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May 2013

#### DEDICATED TO THOROUGHBRED BREEDERS

#### **PA-BRED REMINDERS**

- Early registration: Within 365 days of foaling
- •Yearling registration: Dec. 31 of yearling year
- Stallion registration:
   Dec. 31 of year breeding
- Broodmare domicile report: Oct. 15 prior to year foaling or within 15 days of arrival in state

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#### **CONTACT INFORMATION**

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—PHBA'S FOCUS ON—

# 2013-2014 FISCAL YEAR BUDGET AND IMPACT TO THE RACING FUND

PHBA Members,

Governor Tom Corbett gave his proposed budget address on February 5th.

The Governor's proposed 2013-2014 fiscal year budget seeks to transfer \$31 million from the Race Horse Development Fund (Racing Fund) which includes \$15 million to the General Fund and \$16 million to other programs.

As PHBA Members are well aware, Governor Corbett proposed a much larger transfer from the Racing Fund last year (for the 2012-2013 Budget). The state's breeders, working with our Thoroughbred and Standardbred colleagues, activated the Pennsylvania Equine Coalition to protect the Racing Fund. By working as a united industry, we were able to reduce the proposed cut to the Racing Fund from \$72 million to \$5 million. This was an important victory for the racing industry and showed how effective we are when all parties work together.

Now, once again, we need to work as a united front to protect the racing industry and the many jobs and businesses that depend on the Racing Fund.

It is important to note that while the proposed diversion of \$31 million from the Racing Fund is less than was diverted in the 2011-2012 fiscal budget (\$48.2 million) and the 2012-2013 fiscal year (\$54.2 million), it comes at a time when the industry is experiencing a decline in revenues going into the Racing Fund.

Funding for the Racing Fund is based solely on gross terminal slot revenues of the state's Category 1 casinos—a designation giv-

en to six casinos which host racing. Funding does not come from table games, nor is it based on slots revenues at non-racetrack casinos. The decline in money going to the Racing Fund is the result of increased competition with the opening of casinos in Ohio, New York, and Maryland—as well as the opening of an additional casino in Valley Forge, Pennsylvania.

Furthermore, under the Rendell Administration, the racing industry agreed to a temporary transfer of money from the Racing Fund to the General Fund to address the severe budget challenges from the recent recession. Over the course of the past four fiscal years, the racing industry has contributed over \$200 million to the General Fund. We are asking that policymakers keep their promise that the four-year diversion of funding would end after this fiscal year and that monies would not be used for non-racing related programs.

Last year we came together to protect the racing industry and now we need to work equally hard to ensure that racing and breeding can continue to grow. Please take a few minutes to write Governor Corbett and your Representative and Senator. Equally as important, please ask your employees, local farmers, vendors, blacksmiths, family members and friends to also send letters or call in support of our industry.

If you are unsure who your State Representative and State Senator are, please visit www.legis.state.pa.us/. Go to the Who's My Legislator? section of the site and enter your address.

The PHBA will work with its Coalition partners to restore the Racing Fund and protect all the hardworking people in our industry. But at the same time, the vocal opposition of our collective members—individuals reaching out to their respective Legislators—is crucial to our success.

Please call the PHBA office if you have any questions regarding the Governor's Budget and what steps you can take to help our industry.

Thank you.

Brian N. Sanfratello President-PHBA

#### **Talking Points**

Please consider the following points in your letters:

- The Racing Fund is the result of our partnership with the gaming industry. It is not a government subsidy. A major intent of the Legislature in legalizing slots gaming was to revitalize the horseracing and breeding industry, which is why Act 71 is titled the 'Race Horse Development and Gaming Act'.
- Purse monies and breeding incentives derived from slots revenues were never intended as 'public monies'. They were negotiated and agreed upon by track operators and horsemen's organizations and legislated only as a form of assurance for both parties to protect the fund and ensure the commitment of the track operators.
- The Governor's proposed \$15 million transfer to the General Fund reneges on an agreement that the transfer to the General Fund would expire (sunset) in June 2013.
- Over 40,000 jobs were created since the passage of Act 71. In addition,

horsemen have reinvested approximately 89% of monies paid from the Racing Fund into their local economies.

• Breeding a race horse is a longterm investment; it can be two to three years before there is any return on investment. A predictable business environment is required in order to attract investment. If breeders do not see a secure Racing Fund, mares and stallions will move to neighboring states, resulting in job losses and the closure of farms. Letters supporting a secure Racing Fund may be sent to your Legislator or Governor Corbett.

