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WEST VIRGINIA LEGISLATURE

FIRST REGULAR SESSION, 1993



ENROLLED

Com. Sub. For
HOUSE BILL No. *2785*

(By Delegate *Manuel*)



Passed *April 10,* 1993

In Effect *Ninety Days From* Passage

ENROLLED
COMMITTEE SUBSTITUTE
FOR
H. B. 2785
(By DELEGATE MANUEL)

[Passed April 10, 1993; in effect ninety days from passage.]

AN ACT to amend and reenact sections ten, twelve-b and thirteen-b, article twenty-three, chapter nineteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to the daily license tax; the pari-mutuel pools tax; method of paying the taxes; alternative taxes; providing for alternative participation in the thoroughbred development fund; supplemental purses for West Virginia whelped dogs; televised racing days; providing for exemptions to the number of live racing dates required; appointment of binding arbitration board; providing that licensee pay one tenth of one percent of certain commissions to the general fund of certain counties; merging of pari-mutuel wagering pools; qualifications for merged simulcast pools; providing for payment of certain commissions into the pari-mutuel clerks' pension fund; distribution of thoroughbred development fund; restricted races; and nonrestricted purse supplements.

Be it enacted by the Legislature of West Virginia:

That sections ten, twelve-b and 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, all to read as follows:

ARTICLE 23. HORSE AND DOG RACING.

§19-23-10. Daily license tax; pari-mutuel pools tax; how taxes paid; alternate tax; credits.

1 (a) Any racing association conducting thoroughbred
2 racing at any horse racetrack in this state shall pay each
3 day upon which horse races are run a daily license tax
4 of two hundred fifty dollars. Any racing association
5 conducting harness racing at any horse racetrack in this
6 state shall pay each day upon which horse races are run
7 a daily license tax of one hundred fifty dollars. Any
8 racing association conducting dog races shall pay each
9 day upon which dog races are run a daily license tax
10 of one hundred fifty dollars. In the event thoroughbred
11 racing, harness racing, dog racing, or any combination
12 of the foregoing are conducted on the same day at the
13 same racetrack by the same racing association, only one
14 daily license tax in the amount of two hundred fifty
15 dollars shall be paid for that day. Any daily license tax
16 shall not apply to any local, county or state fair, horse
17 show or agricultural or livestock exposition at which
18 horse racing is conducted for not more than six days.

19 (b) Any racing association licensed by the racing
20 commission to conduct thoroughbred racing and permit-
21 ting and conducting pari-mutuel wagering under the
22 provisions of this article shall, in addition to the daily
23 license tax set forth in subsection (a) of this section, pay
24 to the racing commission, from the commission deducted
25 each day by the licensee from the pari-mutuel pools on
26 thoroughbred racing a tax calculated on the total daily
27 contribution of all pari-mutuel pools conducted or made
28 at any and every thoroughbred race meeting of the
29 licensee licensed under the provisions of this article. The
30 tax, on the pari-mutuel pools conducted or made each
31 day during the months of January, February, March,
32 October, November and December shall from the
33 effective date of this section and for fiscal year one
34 thousand nine hundred eighty-five, be calculated at two
35 and six-tenths percent; for fiscal year one thousand nine
36 hundred eighty-six, be calculated at two and three-
37 tenths percent; for fiscal year one thousand nine
38 hundred eighty-seven, be calculated at two percent of

