

Behind the CURTAIN

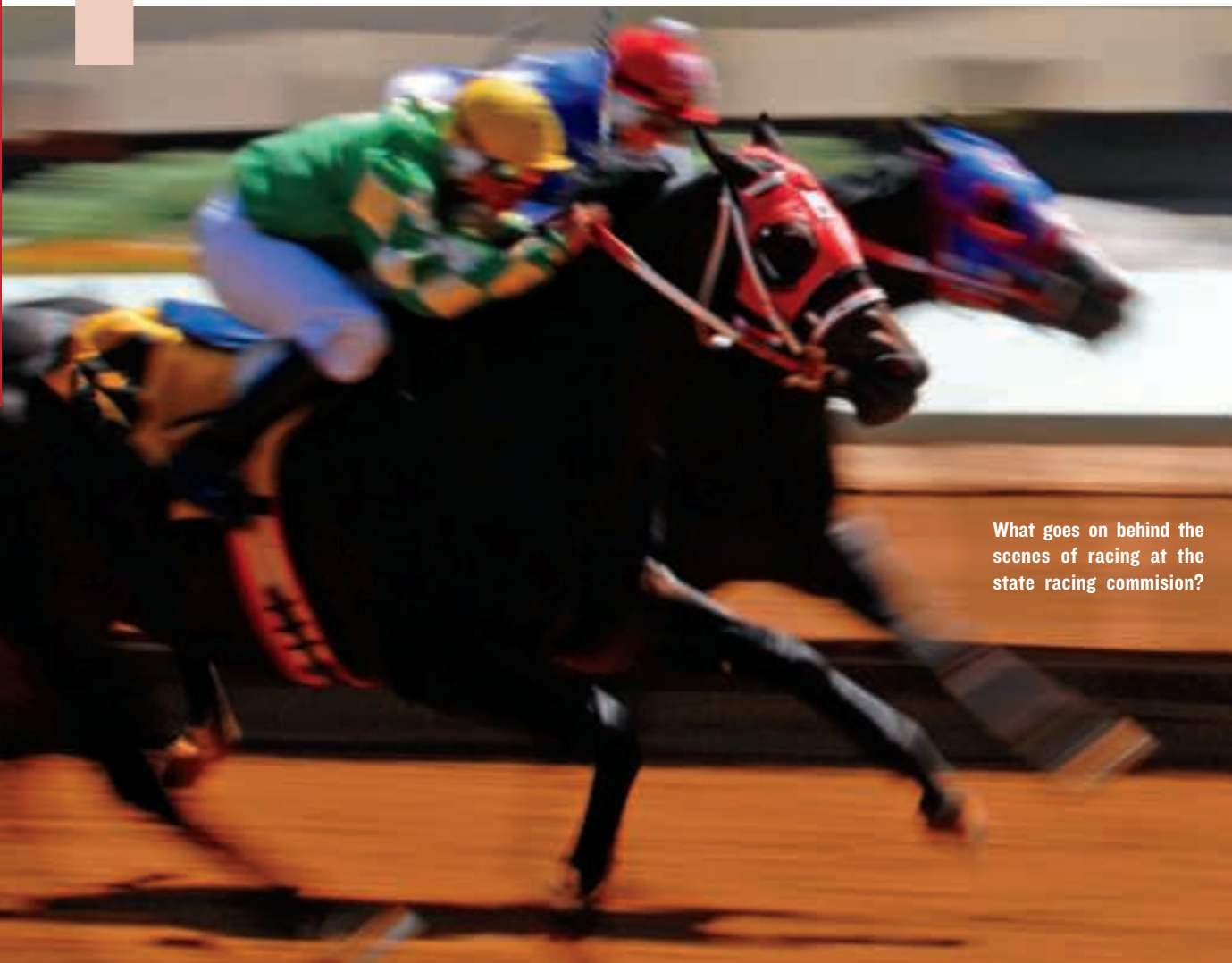
Some horsemen might be surprised to know how much goes on at a state racing commission.

By Denis Blake

THERE'S NO DOUBT THAT BREEDING, TRAINING AND OWNING American Quarter Horses can be a 24-7 job, so horsemen rightfully believe they are among the hardest workers in any profession. Some might scoff at the notion that those who regulate the sport work just as hard, and even horsemen who have been in racing for decades might think that those who work for state racing commissions just get together every month or two for a meeting, hand out some suspensions and enjoy 9-to-5 hours as government employees. But with many tracks running on nights and weekends, plus simulcasting more than 12 hours a day, those who regulate horse racing are

on a constant and vigilant watch to uphold the rules and protect the interests of all involved.