Find your Legislator at: www.legis.state.pa.us/

#### **Governor Tom Corbett**

225 Main Capitol Building Harrisburg, PA 17120 Telephone: 717-787-2500

#### Sample Letter - OWNER/TRAINER/BREEDER

Dear (Representative or Senator),

I am a resident of (XXX) County and have been involved in the Thoroughbred racing business for (XX) years. I am a licensed (owner, trainer, breeder) and I currently have (XX) horses at (farm, track).

The passage of ACT 71 revitalized racing in Pennsylvania and the number of horses I (own, train, breed) increased from (XX) to (XX) in just a few years. The additional horses meant that I added (XX) staff and I also increased the amount I spend on farm equipment, feed, supplies and other expenses.

The Governor's plan to raid the Race Horse Development Fund of \$31 million will be a devastating blow to the horse racing industry. It will have a major impact on my business due to lower purses and therefore reduced funds to cover the costs of my business. Horsemen in Pennsylvania will lose confidence in the state's commitment to racing and will leave for Maryland, New York and other states.

The \$31 million cut to the Racing Fund will not only hurt my business, it will hurt farmers, veterinarians, blacksmiths, tack shops, and other related businesses in my community.

Please work with your colleagues in the Legislature to oppose the Governor's cut to the Racing Fund. The Governor's action will hurt thousands of Pennsylvanians whose businesses are related to the horse racing industry.

ACT 71 successfully strengthened racing and breeding in Pennsylvania. Please don't let the Governor destroy everything we have achieved over the past seven years.

Thank you for your attention to this matter.

Sincerely, (Your name)

#### **How the PA-Bred Fund Works**

Pennsylvania's Breeding Fund Program distributes more money, on a per foal basis,

than nearly every other state-bred program now in operation. Established in 1974, the Pennsylvania Breeding Fund has grown from a disbursement of \$65,000 in its initial year of operation to over \$15 million annually.

# The Pennsylvania Breeding Fund is financed by a percentage of pari-mutuel handle and slots revenues. It provides for individual award payments (breeder, owner and stallion awards), overnight races for PA-Breds, purse bonus supplements, and PA-Bred stakes races.

For more details, visit www.pabred.com

#### OVERVIEW OF AWARDS AND BONUSES FOR REGISTERED PA-BREDS

- \$ Award of 30% of purse earned to Breeder for PA-sired horses (first through third)
- \$ Award of 20% of purse earned to Breeder for non PA-sired horses (first through third)
- \$ Award of 10% of purse earned to Stallion Owner (first through third)
- \$ Award of 10% of purse earned to winning Owner on selected open races
- \$ Bonus of up to 40% of purse earned to Owner on selected races (first through third)
- \$ Bonus of 25% of purse earned to Owner for PA-sired horses in PA-Bred stakes races (first through third)

#### CONTACT INFORMATION

#### **State Horse Racing Commission**

Daniel Tufano - Executive Secretary Harrisburg, PA 717-787-1942

#### Parx Racing

Bensalem, PA 215-639-9000

#### Hollywood Casino at Penn National Race Course

Grantville, PA 717-469-2211

#### Presque Isle Downs & Casino

Erie, PA 866-374-3386

#### Pennsylvania HBPA

Grantville, PA 717-469-2970

### Pennsylvania Thoroughbred Horsemen's Association

Bensalem, PA 215-638-2012

# PA-BREDS WORTH MORE MONEY JOIN THE PHBA

Whether you are currently a breeder or an owner, or if you are just considering getting involved in this exciting industry, there are many reasons to join the PHBA. The PHBA is devoted to those involved in Pennsylvania's Thoroughbred breeding industry. A not-for-profit organization founded in 1948, we provide a number of services to members, including informational assistance, educational opportunities and a variety of social events.

The goal of the organization is to advocate on behalf of the state's breeding industry. We are mandated by statute as administrator of the Pennsylvania Breeding Fund program, and as official registrar of the Pennsylvania-Bred roster of eligible program participants.

Working with industry leaders over the years, PHBA has achieved several goals that have brought reform and benefits to breeders, owners, race tracks and the public. The PHBA is vital to everyone involved in breeding throughout Pennsylvania. Your support and participation can help Pennsylvania's breeding industry continue to grow and prosper.

## 2013 PENNSYLVANIA-BRED STAKES SCHEDULE

Sat., Apr. 13, Parx **\$75,000 Lyman H**, 3 & up, 7 fur.

**\$75,000 Foxy J. G. S**, 3 & up, fillies & mares, 7 fur.

Sun., July 14, PID **\$75,000 Leematt S**, 3 & up, 1 mi.