39 the pool; for fiscal year one thousand nine hundred
40 eighty-eight, be calculated at one and one-half percent;
41 for fiscal year one thousand nine hundred eighty-nine,
42 be calculated at one percent of the pool; for fiscal year
43 one thousand nine hundred ninety, seven-tenths of one
44 percent, and for fiscal year one thousand nine hundred
45 ninety-one and each fiscal year thereafter be calculated
46 at four-tenths of one percent of the pool; and, on the pari-
47 mutuel pools conducted or made each day during all
48 other months, shall from the effective date of this section
49 and for fiscal year one thousand nine hundred eighty-
50 five, be calculated at three and six-tenths percent; for
51 fiscal year one thousand nine hundred eighty-six, be
52 calculated at three and three-tenths percent; for fiscal
53 year one thousand nine hundred eighty-seven, be
54 calculated at three percent of the pool; for fiscal year
55 one thousand nine hundred eighty-eight, be calculated
56 at two and one-half percent; for fiscal year one thousand
57 nine hundred eighty-nine, be calculated at two percent
58 of the pool; for fiscal year one thousand nine hundred
59 ninety, be calculated at one and seven-tenths percent of
60 the pool; and for fiscal year one thousand nine hundred
61 ninety-one and each fiscal year thereafter, be calculated
62 at one and four-tenths percent of the pool: *Provided*,
63 That out of the amount realized from the three-tenths
64 of one percent decrease in the tax effective for fiscal
65 year one thousand nine hundred ninety-one and thereaf-
66 ter, which decrease correspondingly increases the
67 amount of commission retained by the licensee, the
68 licensee shall annually expend or dedicate (i) one-half of
69 the realized amount for capital improvements in its
70 barn area at the track, subject to the racing commis-
71 sion's prior approval of the plans for the improvements,
72 and (ii) the remaining one-half of the realized amount
73 for capital improvements as the licensee may determine
74 appropriate at the track. The term "capital improve-
75 ment" shall be as defined by the Internal Revenue Code:
76 *Provided, however*, That any racing association operat-
77 ing a horse racetrack in this state having an average
78 daily pari-mutuel pool on horse racing of two hundred
79 eighty thousand dollars or less per day for the race
80 meetings of the preceding calendar year shall, in lieu

81 of payment of the pari-mutuel pool tax, calculated as in
82 this subsection, be permitted to conduct pari-mutuel
83 wagering at the horse racetrack on the basis of a daily
84 pari-mutuel pool tax fixed as follows: On the daily pari-
85 mutuel pool not exceeding three hundred thousand
86 dollars the daily pari-mutuel pool tax shall be one
87 thousand dollars plus the otherwise applicable percen-
88 tage rate imposed by this subsection of the daily pari-
89 mutuel pool, if any, in excess of three hundred thousand
90 dollars: *Provided further*, That upon the effective date
91 of the reduction of the daily pari-mutuel pool tax to one
92 thousand dollars from the former two thousand dollars,
93 the association or licensee shall daily deposit five
94 hundred dollars into the special fund for regular purses
95 established by subdivision one, subsection (b), section
96 nine of this article: *And provided further*, That if an
97 association or licensee qualifying for the foregoing
98 alternate tax conducts more than one racing perfor-
99 mance, each consisting of up to ten races in a calendar
100 day, the association or licensee shall pay both the daily
101 license tax imposed in subsection (a) of this section and
102 the alternate tax in this subsection for each perfor-
103 mance: *And provided further*, That a licensee qualifying
104 for the foregoing alternate tax is excluded from
105 participation in the fund established by section thirteen-
106 b of this article: *And provided further*, That this
107 exclusion shall not apply to any thoroughbred race track
108 at which the licensee has participated in the West
109 Virginia thoroughbred development fund for more than
110 four consecutive years prior to the thirty-first day of
111 December, one thousand nine hundred ninety-two.

112 (c) Any racing association licensed by the racing
113 commission to conduct harness racing and permitting
114 and conducting pari-mutuel wagering under the provi-
115 sions of this article shall, in addition to the daily license
116 tax required under subsection (a) of this section, pay to
117 the racing commission, from the commission deducted
118 each day by the licensee from the pari-mutuel pools on
119 harness racing, as a tax, three percent of the first one
120 hundred thousand dollars wagered, or any part thereof;
121 four percent of the next one hundred fifty thousand
122 dollars; and five and three-fourths percent of all over

123 that amount wagered each day in all pari-mutuel pools
124 conducted or made at any and every harness race
125 meeting of the licensee licensed under the provisions of
126 this article.

