<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>1</td>
</tr>
<tr>
<td>Message from the Horse PAC President</td>
<td>2</td>
</tr>
<tr>
<td>2014 Horse PAC Board of Directors</td>
<td>3</td>
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<td>Receipts</td>
<td>4</td>
</tr>
<tr>
<td>2014 Horse PAC Contributors</td>
<td>5</td>
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<tr>
<td>2014 Horse PAC Disbursements</td>
<td>7</td>
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<tr>
<td>Committee Profiles</td>
<td>14</td>
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<tr>
<td>2014 Legislative Summary</td>
<td>19</td>
</tr>
</tbody>
</table>
This annual report summarizes the 2014 activities of Horse PAC, the Federal Political Action Committee (PAC) of the National Thoroughbred Racing Association (NTRA). The Committee was activated in 2002 to promote and facilitate the accumulation of voluntary contributions from members of the NTRA and its subsidiaries and affiliates, for the support of political parties and candidates for elective office in the United States. As a multi-issue PAC, the Committee gives bipartisan support to federal political candidates who:

- Serve on Congressional committees that oversee livestock and agricultural issues, Internet gaming, taxation, immigration and the Interstate Horseracing Act
- Are established leaders
- Understand horse racing’s issues
- Have racetracks, OTBs, ADW facilities, breeding farms, training centers and other equine venues in their districts
- Are members of the Congressional Horse Caucus
- Are emerging leaders meriting “early support”

### Key Congressional Committees for the Thoroughbred Industry

<table>
<thead>
<tr>
<th>Committee</th>
<th>House/Senate</th>
<th>Issue(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>House and Senate</td>
<td>Livestock, equine identification, Farm Bill</td>
</tr>
<tr>
<td>Appropriations</td>
<td>House and Senate</td>
<td>Bills serve as vehicles for other provisions</td>
</tr>
<tr>
<td>Banking</td>
<td>Senate</td>
<td>Internet gaming</td>
</tr>
<tr>
<td>Commerce, Science &amp; Technology</td>
<td>Senate</td>
<td>Interstate Horseracing Act; general oversight for professional sports, including medication issues</td>
</tr>
<tr>
<td>Energy &amp; Commerce</td>
<td>House</td>
<td>Interstate Horseracing Act; general oversight for professional sports, including medication issues</td>
</tr>
<tr>
<td>Finance</td>
<td>Senate</td>
<td>Taxes and trade</td>
</tr>
<tr>
<td>Financial Services</td>
<td>House</td>
<td>Internet gaming</td>
</tr>
<tr>
<td>Homeland Security</td>
<td>House and Senate</td>
<td>Security for major racing events; anti-terrorism measures affecting consumers; immigration</td>
</tr>
<tr>
<td>Judiciary</td>
<td>House and Senate</td>
<td>Internet gaming, immigration</td>
</tr>
<tr>
<td>Ways &amp; Means</td>
<td>House</td>
<td>Taxes and trade</td>
</tr>
</tbody>
</table>
MESSAGE FROM THE HORSE PAC PRESIDENT

February 15, 2015

Horse PAC’s successes in 2014 included a return to pre-recession contribution and disbursement levels as well as passage of tax legislation benefitting the Thoroughbred industry.

The PAC ended 2014 with $293,405 in contributions – an increase of $48,485 over the prior year’s mark and the largest amount raised since 2007. Taken as a whole, the 2013/2014 election cycle produced $538,325 in Horse PAC contributions. A 10-year summary of PAC contributions appears on page 4.

Horse PAC disbursed $227,000 in 2014, edging the $225,500 given in the prior year for a total of $452,500 over the 2013/2014 cycle. This amount represents the largest two-year disbursement since the 2007/2008 cycle. Since its inception in 2002, Horse PAC has disbursed $2,952,879. A summary of Horse PAC disbursements begins on page 7.

Horse PAC supported 43 candidates and 16 leadership and Congressional PACs in 2014. Horse PAC-supported candidates won all 39 of their House contests and 3 of 4 Senate races for an impressive 97.6 percent success rate in the 2014 elections. The list of candidates supported appears on pages 10-12. The roster of Leadership PACs supported appears on page 13.

While racing’s 2013/2014 legislative agenda included numerous bills on issues ranging from immigration to Internet gaming and medication, the Congressional session as a whole produced little action. An important exception to this was the extension of several tax provisions germane to the horse racing industry, including accelerated depreciation for racehorses, bonus depreciation and higher levels for the Sec. 179 expense allowance. A summary of legislative issues impacting our industry begins on page 19.

