

**Lars Dahl**

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**From:** Edita Birnkrant <edita@nyclass.org>  
**Sent:** Wednesday, February 16, 2022 9:52 AM  
**To:** wamchair@nyassembly.gov; financechair@nysenate.gov  
**Subject:** NYCLASS TESTIMONY - Budget Hearing - Economic Development and Taxes

**Edita Birnkrant**  
**NYCLASS Testimony**

2022 Legislative Budget Hearing, February 16, 2022;  
Economic Development and Taxes

New Yorkers for Clean, Livable, and Safe Streets (NYCLASS) strongly supports passage of a package of bills that would redirect \$230 million yearly in annual subsidies in addition to ending unfair tax exemptions for the NY horse racing industry, and we believe that these bills should be included in the final enacted budget. The bills are: A.8468 (Rosenthal), (Senate companion bill pending by NY Senator Brisport) and A.7745 (Rosenthal) S.7260 (Salazar).

Horse racing is a sanctioned gambling business in New York, but unlike the casinos and lotteries that return billions to the state, racing drains hundreds of millions a year in earmarked subsidies and specialized tax benefits. No other state, including Kentucky, offers such generous perks to the privately owned businesses that comprise the racing industry. An industry with \$2.5 billion in annual wagering should support itself, and the vast majority of New York State residents agree. In fact, a February 2021 Marist poll found that 84% believe that racing subsidies should be redirected to education and human services, and we fully agree. These two bills seek to accomplish that.

Bill A. 7745/.S.7260 sponsored by New York State Assemblymember Linda B Rosenthal, and State Senator Salazar, would repeal millions of dollars in tax breaks for the purchases of horses eligible for racing.

The super wealthy should pay their fair share of taxes, whether they are purchasing a yacht, a private plane, or a racehorse. While every New Yorker has to pay sales tax on items like furniture, clothes, cars, electronics and appliances, the ultra-wealthy are unfairly getting millions in tax breaks to buy racehorses, many of whom are sent to slaughter once they are considered useless or injured.

New York is squandering millions of tax dollars that could be spent on schools, housing, senior programs and other essential human services. It's time to end this corporate welfare for an industry steeped in illegal doping, corruption, animal abuse and death of horses. Let's put those millions going into the pockets of the ultra-wealthy to good use helping New Yorkers who need it and making New York more humane for all.

The other bill in this package (A.8468/Rosenthal) would amend the tax law, to redirect the mandatory investment of funds received by the operators of "racinos" from wagers made on video lottery gaming, for certain horse races back to the public good.

As it stands now, New York State directs more than \$230 million in annual support payments to the horse racing industry, with a large portion of these payments being made to enhance purses. New York is squandering millions of tax dollars that could be spent on education.

It is absolutely absurd that the racing business alone has received billions in handouts when more than 1M businesses in New York with far more jobs and much greater economic impact receive no subsidies. **When the state subsidies were authorized years ago, the goal was to invest public dollars to assist the industry to become self-sufficient. Now the horse racing industry boasts about record profits, yet they are still collecting \$230M in annual taxpayer handouts.**

Major racing states like Kentucky, California, Illinois and Texas do not provide similar massive tax subsidies and their industries survive. Why should horse racing get special treatment in New York?

It's time to end this corporate welfare for an industry steeped in rampant illegal doping, corruption, animal abuse, and the unnecessary death of horses. **2,000 horses die on U.S. racing tracks every year, many more are injured, and thousands of racehorses discarded by the industry when no longer profitable are sent to slaughter every year. Over 100 horses have died on New York tracks in just the past year.**

**NYCLASS strongly urges passage of this package of bills, and we urge you to include the bills in the final enacted budget.**

Sincerely,

Edita Birnkrant  
Executive Director, NYCLASS

*NYCLASS (New Yorkers for Clean, Livable, and Safe Streets) is a 501(c)(4) non-profit organization founded in 2008 that works to enact animal welfare legislation into law and elect pro-animal candidates to office. NYCLASS is committed to changing the world for animals and seeks to create a truly humane society for all by passing New York City and State legislation, embracing grassroots efforts and on the street activism to educate and activate the public to protect animals and end abuse.*

[www.NYCLASS.org](http://www.NYCLASS.org)