

One Hundredth

ANNUAL REPORT

2019

STATE OF MARYLAND



MARYLAND RACING COMMISSION

Larry Hogan
Governor of Maryland

Boyd K. Rutherford
Lt. Governor of Maryland

Tiffany P. Robinson
Secretary

September 3, 2020

Tiffany P. Robinson
Secretary
Maryland Department of Labor
500 North Calvert Street
Baltimore, Maryland 21202

The Honorable Bill Ferguson
President
Senate of Maryland
State House, H-107
Annapolis, Maryland 21401

The Honorable Adrienne Jones
Speaker
Maryland House of Delegates
State House, H-101
Annapolis, Maryland 21401

RE: Report required by Business Regulation Article §11–213 (MSAR 710, 6526)

Dear Secretary Robinson, Senate President Ferguson, and Speaker Jones:

On or before September 15 of each year, the Maryland Racing Commission is required to submit a report to the Secretary and the Legislative Policy Committee about the preceding calendar year. The Commission is pleased to present you with the annual report for calendar year 2019.

Each report shall include:

- (1) a statement of receipts and disbursements of the Commission;
- (2) a summary of major events that occurred the preceding year that affected horse racing in the State, including any significant changes at tracks in the region as well as a discussion of legislative initiatives in the State;
- (3) a 5-year assessment of each track regarding:
 - (i) attendance;
 - (ii) purse distributions;
 - (iii) live racing days that are allocated and used;
 - (iv) betting on live racing that is held at that track broken down by the following categories:
 1. betting conducted at the live track;
 2. betting conducted at other Maryland tracks;

Mike.Hopkins@maryland.gov | 410-296-9682 | www.labor.maryland.gov

- 3. betting conducted at satellite simulcast facilities in the State; and
- 4. betting conducted through out-of-state satellite simulcasting;
- (v) betting that is conducted at the live track on races simulcast from other tracks in the State; and
- (vi) betting that is conducted at the live track on races simulcast from out-of-state tracks;
- (4) information on all simulcast betting at satellite simulcast facilities in the State, including information on how much is wagered on in-state races and how much is bet on out-of-state races;
- (5) information on all simulcast betting that is conducted out-of-state on races being run live in this State;
- (6) to the extent available, information on the breeding industry in the State, including:
 - (i) the number of breeders in the State;
 - (ii) the number of foals registered in the State;
 - (iii) the average sales prices of foals; and
 - (iv) any other information pertaining to the regional and national ranking of the State for breeding;
- (7) all other information that is currently provided by the Commission in its annual report;
- (8) additional information on satellite simulcast facilities, as required under § 11-831 of this title; and
- (9) any other information that is useful in explaining the financial viability of horse racing in the State and any recommendations to improve the industry.

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

J. Michael Hopkins
Executive Director

cc: Legislative Policy Committee
Sarah Albert, Department of Legislative Services (5 hard copies)

TABLE OF CONTENTS

The Commission during the year 2019	4
Meeting and Hearing Statistics	5
2019 Highlights.....	5
2019 Legislation and Other Major Events	5
Racing Dates	6
Attendance	8
Wagering History	9
Amount Wagered	10
Satellite Simulcast Betting.....	11
Five Year Assessments	12
Method of Taxation.....	17
Revenue to the State: Thoroughbred.....	19
Revenue to the State: Harness.....	20
Summary of Licenses Issued.....	21
Uncashed Pari-Mutuel Tickets.....	23
Statement of Receipts	24
Statement of Actual Expenditures	26
Maryland Racing Commission Laboratory	27
The Maryland Jockey Injury Compensation Fund	28
Maryland-Bred Fund Report	29
Maryland Standardbred Fund Report.....	31

The Commission during the year 2019 consisted of:

Chairman

Michael J. Algeo

Members

Ronald Thomas, II
M. Konrad Wayson
Tammy Lafferty
Tom Winebrenner
David Hayden
Ernest R. Grecco
Clarissa Coughlin
Dr. Tom Bowman

