

**STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR**

In the matter of:

Jackson Raceway LLC

Application for a 2015 Standardbred Race Meeting License
and 2015 Simulcast Permit.

**ORDER DENYING JACKSON RACEWAY LLC A 2015 RACE MEETING LICENSE
AND 2015 SIMULCAST PERMIT**

Jackson Raceway LLC (applicant) filed an application for a 2015 Standardbred Race Meeting License and a 2015 Simulcast Permit. The application for a race meeting license is denied for the following reasons:

1. The applicant does not possess sufficient financial resources to conduct a race meeting. Specifically, but not limited to, the applicant has not:
 - a. Provided a capitalization plan to fund the purse money for live race dates. A letter submitted by the Michigan Harness Horsemen's Association (MHHA) on September 29, 2014, concerning the applicant states, "The anticipated daily purse structure is approximately \$38,000.00." Applicant requested 28 live race dates, and the estimated amount needed for purses would be \$1,064,000.00. Applicant admits he does not have that amount of money available to him.
 - b. Submitted documentation to show how the applicant will pay wages/salaries for employees if a race meet license were granted.
 - c. Specified a licensed racetrack at which the proposed race meeting will be held. Applicant submitted a lease between it and Jackson County, but Jackson County is not a licensed racetrack.

2. Without a race meeting license, a simulcast permit cannot be granted. MCL 431.318(2). Based on the following information, even if a race meeting license was granted, the following problems exist with granting a simulcast permit:
 - a. Applicant has not provided an adequate export simulcast wagering agreement, thereby failing to demonstrate its ability to conduct simulcasting in accordance with the Act.
 - b. Race meeting licensees largely depend on simulcasting revenues to sustain their live race meetings. The applicant has requested an insufficient number of simulcast dates to generate sufficient revenue to sustain a race meeting. This will result in a negative

impact on the simulcast purse pool account and future purse pool allotment to race meet licensees.

3. Granting the race dates requested may cause an unavailability of horses and/or may create harmful competition among tracks in the state.

IT IS ORDERED, as follows:

The 2015 Standardbred Race Meeting Application and 2015 Simulcast Permit request from Jackson Raceway LLC is denied.

IT IS SO ORDERED,

/s/

Richard S. Kalm, Executive Director
Michigan Gaming Control Board

Date: October 31, 2014