

Legislative Analysis



HORSE RACING LAW OF 1995: PURSE SUPPLEMENTS FOR MICHIGAN-BRED HORSES

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4783

Sponsor: Rep. Cindy Denby

House Committee: Appropriations

Complete to 9-22-11

A SUMMARY OF HOUSE BILL 4783 AS INTRODUCED 6-16-11

House Bill 4783 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 (a), is a program to supplement purses for Michigan-bred thoroughbred horses raced at licensed tracks in this state. The bill would add language that would direct the payment of these purse supplements for Michigan-bred horses 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, the sum appropriated under this subdivision shall be paid at the end of the fiscal year to supplement the purses of Michigan bred thoroughbred horses that win allowance and claiming races at licensed horse race tracks 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 supplements – licensed tracks was \$387,000, from the AEIDF.

Fiscal Analyst: William E. Hamilton

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.