More than 165 NTRA members – including 34 first-time donors – contributed to Horse PAC in 2014. Forty-four donors gave at the maximum level of $5,000, a 25 percent increase over 2013. A list of donors appears on pages 5-6.

The success of Horse PAC is due not only to the 500-plus donors who have contributed since 2002, but also to the fundraising efforts of the Horse PAC Board of Directors, led by Chairman William S. Farish, Jr. Together, our donors and directors have made Horse PAC the racing industry’s largest, most influential federal PAC. As we enter the 114th Congress in 2015, our industry is well-positioned to meet the challenges and opportunities that arise with every new legislative session.

Sincerely,

Margaret E. Hendershot
Horse PAC President
The Horse PAC by-laws allow up to 25 members on the Board of Directors. Board members are appointed by the Horse PAC President. The 2014 Horse PAC Board of Directors consisted of:

William S. Farish, Jr., Chairman

George B. Bolton
Case B. Clay^ 
Jerry Crawford *
Terrence P. Finley
John C. Harris
Wilhelmina McEwan
Terence J. Meyocks
Anne W. Poulson
Joseph V. Shields, Jr.
Alexander M. Waldrop

Margaret E. Hendershot
President

Amber Florence
Treasurer

Barbara Fossum
Assistant Treasurer

^Resigned August 31
*Resigned April 2
RECEIPTS

From inception through December 31, 2014, Horse PAC has raised: $3,386,401. The committee raised $344,137 for the 2011/2012 election cycle, and $538,325 for the 2013/2014 election cycle.
2014 HORSE PAC CONTRIBUTORS

CHAMPIONS – $5,000

Josephine E. Abercrombie  
John W. Amerman  
Barbara Banke  
Ramona Seeligson Bass  
George B. Bolton  
Alex G. Campbell, Jr.  
William A. Casner  
Cornelia G. Corbett  
Jenny Craig  
Adele B. Dilschneider  
Donald R. Dizney  
Irene S. Dizney  
Richard L. Duchossois  
Sarah Farish  
William S. Farish  
William S. Farish, Jr.  
Gerald & Kelli Ford  
Clay Hancock  
Deborah R. Hancock  
Seth Hancock  
Waddell W. Hancock II  
John C. Harris  
G.Watts Humphrey, Jr.  
David Ingordo  
Seth Klarman  
W. Bruce Lunsford  
Richard & Sue Ann Masson  
Elizabeth R. Moran  
Dory Newell  
Justin Nicholson  
Lisa Orth  
Ogden M. Phipps  
Anne & Richard Poulson  
Arthur Preston  
Andrew Rosen  
Richard Santulli  
Ernie Semersky  
Joseph V. Shields, Jr.  
Maury Shields  
Samantha Siegel  
Stella Ferguson Thayer  
Kenny A. Troutt  
Lisa C. Troutt  
Charlotte C. Weber

WINNERS – $2,500 - $4,999

CTBA PAC  
Emory A. Hamilton  
Wilhelmina McEwan  
Carl F. Pollard  
William W. Thomason, Jr.  
Alexander M. Waldrop

LEADERS – $1,000 - $2,499

Madeline Auerbach  
Craig & Holly Bandoroff  
Danzel Brendemuehl  
Chester & Mary Broman  
Bob R. Brooks, Jr.  
Ellen MacNeillie Charles  
Diane Connell  
Everett R. Dobson  
Terrence P. Finley  
Joe T. Ford  
E. K. Gaylord II  
Helen K. Groves  
Kostra Hronis  
R. D. Hubbard  
Robert G. Irvin  
Brereton C. Jones  
Kathy Jones  
Louisa W. Lenehan  
Beverly J. Lewis  
Jeffrey & Margery Lewis  
Earle I. Mack  
Terence J. Meyocks  
Jerome S. & Ann Moss  
Nick & Susan Nicholson  
J. Michael O’Farrell, Jr.  
Paul Oreffice  
Audrey W. Otto  
John C. Oxley  
Allen & Marjorie Schubert  
Barry K. Schwartz  
Stuart Subotnick  
E. Duncan Taylor  
Robert B. Trussell, Jr.
2014 HORSE PAC CONTRIBUTORS

SUPPORTERS – UP TO $999

John H. Barr
P. Headley Bell
Gary E. Bisantz
P. L. & Shirley Blake
Danny & Cindy Bockmon
Charles H. Boden
Anthony J. Braddock
James C. Brady
Allen & Susan Branch
Niall J. Brennan
Keith Chamblin
Patricia Chapman
Helen B. Chenery
Irving Cowan
Dr. John F. Crowe
Thomas A. Davis
John C. Davison
Art DeNio
Lou Dunn Diekemper
David Di Pietro
Orlando N. Di Rienzo
Deborah A. Easter
Morton Fink
Bertram & Diana Firestone
Vincent J. Foglia
Donna Freyer
Dr. Susan Galandik
Carl J. Gessler

