

## The Kansas Horse Racing Industry

- Industry fed thru purses
- Early '80s 23% of gambling dollar was wagered on pairmutuel racing
  - Today, less than 5% is wagered on pm
- Kansas passed the law in 2007, legalizing casino style gambling and slots at tracks
- We have gambling, the issue is not about expanding the gambling law
  - It's about directing a portion of the revenue from slots back into rural Kansas
  - We are simply asking for a reduction in the state's share of slot revenue **AT THE WYANDOTTE COUNTY-ONLY RACETRACK** to be even with what the casinos pay
- Horse industry in Kansas is a major piece of the agri-business of the state
  - Industry provides over \$39 billion in direct economic impact annually across the U.S.
  - Pays almost \$2 billion in taxes each year
  - Much of this attributed to Kansas horse industry
- Kansas ranked 5<sup>th</sup> in the nation in production of running QH in the '80s.
- Opening the tracks will undoubtedly provide for a huge incentive for existing breeders as well as new investment
- Restricted races for state bred horses offer larger purses against a smaller pool of competition
  - The Kansas bred program allows much of the purse money to stay, and be circulated, here in Kansas

## Kansas Horse Racing Facts

- 7,783 Horses associated with live racing industry
- \$272 million investment in land, equipment and Livestock
- 1,351 jobs
- \$103 million annual direct economic impact
- \$375 million total economic impact annually

## ➤ Presence in nearly every county in Kansas

- In 2012, the economic impact of the horse racing in Oklahoma was \$3.6 billion
  - and \$100 million in state and local taxes
  - And paid over \$122 million to education thru the operation of slots at the tracks
- opportunity to create one of the greatest economic stimulus plans this state could have at this time.
  - It's not about gambling. Gambling is all around us.
  - This is about re-directing a revenue stream from gambling, one that already exists but is all currently leaving the state.
  - This is about rural Kansas.
  - Allowing the racetracks to get back in business will bring back the incentives to raise horses in Kansas,
  - attracting new investment and re-generate the spending on feed, hay, land, equipment, buildings, veterinarian services, truck and trailer dealerships, tire shops, hardware stores, lumber yards, etc., etc.....
  - AND IT CREATES JOBS!
- Oklahoma's **horse racing industry injected \$491,110,000 into the state's economy** in 2012.
- Oklahoma's **horse racing industry yields 6,450 full time equivalent jobs** in the state.
- **Each 100 racehorses create 50 jobs and \$34,700 economic impact.**
- There are roughly 14,000 horses dedicated to the racing industry in Oklahoma.
- There are over 800 breeding, training and racing enterprises in Oklahoma.
- There were over 6,500 individual racing licenses issued to participants from 23 different states.
- Out of state racing operations spend up to 8 months out of the year in Oklahoma, paying expenses in the state.
- Oklahoma equine industry pays more than \$100 million annually in state and local taxes.
  
- Before the closure of Kansas racetracks in 2008, over 7,500 state-owned horses were dedicated to the racing industry in Kansas.
- Based on the detailed study done on the economic impact of the horseracing industry in Oklahoma, one should assume Kansas could, once again, boast numbers at least 50% of those in Oklahoma.  
Therefore:
- **Can Kansas afford NOT to allow an industry to re-establish in the state that could offer over 3,000 jobs?**

- **Can Kansas afford NOT to allow an industry to re-establish in the state that could inject well over \$200 million into the state's economy each year?**
- **Can Kansas afford NOT to allow 400 race-related enterprises to establish in Kansas, each one making more than \$40,000 capital expenditures each year?**
- Kansas has had a well-established agri-based industry dating back to the early 1900's.
- This industry offered not only jobs and financial input to the state, it created family values and a way of life for many.
- The racing industry utilizes much of the local blue-collar work force yet attracts a large percentage of out-of-state specialized labor.
- Allowing the Kansas horse racing industry to come back has little to do with expanding gaming, as the law of 2007 did.
- It would simply allow the law to work for the state as the bill was originally intended to do.
- Kansas should not turn their back on any industry wishing to come to the state, especially one with such rural impacts.

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