Some horsemen might also be surprised that many of the people who regulate the sport are not even paid for their work. In general, a state racing commission is comprised of paid employees, such as an executive director, veterinarians, investigators, financial auditors, stewards and licensing staff, to name just a few. But the board of commissioners – those who meet to decide issues like race dates, rule changes and track licenses – are usually unpaid volunteers appointed by the governor.



What goes on behind the scenes of racing at the state racing commission?

DAN ORY

“Our commissioners take their roles very seriously and love the industry, said India Hatch, deputy director of the New Mexico Racing Commission. “They donate a tremendous amount of their time to protect the integrity of the sport.”

Protecting the Interests of All

LIKE A BASEBALL UMPIRE, BEING A RACING REGULATOR CAN BE a thankless pursuit – no one ever calls the commission to thank them for a job well done after a day of racing comes and goes without incident. But just a single allegation of race-fixing or cheating, even if proven untrue, can leave a tarnish that takes years to erase.

“Racing in general today is struggling to maintain a fan base, and the last thing that any state needs is for the general public to feel that racing is not conducted with integrity and care and concern for the animals and the people who ride them,” said Charles Gardiner III, executive director of the Louisiana Racing Commission. “Commissions are faced with maintaining confidence that horse racing is a beautiful sport that combines the skill of man and animal, and is conducted humanely in a clean and safe environment.”

Whether it’s a \$2,500 claiming race or a million-dollar futurity, racing commissions are there to ensure that everyone gets a fair shake. Strict licensing requirements and background checks help keep some unwanted participants out, but there is an ever-present need to monitor the sport.

“The (California) horse racing law starts with the premise that a person is capable of doing just about anything to win a horse race,” said Kirk Breed, executive director of the California Horse Racing Board. “In order to maintain a level playing field and protect the participants, we have a regulatory body – the commission.”

But besides working to instill confidence in the general public about the integrity of racing, commissions also work to help horsemen know that their chances of winning rest solely on the speed of their horses rather than other factors.

“For horsemen, we want them to know they have an equal chance to win,” Gardiner added. “Our regulation is strong and forceful, but it’s for the benefit of the horsemen so that they know that when they line up in the starting gate they are on a level playing field with everyone else.”

One aspect of a commission’s job that might be overlooked by horsemen is the importance of a system of checks and balances to ensure that funds are being allocated properly by the tracks. A few decades ago, when just about all wagers were placed at a track on live races at that same track, it was a pretty straightforward computation with a set percentage of handle generally going to purses. But in today’s racing world, where someone at Sam Houston Race Park can bet on a race in Australia and someone sitting at home in New York can bet on Los Alamitos through TVG, the equation becomes much more complicated.

“We make sure everyone gets their proper cut of the money,” said Charla Ann King, the Texas Racing Commission’s executive director. “Most people, including horsemen and the wagering public, would be truly amazed at the commission’s level of daily monitoring and auditing of the wagering process to make sure the public is properly paid on their wagers. Besides being a cornerstone to providing a product the public may trust, the benefit to the horsemen is the assurance that the amount of purse money earned is accurately calculated, collected and allocated to the various breeds according to the distribution formula that the commission approves.”



Whether it's a low-level claimer or a million-dollar stakes, commissions ensure everyone gets a fair shake.

To Regulate and Sometimes Promote

COMMISSIONS IN SOME STATES ARE CHARGED WITH THE SLIPPERY slope of both regulating and promoting horse racing and breeding. Other states, such as Texas and New Mexico, are only permitted to regulate. While commissions in some of the major Quarter Horse racing states do limited promotion of the sport, it is often not in obvious ways and usually in conjunction with horsemen.

“Our mandate also includes promoting breeding and racing,” said Constantin “Tino” Rieger, executive director of the Oklahoma Horse Racing Commission. “But we are not quite like Pennsylvania, where they have a very promotional racing commission. It’s kind of hard to be the promoter and also the regulator. So it’s a little difficult, but we do participate in some advertising.”

Oklahoma is also rather unique in that the commission also serves as the breed registry, a role that in most other jurisdictions is handled by the state’s breed association.

“We are the Oklahoma-bred registry for Quarter Horses, Thoroughbreds, Paints and Appaloosas, so all the horses that want to participate in the Oklahoma-bred program are registered through us,” Rieger said. “We also handle all the race awards, breeder awards and stallion awards.”

While the Oklahoma commission does some advertising, its neighbor to the south cannot.

