

**EIGHTY - NINTH**  
**ANNUAL REPORT**

**2008**

**STATE OF MARYLAND**



**MARYLAND RACING COMMISSION**

**MARTIN O'MALLEY**  
Governor of Maryland

**ANTHONY G. BROWN**  
Lt. Governor of Maryland

**Thomas E. Perez**  
Secretary  
Department of Labor, Licensing  
and Regulation



MARTIN O'MALLEY, Governor  
ANTHONY G. BROWN, Lt. Governor  
THOMAS E. PEREZ, Secretary  
**Maryland Racing Commission**  
J. Michael Hopkins, Executive Director

DLLR Home Page • <http://www.dllr.state.md.us>  
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Thomas E. Perez, Secretary  
Department of Labor, Licensing and Regulation  
500 N. Calvert Street  
Baltimore, Maryland 21202

Dear Secretary Perez:

The Maryland Racing Commission is pleased to present you with the annual report for calendar year 2008.

A review of this report will give you an overview of the horse racing industry in Maryland.

Sincerely,

A handwritten signature in black ink that reads "J. Michael Hopkins". The signature is written in a cursive, flowing style.

J. Michael Hopkins  
Executive Director

300 East Towsontown Blvd.  
Towson, MD 21286



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*Keeping Maryland Working and Safe*

# TABLE OF CONTENTS

The Commission during the year 2008.....	1
Meeting and Hearing Statistics .....	2
2008 Highlights.....	3
2008 Legislation and Other Major Events.....	4
Racing Dates .....	5
Attendance .....	7
Wagering History .....	8
Amount Wagered.....	9
Satellite Simulcast Betting .....	10
Five Year Assessments.....	11
Method of Taxation .....	16
Revenue to the State: Thoroughbred .....	17
Revenue to the State: Harness.....	20
Summary of Licenses Issued.....	21
Uncashed Pari-Mutuel Tickets.....	23
Statement of Receipts .....	24
Statement of Actual Expenditures .....	26
Maryland Racing Commission Laboratory .....	27
The Maryland Jockey Injury Compensation Fund.....	28
Maryland-Bred Fund Report .....	29
Maryland Standardbred Fund Report .....	31



**The Commission during the year 2008 consisted of:**

**Chairman**.....John B. Franzone

**Members** ..... Alvin Akman  
Gregory H. Barnhill  
P. David Bramble  
John P. McDaniel  
David R. Clogg  
Wm. A. Gerweck  
Jacqui Nigh  
Lou Ulman

**The Commission Staff:**

Executive Director ..... J. Michael W. Hopkins  
Deputy Director ..... Robert J. Cassidy  
Fiscal Accounts Manager ..... Doreen K. Piquett  
Fiscal Accts. Supvr..... Francine J. Patterson  
Fiscal Clerk II ..... Elizabeth Robinson  
Chief Investigator ..... Joseph M. Poag  
Investigators ..... Robert Mullins  
Administrative Assistant ..... Josette V. Edwards

**Stewards:**

Administrative Steward..... William J. Passmore  
Associate Stewards Philip E. Grove  
John J. Burke II

**Judges:**

Presiding Judge..... Daniel Kazmaier  
Associate Judges Wendell A. Wathen  
Theresa Shahan

**Veterinarians:**

Chief Veterinarian..... David G. Zipf  
Veterinarians Lawrence E. Atkinson  
John F. Peacock  
Thomas C. Jett  
James Tibbs

**Chemists:**

Director..... Richie Hickman  
Assistant Chemist Dawson Wood  
Shaoyun Zhu  
Ninotchka Sylvester

## **MEETINGS and HEARINGS STATISTICS - 2008**

### **Commission Meetings**

In 2008, the Commission met to conduct business on ten (10) occasions.

## **2008 HIGHLIGHTS**

### **REVENUE:**

\$4,580,709 was collected by the State in 2008. This amount represents a decrease from the amount of revenue collected in 2007.

### **ATTENDANCE:**

Attendance at Maryland tracks was 1,524,681 in 2008. Since attendance is not kept for patronage at Satellite Simulcast Betting Facilities and at remote tracks, recorded attendance alone is not a good measure of activity.

## **LEGISLATION and OTHER MAJOR EVENTS**

**HB 1506** – Created a task force to study Thoroughbred Horse racing at Rosecroft Raceway and report on its study by December 31, 2008.

**SB 179** – Extended from 3 days to 7 days the period of time which a licensee must pay pari-mutuel taxes.

**SB 197** – Repealed the prohibition of a walkover in races specifically scheduled for the Maryland Standardbred Race Fund.

In November 2008 the voters of Maryland passed a constitutional amendment that would permit the installation of video lottery terminals.



