



ARCI Bulletin

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**ARCI's Annual Convention, April 23-27, 2007, Jackson Hole, WY
The room block at Snake River Lodge & Spa is filled.**

**Please call Teton Mountain Lodge - Contact Numbers 1-800-801-6615 or 1-307-734-7111
Contact Eva for registration information at 859-224-7070 ext. 4001**

Winner's Federation Press Release

The Association of Racing Commissioners International has again this year happily agreed to host a silent auction at our annual meeting in Jackson Hole for the benefit of the Winner's Federation. As you are probably aware the Winners Federations motto is "Healthy People for Healthy Horses". The Federation is devoted to helping with all health issues on the backside and has a special emphasis on substance abuse. Jockey Jerry Bailey has recently agreed to also assist the Winners Federation.

Last years' auction was a great success and we are hoping this year will be even better. For that reason the Winners Federation has requested ARCI's memberships' help in supplying items for the silent auction. It is hoped that each jurisdiction could bring something unique from their Jurisdiction which may be unique or representative of that geographic area or culture. Also it is important any item be fairly small and be able to be fit into a suitcase. If you and/or your commission would prefer to contribute a monetary contribution to the Winners Federation, that would be great. We can also buy an auction item for you with your contribution in Jackson Hole, if you would prefer.

Many segments of our industry are contributing items and this auction is an efficient method for the Regulatory community to hopefully help out. All you or your Jurisdiction need do is bring the item to Jackson Hole. The Winners Federation thanks you all much for your past and future support.

BERNARD DANNEY
Delaware
Chairman

EDWARD MARTIN
Kentucky
President/CEO

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Virginia
Chair Elect

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Ted Strickland
Governor

Norman I. Barron
Chairman

PRESS RELEASE

March 20, 2007

At its March 16, 2007, Commission Meeting, the Ohio State Racing Commission enacted rules 3769-6-25.1 and 3769-17-09.1, requiring that horses on the grounds of a facility under the jurisdiction of the commission must be equipped with safety reins.

A safety rein is a rein with a wire or nylon cord stitched into the traditional leather or nylon rein during the manufacturing process and the safety cord is attached to the bit with a metal clasp.

In order to save horsemen the expense of replacing all of their current reins, the Commission determined that these rules will not be effective until July 1, 2008. This phase in period will allow jockeys and drivers the opportunity to be able to comply with the new rule by replacing existing reins with the new safety reins as their existing equipment wears out, which typically happens within a two year period.

Any questions concerning these new rules can be referred to Executive Director Sam Zonak at 614-466-2757.

Magna Plans For Possible Property Sales

In an effort to reduce a heavy debt load, Magna Entertainment Corp. officials plan to soon post “for sale” signs on some holdings.

In a special Tuesday teleconference presentation for stockholders and analysts, Magna Chief Executive Officer Michael Neuman said the racetrack owner will evaluate its assets and consider sales of several properties.

Some of the properties currently topping the list for possible sale include 85-acre Great Lakes Downs in Muskegon, Michigan, and San Luis Rey Downs, a training center in Bonsall, California.

Neuman listed those two properties as “off-strategy” assets that could be sold to reduce debt, which has become a drag on earnings for North America’s largest owner and operator of Thoroughbred tracks.

Since January 3, Magna stock dropped from \$4.31 to \$3.61 at the March 26 close of NASDAQ. Magna Entertainment Chairman Frank Stronach started Tuesday’s teleconference by saying Magna, which owns Gulfstream Park and Santa Anita Park, is committed to cutting debt in 2007. Magna incurred a net loss of \$87.4-million in 2006 and its accumulated deficit is \$393.3-million.

“We will continue to think about monetizing some properties,” Neuman said, adding that the company still will seek optimum value in any sales. “This will continue to be one of our strategies to reduce debt.”

The news seemed to be met with approval on Tuesday as Magna’s stock, listed as MECA, was up 18 cents to \$3.79 at 4 p.m. EDT on Tuesday.

Neuman said one reason Great Lakes Downs is a candidate for sale is that additional gaming appears unlikely there. He believes San Luis Rey Downs, a 202-acre training center near San Diego, has added little to Magna’s racing at Santa Anita Park but could prove attractive to buyers.

“The number of horses who train there is relatively insignificant,” Neuman said.

That is not to say Magna is interested in selling all of its training facilities. Neuman said Palm Meadows training center in Boynton Beach, Florida, is needed to support racing at Gulfstream Park, but one-third of the 304-acre property could be sold. Neuman said Magna would be interested in selling the 162-acre Bowie Training Center in Maryland if an agreement could be reached with state horsemen and officials.

As for Magna’s two Maryland racetracks, Laurel Park and Pimlico Race Course, Neuman said the company would like to see more support from state lawmakers, meaning approval of alternative gaming.

“One would hope [racing] can take place [in Maryland] for a long, long time to come. But look, we’re in business to make money and Maryland is surrounded by states that enable tracks to offer alternative gaming,” Neuman said. “Those tracks are using that money to increase purses and that is attracting horsemen out of the state.”

“It’s not enough for Magna to say, ‘Gee, we love racing in Maryland and would like to see it continue forever and ever, amen.’ The state of Maryland has to decide that they want racing to be profitable in Maryland.”

Neuman said Magna would continue to evaluate the proposed Dixon Downs in Northern California. He said if the company does not decide to pursue racing there, the property should prove attractive at sale.

Besides selling property, Neuman said Magna plans to streamline and integrate operations by rolling up key departments under a national leadership structure and eliminating duplicate functions.

