Race Horse Industry in Pennsylvania May 14, 2015

Testifiers:

Todd Mostoller, Executive Director, PA Horsemen's Benevolent and Protective Association Salvatore DeBunda, President, PA Thoroughbred Horsemen's Association Joe Thompson, President, Standardbred Breeders Association of PA Brian Sanfratello, Executive Director, PA Horsebreeders Association

Key Points:

- Mr. Mostoller spoke on behalf of PA Horsemen's Benevolent and Protective Association
 - Licensed casinos must contribute 18% of the casinos Gross Terminal Revenues (GTR) to the PA Race Horse Development Fund (PRHDF)
 - o 18% obligation is fully funded, but may actually decrease due to cannibalization, and additional casinos would involve additional tax credits.
 - o Equine expenses incur where the horse is stabled, but at the same time money is imported in the Commonwealth.
 - The PRHDF has aided in the preservation of open space, increased the number of PA foals from 800 to 1200 and has become a year-round family sustaining industry
- Mr. DeBunda spoke on behalf of PA Thoroughbred Horsemen's Association
 - o The PA Equine Coalition would support an amendment that would require every online gaming site to have a prominent link to live racing and enable individuals to be on racing, in addition to online slots and table games. They would also support an expansion of existing slot machine play in PA.
 - Very concerned about Governor's proposed expansion of the sales tax to the purchase of horses in PA. An increase in the sales tax would have a severe and chilling effect on the industry.
 - o Pensions and health care benefits are provided because PA has a year-round season and the trainers and workers have become part of the community.
 - Not a direct benefit plan. Money available at the end of the year is distributed to eligible members.
- Mr. Thompson spoke on behalf of Standardbred Breeders Association of PA
 - o If a sales tax is necessary, a one-time tax would work best.