

CHAPTER 7895
MINNESOTA RACING COMMISSION
BREEDERS' FUND

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7895.0100 GENERAL PROVISIONS.

Subpart 1. Scope. The purpose of this chapter is to administer the breeders' fund under Minnesota Statutes, section 240.18, and the required race provision of Minnesota Statutes, section 240.29.

Subp. 2. Registration. To qualify for payment of awards and for entry into restricted races, all foal certificates must have the Minnesota registration seal affixed upon them. The seal shall be proof that the requirements of this part have been met.

Subp. 3. Decisions regarding eligibility for registration. Questions regarding the registration, eligibility for registration, or breeding of a Minnesota-bred horse shall be decided by the commission. An official registering agency may be designated by the commission and empowered to act in matters relative to registration, eligibility for registration, or breeding. A decision of the official registering agency shall be subject to review by the commission which retains the right to make the final decision as to any right or liability under this chapter. All original foal registration certificates must be submitted for inspection to the commission or official registering agency. Affidavits or other substantive proof, as the commission or official registering agency deems necessary, may be required to support any claim for Minnesota-bred registration.

Subp. 4. Decision regarding eligibility to enter restricted races. Questions as to the eligibility for nomination or entry in restricted races shall be decided by the commission or the official registering agency.

Subp. 5. Basis for allocation. The amount of money allocated for any particular race should reflect the quality of the race being run.

Subp. 5a. False statements. A person who knowingly makes a false statement in a document or application required to be submitted to the commission under this chapter may be denied participation in the breeders' fund for a period not to exceed five years.

Subp. 6. Breeders' fund advisory committees. All money allocated pursuant to this chapter shall be determined by the commission after consultation with the appropriate breeders' fund advisory committee.

Subp. 6a. Awards and purse supplements forfeited. A person denied participation in the breeders' fund under subpart 5a shall forfeit and return to the commission any awards and purse supplements received based upon the submission of the false statement.

Subp. 7. [Repealed, 12 SR 2393]

Statutory Authority: *MS s 240.18; 240.23; 240.24; 240.29*

History: *10 SR 1908; 11 SR 2201; 13 SR 38*

7895.0110 THOROUGHBRED BREEDERS' FUND.

Subpart 1. Definitions. For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

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A. "Minnesota-foaled" or "Minnesota-bred" means a horse foaled in Minnesota.

B. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, between January 31 and July 31, in Minnesota.

Subp. 2. Division of money. The money available from the breeders' fund for the thoroughbred breed category shall be divided as follows:

A. Thirty-one percent shall be set aside and paid to breeders of Minnesota-bred horses as breeders' awards.

B. Sixty-two percent shall be paid to supplement purses in races which are restricted to Minnesota-bred or Minnesota-foaled horses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission.

C. Seven percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding.

Subp. 3. Distribution of money. The money available from the thoroughbred breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred horse, as reflected on the Jockey Club certificate, that finishes third or better in any pari-mutuel race.

B. "Stallion awards" shall be paid to the owners of the Minnesota-sire of a Minnesota-bred horse that finishes third or better in any pari-mutuel race.

Subp. 4. Methods of payment. The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards. The amount of money to be distributed shall be in accordance with subpart 5.

Subp. 5. Adjustments. The racing commission shall set percentages to be applied to purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set for the purpose of keeping purse supplements consistent with the amount of money being earned in the breeders' fund. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the total amount of purse supplements to be distributed;

B. the need to distribute purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of thoroughbred horses within the state; and

C. that the set amount of the purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. Time of payment. Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards and stallion awards shall be distributed within 30 days of the end of the thoroughbred race meeting.

Subp. 7. [Repealed, 12 SR 2393]

Subp. 8. Residual funds. All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding thoroughbred race meeting.

Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 1908; 12 SR 2393*

7895.0125 THOROUGHBRED REGISTRATION.

Subpart 1. **Broodmare registration.** To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original jockey club certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before January 31, the owner must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided from the owner or agent is true and correct.

C. Failure to submit broodmare registration forms on or before the January 31 cutoff date (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as Minnesota-bred.

Subp. 2. **Stallion registration.** To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by January 31 of the current breeding year. The stallion's original jockey club certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from January 31 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

Subp. 3. **Foal registration and certification.** For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred, the following requirements must be met:

A. Within 30 days of the date a horse is foaled in Minnesota, the foal must be registered with the racing commission or official registering agency. The registration form must contain the following information: the date, the name of the owner of the foaling dam, the date that the foal was born, an owner's statement that the foal was born in Minnesota, and the signature and veterinary license number of the veterinarian submitting the report. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as Minnesota-bred.

B. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

C. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

Subp. 4. [Repealed, 12 SR 2393]

Subp. 5. [Repealed, 12 SR 2393]

Subp. 6. [Repealed, 12 SR 2393]

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Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 2161; 12 SR 2393*

7895.0250 STANDARDBRED BREEDERS' FUND.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meaning given them unless another intention clearly appears.

