



INSPECTOR GENERAL REPORT

2010-01-0025

September 2, 2011

HORSE RACING COMMISSION

Inspector General David O. Thomas and OIG Attorney Kristi Shute, after an investigation by OIG Special Agent Michael Mischler and Indiana State Police Detective Paul Baker, report as follows:

Summary

A review of the Indiana Horse Racing Commission reveals no criminal or code of ethics violations, but results in multiple findings and recommendations.

This report reviews the Indiana Horse Racing Commission (HRC). The purpose of the HRC, established in 1989, is to develop the Indiana horse racing community and regulate pari-mutuel wagering on Standardbred (trotters and pacers), Thoroughbred, and Quarter-horse racing in Indiana. Horse racing wagering occurs in two locations in Indiana, namely at Hoosier Park in Anderson, Indiana, and Indiana Downs in Shelbyville, Indiana. Wagering also occurs at certified off-site locations.

Pari-mutuel betting, “pari-mutuel” being a French term meaning mutual betting, is a wagering system in which all bets of a particular type are placed together in a pool. Taxes and a house "take" or "vig" are then removed, and payoff odds are calculated by sharing the pool among all winning bets.

Pari-mutuel wagering is statutorily defined in Indiana as “a system of wagering in which those persons who wager on horses that finish in specified positions share the total amount wagered, minus deductions permitted by law.” IC 4-31-2-12.

This report will first briefly discuss the history of pari-mutuel horse race wagering in Indiana. Second, we will outline the jurisdiction of the Office of the Inspector General (OIG) and address the scope of our investigation. Third, this report will make several findings and recommendations.

I

Horse racing has a rich heritage in Indiana, starting in the 19th century.¹ The 1851 Indiana Constitution, however, prohibited gambling, which prevented pari-mutuel betting on horse racing.²

In 1988, sixty-two percent (62%) of Hoosiers voted to remove this

¹ Those within the horse-racing industry understand the significance of the famous pacer Dan Patch being born in Oxford, Indiana. On September 8, 1906, Dan Patch set the one-mile world record at the Indiana State Fair Grounds with a winning time of one minute and fifty-five seconds, earning the title the "World's Champion Harness Horse" and the “greatest harness horse in the history of the two-wheel sulky.” This crown and one-mile world record has been equaled only once but never broken. *See authorities cited currently at: www.danpatch.com.*

² Indiana Constitution, Article 15, Section 8 (1987).

constitutional ban.³

In 1989, legislation was then passed which created the Indiana Horse Racing Commission⁴ to oversee pari-mutuel gambling in horse racing. The State Lottery Commission was created that same year.⁵ State-sponsored charitable gaming followed in 1992,⁶ and in 1993, legislation permitting the state's riverboats to operate was enacted.⁷

In 1994, the first pari-mutuel horse track opened at Anderson, Indiana.⁸

Later in 2007, legislation was passed which permitted the operation of electronic (Racino) gaming at the state's two pari-mutuel horseracing tracks.⁹

II

The OIG, created in 2005, is charged to investigate and “recommend policies and carry out other activities designed to deter, detect, and eradicate fraud, waste, abuse, mismanagement, and misconduct in state government.” IC 4-2-7-3.

Several entities requested a review of the HRC, including a member of the

³ See: *Indiana Racing and Breeding Industry Survey Report* (Economic Impact Study 2010), page 1, currently cited on the HRC website: <http://www.in.gov/hrc/2469.htm>.

⁴ See: IC 4-31 (1989)(horse racing).

⁵ See: IC 4-30 (1989)(lottery).

⁶ See: IC 4-32.2 (1992)(charitable gaming).

⁷ See: IC 4-33 (1993)(riverboat gaming).

⁸ See: *Economic Impacts of Indiana's Pari-Mutuel Horse Industry on Indiana*, at page 2, Purdue University Department of Agricultural Economics (2001).

⁹ See: IC 4-35 (2007).

