

# Unofficial Document

KENTUCKY GENERAL ASSEMBLY AMENDMENT FORM  
2024 REGULAR SESSION

Amend printed copy of **SB 3/SCS 1**

On page 9, between lines 20 and 21, insert the following:

"➔Section 7. KRS 230.225 is amended to read as follows:

- (1) The Kentucky Horse Racing Commission **shall constitute**~~[is created as]~~ an independent **department**~~[agency]~~ of state government to regulate the conduct of horse racing and pari-mutuel wagering on horse racing, sports wagering, and related activities within the Commonwealth of Kentucky. The racing commission shall be **administratively** attached to the **Department of Agriculture only for those limited functions and purposes expressly requested by the racing commission to be performed by the Department of Agriculture.** **The racing commission shall have sole discretion as to which functions shall be deemed necessary for the efficient operation of the racing commission and the properties in its custody and control**~~[Public Protection Cabinet for administrative purposes]~~.
- (2) (a) **1.** The Kentucky Horse Racing Commission shall consist of fifteen (15) members appointed by the Governor, with the secretaries of the ~~[Public Protection Cabinet, ]~~Tourism, Arts and Heritage Cabinet, and **Cabinet for** Economic Development~~[Cabinet]~~, **and the Commissioner of Agriculture,** or their designees, serving as ex officio nonvoting members.
  - 2. The members appointed by the Governor shall be subject to Senate confirmation in accordance with KRS 11.160.**

Amendment No. SFA 5

Rep. Sen. Damon Thayer

Committee Amendment

Floor Amendment

Adopted: \_\_\_\_\_

Rejected: \_\_\_\_\_

Signed: \_\_\_\_\_

LRD Drafter: \_\_\_\_\_

Date: \_\_\_\_\_

Doc. ID: XXXX

- (b) Two (2) members shall have no financial interest in the business or industry regulated.
- (c) The members of the racing commission shall be appointed to serve for a term of four (4) years, except the initial terms shall be staggered as follows:
1. Five (5) members shall serve for a term of four (4) years;
  2. Five (5) members shall serve for a term of three (3) years; and
  3. Five (5) members shall serve for a term of two (2) years.
- (d) **1. a. Members of the racing commission shall serve until their successors are duly appointed and confirmed by the Senate, but no later than one (1) year following the expiration of the member's term.**
- b. If after one (1) year a successor has not been duly appointed and confirmed by the Senate, that seat shall become vacant and remain vacant until a successor has been duly appointed and confirmed.**
- 2. Any member appointed to fill a vacancy occurring other than by expiration of a term shall be appointed for the remainder of the unexpired term. A member chosen under this subparagraph shall not serve on the racing commission until duly confirmed by the Senate.**
- (e) In making appointments, the Governor may consider members broadly representative of the Thoroughbred industry and members broadly representative of the standardbred, quarter horse, Appaloosa, or Arabian industries. The Governor may also consider recommendations from the Kentucky Thoroughbred Owners and Breeders, Inc., the Kentucky Division of the Horsemen's Benevolent and Protective Association, the Kentucky Harness Horsemen's Association, and other interested organizations.
- (3) (a) Members of the racing commission shall receive no compensation for serving on the

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commission, but shall be reimbursed for travel expenses for attending meetings and performing other official functions consistent with the reimbursement policy for state employees established by KRS 45.101 and administrative regulations promulgated thereunder.

- (b) The Governor shall appoint one (1) member of the racing commission to serve as its chairperson who shall serve at the pleasure of the Governor.
  - (c) The Governor shall further designate a second member to serve as vice chair with authority to act in the absence of the chairperson.
  - (d) Before entering upon the discharge of their duties, all members of the Kentucky Horse Racing Commission shall take the constitutional oath of office.
- (4) (a) The racing commission shall establish and maintain a general office for the transaction of its business and may in its discretion establish a branch office or offices.
- (b) The racing commission may hold meetings at any of its offices or at any other place when the convenience of the racing commission requires.
  - (c) All meetings of the racing commission shall be open and public, and all persons shall be permitted to attend meetings.
  - (d) A majority of the voting members of the racing commission shall constitute a quorum for the transaction of its business or exercise of any of its powers.
- (5) Except as otherwise provided, the racing commission shall be responsible for the following:
- (a) Developing and implementing programs designed to ensure the safety and well-being of horses, jockeys, and drivers;
  - (b) Developing programs and procedures that will aggressively fulfill its oversight and regulatory role on such matters as medical practices and integrity issues;

