# **NINETY-SIXTH**

# ANNUAL REPORT

2015

# 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



August 1, 2016

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 2015.

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

Sincerely,

J. Michael Hopkins

f. Michael Hopkins

**Executive Director** 

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# The Commission during the year 2015 consisted of:

Chairman	John P. McDaniel
Members	Mary Louise Preis
	Charles G. Tildon III
	David Hayden
	Ernest R. Grecco
	Tammy Lafferty
	Tom Winebrener
	Dr. Tom Bowman
	Bruce Quade
The Commission Staff:	
Executive Director	<b>.</b>
Admin. Program Manager	Doreen K. Munday
Fiscal Acets. Supvr.	Elizabeth Robinson
Fiscal Clerk II	Ursula Suber
Chief Investigator	Joseph M. Poag
Stewards:	
Administrative Steward	Adam Campola
Associate Stewards	Ross Pearce
	Russell Derderian
Veterinarians:	
Chief Veterinarian	David G. Zipf
Veterinarians	Thomas C. Jett
	Kelly Walsh

# **MEETING STATISTICS - 2015**

# **Commission Meetings**

In 2015, the Commission met to conduct business on eleven (11) occasions.

# **2015 HIGHLIGHTS**

#### **REVENUE**:

**\$ 2,498,236** was collected by the State in 2015. This amount represents a small decrease from the amount of revenue collected in 2014.

#### **ATTENDANCE**:

Attendance at Maryland tracks was 638,286 in 2015. 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 180 – Allows Ocean Downs and Rosecroft Raceway to apply for operating losses up to \$1.2 million from their share of the purse dedication account through 2019 provided they meet certain criteria.

SB 929 – Allows an organization which represents the majority of Standardbred trainers and owners to apply to the Secretary of Labor for certain expenditures. The application may not exceed 2% of open purses and is limited by other criteria.

Maryland Jockey Club opened a Satellite Simulcast Betting Facility in the Horseshoe Casino in Baltimore City.

In May all horses located at the Bowie training center were re-located to Laurel and Pimlico.

# **2015 RACING DATES**

## **MILE TRACKS**:

Laurel	January 1 – December 31 Simulcast Days	103 + 258 361 Days
Pimlico	January 1 - December 31 Simulcast Days	37 + 324 361 Days
	Total	<u>722</u>
COUNTY F	AIR TRACKS:	
Timonium	August 28 – September 7 Simulcast Days	7 3
	Total	10 Days
STEEPLECH	ASE:	
Fair Hill	May 23 <b>Total</b>	1 Days
	TOTAL LIVE: TOTAL SIMULCAST ONLY: THOROUGHBRED TOTAL:	148 DAYS 585 DAYS 733 DAYS

# 2015 RACING DATES

(Continued)

#### **HARNESS TRACKS:**

			+
Rosecroft	January 1 – December 31	54	
	ITW	304	
	-	358	Nights
Ocean Downs	January 1 – December 31	48	+
	ITW	313	_
		361	Nights
T	OTAL LIVE:	102	NIGHTS
Te	OTAL SIMULCAST ONLY:	617	NIGHTS
H	IARNESS TOTAL:	719	NIGHTS
TOTAL LIVE R	ACING DAYS AND NIGHTS	250	
TOTAL SIMUL	CAST ONLY	1,202	
GRAND TOTAL		1,452	

#### **RACE YEAR SUMMARY:**

During the year 2015, there were 1,452 days and nights of licensed racing in the State, consisting of the following:

There were 722 days of licensed racing at the Mile Tracks - Pimlico 361 days and Laurel 361 days; 10 days at Timonium; and 1 day raced at Fair Hill. There were also 719 nights of licensed racing at the Harness Tracks - Rosecroft 358 nights and Ocean Downs 361 nights.