C. Edward Glasscock
Roy D. Gottlieb
Anthony & Rebecca Greco
Bruce R. Grossman
William & Frances Hartwell
Thomas & Paula Haughey
Margaret E. Hendershot
Charles L. Hicks
Carolyn Hine
Ronna & Eric Hoffman
Carol Holden
Russell B. Jones, Jr.
Howard & Susan Kaskel
Lora Jean Kilroy
Dr. David L. Kyger
Peter Leidel
Wayne H. Lobdell
Preston Madden
Richard E. Mandella
Robert T. Manfuso
Don & Pam Mattox
John McDaniel
Tim McMurry
Greg Means
Tony Metaxas
Maurleen Miller
Herbert & Miriam Mittenhall
William I. Mott

Howard C. Nolan, Jr.
William Parsons, Jr.
Dr. Hiram C. Polk, Jr.
Diana P. Pulito
David W. Purcell
Tom Ramsey
C. Bradford Ray
Reuben F. Richards
Dr. Jack K. Robbins
Dr. Jack K. Robbins
Curtis Sampson
Peter G. Schiff
Lloyd Schwartz
Lane Seiger
Patricia K. Shirley
Michael Simpson
Gary P. Snoonian
William S. Sparks
Edwin Spaunhurst
Beverly R. Steinman
Eugene & Charlene Tenbrink
Mr. & Mrs. John T. Ward
Robert M. Watt III
Wheelock Whitney
Eric J. Wirth
Frank Wright

NTRA ADVANTAGE

Contributors to Horse PAC receive exclusive equine discounts on programs and services from nationally known companies like John Deere, Nationwide, Sherwin-Williams, Office Depot/OfficeMax, UPS and more through NTRA Advantage. When you use NTRA Advantage, a portion of your purchase price goes to support the equine industry. To enjoy the benefits call toll-free (866) 678-4289 or visit www.ntraadvantage.com before you buy!
### Federal Candidates by Amount*

<table>
<thead>
<tr>
<th>State</th>
<th>Amount</th>
<th>Rank</th>
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<tr>
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<td>4</td>
</tr>
<tr>
<td>FL</td>
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</tr>
<tr>
<td>NJ</td>
<td>$7,500</td>
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<thead>
<tr>
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<th>Amount</th>
<th>Rank</th>
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<tr>
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<td>DE</td>
<td>$2,500</td>
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<tr>
<td>IN</td>
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<td>NV</td>
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<tr>
<td>WI</td>
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<td>WA</td>
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<tr>
<td>MS</td>
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**Total $207,000**

---

*Excludes disbursements to political committees that are not associated with individual candidates.
## Federal Candidates by State

<table>
<thead>
<tr>
<th>State</th>
<th>Amount</th>
<th>Rank</th>
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<tbody>
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<tr>
<td>IL</td>
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<tr>
<td>IN</td>
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<tr>
<td>KY</td>
<td>$42,500</td>
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<tr>
<td>LA</td>
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<td>MA</td>
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<td>MS</td>
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<td>20</td>
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<tr>
<td>NE</td>
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<td>13</td>
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<tr>
<th>State</th>
<th>Amount</th>
<th>Rank</th>
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<tbody>
<tr>
<td>NJ</td>
<td>$7,500</td>
<td>11</td>
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<tr>
<td>NV</td>
<td>$2,500</td>
<td>17</td>
</tr>
<tr>
<td>NY</td>
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<td>2</td>
</tr>
<tr>
<td>OH</td>
<td>$10,000</td>
<td>9</td>
</tr>
<tr>
<td>OR</td>
<td>$10,000</td>
<td>10</td>
</tr>
<tr>
<td>TX</td>
<td>$12,500</td>
<td>7</td>
</tr>
<tr>
<td>VA</td>
<td>$15,000</td>
<td>6</td>
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<tr>
<td>WA</td>
<td>$2,000</td>
<td>19</td>
</tr>
<tr>
<td>WI</td>
<td>$2,500</td>
<td>18</td>
</tr>
</tbody>
</table>

**Total** $207,000

*Excludes disbursements to political committees that are not associated with individual candidates.*
2014 HORSE PAC DISBURSEMENTS

Federal Contributions: $227,000
House Candidates/PACs  76 percent  $173,000
Senate Candidates/PACs  24 percent  $54,000
Democratic Candidates  29 percent  $65,000
Republican Candidates  71 percent  $162,000

From inception through December 31, 2014, Horse PAC has disbursed $2,952,879.09. The committee disbursed $438,500 for the 2011/2012 election cycle and $452,500 for the 2013/2014 election cycle.