127 (d) Any racing association licensed by the racing
128 commission to conduct dog racing and permitting and
129 conducting pari-mutuel wagering under the provisions
130 of this article shall, in addition to the daily license tax
131 required under subsection (a) of this section, pay to the
132 racing commission, from the commission deducted each
133 day by the licensee from the pari-mutuel pools on dog
134 racing, as a tax, four percent of the first fifty thousand
135 dollars or any part thereof of the pari-mutuel pools, five
136 percent of the next fifty thousand dollars of the pari-
137 mutuel pools, six percent of the next one hundred
138 thousand dollars of the pari-mutuel pools, seven percent
139 of the next one hundred fifty thousand dollars of the
140 pari-mutuel pools, and eight percent of all over three
141 hundred fifty thousand dollars wagered each day:
142 *Provided*, That the licensee shall deduct daily from the
143 pari-mutuel tax an amount equal to one-tenth of one
144 percent of the daily pari-mutuel pools in dog racing in
145 fiscal year one thousand nine hundred ninety; fifteen
146 hundredths of one percent in fiscal year one thousand nine
147 hundred ninety-one; two-tenths of one percent in fiscal
148 year one thousand nine hundred ninety-two; one quarter
149 of one percent in fiscal year one thousand nine hundred
150 ninety-three; and three-tenths of one percent in fiscal
151 year one thousand nine hundred ninety-four and every
152 fiscal year thereafter. The amounts deducted shall be
153 paid to the racing commission to be deposited by the
154 racing commission in a banking institution of its choice
155 in a special account to be known as "West Virginia
156 Racing Commission-Special Account-West Virginia
157 greyhound breeding development fund." The purpose of
158 the fund is to promote better breeding and racing of
159 greyhounds in the state through awards and purses for
160 accredited West Virginia whelped greyhounds. The
161 moneys shall be expended by the racing commission for
162 purses for stake races, supplemental purse awards,
163 administration, promotion and educational programs
164 involving West Virginia whelped dogs, under rules and

165 regulations promulgated by the racing commission. The
166 racing commission shall pay out of the greyhound
167 breeding development fund to each of the licensed dog
168 racing tracks the sum of seventy-five thousand dollars
169 for the fiscal year ending the thirtieth day of June, one
170 thousand nine hundred ninety-four. The licensee shall
171 deposit the sum into the special fund for regular purses
172 established under the provisions of section nine of this
173 article. The funds shall be expended solely for the
174 purpose of supplementing regular purses under rules
175 and regulations promulgated by the racing commission.

176 Supplemental purse awards will be distributed as
177 follows: Supplemental purses shall be paid directly to
178 the owner of an accredited greyhound or, if the
179 greyhound is leased, the owner may choose to designate
180 a percentage of the purse earned directly to the lessor
181 as agreed to via a written purse distribution form on file
182 with the racing commission.

183 The owner of accredited West Virginia whelped
184 greyhounds that earn a purse at any West Virginia meet
185 will receive a bonus award calculated at the end of each
186 month as a percentage of the fund dedicated to the
187 owners as purse supplements, which shall be a min-
188 imum of fifty percent of the total monies deposited into
189 the West Virginia greyhound breeding development
190 fund monthly.

191 The total amount of the fund available for the owners'
192 awards shall be distributed according to the ratio of
193 purses earned by an accredited greyhound to the total
194 amount earned in races by all accredited West Virginia
195 whelped greyhounds for that month as a percentage of
196 the funds dedicated to the owners' purse supplements.

197 The owner of an accredited West Virginia whelped
198 greyhound shall file a purse distribution form with the
199 racing commission for a percentage of his or her dog's
200 earnings to be paid directly to the lessor of the
201 greyhound. Distribution shall be made on the fifteenth
202 day of each month for the preceding month's
203 achievements.

204 In no event shall purses earned at a meet held at a

205 track which did not make contributions to the West
206 Virginia Greyhound Breeder's Development Fund out of
207 the daily pool on the day the meet was held qualify or
208 count toward eligibility for supplemental purse awards.

