



Maryland Horse Council

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www.mdhorsecouncil.org

Member Associations
Carroll County Equestrian Council; Chesapeake Plantation Walking Horse Club; Cloverleaf Standardbred Owners Association; Days End Farm Horse Rescue, Inc.; Elkridge Harford Hunt; Equine Rescue and Rehabilitation, Inc.; Fair Hill International; Howard County Iron Bridge Hounds; Humane Society of Carroll County; League of Maryland Horsemen; Marlborough Hounds; Maryland 4-H Foundation; Maryland Association for Wildlife Conservation; Maryland Association of Equine Practitioners; Maryland Combined Training Association; Maryland Council of Equestrian Therapies; Maryland Dressage Association; Maryland Equestrian Foundation/Rosaryville Conservancy; Maryland Farriers Association; Maryland Horse Breeders Association.; Maryland Horse Shows Assoc.; Maryland Jockey Club; Maryland Standardbred Breeders Assoc.; Maryland State Quarter Horse Association; Mid-Atlantic Saddlebred Association; MidAtlantic Farm Credit; New Market Middletown Valley Hounds; Pasadena Horse and Pony Club; Plantation Walking Horses of Maryland; Potomac Hunt Club; Potomac Valley Dressage Association; Trail Riders of Today; Tuckahoe Equestrian Center; Wicomico Hunt

Governor Martin O'Malley
Office of the Governor
State House
Annapolis, Maryland 21401

December 13, 2010

Dear Governor O'Malley:

The Maryland Horse Council commends you for your quick action to convene representatives of the Maryland Thoroughbred Horseman's Association (MTHA), the Maryland Horse Breeders Association (MHBA), and representatives of MI Developments, Inc. (MID) and Penn National Gaming, Inc.(PNG). A commitment from the owners of the Maryland Jockey Club (MJC) to maintain at least 146 days of racing is essential if we are to preserve the jobs, the stabling, the housing, and the farms that Laurel, Bowie, and Pimlico support.

We also commend you for the work you have done to bring Maryland to the brink of a horse racing revitalization. Two years ago you stood up to the people who believed that it was OK for Maryland to lose the jobs and farms that racing supports, and the voters backed you by passing the constitutional amendment allowing slots.

We have one last hurdle, however, and that is the challenge of replacing the current MJC owners with a local partnership that understands the potential before us. You and the General Assembly were very wise to pass Title 11-521 of the Business Regulation in the 2009 session. The only question now is whether you have just cause to implement that law, and whether the resulting auction of MJC assets would result in a better outcome for the citizens of Maryland. We believe that the answer to both questions is yes.

The efforts by both MID and PNG to dismantle Maryland racing have been well documented. They want Preakness revenue without the racing that sustains the local industry. They say that "the model is broken" in our state, but want us to forget that multiple local partnerships had business plans in place for Maryland racing when they were prepared to buy MJC at auction only nine months ago.

The most alarming evidence of MID's intention to kill Maryland racing came just a month ago when MJC President Tom Chuckas publicly responded to an offer to buy the tracks and expand racing with the statement, "Laurel Park will be developed, not sold, according to an existing development plan which includes mixed use commercial and residential." That statement was consistent with the March 23 press statement by MID upon acquiring MJC assets. That announcement promised that MID would not invest its resources in Maryland horse racing, but that, "We are excited about the development opportunities represented by the land owned by MJC."

Penn National refuses to sell its MJC assets only because they understand that a new owner would revitalize Maryland racing. Just as slots in Anne Arundel County costs PNG money at its Charlestown, WV casino, vibrant horse racing in Maryland draws horses and fans from its tracks in West Virginia and Pennsylvania. Penn National will do whatever it can to delay or prevent our progress in Maryland. Their 49% ownership stake in MJC gives them the power to hurt us.

On May 4 our organization sent a survey to Racing Commission licensees asking whether your office should use the power of eminent domain to transfer track ownership if racing were threatened by MJC's owners. Ninety-three percent of 314 respondents answered "yes."

This scenario is exactly why the General Assembly passed, and you signed, the law to protect racing. Regardless of what happens in this week's negotiations and at the Racing Commission meeting on December 21, it is time to assure the Maryland voters who chose to revitalize horse racing that you will not allow these out-of-state companies to block our progress.

The Maryland Horse Council respectfully requests that you do the following.

- 1) Make a public statement that our tracks will not be bulldozed for redevelopment as long as you are Governor, and that you will use the 2009 law to block them if necessary.
- 2) Begin meetings with potential Maryland buyers to negotiate possible terms of purchase, and have a legal team begin work on a plan for ownership transfer that can be implemented quickly and efficiently.

We will also work hard in the coming weeks and months to remind lawmakers and the public why we all chose to revitalize this industry when we voted for slots. We look forward to working closely with your office on this effort.

It is your office, however, that has the power to send the message loud and clear. We hope you will use it.

Sincerely,



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