

NTRA



NTRA

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"All the News
That's Fit to Print"

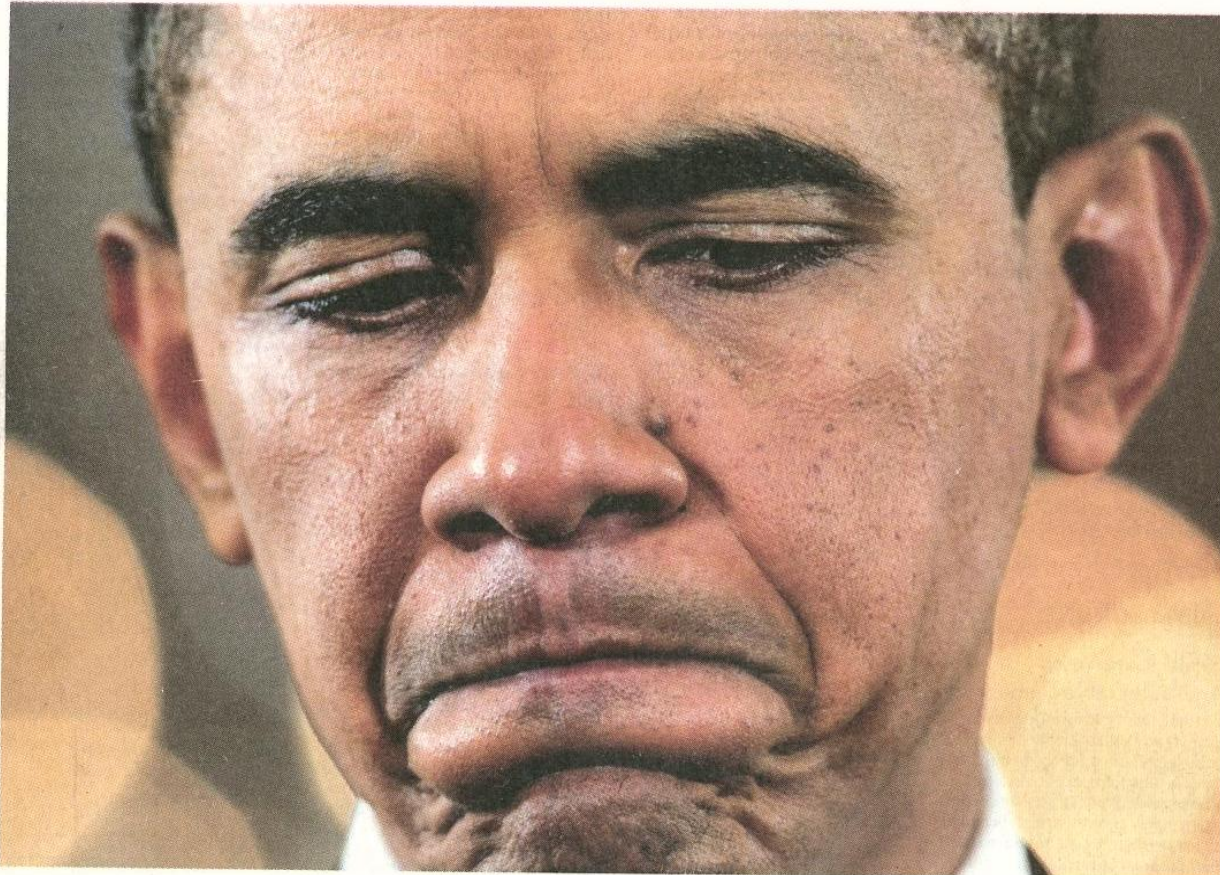
The New York Times

VOL. CLX . . . No. 55,214

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THURSDAY, NOVEMBER 4, 2010

THE 2010 ELECTIONS



DOUG MILLS/THE NEW YORK TIMES

President Obama, at a news conference on Wednesday, sounded conciliatory after the Republican victories but not contrite.

DEEP RIFTS DIVIDE

Democrats Outrun by a Two-Year Comeback Plan

FED SETS C USING \$60 TO SPUR

*Bid to Pump Money
Carries Fiscal a*

By DAVID E. SANGE

WASHINGTON — The Federal Reserve, getting ahead of the battles that will dominate national politics over the next two years, moved Wednesday to jolt the economy into recovery with a bold but risky plan to pump \$600 billion into the banking system.

A day earlier, Republicans swept to a majority in the House on an antideficit platform, virtually guaranteeing that they would clash with the Obama administration over the best way to nurture a fragile recovery.

The action was the second time in a year that the Fed had ventured into new territory as it struggles to push down long-term interest rates to encourage borrowing and economic growth. In a statement, the Fed said it was acting because the recovery was "disappointingly slow," and it left the door open to even more purchases of government securities next year.