209 Any balance in the purse supplement funds after all
210 distributions have been made for the year revert to the
211 general account of the fund for distribution in the
212 following year.

213 In an effort to further promote the breeding of quality
214 West Virginia whelped greyhounds, a bonus purse
215 supplement shall be established in the amount of fifty
216 thousand dollars per annum, to be paid in equal
217 quarterly installments of twelve thousand five hundred
218 dollars per quarter using the same method to calculate
219 and distribute these funds as the regular supplemental
220 purse awards. This bonus purse supplement is for three
221 years only, commencing on the first day of July, one
222 thousand nine hundred ninety-three and ending the
223 thirtieth day of June, one thousand nine hundred ninety-
224 six. This money would come from the current existing
225 balance in the Greyhound Development Fund.

226 Each pari-mutuel greyhound track shall provide
227 stakes races for accredited West Virginia whelped
228 greyhounds: *Provided*, That each pari-mutuel track
229 shall have one juvenile and one open stake race annually.
230 The racing commission shall oversee and approve racing
231 schedules and purse amounts.

232 Ten percent of the deposits into the greyhound
233 breeding development fund beginning the first day of
234 July, one thousand nine hundred ninety-three and
235 continuing each year thereafter, shall be withheld by the
236 racing commission and placed in a special revenue
237 account hereby created in the state treasury called the
238 "administration, promotion and educational account".
239 The racing commission is authorized to expend the
240 moneys deposited in the administration, promotion and
241 educational account at such times and in such amounts
242 as the commission determines to be necessary for
243 purposes of administering and promoting the greyhound
244 development program: *Provided*, That beginning with

245 fiscal year one thousand nine hundred ninety-five and
246 in each fiscal year thereafter in which the commission
247 anticipates spending any money from the account, the
248 commission shall submit to the executive department
249 during the budget preparation period prior to the
250 Legislature convening before that fiscal year for
251 inclusion in the executive budget document and budget
252 bill, the recommended expenditures, as well as requests
253 of appropriations for the purpose of administration,
254 promotion and education. The commission shall make an
255 annual report to the Legislature on the status of the
256 administration, promotion and education account,
257 including the previous year's expenditures and projected
258 expenditures for the next year.

259 The racing commission, for the fiscal year one
260 thousand nine hundred ninety-four only, may expend up
261 to thirty-five thousand dollars from the West Virginia
262 greyhound breeding development fund to accomplish
263 the purposes of this section without strictly following the
264 requirements in the previous paragraph.

265 (e) All daily license and pari-mutuel pools tax
266 payments required under the provisions of this section
267 shall be made to the racing commission or its agent after
268 the last race of each day of each horse or dog race
269 meeting, and the pari-mutuel pools tax payments shall
270 be made from all contributions to all pari-mutuel pools
271 to each and every race of the day.

272 (f) Every association or licensee subject to the
273 provisions of this article, including the changed provi-
274 sions of sections nine and ten of this article, shall
275 annually submit to the racing commission and the
276 Legislature financial statements, including a balance
277 sheet, income statement, statement of change in finan-
278 cial position and an audit of any electronic data system
279 used for pari-mutuel tickets and betting, prepared in
280 accordance with generally accepted auditing standards,
281 as certified by an experienced public accountant or a
282 certified public accountant.

**§19-23-12b. Televised racing days; merging of pari-
mutuel wagering pools.**

1 (a) For the purposes of this section:

2 (1) "Televised racing day" means a calendar day,
3 assigned by the commission, at a licensed racetrack on
4 which pari-mutuel betting is conducted on horse or dog
5 races run at racetracks outside of the state which are
6 broadcast by television at a licensed racetrack and
7 which day or days have had the prior written approval
8 of the representative of the majority of the owners and
9 trainers who hold permits required by section two of
10 this article; and

11 (2) "Host racing association" means any person who,
12 pursuant to a license or other permission granted by the
13 host state, conducts the horse or dog race subject to the
14 interstate wager.

