WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1991

ENROLLED

SENATE BILL NO. 384

(By Senator [Signature])

PASSED March 8, 1991
In Effect 90 days from Passage
ENROLLED

Senate Bill No. 384

(BY SENATOR LUCHT)

[Passed March 8, 1991; in effect ninety days from passage.]

AN ACT to amend and reenact section thirteen-b, article twenty-three, chapter nineteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to establishing four stakes races including a West Virginia futurity race and a Frank Gall memorial stakes race; increasing sire owners share; decreasing purse supplements; and providing for administration and funding of restricted races.

Be it enacted by the Legislature of West Virginia:

That section thirteen-b, article twenty-three, chapter nineteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 23. HORSE AND DOG RACING.

§19-23-13b. West Virginia thoroughbred development fund; distribution; restricted races; nonrestricted purse supplements.

1 The racing commission shall deposit moneys required to be withheld by an association or licensee in subsection (b), section nine of this article in a banking institution of its choice in a special account to be known as "West Virginia Racing Commission Special Account—West Virginia Thoroughbred Devel-
opment Fund”. Notice of the amount, date and place
of such deposit shall be given by the racing commis-
sion, in writing, to the state treasurer. The purpose of
the fund is to promote better breeding and racing of
thoroughbred horses in the state through awards and
purses for accredited breeders/raisers, sire owners and
thoroughbred race horse owners. A further objective
of the fund is to aid in the rejuvenation and develop-
ment of the present horse tracks now operating in
West Virginia for capital improvements, operations or
increased purses between the first day of July, one
thousand nine hundred eighty-four, and the thirty-
first day of October, one thousand nine hundred
ninety-two: Provided, That five percent of the deposits
required to be withheld by an association or licensee
in subsection (b), section nine of this article shall be
placed in a special revenue account hereby created in
the state treasury called the “administration and
promotion account”. The racing commission is autho-
rized to expend the moneys deposited in the adminis-
tration and promotion account at such times and in
such amounts as the commission determines to be
necessary for purposes of administering and promoting
the thoroughbred development program: Provided,
however, That during any fiscal year in which the
commission anticipates spending any money from such
account, the commission shall submit to the executive
department during the budget preparation period
prior to the Legislature convening before that fiscal
year for inclusion in the executive budget document
and budget bill, the recommended expenditures, as
well as requests of appropriations for the purpose of
administration and promotion of the program. The
commission shall make an annual report to the Legis-
lature on the status of the administration and promo-
tion account, including the previous year’s expendi-
tures and projected expenditures for the next year.

The funds shall be established forthwith and operate
on an annual basis.

(a) Funds will be expended for awards and purses in
the following manner:
(i) Fifteen percent of the fund shall be available for distribution for events taking place between the first day of July, one thousand nine hundred eighty-four, and the thirty-first day of December, one thousand nine hundred eighty-five;

(ii) Fifty percent of the fund shall be available for distribution for events taking place between the first day of January, one thousand nine hundred eighty-six, and the thirty-first day of December, one thousand nine hundred eighty-six;

(iii) Seventy-five percent of the fund shall be available for distribution for events taking place between the first day of January, one thousand nine hundred eighty-seven, and the thirty-first day of December, one thousand nine hundred eighty-seven;

(iv) One hundred percent of the fund shall be available thereafter; and

(v) After the first day of July, one thousand nine hundred ninety-one, and after the thirty-first day of December, one thousand nine hundred ninety-one, and annually thereafter, the first one hundred thousand dollars of the fund shall be available for distribution for a maximum of four stakes races. One of these races shall be the West Virginia futurity and the second shall be the Frank Gall memorial stakes. The remaining races may be chosen by the committee set forth in subsection (b) of this section.

(b) Awards and purses will be distributed as follows:

(i) The breeders/raisers of accredited thoroughbred horses that earn a purse at any West Virginia meet will receive a bonus award calculated at the end of the year as a percentage of the fund dedicated to the breeders/raisers, which shall be sixty percent of the fund available for distribution in any one year. The total amount available for the breeders'/raisers' awards shall be distributed according to the ratio of purses earned by an accredited race horse to the total amount earned in such races by all accredited race horses for that year as a percentage of the fund.
dedicated to the breeders/raisers. However, no
breeder/raiser may receive from the fund dedicated to
breeders'/raisers' awards an amount in excess of the
earnings of the accredited horse at West Virginia
meets. In addition, should a horse's breeder and raiser
qualify for the same award on the same horse, they
will each be awarded one half of the proceeds. Of the
funds available for distribution in any one year to
breeders/raisers, neither the breeders as a group nor
the raisers as a group, shall, until the first day of
January, one thousand nine hundred ninety-four,
qualify for more than sixty and one-tenth percent of
such funds.