Indiana Legislature, the Office of the Governor, and various persons within the horse racing community. Over 100 witnesses were interviewed. Legal research and the review of articles involving the Indiana and nation-wide horse racing communities were also made. A review of the HRC enabling statute (IC 4-31 and 35) and promulgated rules (71 IAC) was also made. Economic studies performed by Purdue University were also examined. The Executive Director and Chair of the HRC were interviewed, and provided the opportunity to file a response to this report, which is attached as Exhibit A.

III

Based upon this information, the OIG makes the following findings and recommendations.

A

Our investigation revealed no criminal or Code of Ethics (42 IAC 1-5) violations.

B

Many complaints were made to the OIG during the course of our investigation, some of which were unmeritorious, but the majority of which centered on the HRC adjudication process. Adjudication is the process of the HRC issuing and processing complaints against those in the horse racing community, such as rule violations resulting in monetary fines, suspensions or

other disciplinary actions.

We make the following recommendations regarding HRC adjudication. It is our belief that these recommendations may address the majority of the complaints, meritorious or unmeritorious, we examined and may prevent future complaints with an improved adjudication process.

These recommendations are limited to complaints initiated by the HRC, such as when HRC employees issue a fine, suspension, or disciplinary action. *See: 71 IAC 10.* The OIG recognizes that in order to maintain an orderly caseload, the HRC must retain its ability to screen from full adjudication the complaints it receives from non-HRC complainants such as members of the horse racing community and the general public. However, these non-HRC member complainants retain a legal remedy to pursue their complaints against the HRC, as with any state agency, through the judicial review process of the Administrative Orders and Procedure Act (AOPA). IC 4-21.5.

It is further recognized that HRC staff must retain their ability to issue fines and suspensions in a post-deprivation hearing manner (a complainant's hearing to contest the violation is after the violation is first issued). For example, in order to preserve the integrity of racing, HRC judges must have the authority to immediately suspend jockeys, drivers and trainers who commit serious violations. Likewise, monetary fines should only be payable by the wrongdoer at the conclusion of the HRC adjudication process, as is done in traffic and criminal dockets throughout Indiana and the many states. See e.g. IC 35-50-1-1 (fine and penalty fixed and payable only after the conviction, not the arrest or issuance of a

ticket or summons).

1

We recommend the HRC in its statutory discretion (or the Indiana General Assembly through legislation) eliminate the initial and duplicative Disciplinary Hearing procedure. Instead, HRC complaints should be directly adjudicated before the HRC Commission.¹⁰ Alternatively, if the duplicative Disciplinary Hearing procedure is retained, several procedural safeguards should be instituted to improve its fairness in both appearance and substance.

Currently, the HRC is authorized, in its discretion, to adjudicate complaints in the field through a Disciplinary Hearing.¹¹ IC 4-31-13-2; 71 IAC

¹⁰ We recognize that an adjudication by an Administrative Law Judge appointed by a Commission is a common alternative in many Indiana administrative adjudications. Although we believe, as addressed below, a bi-partisan Commission adds a benefit to any adjudication, we believe that most of these recommendations can be accomplished by the HRC in retaining its current use of an ALJ functioning on behalf of the HRC Commission. Accordingly, we refer herein to the HRC Commission in the adjudicatory process with the recognition that an ALJ may perform that function.

¹¹ IC 4-31-13-2, Disciplinary hearings; suspension of license; limitation of actions; appeal
Sec. 2. (a) The commission may adopt rules under IC 4-22-2 to delegate to the stewards and judges of racing meetings under the jurisdiction of the commission the power to conduct disciplinary hearings on behalf of the commission. The stewards and judges shall give at least twelve (12) hours notice of any such hearing. The stewards and judges, on behalf of the commission, may impose one (1) or more of the following sanctions against a licensee who violates this article or the rules or orders of the commission:

- (1) A civil penalty not to exceed one thousand dollars (\$1,000).
- (2) A temporary order or other immediate action in the nature of a summary suspension if a licensee's actions constitute an immediate danger to the public health, safety, or welfare.
- (3) Suspension of a license held by the licensee for not more than sixty (60) days. The suspension of a license under this subdivision is:
 - (A) valid even though the suspension extends beyond the period of the racing meeting for which the stewards and judges have been appointed; and
 - (B) effective at all other racing meetings under the jurisdiction of the commission.
- (4) A rule that a person must stay off the premises of one (1) or more permit holders if necessary in the public interest to maintain proper control over recognized meetings.
- (5) Referral of the matter to the commission for its consideration.