The Commission Staff

J. Michael W. Hopkins, Executive Director
Doreen K. Munday, Admin. Program Manager
Ursula Suber, Fiscal Accounts Supervisor
Cheryl Kauffman, Fiscal Clerk II
Joseph M. Poag, Chief Investigator
Dennis O'Neill, Investigator

Stewards

Adam Campola, Administrative Steward
Russell Derderian, Associate Steward
Ross Pearce, Associate Steward

Veterinarians

Dr. Elizabeth Daniel, Chief Veterinarian
Dr. Kelly Walsh, Veterinarian
Dr. Sam Saksen, Veterinarian
Dr. Sarah Dilodovico, Veterinarian

MEETING STATISTICS - 2019

Commission Meetings

In 2019, the Commission met to conduct business on eleven (11) occasions.

Highlights

REVENUE:

\$ 2,663,682 was collected by the State in 2019. This amount represents a decrease from the amount of revenue collected in 2018.

ATTENDANCE:

Attendance at Maryland tracks was 462,934 in 2019. 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.

Rosecroft does not keep a record of attendance.

Legislation

Chapter 339 (HB 80/ SB 132) – Deleted language requiring all profits from Racing at Fair Hill be given to the Union Hospital of Cecil County.

2019 RACING DATES

MILE TRACKS:

Laurel	January 1 – December 31	162
	Simulcast Days	<u>201</u>
		363 Days
Pimlico	January 1 - December 31	12
	Simulcast Days	<u>255</u>
		267 Days
	Total	<u>630</u>

COUNTY FAIR TRACKS:

Timonium	August 25 – September 4	7
	Simulcast Days	<u>3</u>
	Total	<u>10 Days</u>

STEEPLECHASE :

Fair Hill	May 25	<u>1</u>
	Total	<u>1 Days</u>

TOTAL LIVE:	182 DAYS
TOTAL SIMULCAST ONLY:	<u>459 DAYS</u>
THOROUGHBRED TOTAL:	<u><u>641 DAYS</u></u>

2019 RACING DATES

(Continued)

HARNESS TRACKS:

Rosecroft	January 1 – December 31	59	
	ITW	302	
		361	Nights
Ocean Downs	January 1 – December 31	47	
	ITW	317	
		364	Nights
TOTAL LIVE:		106	NIGHTS
TOTAL SIMULCAST ONLY:		619	NIGHTS
HARNESS TOTAL:			
		725	NIGHTS

TOTAL LIVE RACING DAYS AND NIGHTS	288
TOTAL SIMULCAST ONLY	
GRAND TOTAL	1,078
	1,366

RACE YEAR

SUMMARY:

During the year 2019, there were 288 days and nights of licensed racing in the State, consisting of the following:

There were 641 days of licensed racing at the Mile Tracks – Pimlico 267 days and Laurel 363 days; 10 days at Timonium; and 1 day raced at Fair Hill. There were also 725 nights of licensed racing at the Harness Tracks – Rosecroft 361 nights and Ocean Downs 364 nights.

ATTENDANCE FOR CALENDAR YEARS 2017 - 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Laurel	275,214	272,926	303,114
Pimlico	124,952	129,474	121,402
Timonium *	<u>13,206</u>	14,096	<u>15,491</u>
TOTAL:	413,372	416,496	440,007
Rosecroft **	**	**	**
Not recorded			
Ocean Downs	<u>38,721</u>	<u>33,877</u>	<u>34,776</u>
* Live Only			
TOTAL:	38,721	33,877	34,776
Fair Hill	10,841	11,114	14,104
TOTAL	<u>462,934</u>	<u>461,487</u>	<u>488,887</u>

*Includes attendance from State Fair

WAGERING HISTORY IN MARYLAND
of
THOROUGHBRED AND HARNESS RACING

THOROUGHBRED STATISTICS:

