

COMMERCE

MONTANA BOARD OF HORSE RACING

2022 AND 2023 ANNUAL REPORT

(CORRECTED)

April 24, 2025

Corrected 2022 and 2023 Annual Report. (*) Correcting Advanced Deposit Wagering Deposits for 2023

In 2022 and 2023 horse racing continued a steady growth from its return in 2012 and untimely interruption from Covid. The \$628,000.00+ debt that was created in a three-year time frame 2009 to 2011 was retired. In 1965 the Board was started as a regulatory Board; it has evolved into a combination regulatory Board and an economic development Board. The Board is part of the Department of Commerce and would like to thank everyone there, the help and support that is provided is very helpful and much appreciated. Montana no longer receives funds from simulcasting. Simulcasting has been replaced with Advanced Deposit Wagering.

In 2012 Miles City Bucking Horse Sale returned racing to their very popular event, to date it is still going strong with a steady growth. This was followed by the Great Falls Turf Club State Fair Race meet. Which also continues to provide a successful race meet. These race meets provide dollars of support to not only the individuals involved in racing but millions of dollars of support to their respective communities. Montana has a long history of horse racing, going back to the late 1800's and early 1900's even having a horse born and trained in Montana going on to win the Kentucky Derby in the 1980's and 1990's Montana enjoyed a very robust industry with many communities providing race meets in conjunction with their fairs. Over 100 days of racing and over \$10,000,000.00 in handle generated.

MONTANA BOARD OF HORSE RACING MEMBERS

John Hayes, Chairman	Great Falls Montana	District 3	January 1,2024
Corey Jones, Vice Chair	Miles City Montana	Horse Racing Industry	January 1,2025
Ralph Young	Columbus Montana	Horse Racing Industry	
Janis Calton	Kalispell Montana	District 5	January 1,2025
Jody Smith	Miles City Montana	District 1	January 1,2024
Cindy Johnson	Boulder Montana	District 4	January 1,2026
Kerry Pride	Bozeman Montana	Horse Racing Industry	January 1,2026

(All Members Serve until the Governor makes a new appointment)

Montana Department of Commerce | commerce.mt.gov
P.O. Box 200501 | Helena, MT 59620-0501 | Phone: 406-841-2700 | Fax: 406-841-2701
Montana 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice

Mission Statement

The Montana Board of Horse Racing's mission is to ensure the integrity of the state's horse racing industry, both live and simulcast, through customer-oriented regulation and monitoring of compliance with the Montana State Board of Horse Racing Laws and Rules.

Board Of Horse Racing Goals and Objectives

To fulfill its mission, the Board of Horse Racing is committed to achieving the following goals and objectives:

To monitor and regulate the horse racing industry in Montana; to allow the racing industry, both live and simulcast, to grow and perform at a level which would be beneficial to all racing interests in the State of Montana while at the same time providing and promoting public confidence. Economic impacts include Montana's agricultural sector, county fairgrounds, and the communities (lodging, meals, supplies, feed, etc.). In which race meets are held. The board also works closely with the management of the live race meets to provide support to enhance their race meets.

Historical Data by Decade

Category	1980-1989 (10 yrs.)			1990-1999 (10yrs.)		
	Maximum	Minimum	Average	Maximum	Minimum	Average
Racetracks	14	7	11	8	6	7
Race Days	143	88	124	96	44	65
Wagered	\$11.8M	\$7.9M	10.6M	\$6.2M	\$2.2M	\$4.4M

Category	2000-2009 (10yrs.)			2010-2019 (10yrs.0		
	Maximum	Minimum	Average	Maximum	Minimum	Average
Racetrack	6	3	5	5	1	2
Race Days	40	16	30	22	3	9
Wagered	\$2.3M	\$1M	\$1.7M	\$1.4M	\$.1M	\$.7M

2019 Live Race Meet Dates (8days)

Miles City Bucking Horse Sale Race Meet- Miles City (3 days).

May 12, 18, 19

Great Falls Turf Club State Fair Race Meet (5Days).

July 20, 21, 26, 27, 28

Miles City experienced extremely rainy weather cancelling May 18th and 19th race days.

2019 Live Race Meets Wagering Data

Racetrack	Wagered	Returned to Public	Retained by Track	Purses Paid
Miles City	\$ 50,945.00	\$ 38,897.00	\$ 12,048.00	\$ 13,800.00
Great Falls	\$431,476;00	\$324,299 .00	\$107,177.00	\$170,300.00

Miles City wagered amount includes \$13,315 on 4 matched bronc riding events and 1 simulcast race.

Retained by track includes breakage and commissions.

Purses Paid includes \$2,300 in horsemen fees at Great Falls

Miles City Cancelled 2nd and 3rd day due to extremely rainy weather.

2019 Live Race Meet Data

Racetrack	Days	QH Races	Other Races	TB Races	Field Count	Starters	Ave. Starts/Race
Miles City	3	6	0	3	39	39	4.3
Great Falls	5	9	0	37	305	284	6.6
Total	8	15	0	37	344	323	6.2

Quarter Horse races include races with at least one Quarter Horse.

Other races include breeds other than QH and TB or simulcast received or matched bronc riding events.

Number of horses on race program, only live races on track are considered in the count.

Number of horses actually starting in a race. Only live races at the track are considered in the count.

Only pari-mutuel races at the track are considered in the Average Starters Per Race calculation.