---

<table>
<thead>
<tr>
<th>Year</th>
<th>Disbursement</th>
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<tr>
<td>2005</td>
<td>$256,000</td>
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<tr>
<td>2006</td>
<td>$560,000</td>
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<tr>
<td>2007</td>
<td>$294,500</td>
</tr>
<tr>
<td>2008</td>
<td>$331,500</td>
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<td>$215,579</td>
</tr>
<tr>
<td>2010</td>
<td>$169,000</td>
</tr>
<tr>
<td>2011</td>
<td>$168,500</td>
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<tr>
<td>2012</td>
<td>$265,000</td>
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<tr>
<td>2013</td>
<td>$225,500</td>
</tr>
<tr>
<td>2014</td>
<td>$227,000</td>
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Total Disbursements to Date $2,952,879.09
# 2014 HORSE PAC DISBURSEMENTS

The following candidates and political committees received Horse PAC funds in 2014:

## United States House of Representatives

<table>
<thead>
<tr>
<th>House of Reps</th>
<th>Party</th>
<th>State</th>
<th>Re-election Year</th>
<th>2014 Disbursed</th>
<th>Congressional Committee(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim Costa</td>
<td>D</td>
<td>CA</td>
<td>2014</td>
<td>$2,500</td>
<td>Agriculture, Natural Resources</td>
</tr>
<tr>
<td>Jeff Denham</td>
<td>R</td>
<td>CA</td>
<td>2014</td>
<td>$2,500</td>
<td>Agriculture</td>
</tr>
<tr>
<td>Devin Nunes</td>
<td>R</td>
<td>CA</td>
<td>2014</td>
<td>$5,000</td>
<td>Ways &amp; Means</td>
</tr>
<tr>
<td>Adam Schiff</td>
<td>D</td>
<td>CA</td>
<td>2014</td>
<td>$1,500</td>
<td>Appropriations</td>
</tr>
<tr>
<td>Vern Buchanan</td>
<td>R</td>
<td>FL</td>
<td>2014</td>
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<td>Ways &amp; Means</td>
</tr>
<tr>
<td>David Jolly</td>
<td>D</td>
<td>FL</td>
<td>2014</td>
<td>$2,500</td>
<td>Transportation &amp; Infrastructure</td>
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<tr>
<td>Rich Nugent</td>
<td>R</td>
<td>FL</td>
<td>2014</td>
<td>$2,500</td>
<td>Armed Services, Administration, Rules</td>
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<tr>
<td>Tom Rooney</td>
<td>R</td>
<td>FL</td>
<td>2014</td>
<td>$5,000</td>
<td>Appropriations</td>
</tr>
<tr>
<td>Todd Young</td>
<td>R</td>
<td>IN</td>
<td>2014</td>
<td>$2,500</td>
<td>Ways &amp; Means</td>
</tr>
<tr>
<td>Brett Guthrie</td>
<td>R</td>
<td>KY</td>
<td>2014</td>
<td>$5,000</td>
<td>Energy &amp; Commerce, CHC</td>
</tr>
<tr>
<td>Hal Rogers</td>
<td>R</td>
<td>KY</td>
<td>2014</td>
<td>$5,000</td>
<td>Appropriations Chairman</td>
</tr>
<tr>
<td>John Yarmuth</td>
<td>D</td>
<td>KY</td>
<td>2014</td>
<td>$5,000</td>
<td>Budget, Energy &amp; Commerce</td>
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<tr>
<td>Charles Boustany, Jr.</td>
<td>R</td>
<td>LA</td>
<td>2014</td>
<td>$5,000</td>
<td>Ways &amp; Means</td>
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<tr>
<td>Richard E. Neal</td>
<td>D</td>
<td>MA</td>
<td>2014</td>
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<td>Ways &amp; Means</td>
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<tr>
<td>Adrian Smith</td>
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<td>Frank Pallone</td>
<td>D</td>
<td>NJ</td>
<td>2014</td>
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Congressional Horse Caucus (CHC)
## 2014 HORSE PAC DISBURSEMENTS

United States House of Representatives (continued)