The Fed is an independent body, its policy decisions separated from the political pressures of the day. But it acted with a clear

Power of One

- Single change to the IHA
- Horseracing lobby
- Horse PAC
- United industry



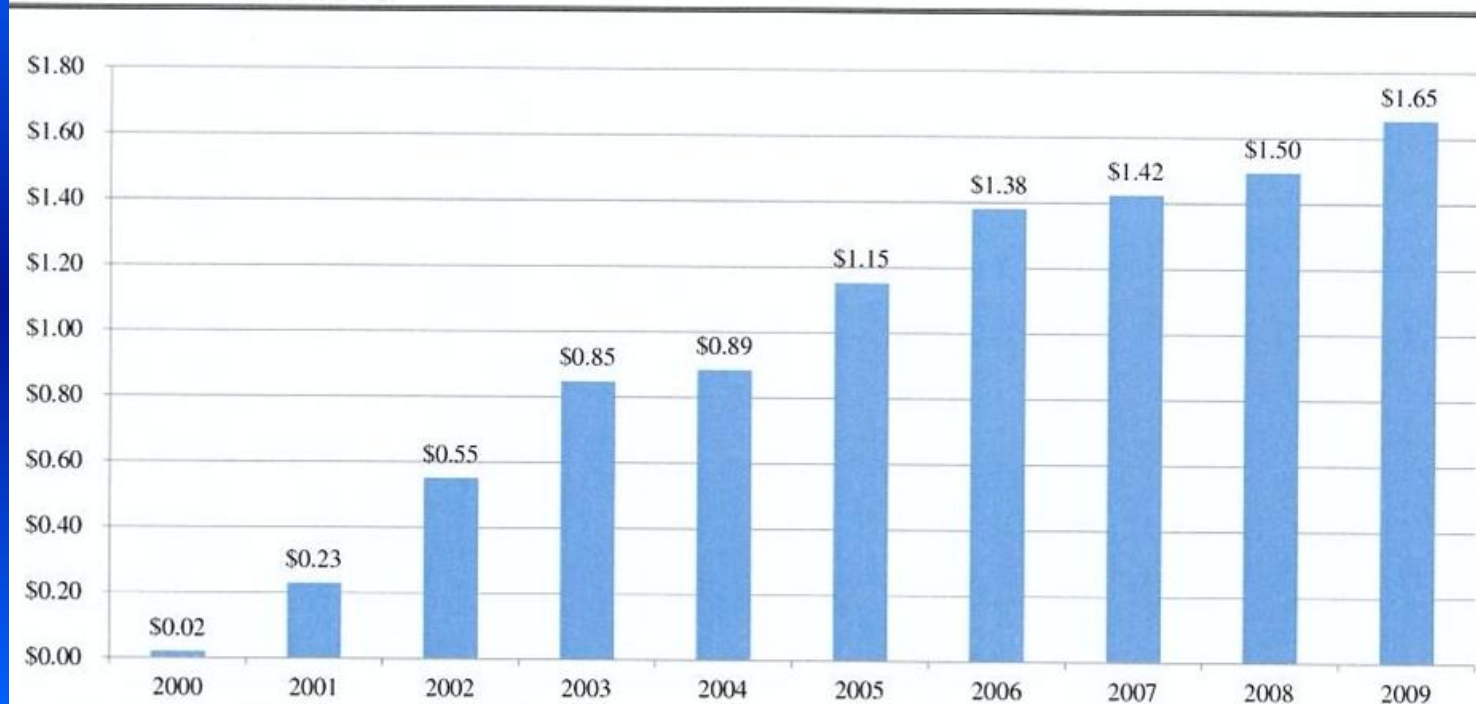
Crucial Change to IHA

“Interstate off-track wager” means a legal wager placed or accepted in one State with respect to the outcome of a horserace taking place in another State . . . via telephone or **other electronic media . . .**



Growth in ADW

EXHIBIT 1. 3: TOTAL U.S. ADW OREGON WAGERING HUB HANDLE 2000-2009 (NOMINAL \$ BILLIONS)



Source: Christiansen Capital Advisors and public documents.