10-2-2.

We view this current procedural system (the adjudication) as the root of many, if not most, of the complaints we reviewed. We speculate that the Indiana Legislature may have intended to provide an immediate, responsive adjudication in the field for the benefit of the horse racing community with this Disciplinary Hearing authorization. Our investigation, however, revealed that this current system provides many challenges which may, in fact, be detrimental to the horse racing community as the adjudication is currently being applied by the HRC.

First, the HRC staff in the field adjudicating the citations are the same persons (or their co-workers) who have issued the violations, thereby challenging the appearance of impartiality.¹²

Second, this current procedure loses the independence the HRC *Commission* could add by being the adjudicating body. Not only would the HRC

However, at least two (2) of the stewards or judges at a racing meeting must concur in a suspension or civil penalty.

(b) The suspension of a license or the imposition of a civil penalty under this section must occur within sixty (60) days after the date of the violation.

(c) A suspension or civil penalty under this section may be appealed to the commission. The commission shall adopt rules establishing procedures for appeals and stays of appeals.

¹² There are examples where Indiana government permits its officials to sit in judgment of (and perhaps correct) their previous actions. *E.g.* Indiana Trial Rule 59 (Motion to Correct Error). However, even though procedural rules are often relaxed in administrative hearings, *e.g.* IC 4-21.5-3-25 (“The administrative law judge shall regulate the course of the proceedings . . . in an informal manner without recourse to the technical, common law rules of evidence applicable to civil actions in the courts”), a “fair trial in a fair tribunal is a basic requirement of due process. *This applies to administrative agencies which adjudicate as well as to courts.* Not only is a biased decisionmaker constitutionally unacceptable but our system of law has always endeavored to prevent even the probability of unfairness (citations omitted)(emphasis supplied).” *Withrow v. Larkin*, 421 US 35, 46-47, 95 S.Ct. 1456, 1464, 43 L.Ed.2d 712, 723.

Commission add the benefit of a new group of persons reviewing the citations by the HRC employees, it would reflect the independence of the Commission's bipartisan constitution. IC 4-31-3-1.

Third, the current HRC adjudication authorizes the duplication of time, energy and resources of both the aggrieved horseman and the HRC through a *de novo* (start all over again) review of the citation by the HRC Commission. 71 IAC 10-3-1. There even remains an additional adjudicative step which may occur if a suspension is issued. 71 IAC 10-2-3(b).

Despite not having a log of adjudications regarding the volume of current HRC adjudications (as addressed, *post*), it does not appear that the historic number of complaints challenged through adjudication would be unmanageable by the HRC as a volunteer commission. An example of a similar functioning protocol is the State Ethics Commission, where complaints are filed by the Inspector General, agreed settlements are most often reached, and the volunteer State Ethics Commission adjudicates those that aren't resolved, in addition to its other commission duties. IC 4-2-6-4.

In concluding this point, we recognize the valid concern raised on behalf of the Indiana horseracing community by the HRC staff in our exit process, pointing out that adjudications by the HRC Commission may impose travel time to the horse racing community in traveling to Indianapolis for Commission adjudications. If the HRC retains its current process of adjudicating by an administrative law judge (ALJ) as appointed by the HRC Commission, this concern might be resolved by requiring the HRC ALJ to travel to the racetracks or

areas more convenient to the alleged violator. In any event, we respectfully contend that the above points in pursuit of a fair adjudication process outweigh this valid travel concern, noting that actual adjudications are infrequent when compared to the number of citations issued and paid without further adjudication.