<table>
<thead>
<tr>
<th>House of Reps</th>
<th>Party</th>
<th>State</th>
<th>Re-election Year</th>
<th>2014 Disbursed</th>
<th>Congressional Committee(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill Pascrell</td>
<td>D</td>
<td>NJ</td>
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<td>Ways &amp; Means</td>
</tr>
<tr>
<td>Chris Gibson</td>
<td>R</td>
<td>NY</td>
<td>2014</td>
<td>$5,000</td>
<td>Agriculture</td>
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<tr>
<td>Steve Israel</td>
<td>D</td>
<td>NY</td>
<td>2014</td>
<td>$5,000</td>
<td>House Democratic Leadership</td>
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<tr>
<td>Gregory Meeks</td>
<td>D</td>
<td>NY</td>
<td>2014</td>
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<tr>
<td>Tom Reed</td>
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<td>Ways and Means</td>
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<td>Paul Tonko</td>
<td>D</td>
<td>NY</td>
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<td>Energy &amp; Commerce, CHC Co-Chair</td>
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<tr>
<td>John Boehner</td>
<td>R</td>
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<td>House Speaker</td>
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<tr>
<td>Kurt Schrader</td>
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<td>2014</td>
<td>$5,000</td>
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<tr>
<td>Kevin Brady</td>
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<td>TX</td>
<td>2014</td>
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<td>Ways &amp; Means</td>
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<td>Kenny Marchant</td>
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<tr>
<td>Lamar Smith</td>
<td>R</td>
<td>TX</td>
<td>2014</td>
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<td>Judiciary</td>
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<tr>
<td>Eric Cantor</td>
<td>R</td>
<td>VA</td>
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<td>House Majority Leader</td>
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<tr>
<td>Bob Goodlatte</td>
<td>R</td>
<td>VA</td>
<td>2014</td>
<td>$5,000</td>
<td>Judiciary Chairman, Agriculture</td>
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<tr>
<td>Dave Reichart</td>
<td>R</td>
<td>WA</td>
<td>2014</td>
<td>$2,000</td>
<td>Ways &amp; Means</td>
</tr>
<tr>
<td>Paul Ryan</td>
<td>R</td>
<td>WI</td>
<td>2014</td>
<td>$2,500</td>
<td>Ways &amp; Means, Budget Chairman</td>
</tr>
<tr>
<td>NRCC</td>
<td>R</td>
<td>n/a</td>
<td>n/a</td>
<td>$5,000</td>
<td>National Republican Congressional Committee</td>
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**Total – House of Reps Candidates/PACs**: $127,000

Congressional Horse Caucus (CHC)
## 2014 HORSE PAC DISBURSEMENTS

### United States Senate

<table>
<thead>
<tr>
<th>Senate</th>
<th>Party</th>
<th>State</th>
<th>Re-election Year</th>
<th>2014 Disbursed</th>
<th>Congressional Committee(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Cotton</td>
<td>R</td>
<td>AR</td>
<td>2014</td>
<td>$5,000</td>
<td>Non-incumbent</td>
</tr>
<tr>
<td>Mark Pryor</td>
<td>D</td>
<td>AR</td>
<td>2014</td>
<td>$4,000</td>
<td>Appropriations</td>
</tr>
<tr>
<td>Chris Coons</td>
<td>D</td>
<td>DE</td>
<td>2014</td>
<td>$2,500</td>
<td>Budget, Judiciary</td>
</tr>
<tr>
<td>Rand Paul</td>
<td>R</td>
<td>KY</td>
<td>2016</td>
<td>$2,500</td>
<td>Health, Education, Labor &amp; Pensions</td>
</tr>
<tr>
<td>Thad Cochran</td>
<td>R</td>
<td>MS</td>
<td>2014</td>
<td>$1,000</td>
<td>Agriculture</td>
</tr>
<tr>
<td>NRSC</td>
<td>R</td>
<td>n/a</td>
<td>n/a</td>
<td>$15,000</td>
<td>National Republican Senatorial Committee</td>
</tr>
<tr>
<td><strong>Total – Senate</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$30,000</strong></td>
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</tr>
</tbody>
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Horse PAC seeks refunds from retiring candidates; however, those refunds are made at the candidates’ discretion. Candidates may choose to refund none, part or all of a contribution.
# 2014 HORSE PAC DISBURSEMENTS