Neuman said Tuesday's teleconference signals a new commitment to communicate with shareholders that the company plans to continue. *Source: The Thoroughbred Times*

Bettors Back Return Of Fair Grounds

Bettors supported racing's return to New Orleans as Fair Grounds registered increases in on-track and all-sources handle for its 81-day meeting that wrapped up on Sunday.

A daily average of \$4,432,445 was wagered from all sources, up 5.9% compared to the 2004-'05 meeting. Racing was not conducted in New Orleans in 2005-'06 because of Hurricane Katrina. A total of \$359,028,007 was wagered during the recently concluded meet.

While attendance was down 10.1 %, thanks in part to the decrease in New Orleans population that followed Katrina, on-track daily handle was up 2.2% to \$226,377.

Fair Grounds distributed a record \$31.3-million in purses, an average of \$387,422 a day. The average, also a record, was up 44.7% compared to 2004-'05.

Because of stronger than anticipated business levels at its affiliated off-track betting and video poker operations, and the increase in all-sources wagering, Fair Grounds was able to increase overnight purses three times during the 2006-'07 meet.

"This season was at the same time unique, memorable, and rewarding," said Fair Grounds President Randall Soth. "Going into the season, it was hard to set expectations, particularly in terms of our on-track business. However, it quickly became clear that racing fans in the New Orleans area and simulcast patrons nationwide would once again embrace our product, and for that we are extremely grateful.

"Personally, I will take away two moments from this season that will be etched in my memory forever—our reopening on Thanksgiving Day and the local crowd that filled our facility to welcome racing back to New Orleans, and the Louisiana Derby (G2) day program, which was one of the finest days of racing I have ever witnessed."

On track, local connections came up big. New Orleans native Tom Amoss won 52 races to capture his ninth Fair Grounds training title and first since 2001. Amoss moved within one of Jack Van Berg's Fair Grounds record of ten seasons as leading trainer. Cody Autrey was second with 42 wins.

Joseph Talamo, a 17-year-old from suburban New Orleans, became the first apprentice jockey on record to win a Fair Grounds riding title. Talamo finished with 119 wins, 25 more than six-time Fair Grounds leading rider Robby Albarado. Talamo fell three wins short of the apprentice wins record at a Fair Grounds meet of 122 set 32 years ago by Angelo Trosclair.

Autrey's primary clients, Sandy and Jerry Heflin of Rockwall, Texas, won 30 races to capture their first Fair

Grounds owner title. The Heflins were leading owners last summer at Lone Star Park. *Source: The Thoroughbred Times*

Churchill Downs, Jockeys' Guild Settle Dispute

The Jockeys' Guild and Churchill Downs Inc. have settled legal claims stemming from November 2004, when riders refused to compete at Churchill Downs in Louisville, Kentucky, and Churchill-owned Hoosier Park in Anderson, Indiana.

In reaching the settlement, the Guild said it would not boycott cards at Churchill-owned tracks in the future and Churchill said its racetracks will resume making contributions to the Guild in the form of "per starter" and "per race day" fees that help support Guild operations. The agreement is in place through 2011.

"We are pleased to settle our legal differences and put these matters behind us, and we look forward to working with the Jockeys' Guild and its members as we prepare for our 2007 racing seasons," said Steve Sexton, president of CDI's flagship track.

"We are very excited about the resolution of this issue with Churchill Downs and look forward to moving ahead with what we believe will be a very progressive relationship between the Jockeys' Guild and one of the nation's largest racing companies that owns and operates the world's most prestigious sporting event, the Kentucky Derby," said the Guild's current national manager, Dwight Manley. "We look forward to working with Churchill Downs and its racetracks in ways that will benefit the tracks, the riders, and the entire racing industry."

At the time of the initial dispute, riders wanted the \$100,000 of on-track injury insurance offered by Churchill-owned tracks increased. The Churchill suit said the Guild, a trade organization, broke anti-trust laws by plotting walkouts. The Guild denied involvement.

Hoosier Park canceled one night of racing. Churchill banned 14 riders who refused to accept mounts at its Louisville track.

Fearing the Guild, then under the leadership of Wayne Gertmenian, might encourage a walkout on Kentucky Derby (G1) day, Churchill filed its lawsuit in March 2005 in United States District Court, Western District of Kentucky. The Guild filed a countersuit, claiming Churchill was acting as a monopoly and intimidating jockeys.

The settlement is subject to the approval of Judge John G. Heyburn.

In April 2005, Churchill increased on-track insurance at its tracks to \$1-million for riders. In November 2005, the Guild ousted Gertmenian.

"Churchill Downs and its racetracks remain committed to the health, welfare, and safety of the jockeys who compete at our facilities, and we have made progress on issues important to our company and to the Jockeys' Guild since the Guild's new management team was installed," Sexton said.

Additional terms of Wednesday's settlement were not disclosed. *Source: The Thoroughbred Times*

After Six-Year Wait, State Gets First OTB

The first offtrack betting facility in New Jersey will have its official ribbon-cutting ceremony Thursday night in Vineland amid a blaze of pomp and ceremony, with local politicians and racing officials in attendance. The opening comes almost six years after Acting Gov. Donald T. DeFrancesco signed the enabling legislation in the summer of 2001.

The facility, called Favorites in Vineland, will open to the public on Friday. It is owned by Greenwood Racing, whose holdings include Philadelphia Park, Atlantic City Race Course, and a network of Pennsylvania OTBs.

Favorites comprises 13,500 square feet, and is dominated by an oval sports bar. Fans can watch ballgames and races on high-definition televisions while dining on a grill menu. It will be open noon to midnight, seven days a week.

"The place looks great," said Greenwood CEO Hal Handel. "If you think of the Pennsylvania OTBs, this is a lot more modern-looking. I think people are going to be very, very pleased. It's going to have a lot more of a sports bar feel than a restaurant feel."

