

1           I appreciate the opportunity to address  
2 the Commission, and I look forward to working with you  
3 in the future.

4           CHAIRPERSON JAMES: Thank you.

5           Mr. James Hickey, Jr.

6           MR. HICKEY: Good afternoon, Chairwoman  
7 James and Commissioners. I'm James Hickey, President  
8 of the American Horse Council, and we very much  
9 appreciate this opportunity to appear before you on  
10 behalf of the horse racing industry.

11           The American Horse Council includes the  
12 major associations of racetracks, breeders' groups,  
13 and horsemen's organizations, which collectively  
14 comprise the parimutuel racing industry in the United  
15 States.

16           Our individual members include horse  
17 owners, breeders, jockeys, drivers, trainers,  
18 veterinarians, farriers, and others whose livelihood  
19 depend on the horse and racing.

20           Parimutuel horse racing is legal in 43  
21 states and involves the racing of thoroughbreds,  
22 standard breeds, quarter horses, Arabians, Appaloosas

1 and paints. Racing and race horse breeding is a  
2 widespread and diverse industry that includes  
3 gambling, sport, recreation, and entertainment and is  
4 built upon an agricultural base that involves the  
5 breeding and training of the horses.

6 Barrett's Group of Washington, D.C.,  
7 recently completed a study of the economic impact of  
8 the horse industry in the United States, and we'll be  
9 very happy to share that with you. The study showed  
10 that nearly one million people from various economic  
11 levels and 725,000 horses are involved in racing.  
12 Racing and breeding have a total economic impact in  
13 the U.S. of 34 billion and support nearly half a  
14 million jobs. Ours is a very, very labor intensive  
15 industry.

16 Parimutuel racing has been conducted in  
17 the United States for over 75 years. In every state  
18 that has been authorized it is regulated very closely  
19 in all respects by a state racing commission.

20 Racing also attracts many fans who  
21 appreciate it as a sport. This spring's exciting  
22 pursuit of the Triple Crown by Silver Charm certainly

1 piqued the interest of a broader class of Americans,  
2 a broader base of Americans, showing there is a  
3 continuing interest in horse racing outside of  
4 betting.

5           While horse racing is a sport that  
6 involves wagering, parimutuel system is fundamentally  
7 different than other forms of gambling. In horse  
8 racing, the bettors wager against each other, not the  
9 house. The process of betting involves handicapping,  
10 and many people spend a great deal of time analyzing  
11 a race, and of course others bet based upon the color  
12 of the horse.

13           As you conduct your review, please  
14 remember that not all forms of gambling are expanding  
15 and growing. The parimutuel racing industry has been  
16 affected by the growth of other forms of gambling,  
17 other forms of sport, other forms of entertainment.  
18 It is up to us, however, to compete in this new  
19 environment, and we are trying to do so.

20           It is critical to the future of the racing  
21 industry that this and the agribusiness it supports,  
22 the state revenue and employment it generates, and the

1 sporting and entertainment benefits it provides to  
2 countless fans that this Commission understand the  
3 racing industry.

4           We want to work with you over the next two  
5 years and the staff to insure that your report is  
6 complete and invaluable.

7           In closing, we urge the Commission to hold  
8 a hearing dedicated to this industry so that we can  
9 have representatives report to you in more detail  
10 about our important and diverse industry, and we  
11 invited you to hold a hearing as part of a site visit  
12 to a major racing and breeding facility.

13           Thank you very much.

14           CHAIRPERSON JAMES: Mary Handley.

15           MS. HANDLEY: Hello. My name is Mary  
16 Handley. I'm a member of the citizens group in  
17 Dorchester County, Maryland, and we are dedicated to  
18 fighting any expansion or slots in our county, in our  
19 state, and in this nation.

20           While casinos and slots are not legal in  
21 Maryland at this time, my community has been targeted  
22 by Harvey's Casino as a site for construction of a