## Federal Leadership PACs

<table>
<thead>
<tr>
<th>Associated Candidate</th>
<th>Party</th>
<th>State</th>
<th>House/Senate</th>
<th>2014 Disbursed</th>
<th>PAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Boozman</td>
<td>R</td>
<td>AR</td>
<td>S</td>
<td>$1,500</td>
<td>Arkansas for Leadership PAC</td>
</tr>
<tr>
<td>Charles Boustany, Jr.</td>
<td>R</td>
<td>LA</td>
<td>H</td>
<td>$5,000</td>
<td>Committee for Preservation of Capitalism (CPC)</td>
</tr>
<tr>
<td>Eric Cantor</td>
<td>R</td>
<td>VA</td>
<td>H</td>
<td>$5,000</td>
<td>Every Republican is Crucial (ERIC PAC)</td>
</tr>
<tr>
<td>Joe Crowley</td>
<td>D</td>
<td>NY</td>
<td>H</td>
<td>$5,000</td>
<td>Jobs, Opportunities, &amp; Education (JOE-PAC)</td>
</tr>
<tr>
<td>Brett Guthrie</td>
<td>R</td>
<td>KY</td>
<td>H</td>
<td>$5,000</td>
<td>BRETTPAC</td>
</tr>
<tr>
<td>Dean Heller</td>
<td>R</td>
<td>NV</td>
<td>S</td>
<td>$2,500</td>
<td>HellerHighWater PAC</td>
</tr>
<tr>
<td>Kevin McCarthy</td>
<td>R</td>
<td>CA</td>
<td>H</td>
<td>$5,000</td>
<td>Majority Committee PAC</td>
</tr>
<tr>
<td>Mitch McConnell</td>
<td>R</td>
<td>KY</td>
<td>S</td>
<td>$5,000</td>
<td>Republican Party of Kentucky (Federal Fund)</td>
</tr>
<tr>
<td>Mark Pryor</td>
<td>D</td>
<td>AR</td>
<td>S</td>
<td>$5,000</td>
<td>Priority PAC</td>
</tr>
<tr>
<td>Hal Rogers</td>
<td>R</td>
<td>KY</td>
<td>H</td>
<td>$5,000</td>
<td>Help America’s Leaders PAC (HALPAC)</td>
</tr>
<tr>
<td>Pete Roskam</td>
<td>R</td>
<td>IL</td>
<td>H</td>
<td>$5,000</td>
<td>ROSKAM PAC</td>
</tr>
<tr>
<td>Linda Sanchez</td>
<td>D</td>
<td>CA</td>
<td>H</td>
<td>$1,000</td>
<td>Democrats Reshaping America (DREAMPAC)</td>
</tr>
<tr>
<td>Pat Tiberi</td>
<td>R</td>
<td>OH</td>
<td>H</td>
<td>$5,000</td>
<td>Pioneer PAC</td>
</tr>
<tr>
<td>Ron Wyden</td>
<td>D</td>
<td>OR</td>
<td>S</td>
<td>$5,000</td>
<td>Holding Onto Oregon’s Priorities PAC</td>
</tr>
<tr>
<td>John Yarmuth</td>
<td>D</td>
<td>KY</td>
<td>H</td>
<td>$5,000</td>
<td>Article 1 PAC</td>
</tr>
<tr>
<td><strong>Total Leadership</strong></td>
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<td></td>
<td></td>
<td><strong>$70,000</strong></td>
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</tr>
</tbody>
</table>

## GRAND TOTAL

$227,000

Leadership PACs enable politicians to donate to other candidates, thereby building relationships with their peers. These relationships are critical to Members of Congress who may be seeking a leadership position in Congress, a higher office, or greater leverage within their own party as they demonstrate their fund-raising ability. Candidates who form Leadership PACs are signaling their intent to build their political influence. Leadership PACs also provide a way for candidates to fund their travel, administrative expenses, consultants, polling and other non-campaign expenses.
COMMITTEE PROFILES

Horse PAC focuses on candidates who understand racing’s issues, serve on committees that oversee the industry, have racetracks and other racing-related industries in their districts, serve in leadership roles, are members of the Congressional Horse Caucus or are emerging leaders meriting early support.

Most candidates supported by Horse PAC meet these criteria in multiple ways by serving on several committees that oversee different aspects of the racing industry, having equine industries in their districts or by belonging to an influential leadership group.

At the same time, Horse PAC may support candidates who understand horse racing’s issues but do not have a substantial racing industry in their state or serve on a committee that has direct oversight of the industry. Each candidate is evaluated on his or her individual merits.

Key committees for Thoroughbred horse racing include the following:

**Agriculture (House of Representatives and Senate)**

**Agriculture Committee (House)**
- 46 Members/25 Republicans, 21 Democrats
- Rep. Frank D. Lucas (R-OK), Chair
- Rep. Collin C. Peterson (D-MN), Ranking Member

**Agriculture, Nutrition and Forestry Committee (Senate)**
- 20 Members/11 Democrats, 9 Republicans
- Sen. Debbie Stabenow (R-MI), Chair
- Sen. Thad Cochran (R-MS), Ranking Member

Both House and Senate Agriculture Committee members receive contributions from producers of agricultural and forestry products. The Agriculture committee regulates commodities as well, helping members draw contributions from the financial sector. For horse racing, the Agriculture committees oversee matters such as equine disease, animal welfare issues and the Farm Bill, which governs the nation’s agricultural policy and farm conservation programs.