15 (b) A licensee conducting not less than two hundred
16 twenty live racing dates for each horse or dog race
17 meeting may, with the prior approval of the state racing
18 commission, contract with any legal wagering entity in
19 any other state to receive telecasts and accept wagers
20 on races conducted by the legal wagering entity:
21 *Provided*, That at those thoroughbred racetracks
22 participating in the West Virginia Thoroughbred
23 Development Fund authorized by section thirteen-b of
24 this article, the licensee, in applying for racing dates,
25 shall apply for not less than two hundred twenty live
26 racing dates for each horse race meeting. If, thereafter,
27 for reasons beyond the licensee's control, the licensee
28 concludes that this number of racing days cannot be
29 attained, the licensee may file a request with the racing
30 commission to reduce the authorized live racing days.
31 Upon receipt of the request the racing commission shall
32 within seventy-two hours of the receipt of the request
33 notify the licensee and the representative of a majority
34 of the owners and trainers at the requesting track that
35 such request has been received and that if no objection
36 to the request is received within ten days of the
37 notification the request will be approved. If an objection
38 is received by the commission within the time limits, the
39 commission shall establish a binding arbitration board.
40 The board shall consist of one member appointed by the
41 licensee, one member appointed by the representative of

42 a majority of the owners and trainers at the racetrack
43 and a third member to be selected by the two appointed
44 members. In the event the two members cannot agree
45 on the third member, each member shall submit two
46 names to the racing commission and from those names
47 the racing commission shall appoint the third member
48 of the board. The board shall hear from all parties
49 concerned and thereupon shall make recommendations
50 to the racing commission on the required number of live
51 racing days. The recommendations of the board are
52 final. The telecasts may be received and wagers
53 accepted at any location authorized by the provisions of
54 section twelve-a of this article. The contract must
55 receive the approval of the representative of the
56 majority of the owners and trainers who hold permits
57 required by section two of this article at the receiving
58 racetrack.

59 (c) The commission may allow the licensee to com-
60 mingle its wagering pools with the wagering pools of the
61 host racing association. If the pools are commingled, the
62 wagering at the licensee's racetrack must be on
63 tabulating equipment capable of issuing pari-mutuel
64 tickets and be electronically linked with the equipment
65 at the sending racetrack. Subject to the approval of the
66 commission, the types of betting, licensee commissions
67 and distribution of winnings on pari-mutuel pools of the
68 sending licensee racetrack are those in effect at the
69 licensee racetrack. Breakage for pari-mutuel pools on a
70 televised racing day must be calculated in accordance
71 with the law or rules governing the sending racetrack
72 and must be distributed in a manner agreed to between
73 the licensee and the sending racetrack.

74 (d) The commission may assign televised racing days
75 at any time. When a televised racing day is assigned,
76 the commission shall assign either a steward or an
77 auditor to preside over the televised races at the licensee
78 racetrack.

79 (e) (1) From the licensee commissions authorized by
80 subsection (c) of this section, the licensee shall pay one
81 tenth of one percent of each commission into the general
82 fund of the county, in which the racetrack is located and

83 at which the wagering occurred and there is imposed
84 and the licensee shall pay, for each televised racing day
85 on which the total pari-mutuel pool exceeds one hundred
86 thousand dollars, the greater of either: (i) The total of
87 the daily license tax and the pari-mutuel pools tax
88 required by section ten of this article; or (ii) a daily
89 license tax of one thousand two hundred fifty dollars.
90 For each televised racing day on which the total pari-
91 mutuel pool is one hundred thousand dollars or less, the
92 licensee shall pay a daily license tax of five hundred
93 dollars plus an additional license tax of one hundred
94 dollars for each ten thousand dollars, or part thereof,
95 that the pari-mutuel pool exceeds fifty thousand dollars,
96 but does not exceed one hundred thousand dollars.
97 Payments of the tax imposed by this section are subject
98 to the requirements of subsection (e), section ten of this
99 article.

