

Legislative Analysis



HORSE RACING LAW OF 1995: BREEDERS' AWARDS

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House Bill 4784

Sponsor: Rep. Cindy Denby

House Committee: Appropriations

Complete to 9-21-11

A SUMMARY OF HOUSE BILL 4784 AS INTRODUCED 6-16-11

House Bill 4784 would amend Section 20 of the Horse Racing Law of 1995, 1995 PA 279.

Section 20 of the Horse Racing Law establishes the Agriculture Equine Industry Development Fund (AEIDF), a state restricted fund to provide funding for specific agriculture and equine industry programs. Section 20 directs the appropriation of AEIDF revenue to these programs, including thoroughbred horse programs. AEIDF receives revenue from a 3.5% tax on wagers made on simulcast horse races at pari-mutuel racetracks in the state.

Among the thoroughbred programs established in Section 20, specifically Section 20, subsection (6) subdivision (c), is a program of thoroughbred breeders awards. This program provides for an appropriation of AEIDF revenue for awards to breeders of Michigan thoroughbreds whose horses win at licensed tracks in the state. The bill would add language that would direct the payment of these awards for Michigan-bred thoroughbreds that competed out of state, under certain circumstances. The bill would add the following new language:

If, during a fiscal year, live thoroughbred horse races are not conducted at a licensed race meeting in this state, a sum shall be appropriated under this subdivision to pay breeders' awards, in amounts not to exceed 10% of the gross purses, to the breeders of Michigan bred thoroughbred horses that win at races conducted at licensed horse racetracks outside of this state.

FISCAL IMPACT:

The bill would have no impact on state or local costs or revenues. It would allow for an expanded use of an existing appropriation; it would allow use of that appropriation for Michigan-bred thoroughbred horses that compete out of state. In the current (FY 2010-11) fiscal year, the appropriation for thoroughbred breeders awards was \$387,000, from the AEIDF.

Fiscal Analyst: William E. Hamilton

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