

Facts About Harness Racing

Thanks to the dedicated tax monies generated to harness racing by Hollywood Slots:

- The average per day purse payment in 2007 rose 49% over 2005
- Total purse money in 2005: \$3,488,700. Total purses paid in 2007: \$6,467,904
- The number of race days has increased by 65 from 2005
- The number of races increased by 468 over 2005
- In 2008, Bangor Raceway raced 54 days, up from 28 in 2005.
- This year, Scarborough Downs will race 129 days, up from 102 in 2005.
- Total race days at tracks and fairs: 254 race dates for 2008 compared to 189 in 2005

The recommendation of the 1996 Blue Ribbon Harness Racing Task Force stated:

"Supporters of the majority recommendation believe strongly that video gaming must be approved at Maine commercial race tracks and off-track betting facilities if commercial harness racing is to survive in Maine."

Harness Racing is a source of economic livelihood for breeders, trainers, drivers, horse owners, vendors and suppliers to the industry.

In 2003, Maine voters approved slot machines at the commercial tracks, principally to save the struggling harness racing industry. Hollywood Slots began operating in Bangor in November 2005 in a temporary location and opened its new \$130 million facility in July which provides 500 local jobs.

Facts About Raising and Racing Standardbred Horses in Maine

- A Standardbred starts its racing career at two years of age. A horse must be fed, housed and cared for for two years prior to its owner knowing if it will race and if it does, if it will be a productive race horse.
- Therefore, the foals born in 2005 *have just begun their racing careers.*
- Raising, feeding, housing, and training a horse costs about \$5,500 per year
- The average racing income of a horse is about \$4,000 per year.
- The care of a horse requires the equivalent of 5 jobs and/or services: groom/care giver, trainer, veterinarian, blacksmith and related supplies from a vendor
- A purse (money won by racing) is divided among the first five horses across the finish line. First place gets 50%, second place gets 25%, third place 12%, fourth 8% and fifth 5%.
- The average purse is \$2,810, increased more than 50 percent from 2005 due to Hollywood Slots dedicated tax revenues for harness racing purses.

Nationally, the average purse paid at harness racing track is \$6,600

- The Maine Standardbred Breeders Stakes program, which began in 1974 to encourage Maine-bred horses, holds stakes races twice a year, once for two year-old horses and once for three-year-old horses. The total purses for these events were \$813,000 in 2005.

In 2007, the Stakes purses were \$1.5 million, an increase of 45% from 2005 due to the Hollywood Slots dedicated tax revenues to the Sires Stakes Fund

- In 2005, the Stakes program had 137 yearling horses registered. In 2007, there were 190 yearlings registered. Mares bred increased to 402 from 308 in 2005. Registered stallions increased to 75 in 2007 from 56 in 2005.
- These numbers represent an investment in the future of racing, a recycling of the increased purse monies back into the industry.

Facts About Agricultural Fairs:

The commercial tracks support all of Maine's 25 Agricultural Fairs with a percentage of the money bet (the "handle")

That money is deposited by statute to the Agricultural Fair Stipend Fund. In 2007, the Agricultural Fair Stipend Fund was \$467,668.93. The Fairs depend on this money to fund their operations and for improvements to their facilities.

In his opening remarks at the 2007 Agricultural Fair and Trade Show in Portland, Frederick B. Lunt, Agricultural Fair Coordinator for the Maine Department of Agriculture, Food and Rural Resources, called the revenues generated by Hollywood Slots for the agricultural fairs "a God-send" as he presented his report on the distribution of these funds. All 25 fairs received a share of the \$549,072 in the first distribution of the slots dedicated revenues.

The Oxford Fair used a portion of their distribution to install additional public bathrooms and upgrade their electrical system. Clinton Fair installed a new safety gate, purchased new bench seating around the fair ground, upgraded their electrical system, and extended their midway. Union Fair made public facility improvements, built new stables for the pulling events and will focus on improving the educational aspects of Agricultural such as expanded 4-H programs.

Again, the dedicated revenues for the Agricultural Fair support are being used to enhance the public perception of Fairs, improve the experience of fair attendees, and generate awareness of Maine agriculture-based roots and economy.

Facts About Harness Racing's Economic Impact:

- A September 2007 report, *The Economic Impact of the Equine Industry of Maine* by Planning Decisions, Inc. of South Portland, Maine, states:

“The direct, in-Maine, spending associated with expenditures **by racing horse owners in 2006 amounted to approximately \$25 million. Based on average Maine employment and income levels for the sectors receiving these funds, these expenditures are estimated to support about 600 jobs earning an aggregate income of approximately \$9 million.”**

“The direct business sales in 2006 at **live racing and off-track betting facilities amounted to approximately \$20 million. These sales created 500 jobs and \$7 million in income.”**

“The indirect, or supply chain, impact of the \$20 million in business sales amounts to an additional \$5 million in business sales, supporting an additional 75 jobs earning an income of about \$2 million.

“The induced, or consumer spending, impact of the direct and indirect spending amounts to almost \$15 million in additional business sales, with another 175 jobs earning approximately \$6 million in income.”

“The \$20 million in sales at these live racing and off-track betting facilities results in approximately \$40 million in total sales for Maine businesses and support an estimated 750 jobs earning about \$15 million in income.”

Maine Farms:

- The more harness racing in Maine – the more agriculture is preserved
- Harness racing keeps open space – it keeps farms going.
- There are approximately 1500 family farms from Presque Isle to Berwick involved in the training, boarding, or support of harness racing. Approximately 226,000 acres of land remain open and productive in Maine due to the needs of horses, either for pastureland or for growing hay.
- Maine horse farms and breeding facilities support service suppliers and vendors all over the state. For example, the DuPuis Farm in Saco consists of 322 acres of open fields and pastures. It employs 7 people and is home to 25 mares, 15 weanling foals, and two breeding stallions. In one year, the farm consumes 11 tractor trailer loads of sawdust from Neil Sawdust Co. in Minot, 43 tons of grain from Blue Seal Feeds in Waterboro, and 1200 rolls of hay from John Hood in Dayton and Mike Lambert in Saco. The farm also purchases tack and feed supplements from Long Horn Supplies in Buxton, using the blacksmith services of Arthur Ray of Buxton, and the veterinary services of Post Road Vet Clinic in Wells.