

7895.0300 QUARTER HORSE BREEDERS' FUND.

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

A. "Artificial insemination" means the introduction of semen, either fresh, cooled, or frozen, into the vagina or uterus of the mare without sexual contact.

B. "Breeder" means the owner or lessee of the dam at the time of conception.

C. "Broodmare" means either a recipient mare, or a mare in foal by natural cover or artificial insemination.

D. "Donor mare" means the genetic dam of the embryo, oocyte, or fertilized egg, but not the mare carrying the foal.

E. "Embryo" means an egg that has been fertilized by sperm and undergone one or more divisions.

F. "Embryo transfer" means the transfer of an embryo from a donor horse into the uterus of a recipient mare for the duration of the pregnancy.

G. "Fertilized egg" means intercytoplasmic sperm injection and conventional in vitro fertilization. The fertilized egg is generally transferred to the uterus of a recipient mare.

H. "Minnesota-bred" shall be defined in three different and distinct categories:

(1) "Minnesota-bred sired and foaled" means a horse that is:

(a) sired by a registered Minnesota-sire who stood his entire breeding season in Minnesota; and

(b) Minnesota-foaled.

(2) "Minnesota-bred foaled" means a Minnesota-foaled horse.

(3) "Minnesota-bred sired" means a Minnesota-sired horse.

I. "Minnesota-foaled" means a horse foaled in Minnesota, and registered with the Racing Commission.

J. "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.

K. "Minnesota-sired" means a horse sired by a registered Minnesota-sire and registered with the commission. Horses can be sired by natural cover, artificial insemination, or by transfer of an embryo, oocyte, or fertilized egg.

L. "Natural cover" means natural breeding occurring between a mare and stallion.

M. "Recipient mare" means a mare carrying a foal by means of transfer of an embryo, oocyte, or fertilized egg from a donor mare. The recipient mare must be identified on a copy of the donor mare's original papers as required by the American Quarter Horse Association (AQHA) and registered with the Racing Commission.

N. "Oocyte" means an egg or female reproductive cells.

O. "Oocyte transfer" means the transfer of a retrieved, unfertilized egg(s) from a donor mare into a recipient mare and then the mare is bred.

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

A. 80 percent shall be set aside and paid as awards to the owner of the broodmare at the time of foaling of Minnesota-bred sired and foaled, Minnesota-bred sired, and Minnesota-bred foaled horses; and

B. 20 percent shall be set aside and paid as stallion awards to the owners of the Minnesota-sire of Minnesota-bred sired horses at the time of breeding.

Subp. 3. **Distribution of money.** The award money available from the quarter horse breeders' fund shall be distributed as follows:

A. "Awards" shall be paid to the owner of the broodmare at the time of foaling of a Minnesota-bred sired and foaled horse, a Minnesota-bred foaled horse, or a Minnesota-bred sired horse as registered with the Minnesota Racing Commission, that earns money in any race. An award equal to 80 percent of the purse supplement paid in open company races to the owner of a Minnesota-bred sired and foaled horse will be paid to the owner of the broodmare at the time of foaling of the Minnesota-bred sired and foaled horse at the time Breeders' Awards are paid. This award will be paid from the Breeders' Award pool first and then the remaining money will be divided according to subpart 4.

B. "Stallion awards" shall be paid to the stallion owner or recorded lessee (at the time of breeding) of a Minnesota-bred sired and foaled horse or a Minnesota-bred sired horse that earns money in any race. An award equal to 20 percent of the purse supplement paid in open company races to the owner of a Minnesota-bred sired and foaled horse will be paid to the stallion owner of the Minnesota-bred sired and foaled horse at the time stallion awards are paid. This award will be paid from the stallion award pool first and then the remaining money will be divided according to subpart 4.

Subp. 4. **Methods of payment.** The amount of money distributed by the commission for awards or purse supplements pursuant to subpart 3, other than the matching purse supplement awards described in subpart 3, shall be paid out for stakes or handicap races in the same percentage as the purse money in the race and shall be paid out in open overnight races and restricted overnight races to Minnesota-bred horses that finish fifth or better. However, the commission may, prior to the beginning of each race meet, establish the

maximum amount of earnings per race for a single horse that may be used in calculation of the breeders' fund awards. (For example: if the maximum amount of earnings per race per horse is set at \$10,000, then in the event a horse earns any amount over \$10,000 in one race, the breeders' fund awards will be calculated based on \$10,000 earnings for that race.) The amount of money to be distributed shall be in accordance with subpart 5. 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 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 45 days of the end of the quarterhorse race meeting.

Subp. 7. **Residual funds.** All unearned purse supplements shall be retained and carried forward to be included as net distributable funds in the succeeding quarter horse race meeting.

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

History: *10 SR 2161; 12 SR 2393; 14 SR 2008; 16 SR 2684; 18 SR 886; 19 SR 2307; 28 SR 1482; 31 SR 1731; 39 SR 1115*

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