2

Whether or not the Disciplinary Hearing adjudication is retained, we make the following recommendations.

We recommend that the advance \$500 fee to adjudicate before the HRC Commission be eliminated. 71 IAC 10-2-9. We likewise recommend the elimination of the requirement of the payment of the “costs” by the unsuccessful complainant adjudicating before the HRC Commission. *Id.* The unsuccessful complainant currently incurs what could be substantial expense, defined as follows: “The costs of appeal shall consist of the cost of the court reporter, the cost of the transcript required for the appeal, and the cost of the administrative law judge.” *Id.*

With revenues in the horse racing process being substantial, we respectfully submit these adjudication costs should be incurred by the HRC, and that the current promulgation requiring these fees could be considered by some (and as alleged to the OIG by several complainants) as discouraging aggrieved members of the horse racing community from adjudicating before the HRC Commission, especially when these fees include the salary of the complainant’s judge.

9

These fees would likewise be unnecessary with a *single* adjudication to the HRC Commission as addressed above.

3

We also recommend the elimination or modification of the “preliminary report” procedure granted by promulgation to the HRC Executive Director. 71 IAC 10-3-20(b).¹³ We found this to be the most frequent complaint in our investigation, with allegations that the increases in fines were arbitrary.

Specifically, after the Disciplinary Hearing is concluded, a violation has been proven, and a fine has been issued, the HRC Executive Director currently has the additional and subsequent authority to adjust the penalty. *Id.*

In our exit process, HRC staff pointed out that IC 4-31-13-2 limits fines imposed by stewards and judges to \$1,000, and that this preliminary report process was instituted to elevate the more serious offenses to fines greater than \$1,000 under the statutory authority of IC 4-31-12-16 which permits the Commission (or the Commission’s designee) to impose fines up to \$5,000.

Although the language of 71 IAC 10-3-20 does not limit this preliminary

¹³ (b) The commission delegates to the executive director the authority to prepare and issue preliminary reports pursuant to the Act. If, after examination of a possible violation and the facts relating to that possible violation, the executive director determines that a violation has occurred, the executive director shall issue a preliminary report that states the facts on which the conclusion is based, the fact that an administrative penalty is to be imposed, the amount to be assessed, and any other proposed sanction, including suspension, or revocation. Furthermore, when the judges have issued a ruling that a violation has occurred, the executive director may issue a preliminary report identifying the underlying ruling that serves as the basis for the preliminary report, the fact that an administrative penalty is to be imposed, the *additional* amount to be assessed, and any other proposed sanction including *additional* suspension or revocation. The amount of the penalty may not exceed five thousand dollars (\$5,000) for each violation. Each day or occurrence that a violation continues may be considered a separate violation. In determining the administrative penalty, the executive director shall consider the seriousness of the violation (emphasis supplied).

report enhancement to those limited circumstances, the HRC staff also contends that this is necessary to ensure uniformity in fines between the various classes of horsemen.

We find this adjustment authority continues to promote complaints of arbitrary action and recommend the HRC modify this adjudication process to remove the apparent arbitrariness of the enhanced penalty process.

4

We also recommend the HRC staff compile and regularly update a log of all complaints and their dispositions, and that this information be regularly shared with the HRC Commission.

C

We respectfully recommend to the Indiana Legislature that the selection and reporting of the HRC Executive Director be similar to that at the Indiana Gaming Commission and Indiana Lottery Commission.

The Executive Directors of the Gaming and Lottery Commissions are appointed by, and serve at the pleasure of, the Governor. IC 4-33-3-18 and IC 4-30-5-1. In contrast, the HRC Executive Director is appointed by, and serves at the pleasure of, the HRC Commission. IC 4-31-3-10.

To maintain similar accountability, and due to the oversight of over \$140 million in annually wagered funds,¹⁴ we respectfully recommend the HRC

¹⁴ HRC Annual Report, page 7, currently online at: www.in.gov/hrc/files/09_Annual_Report.pdf.

Executive Director be directly accountable to an elected official.