Horseracing Lobby

- Alpine Group
- Legislative counsel
- Davis & Harman/AHC
- NTRA



Horse PAC

Since 2003, Horse PAC has

- Disbursed over \$2 million to Federal candidates
- Contributed to 281 candidates, PACs & parties
- Supported candidates representing 45 states



Horse PAC

11 States = 56% of Contributions

Horse PAC Contributions to Federal Candidates
by State

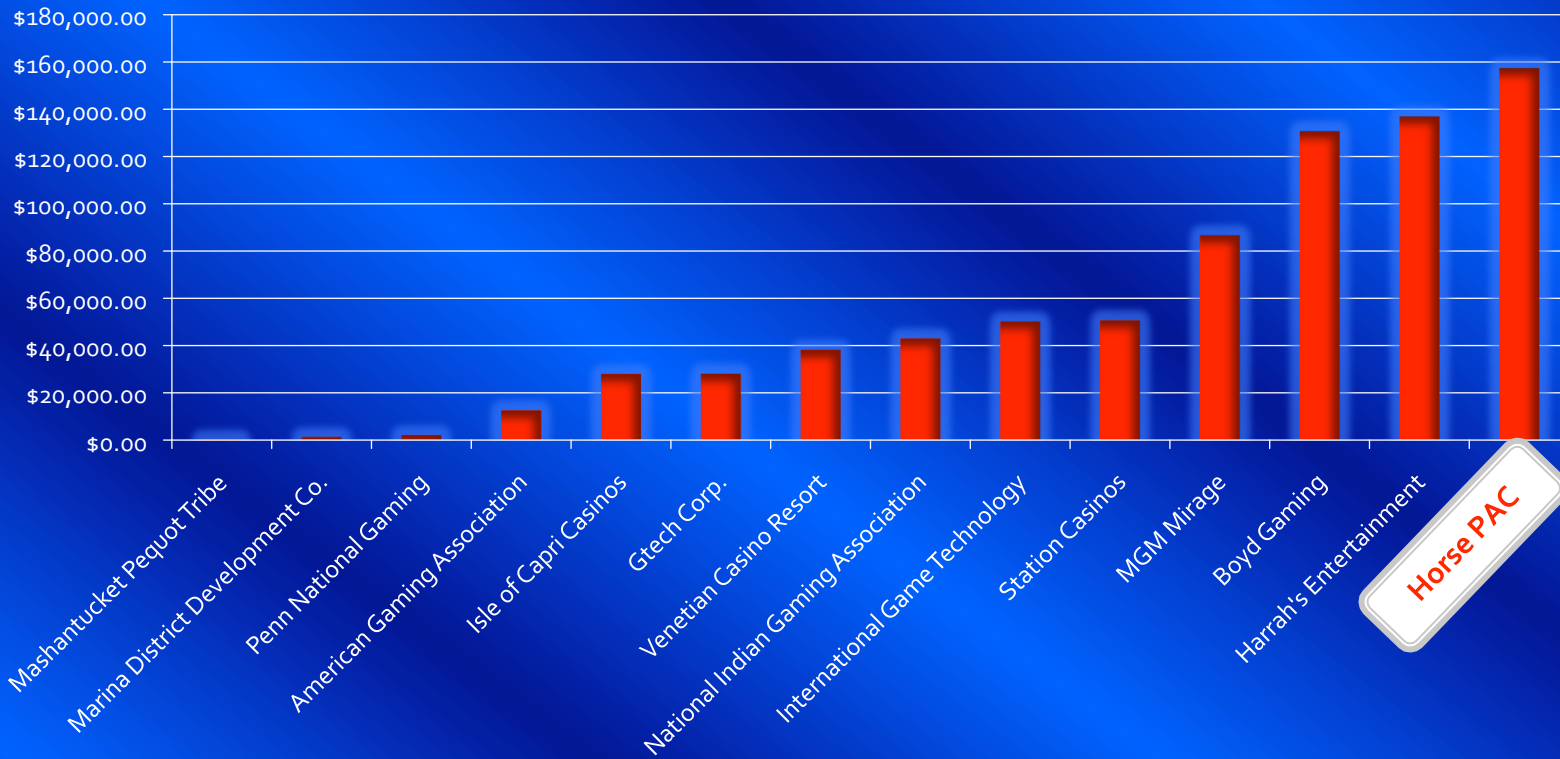


- Texas (17)
- California (15)
- Florida (15)
- New York (15)
- Ohio (13)
- Kentucky (11)
- Louisiana (8)
- Pennsylvania (8)
- Virginia (7)
- Georgia (6)
- Illinois (6)
- Other (97)



Gaming PACs

2010 GAMING PAC RECEIPTS*



*As reported through December 1, 2010





United Industry

- 500,000 jobs
- \$39 billion economic impact
- Tracks, farms, OTBs, ADWs = presence in every state
- “Agri-tainment” unites agriculture and business



Issues in 2010

- UIGEA
- I-gaming
- Taxes



UIGEA

- NTRA advocated for 6-month delay
- Regulations took effect June 1
- Mixed success with financial services sector



I-gaming Legislation

- House bill = all forms of I-gaming
- Senate bill = poker only
- Current focus on poker



NTRA Goals for I-gaming

- Exemption from tax-and-regulate
- Wire Act clarification
- Tax changes - \$400 million/ 10 years