## 2008 RACING DATES

### MILE TRACKS:

Laurel	January 1 – April 13 Simulcast Only Days	59 + <u>44</u> 103 Days*
Pimlico	April 14 – June 07 Simulcast Only Days	31 + 24 55 Days
Colonial Downs	June 08 – August 07 Simulcast Only (61)	
Laurel	August 08 – August 21 Simulcast Only Days	10 + 5 15 Days
Laurel	September 2 – December 31 Simulcast Only Days	65 + 54 119 Days
	<b>Total</b>	<b>292 Days</b>

### COUNTY FAIR TRACKS:

Timonium	August 22 – September 1 Simulcast Only Days	7 <u>3</u>
	<b>Total</b>	<b>10 Days</b>

### STEEPLECHASE :

Fair Hill	May 24	<u>1</u>
	<b>Total</b>	<b>1 Days</b>

<b>TOTAL LIVE:</b>	<b>173 DAYS</b>
<b>TOTAL SIMULCAST ONLY:</b>	<b><u>130</u> DAYS</b>
<b>THOROUGHBRED TOTAL:</b>	<b>303 DAYS</b>

**2008 RACING DATES**  
(Continued)

**HARNESS TRACKS:**

Rosecroft	January 1 – December 31 Simulcast Only Nights	43 + <u>321</u> 364 Nights
Ocean Downs	January 1 – December 31 Simulcast Only Nights	40 + <u>323</u> 363 Nights

<b>TOTAL LIVE:</b>	<b>83 NIGHTS</b>
<b>TOTAL SIMULCAST ONLY:</b>	<b><u>644</u> NIGHTS</b>
<b>HARNESS TOTAL:</b>	<b>727 NIGHTS</b>

<b>TOTAL LIVE RACING DAYS AND NIGHTS</b>	<b>256</b>
<b>TOTAL SIMULCAST ONLY</b>	<b><u>774</u></b>
<b>GRAND TOTAL</b>	<b>1,030</b>

**RACE YEAR SUMMARY:**

During the year 2008, there were 1,030 days and nights of licensed racing in the State, consisting of the following:

There were 303 days of licensed racing at the Mile Tracks - Pimlico 55 days and Laurel 237 days; 10 days at Timonium; and 1 day raced at Fair Hill. There were also 727 nights of licensed racing at the Harness Tracks - Rosecroft 364 nights and Ocean Downs 363 nights.

**ATTENDANCE FOR CALENDAR YEARS 2006 - 2008**

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Laurel	798,795	688,623	595,036
Pimlico	395,994	524,994	455,069
Timonium	<u>27,548</u> **	<u>26,107</u>	<u>23,022</u>
<b>TOTAL:</b>	<b>1,222,337</b>	<b>1,239,724</b>	<b>1,073,127</b>
Rosecroft	404,191	339,579	216,921
Ocean Downs	<u>212,969</u>	<u>132,902</u>	<u>220,133</u>
<b>TOTAL:</b>	<b>617,160</b>	<b>472,481</b>	<b>437,054</b>
Fair Hill	15,000	14,000	14,500
<b>TOTAL ATTENDANCE - THOROUGHBRED AND HARNESS:</b>			
	<u>1,854,497</u>	<u>1,726,205</u>	<u>1,524,681</u>

\*\*Includes attendance from State Fair

**WAGERING HISTORY IN MARYLAND**  
of  
**THOROUGHBRED AND HARNESS RACING**

**THOROUGHBRED STATISTICS:**

YEAR	LICENSED DAYS	AMOUNT WAGERED
1994	309	477,245,662
1995	322	490,693,266
1996	309	474,630,499
1997	321	465,225,433
1998	314	476,034,935
1999	314	480,988,981
2000	319	344,843,621
2001	348	337,652,117
2002	344	329,705,940
2003	346	306,261,175
2004	312	293,795,752
2005	303	298,722,053
2006	297	279,978,363
2007	301	259,549,867
2008	303	225,189,800

**HARNESS STATISTICS:**

YEAR	LICENSED DAYS	AMOUNT WAGERED
1994	325	125,823,007
1995	282	105,185,308
1996	349	88,620,663
1997	307	82,462,587
1998	305	87,101,030
1999	622	86,191,188
2000*	600	151,566,620*
2001	705	156,777,856
2002	749	155,892,827
2003	742	144,598,813
2004	749	131,111,243
2005	721	140,789,276
2006	724	130,058,639
2007	721	117,815,100
2008	727	100,559,207

**SSB FACILITIES STATISTICS:**

YEAR	AMOUNT WAGERED
2000	52,791,482
2001	64,393,587
2002	65,580,391
2003	68,972,477
2004	67,351,515
2005	65,745,234
2006	64,961,268
2007	69,206,967
2008	52,507,771

**COMBINED TOTALS:**

YEAR	LICENSED DAYS	AMOUNT WAGERED
1994	634	603,068,669
1995	604	595,878,574
1996	658	563,251,162
1997	628	547,688,020
1998	619	563,347,127
1999	936	567,181,246
2000	919	549,201,723
2001	1,053	558,823,560
2002	1,093	555,179,158
2003	1,088	519,832,465
2004	1,061	492,258,510
2005	1,024	505,256,563
2006	1,021	474,998,270
2007	1022	446,571,934
2008	1030	378,256,778

\* Indicates amount bet at facility on all racing including Thoroughbred and Harness, whereas prior years figures were for bets on the type of racing for which the association was licensed.