D

We also were asked to investigate numerous allegations of inappropriate wagering.

1

Many complaints were made that jockeys and horse owners were illegally wagering on their own races.

However, a review of Indiana law, IC 4-31, and many other state jurisdictions throughout the nation, revealed that such conduct is not prohibited. *See Exhibit B, attached.*

The Indiana Legislature has delegated wagering restrictions to the HRC. IC 4-31-3-9.

We have received and considered various arguments as to why the lack of this prohibition to jockeys and owners is allegedly acceptable. If the Indiana Legislature wishes to curtail this activity, especially in light of the fact that over \$50 million currently is annually being paid in purse awards to these same persons,¹⁵ we respectfully recommend a statutory prohibition within IC 4-31-3-9.

2

Complaints were also made with regard to HRC employee wagering.

¹⁵ 2009 HRC Annual Report, at page 11.

The HRC has promulgated restrictions to prohibit its employees from wagering *at the track where they are employed*. 71 IAC 2-5-1(c) and (d).

Accordingly, HRC employees may bet on races at a track where they are not employed and at off-site locations. “Racing officials” are restricted only “while serving in an official capacity at a race meeting.” 71 IAC 3-1-3.

In contrast, the Indiana Gaming Commission prohibits its employees from any gaming, and extends this restriction to the employees’ spouses and agents. 68 IAC 9-4-2; IC 4-33-4-1 through 3.

Likewise, the Indiana Lottery Commission restricts lottery ticket purchases from its employees and those living within their households, contract vendors and persons within their households, and retailers and persons within their households. IC 4-30-12-2 through 4.

Due to the volume of complaints we received alleging inappropriate wagering, we likewise recommend that the HRC restrict its employees’ wagering to at least those prohibitions imposed by the Indiana Gaming Commission.

E

We were also asked to review the payment of legal expenses by the HRC. Unlike most state agencies, the HRC contracts the entirety of its legal services through private law firms.

We found the private legal contracts to have been properly approved by the Attorney General (IC 4-13-2-14.1 and IC 4-6-5-3), and the invoices for payment to be properly itemized. IC 5-11-10-1.

However, these private legal expenses exceed an annual amount of \$300,000.

We recommend the HRC evaluate and consider employing, similar to the Indiana Gaming Commission, the Indiana Lottery Commission, and most state agencies, internal general counsels, and to reserve the hiring of private counsel for areas of specialty. In addition to monetary savings, internal general counsels provide the benefit of full-time employees more familiar with the many aspects of Executive Branch government.

F

Assuming that a continued subsidy to the horse racing community is deemed proper by the Indiana Legislature, we respectfully recommend that the Legislature consider evaluating the amount of the subsidy and consider a monetary cap at pre-Racino figures.

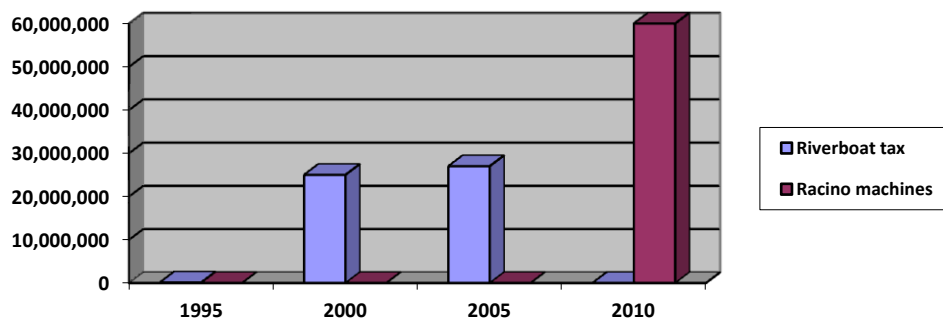
This subsidy is ultimately received by the Indiana horse community (rather than the HRC) through the Breed Development Funds. IC 4-31-11. The HRC reports that this subsidy (for example: \$28 million in 2009) is distributed to the Indiana horse community through purse supplements and awards to individual horsemen.¹⁶

