



The New York Racing Association, Inc.

Testimony before the New York State Senate Standing Committee on Racing, Gaming and Wagering Public Hearing: To discuss Sports Betting in New York State May 8, 2019

Chairman Addabbo and Committee members:

Thank you for inviting us here today. My name is David O'Rourke and I am the Chief Executive Officer and President of the New York Racing Association, Inc. (NYRA).

NYRA holds the exclusive franchise to conduct thoroughbred racing at Aqueduct Racetrack, Belmont Park and Saratoga Race Course. These tracks are the cornerstone of New York State's thoroughbred industry, which is responsible for 19,000 jobs and more than \$3 billion in annual economic impact to New York State, particularly in the crucial sectors of tourism and agriculture.

Although many of these jobs are connected to the racetracks in Queens County, Saratoga County and Nassau County, the racing industry is especially impactful as a job creator in rural areas across Upstate New York and the Hudson Valley. NYRA, and New York's horseracing industry as a whole, is an economic engine that creates jobs and opportunities throughout the state.

According to an independent study commissioned by the Saratoga County Industrial Development Agency, the annual summer meet at Saratoga Race Course generates nearly \$240 million in economic activity and 2500 jobs across the nine-county territory that comprises the greater Capital Region.

The Saratoga meet has drawn more than 1.1 million fans in each of the last three years. To put that in perspective, our paid attendance is higher than that of New York Knicks over their 40 home dates at Madison Square Garden. Fans who visit Saratoga each summer occupy hotel rooms, fill restaurants and bars and support the regional and local economy. According to the same study, spending by tourists and visitors generates 60 percent of the total economic impact, or the equivalent of roughly \$140 million.

NYRA possesses more than 60 years of experience working under comprehensive state regulatory oversight to provide customers with quality wagering services on the sport of horseracing. Over the course of 219 days of live racing in 2018, NYRA generated more than \$2.1 billion in all-sources wagering handle. NYRA accepts and pays bets with transparency and accuracy while managing the largest pari-mutuel pools of any racetrack or racing organization in the country.

NYRA is well suited to conduct sports betting operations in New York State. NYRA's experience with offering these services is unmatched in New York State. Our existing customers know and trust NYRA's ability to skillfully and expertly manage wagering pools. Allowing NYRA, as well as racetracks and OTBs around the state, to offer sports betting to its existing customer base will serve to strengthen NYRA's ability to create jobs and grow the state's economy.

Unfortunately, the current version of this bill poses a direct threat to horseracing in New York State and, if enacted, would further restrict the sports betting marketplace and jeopardize jobs and positive statewide economic impact. Including racetracks within the sports betting framework, however, would present the best opportunity in modern memory to grow the sport, expand economic impact and create jobs around the state.

NYRA currently operates the largest online wagering platform in New York State. NYRA Bets was launched in 2016 and utilizes the latest technology and safeguards to allow bettors to easily and efficiently place online or mobile wagers on NYRA races as well as races across the country.

NYRA is an asset of New York and our success is the state's success. Opening sports wagering to NYRA would benefit the state and its upstate and rural economies, support further job creation while diversifying our revenue sources to capture an emerging market. NYRA has a successful history serving the needs of New Yorkers seeking to wager on the sport of horse racing, and we are prepared to quickly extend that service to include other sports.

I thank you for inviting me to testify before you today and am pleased to join the New York Thoroughbred Horsemen (NYTHA) and the New York Thoroughbred Breeders (NYTB) in asking this committee to consider the importance of the horseracing industry, and our relevant expertise, when weighing the future of sports betting in New York State.

David O'Rourke
CEO and President