**\$75,000 Northern Fling S**, 3 & up, fillies & mares, 1 mi.

Sat., July 27, Parx \$75,000 Crowd Pleaser S, 3YO, 11/16 mi., turf

**\$75,000 Power by Far S**, 3 & up, fillies & mares, 5 fur., turf

Sun., Aug. 11, PID **\$75,000 Malvern Rose S**, 3YO Fillies, 11/16 mi.

#### PENNSYLVANIA'S DAY AT THE RACES • Saturday, Sept. 7 • Parx

**\$75,000 Banjo Picker Sprint S**, 3 & up, 6 fur.

\$75,000 Roanoke S, 3 & up, 11/16 mi.

**\$75,000 Marshall Jenney H**, 3 & up, 5 fur. (turf)

**\$75,000 Dr. Teresa Garofalo Memorial S**, 3YO Fillies, 6 fur.

**\$75,000 Mrs. Penny S**, 3 & up, fillies & mares, 11/6 mi. (turf)

Sun., Sept. 8, PID **\$75,000 Mark McDermott S**, 2YO, 6 fur.

Sat., Sept. 21, Parx \$75,000 Alphabet Soup H, 3 & up, 11/16 mi., turf

Wed., Nov. 27, Penn \$75,000 Blue Mountain Juvenile \$, 2YO Fillies, 6 fur.

Sat., Dec. 7, Parx \$75,000 Pennsylvania Nursery \$, 2Y0, 7 fur.

All stakes included a 25% PA-Sired Bonus for 1st, 2nd and 3rd.

SUBJECT TO CHANGE - updated 02.27.2013

Total: \$1,200,000

# —PENNSYLVANIA-BRED FUND STATISTICS – TOP EARNERS— (January 1, 2013 through February 28, 2013, rounded to dollars)

#### **LEADING EARNERS - TOTAL AWARDS**

Breeder Name	Breeder	Stallion	Owner	Total	Breeder Name	Breeder	Stallion	0wner	Total
William J. Solomon VMD	9,257	30,580	0	39,837	Susan Bunning	11,844	0	0	11,844
Michael W. Jester	9,500	20,363	0	29,863	Briter Farm	11,592	0	0	11,592
Thomas G. McClay	23,116	0	0	23,116	Richard H. Bosshard Jr.	11,542	0	0	11,542
Smart Angle LLP	22,448	0	0	22,448	Judith M. Barrett	8,690	2,790	0	11,480
Xanthus Farms Inc.	20,729	0	0	20,729	Joseph W. Holman Jr.	11,340	0	0	11,340
Charlton Bloodstock Agency Inc.	17,674	0	0	17,674	Flint W. Stites	4,896	6,252	0	11,148
SMD Ltd.	17,192	0	0	17,192	Martin S. Schwartz	10,696	0	0	10,696
Fox Tale	11,680	3,447	0	15,127	Eric A. Delvalle	10,187	0	0	10,187
Kathryn Goldenberg	9,861	4,818	0	14,680	Charles A. Cuprill	7,420	2,473	0	9,893
Glenn E. Brok LLC	14,508	0	0	14,508	Sienna Farms LLC	9,619	0	0	9,619
Estate of Jane G. Baker	14,364	0	0	14,364	Maria M. Haire	9,096	0	0	9,096
Linda S. Sours	13,020	0	0	13,020	Walnut Green LLC	8,946	0	0	8,946
Jon A. Marshall	12,340	0	0	12,340	Barbara Smith Brown	8,904	0	0	8,904
Equivine Farm Inc.	12,147	0	0	12,147	Pewter Stable	5,819	2,993	0	8,813
The Elkstone Group LLC	11,932	0	0	11,932	Circle S Ranch	8,776	0	0	8,776

#### **LEADING STALLIONS**

Fund Money includes Stallion Awards only

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Stallion Name	Stallion Owner / Manager	No. of Races	Award Total	Stallion Name	Stallion Owner / Manager	No. of Races	Award Total	
Real Quiet	Michael W. Jester	54	14,119	More Smoke	William J. Solomon VMD	8	2,848	
Lite the Fuse	William J. Solomon VMD	34	11,749	Rimrod	George Strawbridge Jr.	9	2,793	
Albert the Great	William J. Solomon VMD	25	11,306	Activist	Judith M. Barrett	20	2,790	
Ecclesiastic	Walmac Stud Management LCC	25	9,744	Partner's Hero	Peter Giangiulio	13	2,401	
Aisle	Flint W. Stites	13	6,252	Fairbanks	Northview Stallion Station Inc.	23	2,396	
Cat Thief	Michael W. Jester	12	5,404	Siphon (Brz)	Regal Heir Farms Inc.	11	2,353	
Show Tune	Kathryn Goldenberg	19	4,818	Harry the Hat	Peter Giangiulio	10	2,124	
Cocky	Mill Ridge Farm	2	4,200	Wiseman's Ferry	Lainey Bug Stables LLC	4	2,120	
Southern Success	Barbara A. Rickline	10	3,705	Snow Ridge	Joe Davis	16	2,083	
Changeintheweather	Pin Oak Stud LLC	13	3,592	Ecliptical	Charles M. Armstrong	2	1,968	
Rubiyat	Fox Tale	11	3,447	This Bulls for You	David B. Anderson	9	1,768	
Congressionalhonor	Pewter Stable	16	2.993	Turn West	Richard N. Miller	7	1.767	