The 2001 legislation authorized 15 OTBs in New Jersey, but also included restrictive guidelines that delayed implementation. The law granted the OTBs to the New Jersey Sports and Exposition Authority, which owns and operates Monmouth Park and the Meadowlands Racetrack, with the stipulation that the authority reach "participation agreements" with the owners of the state's other racetracks: Greenwood and Pennwood, a joint venture between Penn National and Greenwood which owns Freehold Raceway.

Hammering out the participation agreement took more than a year.

"It wound up a fairly equitable split but it made for a cumbersome way to deal with it," said Dennis Dowd, senior executive vice president of racing for the authority. "That's what took so long."

Under the participation agreement, the authority got nine outlets in the more populous northern counties of the state, Pennwood got four in Ocean, Middlesex, and Mercer counties in the middle of the state, and Greenwood got two in southern part of the state.

With the participation agreement in place, finding sites became a daunting challenge. The enabling legislation gave local municipalities veto power over proposed sites and required OTB operators to purchase existing liquor licenses.

"The law gives a municipality absolute veto power," Dowd said. "They can say 'We don't want you' and we have to go away. We have to do political temperature-taking. We know in some communities we are very welcome, in others we are not."

It was far different from what Greenwood experienced in Pennsylvania.

"The Pennsylvania system makes certain presumptions that if you are not within a certain number of feet of a school or a church, the usage is deemed acceptable," Handel said. "In New Jersey, there is a very strong tradition of home rule and that was written into the legislation. We've gotten favorable responses in some towns and not so favorable in others."

"In Pennsylvania, you get a special liquor license automatically with the site," he added. "In New Jersey, you have to find one and buy it. Even if you get all the governmental approvals, if you can't find a liquor license in that town commercially available, you're still dead in that town.

"You need a deal for space, a liquor license at an affordable price, and a town governing body that will say yes. It's not that easy to find all three."

Which explains why Vineland, a town of 56,000 in rural southern New Jersey, is the first site. Local officials made it easy, approaching Greenwood about locating an OTB in their town.

"We had a very, very favorable political climate down in Vineland," Handel said. "It was almost a natural."

Vineland will probably be the smallest New Jersey OTB in terms of physical size and handle.

"We don't think it will be rock 'em, sock 'em financially," Handel said. "We're only projecting Vineland to handle \$20 million a year, whereas I think most of the others in New Jersey will be looking to be between \$35 and \$50 million a year. They will be in more populous areas."

Greenwood invested \$4 million in Vineland. The projected cost for the authority's first OTB, which is projected to open in Woodbridge in August, is \$6 million.

Pennwood has begun work on its first site, in Toms River.

New Jersey comes late to the OTB dance. Neighboring states Pennsylvania, New York, and Connecticut already have fully mature offtrack networks in place. Since the OTB legislation was approved in 2001, the landscape has changed dramatically with the introduction two years ago of Internet and phone wagering in New Jersey and the arrival of slot machines and video lottery terminals at nearby racetracks in Pennsylvania and New York.

Even in the face of that burgeoning competition, both Handel and Dowd believe OTBs still have a place.

"I believe the OTB experience is one of camaraderie," Dowd said. "I love the experience of computer and phone betting, but you are sitting there alone. You walk into an OTB and every track is up on a screen and you're sitting with your buddies. It's an experience that I think will continue to have value."

Handel said offtrack betting remains an important part of the business model in Pennsylvania.

"We operate six of them in Pennsylvania and they can be quite profitable," Handel said. "You find a parimutuel customer likes convenience. They will visit racetracks when it's convenient. They will use a phone bet account at home, or when the weather is such that they don't want to travel outside. If an OTB is within 15 to 20 miles of where they live, these things get ample use.

"If you say we're going to do account wagering or offtrack betting without the other, you are making a fundamental mistake. They are both delivery methods that make the game more accessible to people." *Source: The Daily Racing Forum*

Maryland Racing Commission To Consider Changing Claiming Rules

Concerned about the consolidation of power among a handful of trainers and owners at the claiming box, along with the well-being of possibly infirm race horses, members of the Maryland racing industry have begun crafting amendments to claiming rules, which stand a strong chance of passing at the next meeting of the Maryland Racing Commission.

At a racing commission meeting on Tuesday at Laurel Park, stewards John Burke, Bill Passmore, and Phil Grove said trainers representing several different owners take unfair advantage at the claiming box, putting in multiple slips for the same horse, decreasing the odds of a smaller outfit coming away a winner in the “shake.”

“Some trainers now can put in several claims for a horse and other outfits can only put in one,” Burke said. “They’re making a mockery out of the claiming rules here.”

Amendment language being crafted by the stewards and the commission attorney would prevent a trainer, acting as an agent, from submitting more than one claim per claiming race.

If a trainer is designated on more than one claim slip, there would be a “shake,” or random drawing of numbered lots, between the owners represented by the trainer to see which one of them would compete in the final “shake” with any other trainer attempting to claim a horse. Whoever draws the highest number wins the “shake.”

While no names were mentioned for the record, owner Robert Cole's name came up several times after the meeting and in subsequent conversations. Cole, of Highland, Maryland, races horses at tracks throughout the Mid-Atlantic region with trainers Scott Lake, Howard Wolfendale, Stephanie Beattie, and John Riggatieri.

Lake and Riggatieri rank first and second in the current Laurel Park meet training standings, while Lake’s assistant, Hugh McMahon, is fifth, tied with Wolfendale.

Commission member Alvin Akman said the rules need to be modified to prevent trainers working for the same owner from claiming a horse to keep an outside outfit from getting it.