“The original (Texas) law did provide that the agency should perform both regulatory and promotional duties,” said

King. “However, in 1997, the legislature agreed with and adopted the Sunset Advisory Commission’s recommendations to focus commission activities on the regulation of the industry and move the promotional aspect to the Texas Department of Economic Development. So, when a horseman asks why the commission is not actively promoting the industry or voicing support for VLTs, the answer is easy: It is currently against the law. But, legislation could change, just as it did in 1997.”

The rules that cover racing and the role of the racing commission can change with surprising frequency.

“The California horse racing law, as amended over the years, sets forth the mandate for the CHRB that keynotes two words: protect and encourage,” said Breed. “The commission is charged with licensing and regulating all the associations, horsemen’s organizations, off-track-betting facilities, tote companies and account deposit wagering companies. All these folks are interested in maximizing their investment and making a profit, and this is also important to the commission.

“But in order for this sport to grow, the commission is interested in what the stakeholders are putting back into the business – and this means more than free hot dog days,” he continued. “This is where the second mandate, to ‘encourage’ racing opportunities, comes in. How much of that profit is staying in California? How much of that profit is going to promote the breeding of horses and encouraging new horse ownership? These are some of the things the commission does when they are not regulating.”

Putting Safety First

ONE WAY TO IMPROVE THE PUBLIC’S PERCEPTION OF RACING IS to improve the sport’s safety record for both horses and jockeys, and many commissions take an active role in that process, especially when it comes to track surfaces and breakdowns.

“One thing that comes out of the breeders fund is a relationship with Oklahoma State University to do all our necropsies,” said Rieger. “Every horse that has a catastrophic injury or passes away at the track for any other reason, like colic, is sent there for a comprehensive necropsy. We look for trends and try to figure out why (breakdowns might be occurring).

“When we were all summoned to Congress to talk about the industry, our report was sent there,” he added. “That’s something we were proud of, because many commissions didn’t have the answer as to how many horses broke down on their tracks.”

Louisiana has also taken steps in the area of safety by trying to prevent breakdowns by keeping as many unsound horses as possible out of the starting gate.

“We started a new program in the last two years and have stepped up our funding and efforts to pre-race exam every horse,” said Gardiner. “We have an additional vet at each racetrack, so we have people who are constantly monitoring the health of the animal.”

Inspections are also an important component of safety, and

no matter how dedicated track management is to safety, it can help to have oversight from the commission.

“The commission’s comprehensive inspection program includes both scheduled and random detailed checks of all aspects of a racetrack’s operations, including safety and security, administration, live racing, animal health and safety and pari-mutuel operations,” said King.

Proving the Need to Exist

AT A TIME WHEN STATE BUDGETS ARE BEING SLASHED, ANY government agency with an extremely narrow focus, such as a racing commission, is likely to be subjected to increased scrutiny. While most citizens see the need for funding transportation and education, they might question the importance of funding a commission to regulate horse racing. Although the exact breakdown of commission funding varies by state, the majority, and in some states the entirety, comes from the industry itself through a percentage of handle, license fees (from both racetracks and industry participants) and uncashed pari-mutuel tickets. Even so, commissions are aware of the need to justify their existence and make a valid argument for why they are important not just to the racing industry but also to the general public.

“Racing in many places could become match races in someone’s back pasture without rules, oversight, safety and drug regulation, as well as protection of the wagering public’s interests,” said New Mexico’s Hatch.

To prove that point, the Oklahoma commission, working with state law enforcement, has shut down several

illegal racetracks over the past few years. These operations were much more than a few friends match-racing for small stakes, and without regulation there is no way to know if steps are being taken to protect horses and humans.

“These were major operations that take away from the legitimate races, and everything was cash; they are not paying taxes (to the state),” said Rieger.

These illegal operations also affect licensed tracks, even in other states. Two of the illegal tracks in Oklahoma were in Thackerville, near the Texas border, and undoubtedly were pulling horses away from licensed tracks in the Lone Star State. Rieger relayed a conversation he had with a friend in the race office of a Texas track, who while hustling entries was told by a trainer that they were “running in Oklahoma that weekend.” Of course that happens all the time, except that there was no legal live racing in Oklahoma that weekend.

“So that track lost a betting interest to illegal racing,” said Rieger.

Even though it might be a thankless job, and one that can never be done completely, it is one that every director agreed is vital to the sport.

“It’s not easy to maintain a forceful and honest regulatory environment, but the mission is too important,” said Gardiner. “There’s so much competition today for the wagering dollar that the person who has disposable income is going to go where they feel confident that they have an equal chance to win.” ❏



One of the most important jobs a racing commission has is ensuring the safety of both horse and rider.