- (c) Recommending tax incentives and implementing incentive programs to ensure the strength and growth of the equine industry;
- (d) Designing and implementing programs that strengthen the ties between Kentucky's horse industry and the state's universities, with the goal of significantly increasing the economic impact of the horse industry on Kentucky's economy, improving research for the purpose of promoting the enhanced health and welfare of the horse, and other related industry issues;
- (e) Developing and supporting programs which ensure that Kentucky remains in the forefront of equine research;
- (f) Developing monitoring programs to ensure the highest integrity of sporting events and sports wagering; and
- (g) Developing a program to share wagering information with sports governing bodies upon which sports wagering may be conducted. The program shall be designed to assist the racing commission in determining potential problems or questionable activity and provide reports to sports governing bodies effectively.

➔Section 8. KRS 230.817 is amended to read as follows:

- (1) (a) There is hereby established in the State Treasury a restricted account to be known as the sports wagering administration fund. The fund shall consist of moneys received from the moneys collected under KRS 138.552, 230.811, and 230.814 and state appropriations.
- (b) 1. The amounts deposited in the fund shall be used as follows:
  - a. For administrative expenses relating to or associated with the purposes of sports wagering which shall be disbursed by the Finance and Administration Cabinet upon the warrant of the Commissioner of Agriculture~~[Public Protection Cabinet]~~; and

- b. Two and one-half percent (2.5%) of the funds shall be deposited in the Kentucky problem gambling assistance account established in KRS 230.826.
    2. The remaining funds shall be deposited in the Kentucky permanent pension fund established in KRS 42.205.
    3. Any interest accruing to the fund shall become a part of the fund and shall not lapse.
  - (2) Notwithstanding KRS 45.229, fund amounts not expended at the close of a fiscal year shall not lapse but shall be carried forward into the next fiscal year.
  - (3) Moneys deposited in the fund are hereby appropriated for the purposes set forth in this section and shall not be appropriated or transferred by the General Assembly for any other purposes.
- ➔Section 9. KRS 12.252 is amended to read as follows:
- (1) There is established within the Public Protection Cabinet a Department of Financial Institutions, a Department of Insurance, a Department of Housing, Buildings and Construction, a Department of Charitable Gaming, a Department of Professional Licensing, and a Department of Alcoholic Beverage Control. Each department shall be headed by a commissioner appointed by the Governor as required by KRS 12.040 and, where appropriate, by KRS 238.510, 241.015, and 304.2-020. Commissioners shall be directly responsible to the secretary and shall perform the functions, powers, and duties provided by law and prescribed by the secretary.
  - (2) The secretary of the Public Protection Cabinet shall be appointed by the Governor in accordance with KRS 12.255. The Office of the Secretary shall contain the following entities:
    - (a) The Office of Communications and Public Outreach, which shall be headed by an

executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050;

- (b) The Office of Legal Services, which shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050 and 12.210;
- (c) The Office of Administrative Hearings, which shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050 and 12.210; and
- (d) The Office of Administrative Services, which shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050.

- (3) There is established within the Public Protection Cabinet the Office of Claims and Appeals pursuant to KRS 49.010.

~~[(4) The Kentucky Horse Racing Commission is attached to the Public Protection Cabinet for administrative purposes only, except as provided in KRS 131.330.]~~

- ~~(4)~~~~(5)~~ There is established within the Public Protection Cabinet the Kentucky Boxing and Wrestling Commission, which shall be headed by an executive director appointed by the secretary with the approval of the Governor as required by KRS 12.050. The executive director shall be directly responsible to the secretary and shall perform the functions, powers, and duties provided by law and prescribed by the secretary."; and

Renumber subsequent sections accordingly; and

On page 10, line 22, delete "and"; and

On page 11, delete line 4 in its entirety and insert the following in lieu thereof:

**"(g) Division of Marketing; and**

**(11) The Kentucky Horse Racing Commission, for administrative purposes only, and which**

shall include the following:

(a) Office of the Executive Director;

1. Division of Pari-mutuel Wagering;
2. Division of Stewards;
3. Division of Licensing;
4. Division of Enforcement;
5. Division of Incentives and Development;
6. Division of Veterinary Services;
7. Division of Compliance; and
8. Division of Sports Wagering."; and

On page 12, between lines 14 and 15, insert the following:

"(e) Kentucky Horse Racing Commission.