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

B. "Minnesota-bred" means:

(1) in the case of a horse foaled prior to 1987, either:

(a) the United States Trotting Association (USTA) foal certificate reflects the breeder to be a Minnesota resident;

(b) the horse was sired by a stallion standing in the state of Minnesota as reflected on the USTA stallion report;

(c) at the time the horse was foaled in Minnesota the owner of the foal was a Minnesota resident; or

(2) Foals born on or after January 1, 1987, must have been sired by a stallion registered with the racing commission or official registering agency that stood in the state of Minnesota for the entire breeding season.

C. "Minnesota-foaled" means:

(1) In the case of a horse foaled prior to 1987, either:

(a) the USTA foal certificate reflects the breeder to be a Minnesota resident;

(b) the horse was sired by a stallion standing in the state of Minnesota as reflected on the USTA stallion report; or

(c) at the time the horse was foaled in Minnesota the owner of the foal was a Minnesota resident.

(2) Foals born on or after January 1, 1987, must have been sired by a stallion registered with the racing commission or official registering agency that stood in the state of Minnesota for the entire breeding season.

D. "Minnesota sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from January 31 to July 31 in Minnesota.

Subp. 2. **Division of money.** The money available from the breeders' fund for the standardbred breed category shall be divided as follows:

A. 25 percent shall be set aside and paid to breeders as breeders' awards; and

B. 75 percent shall be paid to supplement purses in races which are restricted to horses that are Minnesota-bred or Minnesota-foaled.

Subp. 3. **Distribution of money.** The money available from the standardbred breeders' fund shall be distributed as breeders' awards and paid to the breeder, as reflected on the USTA foal certificate, of a Minnesota-bred or Minnesota-foaled horse that finishes fifth or better in any pari-mutuel race in Minnesota.

Subp. 4. **Methods of payment.** The amount of money distributed for breeders' awards or purse supplements pursuant to subpart 3, shall be paid out in the same percentage as the purse money in the race. Purse supplements earned shall not be included in determining breeders' or stallion awards.

Subp. 5. **Adjustments.** The racing commission shall set percentages to be applied to each category of the breeders' fund for the purpose of determining the amount of awards and purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set in each category for the purpose of keeping awards and purse supplements consistent with the amount of money

being earned in the breeders' fund and subsequent breeders' award disbursements. The racing commission shall consider the following criteria in determining the applicable percentages:

- A. the number of potential breeders' award recipients;
- B. the total amount of breeders' awards and purse supplements to be distributed;
- C. the need to distribute breeders' awards and purse supplements in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of standardbred horses within the state; and
- D. that the set amount of the breeders' awards and purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. **Time of payment.** Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards and stallion awards shall be distributed within 30 days of the end of the standardbred race meeting.

Subp. 7. [Repealed, 12 SR 2393]

Subp. 8. **Residual funds.** After complying with subparts 4 to 6, any remaining funds in the breeders' awards account, and all unearned purse supplements, shall be retained and carried forward to be included as net distributable funds in the succeeding standardbred race meeting.

Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 2161; 12 SR 2393*

7895.0275 STANDARDBRED REGISTRATION.

Subpart 1. **Stallion registration.** To be eligible to participate in the standardbred breeders' fund program, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the registration renewed with the racing commission or official registering agency by January 31 of the current breeding year. The stallion's original United States Trotting Association (USTA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application or renewal. The lease agreement must contain a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from January 31 to July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

Subp. 2. **Foal certification.** In order for a horse bred or foaled in Minnesota to be registered and subsequently certified as Minnesota-bred or Minnesota-foaled, the following requirements must be met:

A. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

B. Failure to have the foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn any breeders' fund payments.

Subp. 3. [Repealed, 12 SR 2393]

Subp. 4. [Repealed, 12 SR 2393]

Subp. 5. [Repealed, 12 SR 2393]

Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 2161; 12 SR 2393*

7895.0300 QUARTER HORSE BREEDERS' FUND.

Subpart 1. Definitions. For purposes of this part, the following terms have the meaning given them unless another intention clearly appears:

A. "Breeder" means the owner or lessee of the dam at the time of conception in Minnesota.

B. "Minnesota-foaled" means a horse foaled in Minnesota.

C. "Minnesota-bred" means:

(1) a horse sired by a registered stallion who stood his entire breeding season in Minnesota; and

(2) a horse born in Minnesota.

D. "Minnesota-sire" means a stallion owned at least 50 percent by residents of Minnesota or leased entirely by Minnesota residents, and which has stood the entire breeding season, from January 31 through July 31, in Minnesota.

Subp. 2. Division of money. The money available from the breeders' fund for the quarter horse category shall be divided as follows:

A. 35 percent shall be set aside and paid as breeders' awards to breeders of Minnesota-bred or Minnesota-foaled horses; and

B. 35 percent shall be set aside and paid as owners' awards to owners of Minnesota-bred or Minnesota-foaled horses; and

C. 20 percent shall be paid to supplement purses in races which are restricted to Minnesota-bred or Minnesota-foaled horses. The purse supplements shall be apportioned in accordance with the quality of the race as determined by the commission; and

D. ten percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire at the time of breeding.

Subp. 3. Distribution of money. The money available from the quarter horse breeders' fund, other than purse supplements, shall be distributed as follows:

A. "Breeders' awards" shall be paid to the breeder of a Minnesota-bred or Minnesota-foaled horse, as reflected on the American Quarter Horse Association (AQHA) certificate that finishes fifth or better in any race.

