

The Task Force on the Future of Off-Track Betting in New York State Summary of Comments Received from the May 2009 Request For Information From Breeders

Jeffrey A. Cannizzo – Executive Director, New York Thoroughbred Breeder’s Inc. - The breeding program in New York relies on revenues generated from the State’s tracks and OTBs. As handle continues to decline so do monies for breeder awards. As a result they recommend a change in statute to allow them to get a share of the simulcast export revenues the tracks make on selling their signal to out-of-state locations. They also stress the need for the tracks and OTBs to work together with the breeders and to protect the monies that are set aside for the breeding program. Lastly the support regulating out-of-state ADW providers who accept wagers from New York State residents and getting a portion of such handle for the State’s breeding program.

Martin Kinsella – Executive Director, New York State Thoroughbred Breeding & Development Fund Corp.– There are over 400 breeding farms in NYS and nearly 40,000 acres of green-space retained by thousands of employees in the thoroughbred breeding industry. The 6 regional OTBs provide the largest revenue source to the fund (approximately 69% of the Funds revenue). Suggest the following:

- Increase the OTB contributions to the Fund to be equal to the contributions made by the tracks. Currently the OTBs pay .005% of handle to the Fund while the tracks pay .007%. This would provide an additional \$2 million to the Fund.
- Currently there is no requirement in law stating when the OTBs and tracks are to pay the fund yet the fund disburses awards monthly. Some entities have delayed making payments to the fund and in turn causing cash flow issues for the fund. Therefore suggest that specific due dates for payments to the fund be added to statute requiring timely payments.
- Suggest that the impact of ADWs accepting wagers from NY residents be carefully reviewed with the best interest of the State and its Breeding programs in mind.

Peter Goold – Executive Director, Agriculture and New York State Horse Breeding Development Fund – The NYS OTBs are crucial to the ability of the Fund to perform its mission as they provide approximately 25% of the Funds total revenues. NYS standardbred population has increased almost 50% and the average value of a standardbred has increase by 25% thus creating a positive economic impact in the rural areas of the State. New York’s OTBs must maintain competitive with various providers to achieve its mission. Currently there is no requirement in law stating when the OTBs and tracks are to pay the fund yet the fund disburses awards monthly. Some entities have delayed making payments to the fund and in turn causing cash flow issues for the fund. Therefore suggest that specific due dates for payments to the fund be added to statute requiring timely payments