## AMOUNT WAGERED

	<u>2007</u>	<u>2008</u>
<b><u>MILE TRACKS:</u></b>		
Laurel	\$153,481,531	\$133,138,481
Pimlico	<u>103,862,604</u>	<u>90,081,922</u>
<b>TOTAL</b>	<b><u>\$257,344,135</u></b>	<b><u>\$223,220,403</u></b>
<b><u>COUNTY FAIR TRACKS:</u></b>		
Timonium	<u>\$2,084,295</u>	1,795,963
<b>TOTAL</b>	<b><u>\$2,084,295</u></b>	<b><u>1,795,963</u></b>
<b><u>HARNESS TRACKS:</u></b>		
Rosecroft	\$97,478,955	83,534,559
Ocean Downs	<u>20,336,145</u>	<u>17,024,648</u>
<b>TOTAL</b>	<b><u>\$117,815,100</u></b>	<b><u>100,559,207</u></b>
<b><u>STEEPLECHASE:</u></b>		
Fair Hill	<u>\$121,437</u>	<u>173,434</u>
<b>TOTAL</b>	<b><u>\$121,437</u></b>	<b><u>173,434</u></b>
<b><u>SSB FACILITIES</u></b>	<b><u>\$69,206,967</u></b>	<b><u>52,507,771</u></b>
<b>SUMMARY</b>		
Mile Tracks	\$257,344,135	223,220,403
County Fair Tracks	2,084,295	1,795,963
Harness Tracks	117,815,100	100,559,207
Steeplechase	121,437	173,434
SSB Facilities	69,206,967	<u>52,507,771</u>
<b>TOTAL</b>	<b><u>\$446,571,934</u></b>	<b><u>378,256,778</u></b>

## SATELLITE SIMULCAST BETTING

The amounts bet at the Satellite Simulcast Betting Facilities in calendar year 2008 are reflected in the following table.

### Maryland Satellite Simulcast Betting Facilities

Bet At:	Cracked Claw	NorthEast	Cambridge	Riverboat
Bets on:				
MD Thoroughbred Races	1,969,791	981,246	236,162	579,609
MD Harness Races	36,385	78,762	13,755	19,843
Out - of -State Races	25,448,751	11,758,215	3,817,811	7,567,441
<b>TOTAL</b>	<b><u>27,454,927</u></b>	<b><u>12,818,223</u></b>	<b><u>4,067,728</u></b>	<b><u>8,166,893</u></b>

In 2008, SSB facilities met the prescribed food and service standards and provide a convenience to the horse racing public.

## FIVE YEAR ASSESSMENT OF LAUREL

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Attendance</u> (* includes Pimlico @ Laurel) Live & Simulcast	595,036	688,623	798,795	769,814	651,644
<u>Purses</u>	22,545,198	28,973,186	30,306,075	23,392,376	9,286,091
<u>Number of days of live racing</u> (includes Pimlico @ Laurel)	134	148	153	134	62
<u>Betting on its live racing at:</u>					
Laurel	15,641,791	21,768,715	26,246,235	23,627,369	10,938,015
Other MD tracks	6,925,865	10,872,535	13,673,820	12,523,758	6,582,749
Satellite Simulcast Facilities in MD	2,333,342	3,815,983	3,984,733	3,342,447	1,597,632
Out-of-state	206,402,804	331,599,434	364,757,990	253,167,819	130,676,881
<u>Betting on other in-State races</u>	3,414,650	4,400,788	5,057,840	7,402,127	13,842,841
<u>Betting on out-of-State races</u>	114,082,040	127,312,028	134,049,952	144,432,586	135,939,778
<u>Total betting at this location on all racing</u>	133,138,481	153,481,531	165,354,027	175,462,082	160,720,634

## FIVE YEAR ASSESSMENT OF PIMLICO

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Attendance</u> (* Live & Simulcast)	455,069	524,994	395,994	470,514	792,342
<u>Purses</u>	6,952,102	8,481,554	8,922,813	11,293,851	22,705,429
<u>Number of days of live racing</u>	31	31	31	61	135
<u>Betting on its live racing at:</u>					
Pimlico	10,748,712	12,343,805	13,288,969	15,686,999	25,838,130
Other MD tracks	3,997,525	5,249,571	9,171,465	9,159,040	16,554,254
Satellite Simulcast Facilities in MD	1,138,779	1,515,430	2,373,764	2,087,276	6,060,101
Out-of-state	120,491,748	146,373,605	168,447,887	180,089,980	290,544,974
<u>Betting on other in-State races</u>	4,783,598	7,387,080	9,171,465	8,234,603	4,557,944
<u>Betting on out-of-State races</u>	74,549,612	84,131,719	89,598,639	96,488,167	99,701,935
<u>Total betting at this location on all racing</u>	90,081,922	103,862,604	112,059,073	120,409,769	130,098,009



### FIVE YEAR ASSESSMENT OF TIMONIUM

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Attendance</u>	23,022	26,107	27,548	27,548	489,711*
<u>Purses</u>	583,960	739,170	929,235	935,975	955,675
<u>Number of days of live racing</u>	7	7	8	8	8
<u>Betting on its live racing at:</u>					
Timonium	1,059,762	1,199,084	1,458,227	1,666,393	1,807,906
Other MD tracks	431,914	489,132	660,401	881,765	915,401
Satellite Simulcast Facilities in MD	58,525	83,536	116,707	137,240	156,428
Out-of-state	2,105,862	1,885,528	3,073,144	3,902,559	3,389,773
<u>Betting on other in-State races</u>	0	0	0	0	0
<u>Betting on out-of-State races</u>	736,201	885,211	938,530	1,033,381	1,028,237
<u>Total betting at this location on all racing</u>	1,795,963	2,084,295	2,396,757	2,699,774	2,836,143

\*Fair attendance included.