#### **LEADING HORSES**

Fund Money includes: PA-Bred Races, Breeder, Stallion and Owner Awards and PA-Bred Owner-Bonus Payments

Havea	Dadiana	Droodon	Dasas	PA-Bred Restricted	PA-Bred Stakes	Total Breeder	Total Stallion	Total Owner	Total Owner	Total Fund
Horse Deacon Furr *	Pedigree Ecclesiastic - J B's Money	Breeder Linda S. Sours	Races 4	Purse 0	Purse 0	<i>Award</i> 13,020	<i>Award</i> 4,340	Award 0	Bonus 12,400	Amount 29,760
Wise Jane *	•	Estate of Jane G. Baker	2	0	0	12,600	,	0	12,400	28,800
Villette	Cocky - Jane's Speed Petionville - Untangled	Jon A. Marshall	2	0	0	11,200	4,200 0	0		27,200
Our Quiet Hanna *	Real Ouiet - Savannah Hanna		3	0	0	11,844	3,948	0	16,000	27,200
		Susan Bunning Martin S. Schwartz	2						11,280	
Starship Girl	Lion Heart - Savage Beauty		_	0	0	10,696	2.700	0	15,280	25,976
Darn Quiet *	Real Quiet - Darn Wild	Joseph W. Holman Jr.	1	0	0	11,340	3,780	0	10,800	25,920
Danny Newman *	Rubiyat - Dancing Patrol	Fox Tale	3	0	0	9,555	3,185	0	9,100	21,840
Dani's Storm *	Changeintheweather - Stormy Danyelle	Xanthus Farms Inc.	2	0	0	9,479	3,160	0	9,028	21,667
Tujoes	Oratory - Mrs. Vanderbilt	Barbara Smith Brown	1	0	0	8,904	0	0	12,720	21,624
Lisa Stannard *	Lite the Fuse - Bijou Belle	Walnut Green LLC	2	0	0	8,946	2,982	0	8,520	20,448
Lucky Lewis	Forest Camp - Holy Wish	Anthony Grey	2	0	0	8,400	0	0	12,000	20,400
Moon Eclipse	Malibu Moon - Brush Over	Smart Angle LLP	2	0	0	8,400	0	0	12,000	20,400
Blue Notion	Great Notion - Solong Blues	Charles Mark Schnelle	4	0	0	8,064	0	0	11,520	19,584
Anearful	Eavesdropper - Fulmine	Briter Farm	3	0	0	7,896	0	0	11,280	19,176
Dilatory	Grand Reward - Golddigger Beware	Frances Hartwell	1	0	0	7,896	0	0	11,280	19,176
Miss d'Oro	Medaglia d'Oro - Princess Legacy	Chain Bridge Stable LLC	1	0	0	7,896	0	0	11,280	19,176
Seventeenohsix	Dance With Ravens - Dune Drive Avalon	SMD Ltd.	1	0	0	7,896	0	0	11,280	19,176
Lemon Zing *	Rimrod - Berry Tart	R H Breeding LLC	3	0	0	8,379	2,793	0	7,980	19,152
Edge of Reality	Lawyer Ron - Our Nancy Lee	The Elkstone Group LLC	1	0	0	7,560	0	0	10,800	18,360
Jennie Says So	Notional - Footsie	The Brigade Stable Ltd.	1	0	0	7,560	0	0	10,800	18,360
Lonely Lion	Lion Heart - Privately	Thomas G. McClay	1	0	0	7,560	0	0	10,800	18,360
Chicharito *	Albert the Great - Twin Tower	James Hackman	2	0	0	7,560	2,520	0	7,200	17,280
Sandazar *	Albert the Great - Holy Moly Oley	Golden Oak Farm LLC	1	0	0	7,560	2,520	0	7,200	17,280
Almost Grecian	Toccet - Radon Dancer	Randall D. Alderson	2	0	0	6,720	0	0	9,600	16,320
One Smart Philly	Smarty Jones - Philly Gal	Main Line Racing Stables LLC	3	0	0	6,720	0	0	9,600	16,320
*Denotes PA-sired	•								http://www.	.pabred.cor