NINETY- FIFTH

ANNUAL REPORT

2014

STATE OF MARYLAND



MARYLAND RACING COMMISSION

LARRY HOGAN Governor of Maryland **BOYD K. RUTHERFORD** Lt. Governor of Maryland

KELLY M. SCHULZ Secretary Department of Labor, Licensing and Regulation



September 1, 2015

Kelly M. Schulz, Secretary Department of Labor, Licensing and Regulation 500 N. Calvert Street Baltimore, Maryland 21202

Dear Secretary Schulz:

The Maryland Racing Commission is pleased to present you with the annual report for calendar year 2014.

A review of this report will give you an overview of the horse racing industry in Maryland.

Sincerely,

, Michael Happing

J. Michael Hopkins Executive Director

PHONE: 410-296-9682 - FAX: 410.-296-9687. TTY Users, Call via The Maryland Relay Service INTERNET: www.dllr.state.md.us . Email: racing @dllr.state.md.us LARRY HOGAN, GOVERNOR . BOYD K. RUTHERFORD, LT. GOVERNOR . KELLY M. SCHULZ, SECRETARY

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The Commission during the year 2014 consisted of:

Chairman.....Bruce Quade

Charles G. Tildon III John P. McDaniel David Hayden Ernest R. Grecco Tammy Lafferty John B. Franzone Louis J. Ulman

The Commission Staff:

Executive Director	J. Michael W. Hopkins
Fiscal Accounts Manager	Doreen K. Piquett
Fiscal Accts. Supvr.	Elizabeth Robinson
Fiscal Clerk II	Ursula Suber
Chief Investigator	Joseph M. Poag

Stewards:

Administrative Steward	Philip E. Grove
Associate Stewards	John J. Burke II
	Adam Campola
Veterinarians:	
Chief Veterinarian	David G. Zipf

	David G. Zipi
Veterinarians	Thomas C. Jett
	Kelly Walsh

MEETING STATISTICS - 2014

Commission Meetings

In 2014, the Commission met to conduct business on eleven (11) occasions.

2014 HIGHLIGHTS

REVENUE:

\$ 2,572,040 was collected by the State in 2014. This amount represents a small decrease from the amount of revenue collected in 2013.

ATTENDANCE:

Attendance at Maryland tracks was **671,852** in 2014. Since attendance is not kept for patronage at Satellite Simulcast Betting Facilities and at remote tracks, recorded attendance alone is not a good measure of activity.

LEGISLATION and OTHER MAJOR EVENTS

HB 988 – Extends to July 1, 2024 the date on which the Maryland Horse Racing Act terminates and requiring that an evaluation be made of the State Racing Commission and specified advisory committees on or before December 15, 2021.

2014 RACING DATES

MILE TRACKS:

Laurel	January 1 – March 30 Simulcast Only Days	42 + 43 85 Days*
Pimlico	April 1 – July 31 Simulcast Only Days	34 + 87 121 Days
Laurel	August 1 – December 31 Simulcast Only Days	65 + <u>80</u> 145 Days
	Total	351 Days
COUNTY FAIR TH	RACKS:	
Timonium	August 23 – September 2 Simulcast Only Days Total	7 3 10 Days
STEEPLECHASE		
Fair Hill	May 26 Total	$\frac{1}{1}$ Days
	LIVE: SIMULCAST ONLY: DUGHBRED TOTAL:	149 DAYS 213 DAYS 362 DAYS

2014 RACING DATES (Continued)

HARNESS TRACKS:

			+
Rosecroft	January 1 – December 31	54	
	Simulcast Only Nights	308	_
		362	Nights
Ocean Downs	January 1 – December 31	48	+
	Simulcast Only Nights	314	
	-	362	Nights
T	OTAL LIVE:	102	NIGHTS
	OTAL LIVE: OTAL SIMULCAST ONLY:	102 622	NIGHTS NIGHTS
T			
T	OTAL SIMULCAST ONLY:	622	NIGHTS
T(H	OTAL SIMULCAST ONLY:	622	NIGHTS
T(H	OTAL SIMULCAST ONLY: IARNESS TOTAL: ACING DAYS AND NIGHTS	622 724	NIGHTS

RACE YEAR SUMMARY:

During the year 2014, there were 1,089 days and nights of licensed racing in the State, consisting of the following:

There were 354 days of licensed racing at the Mile Tracks - Pimlico 91 days and Laurel 263 days; 10 days at Timonium; and 1 day raced at Fair Hill. There were also 724 nights of licensed racing at the Harness Tracks - Rosecroft 362 nights and Ocean Downs 362 nights.