## FIVE YEAR ASSESSMENT OF ROSECROFT

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Attendance</u>	216,921	339,579	404,191	484,701	489,536
<u>Purses</u>	1,137,900	4,592,400	5,392,600	4,184,330	4,874,030
<u>Number of days of live racing</u>	43	86	106	97	117
<u>Betting on its live racing at:</u>					
Rosecroft	1,310,387	3,504,514	4,498,952	4,767,933	6,266,855
Other MD tracks	187,880	470,349	663,941	551,568	541,237
Satellite Simulcast Facilities in MD	68,144	177,509	170,241	266,234	322,153
Out-of-state	2,584,570	7,628,000	12,242,000	3,641,000	6,290,000
<u>Betting on other in-State races</u>	3,637,647	5,293,719	6,880,223	7,479,401	6,192,856
<u>Betting on out-of-State races</u>	78,586,525	88,680,723	98,914,952	107,588,715	97,078,458
<u>Total betting at this location on all racing</u>	83,534,559	97,478,956	110,294,127	119,836,049	109,538,169

## FIVE YEAR ASSESSMENT OF OCEAN DOWNS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Attendance</u>	220,133	132,902	212,969	140,264	141,229
<u>Purses</u>	926,550	902,500	820,265	974,810	923,680
<u>Number of days of live racing</u>	40	40	40	40	39
<u>Betting on its live racing at:</u>					
Ocean Downs	1,934,469	2,018,446	2,051,340	2,056,739	2,057,361
Other MD tracks	292,761	273,554	430,465	280,883	369,444
MD Satellite Simulcast Facilities	46,742	64,092	84,235	65,320	89,330
Out-of-state	2,933,963	2,910,231	3,231,842	2,533,569	2,200,334
<u>Betting on other in-State races</u>	957,585	1,454,496	1,476,983	1,479,526	1,552,797
<u>Betting on out-of-State races</u>	14,132,593	16,674,221	16,443,698	17,416,963	17,962,924
<u>Total betting at this location on all racing</u>	17,024,647	20,147,163	19,972,021	20,953,228	21,573,082

## METHOD OF TAXATION

### TAKEOUT AT MARYLAND THOROUGHBRED RACETRACKS

Effective July 1, 2005

	<u>Regular Pool%</u>	<u>2-Horse Multiple</u>	<u>3-Horse Multiple 1st Race</u>
State Tax	.32	.32	.32
Purses	7.88 (1)	8.88 (1)	11.88 (1)
Track	7.70 (2)	8.70 (2)	11.70 (2)
Maryland Million	1.00	2.0	.75
Bred Fund	<u>1.10</u>	<u>1.10</u>	<u>1.10</u>
Total Takeout	18.00	21.00	25.75
Returned to Public	<u>82.00</u>	<u>79.00</u>	<u>74.25</u>
 Total Handle	 100.00 %	 100.00 %	 100.00 %

#### Timonium

State Tax	0 (3)	0 (3)	0 (3)
Purses	5.00	7.00	13.00
Track	10.50 (2)	10.50 (2)	10.50 (2)
Bred Fund	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>
Total Takeout	17.00	19.00	25.00
Returned to Public	<u>83.00</u>	<u>81.00</u>	<u>75.00</u>
 Total Handle	 100.00 %	 100.00 %	 100.00 %

#### Fair Hill

State Tax (Fair Hill Improvement Fund)	9.00
Track	<u>16.00</u>
Total Takeout	25.00
Returned to Public	<u>75.00</u>
 Total Handle	 100.00 %

(1) Includes .18 for purses.

(2) Includes .25 for Pension Fund.

(3) No State tax paid during the State Fair.

## METHOD OF TAXATION

(Continued)

### TAKEOUT AT MARYLAND HARNESS RACETRACKS

Effective October 1, 1995

#### I. If the daily average for the year is over \$600,000:

	1-Horse <u>Pool %</u>	2-Horse <u>Pool %</u>	Over 2-Horse <u>Pool %</u>
State Tax	.50	.50	.50
Purses	-	.50	3.25
Track Maintenance, Improvements, debt & Personnel	-		
Track	14.50	15.50	15.50
Standardbred Fund	1.00(4)	1.00(4)	1.50 (4)
Track Pensions	.25(5)	.25(5)	.25 (5)
Service, Facilities, Promotion and Marketing	.25	.25	.25
Purses, Maintenance, Improvements, Debt, Personnel & Backstretch living conditions (on the amount over 150,000 daily average)	<u>.50</u>	<u>.50</u>	<u>.50</u>
Total Takeout	17.00	19.00	25.00
Returned to Public	<u>83.00</u>	<u>81.00</u>	<u>75.00</u>
Total Handle	100.00 %	100.00 %	100.00 %

(4) The amount deducted is .5 and 1.00 respectively of the first \$125,000 daily average. Percentages are as stated for amounts in excess of \$125,000.