(ii) The owner of a West Virginia sire of an accred-
ted thoroughbred horse that earns a purse in any
race at a West Virginia meet will receive a bonus
award calculated at the end of the year as a percent-
age of the fund dedicated to sire owners, which shall
be fifteen percent of the fund available for distribution
in any one year. The total amount available for the
sire owners' awards shall be distributed according to
the ratio purses earned by the progeny of accredited
West Virginia stallions in such races for a particular
stallion to the total purses earned by the progeny of all
accredited West Virginia stallions in such races.
However, no sire owner may receive from the fund
dedicated to sire owners an amount in excess of thirty
five percent of the accredited earnings for each sire.

(iii) The owner of an accredited thoroughbred horse
that earns a purse in any race at a West Virginia meet
will receive a restricted purse supplement award
calculated at the end of the year, which shall be
twenty-five percent of the fund available for distribu-
tion in any one year, based on the ratio of the earnings
in such races of a particular race horse to the total
amount earned by all accredited race horses in such
races during that year as a percentage of the fund
dedicated to purse supplements. However, the owners
may not receive from the fund dedicated to purse
supplements an amount in excess of thirty-five per-
cent of the total accredited earnings for each accred-
(iv) In no event shall purses earned at a meet held at a track which did not make a contribution to the thoroughbred development fund out of the daily pool on the day the meet was held qualify or count toward eligibility for an award under this section.

(v) Any balance in the breeders/raisers, sire owners and purse supplement funds after yearly distributions shall: (1) Be utilized to fund the races established in subsection (d) of this section; and (2) revert back into the general account of the fund for distribution in the next year.

Distribution shall be made on the fifteenth of each February for the preceding year's achievements.

(c) The remainder, if any, of the fund that is not available for distribution in the above program in any one year is reserved for regular purses, marketing expenses and for capital improvements in the amounts and under the conditions provided hereinafter. Fifty percent of such remainder shall be reserved for payments into the regular purse fund established in subsection (b), section nine of this article. Up to five hundred thousand dollars per year shall be available for: (1) Capital improvements at the eligible licensed horse racing tracks in the state; and (2) marketing and advertising programs above and beyond two hundred fifty thousand dollars for the eligible licensed horse racing tracks in the state: Provided, That moneys shall be expended for capital improvements or marketing and advertising purposes as described above only in accord with a plan filed with and receiving the prior approval of the racing commission, and on a basis of fifty percent participation by the licensee and fifty percent participation by moneys from the fund, in the total cost of approved projects: Provided, however, that funds approved for one track may not be used at another track unless the first track ceases to operate or is viewed by the commission as unworthy of additional investment due to financial or ethical reasons.

(d) Each pari-mutuel thoroughbred horse track shall
provide at least the following restricted races in accordance with the following time schedules:

(i) The first day of July, one thousand nine hundred eighty-four, to the thirty-first day of December, one thousand nine hundred eighty-four — one restricted race per eight racing days;

(ii) The first day of January, one thousand nine hundred eighty-five, to the thirty-first day of December, one thousand nine hundred eighty-five — one restricted race per seven racing days;

(iii) The first day of January, one thousand nine hundred eighty-six, to the thirty-first day of December, one thousand nine hundred eighty-six — one restricted race per six racing days;

(iv) The first day of January, one thousand nine hundred eighty-seven, to the thirty-first day of December, one thousand nine hundred eighty-seven — one restricted race per five racing days;

(v) The first day of January, one thousand nine hundred eighty-eight, to the thirty-first day of December, one thousand nine hundred eighty-eight — one restricted race per four racing days;

(vi) The first day of January, one thousand nine hundred eighty-nine, to the thirty-first day of December, one thousand nine hundred eighty-nine — one restricted race per three racing days; and thereafter.

The restricted races established in this subsection shall be administered by a three-member committee consisting of: (1) The racing secretary; (2) a member appointed by the authorized representative of a majority of the owners and trainers at the thoroughbred track; and (3) a member appointed by a majority of the thoroughbred breeders. The purses shall be twenty percent larger than the purses for similar type races at each track. Restricted races shall be funded by each racing association from:

(1) Moneys placed in the general purse fund up to a maximum of one hundred fifty thousand dollars per year.
(2) Moneys as provided in subdivision (v), subsection (b) of this section shall be placed in a special fund called the "West Virginia accredited race fund". The racing schedules, purse amounts and types of races are subject to the approval of the West Virginia racing commission.

(e) No association or licensee qualifying for the alternate tax provision of subsection (b), section ten of this article shall be eligible for participation in any of the provisions of this section.
Enr. S. B. No. 384]

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the 27th day of

day of 

Governor