ATTENDANCE FOR CALENDAR YEARS 2012 – 2014

	2012	2013	2014
Laurel	429,114	365,551	338,459
Pimlico	300,056	287,140	263,782
Timonium	18,118	16,919	16,278
TOTAL:	747,288	669,610	618,519
Rosecroft ** *Simulcast Only Ocean Downs * Live Only	** 47,300	** 45,438	** 41,349*
TOTAL:	47,300	45,438	41,349
Fair Hill **	12,500	9,000	11,984
TOTAL ATTENDANCE - THOROUGHBRED AND HARNESS:	807,088	724,048	671,852

****** No record of attendance

WAGERING HISTORY IN MARYLAND

Of

THOROUGHBRED AND HARNESS RACING

THORO	UGHBRED	STATISTICS:]	HARNESS ST	ATISTICS:
YEAR		D AMOUNT	YEAR	LICENSED	AMOUNT
1998	DAYS 314	WAGERED 476,034,935	1998	DAYS 305	WAGERED 87,101,030
		, ,			, ,
1999	314	480,988,981	1999	622	86,191,188
2000	319	344,843,621	2000	600	151,566,620
2001	348	337,652,117	2001	705	156,777,856
2002	344	329,705,940	2002	749	155,892,827
2003	346	306,261,175	2003	742	144,598,813
2004	312	293,795,752	2004	749	131,111,243
2005	303	298,722,053	2005	721	140,789,276
2006	297	279,978,363	2006	724	130,058,639
2007	301	259,549,867	2007	721	117,815,100
2008	303	225,189,800	2008	727	100,559,207
2009	291	195,908,615	2009	738	65,631,105
2010	290	190,800,402	2010	823	22,753,567
2011	267	182,980,868	2011	490	20,810,252
2012	336	158,031,769	2013	717	34,180,137
2013	363	134,515,395	2013	723	47,922,650
2014	362	122,668,323	2014	724	46,070,856
SB FAC	ILITIES ST	TATISTICS:	COMBI	NED TOTALS	5:
	ILITIES ST	T ATISTICS: AMOUNT		NED TOTALS LICENSED	S: AMOUNT
SSB FAC YEAR	ILITIES ST		COMBI YEAR		
	ILITIES ST	AMOUNT		LICENSED	AMOUNT
	ILITIES ST	AMOUNT	YEAR	LICENSED DAYS	AMOUNT WAGERED
	ILITIES ST	AMOUNT	YEAR 1998	LICENSED DAYS 619	AMOUNT WAGERED 563,135,965
YEAR	ILITIES ST	AMOUNT WAGERED 52,791,482	YEAR 1998 1999	LICENSED DAYS 619 936 919	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723
YEAR 2000 2001	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587	YEAR 1998 1999 2000 2001	LICENSED DAYS 619 936 919 1,053	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560
YEAR 2000 2001 2002	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391	YEAR 1998 1999 2000 2001 2002	LICENSED DAYS 619 936 919 1,053 1,093	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158
YEAR 2000 2001 2002 2003	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477	YEAR 1998 1999 2000 2001 2002 2003	LICENSED DAYS 619 936 919 1,053 1,093 1,088	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465
YEAR 2000 2001 2002 2003 2004	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515	YEAR 1998 1999 2000 2001 2002 2003 2004	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510
YEAR 2000 2001 2002 2003 2004 2005	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234	YEAR 1998 1999 2000 2001 2002 2003 2004 2005	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563
YEAR 2000 2001 2002 2003 2004 2005 2006	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270
YEAR 2000 2001 2002 2003 2004 2005 2006 2007	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771 41,360,026	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030 1,029	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778 302,899,746
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771 41,360,026 38,137,636	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030 1,029 1,113	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778 302,899,746 251,691,605
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771 41,360,026 38,137,636 30,812,484	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030 1,029 1,113 757	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778 302,899,746 251,691,605 234,603,604
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771 41,360,026 38,137,636 30,812,484 14,288,365	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030 1,029 1,113 757 1,053	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778 302,899,746 251,691,605 234,603,604 206,500,271
YEAR 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011	ILITIES ST	AMOUNT WAGERED 52,791,482 64,393,587 65,580,391 68,972,477 67,351,515 65,745,234 64,961,268 69,206,967 52,507,771 41,360,026 38,137,636 30,812,484	YEAR 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011	LICENSED DAYS 619 936 919 1,053 1,093 1,088 1,061 1,024 1,021 1,022 1,030 1,029 1,113 757	AMOUNT WAGERED 563,135,965 567,180,169 549,201,723 558,823,560 555,179,158 519,832,465 492,258,510 505,256,563 474,998,270 446,571,934 378,256,778 302,899,746 251,691,605 234,603,604

