



Horse Racing Season Update

Why did Hazel Park request to end its meet Aug. 8 instead of Sept. 12?

Insufficient purse pool money to support thoroughbred racing at Hazel Park after Aug. 8 prompted the request for an early end to the race meeting.

Why was the purse pool funding insufficient?

One reason is Hazel Park and the Michigan Horsemen's Benevolent and Protective Association agreed to require starter, or entry, fees, each night just to race. Starter fees are essentially a pay-to-play scheme – the horsemen must pay the track for the privilege of racing – and are not addressed in the Horse Racing Law. While the HBPA said it would need to pay approximately \$51,000 in prizes per night to support live racing, it actually often spent more per night. The increased nightly payout depleted the purse pool faster than anticipated. HBPA apparently did not include starter fees in its original \$51,000 request. HBPA controlled the timing and amount of distribution throughout the racing season.

Why couldn't the MGCB allow Hazel Park to run eight races per day instead of nine?

Michigan law requires race tracks to offer nine live races per day or lose the ability to offer simulcast wagering. Hazel Park asked the MGCB to waive the nine-race requirement and allow them to offer fewer races. The MGCB is not authorized to waive the nine-race requirement mandated by the law, which was designed to protect live racing. However, we did day-by-day reviews with Hazel Park officials throughout the 2015 season to determine whether the track could fill the nine-race schedule. Only when good-faith efforts to fill races fell short did the MGCB grant requests to reduce a particular day's schedule to eight races. Ultimately, the industry will have to ask the Legislature to change the requirement.

Why did Sports Creek close? Did the track's closing impact horse racing funds for Hazel Park?

The Michigan Gaming Control Board ordered Sports Creek to stop simulcasting at midnight Dec. 31, 2014, because it did not have a contract with the Michigan Harness Horsemen's Association for 2015 live racing. The Horse Racing Law prohibits a track from simulcasting if the track does not have a contract for live racing in place, and the MGCB is prohibited from waiving that provision of the law. The management of Sports Creek chose to close the track. While the track's closure reduced purse pool funding for 2015, the funding gap at Hazel Park far exceeded the amount Sports Creek would have contributed to the purse pool.

I understand that there is nearly \$ 1 million in funds sitting idle that could be used for racing. Why can't that money be used for thoroughbred racing at Hazel Park?

Michigan law designates how purse pool funds are generated and distributed. Based on 2014 racing, the law designated over \$1 million in funds to be used for harness racing at Hazel Park. Because the Michigan Harness Horsemen's Association and Hazel Park did not reach a contract for 2015, the funds are not supporting harness racing at Hazel Park and currently are unallocated. The law does not allow the MGCB to distribute that money for thoroughbred racing.

Does Michigan law give the MGCB authority to make changes in the Horse Racing Act?

Only the Legislature can change the law. The MGCB's role and duty is to enforce the law as written. If the horse racing industry wants to change the law, the MGCB is willing to work with the Legislature and industry representatives to develop new legislation.