(5) If daily average for the year exceeds \$125,000, .25% of the handle is deducted from all pools for track employee pensions.

## METHOD OF TAXATION

(Continued)

### II. If the daily average for the year is over \$150,000 but less than \$600,000:

	1-Horse <u>Pool %</u>	2-Horse <u>Pool %</u>	Over 2-Horse <u>Pool %</u>
State Tax	.50	.50	.50
Purses	1.75	2.25	5.00
Track Maintenance, Improvements, debt & Personnel	-	.50	3.25
Track	13.00	14.00	14.00
Bond Fund	1.50	1.50	1.50
Standardbred Fund	1.00(4)	1.50(4)	1.50(4)
Track Pensions	.25(5)	.25(5)	.25(5)
Service, Facilities, Promotion and Marketing	.25	.25	.25
Purses, Maintenance, Improvements, Debt, Personnel & Backstretch living conditions (on the amount over 150,000 daily average)	<u>.50</u>	<u>.50</u>	<u>.50</u>
Total Takeout	18.75	20.75	26.75
Returned to Public	<u>81.25</u>	<u>79.25</u>	<u>73.25</u>
Total Handle	100.00%	100.00%	100.00%

### III. If the daily average for the year is less than \$150,000:

	1-Horse <u>Pool %</u>	2-Horse <u>Pool %</u>	Over 2-Horse <u>Pool %</u>
State Tax	.50	.50	.50
Purses	1.75	2.25	5.00
Track Maintenance, Improvements, debt & Personnel	-	.50	3.25
Track	15.50	16.50	16.50
Standardbred Fund	.50(4)	.50(4)	1.00(4)
Track Pensions	.25(5)	.25(5)	.25(5)
Service, Facilities, Promotion and Marketing	<u>.25</u>	<u>.25</u>	<u>.25</u>
Total Takeout	18.75	20.75	26.75
Returned to Public	<u>81.25</u>	<u>79.25</u>	<u>73.25</u>
Total Handle	100.00%	100.00%	100.00%

See footnotes on Page 17.

## REVENUE TO THE STATE: THOROUGHBRED

<b>TOTAL FOR ALL MEETS</b>	<u><b>2007</b></u>	<u><b>2008</b></u>
<b>LAUREL</b>		
Race Days	361*	363**
Tax to the State	773,113	711,785
License Fee	<u>5,925</u>	<u>5,850</u>
	<b>779,038</b>	<b>717,635</b>
 <b>PIMLICO</b>		
Race Days	361*	332**
Tax to the State	378,071	335,567
License Fee	<u>2,125</u>	<u>2,900</u>
	<b>380,196</b>	<b>338,467</b>
 <b>TOTAL</b>	 <u><b>1,159,234</b></u>	 <u><b>1,056,102</b></u>
 <b>COUNTY FAIR:</b>		
Race Days	10	10
Tax to the State	\$ - 0 -	-0-
License Fee	<u>- 0 -</u>	<u>-0-</u>
	\$ - 0 -	-0-
 <b>TOTAL COUNTY FAIR</b>	 <u><b>\$ - 0 -</b></u>	 <u><b>-0-</b></u>
 <b>STEEPLECHASE:</b>		
Race Days	1	1
Tax to the State	<u>10,929</u>	<u>15,609</u>
 <b>TOTAL</b>	 <u><b>10,929</b></u>	 <u><b>15,609</b></u>

\* Included 65 Simulcast days from Colonial Downs

\*\* Included 61 Simulcast days from Colonial Downs

## REVENUE TO THE STATE: HARNESS

	<u>2007</u>	<u>2008</u>
<b>ROSECROFT</b>		
Race Days	358	364
Tax to the State	304,349	260,664
License Fee	<u>9,050</u>	<u>9,075</u>
	<b>313,399</b>	<b>269,739</b>
 <b>OCEAN DOWNS</b>		
Race Days	363	363
Tax to the State	64,541	54,479
License Fee	<u>9,025</u>	<u>9,075</u>
	<b>73,566</b>	<b>63,554</b>
 <b>TOTAL HARNESS</b>	 <b><u>386,965</u></b>	 <b><u>333,293</u></b>
(Race days include live and simulcast only days)		



## SUMMARY OF LICENSES & REGISTRATIONS ISSUED

2008

### THOROUGHBRED LICENSES:

451	Original Owner	@ \$50.00	\$22,550
1,739	Renewal Owner	25	43,475
46	Original Trainer	50	2,300
202	Renewal Trainer	25	5,050
102	Assistant Trainer	25	2,550
339	Owner / Trainer	50	16,950
199	Jockey	25	4,975
41	Apprentice Jockey	25	1,025
27	Jockey Agent	25	675
27	Veterinarian	25	675
34	Farrier	10	340
1,043	Stable Employee	5	5,215
450	Mutuel Employee	5	2,250
153	Vendor	5	765
257	Exercise Rider	5	1,285
372	Track Employee	5	1,860
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<b>5,482</b>	<b>TOTAL LICENSES</b>		<b><u>\$111,940</u></b>