AMOUNT WAGERED

	2013	2014
MILE TRACKS:		
Laurel	\$78,578,356	\$71,839,713
Pimlico	\$53,845,223	<u>\$49,348,814</u>
TOTAL	<u>\$132,423,579</u>	<u>\$121,188,527</u>
COUNTY FAIR TRACKS:		
Timonium	\$1,556,149	\$1,304,203
TOTAL	<u>\$1,556,149</u>	<u>\$1,304,203</u>
HARNESS TRACKS:		
Rosecroft	\$38,452,375	\$37,346,814
Ocean Downs	<u>\$9,470,275</u>	<u>\$8,724,042</u>
		<u> </u>
TOTAL	\$47,922,650	\$46,070,856
STEEPLECHASE:		
Fair Hill	<u>\$171,667</u>	<u>\$175,593</u>
TOTAL	<u>\$171,667</u>	<u>\$175,593</u>
SSB FACILITIES	<u>\$10,212,577</u>	<u>\$5,140,478</u>
SUMMARY		
Mile Tracks	\$132,423,579	\$121,188,527
County Fair Tracks	\$1,556,149	\$1,304,203
Harness Tracks	\$47,922,650	\$46,070,856
Steeplechase	\$171,667	\$175,593
SSB Facilities	\$10,212,577	\$5,140,478
TOTAL		

SATELLITE SIMULCAST BETTING

The amounts bet at the Satellite Simulcast Betting Facilities in calendar year 2014 are reflected in the following table.

Maryland Satellite Simulcast Betting Facilities

Bet At:	Riverboat	
Bets on:		
MD Thoroughbred Races	364,585	
MD Harness Races	106	
Out - of -State Races	4,775,787	
TOTAL	5,140,478	

In 2014, SSB facilities met the prescribed food and service standards and provide a convenience to the horse racing public.

FIVE YEAR ASSESSMENT OF LAUREL

	2014	2013	2012	2011	2010
<u>Attendance</u>	327,690	365,551	429,114	521,765	547,024
Purses	29,106,690	27,815,060	26,589,170	19,589,605	18,817,640
<u>Number of days of live racing</u> (includes Pimlico @ Laurel)	107	109	117	115	120
Betting on its live racing at:					
Laurel	8,772,235	9,354,955	10,877,867	9,976,957	12,084,240
Other MD tracks	3,541,793	3,265,292	2,601,664	2,267,508	2,761,249
Satellite Simulcast Facilities in	180,372	418,788	505,181		
MD				854,026	1,319,131
Out-of-state	142,507,116	161,430,230	156,578,967	131,456,700	137,405,337
Betting on other in-State races	2,551,364	2,560,813	2,972,084	2,816,611	2,534,948
Betting on out-of-State races	60,516,114	66,662,588	85,446,848	108,884,422	110,667,572
<u>Total betting at this location</u> on all racing	71,839,713	78,578,356	99,296,799	121,677,990	125,286,760

FIVE YEAR ASSESSMENT OF PIMLICO

	2014	2013	2012	2011	2010
<u>Attendance</u>	256,725	287,140	300,056	312,533	330,242
Purses	12,892,690	12,581,995	8,603,875	6,812,980	4,363,625
Number of days of live racing	35	36	29	29	20
Betting on its live racing at:					
Pimlico	9,672,078	10,115,032	9,862,787	8,783,040	8,036,467
Other MD tracks	3,416,557	2,946,910	2,813,071	2,636,197	2,350,144
Satellite Simulcast Facilities in MD	175,696	411,630	406,178	863,782	863,090
Out-of-state	146,829,060	143,766,884	128,842,396	112,304,939	105,847,843
Betting on other in-State races	2,171,348	2,505,917	2,680,782	2,341,922	2,840,891
Betting on out-of-State races	37,505,388	41,224,274	44,712,293	48,730,414	52,768,696
Total betting at this location on all racing	49,348,814	53,845,223	57,255,862	59,855,376	63,646,054