“I’ve heard stories of a horse that spent a month in the same barn” after being claimed away, Akman said.

“We’re the only state where trainers can claim multiple horses from one race,” said Lou Raffetto, president of the Maryland Jockey Club. “We have trainers with 50, 60, 70 horses. If we make these changes, we’ll slow it down.”

Commission member David Clogg asked, “If we make these changes, will [the outfits] leave these states?”

Raffetto replied: “The individuals we’re speaking of already have outfits in other states.”

Cole, as of March 21, had 28 wins from 93 starters in 2007, with 20 seconds and 18 thirds and total earnings of \$455,172. Horses run in his name were winning 30% of the time and finishing in the money 71% of the time.

“These rules all seem like fine rules,” Cole said of the proposed changes. “They’re just trying to keep the game fair for everybody. I want to keep it fair. I do agree I have probably taken advantage of some of the rules in place...and if they want to change the rules, I don’t really have a problem with that. It’s not just me; there are

other people taking advantage of it, too. I'm not going to play dumb; I had something to do with this, but it's not that big a deal."

The commission also most likely will consider amending rules to prevent trainers from dropping horses quickly into cheaper races after a claim. The stewards asked the commission to back a rule making trainers run a claimed horse back for the same price or higher for 30 days, while Raffetto supported changing the rule to cover 21 days.

"We felt that a horse that has been claimed then dropped for a price is abusive to the horse," Grove said. "These trainers, instead of being trainers, are turning into managers. We want to put the training back in racing."

Alan Foreman, general counsel for the Maryland Thoroughbred Horsemen's Association, said the proposed amendments had been circulated among the group's membership, but asked that a meeting be set up to create uniform agreement.

Michael Trombetta, one of the leading trainers in Maryland, objected to the proposed rule on dropping runners after a claim.

"If you put up your money, you should be able to run the horses back where you want to run them," he said. "That [rule is] more geared toward the breeders. They want to raise the value of their stock at all times.

The racing commission has "state veterinarians that come around to look at the horses. They should look at them a little harder. If they're not fit to run, they should wait."

Cole, too, disagreed, with the proposed plan to stop horses from being dropped in class after a claim.

"I don't believe you should ever handicap the owner," he said. "When you make a bad claim, say for \$25,000, and it runs poorly, and you don't think it's worth \$14,000, why would you prevent the owner from running for \$14,000 two weeks later? If he made a bad claim, he wants to cut his losses. Why would you want to prevent the racing secretary's office from getting an entry? To me, that doesn't make any sense." *Source: The Thoroughbred Times*

Group Withdraws From Bidding Process To Run New York Racing

Thoroughbred Racing New York, a group led by Las Vegas casino developer Steve Wynn, withdrew from the bidding process on Friday to run racing at Aqueduct, Belmont Park, and Saratoga Race Course.

The group, which also includes real estate developers Richard Bronson and Steve Roth, stated it did not have enough time to prepare a thoughtful proposal in a three-paragraph letter sent to Richard Rifkin, Gov. Eliot Spitzer's special counsel, Daily Racing Form reports. Spitzer set a deadline of March 31 after reopening the bidding process.

The New York Racing Association's franchise expires on December 31.

Last November, New York's Ad-Hoc Committee on Racing recommended that Excelsior Racing Associates assume control of the franchise over bids from Empire Racing Associates and NYRA. Capital Play and Catskill Regional Off-Track Betting have also expressed an interest in the franchise. *Source: The Thoroughbred Times*

Bay Meadows Will Not Hold A Race Meeting In 2008



BAY MEADOWS RACE COURSE

Julie La Veck photo

The California Horse Racing Board on Thursday denied Bay Meadows Racecourse's request for a two-year waiver of the board's decree that all major racetracks in the state install a synthetic surface by year's end.

The track sought the waiver because its owner, Bay Meadows Land Company, plans to raze the structure and replace it with a shopping center, a project already approved by the San Mateo City Council.

The 4-2 vote means that Bay Meadows will not be granted a license to hold a race meeting after its fall season concludes in early November. Representatives from the Thoroughbred Owners of California and California Thoroughbred Trainers spoke out at the meeting requesting the waiver be denied.

"What this means is that there will not be racing at Bay Meadows in 2008," said track president Jack Liebau, who has been affiliated with the facility for decades. "I'm stunned. I think it's a very, very dark day in Northern California.

"For a long time, Bay Meadows has been the backbone of Northern California racing. We've been a leader, we have the best backstretch in California, and the CHRB shuts us down at the end of the year. For racing in California, this is a day of infamy."

Bay Meadows Land Company purchased Hollywood Park in Inglewood, California, with similar intentions of redevelopment but installed a CushionTrack surface there last summer in order to host racing while the long development process unfolds.

"The same company owns Hollywood Park and, in good faith, installed CushionTrack even before it was mandated," Liebau noted. "We don't even know if [a synthetic surface] would be possible to install here, even if it was economically feasible, because of the racing schedule."

Located on the San Francisco peninsula midway between San Francisco and San Jose, Bay Meadows' 70-plus year history includes a number of noteworthy appearances by the legendary Seabiscuit.

“We had a good run,” Liebau said. “We started in 1934 and ran to 2007. It’s a tough time for all the people that work at Bay Meadows, and some of them have been here a long, long time. Some of them have been here for 50 years. There will be a severe fallout from this. We have 1,000 stalls and horses are here all year long. I’d like to know where all the trainers are going to go with their horses.” *Source: The Thoroughbred Times*

Bailey, NBC Nominated For Sports Emmy Awards

Racing Hall of Fame jockey and ESPN horse racing analyst Jerry Bailey and NBC, for coverage of the 2006 Preakness Stakes (G1), each received nominations for the 28th Annual Sports Emmy Awards.