YEAR	LICENSED DAYS	AMOUNT WAGERED
2007	301	259,549,867
2008	303	225,189,800
2009	291	195,908,615
2010	290	190,800,402
2011	267	182,980,868
2012	336	158,031,769
2013	363	134,515,395
2014	362	122,668,323
2015	361	129,139,471
2016	362	102,388,036
2017	363	94,123,538
2018	362	88,957,359
2019	641	82,329,162

HARNESS STATISTICS:

YEAR	LICENSED DAYS	AMOUNT WAGERED
2007	721	117,815,100
2008	727	100,559,207
2009	738	65,631,105
2010	823	22,753,567
2011	490	20,810,252
2012	717	34,180,137
2013	723	47,922,650
2014	724	46,070,856
2015	719	40,915,568
2016	724	46,168,043
2017	725	44,110,698
2018	722	36,081,700
2019	725	48,122,467

SSB FACILITIES STATISTICS:

YEAR	AMOUNT WAGERED
2007	69,206,967
2008	52,507,771
2009	41,360,026
2010	38,137,636
2011	30,812,484
2012	14,288,365
2013	10,212,577
2014	5,140,478
2015	13,857,614
2016	20,449,226
2017	37,829,944
2018	39,237,868
2019	44,837,391

COMBINED TOTALS:

YEAR	LICENSED DAYS	AMOUNT WAGERED
2007	1,022	446,571,934
2008	1030	378,256,778
2009	1029	302,899,746
2010	1113	251,691,605
2011	757	234,603,604
2012	1,053	206,500,271
2013	1,086	192,286,622
2014	1,086	172,879,657
2015	1,080	183,912,653
2016	1,086	169,005,305
2017	1,088	176,064,180
2018	1,084	164,276,927
2019	1,364	175,289,020

AMOUNT WAGERED

2019

MILE TRACKS:

Laurel	\$60,833,479
Pimlico	<u>\$17,707,261</u>
TOTAL	<u>\$78,540,740</u>

COUNTY FAIR TRACKS:

Timonium	<u>\$3,663,502</u>
TOTAL	<u>\$3,663,502</u>

HARNESS TRACKS:

Rosecroft	\$35,724,172
Ocean Downs	<u>\$12,398,295</u>
TOTAL	<u>\$48,122,467</u>

STEEPLECHASE:

Fair Hill	<u>\$124,920</u>
TOTAL	<u>\$124,920</u>

SSB FACILITIES	<u>\$44,837,391</u>
-----------------------	----------------------------

SUMMARY

Mile Tracks	\$78,540,740
County Fair Tracks	\$3,663,502
Harness Tracks	\$48,122,467
Steeplechase	\$124,920
SSB Facilities	<u>\$44,837,391</u>
TOTAL	<u>\$175,289,020</u>

SATELLITE SIMULCAST BETTING

The amounts bet at the Satellite Simulcast Betting Facilities in calendar year 2019 are reflected in the following table.

Maryland Satellite Simulcast Betting Facilities

Bet At:	MGM	Riverboat	Horseshoe	Timonium	Boonsboro	Perryville	Greenmount	Frederick
Bets on:								
MD Thoroughbred Races	543,380	334,113	859,345	1,809,405	274,899	442,826	385,700	148,853
MD Harness Races	75,558	2,759	48,908	5,344	3,348	15,634	1,041	2,718
Out - of -State Races	7,130,390	2,504,845	8,923,522	11,334,913	2,640,125	3,924,334	1,803,146	1,622,285
TOTAL	<u>7,749,328</u>	<u>2,841,717</u>	<u>9,831,775</u>	<u>13,149,662</u>	<u>2,918,372</u>	<u>4,382,794</u>	<u>2,189,887</u>	<u>1,773,856</u>

In 2019, SSB facilities met the prescribed food and service standards and provide a convenience to the horse racing public.

