

# MICHIGAN HORSE RACING

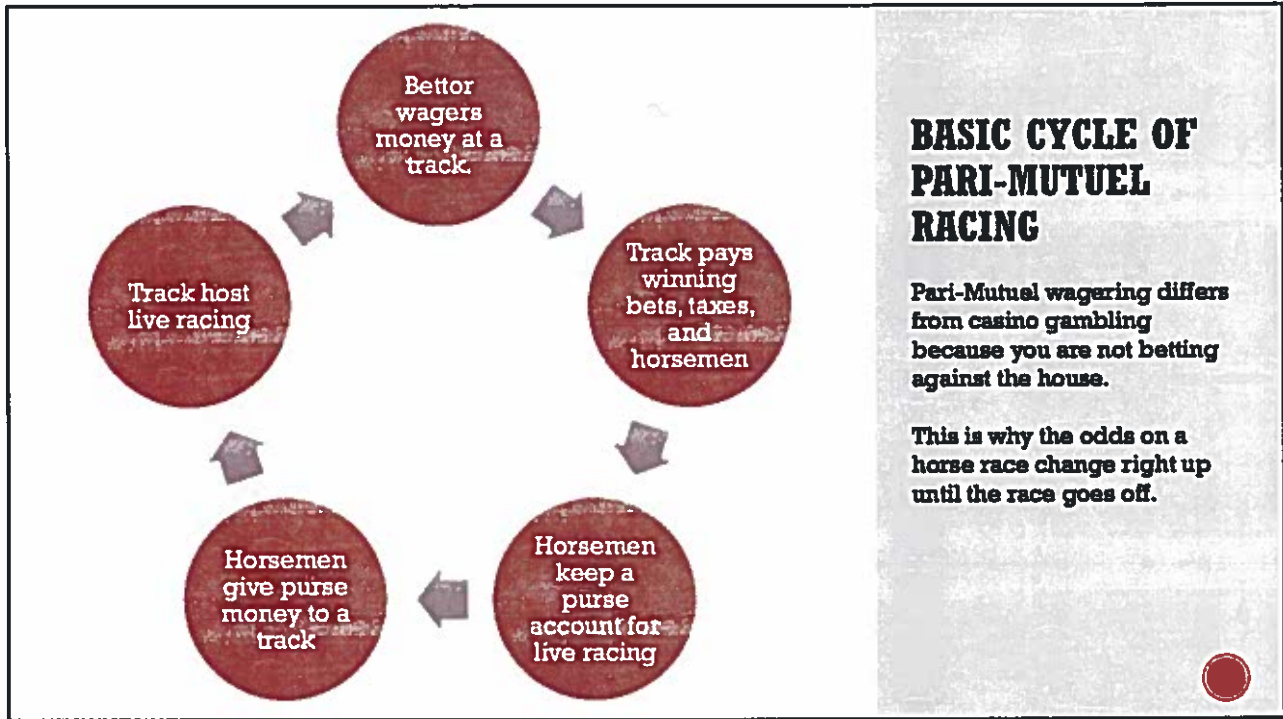
An Overview of the Horse Racing Industry and the  
Agriculture Equine Industry Development Fund



## MICHIGAN HARNESS HORSEMEN'S ASSOCIATION

- The Michigan Harness Horsemen's Association was founded in 1947 to serve the collective needs of the state's Standardbred horse owners, breeders, trainers and drivers.
- The purposes of the MHHA are:
  - To protect the financial interests of owners, trainers, drivers, breeders and caretakers of Standardbred horses in Michigan.
  - To supply horses to Michigan pari-mutuel racetracks, monitor and improve physical conditions and controls for individuals and horses participating at licensed race meetings and to assist race meeting licensees in conducting their racing programs.
  - To encourage and promote the racing training and breeding of Standardbred horses and to administer futurities and stake events in Michigan.





## BASIC CYCLE OF PARI-MUTUEL RACING

Pari-Mutuel wagering differs from casino gambling because you are not betting against the house.