1. Office of the Executive Director.

- a. Division of Pari-mutuel Wagering.
- b. Division of Stewards.
- c. Division of Licensing.
- d. Division of Enforcement.
- e. Division of Incentives and Development.
- f. Division of Veterinary Services.
- g. Division of Compliance.
- h. Division of Sports Wagering."; and

On page 15, line 23, to page 16, line 3, bracket and strike through all language in its entirety; and

On page 16, line 4, delete "(e)" and insert in lieu thereof "(d)~~[(e)]~~"; and

On page 16, line 8, delete "(f)" and insert in lieu thereof "(e)~~[(f)]~~"; and

On page 16, line 11, delete "(g)" and insert in lieu thereof "(f)~~[(g)]~~"; and

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On page 16, line 15, delete "(h)" and insert in lieu thereof "(g)~~[(h)]~~"; and

On page 16, line 20, delete "(i)" and insert in lieu thereof "(h)~~[(i)]~~"; and

On page 17, line 1, delete "(j)" and insert in lieu thereof "(i)~~[(j)]~~"; and

On page 27, between lines 15 and 16, insert the following:

**"(e) Kentucky Horse Racing Commission.**

**1. Office of the Executive Director.**

**a. Division of Pari-mutuel Wagering.**

**b. Division of Stewards.**

**c. Division of Licensing.**

**d. Division of Enforcement.**

**e. Division of Incentives and Development.**

**f. Division of Veterinary Services.**

**g. Division of Compliance.**

**h. Division of Sports Wagering.**"; and

On page 30, line 25, to page 31, line 5, bracket and strike through all language in its entirety; and

On page 31, line 6, delete "(e)" and insert in lieu thereof "(d)~~[(e)]~~"; and

On page 31, line 10, delete "(f)" and insert in lieu thereof "(e)~~[(f)]~~"; and

On page 31, line 13, delete "(g)" and insert in lieu thereof "(f)~~[(g)]~~"; and

On page 31, line 17, delete "(h)" and insert in lieu thereof "(g)~~[(h)]~~"; and

On page 31, line 22, delete "(i)" and insert in lieu thereof "(h)~~[(i)]~~"; and

On page 32, line 3, delete "(j)" and insert in lieu thereof "(i)~~[(j)]~~"; and

On page 42, between lines 15 and 16, insert the following:

**"(e) Kentucky Horse Racing Commission.**

**1. Office of the Executive Director.**

**a. Division of Pari-mutuel Wagering.**

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**b. Division of Stewards.**

**c. Division of Licensing.**

**d. Division of Enforcement.**

**e. Division of Incentives and Development.**

**f. Division of Veterinary Services.**

**g. Division of Compliance.**

**h. Division of Sports Wagering.**"; and

On page 45, line 25, to page 46, line 5, bracket and strike through all language in its entirety; and

On page 46, line 6, delete "(e)" and insert in lieu thereof "**(d)**~~[(e)]~~"; and

On page 46, line 10, delete "(f)" and insert in lieu thereof "**(e)**~~[(f)]~~"; and

On page 46, line 13, delete "(g)" and insert in lieu thereof "**(f)**~~[(g)]~~"; and

On page 46, line 17, delete "(h)" and insert in lieu thereof "**(g)**~~[(h)]~~"; and

On page 46, line 22, delete "(i)" and insert in lieu thereof "**(h)**~~[(i)]~~"; and

On page 47, line 3, delete "(j)" and insert in lieu thereof "**(i)**~~[(j)]~~"; and

On page 56, line 18, after "Resources", insert "and the Kentucky Horse Racing Commission";

and

On page 56, lines 18 to 19, delete "hunting, fishing, boating, and other outdoor"; and

On page 56, line 19, after "department", insert "and commission"; and

On page 56, lines 20 to 21, delete "the department" and insert in lieu thereof "those agencies";

and

On page 56, line 21, after "Kentuckians", delete "it serves" and insert in lieu thereof "they serve".