FIVE YEAR ASSESSMENT OF LAUREL

	2019	2018	2017	2016	2015
<u>Attendance</u>	275,214	272,926	303,114	330,817	341,867
<u>Purses</u>	48,225,203	50,289,064	40,837,740	33,959,365	27,661,465
<u>Number of days of live racing</u>	162	158	150	125	103
<u>Betting on its live racing at:</u>					
Laurel	12,534,126	12,991,430	13,532,748	12,164,916	10,027,397
Other MD tracks	2,752,581	2,697,626	3,169,633	3,436,710	3,587,975
Satellite Simulcast Facilities	3,482,922	3,452,452	3,206,944	2,480,279	678,328
Out-of-state	350,298,087	353,004,877	336,387,361	256,578,508	175,672,864
<u>Betting on other in-State races</u>	1,367,491	1,353,185	1,563,234	2,219,172	2,914,564
<u>Betting on out-of-State races</u>	48,895,883	53,735,871	55,267,891	58,084,683	61,855,898
<u>Total betting at this location on all racing</u>	62,797,500	68,080,486	70,363,873	72,468,771	74,797,859

FIVE YEAR ASSESSMENT OF PIMLICO

	2019	2018	2017	2016	2015
<u>Attendance</u>	124,952	129,474	121,402	149,544	228,919
<u>Purses</u>	5,534,958	5,994,747	5,385,380	8,952,825	12,395,050
<u>Number of days of live racing</u>	12	12	12	28	37
<u>Betting on its live racing at:</u>					
Pimlico	5,504,782	5,640,463	7,060,076	7,844,833	9,651,661
Other MD tracks	1,456,936	1,360,912	1,814,168	2,905,243	3,512,330
Satellite Simulcast Facilities in MD	955,670	885,954	822,927	1,152,775	344,698
Out-of-state	140,562,792	129,781,672	134,381,489	160,625,703	171,301,182
<u>Betting on other in-State races</u>	1,291,630	1,383,157	1,437,821	1,643,715	2,198,420
<u>Betting on out-of-State races</u>	11,390,038	12,483,544	13,735,860	18,912,370	31,033,253
<u>Total betting at this location on all racing</u>	18,186,450	19,507,164	22,233,757	28,400,918	42,883,334

FIVE YEAR ASSESSMENT OF TIMONIUM

	2019	2018	2017	2016	2015
<u>Attendance</u>	13,206	14,096	15,491	14,465	15,948
<u>Purses</u>	1,394,225	1,693,353	1,453,410	1,126,275	1,071,240
<u>Number of days of live racing</u>	7	7	7	7	7
<u>Betting on its live racing at:</u>					
Timonium	596,163	660,766	739,340	697,034	762,714
Other MD tracks	271,024	269,158	300,472	248,940	191,647
Satellite Simulcast Facilities in MD	73,916	78,107	68,406	44,157	30,361
Out-of-state	3,325,974	3,845,992	4,169,311	2,595,868	2,188,761
<u>Betting on other in-State races</u>	305	234	357	151	0
<u>Betting on out-of-State races</u>	623,823	557,033	628,499	688,644	505,753
<u>Total betting at this location on all racing</u>	1,220,291	1,218,033	1,368,196	1,385,829	1,268,467