This is why the odds on a horse race change right up until the race goes off.

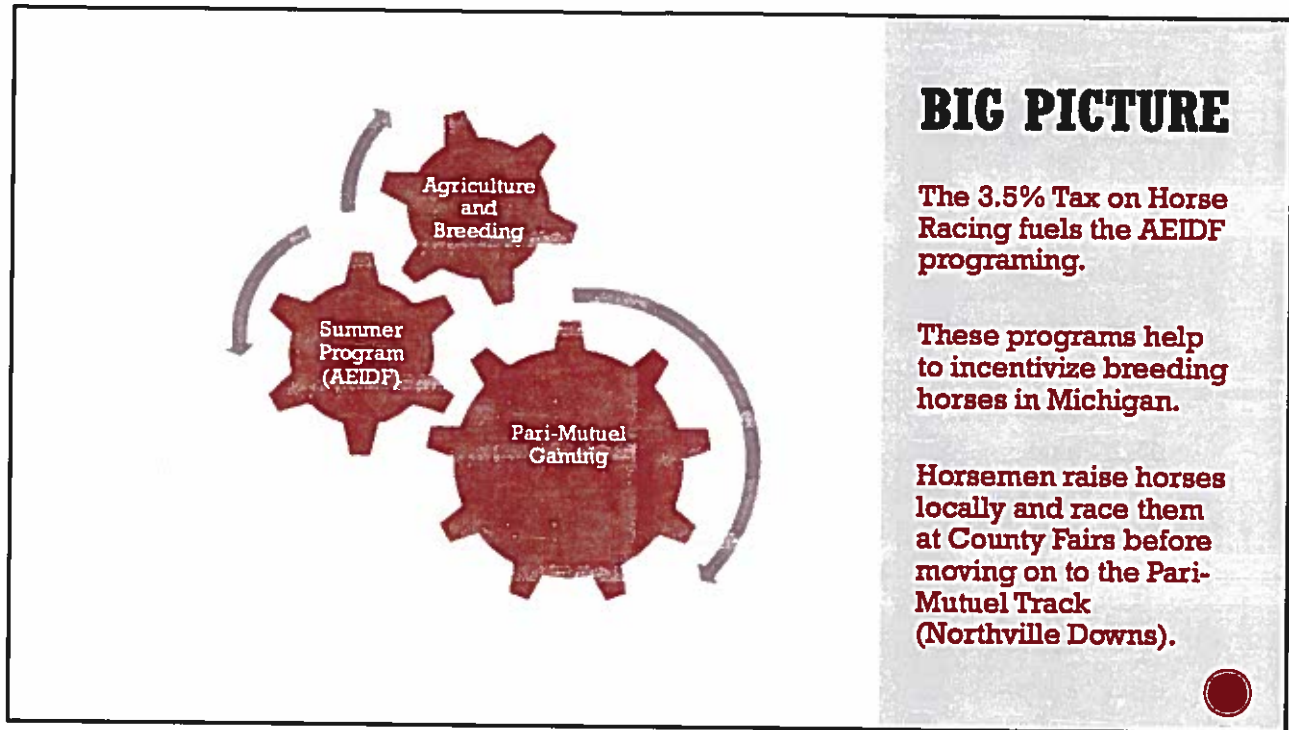
**100** FEDERAL RESERVE NOTE  
 LG 04727792 \*  
 G7

**ONE HUNDRED DOLLARS**  
 UNITED STATES OF AMERICA  
 THIS NOTE IS LEGAL TENDER FOR ALL DEBTS, PUBLIC AND PRIVATE  
 JULY 4, 1776

**100**

Paid to Winning Players \$80.00

Paid to Host Track \$6.50  
 Michigan Ag Equino Fund (Tax) \$3.50  
 Paid to Michigan Track \$6.50  
 Paid to Certified Horsemen's Organization (CHO) \$3.50