FIVE YEAR ASSESSMENT OF TIMONIUM

	2014	2013	2012	2011	2010
<u>Attendance</u>	16,278	2,760	18,118	17,389	22,287
<u>Purses</u>	11,843	1,484,290	886,905	715,495	681,420
Number of days of live racing	7	10	7	6	7
Betting on its live racing at:					
Timonium	790,176	962,966	842,211	813,307	1,059,058
Other MD tracks	234,163	272,967	238,131	254,828	264,446
Satellite Simulcast Facilities in MD	8,517	22,319	21,061	52,714	43,766
Out-of-state	1,555,991	2,404,431	1,611,380	1,514,310	1,368,205
Betting on other in-State races	0	0	0	0	0
Betting on out-of-State races	514,027	593,183	487,132	456,251	635,185
<u>Total betting at this location on all</u> <u>racing</u>	1,304,203	1,556,149	1,329,343	1,269,558	1,694,243

FIVE YEAR ASSESSMENT OF ROSECROFT

	2014	2013	2012	2011	2010
<u>Attendance</u>	*0	*0	*0	*0	31,956
*Attendance not recorded					
Purses	4,249,537	3,336,615	1,823,332	**483,500	0
Includes					
**Purses pd. By MD.					
Stndbred.Race Fund					
<u>Number of days of live racing</u>	54	54	54	20	0
Betting on its live racing at:					
Rosecroft	812,441	815,926	878,840	379,326	0
Other MD tracks	57,530	39,820	0	0	0
Satellite Simulcast Facilities in MD	4	4,180	13,231	0	0
Out-of-state	2,804,119	2,820,681	2,707,644	463,437	0
Betting on other in-State races	2,126,834	1,559,380	0	0	0
Betting on out-of-State races	34,407,539	36,077,069	18,789,664	6,753,950	11,184,716
Total betting at this location on all					
racing	37,346,814	38,452,375	19,668,504	7,133,276	11,184,716

FIVE YEAR ASSESSMENT OF OCEAN DOWNS

_	2014	2013	2012	2011	2010
<u>Attendance</u>	41,349	45,438	46,843	77,466	37,256*
Purses	3,345,941	3,367,612	2,485,829	1,997,717	552,975
Number of days of live racing	48	46	44	37	4
Betting on its live racing at:					
Ocean Downs	981,404	1,057,601	1,080,260	1,156,407	0
Other MD tracks	85,510	10,121	75,647	76,601	0
MD Satellite Simulcast Facilities	102	4,435	35,258	14,567	0
Out-of-state	2,389,676	2,973,522	2,605,837	2,521,326	0
Betting on other in-State races	485,974	307,939	557,658	469,259	579,927
Betting on out-of-State races	7,256,664	8,104,735	8,648,920	12,051,310	10,991,924
Total betting at this location on all racing	8,724,042	9,470,275	10,286,838	13,676,976	11,571,851

* simulcast only

METHOD OF TAXATION

TAKEOUT AT MARYLAND THOROUGHBRED RACETRACKS

Effective July 1, 2005

State Terr	Regular <u>Pool%</u>	2-Horse <u>Multiple</u>	3-Horse Multiple <u>1st Race</u>
State Tax	.32	.32	.32
Purses	7.88(1)	8.88 (1)	11.88 (1)
Track	7.70(2)	8.70 (2)	11.70 (2)
Maryland Million	1.00	2.0	.75
Bred Fund	<u>1.10</u>	<u>1.10</u>	<u>1.10</u>
Total Takeout	18.00	21.00	25.75
Returned to Public	<u>82.00</u>	<u>79.00</u>	74.25
Total Handle	100.00 %	100.00 %	100.00 %
<u>Timonium</u> State Tax	0/2)	0 (2)	0 (2)
Purses	0 (3) 5.00	0 (3) 7.00	0 (3) 13.00
Track			
	10.50(2)	10.50 (2)	10.50 (2)
Bred Fund	$\frac{1.50}{17.00}$	$\frac{1.50}{10.00}$	$\frac{1.50}{5.00}$
Total Takeout	17.00	19.00	25.00
Returned to Public	83.00	<u>81.00</u>	<u>75.00</u>
Total Handle	100.00 %	100.00 %	100.00 %

Fair	Hill	

State Tax (Fair Hill	
Improvement Fund)	9.00
Track	16.00
Total Takeout	25.00
Returned to Public	75.00

Total Handle 100.00 %

(1) Includes .18 for purses.

