

HOUSE BILL 459

**56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

INTRODUCED BY

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AN ACT

RELATING TO HORSE RACING; REVISING THE DISTRIBUTION OF FUNDS  
PAID TO HORSE BREEDERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 60-1A-24 NMSA 1978 (being Laws 2007,  
Chapter 39, Section 24, as amended) is amended to read:

"60-1A-24. BREEDERS' AWARDS.--

A. The New Mexico horse breeders' association shall  
create a fund to pay horse breeders of New Mexico-bred horses  
merit and incentive awards.

B. A racetrack licensee shall pay into a fund  
created by the New Mexico horse breeders' association an amount  
equal to ten percent of the first money of a purse won, except  
for stakes-race purses, at a horse race in New Mexico by a  
horse registered with the New Mexico horse breeders'

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1 association as a New Mexico-bred horse. From stakes-race  
2 purses, a racetrack licensee shall pay into the fund created by  
3 the New Mexico horse breeders' association an amount equal to  
4 ten percent of the added money.

5 C. The money deposited with the New Mexico horse  
6 breeders' association by a racetrack licensee pursuant to  
7 Subsection B of this section shall be paid weekly to the  
8 breeder of record as recorded by the New Mexico horse breeders'  
9 association upon certification of the commission.

10 D. In addition to the money distributed pursuant to  
11 Subsection B of this section, the New Mexico horse breeders'  
12 association shall distribute the money allocated to the New  
13 Mexico horse breeders' association pursuant to Subsections B, C  
14 and D of Section 60-1A-19 NMSA 1978 in the following manner and  
15 pursuant to rules adopted by the commission:

16 (1) forty-five percent of the money to the  
17 breeders of record as recorded by the New Mexico horse  
18 breeders' association of the first-, second- and third-place  
19 finishers;

20 (2) ~~[seven]~~ twelve percent of the money to the  
21 owners of the stallions that sired the first-place winners at  
22 the time the winners were conceived;

23 (3) no more than eight percent of the money to  
24 be retained by the New Mexico horse breeders' association for  
25 the purpose of administering the distribution program set forth

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1 in this section; and

2 (4) the remaining money to be divided among  
3 the owners of the first-, second- and third-place finishers  
4 during each race meet, provided that the first-, second- and  
5 third-place finishers are registered as New Mexico-bred horses  
6 with the New Mexico horse breeders' association and the owners  
7 are members of the association.

8 E. The commission shall establish by rule  
9 fiduciary, security and insurance safeguards for the money  
10 deposited with and paid out or distributed by the New Mexico  
11 horse breeders' association pursuant to the Horse Racing Act.

12 F. A check or other negotiable instrument  
13 representing a payment pursuant to Subsection D of this section  
14 that is not negotiated within one year from the date of  
15 issuance is no longer valid and negotiable. The money  
16 represented by the check or other negotiable instrument shall  
17 revert to the fund created pursuant to Subsection A of this  
18 section and the recipient shall no longer be eligible for the  
19 payment.

20 G. A person otherwise eligible for a payment  
21 pursuant to Subsection D of this section shall not be eligible  
22 if the person does not provide within ninety days of  
23 eligibility for a merit and incentive award information  
24 necessary for the New Mexico horse breeders' association to  
25 comply with state and federal tax law."

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