# LEGISLATIVE FISCAL OFFICE
## Fiscal Note

HORSE RACING                          EG NO IMPACT SG EX See Note                          Page 1 of  1
Provides relative to certain horse racing funds, purses and breeders' awards. (8/15/11)

Current law provides for legislative appropriation of the monies for breeder awards directly to the respective breeder associations, rather through an appropriation to the Racing Commission. These awards are financed from portions of the gross pari-mutuel wagering handle, collected and administered by the Racing Commission for the benefit of the breeder associations, and ultimately the individual horse breeders. Prior to the current fiscal year (FY11), these awards have been provided through an appropriation to the Racing Commission. The administration of the awards has been unchanged.

Proposed law calls for breeder awards to be paid through the Racing Commission to the respective thoroughbred and quarter horse breeder associations, as had been the case prior to the current fiscal year (FY11). The administration of the awards will remain unchanged, but the appropriation authority will be returned to the way it has been up until FY11.

| EXPENDITURES | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 5 -YEAR TOTAL |
|---|---|---|---|---|---|---|
| State Gen. Fd. | $0 | $0 | $0 | $0 | $0 | $0 |
| Agy. Self-Gen. | $0 | $0 | $0 | $0 | $0 | $0 |
| Ded./Other | $0 | $0 | $0 | $0 | $0 | $0 |
| Federal Funds | $0 | $0 | $0 | $0 | $0 | $0 |
| Local Funds | $0 | $0 | $0 | $0 | $0 | $0 |
| **Annual Total** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| **REVENUES** | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **5 -YEAR TOTAL** |
| State Gen. Fd. | $0 | $0 | $0 | $0 | $0 | $0 |
| Agy. Self-Gen. | $0 | $0 | $0 | $0 | $0 | $0 |
| Ded./Other | $0 | $0 | $0 | $0 | $0 | $0 |
| Federal Funds | $0 | $0 | $0 | $0 | $0 | $0 |
| Local Funds | $0 | $0 | $0 | $0 | $0 | $0 |
| **Annual Total** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |

**EXPENDITURE EXPLANATION**

The bill does not change the amount of breeder awards ultimately disbursed to breeders through their respective Associations, but only changes the appropriation mechanism that flows these monies to the Associations. Neither this proposed bill nor Act 443 of the 2010 Legislative Session change who the collecting and administering agency is (LA State Racing Commission) for the portions of the gross pari-mutuel wagering handle that finance these breeder awards (self-generated revenue to the Commission's budget). Act 443 resulted in these monies being paid by the State Treasury through Schedule 20 - Other Requirements and not through the Racing Commission's budget. This bill amends the law to provide for the Racing Commission to disburse the funds to the respective Associations, which was the process prior to enactment of Act 443 of the 2010 Regular Legislative Session. The Commission still had to collect and administer the disbursements even after Act 443. The anticipated payment to the respective Associations is approximately $1.8 million.

NOTE: To the extent this legislation is enacted, HB 1 will need to be amended to reflect the funding mechanism as proposed by this legislation. The proposed amendment would decrease self-generated revenue within Schedule 20-945 Other Requirements by approximately $1.7 million and increase self-generated revenue by a like amount within Schedule 01-254, the Racing Commission budget.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.