# ATTENDANCE FOR CALENDAR YEARS 2013 – 2015

	2013	2014	<u>2015</u>	
Laurel	365,551	338,459	341,867	
Pimlico	287,140	263,782	228,919	
Timonium	16,919	16,278	15,948	
TOTAL:	669,610	618,519	586,734	
Rosecroft ** Not recorded	**	**	**	
Ocean Downs * Live Only	45,438	41,349	39,552	*
TOTAL:	45,438	41,349	39,552	
Fair Hill **	9,000	11,984	12,000	
TOTAL ATTENDANCE - THOROUGHBRED AND HARNESS:	724,048	671,852	638,286	

<sup>\*\*</sup> No record of attendance

# WAGERING HISTORY IN MARYLAND Of THOROUGHBRED AND HARNESS RACING

THORO		STATISTICS:	I	HARNESS STA	
YEAR		AMOUNT	YEAR	LICENSED	AMOUNT
	DAYS	WAGERED		DAYS	WAGERED
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
2015	361	129,139,471	2015	719	40,915,568
SSB FAC	ILITIES STA		COMBI	NED TOTALS	
YEAR		AMOUNT	YEAR	LICENSED	AMOUNT
		WAGERED		DAYS	WAGERED
			1999	936	567,180,169
2000		52,791,482	2000	919	549,201,723
2001		64,393,587	2001	1,053	558,823,560
2002		65,580,391	2002	1,093	555,179,158
2003		68,972,477	2003	1,088	519,832,465
2004		67,351,515	2004	1,061	492,258,510
2005		65,745,234	2005	1,024	505,256,563
2006		64,961,268	2006	1,021	474,998,270
2007		69,206,967	2007	1,022	446,571,934
2008		52,507,771	2008	1,030	378,256,778
2009		41,360,026	2009	1,029	302,899,746
_00)		. 1,500,020	_007	-,0-2	202,000,000

2010

2011

2012

2013

2014

2015

1,113

1,053

1,086

1,086

1,080

757

251,691,605

234,603,604

206,500,271

192,286,622

173,879,657

183,912,653

38,137,636

30,812,484

14,288,365

10,212,577

5,140,478

13,857,614

2010

2011

2012

2013

2014

2015

# **AMOUNT WAGERED**

	2014	2015
MILE TRACKS:		
Laurel Pimlico	\$71,839,713 \$49,348,814	84,825,256 42,883,334
TOTAL	\$121,188,527	127,708,590
COUNTY FAIR TRACKS:		
Timonium	\$1,304,203	1,268,467
TOTAL	\$1,304,203	<u>1,268,467</u>
HARNESS TRACKS:		
Rosecroft Ocean Downs	\$37,346,814 \$8,724,042	32,407,544 8,508,024
TOTAL	\$46,070,856	40 015 569
IOIAL	<del>\$40,070,050</del>	<u>40,915,568</u>
STEEPLECHASE:		
Fair Hill	<u>\$175,593</u>	162,414
Fair Hill TOTAL	\$175,593 <b>\$175,593</b>	162,414 <u>162,414</u>
		, in the second second
TOTAL	<u>\$175,593</u>	<u>162,414</u>
TOTAL SSB FACILITIES	<u>\$175,593</u>	<u>162,414</u>

# SATELLITE SIMULCAST BETTING

The amounts bet at the Satellite Simulcast Betting Facilities in calendar year 2015 are reflected in the following table.

#### **Maryland Satellite Simulcast Betting Facilities**

Bet At:	<b>Riverboat</b>	<u>Horseshoe</u>
Bets on:		
MD Thoroughbred Races	486,333	567,054
MD Harness Races	423	42,466
Out - of -State Races	5,890,896	6,870,442
TOTAL	6,377,652	7,479,962

Bet At:	Riverboat
Bets on:	
MD Thoroughbred Races	486,333
MD Harness Races	423
Out - of -State Races	5,890,896
TOTAL	6,377,652

In 2015, SSB facilities met the prescribed food and service standards and provide a convenience to the horse racing public.