(2) Includes .25 for Pension Fund.

(3) No State tax paid during the State Fair.

METHOD OF TAXATION

(Continued)

TAKEOUT AT MARYLAND HARNESS RACETRACKS

State Tax Purses	1-Horse <u>Pool %</u> .32 .18	2-Horse <u>Pool %</u> .32 .18	Over 2-Horse <u>Pool %</u> .32 .18
Track	18.00	20.00	26.00
Standardbred Fund	(4)	(4)	(4)
Track Pensions	(5)	(5)	(5)

Total Takeout	18.75	20.75	26.75
Returned to Public	<u>81.25</u>	<u>79.25</u>	<u>73.25</u>
Total Handle	100.00 %	100.00 %	100.00 %

(4) The amount deducted is .5 and 1.00 respectively of the first \$125,000 daily average. The amount deducted for amounts in excess of \$125,000 are 1.00, 1.00 and 1.50 of the track share of the takeout.

(5) If daily average for the year exceeds \$125,000, .25% of the handle is deducted from all pools for track employee pensions.

TOTAL FOR ALL MEETS		
	2013	2014
LAUREL		
Race Days	230	263
Tax to the State	451,470	426,551
License Fee	6,000	6,000
	457,470	432,551
PIMLICO		
Race Days	122	91
Tax to the State	312,767	296,362
License Fee	3,050	2,250
-	315,817	298,612
TOTAL THOROUGHBRED	773,287	731,163
COUNTY FAIR: TIMONIUM		
Race Days	10	10
Tax to the State	-0-	-0-
License Fee	-0-	-0-
	-0-	-0-
TOTAL COUNTY FAIR	-0-	-0-
STEEPLECHASE: FAIR HILL		
Race Days	1	1
Tax to the State	14,450	15,803
TOTAL STEEPLECHASE	14,450	15,803

REVENUE TO THE STATE: THOROUGHBRED TOTAL FOR ALL MEETS

REVENUE TO THE STATE: HARNESS

	2013	2014
ROSECROFT		
Race Days	361	362
Tax to the State	146,698	134,393
License Fee	9,050	9,050
	155,748	<u>143,443</u>
OCEAN DOWNS		
Race Days	362	362
Tax to the State	31,124	3,141
License Fee	9,050	9,050
	40,174	12,191
TOTAL HARNESS	195,922	155,634

(Race days include live and simulcast only days)

SUMMARY OF LICENSES & REGISTRATIONS ISSUED

2014

THOROUGHBRED LICENSES:

634	Original Owner	@ \$50.00	\$31,700
1,632	Renewal Owner	25	40,800
65	Original Trainer	50	3,250
228	Renewal Trainer	25	5,700
124	Assistant Trainer	25	3,100
326	Owner / Trainer	50	16,300
204	Jockey	25	5,100
57	Apprentice Jockey	25	1,425
30	Jockey Agent	25	750
27	Veterinarian	25	675
29	Farrier	10	290
810	Stable Employee	5	4,050
487	Mutuel Employee	5	2,435
142	Vendor	5	710
184	Exercise Rider	5	920
277	Track Employee	5	1,385
5,256	TOTAL LICENSES	-	\$118,590

THOROUGHBRED REGISTRATIONS:

44	Authorized Agent	@ \$10.00	440
875	Assumed Name	75	65,625
 919	TOTAL REGISTRATIONS	-	\$66,065

SUMMARY OF LICENSES & REGISTRATIONS ISSUED (Continued)

HARNESS LICENSES:

