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February 25, 2020

Via E-mail: kgolden@pahousegop.com

The Honorable Martin T. Causer
Chairman, Agriculture & Rural Affairs Committee
Pennsylvania House of Representatives
150 Main Capitol Building
PO Box 202067
Harrisburg, PA 17120-2067
[c/o Kerry Golden, Executive Director]

Re: House Bill 1983: Continuation of Funding for Race Horse Medication Testing

Dear Chairman Causer:

I am writing on behalf of my client Penn National Gaming, Inc. ("PNG"), the parent company of Mountainview Thoroughbred Racing Association, LLC ("MTRA") and Washington Trotting Association, LLC ("WTA"). As you are likely aware, MTRA owns and operates Hollywood Casino at Penn National Race Course in Dauphin County (a Thoroughbred racetrack), and WTA owns and operates The Meadows Racetrack and Casino in Washington County (a Standardbred racetrack).

PNG *supports* the passage of HB 1983 so that funding to cover the cost of racehorse medication testing at the Pennsylvania Equine Toxicology and Research Laboratory ("PETRL") can continue in a status quo fashion. As I am sure all interested parties agree, continued testing by PETRL is critical to ensuring the health and safety of equine athletes and protecting the integrity of racing in the Commonwealth.

PNG believes that PETRL costs should continue to be paid entirely from the Race Horse Development Trust Fund ("RHDTF") and that racetrack operators such as MTRA and WTA should not be asked or required to contribute. PNG's position in this regard is based on the following:

1. PNG, MTRA, WTA and the other racetrack operators across the Commonwealth already bear substantial costs attendant to the operation of their racetrack facilities.

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2. The RHDTF is funded from a tax on slot machine play at the racetrack operators' casinos. The racetrack operators are not interested in effectively paying a second tax to fund PETRL costs.

3. PNG is currently making a substantial new investment in racing by co-locating its existing Off-Track-Wagering ("OTW") facilities in York and Lancaster into new Category 4 casino facilities to be located in York and Morgantown. PNG's combined investment in these new facilities is approximately \$231 million.

4. The necessity for such extensive, and expensive, PETRL testing is the result of ensuring dishonest racing participants who cause banned drugs and other performance enhancing substances to be administered to racehorses can be identified and ultimately punished.¹ Hence, it is appropriate that PETRL costs be covered by the RHDTF and ultimately borne by those entrusted with the care of the animals. It is important to note that while the racetrack operators provide the venue within which horseracing occurs, the operators in fact have minimal -- if any -- control over the preparation and conditioning of the racehorses as compared to the owners, trainers and veterinarians who are the prime beneficiaries of the RHDTF.

Thank you for affording PNG the opportunity to comment upon HB 1983. Should you or your colleagues have any questions or require any additional information, please do not hesitate to contact me.

Respectfully,



Adrian R. King, Jr.

ARK/jfs

Copy to:

The Honorable Eddie Day Pashinski
Democratic Chair
House Agriculture & Rural Affairs Committee

¹ "Trainer testifies that she and nearly all of her colleagues drugged horses at Penn National." *Penn Live* (June 29, 2017), https://www.pennlive.com/news/2017/06/trainer_testifies_that_she_and.html