### THOROUGHBRED REGISTRATIONS:

34	Authorized Agent	@ \$10.00	340
381	Assumed Name	75	28,575
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<b>415</b>	<b>TOTAL REGISTRATIONS</b>		<b><u>\$28,915</u></b>

## SUMMARY OF LICENSES & REGISTRATIONS ISSUED

(Continued)

### HARNESS LICENSES:

142	Original Owner	@ \$50.00	\$7,100
629	Renewal Owner	25	15,725
13	Original Trainer	25	325
75	Renewal Trainer	25	1,875
36	Driver	25	900
52	Trainer / Driver	50	2,600
184	Owner / Trainer	50	9,200
158	Owner / Trainer / Driver	75	11,850
20	Owner / Driver	50	1,000
10	Veterinarian	25	250
247	Stable Employee	5	1,235
93	Mutuel Employee	5	465
143	Track Employee	5	715
19	Vendor	5	95
3	Farrier	5	15
-----			
<b>1,824</b>	<b>TOTAL LICENSES</b>		<b><u>\$53,350</u></b>

### HARNESS REGISTRATIONS:

0	Authorized Agent	10	0
56	Assumed Name	75	4,200
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<b>56</b>	<b>TOTAL REGISTRATIONS</b>		<b><u>\$4,200</u></b>

### THOROUGHBRED AND HARNESS

**TOTAL RECEIPTS FOR LICENSES & REGISTRATIONS ISSUED: \$198,405**

## UNCASHED PARI-MUTUEL TICKETS

If any winning ticket is not redeemed for a period of one (1) year from the date of issue, the amount necessary to redeem the ticket shall be paid to a special fund of the State. The following receipts are from race meetings conducted in the year prior to that indicated by the columnar heading.

	<u>2007</u>	<u>2008</u>
Mile Tracks	\$1,562,613	\$1,447,012
Harness Tracks	589,247	597,555
County Fair Track	0*	0*
Steeplechase	2,452	1,951
SSB	<u>0**</u>	<u>0**</u>
<b>TOTAL UNCASHED PARI-MUTUEL TICKETS</b>	<b>\$2,154,312</b>	<b>\$2,046,518</b>

\*County Fair uncashed monies included with mile tracks.

\*\*SSB's uncashed monies included with racetracks uncashed tickets.

## STATEMENT OF RECEIPTS

### DISBURSED TO THE STATE COMPTROLLER

	<u>2007</u>	<u>2008</u>
<b><u>MILE TRACKS:</u></b>		
Track License Fees	\$8,050	\$8,050
Tax on Betting	1,151,184	1,047,352
Licensing Fees	117,335	111,940
Registration Fees	58,575	28,915
Uncashed Pari-Mutuels	<u>1,562,613</u>	<u>1,447,012</u>
<b>TOTAL DISBURSEMENTS MILE TRACKS</b>	<b><u>\$2,897,757</u></b>	<b><u>\$2,643,269</u></b>
 <b><u>COUNTY FAIR TRACKS:</u></b>		
Tax on Betting (6)	-0-	-0-
Uncashed Pari-Mutuels	*	*
<b>TOTAL DISBURSEMENTS COUNTY FAIR TRACKS</b>	<b><u>0</u></b>	<b><u>0</u></b>
 <b><u>HARNESS TRACKS:</u></b>		
Track License Fees	\$18,075	\$18,150
Tax on Betting	368,890	315,143
Licensing Fees	59,235	53,350
Registration Fees	3,760	4,200
Uncashed Pari-Mutuels	<u>589,247</u>	<u>597,555</u>
<b>TOTAL DISBURSEMENTS HARNESS TRACKS</b>	<b><u>\$1,039,207</u></b>	<b><u>\$988,398</u></b>
 <b><u>STEEPLECHASE:</u></b>		
Tax on Betting	\$10,929	\$15,609
Uncashed Pari-Mutuels	<u>2,452</u>	<u>1,951</u>
<b>TOTAL DISBURSEMENTS STEEPLECHASE</b>	<b><u>\$13,381</u></b>	<b><u>\$17,560</u></b>
 <b><u>OTB'S:</u></b>		
PERMIT FEE	\$2,500	\$2,500
Uncashed Pari-Mutuels	**	**
<b>TOTAL DISBURSEMENTS O.T.B.</b>	<b><u>\$2,500</u></b>	<b><u>\$2,500</u></b>
 <b><u>TOTAL ALL DISBURSEMENTS</u></b>	 <b><u>\$3,952,845</u></b>	 <b><u>\$3,651,727</u></b>

(6) No State tax is payable when racing is conducted during the State Fair.

\*County Fair uncashed monies included with mile tracks.

\*\*OTB's uncashed monies included with racetracks uncashed tickets.