# FIVE YEAR ASSESSMENT OF LAUREL

	2015	2014	2013	2012	2011
<u>Attendance</u>	341,867	327,690	365,551	429,114	521,765
<u>Purses</u>	27,661,465	29,106,690	27,815,060	26,589,170	19,589,605
Number of days of live racing	103	107	109	117	115
Betting on its live racing at:					
Laurel	10,027,397	8,772,235	9,354,955	10,877,867	9,976,957
Other MD tracks	3,587,975	3,541,793	3,265,292	2,601,664	2,267,508
Satellite Simulcast Facilities	678,328	180,372	418,788	505,181	854,026
Out-of-state	175,672,864	142,507,116	161,430,230	156,578,967	131,456,700
Betting on other in-State races	2,914,564	2,551,364	2,560,813	2,972,084	2,816,611
Betting on out-of-State races	71,883,295	60,516,114	66,662,588	85,446,848	108,884,422
Total betting at this location on all racing	84,825,256	71,839,713	78,578,356	99,296,799	121,677,990

# FIVE YEAR ASSESSMENT OF PIMLICO

	2015	2014	2013	2012	2011
<u>Attendance</u>	228,919	256,725	287,140	300,056	312,533
<u>Purses</u>	12,395,050	12,892,690	12,581,995	8,603,875	6,812,980
Number of days of live racing	37	35	36	29	29
Betting on its live racing at:					
Pimlico	9,651,661	9,672,078	10,115,032	9,862,787	8,783,040
Other MD tracks	3,512,330	3,416,557	2,946,910	2,813,071	2,636,197
Satellite Simulcast Facilities in MD	344,698	175,696	411,630	406,178	863,782
Out-of-state	171,301,182	146,829,060	143,766,884	128,842,396	112,304,939
Betting on other in-State races	2,198,420	2,171,348	2,505,917	2,680,782	2,341,922
Betting on out-of-State races	31,033,253	37,505,388	41,224,274	44,712,293	48,730,414
Total betting at this location on all racing	42,883,334	49,348,814	53,845,223	57,255,862	59,855,376

# FIVE YEAR ASSESSMENT OF TIMONIUM

	2015	2014	2013	2012	2011
<b>Attendance</b>	15,948	16,278	2,760	18,118	17,389
<u>Purses</u>	1,071,240	11,843	1,484,290	886,905	715,495
Number of days of live racing	7	7	10	7	6
Betting on its live racing at:					
Timonium	762,714	790,176	962,966	842,211	813,307
Other MD tracks	191,647	234,163	272,967	238,131	254,828
Satellite Simulcast Facilities in MD	30,361	8,517	22,319	21,061	52,714
Out-of-state	2,188,761	1,555,991	2,404,431	1,611,380	1,514,310
Betting on other in-State races	0	0	0	0	0
Betting on out-of-State races	505,753	514,027	593,183	487,132	456,251
Total betting at this location on all racing	1,268,467	1,304,203	1,556,149	1,329,343	1,269,558

# FIVE YEAR ASSESSMENT OF ROSECROFT

	2015	2014	2013	2012	2011
Attendance	*0	*0	*0	*0	*0
*Attendance not recorded					
Purses	4,760,147	4,249,537	3,336,615	1,823,332	**483,500
Includes					
**Purses pd. By MD.					
Stndbred.Race Fund					
Number of days of live racing	54	54	54	54	20
<b>Betting on its live racing at:</b>					
Rosecroft	851,600	812,441	815,926	878,840	379,326
Other MD tracks	71,452	57,530	39,820	0	0
Satellite Simulcast Facilities in MD	22,306	4	4,180	13,231	0
Out-of-state	4,221,548	2,804,119	2,820,681	2,707,644	463,437
<b>Betting on other in-State races</b>	2,410,434	2,126,834	1,559,380	0	0
<b>Betting on out-of-State races</b>	29,145,510	34,407,539	36,077,069	18,789,664	6,753,950
Total betting at this location on all					
racing	32,407,544	37,346,814	38,452,375	19,668,504	7,133,276

