STATE OF NEW YORK

1442--A

Cal. No. 87

2021-2022 Regular Sessions

IN SENATE

January 12, 2021

Introduced by Sens. ADDABBO, BORRELLO, BROUK, GAUGHRAN, JACKSON, JORDAN, MANNION, MAY, PALUMBO, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the agriculture and markets law, in relation to the prohibition of the slaughter of race horses and race horse breeding stock; to amend the racing, pari-mutuel wagering and breeding law, in relation to requiring race horses to be microchipped; and to amend the tax law, in relation to gifts for thoroughbred and standardbred race horse aftercare

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The agriculture and markets law is amended by adding a new section 382 to read as follows:

§ 382. Prohibition of the slaughter of race horses and race horse breeding stock. 1. Notwithstanding any other provision of law, it shall be unlawful for any person, corporation, association, or other entity to slaughter or have another person, corporation, association, or other entity slaughter a horse for a commercial purpose that such person, corporation, association or other entity knows to have been a race horse or race horse breeding stock.

2. Notwithstanding any other provision of law, it shall be unlawful for any person, corporation, association, or other entity who owns or is in the process of taking ownership of a race horse or race horse breeding stock to import, export, sell, offer to sell or barter, transfer, purchase, possess, transport, deliver, or receive, or direct another person to import, export, sell, offer to sell or barter, transfer,

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD05854-05-1

purchase, possess, transport, deliver, or receive a horse that such person, corporation, association or other entity knows to be a race horse or race horse breeding stock with the intent of slaughtering or having another person, corporation, association, or other entity slaughter such race horse or race horse breeding stock.

3. For the purposes of this section:

(a) "race horse" shall mean:

(i) a thoroughbred horse which meets or ever met the standards to be eligible to race at any track licensed to operate pursuant to article two of the racing, pari-mutuel wagering and breeding law; or

(ii) a standardbred horse which meets or ever met the standards to be eligible to race at any track licensed to operate pursuant to article three of the racing, pari-mutuel wagering and breeding law;

(b) "race horse breeding stock" shall mean: any mare or stallion used, or intended to ever be used, to produce a foal that is intended to be used as a race horse as defined in this subdivision, as well as the foal bred by such a mare or stallion.

(c) "slaughter" shall mean the intentional killing, or having another kill, a race horse or race horse breeding stock, if that person knows that the purpose of such killing is using any part of such race horse or race horse breeding stock for human or animal consumption. Nothing herein shall prohibit a person from lawful disposition of a deceased race horse or race horse breeding stock or any part of such horse or stock.

4. (a) A violation of this section is a misdemeanor punishable by a fine of not more than one thousand dollars per each race horse or race horse breeding stock for an individual person and up to two thousand five hundred dollars per each race horse or race horse breeding stock for a corporation, association or other entity, for the first violation. Any subsequent violation shall be punishable by a fine of up to two thousand dollars per each race horse or race horse breeding stock for an individual person and up to five thousand dollars per each race horse or race horse breeding stock for a corporation, association, or other entity.

(b) A violation of this section will subject any New York state gaming commission license to the provisions of section two hundred twenty or three hundred nine of the racing, pari-mutuel wagering and breeding law.

5. (a) Any and all fines collected pursuant to a violation involving a thoroughbred horse shall be remitted to the New York state thoroughbred breeding and development fund established pursuant to section two hundred fifty-two of the racing, pari-mutuel wagering and breeding law, and shall be deposited by that fund into a dedicated account to be spent by the fund solely for the purpose of the care of retired race horses, consistent with paragraph h of subdivision two of section two hundred fifty-four of the racing, pari-mutuel wagering and breeding law.

(b) Any and all fines collected pursuant to a violation involving a standardbred horse or race horse breeding stock shall be remitted to the agriculture and New York state horse breeding development fund established pursuant to section three hundred thirty of the racing, pari-mutuel wagering and breeding law, and shall be deposited by that fund into a dedicated account, to be spent by the fund solely for the purpose of the care of retired race horses, consistent with paragraph j of subdivision one of section three hundred thirty-two of the racing, pari-mutuel wagering and breeding law.

6. Notwithstanding any other provision of law, each and every owner of a race horse that has competed in New York state on or after January

first, two thousand twenty-two, or any other horse used for breeding purposes in New York state on or after January first, two thousand twenty-two, shall be liable for any violation of this section, unless there is proper documentation of a transfer of ownership, and that transfer must be to a party with no financial or familial relationship to the owner.

7. Legal liability under this section for any race horse shall be limited to the last individual or corporation in the chain of ownership of said horse, as determined by notice to the breed registry as referenced in section two hundred twenty-five of the racing, pari-mutuel wagering and breeding law for that breed or other documentation of ownership. Further, the purchaser or seller of any registered race horse sold by a New York state resident or corporation who is a member of such registry shall be required to provide notification of said sale to the relevant breed registry in order to document ownership and protect previous owners from liability under this section.

