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Horse sales agent bill advances

Senate panel OKs measure to require full disclosure

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HERALD-LEADER FRANKFORT BUREAU

FRANKFORT - A bill that would bring transparency to the horse buying and selling process jumped another fence yesterday on its journey toward law.

A Senate committee approved a bill that would require agents buying and selling horses to clearly disclose who they work for, how much they're being paid and the true price of horses they hawk.

The measure is aimed at the sometimes-abused practice of dual agency, in which an agent represents both the buyer and seller of a horse. Past and pending lawsuits over the practice allege that some agents accept secret commissions and other side deals that can dramatically inflate the price of a horse.

California wine maker Jess Jackson, who owns two horse farms in Fayette and Woodford counties, told legislators yesterday that he is suing former agents under a similar law that has been on the books in California for a decade.

"I ran into something that I think should be cleaned up in the form of this vanilla bill, which says 'thou shalt not steal,'" Jackson said. "It requires full disclosure and it requires things to be put in writing."

House Bill 446 has already passed the full House. The measure is supported by Keeneland and, with some tinkering, will win the backing of the Consignors and Commercial Breeders Association (CBA), said Chairman Bayne Welker of Mill Ridge Farm.

Sen. Damon Thayer, R-Georgetown, said he intends to offer two amendments that would allay the CBA's concerns when the bill reaches the full Senate.

One amendment would delete a section of the bill -- added at the last minute by the House -- that would exempt horse sales of less than \$10,000 from the bill's disclosure requirements. "My opinion is that stealing is stealing; whether you skin someone for \$500 or \$500,000, stealing is wrong," said Thayer, vice president of event marketing for the National Thoroughbred Racing Association. To cut back on frivolous lawsuits, Thayer also intends to file an amendment that will limit damages to three times the amount of money lost by the complainant, along with legal fees.

Jackson, owner of Kendall-Jackson winery and Stonestreet Farms, said he supports both amendments. In September, Jackson sued a trainer and two bloodstock agents in California, alleging that they defrauded him of hundreds of thousands of dollars in less than two years. Many of the transactions in question occurred at Keeneland's 2004 November sale, when Jackson bought 95 horses for \$21.7 million.

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