# FIVE YEAR ASSESSMENT OF OCEAN DOWNS

	2015	2014	2013	2012	2011
Attendance	39,552	41,349	45,438	46,843	77,466
<u>Purses</u>	2,610,769	3,345,941	3,367,612	2,485,829	1,997,717
Number of days of live racing	48	48	46	44	37
Betting on its live racing at:					
Ocean Downs	1,103,909	981,404	1,057,601	1,080,260	1,156,407
Other MD tracks	125,437	85,510	10,121	75,647	76,601
<b>MD Satellite Simulcast Facilities</b>	22,260	102	4,435	35,258	14,567
Out-of-state	3,318,642	2,389,676	2,973,522	2,605,837	2,521,326
Betting on other in-State races	504,537	485,974	307,939	557,658	469,259
Betting on out-of-State races	6,899,578	7,256,664	8,104,735	8,648,920	12,051,310
Total betting at this location on all racing	8,508,024	8,724,042	9,470,275	10,286,838	13,676,976

## **METHOD OF TAXATION**

#### TAKEOUT AT MARYLAND THOROUGHBRED RACETRACKS

#### Effective July 1, 2005

State Tax Purses Track Maryland Million Bred Fund Total Takeout Returned to Public	Regular Pool% .32 7.88 (1) 7.70 (2) 1.00 1.10 18.00 82.00	2-Horse Multiple .32 8.88 (1) 8.70 (2) 2.0 1.10 21.00 79.00	3-Horse Multiple 1st Race .32 11.88 (1) 11.70 (2) .75 1.10 25.75 74.25
<b>Total Handle</b>	100.00 %	100.00 %	100.00 %
Timonium State Tax Purses Track Bred Fund Total Takeout Returned to Public Total Handle	0 (3) 5.00 10.50 (2) 1.50 17.00 83.00	0 (3) 7.00 10.50 (2) 1.50 19.00 81.00	0 (3) 13.00 10.50 (2) 1.50 25.00 75.00
Fair Hill State Tax (Fair Hill Improvement Fund) Track Total Takeout Returned to Public Total Handle	9.00 16.00 25.00 75.00 100.00 %		

- (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

	1-Horse	2-Horse	Over 2-Horse
	Pool %	Pool %	Pool %
State Tax	.32	.32	.32
Purses	.18	.18	.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	81.25	79.25	73.25
Total Handle	100.00 %	100.00 %	100.00 %

<sup>(4)</sup> 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.

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

# REVENUE TO THE STATE: THOROUGHBRED

TOTAL FOR	ALL MEETS
-----------	-----------

TOTAL FOR ALL MEETS		
	2014	2015
LAUREL		
Race Days	263	361
Tax to the State	426,551	406,935
License Fee	6,000	9,025
	432,551	415,960
PIMLICO		
Race Days	91	361
T	206.262	070 777
Tax to the State	296,362	273,767
License Fee	2,250	9,025
	298,612	282,792
	F21 172	(00.552
TOTAL THOROUGHBRED	731,163	698,752
COUNTY FAIR: TIMONIUM		
Race Days	10	10
To the discount	0	0
Tax to the State License Fee	-0-	0
License Fee	-0- -0-	0
	-0-	0
TOTAL COUNTY FAIR	-0-	0
STEEPLECHASE: FAIR HILL		
Race Days	1	1
Tax to the State	15,803	14,617
TOTAL STEEPLECHASE	15,803	14,617

# REVENUE TO THE STATE: HARNESS

	2014	2015
ROSECROFT		
Race Days	362	361
Tax to the State	134,393	128,626
License Fee	9,050 143,443	9,025 137,651
	-, -	201,002
OCEAN DOWNS		
Race Days	362	361
Tax to the State	3,141	3,535
License Fee	9,050	9,025
	12,191	12,560
TOTAL HADDINGS	155 (24	150.011
TOTAL HARNESS	155,634	150,211

