



Chair Xiong
95 University Ave W.
St. Paul, MN 55155

Dear Senator Xiong, and members of the State and Local Government Committee:

On behalf of Canterbury Park, thank you for including the Governor's Budget Recommendation related to the Horseracing Integrity and Safety Authority (HISA) in your omnibus bill.

The Horseracing Integrity and Safety Act of 2020, approved by Congress, established HISA. HISA implements a national, uniform set of integrity and safety rules that apply to every Thoroughbred racing participant and racetrack facility in the United States. HISA has developed rules, with the oversight of the Federal Trade Commission, related to horseracing, including anti-doping, medication control and racetrack safety.

It is incumbent on each state to cover the costs assessed by HISA for the federally mandated regulatory oversight. If a state does not fund the HISA regulatory costs, they are billed to the racetrack and horsemen group to pay. Any racetrack/state that opts out of HISA funding is prohibited from exporting its racing signal through interstate wagering at other racetracks and Advanced Deposit Wagering (ADW) providers.

ADW allows Minnesotans to wager on horse races conducted outside of the state from HISA regulated tracks. ADW providers currently pay a fee of 1% of wagering to the Minnesota Racing Commission to offset a portion of the costs related to regulation of horse racing in Minnesota. Article 2, Section 34 of this bill would increase the regulatory fee paid by the ADW platforms to 2% and use the additional revenue to cover most of the HISA regulatory cost to relieve the burden on Canterbury Park and our horsemen. ADW providers take most horse racing wagers in Minnesota and should pay a larger share of the regulatory costs. For 2025, Canterbury Park is being billed over \$500K for HISA costs and the Minnesota Racing Commission is paying approximately \$175k for HISA costs.

ADW wagering continues to be a growing source of revenue for horse racing purses, as well as ADW providers, making the export of a track's racing signal to ADWs crucial to the well-being of the industry. This modest proposal that would increase ADW fees from 1% to 2% would significantly help Canterbury Park and the Racing Commission to pay HISA fees.

Thank you for the opportunity to provide written testimony in support of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Sampson", with a long horizontal flourish extending to the right.

Randal Sampson
CEO, Canterbury Park