## STATEMENT OF RECEIPTS

### DISBURSED TO THE STATE COMPTROLLER (Continued)

#### DIRECT DISBURSEMENTS TO STATE COMPTROLLER:

	<u>2007</u>	<u>2008</u>
Tax on Badges & Admissions at the Racing	\$555,302	\$484,992
Sales Tax on Horses Claimed by the Racing	<u>423,236</u>	<u>443,990</u>
<b>TOTAL DIRECT DISBURSEMENTS TO STATE</b>	<b>\$978,538</b>	<b>\$928,982</b>
<b><u>TOTAL ALL DISBURSEMENTS TO STATE COMPTROLLER</u></b>	<b><u>\$4,931,383</u></b>	<b><u>\$4,580,709</u></b>

## STATEMENT OF ACTUAL EXPENDITURES

JANUARY 1 TO DECEMBER 31, 2008

### SALARIES & BENEFITS

Commission Personnel	<u>\$398,543</u>
<b>Total Salary Expenses</b>	<b><u>\$398,543</u></b>

### OFFICE EXPENDITURES:

Telephone and Postage	\$15,832
Travel Expenses	13,669
Motor Vehicle Operation	6,992
Contractual Services, i.e., Printing, Repairs, Equipment and Leasing, Court Expenses, Transcript of Hearings	19,801
Office Supplies	4,912
Office Equipment Additional	11,609
Fixed Charges, i.e., Rent, Insurance, Subscriptions and Dues	33,882
<b>Total Office Expenses</b>	<b><u>\$106,697</u></b>

<b>TOTAL EXPENDITURES AND DISBURSEMENTS (7)</b>	<b><u>\$505,240</u></b>
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### OTHER DISBURSEMENTS:

<b>Grants</b>	<b>\$1,610,000</b>
<b>Impact Aid</b>	<b>\$1,127,000</b>
<b>Subsidies:</b>	
Maryland Million	\$500,000
Maryland Standardbred Race Fund	<u>350,000</u>
<b>Total Subsidies</b>	<b><u>\$850,000</u></b>
<b>TOTAL OTHER DISBURSEMENTS</b>	<b><u>\$3,587,000</u></b>

(7) Does not include salaries of Stewards and Judges, nor salaries of personnel and expenses reimbursed by the associations.

## MARYLAND RACING COMMISSION LABORATORY

The Maryland Racing Commission Laboratory provides horse and human drug testing to protect the State of Maryland, competing horsemen and the wagering public. Located within the Virginia-Maryland Regional College of Veterinary Medicine building at University of Maryland-College Park Campus, we enjoy a close working relationship with the college faculty and staff along with the Maryland Department of Agriculture and extension personnel and extension personnel.

The Racing Commission Laboratory has provided testing services to Maryland Department of Agriculture personnel during the animal expositions at both state and county fairs.

Over the past year, the laboratory has continued its aggressive methods to protect the racing industry against the illegal use of drugs and medications. We continue to expand the scope of testing performed in the United States and as such, believe that the program is second to none. Through Maryland's medication meetings with horsemen, private practitioners and Racing Commission personnel, dialog has enabled the Commission to allow competing horsemen to employ certain therapeutic medications without fear of purse redistribution and disqualification.

The following table and list represent the findings of the laboratory during calendar year 2008

### ASSOCIATION OF OFFICIAL RACING CHEMISTS OFFICIAL SAMPLES ANALYZED DURING CALENDAR YEAR 2008

Maryland Racing Commission Laboratory  
Submitted by Richie Hickman

#### NUMBER OF OFFICIAL SAMPLES ANALYZED

<u>SOURCE</u>	<u>URINE</u>	<u>BLOOD</u>	<u>TOTAL</u>	<u>POSITIVE</u>
Thoroughbred	2,841	3,163	6,004	35
Standardbred	772	836	1,608	2
Human	<u>3</u>	<u>0</u>	<u>3</u>	<u>3</u>
<b>2008 Totals</b>	<b>3,616</b>	<b>3,999</b>	<b>7,615</b>	<b>40</b>

## **THE MARYLAND JOCKEY INJURY COMPENSATION FUND**

The Maryland Jockey Injury Compensation Fund, Inc. was established by legislative action during the 1985 session of the General Assembly and became effective January 1, 1986.

The purpose of this fund is to purchase a blanket workmen's compensation insurance policy for all jockeys licensed by the Maryland Racing Commission and participating at the Maryland race tracks.

### **POLICY COST**

1994	\$444,853.00
1995	\$396,629.00
1996	\$390,462.00
1997	\$318,181.00
1998	\$312,093.00
1999	\$346,367.00
2000	\$355,966.00
2001	\$378,578.00
2002	\$388,877.00
2003	\$586,640.00
2004	\$611,533.00
2005	\$655,311.00
2006	\$741,868.00
2007	\$977,423.00
2008	\$723,852.00

The above costs were funded by an assessment on all licensed owners and trainers levied and collected by the Maryland Racing Commission at the time of licensure.

The assessment per licensee for 2008 was \$ 250.00



# MARYLAND-BRED FUND REPORT

## MARYLAND-BRED FUND DISTRIBUTION IS EXPLAINED

The Maryland-Bred Fund was created by the General Assembly in 1962. Maryland was the first state to develop an incentive program to encourage the improvement of Thoroughbred breeding and racing. Since that time, more than 30 other states have instituted incentive programs of one kind or another.