In 2014, Horse PAC supported five Representatives from the House Agriculture Committee. Candidates hailed from California, New York, Oregon and Virginia. Horse PAC supported three Senators from the Senate Agriculture, Nutrition and Forestry Committee, either through their re-elect campaigns or Leadership PACs. Candidates represented Kentucky, Mississippi and New York.
COMMITTEE PROFILES

Appropriations (House of Representatives and Senate)

Appropriations (House)
- 51 Members/29 Republicans, 22 Democrats
- Rep. Hal Rogers (R-KY), Chair
- Rep. Nita M. Lowey (D-NY), Ranking Member

Appropriations (Senate)
- 30 Members/16 Democrats, 14 Republicans
- Sen. Barbara A. Mikulski (D-MD), Chair
- Sen. Richard C. Shelby (R-AL), Ranking Member

The Appropriations committee determines annual funding for every government agency. As “must pass” legislation, appropriations bills often are a source of bill riders containing language to block or halt regulatory actions opposed by a specific industry or to hasten measures supported by an industry. Committee members attract donations from a wide spectrum of industries, especially those that benefit from government contracts.

In 2014, Horse PAC supported three Representatives from the House Appropriations Committee. Candidates hailed from California, Florida and Kentucky. Horse PAC also supported four Senators from the Senate Appropriations Committee, either through their re-elect campaigns or Leadership PACs. Candidates represented Arkansas, Kentucky and Mississippi.

Banking

Banking, Housing, and Urban Affairs (Senate)
- 22 Members/12 Democrats, 10 Republicans
- Sen. Tim Johnson (D-SD), Chair
- Sen. Michael D. Crapo (R-ID), Ranking Member

The Senate Banking, Housing, and Urban Affairs Committee has jurisdiction over the nation’s financial markets, banks and insurance companies. Banking functions that impact horse racing include Internet wagering, which the sport has offered since 2000.

In 2014, Horse PAC supported one Senator from the Senate Banking Committee, through his Leadership PAC. The candidate represented Nevada.
COMMITTEE PROFILES

Commerce (House of Representatives and Senate)

Energy and Commerce Committee (House of Representatives)
- 55 Members/31 Republicans, 24 Democrats
- Rep. Fred Upton (R-MI), Chair
- Rep. Henry A. Waxman (D-CA), Ranking Member

The House Energy and Commerce Committee has authority over issues that include telecommunications and health care. Like its counterpart in the Senate, the committee also oversees professional sports and their related medication issues, as well as horse racing through the Interstate Horseracing Act (IHA), the federal law that governs interstate pari-mutuel horse racing.

In 2014, Horse PAC supported four members of the House Energy and Commerce Committee. Members represented Kentucky, New Jersey and New York.

Commerce, Science and Technology (Senate)
- 23 Members/13 Democrats, 10 Republicans
- Sen. Jay Rockefeller (D-WV), Chair
- Ranking Member (Vacant)

The Senate Commerce, Science, and Transportation Committee has jurisdiction over telephone utilities, broadcast and cable companies, airlines, highways, computer companies, Internet commerce, professional sports and their related medication issues, as well as horse racing through the Interstate Horseracing Act (IHA).

In 2014, Horse PAC supported two members of the Senate Commerce Committee through their re-elect campaigns and/or Leadership PACs. The candidates represented Arkansas and Nevada.

Finance (also see section on Taxes, below)

Financial Services (House of Representatives)
- 61 Members/33 Republicans, 28 Democrats
- Rep. Jeb Hensarling (R-TX), Chair
- Rep. Maxine Waters (D-CA), Ranking Member

The Financial Services Committee has jurisdiction over commercial banks and savings and loans along with the insurance and securities industries. The committee’s oversight of banking matters means that it is involved with Internet gaming issues that impact horse racing.

In 2014, Horse PAC supported two members of the Financial Services Committee, representing California and New York.
Committee Profiles

Homeland Security

Homeland Security (House of Representatives)
• 32 Members/18 Republicans, 14 Democrats
• Rep. Michael McCaul (R-TX), Chair
• Rep. Bennie Thompson (D-MS), Ranking Member

The Homeland Security Committee oversees the Department of Homeland Security. For horse racing, the committee’s work intersects with security measures for sporting events, anti-terrorism measures affecting consumers and businesses, and immigration.

