
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5078 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Representative Sandra Caul

House Committee: Agriculture and Resource Management

Senate Committee: Farming, Agribusiness and Food Systems

CONTENT

The bill would amend the Horse Racing Law to include American Paint horses in provisions that require a person who wants to conduct a race meeting with pari-mutuel wagering to apply for a race meeting license. (Currently, these licensing requirements apply to thoroughbred, standardbred, quarter horse, Appaloosa, and Arabian race meetings.) The bill also would require that certain sums from the Michigan Agriculture Equine Industry Development Fund be paid for American Paint horse programs.

In addition, the bill specifies that a foal born on or after January 1, 2002, of a mare owned by a nonresident of the State that was conceived outside of the State from transported semen of a stallion registered with the Michigan Department of Agriculture (MDA) would be eligible for State tax-supported races if a transport fee were paid, as provided in the bill. Currently, transportation of semen from a standardbred stallion registered with the MDA to a location outside the State does not create eligibility for State tax-supported races, and a foal conceived outside the State by means of semen from a standardbred stallion registered with the MDA is not eligible for State tax-supported races. The bill would delete these provisions.

MCL 431.307 et al.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have no direct fiscal impact on the State. However, the bill would create another program eligible for appropriations from the Agriculture Equine Industry Development Fund; should the bill pass and the Legislature subsequently appropriate funding for Paint horse programs, other horse racing programs would have to be reduced. Fiscal year 1999-2000 Agriculture Equine Industry Development Fund appropriations total \$11,500,000 to support various horse racing programs and regulatory activities.

The addition of Paint horse programs and the authorization for pari-mutuel wagering on these races could increase total wagering at Michigan's seven licensed pari-mutuel race tracks. Increased wagering could result in increased simulcast wagering and therefore the State revenue generated from simulcast wagering. It is unknown how much simulcast wagering would increase.

Date Completed: 5-30-00

Fiscal Analyst: C. Thiel