FIVE YEAR ASSESSMENT OF ROSECROFT

	2019	2018	2017	2016	2015
<u>Attendance</u>	*0	*0	*0	*0	*0
<u>*Attendance not recorded</u>					
<u>Purses</u>	7,225,498	5,740,701	5,295,926	6,016,904	4,760,147
<u>Includes</u>					
**Purses pd. By MD. Stndbred.Race					
<u>Number of days of live racing</u>	59	59	59	54	54
<u>Betting on its live racing at:</u>					
Rosecroft	944,058	853,938	833,526	1,007,007	851,600
Other MD tracks	187,115	117,123	137,789	100,827	71,452
Satellite Simulcast Facilities in MD	106,173	58,047	63,629	51,995	22,306
Out-of-state	10,015,131	7,392,866	6,802,198	5,947,155	4,221,548
<u>Betting on other in-State races</u>	1,627,964	1,826,101	1,922,995	2,252,743	2,410,434
<u>Betting on out-of-State races</u>	22,192,960	26,080,844	27,990,093	31,284,981	29,145,510
<u>Total betting at this location on all</u>	24,764,982	28,760,883	30,746,614	34,544,731	32,407,544

FIVE YEAR ASSESSMENT OF OCEAN DOWNS

	2019	2018	2017	2016	2015
<u>Attendance</u>	38,721	33,877	34,766	39,339	39,552
<u>Purses</u>	4,888,143	5,172,768	4,524,196	4,236,917	2,610,769
<u>Number of days of live racing</u>	47	48	47	47	48
<u>Betting on its live racing at:</u>					
Ocean Downs	917,865	843,479	841,399	983,450	1,103,909
Other MD tracks	129,682	117,860	114,036	204,134	125,437
MD Satellite Simulcast Facilities	49,134	36,602	35,545	25,213	22,260
Out-of-state	6,001,502	5,555,633	5,259,894	3,250,006	3,318,642
<u>Betting on other in-State races</u>	509,948	558,404	614,591	646,568	504,537
<u>Betting on out-of-State races</u>	5,300,107	5,918,935	7,238,654	7,148,597	6,899,578
<u>Total betting at this location on all</u>	6,727,920	7,320,818	8,694,644	8,778,615	8,508,024

METHOD OF TAXATION

TAKEOUT AT MARYLAND THOROUGHBRED RACETRACKS

Effective July 1, 2005

	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>	<u>74.25</u>
 Total Handle	 100.00 %	 100.00 %	 100.00 %

Timonium

State Tax	0 (3)	0 (3)	0 (3)
Purses	5.00	7.00	13.00
Track	10.50 (2)	10.50 (2)	10.50 (2)
Bred Fund	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>
Total Takeout	17.00	19.00	25.00
Returned to Public	<u>83.00</u>	<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	<u>16.00</u>
Total Takeout	25.00
Returned to Public	<u>75.00</u>
 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

	1-Horse <u>Pool %</u>	2-Horse <u>Pool %</u>	Over 2-Horse <u>Pool %</u>
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	<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.

REVENUE TO THE STATE: THOROUGHBRED

TOTAL FOR ALL MEETS

	2019	2018
LAUREL		
Race Days	363	364
Tax to the State	371,167	387,076
License Fee	9,075	9,100
	380,242	396,176

PIMLICO

Race Days	267	362
Tax to the State	233,163	236,658
License Fee	6,675	9,050
	239,838	245,708

TOTAL THOROUGHBRED	620,080	641,884
---------------------------	----------------	----------------

COUNTY FAIR: TIMONIUM

Race Days	7	7
Tax to the State	0	0
License Fee	<u>0</u>	<u>0</u>
	0	0

TOTAL COUNTY FAIR	<u>0</u>	<u>0</u>
--------------------------	----------	----------

STEEPLECHASE: FAIR HILL

Race Days	1	1
Tax to the State	11,243	13,651

TOTAL STEEPLECHASE	11,243	13,651
---------------------------	---------------	---------------

REVENUE TO THE STATE: HARNESS

	<u>2019</u>	<u>2018</u>
ROSECROFT		
Race Days	361	361
Tax to the State	107,701	119,889
License Fee	<u>9,025</u>	<u>9,025</u>
	116,726	128,914
 OCEAN DOWNS		
Race Days	364	364
Tax to the State	5,598	21,751
License Fee	<u>9,050</u>	<u>9,100</u>
	14,648	30,851
 TOTAL HARNESS	<u>131,374</u>	<u>159,765</u>
(Race days include live and simulcast only days)		