In Maryland, there are six categories through which monies from the Fund are made available: 1) **purse money** for stakes races for registered Maryland-breds, 2) **awards for owners** of winning Maryland-breds, 3) **awards for breeders** of winning and stakes-placed Maryland-breds, 4) **awards for the owners of stallions** which sire Maryland-bred winners and stakes-placed horses, 5) **yearling show bonus awards** of \$40,000 (\$20,000 for the four highest-earning 2-year-olds and \$20,000 for the four highest-earning 3-year-olds, based on North American earnings, shown at the annual MHBA show), and 6) **Maryland Million allocation** of 5 percent for purses. The Maryland Fund receives slightly less than 1 percent of the total mutuel handle and breakage from Laurel and Pimlico (the State's two mile tracks) and 1.5 percent of the mutuel handle and 5.0 percent of the breakage at Timonium (a 5/8's mile track). (These allocations are subject to adjustments for expenses of operating OTB, simulcasts and intertrack betting.)

In 2008, revenue for the Maryland-Bred Fund totaled over \$3.2 million (includes approximately \$2.4 million from pari-mutuel wagering funds and \$800,000 from other sources). After eligible deductions were taken, this money was divided 55 percent to purse money and owner awards and 45 percent to breeder and stallion awards - or about \$1.5 million to purses and owner awards and \$1.2 million to breeder and stallion awards.

Fifty-five percent of the Fund is designated for purses and owner awards, of which 66-2/3 percent was allocated to purses and 33-1/3 percent was allocated to owner awards. The remaining 45 percent funds breeder and stallion awards. Since 1982, owner awards have been paid in lieu of any restricted races other than stakes and Maryland Million races for horses sired by Maryland Stallions. The quality of Maryland-breds has improved to such an extent since the Fund was initiated more than 40 years ago that the shelter of restricted races has ceased to be the most effective use of Fund monies. Owner awards benefit more people and provide a greater incentive to race in Maryland.

Owner awards are paid to the owners of all registered Maryland-breds when they win any race (including all maiden claiming races) other than stakes, starter races or claiming races in which the winner runs for a claiming price of less than \$20,000. These awards usually amount to 10 to 15 percent of the winner's share of the purse with the exact percentage for bonus calculation being determined bi-annually by the Maryland Racing Commission with the advice of the Maryland Bred Fund Advisory Committee.

Breeder and stallion awards are paid for the registered Maryland-bred which wins any race or finishes second, third or fourth in any stakes race in Maryland. Since 2005 breeder awards have amounted to 10 to 15 percent of the winner's share of the purse, and stallion awards have varied between 5 and 7.5 percent of the winner's share of the purse. The exact percentages for bonus calculation are determined bi-annually by the Maryland Racing Commission, with the advice of the Maryland Bred Fund Advisory Committee. In stakes races, the award is based on the first \$100,000 of the gross purse.

In order to earn a breeder award, the winning (or stakes-placed) horse must be registered as a Maryland-bred. In order to earn a stallion award, the winning (or stakes-placed) horse must be registered as a Maryland-bred and the sire must be registered with the MHBA in addition to having stood in Maryland at the time the winner was conceived.

The Maryland-Bred Fund program is administered by the Maryland Racing Commission with the assistance and advice of the Maryland-Bred Fund Advisory Committee chaired by John Franzone, a member of the Maryland Racing Commission. Other members of the Maryland Fund Advisory Committee are Georganne Hale (Representing the mile tracks), John H. Mosner, Jr., (minor track), Ann Merryman and William K. Boniface (MHBA). Under the direction of the Commission, the actual administration of the Fund, including maintaining the Maryland-bred registry and computing and distributing all bonus awards, is performed by the MHBA for which it receives compensation in the amount of 5 percent of the total receipts of the Fund.

The stakes program is planned on an annual basis and is based on projected track handles for the coming year.

## MARYLAND STANDARDBRED RACE FUND

Total purses for the year were \$1,214,550, a decrease from 2007 purses. The Maryland Sire Stakes (MSS) and Maryland Standardbred Fund (MSF) combined totals for the program in each year from 1991 through 2008 are shown below:

<u>YEAR</u>	<u>MSS</u>	<u>MSF</u>	<u>TOTAL</u>
1991	1,383,910	1,056,288	2,440,198
1992	1,316,150	933,140	2,249,290
1993	1,392,940	889,352	2,282,292
1994	1,459,520	885,000	2,344,520
1995	1,736,050	1,018,100	2,754,150
1996	1,736,050	1,017,270	2,753,320
1997	1,209,660	793,775	2,003,435
1998	1,152,040	909,190	2,061,230
1999	1,171,750	967,620	2,139,370
2000	1,215,690	1,132,700	2,348,390
2001	1,142,780	1,039,960	2,182,740
2002	970,360	900,690	1,871,050
2003	947,550	833,250	1,780,800
2004	784,000	537,127	1,321,127
2005	779,104	627,761	1,406,865
2006	859,650	687,860	1,547,510
2007	816,750	620,200	1,436,950
2008	720,000	494,550	1,214,550