After the Vote

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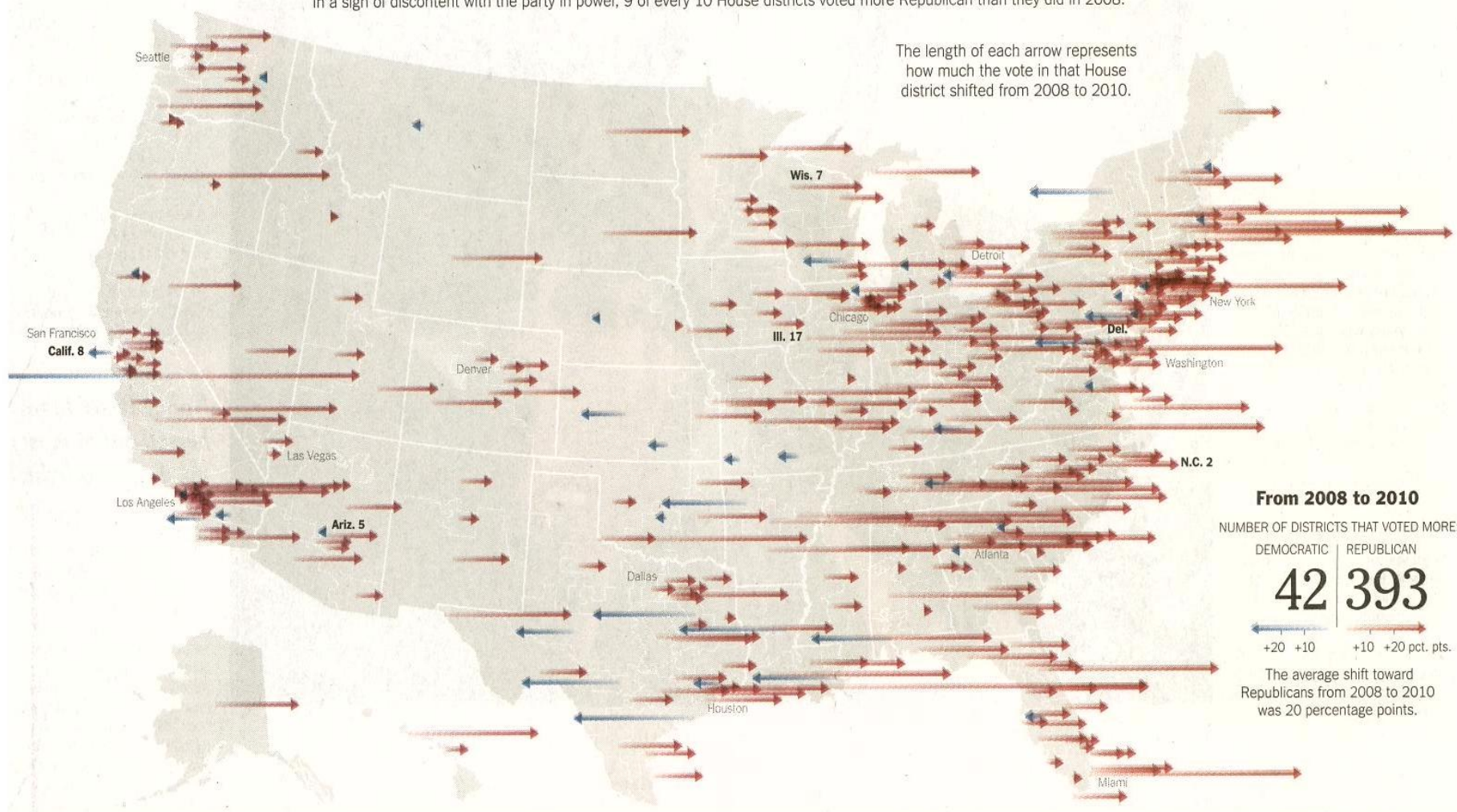
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The New York Times

Districts Across the Country Shift to the Right

In a sign of discontent with the party in power, 9 of every 10 House districts voted more Republican than they did in 2008.

The length of each arrow represents how much the vote in that House district shifted from 2008 to 2010.



From 2008 to 2010

NUMBER OF DISTRICTS THAT VOTED MORE:

DEMOCRATIC | REPUBLICAN

42 | 393

+20 +10 | +10 +20 pct. pts.

The average shift toward Republicans from 2008 to 2010 was 20 percentage points.

Prognosis for 2010-2011

Lame duck may be last chance for I-gaming

Republican House = I-gaming harder to move

Tax issues have bi-partisan support



Summary

- Strong lobby in DC
- Good story to tell
- Players change but our mission remains
 - Protect the interests of the horseracing industry