SUMMARY OF LICENSES & REGISTRATIONS ISSUED

2019

THOROUGHBRED LICENSES:

512	Original Owner
1,986	Renewal Owner
50	Original Trainer
161	Renewal Trainer
130	Assistant Trainer
376	Owner / Trainer
190	Jockey
39	Apprentice Jockey
28	Jockey Agent
34	Veterinarian
30	Farrier
857	Stable Employee
127	Mutuel Employee
148	Vendor
184	Exercise Rider
288	Track Employee

5,140	TOTAL LICENSES

THOROUGHBRED REGISTRATIONS:

81	Authorized Agent
419	Assumed Name

500	TOTAL REGISTRATIONS

SUMMARY OF LICENSES & REGISTRATIONS ISSUED
(Continued)

HARNESS LICENSES:

125	Original Owner
348	Renewal Owner
8	Original Trainer
36	Renewal Trainer
23	Driver
21	Trainer / Driver
164	Owner / Trainer
121	Owner / Trainer / Driver
7	Owner / Driver
4	Veterinarian
154	Stable Employee
41	Mutuel Employee
99	Track Employee
17	Vendor
0	Farrier

1,168	TOTAL LICENSES

HARNESS REGISTRATIONS:

0	Authorized Agent
33	Assumed Name

33	TOTAL REGISTRATIONS

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. Collected July 1, 2018 thru June 30, 2019

	<u>2019</u>	<u>2018</u>
Mile Tracks	\$786,089	\$797,651
Harness Tracks	191,267	223,712
County Fair Track	0*	*0
Steeplechase	<u>4,262</u>	<u>4,337</u>
TOTAL UNCASHED PARI-MUTUEL TICKETS	<u><u>\$981,618</u></u>	<u><u>\$1,025,700</u></u>

*County Fair uncashed monies included with mile tracks.

**SSB's uncashed monies included with racetracks uncashed tickets.

STATEMENT OF RECEIPTS

DISBURSED TO THE STATE COMPTROLLER

	<u>2019</u>
<u>MILE TRACKS:</u>	
Track License Fees	\$15,750
Tax on Betting	604,330
Licensing Fees	0
Registration Fees	0
Uncashed Pari-Mutuels	786,089
TOTAL DISBURSEMENTS MILE TRACKS	<u>\$1,406,169</u>
 <u>COUNTY FAIR TRACKS:</u>	
Tax on Betting (6)	-0-
Uncashed Pari-Mutuels	*
TOTAL DISBURSEMENTS COUNTY FAIR	<u>0</u>
 <u>HARNESS TRACKS:</u>	
Track License Fees	\$18,075
Tax on Betting	113,299
Licensing Fees	0
Registration Fees	0
Uncashed Pari-Mutuels	191,267
TOTAL DISBURSEMENTS HARNESS TRACKS	<u>\$322,641</u>
 <u>STEEPLECHASE:</u>	
Tax on Betting	\$11,243
Uncashed Pari-Mutuels	4,262
TOTAL DISBURSEMENTS STEEPLECHASE	<u>\$15,505</u>
 <u>OTB'S:</u>	
Permit Fee	\$4,500
TOTAL DISBURSEMENTS O.T.B.	<u>\$4,500</u>
 <u>TOTAL ALL DISBURSEMENTS</u>	<u>\$1,748,815</u>

(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:

	<u>2019</u>
Tax on Admissions	426,601
Sales Tax on Horses Claimed	<u>488,266</u>
TOTAL DIRECT DISBURSEMENTS TO STATE	914,867
<u>TOTAL ALL DISBURSEMENTS TO STATE COMPTROLLER</u>	<u>\$2,663,682</u>