The subsidy to the Indiana horse community has historically occurred in two ways. First, beginning in 1993, through a three-dollar (\$3) admission tax on

¹⁶ 2009 HRC Annual Report, at page 10.

riverboat gaming,¹⁷ and then in 2007, through legislation which authorizes a portion of the proceeds from Racino machines.¹⁸

A historic breakdown of these subsidies to the Indiana horse racing community are outlined on Exhibit C, attached, with the following five-year highlights:



Since its inception in 1993, the Indiana horse racing community has received, in total, over four hundred twenty-seven million dollars (\$427,000,000). *See Exhibit C, supra.*

Perhaps what commenced as a subsidy to jump-start an industry is in need of re-evaluation.

In addition to a discussion of this issue in the past legislative session,

¹⁷ See: *Economic Impacts of Indiana's Pari-Mutuel Horse Industry on Indiana*, at page 5, Purdue University Department of Agricultural Economics (2001).

¹⁸ HRC Annual Report, at page 10.

others have questioned this continuing subsidy.¹⁹

G

The OIG, as in many investigations, has received in this review valuable and extensive support from the Indiana State Board of Accounts (SBOA). We have also reviewed, endorse and recommend the review comments issued by the SBOA, a copy of which is attached hereto as Exhibit D.

The OIG stands ready to provide more research or information upon request of the Indiana Legislature or Office of the Governor.

Dated this 2nd day of September.

Respectfully submitted,

/s/ David O. Thomas, Inspector General

¹⁹ The Indiana Office of Management and Budget in its 2006 PROBE Report stated: “Between 1995 and 2005, nearly \$223 million of riverboat revenue has been allocated to the horse racing industry. In 2005, \$10.8 million went directly to the two race tracks, another \$10.8 million was allotted to purses, and \$5.4 million went to breed development funds (much of which is also used to supplement purses at the tracks). It is unclear if these subsidies are intended to exist in perpetuity, or if the horse racing industry is expected to become self-sufficient sometime in the future. Equally unclear is the economic return on the taxpayer dollars spent on these subsidies.”

State	HR Gambling? Yes-in a limited manner	Jockey gamble?	Authority (Jockey bets)
Alabama	Yes-in a limited manner		
Alaska	No		
Arizona	Yes	Yes	R19-2-109
Arkansas	Yes	Yes	Ark. Admin. Code 006.06.4-28
California	Yes	Yes	4 CCR § 1971
Colorado	Yes	Yes	1 CCR 208-1:3.400 See 3.425
Connecticut	Yes	Yes	Regs. Conn. State Agencies § 12-574-A36
Delaware	Yes	Yes	3 Del. Admin. Code 1001-8.0 See 8.12
Florida	Yes	Yes	Fla. Admin. Code r. 61D-2.004
Georgia	No		
Hawaii	No		
Idaho	Yes	Yes	IDAPA 11.04.10
Illinois	Yes	Yes	11 Ill. Adm. Code 1411.50
Indiana	Yes	Yes	71 IAC 7-3-3
Iowa	Yes	Yes	Iowa Admin. Code 491-10.5(2)b
Kansas	Yes	No	K.A.R. 112-11-21(c) and K.A.R. 112-9-34
Kentucky	Yes	Yes	810 KAR 1:009 Section 13 and 811 KAR 2:050 Section 11
Louisiana	Yes	Yes	La. Admin. Code tit. 35, pt. XLI, § 739
Maine	Yes	?	01-017 CMR Ch. 7, § 66
Maryland	Yes	Yes	COMAR 09.10.01.21K
Massachusetts	Yes	Yes	205 CMR 4.15(16)
Michigan	Yes	Yes	Mich. Admin. Code R. 431.3265(1)
Minnesota	Yes	Yes	Minnesota Rules, part 7877.0180
Mississippi	No		
Missouri	Yes	Yes	11CSR 45-65.040(3)(B)
Montana	Yes	Yes	Mont. Admin. R. 32.28.705(21)
Nebraska	Yes	Yes	Neb. Admin. R. & Regs. Tit. 294, Ch. 11, § 001.12
Nevada	Yes	Yes	Nev Gaming Reg. 30.307
New Hampshire	Yes?	Yes-rules silent	N.H. Code Admin. R. Pari 100 - 700
New Jersey	Yes	Yes	N.J.A.C. 13:70-14.11
New Mexico	Yes	unclear	N.M. Admin. Code 15.2.1
New York	Yes	Yes	9 NYCRR 4040.1
North Carolina	No		
North Dakota	Yes	Yes-rules silent	NDAC 69.5-01 & 02
Ohio	Yes	Yes	OAC 3769-7-18
Oklahoma	Yes	Yes	Oklahoma Admin. Code 325:35-1-30
Oregon	Yes	Yes	OAR 462-140-0340
Pennsylvania	Yes	Yes	58 Pa. Code § 163.180
Rhode Island	Yes	Uncertain	§ 41-3-9
South Carolina	Yes	No	§ 52-5
South Dakota	Yes	Yes	§ 20:04:22:18
Tennessee	Yes	Uncertain	§ 4-36-302(5)
Texas	Yes	No	16-8-311(c), §311.205
Utah	Yes	Uncertain	R52-7-4(7)
Vermont	Yes	Uncertain	31 V.S.A. § 605
Virginia	Yes	Yes	11 VAC 10-60-120(U)
Washington	Yes	Yes	WAC 260-32-170
West Virginia	Yes	Yes	§178-1-45.14
Wisconsin	Yes	No	Game 16.03(4)
Wyoming	Yes	Yes	Chapter 2, §2(j)

