

May 28, 2020

Honorable Andrew M. Cuomo, Governor
Honorable Carl E. Heastie, Speaker of the Assembly
Honorable Andrea Stewart-Cousins, Temporary President and Majority Leader of the Senate
New York State Capitol Building
Albany, NY 12224

Dear Governor Cuomo, Assemblyman Heastie and Senator Stewart-Cousins,

Re: End Billions in Horse Racing Subsidies

Given the current and future economic climate in New York, it is critical to fund essential programs for health, education and human services. Discretionary expenditures must be reviewed and resources redirected to programs of greatest need.

Horse racing is a sanctioned gambling business in New York. But unlike the casinos and lotteries that return billions to the state, racing drains hundreds of millions a year in earmarked subsidies.

In states with no casino subsidies, such as California, racetracks must maintain self-sufficiency with sound management. By contrast, New York horse racing has a long history of mismanagement, bankruptcy and alleged criminal conduct - most recently documented with federal charges against 27 horse trainers, veterinarians and their co-conspirators in March of this year for yet another race-fixing scandal in our state involving the use of illicit drugs and other crimes.

Racing is an industry of privately-owned businesses that boasts of tradition, job creation and economic impact and is thus, they maintain, deserving of huge subsidies. But this messaging doesn't ring true. Among other things, New York is substantially subsidizing the breeding of racehorses and some of the highest-paying purses in the country. Meanwhile, spectator seating is virtually empty at most tracks and was even before the pandemic. Hundreds of thousands of other private businesses in New York receive no public bailout yet create millions of jobs and generate hundreds of billions in economic impact. Let the racehorse owners, breeders and celebrity trainers fund the deficits they have created. An industry with \$2.5 billion in annual wagering handle can and should support itself.

Earlier this year, Governor Wolf of Pennsylvania proposed slashing more than \$200 million in racing subsidies in order to fund critical education and human services programs. New York should do the same.

The COVID-19 pandemic challenges all New Yorkers. Millions are without jobs, many are facing food insecurity, healthcare needs, mounting bills and home and business foreclosures. Many have lost whatever savings they had and some have seen their retirement plans evaporate. Organizations addressing the needs of children, the elderly, homelessness and other social demands are struggling to meet the growing issues posed by declining contributions and government austerity measures.

It is time to rescind and redirect racing subsidies to serve a far greater good. Billions in future

funds currently destined for horse racing should instead, starting right now, be directed to the many education, healthcare and human service organizations that can efficiently serve the needs of all New York residents.

Respectfully,

Alliance for Quality Education

Jasmine Gripper, Executive Director
Contact: Marina Marcou-O'Malley
marina@aqeny.org
(518) 894-6834

Human Services Council

Michelle Jackson, Acting Executive Director
Contact: Jennifer Barden
jennifer@risaheller.com
(321) 501-6016

LiveOn NY

Allison Nickerson, Executive Director
Contact: Katelyn Andrews, Director of Public Policy
Kandrews@liveon-ny.org
(609) 458-6294

Steve Newman

Former First Deputy Comptroller, NYC
Former Chair, Franchise Oversight Board
Former Board Member, NYC OTB
snewman19@yahoo.com
(917) 224-4712

New York State Humane Association

Patricia Valusek, President
pvalusek@earthlink.net
(845) 532-2756

PETA

Kathy Guillermo, Senior Vice President
kathyg@peta.org
(757) 943-7443

cc:

Senator Liz Kreuger - Finance Committee Chair
Assemblywoman Helene E. Weinstein - Ways and Means Chair
Senator Joseph P. Addabbo - Committee on Racing, Gaming and Wagering Chair
Assemblyman J. Gary Pretlow - Committee on Racing and Wagering Chair
Thomas P. DiNapoli - Comptroller