

1 AN ACT relating to the Kentucky quarter horse, paint horse, Appaloosa, and  
2 Arabian development fund and making an appropriation therefor.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. KRS 230.445 is amended to read as follows:

5 (1) There is hereby created a trust and revolving fund for the Kentucky Horse Racing  
6 Commission designated the Kentucky quarter horse, paint horse, Appaloosa, and  
7 Arabian development fund, consisting of money allocated to the fund under KRS  
8 230.3771 together with any other money contributed to or allocated to the fund from  
9 all other sources. For the purposes of this section, "development fund" or "fund"  
10 means the Kentucky quarter horse, paint horse, Appaloosa, and Arabian  
11 development fund. Money to the credit of the development fund shall be distributed  
12 by the Treasurer for the purposes provided in this section, upon authorization of the  
13 Kentucky Horse Racing Commission and upon approval of the secretary of the  
14 Finance and Administration Cabinet. Notwithstanding KRS 45.229, money to the  
15 credit of the fund at the end of the fiscal year shall not lapse but shall be carried  
16 forward in the fund to the succeeding fiscal year. Interest earnings of the fund shall  
17 become a part of the fund and shall not lapse. Moneys in the fund shall be used and  
18 are hereby appropriated for purposes specified in this section.

19 (2) The Kentucky Horse Racing Commission shall use the development fund to  
20 promote races and to provide purses for races for horses bred and foaled in the  
21 Commonwealth, *except as provided in subsection (5) of this section.* The  
22 commission shall provide for distribution of money to the credit of the development  
23 fund to persons, corporations, or associations operating licensed tracks within  
24 Kentucky conducting quarter horse, paint horse, Appaloosa, or Arabian horse  
25 racing, on an equitable basis as determined by the commission and in conformance  
26 with subsection (3) of this section.

27 (3) The Kentucky Horse Racing Commission shall:

- 1 (a) Fix the amount of money to be paid from the development fund to be added to  
2 the purse provided for each race by the licensed operator of the track;  
3 (b) Fix the dates and conditions of races to be held by licensed tracks; and  
4 (c) Promulgate administrative regulations necessary to carry out the provisions of  
5 this section.

6 Money from the fund shall be allocated to each breed of horse represented in the  
7 fund in an amount equal to the amount the breed has contributed to the fund.

- 8 (4) The Kentucky Horse Racing Commission shall appoint qualified personnel as  
9 necessary to:
- 10 (a) Supervise registration of, or determine the eligibility of, horses entitled to  
11 entry in races which receive a portion of purse money from the development  
12 fund; and  
13 (b) Assist the commission in determining the conditions, class, and quality of the  
14 fund-supported race program established to carry out the purposes of this  
15 section.

16 The personnel shall serve at the pleasure of the commission and compensation shall  
17 be fixed by the commission with the compensation and necessary expenses of the  
18 personnel paid from the development fund.

- 19 (5) *For any calendar year in which there were no persons, corporations, or*  
20 *associations operating a licensed track within Kentucky that conducted quarter*  
21 *horse, paint horse, Appaloosa, or Arabian horse racing, the Commission may*  
22 *promulgate administrative regulations to carry out the provisions of this section*  
23 *retroactively to disperse moneys in the fund for recognition of horses bred and*  
24 *foaled in the Commonwealth.*

- 25 (6) The commission shall promulgate administrative regulations to carry out the  
26 provisions of this section and shall administer the Kentucky quarter horse, paint  
27 horse, Appaloosa, and Arabian development fund in a manner designed to:

- 1 (a) Promote and aid in the development of the horse industry in Kentucky;
- 2 (b) Upgrade the quality of racing in Kentucky; and
- 3 (c) Improve the quality of horses bred in Kentucky.