136	Original Owner	@ \$50.00	\$6,800
455	Renewal Owner	25	11,375
12	Original Trainer	25	300
69	Renewal Trainer	25	1,725
26	Driver	25	650
36	Trainer / Driver	50	1,800
154	Owner / Trainer	50	7,700
100	Owner / Trainer / Driver	75	7,500
15	Owner / Driver	50	750
2	Veterinarian	25	50
208	Stable Employee	5	1,040
43	Mutuel Employee	5	215
85	Track Employee	5	425
10	Vendor	5	50
0	Farrier	5	0
1,351	TOTAL LICENSES	_	<u>\$40,380</u>

HARNESS REGISTRATIONS:

1	Authorized Agent	10 75	10 5 175
69	Assumed Name	75 _	5,175
70	TOTAL REGISTRATIONS		\$5,185

THOROUGHBRED AND HARNESS

TOTAL RECEIPTS FOR LICENSES	& REGISTRATIONS ISSUED:	\$230,220
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UNCASHED PARI-MUTUEL TICKETS

If any winning ticket is not redeemed for a period of one (1) year from the date of issue, the amount necessary to redeem the ticket shall be paid to a special fund of the State. The following receipts are from race meetings conducted in the year prior to that indicated by the columnar heading.

	2013	2014
Mile Tracks	\$924,480	\$355,330
Harness Tracks	129,762	216,000
County Fair Track	0*	0*
Steeplechase	2,655	3,294
TOTAL UNCASHED PARI-MUTUEL TICKETS	\$1,056,896	\$574,624

*County Fair uncashed monies included with mile tracks.

STATEMENT OF RECEIPTS DISBURSED TO THE STATE COMPTROLLER

	2013	2014
MILE TRACKS:		
Track License Fees	\$9,050	\$8,250
Tax on Betting	764,237	722,913
Licensing Fees	116,375	118,590
Registration Fees	62,820	66,065
Uncashed Pari-Mutuels	924,480	355,330
TOTAL DISBURSEMENTS MILE TRACKS	\$1,876,962	\$1,271,148
COUNTY FAIR TRACKS:		
Tax on Betting (6)	-0-	-0-
Uncashed Pari-Mutuels	-0-	-0-
TOTAL DISBURSEMENTS COUNTY FAIR	0	0
TRACKS	U	U
INACAS		
HARNESS TRACKS:		
Track License Fees	\$18,100	\$18,100
Tax on Betting	177,822	137,533
Licensing Fees	42,650	40,380
Registration Fees	4,425	5,185
Uncashed Pari-Mutuels	129,762	216,000
TOTAL DISBURSEMENTS HARNESS	\$372,759	\$417,198
TRACKS		
STEEPLECHASE:	¢15 450	¢15 002
Tax on Betting Uncashed Pari-Mutuels	\$15,450	\$15,803
	2,655	3,294
TOTAL DISBURSEMENTS	\$18,105	\$19,097
STEEPLECHASE		
OTB'S:		
Permit Fee	\$2,000	\$500
TOTAL DISBURSEMENTS O.T.B.	\$2,000	\$500
TOTAL ALL DISBURSEMENTS	\$2,269,825	\$1,707,943

(6) No State tax is payable when racing is conducted during the State Fair. *County Fair uncashed monies included with mile tracks.

STATEMENT OF RECEIPTS

DISBURSED TO THE STATE COMPTROLLER (Continued)

DIRECT DISBURSEMENTS TO STATE COMPTROLLER:

	2013	2014
Tax on Admissions	\$384,612	\$406,259
Sales Tax on Horses Claimed	429,300	457,838
TOTAL DIRECT DISBURSEMENTS TO STATE	\$813,912	\$864,097
<u>TOTAL ALL DISBURSEMENTS TO STATE</u> <u>COMPTROLLER</u>	\$3,083,737	\$2,572,040