100 (2) From the license commissions authorized by
101 subsection (c) of this section, after payments are made
102 in accordance with the provisions of subdivision (1) of
103 this subsection, the licensee shall pay, for each televised
104 racing day, one-fourth of one percent of the total pari-
105 mutuel pools for and on behalf of the pari-mutuel clerks.
106 The payment shall be made for and on behalf of the
107 pari-mutuel clerks by making a deposit into a special
108 fund to be established by the racing commission to be
109 used for payment into the pari-mutuel clerks' pension
110 plan.

111 (f) After deducting the tax required by subsection (e)
112 of this section, the amount required to be paid under the
113 terms of the contract with the legal wagering entity of
114 another state and the cost of transmission, the horse
115 racing association shall make a deposit equal to fifty
116 percent of the remainder into the purse fund established
117 under the provisions of subdivision (1), subsection (b),
118 section nine of this article.

119 (g) The provisions of the "Federal Interstate Horser-
120 acing Act of 1978", also known as Public Law 95-515,
121 Section 3001-3007 of Title 15, U.S. Code, as amended,
122 controls in determining the intent of this section.

123 (h) The handle from televised simulcast racing shall
124 not be included in the calculation of "average daily
125 handle" as it is calculated in section ten of this article
126 to determine the alternative daily pari-mutuel pool tax.

PART IX. DISPOSITION OF PERMIT FEES,
REGISTRATION FEES AND FINES.

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

1 The racing commission shall deposit moneys required
2 to be withheld by an association or licensee in subsection
3 (b), section nine of this article in a banking institution
4 of its choice in a special account to be known as "West
5 Virginia Racing Commission Special Account — West
6 Virginia Thoroughbred Development Fund". Notice of
7 the amount, date and place of the deposit shall be given
8 by the racing commission, in writing, to the state
9 treasurer. The purpose of the fund is to promote better
10 breeding and racing of thoroughbred horses in the state
11 through awards and purses for accredited breed-
12 ers/raisers, sire owners and thoroughbred race horse
13 owners. A further objective of the fund is to aid in the
14 rejuvenation and development of the present horse
15 tracks now operating in West Virginia for capital
16 improvements, operations or increased purses between
17 the first day of July, one thousand nine hundred eighty-
18 four, and the thirty-first day of October, one thousand
19 nine hundred ninety-two: *Provided*, That five percent of
20 the deposits required to be withheld by an association
21 or licensee in subsection (b), section nine of this article
22 shall be placed in a special revenue account hereby
23 created in the state treasury called the "administration
24 and promotion account". The racing commission is
25 authorized to expend the moneys deposited in the
26 administration and promotion account at such times and
27 in such amounts as the commission determines to be
28 necessary for purposes of administering and promoting
29 the thoroughbred development program: *Provided*,
30 *however*, That during any fiscal year in which the
31 commission anticipates spending any money from the
32 account, the commission shall submit to the executive

33 department during the budget preparation period prior
34 to the Legislature convening before that fiscal year for
35 inclusion in the executive budget document and budget
36 bill the recommended expenditures, as well as requests
37 of appropriations for the purpose of administration and
38 promotion of the program. The commission shall make
39 an annual report to the Legislature on the status of the
40 administration and promotion account, including the
41 previous year's expenditures and projected expenditures
42 for the next year.

43 The funds shall be established immediately and
44 operate on an annual basis.

45 (a) Funds will be expended for awards and purses in
46 the following manner:

47 (i) Fifteen percent of the fund shall be available for
48 distribution for events taking place between the first
49 day of July, one thousand nine hundred eighty-four, and
50 the thirty-first day of December, one thousand nine
51 hundred eighty-five;

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

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

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

64 (v) After the first day of July, one thousand nine
65 hundred ninety-one, and after the thirty-first day of
66 December, one thousand nine hundred ninety-one, and
67 annually thereafter, the first one hundred thousand
68 dollars of the fund shall be available for distribution for
69 a maximum of four stakes races. One of these races shall
70 be the West Virginia futurity and the second shall be
71 the Frank Gall memorial stakes. The remaining races

72 may be chosen by the committee set forth in subsection
73 (b) of this section.