(Race days include live and simulcast only days)

# SUMMARY OF LICENSES & REGISTRATIONS ISSUED

## 2015

#### THOROUGHBRED LICENSES:

705	Original Owner	@ \$50.00	\$35,250
2,644	Renewal Owner	25	66,100
75	Original Trainer	50	3,750
284	Renewal Trainer	25	7,100
162	Assistant Trainer	25	4,050
448	Owner / Trainer	50	22,400
246	Jockey	25	6,150
68	Apprentice Jockey	25	1,700
39	Jockey Agent	25	975
28	Veterinarian	25	700
37	Farrier	10	370
961	Stable Employee	5	4,805
432	Mutuel Employee	5	2,160
183	Vendor	5	915
262	Exercise Rider	5	1,310
307	Track Employee	5	1,535
6,881	TOTAL LICENSES	-	\$159,270

#### THOROUGHBRED REGISTRATIONS:

1320	TOTAL REGISTRATIONS	-	\$93,215
1231	Assumed Name	75	92,325
89	Authorized Agent	@ \$10.00	890

## SUMMARY OF LICENSES & REGISTRATIONS ISSUED

(Continued)

#### **HARNESS LICENSES:**

141	Original Owner	@ \$50.00	\$7,050
525	Renewal Owner	25	13,125
18	Original Trainer	25	450
69	Renewal Trainer	25	1,725
33	Driver	25	825
30	Trainer / Driver	50	1,500
166	Owner / Trainer	50	8,300
110	Owner / Trainer / Driver	75	8,250
12	Owner / Driver	50	600
3	Veterinarian	25	75
196	Stable Employee	5	980
40	Mutuel Employee	5	200
80	Track Employee	5	400
14	Vendor	5	70
2	Farrier	5	10
1,439	TOTAL LICENSES	-	\$43,560

#### HARNESS REGISTRATIONS:

94	TOTAL REGISTRATIONS		\$7,050
		-	
94	Assumed Name	75	7,050
0	Authorized Agent	10	0

#### THOROUGHBRED AND HARNESS

TOTAL RECEIPTS FOR LICENSES & REGISTRATIONS ISSUED:

\$303,095

#### **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.

	2014	2015
Mile Tracks	\$355,330	\$369,116
Harness Tracks	216,000	210,394
County Fair Track	0*	0*
Steeplechase	3,294	<u>4,184</u>
TOTAL UNCASHED PARI-MUTUEL		
TICKETS	<u>\$574,624</u>	<u>\$583,694</u>

<sup>\*</sup>County Fair uncashed monies included with mile tracks.

## STATEMENT OF RECEIPTS DISBURSED TO THE STATE COMPTROLLER

	2014	2015
MILE TRACKS:		
Track License Fees	\$8,250	\$18,050
Tax on Betting	722,913	680,702
Licensing Fees	118,590	159,270
Registration Fees	66,065	93,215
Uncashed Pari-Mutuels	355,330	369,116
TOTAL DISBURSEMENTS MILE TRACKS	\$1,271,148	\$1,320,353
		<u> </u>
<b>COUNTY FAIR TRACKS:</b>		
Tax on Betting (6)	-0-	-0-
Uncashed Pari-Mutuels	*	*
TOTAL DISBURSEMENTS COUNTY FAIR TRACKS		
HARNESS TRACKS:		
Track License Fees	\$18,100	\$18,050
Tax on Betting	137,533	132,162
Licensing Fees	40,380	43,560
Registration Fees	5,185	7,050
Uncashed Pari-Mutuels	216,000	210,395
TOTAL DISBURSEMENTS HARNESS TRACKS	\$417,198	\$411,217
STEEPLECHASE:		
Tax on Betting	\$15,803	\$14,617
<b>Uncashed Pari-Mutuels</b>	3,294	4,184
TOTAL DISBURSEMENTS STEEPLECHASE	\$19,097	\$18,801
OTB'S:		
Permit Fee	\$1,000	\$1,500
TOTAL DISBURSEMENTS O.T.B.	\$1,000	\$1,500
TOTAL ALL DISBURSEMENTS	\$1,708,443	\$1,751,871