Bailey, who joined ESPN in 2006 immediately after retiring from a 31-year riding career, was one of five nominated in the category of Outstanding Sports Personality—Sports Event Analyst.

“I’m flattered to be nominated,” Bailey said. “It’s a tribute to the people I work with, particularly Randy Moss, Kenny Mayne, Chris Fowler, Terry Gannon, and the different producers who taught me a lot and made me feel very comfortable. A lot of credit also goes to my wife Suzee. Her background is in TV and she helped me, not just on the journalistic side, but with every piece that I did. I had a great coach.

“This comes as a complete shock. I didn’t even know that the announcement was coming. I was busy preparing for Saturday’s Lane’s End Stakes [(G2) at Turfway Park] telecast when Jed Drake of ESPN was kind enough to call me with the news.”

NBC’s telecast of the 131st Preakness, which broadcasted Kentucky Derby Presented by Yum! Brands (G1) winner Barbaro’s catastrophic breakdown in the opening stages of the middle leg of the American Triple Crown, was one of five nominees in the category of Outstanding Live Sports Special.

Produced by Sam Flood, the production included the on-air talent of Racing Hall of Fame jockey Gary Stevens, who began his network sports analyst career in 2006. Other members of the NBC on-air team for the Preakness were Bob Costas, Tom Hammond, Mike Battaglia, Tom Durkin, Bob Neumeier, Kenny Rice, and Donna Brothers.

Nominations were announced by the National Academy of Television Arts & Sciences of the IMG World Congress of Sports. The winners of this year’s Sports Emmy Award will be announced on April 30 at the Frederick P. Rose Hall, Home of Jazz at Lincoln Center, in New York. *Source: The Thoroughbred Times*

Delaware Thoroughbred Commission Toughens Stance on Racing Integrity, Horse Health Issues and Jockey Safety

At their March 27, 2007 meeting, the Delaware Thoroughbred Racing Commission (DTRC) addressed several items regarding the integrity of racing, protection of the horses, and jockey safety. Specifically, the Commission announced that their adoption of a stringent policy regarding the prohibition of blood doping agents will become an official rule on April 10, 2007 in advance of the live racing season at Delaware Park that is set to commence on April 28. The Commission adopted a no-nonsense approach to anyone caught using EPO/DPO or other blood doping agents making the penalty a fine of \$5,000.00 and a ten-year suspension.

“For several years Delaware has been successfully testing for the presence of antibodies to determine culpability in blood doping of horses. Legal challenges to results have not been uncommon. Now, however, the equine scientific community is able to detect the actual molecules of blood doping agents, not just the

presence of antibodies This new technology gives the Commission the ability to withstand legal challenges to penalize offenders,” stated John F. Wayne, DTRC Executive Director.

Wayne continued, “In addition to the blood doping language the Commission reaffirmed its stance to prohibit trainers that are under suspension from transferring horses to their assistants or other financially connected associations. The current rule 7.5.1 requires that all transfers are to be legitimate and the Commission will require any such owner and new trainer to file a sworn affidavit ensuring that the transfer is indeed legitimate.” “Maintaining the public confidence is paramount,” Wayne added.

DTRC and current Association of Racing Commissioners Chairman, Bernard J. Daney added, “The Commission has concerns for the health of the sport which includes the horses, jockey safety, wagering, and the racing product.” Daney continued, “Our Executive Director meets with the Mid Atlantic Region of regulatory officials on a frequent basis working towards issue consistency among the jurisdictions which can only improve the industry and service to the participants.”

Contact information: John F. Wayne, office (302) 994-2521 x 8970 or cell phone (302) 242-4467. *Source: Delaware Press Release*

How Was That Again?

Magna Entertainment held a conference call yesterday, with chairman Frank Stronach, CEO Michael Neuman and executive VP and CFO Blake Tohana presenting an historical perspective, debt reduction plan, profitability improvement plan, and underlying real estate portfolio. The report touched on:

- Very little growth in U.S. handle, a stagnation due largely to piracy and a lack of new product innovation.
- Movement of the handle to lower margin distribution outlets, with off-track handle increasing 5% in the last five years, while on-track handle decreased 20%.
- Upside-down pricing, with relatively low pricing for export content leading to the creation and expansion of intermediary rebaters and ADWs, with minimal investment in the industry.
- No organized “league, with racing not recognized as a true sport like the NFL, NBA, MLB. We understood all that, and MEC’s energetic strategy for improving its vast racing holdings that include 12 tracks, 3 racinos, 26 OTBs, 3 training centers, AmTote, HRTV, TrackNetMedia and advance wagering through XpressBet.

What confused us a trifle was president Michael Neuman’s statement that MEC “will not proceed without alternative gaming and a free-enterprise approach to regulation anywhere, including its planned track in Dixon, California.” A day earlier MEC vice chairman Dennis Mills announced a self-imposed set of seven land covenants in Dixon promising never to seek slots or a racino, even if California were to legalize them. The legally binding covenant would follow title to the property and assure that none would ever be built even if the racetrack were sold. *Source: HTA Newsletter*

Vernon To Pay \$6 Million

Facing a New York Racing and Wagering Board threat that it will not get a racing license if it does not pay two \$3 million debts by the end of this week, Vernon Downs says it will make the payments by Friday. Jeff Gural told the Utica Observer-Dispatch that the debts would be repaid and he expected Vernon to open as scheduled April 6, but that if the legislature does not grant the track tax relief by June 30, Vernon probably would close again. State Senator William Larkin Jr., chairman of the Senate’s Racing, Gaming and Wagering Committee, is pushing for such legislation, and Gural says he is confident it will be accomplished. *Source: HTA Newsletter*

AGTOA Names All-America Team, Bob's Skeet Captain

Five-time stake and feature winner Bob's Skeet was selected as the captain of the American Greyhound Track Operators Association All-America Team in 2006.

