

PROPOSED
INTERSTATE RACING AND
WAGERING COMPACT



Situation Analysis

- Racing lacks uniform rules and national “rule book”
- States not able to act simultaneously in rule making
- Industry stakeholders have little access to rule-making process
- No structure to implement governing national rules
- Congress threatens intervention

“Uniformity” Easier to Achieve Than It Appears



- 6 states = 50% of racing purses: CA, NY, NJ, IL, LA, KY
- 7 states = 60% of racing purses: add FL
- 9 states = 70% of racing purses: add DE and PA
- 12 states = 80% of racing purses: add WV, OH and NM (or MD)
- 16 states = 90% of racing purses: add MD (or NM), TX, MI and IN

Only 6 states needed to initiate compact

Compact Benefits for Stakeholders



- Stakeholder participation and advocacy is integral to rule-making process
- Uniformity among compact states
- Fast-track to national rules book
- Compact commission provides forum to address national issues such as medication, wagering security, safety
- Industry has direct input on scope of compact
- Compact administrator manages rules process and industry advocacy to ensure results

Compact Rule-Making Process

1. Every phase of process includes industry input, consensus-building
2. Compact committees work directly with industry advisory committees
3. Proposed rules are published, with notice to all who request it
4. Public participation (comments, hearings)
5. Final vote and publication of adopted rule

Funding for New Compact

- Industry stakeholders raising funds to underwrite start-up costs of compact (legislative and industry advocacy/education)
- Self-funding mechanism ensures compact's functioning and eliminates uncertainty of voluntary contributions
- Cost is small compared to alternatives of government intervention or status quo

Your Support is Needed



- Industry steering committee organized to initiate compact creation/development
- Goal is an operating compact by early 2011

We need you to:

1. Endorse the initial compact bill
2. Lobby your state legislatures to adopt it
3. Participate in rule-making process