



March 3, 2023

Attention: Committee on Taxation

2023-2-24 Legislative Session

RE: HB 2434

To Whom It May Concern:

Position. I write to you in support of HB 2434 relating to historical horse racing machines, which would provide a much needed 3% tax revenue to the horse breeding development fund and the horse fair racing benefit fund.

The result of such funding can be impressive, supporting return of live horse racing to our Kansas economy. When Kansas lost that industry segment in the past, the many equine race horse breeders moved their businesses out of state creating a significant void in population and a direct negative impact to the economy.

Data. In 1996 when live horse racing was thriving in Kansas, there were 2,130 horses reported to be racing. In 2021, Kansas horses racing were fewer than 200. While the population has not changed much, the uses have changed with many horses in “new occupations”. Sedgwick and Reno counties were and continue to be the highest horse population distribution in the state. The 1996 survey shows that 53% of racing stock was Thoroughbred and 36% were Quarter Horses. 82% of the current population are still predominantly quarter horse type and thoroughbreds, classed as “light horses”. The 2021 survey, conducted by Kansas Horse Council, indicates that direct and indirect effects measured and tallied reveal the Kansas equine industry supports and is closely tied to about 2,600 jobs, \$150 million of all types of income, and \$280 million of total economic activity. Imagine the impact if live racing was back, bringing breeders to Kansas to be part of the action!

Summary. This HB 2434 tax revenue allocation could do great things to incentivize live racing with administrative and operational cost assistance and bringing breeders back to Kansas through awards and incentives. This 3% tax revenue credit would be the seed to grow the equine economic impact in Kansas exponentially, by direct and indirect effects, not to mention the agritourism boom that could be seen.

Respectfully submitted,

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