STATEMENT OF ACTUAL EXPENDITURES

Fiscal Year '14' July 1, 2013 TO June 30, 2014

SALARIES & BENEFITS

Commission Personnel	\$345,308
Total Salary Expenses	\$345,308
OFFICE EXPENDITURES:	
Telephone and Postage	5,518
Travel Expenses	9,932
Motor Vehicle Operation	2,908
Contractual Services, i.e.,	68,002
Printing, Repairs, Equipment and Leasing, Court Expenses, Transcript of Hearings	0
Office Supplies	4,344
Office Equipment Additional	332
Fixed Charges, i.e., Rent, Insurance, Subscriptions and Dues	13,439
Total Office Expenses	\$104,475
1	
TOTAL EXPENDITURES AND DISBURSEMENTS (7)	\$449,783
-	
TOTAL EXPENDITURES AND DISBURSEMENTS (7)	
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS:	\$449,783
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants	<u>\$449,783</u> \$2,181,373
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants Impact Aid	\$449,783 \$2,181,373 \$0
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants Impact Aid Other:	<u>\$449,783</u> \$2,181,373
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants Impact Aid Other: Fair Hill	\$449,783 \$2,181,373 \$0 \$15,803
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants Impact Aid Other: Fair Hill Maryland Standardbred Race Fund	\$449,783 \$2,181,373 \$0 \$15,803 0
TOTAL EXPENDITURES AND DISBURSEMENTS (7) OTHER DISBURSEMENTS: Grants Impact Aid Other: Fair Hill Maryland Standardbred Race Fund Maryland-bred Race Fund	\$449,783 \$2,181,373 \$0 \$15,803 0 0

(7) Does not include salaries of Stewards and Judges, nor salaries of personnel and expenses reimbursed by the associations.

MARYLAND RACING COMMISSION 2014 EQUINE SPECIMEN TESTING

In February the Maryland Racing Commission closed its Laboratory located in College Park and out-sourced the task of drug testing the horses that participate in Maryland racing.

Truesdail Laboratories located in Tustin, California was one of two laboratories that responded to a "Request For Proposal" (RFP) issued by the Department late in 2013. Consequently Truesdail was awarded the five year contract and provided the urine and blood specimen analysis during 2014 and continues to do so. Below are the statistics regarding the analysis of these samples.

SOURCE	URINE	BLOOD	TOTAL	POSITIVE
Thoroughbred	2,068	2,450	4,518	14
Standardbred	1,966	2,913	4,879	4
Human 2014 Totals	<u> </u>	0 5,363	0 9,397	0 18

NUMBER OF OFFICIAL SAMPLES ANALYZED

THE MARYLAND JOCKEY INJURY COMPENSATION FUND

The Maryland Jockey Injury Compensation Fund, Inc. was established by legislative action during the 1985 session of the General Assembly and became effective January 1, 1986.

The purpose of this fund is to purchase a blanket workmen's compensation insurance policy for all jockeys licensed by the Maryland Racing Commission and participating at the Maryland race tracks.

1997	\$ 318,181.00
1998	\$ 312,093.00
1999	\$ 346,367.00
2000	\$ 355,966.00
2001	\$ 378,578.00
2002	\$ 388,877.00
2003	\$ 586,640.00
2004	\$ 611,533.00
2005	\$ 655,311.00
2006	\$ 741,868.00
2007	\$ 977,423.00
2008	\$ 723,852.00
2009	\$ 476,211.00
2010	\$ 404,954.00
2011	\$ 508,182.00
2012	\$ 1,675,611.00
2013	\$ 1,648,613.00
2014	\$ 1,223,005.00

POLICY COST

The above costs were funded by an assessment on all licensed owners and trainers levied and collected by the Maryland Racing Commission at the time of licensure. The assessment per licensee for 2014 was \$100.00

MARYLAND-BRED FUND REPORT MARYLAND-BRED FUND DISTRIBUTION IS EXPLAINED

The Maryland Fund was created by the General Assembly in 1962. Maryland was the first state to develop a legislated incentive program to encourage the improvement of Thoroughbred breeding and racing. Since that time, more than 30 other states have instituted incentive programs largely based on this model.

In Maryland, there are six categories through which monies from the fund are made available: 1) **purse money** for stakes races for registered Maryland-breds; 2) **awards for owners** of registered Maryland-breds finishing first, second or third; 3) **awards for breeders** of registered Maryland-breds finishing first, second or third; 4) **awards for owners of stallions** which are duly registered with the Maryland Horse Breeders Association (MHBA) and sire registered Maryland-breds finishing first, second or third; 5) **yearling show bonus awards** for the four highest-earning 2 and 3-year-olds shown at the annual MHBA yearling show (based on North American earnings); and 6) **Marylandsired allocation** for purses and awards for horses conceived in Maryland by a registered/nominated Maryland stallion.