8. The commissioner shall develop a program, in cooperation with the gaming commission, New York state thoroughbred breeding and development fund, and the agriculture and New York state horse breeding development fund to disseminate information about the provisions of this section to horse owners, sellers, buyers and transporters including, but not limited to farmers, recreational horse businesses, livestock and horse dealers, horse rescue and aftercare organizations, renderers, animal food producers, and any other organizations or businesses potentially impacted by this section.

§ 2. Section 225 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 243 of the laws of 2020, is amended to read as follows:

§ 225. Registration of race horses. The true name, sex and age, and also the pedigree, unless such pedigree is unknown, of every horse, mare, gelding, colt or filly shall be registered with the jockey club, United States trotting association, American quarter horse association, the national steeplechase and hunt association or such other entity as the commission may designate before it shall be eligible to compete in any race conducted under a license or franchise of the commission and such name shall continue to be its true name unless and until the same shall be changed according to the rules and regulations of such organization. The class to which any such animal belongs for the purpose of the entry or competition in any race shall be determined by the public performance thereof in former contests or trials of speed, as prescribed by the printed rules of the person, association or corporation sponsoring such race. No horse, mare, gelding, colt or filly shall be eligible to compete in any race, unless it is first microchipped and registered with the jockey club, United States trotting association, American quarter horse association, the national steeplechase and hunt association or such other entity, as applicable and as the commission may designate. The commission may request that all microchip information be provided and available to the commission as necessary pursuant to this chapter.

§ 3. Subdivision 3 of section 251 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

3. "New York-bred." A thoroughbred which is registered in the registry designated and administered by such fund in accordance with such rules concerning domicile and registration requirements as may be established by the fund, including that each mare, stallion, and foal be micro-

<u>chipped and registered pursuant to section two hundred twenty-five of this article,</u> and: was on or before December thirty-first, nineteen hundred eighty, foaled in this state; or is on or after January first, nineteen hundred eighty-one, either: (i) sired by a New York stallion and foaled from a mare domiciled in this state; (ii) foaled from a mare domiciled in this state which mare has been serviced back exclusively by a New York stallion in the year of such foaling; or (iii) on or after January first, nineteen hundred ninety-five foaled from a mare domiciled in New York. [~~The fund shall report to the governor and the legislature on or before December fifteenth, nineteen hundred ninety-nine effects of paragraph (iii) of this subdivision on the New York state breeding industry.~~]

§ 4. Subdivision 2 of section 254 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph h to read as follows:

<u>h. An amount as shall be determined by the fund for the care of retired horses, provided, however, such amounts shall be allocated from a dedicated account maintained by the fund supported by the collection of fines assessed pursuant to section three hundred eighty-two of the agriculture and markets law and contributions made pursuant to sections two hundred nine-N and six hundred thirty-i of the tax law, and the fund shall not be required to make any allocations for such purposes that are in excess of the amount collected pursuant to those sections during the preceding year. In making such allocations, the fund shall consider whether the potential recipient organization is an accredited horse retirement and rescue program. The gaming commission shall establish an advisory board to consult the fund when making such allocations with representatives of thoroughbred and standardbred owners and breeders, and animal protection organizations with expertise in the care of retired and rescued horses.</u>

§ 5. Subdivision 1 of section 332 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph j to read as follows:

<u>j. An amount as shall be determined by the fund for the care of retired horses, provided, however, such amounts shall be allocated from a dedicated account to be funded by the collection of fines assessed pursuant to section three hundred eighty-two of the agriculture and markets law. The gaming commission shall establish an advisory board to consult the fund when making such allocations with representatives of thoroughbred and standardbred owners and breeders, and animal protection organizations with expertise in the care of retired and rescued horses.</u>

§ 6. The opening paragraph of subdivision 1 of section 334 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 90 of the laws of 2006, is amended to read as follows:

The fund is further authorized and directed to conduct each year, at the New York state exposition, with the approval of the director of the exposition, or at any licensed pari-mutuel track in New York state, with a preference given to any available licensed pari-mutuel track that is five-eighths of a mile long or larger, colt, stake and overnight events for standardbred horses to provide contests for two year old and three year old colts and fillies at each gait of trotting and pacing. The colt, stake and overnight events so conducted for two year old and three year old colts and fillies at each gait of trotting and pacing hereunder shall be conditioned to admit only those colts and fillies dropped from a mare bred in this state and sired by a stallion owned or leased and permanently standing for service at and within this state at the time of the said foal's conception, provided, however, that such mare, stallion, and foal shall be microchipped with such microchip information which the commission may request be provided and made available pursuant to section two hundred twenty-five of this chapter. Such colt, stake and overnight events shall be opened for nomination not earlier than the first day of January in the year the event is to be held and only colts and fillies and horses complying with the following standards shall be eligible for such nomination:

§ 7. The tax law is amended by adding two new sections 209-N and 209-O to read as follows:

