



March 14, 2022

Dear State Government Finance Committee members:

Minnesota Harness Racing, Inc (MHRI) appreciates the opportunity to share our concerns about HF778, the sports betting bill before the Commerce Committee today. MHRI represents the drivers, trainers, owners and grooms who work in the Minnesota Standardbred industry. Our horses race at both Running Aces and select county fairs across the state. The mobile licensing structure of the bill would exclude the two racetracks in Minnesota from holding a mobile sports betting license. This exclusion will directly impact the harness racing industry in Minnesota, whose purse amounts (the awards for placements in races) are largely dependent upon pari-mutuel wagering and the card club, both of which will see declines with no way to recapture these losses if this bill passes in its current form.

Horse racing in Minnesota is already at a competitive disadvantage with many racing jurisdictions around the country. As gaming options such as racinos, historical race wagering and mobile sports betting have expanded, many states across the country with horse racing tracks within their borders have tied a portion of the revenue from the new forms of gaming to purses, which has exponentially increased the purse sizes at these tracks. This directly affects the number of and quality of horses that race at our tracks.

If the tribal communities have an exclusive to the mobile sports betting market, it will further put Running Aces at a disadvantage with the tracks it competes with across the country for horses to race. This starts a downward cycle for the track—if quality fields of horses are not racing because the purses aren't competitive, bettors will choose to take their money elsewhere, which further diminishes our available purse money.

In addition to the direct employees at the track and the farms that breed, raise and board our Standardbreds, the horse racing industry in Minnesota supports the farmers who grow the hay and grain we feed our horses, the feed stores who stock and distribute the feed, the veterinarians who help keep our horses in good health, the farriers who shoe our horses and a myriad of smaller businesses who rely on horse racing for their incomes.

We ask that you take these concerns into consideration as this bill moves through the process, and support our horse community in Minnesota by including the tracks as mobile sports betting licensees.

Thank you for your consideration.

Justin Anfinson
President, MHRI