<sup>(6)</sup> 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:**

	2014	2015
Tax on Admissions	\$406,259	408,670
Sales Tax on Horses Claimed	457,838	337,695
TOTAL DIRECT DISBURSEMENTS TO STATE	\$864,097	746,365
TOTAL ALL DISBURSEMENTS TO STATE		
COMPTROLLER	\$2,572,540	\$2,498,236

# STATEMENT OF ACTUAL EXPENDITURES

## Fiscal Year '15' July 1, 2014 TO June 30, 2015

#### **SALARIES & BENEFITS**

Commission Personnel	\$370,878
Total Salary Expenses	\$370,878
OFFICE EXPENDITURES:	
Telephone and Postage	8,260
Travel Expenses	13,933
Motor Vehicle Operation	3,069
Contractual Services, i.e.,	20,562
Printing, Repairs, Equipment and Leasing, Court Expenses,	0
Transcript of Hearings	
Office Supplies	6,655
Office Equipment Additional	0
Fixed Charges, i.e., Rent, Insurance, Subscriptions and Dues	12,333
Total Office Expenses	\$64,812
Total Office Expenses	. ,
TOTAL EXPENDITURES AND DISBURSEMENTS (7)	\$435,690
-	
TOTAL EXPENDITURES AND DISBURSEMENTS (7)	
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:	\$435,690
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid	\$435,690 \$2,035,637
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid  Other:	\$435,690 \$2,035,637 \$0
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid  Other:  Fair Hill	\$435,690 \$2,035,637 \$0 \$14,617
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid  Other: Fair Hill Maryland Standardbred Race Fund	\$435,690 \$2,035,637 \$0
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid  Other: Fair Hill Maryland Standardbred Race Fund Maryland-bred Race Fund	\$435,690 \$2,035,637 \$0 \$14,617 0
TOTAL EXPENDITURES AND DISBURSEMENTS (7)  OTHER DISBURSEMENTS:  Grants  Impact Aid  Other: Fair Hill Maryland Standardbred Race Fund	\$435,690 \$2,035,637 \$0 \$14,617 0

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

# MARYLAND RACING COMMISSION 2015 EQUINE SPECIMEN TESTING

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 2015and continues to do so. Below are the statistics regarding the analysis of these samples.

#### NUMBER OF OFFICIAL SAMPLES ANALYZED

SOURCE	URINE	BLOOD	TOTAL	POSITIVE
Thoroughbred	2,335	3,311	5,646	25
Standardbred	2,080	6,331	8,411	12
Human	0	0	0	0
2015 Totals	4,415	9,642	14,057	37

#### 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.

#### **POLICY COST**

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
2015		\$ 808,553.00
	•	

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 2015 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); 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) **Maryland-sired 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 2015, revenue for the Maryland Bred Fund totaled over \$6.5 million (includes approximately \$2.2 million from pari-mutuel wagering funds and \$4.3 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 2015 over \$700,000 was paid in purses and owner awards and \$ 3.6 million was disbursed as breeder and stallion awards.

Through January of 2015, owner awards were paid to the owners of all registered Maryland-breds when they finished first through third in any race other than stakes. These awards were 30 percent of the winner's share of the purse per a specific agreement of the industry groups.

In 2015, 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 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); Andy Cashman (half-mile track) and Joseph P. Pons, Jr. 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 1996 through 2015 are shown below:

YEAR	MSS	MSF	TOTAL
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
2014	\$1,406,377	\$501,835	\$1,908,212
2015	\$1,210,700	\$472,585	\$1,683,285