore, Committee Assistant.

Effects of Fireworks on Horses

Dr. Jeanne Flounders, veterinarian, stated that she is seeing more injuries to horses caused from the excessive use of fireworks, mostly during the month of July. Horses, which are known as flight animals, become terrified of fireworks and will run through fences and destroy their stall causing harm to themselves, their foals, and to their owners. If fireworks lighting were limited to a specific number of days, it would help to cut down on injuries.

In response to Senator West, Dr. Flounders stated that horse owners try to anticipate and make arrangements ahead of time to move the horses to safe areas such as other fields or barns. Some horses have to be medicated. Horse owners and veterinarians would be better at preparing and caring for their animals if the number of days for fireworks were limited.

In response to Senator Thayer, Dr. Flouders said that some groups have talked to their local officials, but nothing has been done.

Senator Hornback stated that horses generate a local economic impact through the purchase of hay and grain. People seem to use fireworks for other purposes throughout the year, such as birthday parties and other celebrations.

Representative Tipton encouraged all interested parties to meet with local officials to see if a solution could be found.

University of Kentucky Ag Equine Program

Mick Peterson, Ph.D., Director of Ag Equine Programs and Nancy Cox, Ph.D., Dean of the College of Agriculture, Food and Environment, University of Kentucky, explained that the University's Ag Equine program is a framework that encompasses everything equine. The programs are a long-term commitment to serving the state's signature equine industry. UK's undergraduate program in Equine Science and Management is the fastest growing major. Over 75 percent of the students in the Equine Science and Management Internship program are from out of state. Graduates have started businesses in Kentucky, are selling products from Kentucky, and have provided a workforce for Winstar, Darley, and Rood and Riddle. Industry Engagement and Basic Research includes drug testing, equine pharmacological research, and legal and business questions surrounding integrity. Another area is safety, racing and show surfaces, rider safety, establishing an equine and jockey injury database, and research of musculoskeletal disease. Industry engagement is not limited to big farms. Horse pasture evaluations include 228 farms (19,280 acres), in 25 counties with 39 students participating.

In response to Senator West, Dr. Peterson said that cutting-edge research would include musculoskeletal disease. By examining inflammatory and anti-inflammatory markers, it would lead to early indicators for potential catastrophic (life-ending) injury in race horses. Researchers would rely on measuring mRNA, or the precursors to proteins, from circulating white blood cells.

Representative Reed predicted that in the next five years, the University of Kentucky's Equine Programs would be the world center for research.

Breeders' Cup and the Breeders' Cup Incentive Fund

Marc Guilfoil, Executive Director and Jamie Eads, Deputy Executive Director, Kentucky Horse Racing Commission, discussed the Breeders' Cup and the Breeders' Incentive Fund for thoroughbreds. Since 2006, \$140 million has been distributed to owners who have bred their animals in Kentucky and have wins in eligible races across the globe. As of the August deadline, 9,146 mares have been nominated and the commission will continue to accept nominations until December for pregnant mares, weanling, and yearlings. A portion of the tax on all thoroughbred wagers at Kentucky racetracks funds

the Kentucky Thoroughbred Development Fund (KTDF). Those funds provide added money to stakes, handicap, allowance, non-claiming maiden and AOCs with a tag of \$25,000 or more. In 2017, the fund received \$9,678,897 and in 2018 (thru 9/30/18), it has received \$7,945,857.

The Kentucky Sire Stakes program for Standardbreds combines two taxes, a stallion tax along with the pari-mutual tax to fund the Kentucky Sire Stakes. The overall purse money is \$4.5 million with \$250,000 for finals. There are three legs with a \$30,000 split guarantee for races at The Red Mile.

For all other equine breeds, the Kentucky Horse Breeders' Incentive Fund receives seven percent of the six percent stallion sales tax, and those funds are distributed over 11 non-racing approved Kentucky affiliates. Since 2008, \$11.8 million have been distributed. It was noted that the Kentucky Horse Racing Commission has been working with the advisory committee and legal team to revise the regulations in order to increase participation in the fund. This is being done while still providing rewards to owners and breeders of Kentucky-bred horses.

In response to Senator West, Ms. Eads stated that the amount of mares bred in Kentucky remains about the same from 2017. In regards to the middle market sales, she said that the market follows the money.

Horse Country and Equine Tourism

Anne Hardy, Executive Director, Horse Country, Inc., stated that the mission of Horse Country is to connect guests to the horses, land, and people through experiences that inspire love of the animal and Kentucky. Horse Country is a non-for-profit organization, with a board of directors that supports Kentucky brands. Horse Country also promotes investing in racing and the Kentucky Bourbon Trail along with other Kentucky markets.

In response to Senator West, Ms. Hardy said that Horse Country has interaction with the Kentucky Tourism Cabinet. Membership fees help provide guest services support.

There being no further business, the meeting was adjourned.