2022 Race Meet Days 14 days

Miles City Bucking Horse Race Meet 7 days May 7,8 14,15,20,21,22

Great Falls Turf Club State Fair Race Meet 7 days July 16,17,23,24,29,30,31

2022 Wagering and Purses

Racetrack	Wagered	# of Races	Purses
Miles City Bucking Horse Sale Race Meet	\$196,205.70*	62	\$218,500.00
Great Falls Turf Club State Fair Race Meet	\$406,101.90	52	\$243,260.36

- Includes wagering on Matched Bronc Rides

2023 Wagering and Purses

Racetrack	Wagered	# of Races	Purses
Miles City Bucking Horse Sale Race Meet	\$212,584.60*	61	\$301,500.00
Great Falls Turf Club State Fair Race Meet	\$439,508.50	50	\$277,750.00

- Includes wagering on Matched Bronc Rides

2022-2023 Wagering and Purses Compared to 2019

Track	Year	Days	Wagered	# of Races	Purses
<u>Miles City</u>	2019	3	\$ 50,945.00	15	\$13,800.00
	2022	7	\$196,205.70	63	\$218,500.00
	2023	6	\$212,584.60	61	\$301,800.00
<u>Great Falls</u>	2019	5	\$431,476.00	43	\$170,300.00
	2022	7	\$406,101.90	52	\$243,260.36
	2023	7	\$439,508.50	50	\$277,750.00

Montana Owners and Breeders Bonus Program

By Statute and rule, Owners and Breeders of Montana foaled horses will share in the Montana Owners and Breeders program. 10% of the winner's share of the purse won by a horse bred in Montana shall be paid to the Breeder of the horse and an equal amount shall be paid to the Owner of the horse. These funds must be paid to the Board of Horse Racing to administer, then paid to the respective parties. In addition to these funds a portion of the source market fee generated through Advanced Deposit Wagering is set aside per statute then paid to the same Owners and Breeders of Montana Bred horses. The money generated is calculated according to the percentage of winning purse money for each horse.

2022 Owners and Breeders Bonus by Track

Track	Horses	Earnings	Breeders Bonus	Owner Bonus	ADW Owner	ADW Breeder	Total
Miles City	1	\$1,925.00	\$192.50	\$192.50	\$2,600.00	\$2,600.00	\$ 5,392.00
Great Falls	1	\$5,280.00	\$528.00	\$528.00	\$7,200.00	\$7,200.00	\$19,600.00

2023 Owners and Breeders Bonus by Track

Track	Horses	Earnings	Breeders Bonus	Owner Bonus	ADW Owner	ADW Breeder	Total
Miles City	2	\$9,350.00	\$935.00	\$935.00	\$4,707.20	\$4,707.20	\$ 10,274.40
Great Falls	3	\$8,305.00	\$830.05	\$830.05	\$3,769.80	\$3,769.80	\$9,259.70

Advanced Deposit Wagering

Statute 23-4-301 (7) States – The Board may license an advance deposit wagering hub operator to conduct advance deposit wagering. Advance deposit wagering is prohibited and illegal unless it is conducted through an advance deposit wagering hub operator licensed by the Board.

“Source Market Fees” paid to the Board are utilized to support the live horse racing industry. The funds are used to enhance purses, capital improvements and Owners and Breeders Bonuses.

Advanced Deposit Wagering Hubs

Year	# of Licensed Hubs	Funds Generated
2019	8	\$191,174.00
2022	10	\$338,662.38
2023	10	*\$342,496.83

In 2022 The Board allocated \$315,000.00 to the tracks for operations including purses, with another \$50,000.00 for equipment and capital improvements. In 2023 The Board allocated 360,000.00 for operations including purses and \$60,000.00 for capital improvements.

The Board no longer licenses Fantasy Sports and there is no longer a simulcast operator licensed in Montana. The Board debt was retired in 2019 retired.

Quick Review of 2022 and 2023 Horse Racing in Montana

Live racing at both Great Falls and Miles City has improved. Purses have more than doubled in two years. Both facilities are working to improve their facilities and equipment. We are seeing more individuals coming to Montana to race. The communities do a wonderful job of supporting live racing. Management works closely with the Board to continue to improve. The debt load for the Board has been retired.

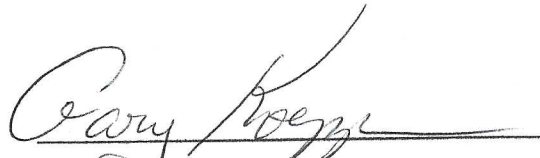
Looking Forward to 2024

The Board has allocated \$480,000 of Advanced Deposit Wagering funds to the live race meets for operations including purses. The 2023 legislature passed legislation giving the Board \$250,000.00 annually to utilize for the racing industry. The Board, has initiated a Montana Bred incentive program, using a portion of the legislative funds. This incentive program will award money to all Montana Bred horses that are official starters at either Miles City or Great Falls, no matter where they place in a race. These funds will be in addition to the existing Owners and Breeders program. A portion of the legislative funds are also earmarked for capital improvements. Miles City is improving their horse stalls and Great Falls is purchasing track equipment. The remaining legislative funds are allocated for purse structure. The bottom purses at both facilities excluding futurity trials are projected to be \$6,000.00 up from \$2,500.00 three years ago. Both facilities will have 6 days of racing.

Miles City and Great Falls have entered into an agreement with 307 Racing in Gillette Wyoming to start the Golden Triangle Race Series. The Golden Triangle series allows for bonuses to be won for older Quarter Horses and Thoroughbred Horses along with a 2-year-old Quarter Horse if it wins the Quarter Horse Futurity at all three facilities.



John Hayes, Chair
Montana Board of Horse Racing



Gary Koeplin, Executive Secretary