Joining Skeet on the team are Extruding Dream, Ozzie The Man, Greys Calibrator, Kiowa Delicate, Cajun Cain, Dragon Fire and Kay V Tadoo Tony.

The team was announced at the AGTOA meeting in Las Vegas on March 26.

The second team is made up of Will Ferrell, Jack Whistler, Kiowa Cruzechamp, Flying Britt, Brady Thomas, Gifted Trey, Darius Stone and Too Well With It.

Bob's Skeet was a finalist in the Derby Lane Million. He set the track record while qualifying for the world's richest race. Back at his home track at the Gulf Greyhound Park, Skeet won the \$30,000 Texas Roundup, the Texas Spring Shootout, the Gordon Wood Memorial Hotbox, the Night of Stars XVII feature and the Au Revoir..... *Source: NGA Newsletter*

House Gives Initial Approval To Slots And Casinos

Sedgwick County and three other counties could gain destination casinos if their voters authorize them, under a bill that gained initial approval early Saturday in the Kansas House.

The 65-50 vote came at 2:34 a.m., after more than 12 hours of debate. Final approval is expected Monday.

The bill would also allow voter approval of slot machines at racetracks, including Wichita Greyhound Park near Park City.

The measures were contained in amendments to a Senate bill permanently authorizing the Kansas Lottery.

The Kansas Expanded Lottery Act was originally a single, 98-page amendment. But legislators decided to debate its provisions separately, eventually passing it in four parts.

The debate included more than 50 offered amendments -- many of which failed -- dozens of speeches and two references to "Star Trek." Many of the amendments were offered by gambling opponents who were trying to kill the bill.

Measures approved would allow voters in four areas to allow destination casinos: Sedgwick County, Wyandotte County, Cherokee or Crawford counties, and Ford County. A later amendment would allow Sumner County to vote on a casino if Sedgwick County voters defeated it.

Such casinos would sign 15-year contracts at investments of more than \$200 million each.

The act would also add 2,200 slot machines at pari-mutuel race tracks across the state and require counties to hold a vote to authorize those machines.

The provisions gave the Kansas Lottery and Racing and Gaming Board ultimate control of the casinos in a package negotiated by a bipartisan group of legislators earlier this week.

One of the most spirited debates Friday came on whether to allow alcohol to be served in the casinos.

Rep. Paul Davis, R-Lawrence, likened serving alcohol to buying popcorn at a movie or a hot dog at a baseball game.

"It's part of the experience," he said.

That brought sharp criticism from Rep. Anthony Brown, R-Eudora.

"I fix popcorn for my kids while we're watching a movie at home, but I don't fix them a mixed drink and sit back and watch them enjoy it," he said. "Why? Because there's a difference."

The alcohol measure passed 69-50.

The debate stalled again just before 6 p.m., as Lance Kinzer, R-Olathe, began reading verbatim a gambling study that had been cited by both sides throughout the day. He stopped without finishing at 6:30.

Shortly afterward, Rep. Arlen Siegfried, R-Olathe, announced the voting could be hastened because his caucus had finished preparing its amendments.

"This isn't a stall tactic," Rep. Kasha Kelley, R-Arkansas City, told the House. "We haven't had the time we need to break down and digest this 98-page bill."

The casinos would be operated under contract with the Kansas Lottery and would require authorization by county voters and by the state's racing and gaming commission.

Revenue from the casinos would be shared with state and local governments. Two percent, or about \$17 million a year, would go to social service programs to help with alcohol, gambling and other addictions associated with the industry.

The lottery bill being amended has already been passed by the Senate. But an amended bill would require negotiation in a House-Senate conference committee and then new approvals by both chambers, as well as the governor's signature.

The lottery bill and its amendments require only simple majorities to pass.

House members did approve, on a 106-16 vote, a measure creating a legislative study group on gambling.

Earlier Friday, the House voted 74-50 in favor of a constitutional amendment that would allow privately run casinos in the state, 10 votes short of the two-thirds majority needed for final passage. The House expects a final vote Monday.

"The reason to go for the constitutional amendment is because you don't need the state in the casino business," said Rep. Mario Goico, R-Wichita. "We'd be the only state in the nation which owns and runs the casinos."

Source: The Wichita Eagle

Trio Of Tracks Await Vote

Three of four West Virginia racetracks will have their table gambling fates decided June 9, but executives say the timing of votes in Hancock, Ohio and Kanawha counties is more about urgency than strategy.

“I don’t think it was really organized. It’s just the first available day we could get,” said Bob Marshall, president of the Wheeling Island Racetrack and Gaming Center.

There will, however, likely be some advertising coordination between Marshall’s Ohio County operation and the nearby Mountaineer Racetrack and Gaming Resort in Chester.

And although Marshall predicts the launch of what both tracks call a public education campaign by the end of April, a conservative Christian activist group hoping to stop the referendums says the simultaneous votes are more than a coincidence. They believe that they are, indeed, an effort to divide and conquer the opposition.

The West Virginia Family Foundation is determined to stop the votes by seeking a court-ordered injunction in one or more counties.

Marshall would not comment on any anti-gambling groups, but did say that “the motivation all along has been to get the ballot in front of the Ohio County voters as soon as possible.” Marshall said they took advantage of the first available day to vote in order to continue the preparations that are already under way at Wheeling Island.

