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

CHAIRPERSON JAMES: Thank you.

Mr. James Hickey, Jr.

MR. HICKEY: Good afternoon, Chairwoman

James and Commissioners. I'm James Hickey, President
of the American Horse Council, and we very much
appreciate this opportunity to appear before you on
behalf of the horse racing industry.

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

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

Parimutuel horse racing is legal in 43
states and involves the racing of thoroughbreds,
standard breeds, quarter horses, Arabians, Appaloosas
and paints. Racing and race horse breeding is a widespread and diverse industry that includes gambling, sport, recreation, and entertainment and is built upon an agricultural base that involves the breeding and training of the horses.

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

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

Racing also attracts many fans who appreciate it as a sport. This spring's exciting pursuit of the Triple Crown by Silver Charm certainly
piqued the interest of a broader class of Americans,
a broader base of Americans, showing there is a
continuing interest in horse racing outside of betting.

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

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

It is critical to the future of the racing industry that this and the agribusiness it supports, the state revenue and employment it generates, and the
sporting and entertainment benefits it provides to
countless fans that this Commission understand the
racing industry.

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

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

Thank you very much.

CHAIRPERSON JAMES: Mary Handley.

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

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