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

75 (i) The breeders/raisers of accredited thoroughbred
76 horses that earn a purse at any West Virginia meet will
77 receive a bonus award calculated at the end of the year
78 as a percentage of the fund dedicated to the breed-
79 ers/raisers, which shall be sixty percent of the fund
80 available for distribution in any one year. The total
81 amount available for the breeders'/raisers' awards shall
82 be distributed according to the ratio of purses earned
83 by an accredited race horse to the total amount earned
84 in the races by all accredited race horses for that year
85 as a percentage of the fund dedicated to the breed-
86 ers/raisers. However, no breeder/raiser may receive
87 from the fund dedicated to breeders'/raisers' awards an
88 amount in excess of the earnings of the accredited horse
89 at West Virginia meets. In addition, should a horse's
90 breeder and raiser qualify for the same award on the
91 same horse, they will each be awarded one half of the
92 proceeds. Of the funds available for distribution in any
93 one year to breeders/raisers, neither the breeders as a
94 group nor the raisers as a group shall, until the first day
95 of January, one thousand nine hundred ninety-four,
96 qualify for more than sixty and one-tenth percent of the
97 funds. The bonus referred to in this subdivision shall
98 only be paid on the first one hundred thousand dollars
99 of any purse, and not on any amounts in excess thereof.

100 (ii) The owner of a West Virginia sire of an accredited
101 thoroughbred horse that earns a purse in any race at
102 a West Virginia meet will receive a bonus award
103 calculated at the end of the year as a percentage of the
104 fund dedicated to sire owners, which shall be fifteen
105 percent of the fund available for distribution in any one
106 year. The total amount available for the sire owners'
107 awards shall be distributed according to the ratio purses
108 earned by the progeny of accredited West Virginia
109 stallions in the races for a particular stallion to the total
110 purses earned by the progeny of all accredited West
111 Virginia stallions in the races. However, no sire owner
112 may receive from the fund dedicated to sire owners an

113 amount in excess of thirty-five percent of the accredited
114 earnings for each sire. The bonus referred to in this
115 subdivision shall only be paid on the first one hundred
116 thousand dollars of any purse, and not on any amounts
117 in excess thereof.

118 (iii) The owner of an accredited thoroughbred horse
119 that earns a purse in any race at a West Virginia meet
120 will receive a restricted purse supplement award
121 calculated at the end of the year, which shall be twenty-
122 five percent of the fund available for distribution in any
123 one year, based on the ratio of the earnings in the races
124 of a particular race horse to the total amount earned by
125 all accredited race horses in the races during that year
126 as a percentage of the fund dedicated to purse supple-
127 ments. However, the owners may not receive from the
128 fund dedicated to purse supplements an amount in
129 excess of thirty-five percent of the total accredited
130 earnings for each accredited race horse. The bonus
131 referred to in this subdivision shall only be paid on the
132 first one hundred thousand dollars of any purse, and not
133 on any amounts in excess thereof.

134 (iv) In no event shall purses earned at a meet held at
135 a track which did not make a contribution to the
136 thoroughbred development fund out of the daily pool on
137 the day the meet was held qualify or count toward
138 eligibility for an award under this section.