“We want this to pass in June so that we can add jobs to our facility,” he said.

Despite any challenges that may evolve along the way, Marshall is confident that the addition of table gambling would only benefit the state’s economic status.

Ohio County commissioner Randy Wharton agrees the main motivation is not to prevent any certain group from stopping the referendum, but to get the ballot in front of voters as soon as possible and act on what they have been planning.

“Basically, those who are for table gambling will vote in favor of it and those who oppose table gambling will vote against. And, those who do not care about table gambling will not show up to vote,” Wharton said.

Kevin McCoy, executive director of the West Virginia Family Foundation believes the early vote was scheduled as a way to “get (them) off balance, to keep (them) from being able to organize effectively in those counties.”

“They know what they’re doing. They know our resources are limited, both in personnel and financial,” said McCoy.

McCoy also noted he believes table games as a part of the state’s lottery system are unconstitutional. The lawsuit he intends to file may also challenge gambling on moral grounds.

The only track that has yet to set a day for vote is Charles Town Races and Slots. Their delay is a result of a healthier economy and a booming population that poses no immediate threat of competition.

Though Mountaineer Racetrack and Gaming Resort has requested and will likely get a June 9 election date,

Mountaineer spokeswoman Tamara Cronin said the Hancock County Commission won't vote on the request until April 5. Ohio County will vote on the table gambling bill on June 9.

The table gambling bill allocates money for schools and in-home care for senior citizens, as well as funds for breeders and horsemen. *Source: Wheeling News Register*

Ky. License Sought For Horse Track In Laurel Former Racing Official John Jones Leads Group

Former Walmac Farm owner John T.L. Jones Jr. is leading a seven-member partnership seeking Kentucky's last available racetrack license to build a quarter-horse facility in Laurel County.

Brent Caldwell, a Lexington attorney for the group, said yesterday that he expects that an application will be filed with the Kentucky Horse Racing Authority either this week or next.

The partners plan to build the track near London on Ky. 80 where they have a lease option, Caldwell said. The track would cost between \$15 million and \$20 million to build, he added.

Jones is the managing partner and "kind of the driving force behind this," Caldwell said.

Although Jones is best known for his involvement in the thoroughbred industry -- previously serving on the Breeders' Cup board and the former Kentucky Racing Commission -- the Texas native started out in the quarter-horse business in the 1950s.

"He's got an extensive background in quarter horses and thoroughbred racing," Caldwell said.

Jones, who sold Walmac in 2004 to his son, John III, and Bobby Trussell, did not return a call for comment yesterday.

Caldwell declined to name the other partners beyond saying they have "a tremendous amount of experience" in the racing industry.

The proposed track would have racing for about 13 days, Caldwell said, with simulcasting the rest of the year. The meet wouldn't conflict with quarter-horse racing at The Red Mile in Lexington, he said.

From London, Caldwell said the track could draw customers from Knoxville, Tenn.

Asked whether the partners are pursuing the track in hopes that slot machines will be legalized at Kentucky tracks, Caldwell said racing and simulcasting are the primary motivations.

Former authority member Tom Handy, the former commonwealth's attorney in London, said he is working with the group as a consultant and local liaison, and believes it would be beneficial for the region.

Racing authority Executive Director Lisa Underwood said there is no prohibition against Handy working with the group seeking the track.

Handy said that he would not be representing the partners before the racing authority and that he was not contacted by them until January. He left the authority last fall.

Laurel County Judge-Executive Lawrence Kuhl said he is aware of the effort to build the track.

"I think it would bring some new jobs in here," he said. "I'm for it."

Previous efforts by Louisville attorney Tim McCall to obtain the state's ninth track license for a Whitley County location have been unsuccessful.

McCall did not return calls for comment yesterday. *Source: The Courier-Journal*

Indiana Slots Bill Amended

Legislation calling for slot machines at Indiana tracks continues to take shape. House Bill 1835 received a second reading before the full Senate Monday, March 26, undergoing yet another set of amendments. HB 1835 could be voted on by the full Senate within the next several days.

The Senate Tax and Fiscal Policy Committee adopted HB 1835 Tuesday, March 20, with a 9-3 vote. At that time the bill was significantly changed as the number of machines that could be installed at both Hoosier Park and Indiana Downs were cut and the licensing fee was quadrupled from the \$100 million price tag set by the full House. The minimum number of live race dates at each facility was also cut from 160 (100 harness dates) to 140 live racing days (90 harness dates).

Monday's amendments further define dates requirements for each track. HB 1835 now calls for a minimum of 140 live racing days (80 harness) at both facilities, but caps the Indiana Horse Racing Commission's ability to increase the standard to no more than 160 dates (90 harness) at each track. The amendment also limits the number of races either track can card on a program at 12. If a licensee permanently ends horse racing, the license is null and void.

The \$400 million license fee that each track must pay to operate slots will now go to the state's general fund. Previously, \$200 million was to be allocated for property tax relief, while the remaining \$600 million was earmarked for an Indiana Life Sciences Fund to promote university research. The Senate version of HB 1835 now calls for a two percent county slot wagering fee not to exceed \$5 million annually. The fee would be paid to Madison and Shelby counties, where each track is located.

The amended version of the bill also fleshes out how the 15 percent of revenues earmarked for purses and breed development are to be allocated. Standardbreds and Thoroughbreds each receive 46 percent of the total, while the remaining eight percent would go to Quarter Horses. For Standardbreds, roughly half of the share would go to purses, while the remaining 50 percent would be set aside for breed development.