STATEMENT OF ACTUAL EXPENDITURES

July 1, 2018 to June 30, 2019

SALARIES & BENEFITS

Commission Personnel	<u>\$388,764</u>
Total Salary Expenses	<u>\$ 388,764</u>

OFFICE EXPENDITURES:

Telephone and Postage	7,562
Travel Expenses	9,504
Motor Vehicle Oper	2,046
Contractual Services, i.e.,	26,645
Printing, Repairs, Equipment and Leasing, Court Expenses,	0
Transcript of Hearings	
Office Supplies	4,895
Office Equipment Additional	153
Fixed Charges, i.e., Rent, Insurance, Subscriptions and Dues	12,351
Total Office Expenses	<u>\$63,156</u>
TOTAL EXPENDITURES AND DISBURSEMENTS (7)	<u>\$451,920</u>

OTHER DISBURSEMENTS:

Grants	\$2,166,858
Impact Aid	\$0
Other:	
Fair Hill	\$11,243
Maryland Standardbred Race Fund	0
Maryland-bred Race Fund	0
MD. Agric. Edu. & Rural Dev. Asst. Fund	0
Total Other:	<u>\$11,243</u>
TOTAL OTHER DISBURSEMENTS	<u>\$2,178,101</u>

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

MARYLAND RACING COMMISSION 2019
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 2019 and continues to do so. Below are the statistics regarding the analysis of these samples.

The following table and list represent the findings of the laboratory during calendar year 2019.

NUMBER OF OFFICIAL SAMPLES ANALYZED

SOURCE	URINE	BLOOD	TOTAL	POSITIVE
Thoroughbred	2,880	3,891	6,771	16
Standardbred	2,336	3,838	6,174	9
Human	0	0	0	0
2019 Totals	5,216	7,729	12,945	25

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

2004	\$ 611,533
2005	\$ 655,311
2006	\$ 741,868
2007	\$ 977,423
2008	\$ 723,852
2009	\$ 476,211
2010	\$ 404,954
2011	\$ 508,182
2012	\$1,675,611
2013	\$1,648,613
2014	\$1,223,005
2015	\$ 808,553
2016	\$ 882,763
2017	\$ 990,509
2018	\$ 986,874
2019	\$1,030,888

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 2019 was \$ 100.00.

MARYLAND-BRED FUND REPORT

MARYLAND-BRED FUND DISTRIBUTION IS EXPLAINED

The Maryland-Bred 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 of one kind or another.

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 the 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 mutual handle and breakage from Laurel and Pimlico (the State’s two mile tracks), and receives approximately 1.5 percent of the mutual handle and 5.0 percent of the breakage at Timonium (the State’s half mile track).

In 2019, revenue for the Maryland-Bred Fund totaled over \$8.1 million (includes nearly \$1.0 million from pari-mutuel wagering funds and \$7.1 million from other sources. After eligible deductions, a portion of this money is allocated to purses. The remaining percentage is distributed in the form of breeder awards and stallion awards. In 2019 nearly \$440,000 was paid in purses and nearly \$5.8 million was disbursed as breeder and stallion awards.

In 2019, 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% and the stallion bonuses were 10% of the winner's share of the purse. For stakes races only, bonus percentages were 15% Breeders and 5% Stallion . 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.

The Maryland-Bred Fund program is administered by the Maryland Racing Commission with the assistance and advice of the Maryland-Bred 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 the mile tracks), Richie Blue (half-mile track) and Michael Harrison, DVR and David Wade (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 \$ 1,887,374, an increase from 2018 purses. The Maryland Sire Stakes (MSS) and Maryland Standardbred Fund (MSF) combined totals for the program in each year from 2001 through 2019 are shown below:

YEAR	MSS	MSF	TOTAL
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
2016	\$1,239,250	\$471,775	\$1,711,025
2017	\$1,487,775	\$412,980	\$1,990,755
2018	\$1,558,500	\$235,150	\$1,793,650
2019	\$1,672,599	\$214,775	\$1,887,374