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2016-17 Biennial Budget – Racing Commission

Agency Profile – Racing Commission 1

AT A GLANCE

- Regulates wagering activities on Horse Racing (\$57 million annually) and Card Playing (\$48 million annually) at Canterbury Park and Running Aces Harness Park
- Administers \$1.2 million in Minnesota Breeders Funds for the benefit of owners and breeders of Minnesota bred race horses
- Issues over 5,000 licenses to horse racing and card club participants

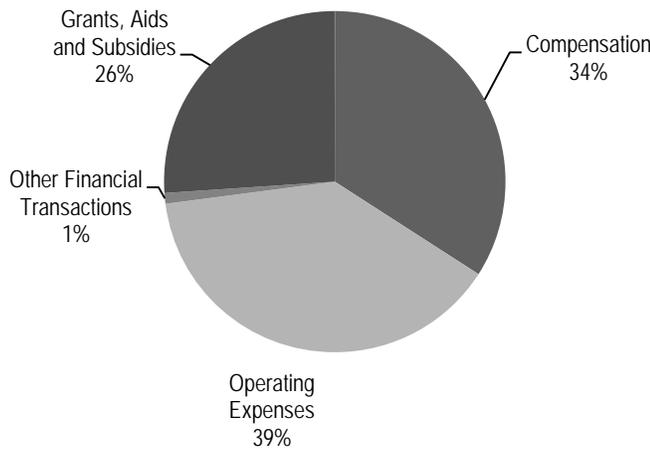
PURPOSE

The Racing Commission (MRC) operates in the public interest to ensure the integrity of horse racing and card playing, oversee the proper distribution of funds back into the industry, and provide for the safety and welfare of the human and animal participants. Additionally, the commission works to promote the horse racing and breeding industry in Minnesota in order to provide economic stimulus, offer residents and visitors an exciting entertainment option, and support agriculture and rural agribusiness.

The Racing Commission supports the statewide outcomes of a **thriving economy that encourages business growth and employment opportunities and efficient and accountable government services.**

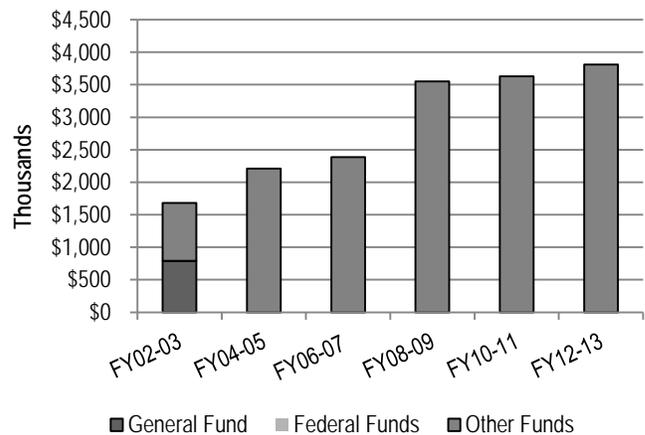
BUDGET

**Spending by Program
FY 13 Actual**



Source: SWIFT

Historical Spending



Source: Consolidated Fund Statement

The Racing Commission's basic operations are financed by racetrack and occupational license fees that are limited to a direct appropriation from the special revenue fund, currently capped by statute at \$1.798 million per biennium. The Commission also has statutory appropriations from the special revenue fund that finance portions of the Commission's operations regarding stewards, veterinarians, the drug testing laboratory and oversight of card rooms through reimbursements. Other spending in the chart reflects a statutory appropriation from the Minnesota Breeders' Fund, a pass through from race tracks to the breeders and owners of race horses in Minnesota.

STRATEGIES

To accomplish the Racing Commission's mission of regulating this extremely complex industry, administering Breeders' Funds, and overseeing the safety and welfare of the human and equine participants, a number of strategies are evoked:

1. Licensing – Facilitate a licensing process that is detailed, accurate, and administered in a way that licenses are issued only to individuals and vendors who are competent, have a record of law abidance, financial responsibility, and reputation that is consistent with the best interests of the industry.

2. Fiscal Oversight – Ensure that all monies flowing through the pari-mutuel and card revenue streams are reviewed, tested, and verified in order to keep associations in compliance with their obligations to the participants, the public, and the state.
3. Policing – Engage contractors and hire staff who are expert in the fields of veterinary science, criminal justice, and the rules of racing to conduct drug testing, investigate potential criminal activity, and administer the rules governing horseracing and card playing in order to maintain the highest level of integrity for the wagering public.
4. Civic Engagement – Lead the industry forward through active communication with all areas of state government in order to provide laws, rules, and funding that will afford the greatest opportunity for the industry to expand and thrive.
5. Education – Educate all participants including licensees, vendors, and all those who work with our equines or the public, on what is expected under our laws and rules.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Licenses Issued. MRC issues Class C licenses to all individuals working for, or participating within, the racing industry including, but not limited to, horse owners, trainers, jockeys, vendors, dealers, security staff, etc.	4861	5226	2012 & 2013
Quantity	Monies Wagered. Monies Wagered is the amount of money wagered on horse racing plus the revenues retained by the card clubs the MRC regulates.	\$102 million	\$105 million	2012 & 2013
Quality	Confirmed Split Sample Tests. These tests are conducted when the MRC identifies a positive drug test and the trainer requests a confirmation via a second accredited laboratory. Percentages indicate confirmation of the original positive drug test.	100%	90%	2013 & 2014
Results	Foal Registrations in Minnesota. Foals are new born race horses.	234	391	2012 & 2013

Source: Minnesota Racing Commission records

The Minnesota Racing Commission's legal authority comes from [M.S.Chapter 240](https://www.revisor.mn.gov/statutes/?id=240) <https://www.revisor.mn.gov/statutes/?id=240>