

## 811 KAR 2:190. Kentucky Quarter Horse, Appaloosa, and Arabian Development Fund.

RELATES TO: KRS 230.215, 230.225, 230.443, 230.445

STATUTORY AUTHORITY: KRS 230.215, 230.260, 230.445

NECESSITY, FUNCTION AND CONFORMITY: KRS 230.215 and 230.260 authorize the commission to promulgate administrative regulations prescribing the conditions under which horse racing shall be conducted in Kentucky. KRS 230.445 establishes the Kentucky Quarter Horse, Appaloosa, and Arabian Development Fund and requires the commission to promulgate administrative regulations to carry out the purpose of the statute and to administer the development fund in a manner to promote and aid in the development of the horse industry in Kentucky; upgrade the quality of racing in Kentucky; and to improve the quality of horses bred in Kentucky. This administrative regulation establishes eligibility standards, administrative practices to enforce the standards, and the administration of purses and payments in these races.

Section 1. Definitions. (1) "Donor mare" means the mare from which an embryo is harvested for the purpose of performing an embryo transfer.

(2) "Kentucky bred" means a horse that meets the other requirements of this administrative regulation and is:

(a) A quarter horse or appaloosa, whose sire is a quarter horse, appaloosa, or thoroughbred currently registered with the KQHAADF;

(b) A quarter horse or appaloosa whose dam is a quarter horse, appaloosa, or thoroughbred currently registered with the KQHAADF; or

(c) An Arabian whose sire and dam are Arabians currently registered with the KQHAADF.

(3) "Kentucky Quarter Horse, Appaloosa, and Arabian Development Fund" or "KQHAADF" means the trust and revolving fund established by KRS 230.445.

(4) "Kentucky Quarter Horse Racing Association Stallion Auction" means the auction of stallion seasons offered by the Kentucky Quarter Horse Racing Association.

Section 2. Advisory Committee. (1) The proposed distribution of money for KQHAADF funded races shall be reviewed and addressed annually, not later than December 31 of each calendar year, by an advisory committee consisting of at least one (1) representative of each of the following:

(a) The racing commission;

(b) The licensed racing associations in Kentucky that host quarter horse, appaloosa, or Arabian racing;

(c) The owner of a stallion registered with the KQHAADF, that resides in Kentucky;

(d) The owner of a mare registered with the KQHAADF, that resides in Kentucky; and

(e) One member of the Kentucky Quarter Horse Racing Association that resides in Kentucky, selected by that organization's board of directors.

(2) The final determination regarding the distribution of money from the KQHAADF shall be made by the commission.

Section 3. Stallion Eligibility. (1) In order for a stallion's progeny to be eligible to earn KQHAADF money, the stallion shall be registered with the KQHAADF on or before December 31 of the year prior to the breeding year.

(2) In order to be eligible to be registered with the KQHAADF, a stallion shall:

(a) Be domiciled in Kentucky continuously from its first cover of the breeding season until its last cover of the breeding season; or

(b) Have a breeding season purchased through the Kentucky Quarter Horse Racing Association Stallion Auction.

(3) If a KQHAADF registered stallion leaves Kentucky to breed a mare, his registration for that year shall be revoked and his progeny shall not be eligible to register with the KQHAADF.

(4) A stallion shall be registered with the KQHAADF by:

(a) Completing and filing with the commission a Quarter Horse/Appaloosa/ Arabian Stallion Registration, KHRC 190-1 (5/11); and

(b) Paying a registration fee of \$100.

Section 4. Broodmare Eligibility. (1) In order for a broodmare's progeny to be eligible to earn KQHAADF money, the broodmare shall be registered with the KQHAADF on or before December 31 of the year prior to the breeding year.

(2) In order to be eligible to be registered with the KQHAADF, a broodmare shall be domiciled in Kentucky continuously from December 31 of the year prior to the breeding year until delivery of her foal.

(3) A broodmare shall be registered with the KQHAADF by:

(a) Completing and filing with the commission a Quarter Horse/Appaloosa/Arabian Broodmare Registration, KHRC 190-2 (2/11); and

(b) Paying a registration fee of twenty-five (25) dollars.

(4) Broodmares that have competed in a race during the breeding year and are registered with the Kentucky Quarter Horse Racing Association as racing stock shall be registered as breeding stock prior to being bred. The registration shall be accompanied by a registration fee of twenty-five (25) dollars.