B. "Owners' awards" shall be paid to the owners of a Minnesota-bred or Minnesota-foaled horse that finishes fifth or better in any race.

C. "Stallion awards" shall be paid to the stallion owner of a Minnesota-bred or Minnesota-foaled horse that finishes fifth or better in any race.

Subp. 4. Methods of payment. The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3 shall be paid out in the same percentage as the purse money in the race. The amount of money to be distributed shall be in accordance with subpart 5. Purse supplements earned shall not be included in determining breeder's or stallion awards.

Subp. 5. Adjustments. The racing commission shall set percentages to be applied to each category of the breeders' fund for the purpose of determining the amount of awards and purse supplements that may be earned during the current race meeting. The racing commission may, in its discretion, during the course of a race meeting vary the percentages set in each category for the purpose of keeping awards and purse supplements consistent with the amount of money being earned in the breeders' fund and subsequent award disbursements. The racing commission shall consider the following criteria in determining the applicable percentages:

A. the number of potential award recipients;

B. the total amount of awards and purse supplements to be distributed;

C. the need to distribute awards and purse supplements among Minnesota breeders and owners in a fair and equitable manner with a view toward encouraging the continued support of the horse industry in Minnesota, thereby providing incentive to breeders and owners of quarter horses within the state; and

D. that the set amount of the awards and purse supplements or any adjustments made thereto are in the best interest of horse racing within the state.

Subp. 6. Time of payment. Purse supplements are part of the purse and shall be credited to owners' accounts at the time the purses are earned. All money allocated for breeders' awards, owners' awards, and stallion awards shall be distributed within 30 days of the end of the quarterhorse race meeting.

Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 2161; 12 SR 2393*

7895.0350 QUARTER HORSE REGISTRATION.

Subpart 1. Broodmare registration. To be eligible to receive any breeders' award payments, the following requirements must be met:

A. Prior to foaling, a broodmare must in Minnesota and registered or the registration renewed with the racing commission or official registering agency on or before January 31 of the year in which the broodmare will foal. The broodmare's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency.

B. In the event an unregistered broodmare should foal in Minnesota before January 31, the owner or lessee must submit a sworn affidavit to the racing commission or the official registering agency attesting that the foal was born in Minnesota. The affidavit will be considered evidence that the foal is a Minnesota-bred or Minnesota-foaled horse and the owner of the broodmare or his or her agent must register the broodmare in accordance with item A. The attending veterinarian, licensed by the state of Minnesota, must certify on information and belief that the information provided by the owner, lessee, or agent is true and correct.

C. Failure to submit broodmare registration forms on or before the January 31 cutoff date (excluding Saturday and Sunday) will disqualify any subsequent claims for breeders' award payments or for the foal to be registered as a Minnesota-bred or Minnesota-foaled horse.

Subp. 2. Stallion registration. To be eligible to receive any stallion award payments, the following requirements must be met:

A. Stallions must be in Minnesota and registered or the initial registration renewed with the racing commission or official registering agency by January 31 of the current breeding year. The stallion's original American Quarter Horse Association (AQHA) certificate must be received by the racing commission or official registering agency. If the stallion is leased, a copy of the lease must accompany the registration application. The lease must include a statement that the lessee is authorized to sign the breeding certificate.

B. Stallions must remain in Minnesota for the entire breeding season from January 31 through July 31.

A newly acquired stallion which has not been in Minnesota for breeding purposes before January 31 of the current breeding season may be eligible for stallion awards if the stallion has been properly registered with the commission prior to servicing any mare and the stallion has not serviced any mare after December 31 of the preceding year.

Subp. 3. Foal registration and certification. For a horse foaled in Minnesota to be registered and subsequently certified as a Minnesota-bred or Minnesota-foaled horse, the following requirements must be met:

A. Within 30 days of the date a horse is foaled in Minnesota, the foal

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must be registered with the racing commission or official registering agency. The registration must include the following information: the date, the name of the owner or lessee of the dam at time of conception, the date that the foal was born, an owner's or lessee's statement that the foal was born in Minnesota, and the signature and veterinary license number of the attending veterinarian. Failure to submit the veterinarian's report will disqualify any subsequent claim to register the foal as a Minnesota-bred or Minnesota-foaled horse.

B. The original foal certificate must be embossed by the racing commission or official registering agency prior to entry into any restricted race.

C. Failure to have foal certificate embossed shall disqualify any claim to enter the horse in a restricted race or to earn breeders' fund payments.

Subp. 4. [Repealed, 12 SR 2393]

Subp. 5. [Repealed, 12 SR 2393]

Subp. 6. [Repealed, 12 SR 2393]

Statutory Authority: *MS s 240.23; 240.24*

History: *10 SR 2161; 12 SR 2393*