Finally, HB 1835 would allow Hoosier Park and Indiana Downs to operate slots in temporary facilities for up to 24 months. If a license holder required more time to construct permanent facilities, it would need to be approved by the Indiana Gaming Commission. *Source: Harnessracing.com*

Job Announcements

New Mexico Racing Commission

Please be advised that the New Mexico Racing Commission is currently soliciting competitive bids for the official testing laboratory beginning July 1, 2007 through June 30, 2008, with an option to renew.

The request for proposal is currently available via nmrc@state.nm.us or by contacting Laura Valencia at 222-0700 for a copy. Please respond to the Intent to Respond form no later than March 26, 2007 and proposals are due no later than 4:00 p.m. on April 25, 2007.

Ontario Racing Commission

The Ontario Racing Commission, a self-financing regulatory agency responsible for the regulation of the horse racing industry in Ontario, has immediate openings for the following positions:

INVESTIGATOR

As an ORC Investigator, attached to the Equine Medication Control and Drug Task Force, you will provide a full range of investigative services for the Ontario Racing Commission by conducting inquiries into violations of the Racing Commission Act, Rules of Racing, conduct of racing, the participants in racing and any other investigations as may be requested by the Director of Investigations. You will also conduct searches, prepare detailed written reports on investigations conducted and attend at Commission hearings to present evidence on cases brought before it.

Qualifications: Excellent knowledge of Standardbred and Thoroughbred racing; excellent knowledge of the Racing Commission Act and its rules and regulations, racetrack operations and racetrack security; thorough knowledge of other legislation including: the Federal Criminal Code, drug statutes and pari-mutuel wagering regulations, and the Ontario Standardbred and Thoroughbred Rules of racing as well as and the ability to interpret and apply them; thorough knowledge of police investigative procedures including equine drug investigations, informant development and handling, intelligence gathering and reporting, interrogation techniques and the rules of evidence.

This is a two-year contract position with a possible three-year extension. The incumbent will work out of a Barrie facility.

State Steward

I am looking for a Harness Steward for our Cal-Expo (Sacramento) meeting that is year-round. They race four days per week. I want someone who is either USTA approved, accredited or has a strong background in the harness industry. If there is anyone of interest out there, please refer the candidate. Thanks.

Ingrid Fermin IngridF@chrb.ca.gov

Job Title: State Steward

Michigan Office of Racing Commissioner

The Michigan Office of Racing Commissioner is seeking applicants for one State Steward position at Great Lakes Downs, Muskegon, Michigan and one for Mt. Pleasant Meadows, Mt. Pleasant, Michigan. Applicants must have prior experience as a steward or assistant steward for Great Lakes Downs. We prefer experience as a steward or assistant steward for Mt. Pleasant Meadows, but will consider applicants with appropriate racing official experience. Great Lakes Downs 2007 meet runs from May 6 through November 6. Mt. Pleasant Meadows 2007 meet runs from May 6 through September 23. This is a contract employee position. Interested applicants should mail a cover letter and a copy of their resume to Commissioner Christine White, Michigan Office of Racing Commissioner, P.O. Box 30773, Lansing, MI 48909. Questions can be directed to Deputy Commissioner, Gary Post or Finance Manager, Cheryl Janssen at 517-335-1420.

Director, Analytical Toxicology Laboratory, Ohio Department of Agriculture

The Ohio Department of Agriculture is seeking to hire a Director of the ATL due to the retirement of its current Director. The Director of the Analytical Toxicology Laboratory is responsible for directing all aspects of the operation of the Analytical Toxicology Laboratory including specifying methods for and writing standard operating procedures for the accurate analysis of samples according to the requirements established by the Ohio State Racing Commission. The incumbent will review test results and reports and will maintain a laboratory quality control/quality assurance program that meets all requirements of ISO 17025. The Director is responsible for maintaining chain of custody documentation that meets evidentiary requirements, for ensuring security of all samples tested in the ATL and for testifying about laboratory procedures, test results, and the pharmacology of drugs in horses at administrative or criminal proceedings. The Director serves as the primary laboratory contact person with the Ohio State Racing Commission.

Candidates should submit curriculum vitae with a letter expressing their professional interests and goals to Dr. Beverly Byrum, Laboratory Director, Animal Disease Diagnostic Lab, Ohio Department of Agriculture, 8995 East Main Street, Reynoldsburg, Ohio 43068. Phone (614) 728-6220, Fax (614) 728-6310 or e-mail Byrum@mail.agri.state.oh.us. The Ohio Department of Agriculture is an equal opportunity/affirmative action employer. Review of applications will begin immediately and will continue until the position is filled.

Notes

THE PARI-MUTUEL RACING MODEL RULES DOCUMENT, AS ADOPTED BY RCI, is maintained and electronically available at the University of Arizona Race Track Industry Program website www.ua-rtip.org

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Industry Meetings and Events Calendar

2007

March

April

23-27

ARCI Spring Convention, Jackson Hole, WY - For more information call 859-224-7070

May

2-3

**22nd Annual National Conference on Equine Law – Lexington, KY
For more information call 859-257-2921**

July

26-28

ARCI Summer Board of Directors Meeting – Del Mar, California



THANK YOU 2007 RCI ASSOCIATE MEMBERS!

The RCI salutes and extends our appreciation to the following Racing Organizations who have demonstrated the leadership to become a RCI ASSOCIATE MEMBER in 2007. Their generous and enthusiastic support is Greatly Appreciated.



If you are not yet an RCI Associate Member for 2007 and would like to join leading industry organizations like those above on "Team RCI", or have any questions regarding RCI and its Associate Membership, please contact RCI at (859) 224-7070 or support@arci.com. Take advantage of great value-added benefits and support the RCI in its work on behalf of racing stakeholders and regulators throughout the entire industry. The time to join and be part of the winning team is NOW!