Exhibit B

SUBSIDIES TO HORSE RACING COMMUNITY (in millions)

CALENDAR YEAR:	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL	SOURCE
Riverboat Tax Revenue Subsidy	\$ -	\$ 0.10	\$ 6.09	\$ 16.15	\$ 22.25	\$ 24.70	\$ 25.10	\$ 26.80	\$ 23.60	\$ 23.40	\$ 27.50	\$ 27.00	\$ 27.30	\$ 26.60	\$ -	\$ -		\$ 276.59	
Racino Tax Revenue Subsidy (15% AGR minus Integrity Fee)																			
Subsidy to Thoroughbred Breed Development (-purse)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.63	\$ 11.66	\$ 10.61	\$ 27.90	HRC Annual Reports
Subsidy to Standardbred Breed Development (-purse)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.97	\$ 14.43	\$ 13.26	\$ 34.66	HRC Annual Reports
Subsidy to Quarter Horse Breed Development (-purse)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.78	\$ 1.62	\$ 1.38	\$ 3.78	HRC Annual Reports
Subsidy to Thoroughbred Purses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.84	\$ 16.23	\$ 15.43	\$ 39.50	HRC Annual Reports
Subsidy to Standardbred Purses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.50	\$ 13.46	\$ 12.80	\$ 32.76	HRC Annual Reports
Subsidy to Quarterhorse Purses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.56	\$ 3.23	\$ 3.07	\$ 7.86	HRC Annual Reports
Subsidy to Equine Promotion/Welfare	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.15	\$ 0.31	\$ 0.30	\$ 0.76	HRC Annual Reports
Subsidy to Backside Benevolence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.75	\$ 1.56	\$ 1.48	\$ 3.79	HRC Annual Reports
Racino Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30.18	\$ 62.50	\$ 58.33	\$ 151.01	
TOTAL GAMING RIVERBOAT/RACINO SUBSIDIES TO HORSE RACING COMMUNITY	\$ -	\$ 0.10	\$ 6.09	\$ 16.15	\$ 22.25	\$ 24.70	\$ 25.10	\$ 26.80	\$ 23.60	\$ 23.40	\$ 27.50	\$ 27.00	\$ 27.30	\$ 26.60	\$ 30.18	\$ 62.50	\$ 58.33	\$ 427.60	