SECTION 20 OF THE HORSE RACING LAW OF 1995, AS AMENDED, ESTABLISHES THE AEIDF AND STIPULATES THAT THE DIRECTOR OF BARD ADMINISTERS THE AEIDF WITH THE ASSISTANCE AND ADVICE OF THE MGCR. STATUTORILY, THE AEIDF RECEIVES **REVENUES COLLECTED UNDER THE HORSE RACING LAW (E.G. SIMULCAST WAGERING TAXES, LICENSURE FEES AND FINES, AND UNCASHED WINNING TICKETS)** AND MONEY WITHIN THE AEIDF IS **RESTRICTED TO EXPENDITURES, UPON APPROPRIATION, FOR AGRICULTURE AND EQUINE DEVELOPMENT** PROGRAMS AS PROVIDED WITHIN SECTION 20. SPECIFICALLY, MONEY WITHIN THE AEIDF IS RESTRICTED TO EXPENDITURES FOR **PURSE SUPPLEMENTS** AND AWARDS FOR VARIOUS HORSE **BREED PROGRAMS**, LABORATORY ANALYSIS, IMPROVEMENT OF **COUNTY FAIRGROUNDS**, AND RESEARCH DEVELOPMENT GRANT PROGRAMS. MONEY DEPOSITED INTO THE AEIDF DOES **NOT LAPSE TO THE GENERAL FUND** AT THE CLOSE OF THE FISCAL YEAR AND IS CARRIED-FORWARD INTO THE SUBSEQUENT FISCAL YEAR. DETAILED FIGURES PERTAINING TO ANNUAL REVENUES, EXPENDITURES, AND NET REVENUE OVER OR UNDER EXPENDITURES FOR THE AEIDF IS EXHIBITED BY APPENDIX 2 AND WILL BE DISCUSSED IN SUBSEQUENT SECTIONS.

## MICHIGAN AG EQUINE INDUSTRY DEVELOPMENT FUND

## PRO-RATED: STANDARDBRED LINES AND ADMIN

<b>Appropriation</b>	<b>Appropriation</b>	<b>Actual</b>
▪ Purses and Supplements Fairs/Licensed Track	▪ 708,300	▪ 395,000
Standardbred Breeders Awards	▪ 345,900	▪ 121,452
▪ Standardbred Purses and Supplements	▪ 671,800	▪ 235,881
▪ Standardbred Sire Stakes	▪ 275,000	▪ 96,557
▪ Horse Racing Administration	▪ 256,600	▪ 100,000
▪ Office of the Racing Commissioner (MRCB)	▪ 2,085,300	▪ 1,500,000

\*Regulatory Costs continue to be the highest single line item.



SEC. 802. FROM THE FUNDS APPROPRIATED IN PART 1 FROM AGRICULTURE EQUINE INDUSTRY DEVELOPMENT FUNDS, AVAILABLE REVENUE SHALL BE ALLOCATED IN THE FOLLOWING PRIORITY ORDER:

(A) TO **SUPPORT ALL ADMINISTRATIVE, CONTRACTUAL, AND REGULATORY COSTS** INCURRED BY THE DEPARTMENT AND THE MICHIGAN GAMING CONTROL BOARD.

(B) UP TO **\$395,000.00 SHALL BE ALLOCATED TO THE PURSES AND SUPPLEMENTS - FAIRS/LICENSED TRACKS** LINE ITEM.

(C) ANY REMAINING FUNDS COLLECTED THROUGH SEPTEMBER 30, 2019, AFTER THE OBLIGATIONS IN SUBDIVISIONS (A) AND (B) HAVE BEEN MET, SHALL BE **PRORATED EQUALLY AMONG THE SUPPLEMENTS, BREEDERS' AWARDS, AND SIRE STAKES AWARDS TO ELIGIBLE RACE MEETING LICENSEES** IN ACCORDANCE WITH SECTION 20 OF THE HORSE RACING LAW OF 1995, 1995 PA 279, MCL 431.320.



# Important Boilerplate Language

**QUESTIONS?**