The Maryland-Bred Fund receives slightly less than 1 percent of the total mutuel handle and breakage from Laurel and Pimlico (the State's two mile tracks), and receives approximately 1.5 percent of the mutuel handle and 5.0 percent of the breakage at Timonium (the State's half mile track).

In 2014, revenue for the Maryland Bred Fund totaled over \$6.2 million (includes approximately \$2.0 million from pari-mutuel wagering funds and \$4.2 million from other sources).

After eligible deductions a portion of this money is allocated to purses and owner awards. The remaining percentage is distributed in the form of breeder awards and stallion awards. In 2014 \$1.9 million was paid in purses and owner awards and \$3.5 million was disbursed as breeder and stallion awards.

In 2014, owner awards were paid to the owners of all registered Maryland-breds when they finished first through third in any race other than stakes and claiming races in which the horse runs for a claiming price of less than \$10,000. These awards were 17.5 percent of the winner's share of the purse per a specific agreement of the industry groups.

In 2014, breeder and stallion awards were paid for the registered Maryland-bred who finished first through third in any race in Maryland. The breeder awards were 30% percent and, beginning in August, an additional 10% was awarded to breeders of registered Maryland-sired Maryland-bred horses. The stallion bonuses were 10 percent of the winner's share of the purse. In stakes races the award is based on the first \$100,000 of the gross purse. The Maryland-bred stakes program is typically planned on a meet by meet basis, and is based on projected revenues for the coming year.

In order to earn a breeder award, the horse must be registered as a Maryland-bred. In order to earn a stallion award, the horse must be registered as a Maryland-bred, and the sire must be registered with the MHBA, in addition to having been standing in Maryland at the time the horse was conceived.

The Maryland-Bred Fund program is administered by the Maryland Racing Commission with the assistance and advice of the Maryland Fund Advisory Committee chaired by David Hayden, a member of the Maryland Racing Commission. Other members of the Maryland Fund Advisory Committee are Georganne Hale (representing mile tracks); Howard M. Mosner (half-mile track) and R. Thomas Bowman, DVM and Donald H. Barr (MHBA). Under the direction of the Commission, the actual implementation of the fund, including maintaining the Maryland-bred registry and computing and distributing all bonus awards, is performed by the MHBA for which it receives up to 10 percent of the total receipts of the Fund, subject to the approval of the Maryland Racing Commission.

Breeder and stallion award percentages are determined on a bi-annual basis on the advice of the Maryland Fund Advisory Committee. Owner award percentages are determined by a separate agreement. (For Maryland Million Day, breeder and stallion award percentages are determined annually). Awards are distributed as soon as is practical. The quality of Maryland-breds has improved since the Maryland-Bred Fund was initiated over 50 years ago and the program is evaluated bi-annually to ensure the most effective use of the money.

MARYLAND STANDARDBRED RACE FUND

Total purses for the year were \$707,750, an increase from 2010 purses. The Maryland Sire Stakes (MSS) and Maryland Standardbred Fund (MSF) combined totals for the program in each year from 1994 through 2014 are shown below:

YEAR	MSS	MSF	TOTAL
1994	\$1,459,520	\$885,000	\$2,344,520
1995	\$1,736,050	\$1,018,100	\$2,754,150
1996	\$1,736,050	\$1,017,270	\$2,753,320
1997	\$1,209,660	\$793,775	\$2,003,435
1998	\$1,152,040	\$909,190	\$2,061,230
1999	\$1,171,750	\$967,620	\$2,139,370
2000	\$1,215,690	\$1,132,700	\$2,348,390
2001	\$1,142,780	\$1,039,960	\$2,182,740
2002	\$970,360	\$900,690	\$1,871,050
2003	\$947,550	\$833,250	\$1,780,800
2004	\$784,000	\$537,127	\$1,321,127
2005	\$779,104	\$627,761	\$1,406,865
2006	\$859,650	\$687,860	\$1,547,510
2007	\$816,750	\$620,200	\$1,436,950
2008	\$720,000	\$494,550	\$1,214,550
2009	\$445,000	\$315,550	\$760,550
2010	\$311,500	\$241,475	\$552,975
2011	\$447,500	\$260,250	\$707,750
2012	\$798,600	\$172,250	\$970,850
2013	\$825,997	\$529,475	\$1,355,472