§ 209-N. Retired and rescued thoroughbred race horse aftercare. Effective for any tax year commencing on or after the effective date of this section, a taxpayer in any taxable year may elect to contribute to the New York state thoroughbred breeding and development fund established pursuant to section two hundred fifty-two of the racing, pari-mutuel wagering and breeding law, for the purpose of funding the operation of retired race horse aftercare facilities. Any contributions made to the thoroughbred breeding and development fund pursuant to this section shall be deposited into a dedicated account managed by the fund, which shall solely be used for funding the operation of retired race horse aftercare facilities, with a preference for those organizations that are accredited horse retirement and rescue programs. Such contribution shall be in any whole dollar amount and shall not reduce the amount of the state tax owed by such taxpayer. The commissioner shall include space on the corporate income tax return to enable a taxpayer to make such contribution. Notwithstanding any other provision of law, all revenues collected pursuant to this section shall be credited to the New York state thoroughbred retirement race horse and aftercare fund and shall be used only for those purposes set forth in paragraph h of subdivision two of section two hundred fifty-four of the racing, pari-mutuel wagering and breeding law.

§ 209-O. Retired and rescued standardbred race horse aftercare. Effective for any tax year commencing on or after the effective date of this section, a taxpayer in any taxable year may elect to contribute to the agriculture and New York horse breeding and development fund established pursuant to section three hundred thirty of the racing, pari-mutuel wagering and breeding law, for the purpose of funding the operation of retired race horse aftercare facilities. Any contributions made to the agriculture and New York state horse breeding development fund pursuant to this section shall be deposited into a dedicated account managed by the fund, which shall solely be used for funding the operation of retired race horse aftercare facilities, with a preference for those organizations that are accredited horse retirement and rescue programs. Such contribution shall be in any whole dollar amount and shall not reduce the amount of the state tax owed by such taxpayer. The commissioner shall include space on the personal income tax return to enable a taxpayer to make such contribution. Notwithstanding any other provision of law, all revenues collected pursuant to this section shall be credited to the New York state standardbred retirement race horse and aftercare fund and shall be used only for those purposes enumerated in paragraph j of subdivision one of section three hundred thirty-two of the racing, pari-mutuel wagering and breeding law.

§ 8. The tax law is amended by adding two new sections 630-i and 630-j to read as follows:

§ 630-i. Gifts for thoroughbred aftercare. Effective for any tax year commencing on or after the effective date of this section, a taxpayer in any taxable year may elect to contribute to the New York state thoroughbred breeding and development fund established pursuant to section two hundred fifty-two of the racing, pari-mutuel wagering and breeding law, for the purpose of funding the operation of retired race horse aftercare facilities. Any contributions made to the thoroughbred breeding and development fund pursuant to this section shall be deposited into a dedicated account managed by the fund, which shall solely be used for funding the operation of retired race horse aftercare facilities, with a preference for those organizations that are accredited horse retirement and rescue programs. Such contribution shall be in any whole dollar amount and shall not reduce the amount of the state tax owed by such taxpayer. The commissioner shall include space on the personal income tax return to enable a taxpayer to make such contribution. Notwithstanding any other provision of law, all revenues collected pursuant to this section shall be credited to the New York state thoroughbred retirement race horse and aftercare fund and shall be used only for those purposes enumerated in paragraph h of subdivision two of section two hundred fifty-four of the racing, pari-mutuel wagering and breeding law.

§ 630-j. Gifts for standardbred aftercare. Effective for any tax year commencing on or after the effective date of this section, a taxpayer in any taxable year may elect to contribute to the agriculture and New York horse breeding and development fund established pursuant to section three hundred thirty of the racing, pari-mutuel wagering and breeding law, for the purpose of funding the operation of retired race horse aftercare facilities. Any contributions made to the agriculture and New York horse breeding and development fund pursuant to this section shall be deposited into a dedicated account managed by the fund, which shall be solely used for funding the operation of retired race horse aftercare facilities, with preference for those organizations that are accredited horse retirement and rescue programs. Such contribution shall be in any whole dollar amount and shall not reduce the amount of the state tax owed by such taxpayer. The commissioner shall include space on the personal income tax return to enable a taxpayer to make such contribution. Notwithstanding any other provision of law, all revenues collected pursuant to this section shall be credited to the New York state standardbred retirement race horse and aftercare fund and shall be used only for those purposes enumerated in paragraph j of subdivision one of section three hundred thirty-two of the racing, pari-mutuel wagering and breeding law.

§ 9. The New York state thoroughbred breeding and development fund and the agriculture and New York state horse breeding development fund shall expend appropriate resources to ensure that the public is made aware of the prohibitions, penalties, and contribution opportunities established by this act.

§ 10. This act shall take effect immediately; provided that sections two, three, six, seven and eight of this act shall take effect January 1, 2022, and shall apply to all fiscal years commencing on and after such date.