Section 5. Racing Stock Nomination. (1) Except as set forth in subsection (3) of this section, in order for racing stock to be eligible to earn KQHAADF money, it shall be nominated to the KQHAADF on or before December 31 of its three (3) year-old year by:

(a) Completing and filing with the commission a Quarter Horse/Appaloosa/Arabian Racing Stock Nomination, KHRC 190-3 (2/11); and

(b) Paying a nomination fee of twenty-five (25) dollars if nominating as a weanling, fifty (50) dollars if nominating as a yearling, or \$100 if nominating as a two (2) or three (3) year-old.

(2) Foals that are the product of an embryo transfer may be nominated to the KQHAADF if the recipient mare is domiciled in Kentucky as set forth in Section 4 of this administrative regulation. If a donor mare produces more than one (1) foal in a breeding season, only the first born foal may be nominated to the KQHAADF.

(3) Until December 31, 2012, racing stock of any age shall be eligible to be nominated to the KQHAADF and to participate in races, a part of the purse for which is provided by money from the KQHAADF. A horse shall be nominated by:

(a) Completing and filing with the commission a Quarter Horse/Appaloosa/Arabian Racing Stock Nomination, KHRC 190-3 (2/11);

(b) Paying a nomination fee of fifty (50) dollars; and

(c) Including the following with the nomination:

1. DNA parentage verification;

2. Registration papers showing ownership and demonstrating that the horse was foaled in Kentucky;

3. An American Quarter Horse Association shipped semen report or a stallion breeders certificate demonstrating that the horse was bred in Kentucky; and

4. Mare pregnancy verification and care records from a licensed veterinarian showing that the dam was domiciled in Kentucky during the entirety of her pregnancy.

Section 6. Kentucky Quarter Horse Racing Association Stallion Auction. (1) A stallion not domiciled in Kentucky continuously from its first cover of the breeding season until its last cover of the breeding season shall become eligible to be registered with the KQHAADF if its ownership donates one (1) breeding season to the Kentucky Quarter Horse Racing Association Stallion Auction and that breeding season is sold at the auction. The eligibility shall pertain only to the year in which the breeding season is donated.

(2) A breeding season shall bring no less than fifty (50) percent of its advertised value in order to sell at the stallion auction.

(3) Any foal that is the result of breeding an eligible mare with a stallion that had a breeding season purchased through the Kentucky Quarter Horse Racing Association Stallion Auction Program shall be eligible to be nominated to the KQHAADF, if all other criteria described in this administrative regulation are satisfied.

Section 7. Compliance. (1) The commission shall be the official registrar for the KQHAADF.

(2) Questions as to eligibility, registration, nomination, or breeding of a Kentucky bred horse shall be decided exclusively by the commission.

(3) The commission may demand and inspect the records pertaining to any horse registered with or nominated to the KQHAADF and may conduct on-site visits to verify the domicile of the horse.

(4) Any person who knowingly fails to disclose or knowingly falsifies any information required in the registration process for the KQHAADF may be disqualified and excluded from participation in the fund.

Section 8. Distribution of Funds. (1) At least forty-five (45) days prior to the opening day of the live racing meet, each association offering quarter horse, appaloosa, or Arabian racing shall submit to the advisory committee established by Section 2 of this administrative regulation:

(a) The conditions and rules for KQHAADF funded races for the upcoming year; and

(b) A plan for the distribution of funds for KQHAADF funded races for the upcoming year.

(2) The advisory committee shall review the proposed conditions, rules, and plan for distribution of funds for KQHAADF funded races and make a recommendation to the commission regarding approval based upon the best interests of Kentucky racing.

(3) At one (1) of its scheduled meetings, the commission shall, based upon the advice of the advisory committee:

(a) Approve the conditions and rules for the KQHAADF funded races;

(b) Approve the distribution of funds for KQHAADF funded races for the upcoming year; and

(c) Authorize expenditures at a time it designates.

(4) The racing dates for KQHAADF funded races shall be issued after the track has established its race dates.

Section 9. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) "Quarter Horse/Appaloosa/Arabian Stallion Registration", KHRC 190-1, 2/11;

(b) "Quarter Horse/Appaloosa/Arabian Broodmare Registration", KHRC 190-2, 5/11; and

(c) "Quarter Horse/Appaloosa/Arabian Racing Stock Nomination", KHRC 190-3, 2/11.

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