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

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

147 (c) The remainder, if any, of the fund that is not
148 available for distribution in the program provided for
149 in this subsection in any one year is reserved for regular
150 purses, marketing expenses and for capital improve-
151 ments in the amounts and under the conditions provided
152 in this subsection. Fifty percent of the remainder shall

153 be reserved for payments into the regular purse fund
154 established in subsection (b), section nine of this article.
155 Up to five hundred thousand dollars per year shall be
156 available for: (1) Capital improvements at the eligible
157 licensed horse racing tracks in the state; and (2)
158 marketing and advertising programs above and beyond
159 two hundred fifty thousand dollars for the eligible
160 licensed horse racing tracks in the state: *Provided*, That
161 moneys shall be expended for capital improvements or
162 marketing and advertising purposes as described in this
163 subsection only in accordance with a plan filed with and
164 receiving the prior approval of the racing commission,
165 and on a basis of fifty percent participation by the
166 licensee and fifty percent participation by moneys from
167 the fund, in the total cost of approved projects: *Provided*,
168 *however*, That funds approved for one track may not be
169 used at another track unless the first track ceases to
170 operate or is viewed by the commission as unworthy of
171 additional investment due to financial or ethical reasons.

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

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

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

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

187 (iv) From the first day of January, one thousand nine
188 hundred eighty-seven, to the thirty-first day of De-
189 cember, one thousand nine hundred eighty-seven — one
190 restricted race per five racing days;

191 (v) From the first day of January, one thousand nine

192 hundred eighty-eight, to the thirty-first day of De-
193 cember, one thousand nine hundred eighty-eight — one
194 restricted race per four racing days;

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

199 The restricted races established in this subsection
200 shall be administered by a three-member committee
201 consisting of: (A) The racing secretary; (B) a member
202 appointed by the authorized representative of a majority
203 of the owners and trainers at the thoroughbred track;
204 and (C) a member appointed by a majority of the
205 thoroughbred breeders. The purses shall be twenty
206 percent larger than the purses for similar type races at
207 each track. Restricted races shall be funded by each
208 racing association from:

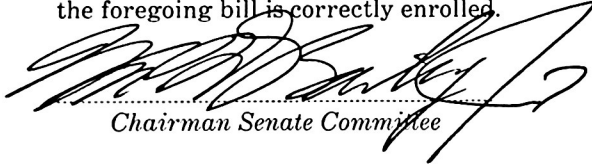
209 (1) Moneys placed in the general purse fund up to a
210 maximum of one hundred fifty thousand dollars per
211 year.

212 (2) Moneys as provided in subdivision (v), subsection
213 (b) of this section shall be placed in a special fund called
214 the "West Virginia accredited race fund". The racing
215 schedules, purse amounts and types of races are subject
216 to the approval of the West Virginia racing commission.

217 (e) No association or licensee qualifying for the
218 alternate tax provision of subsection (b), section ten of
219 this article is eligible for participation in any of the
220 provisions of this section: *Provided*, That the provisions
221 of this subsection shall not apply to a thoroughbred race
222 track at which the licensee has participated in the West
223 Virginia thoroughbred development fund for a period of
224 more than four consecutive calendar years prior to the
225 thirty-first day of December, one thousand nine hundred
226 ninety-two.

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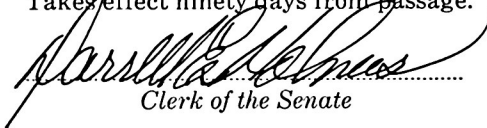
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

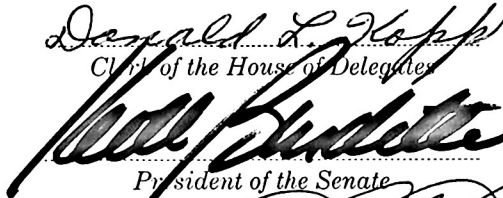

.....
Chairman Senate Committee

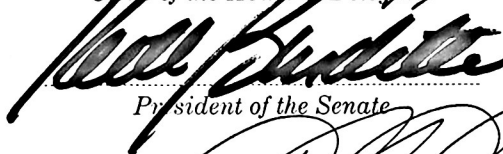

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Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.



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Clerk of the Senate


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Clerk of the House of Delegates


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President of the Senate


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Speaker of the House of Delegates

The within is approved this the 12th
day of May, 1993.


.....
Governor

PRESENTED TO THE

GOVERNOR

Date 4/27/93

Time 2:05pm