In 2014, Horse PAC supported two members of the Homeland Security Committee, representing California and Texas.

Judiciary (House of Representatives and Senate)

Judiciary Committee (House)
• 40 Members/23 Republicans, 17 Democrats
• Rep. Robert W. Goodlatte (R-VA), Chair
• Rep. John Conyers (D-MI), Ranking Member

The House Judiciary Committee oversees all aspects of the U.S. legal system, including bankruptcy, immigration, and copyright and antitrust law. For horse racing, the Committee’s work impacts immigration and Internet gaming.

In 2014, Horse PAC supported two members of the House Judiciary Committee. Candidates represented Texas and Virginia.

Judiciary Committee (Senate)
• 18 Members/10 Democrats, 8 Republicans
• Sen. Patrick Leahy (D-VT), Chair
• Sen. Chuck Grassley (R-IA), Ranking Member

Senate Judiciary Committee members attract donations from lawyers and other interest groups—including the financial, computer, telecommunications, and entertainment industries—that are impacted by the nation’s justice system and issues such as bankruptcy, immigration, copyright and antitrust. Horse racing’s interests before this committee include immigration and Internet gaming.

In 2014, Horse PAC supported one member of the Senate Judiciary Committee, representing Delaware.
COMMITTEE PROFILES

Taxes (House of Representatives and Senate)

Ways & Means (House)

- 39 Members/ 23 Republicans, 16 Democrats
- Rep. Dave Camp (R-MI), Chair
- Rep. Sander M. Levin (D-MI), Ranking Member

The Ways & Means Committee is responsible for originating all tax bills in the House. The scope and influence of its work is so great that its members generally are prohibited from serving on other Congressional committees. The Ways & Means Committee oversees tax legislation that is rolled into behemoth bills known as “legislative vehicles.” These vehicles contain thousands of provisions, making them attractive to lobbyists and industries seeking “must pass” legislation to move a particular bill. Members of the Ways & Means Committee typically attract donations from a variety of sources, including mega industries such as health care and insurance.

In 2014, Horse PAC supported 15 members of the Ways & Means Committee, either through their re-elect campaigns or Leadership PACs. Candidates represented California, Florida, Illinois, Indiana, Louisiana, Massachusetts, Nebraska, New Jersey, New York, Ohio, Texas, Washington and Wisconsin.

Finance Committee (Senate)

- 24 Members/13 Democrats, 11 Republicans
- Sen. Ron Wyden (D-OR), Chair
- Sen. Orrin G. Hatch (R-UT), Ranking Member

The Finance Committee is the Senate’s counterpart to the House’s Ways & Means Committee, described above. Both are responsible for writing the nation’s tax policy. The Finance Committee also has jurisdiction over Medicare, Social Security, health care and international trade. Horse racing is most impacted by the committee’s tax work and its jurisdiction over employment matters such as health care.

In 2014, Horse PAC supported one member of the Finance Committee, who represented Oregon.

(Committee analysis provided in part by OpenSecrets.org)
As the trade association for the Thoroughbred industry, NTRA focuses its lobbying on legislation having direct and material effect on its members and their business activities as they relate to racehorse racing, breeding and pari-mutuel wagering. With the American Horse Council, the NTRA also supports Congressional education programs on issues such as agricultural matters and immigration, which affect the horse industry as a whole. Below is a summary of the major legislative issues for horse racing in the second half of the 113th Congress.

**Taxes**

In a year marked by Congressional stalemates, the post-election Lame Duck session proved the most fruitful for the horse racing industry.

On December 16, a provision that retroactively extended three-year tax depreciation for all racehorses was passed by the United States Senate as part of H.R. 5771, the Tax Increase Prevention Act of 2014. The House of Representatives overwhelmingly passed H.R. 5771 earlier that month to extend retroactively through the end of 2014 numerous provisions that expired or were reduced at the end of 2013.

With the support of Senator Mitch McConnell (R-KY), the three-year depreciation schedule originally passed into law as part of the 2008 Farm Bill, giving the provision a five-year life span. In anticipation of the bill’s sunset, Rep. Andy Barr (R-KY) in 2013 introduced the provision in a standalone bill, the Race Horse Cost Recovery Act, which became part of H.R. 5771.

“The renewal of three-year tax depreciation for racehorses indicates that lawmakers understand the contributions our industry makes to job creation and the country’s overall economic health,” said Alex Waldrop, NTRA President and CEO. “We are especially grateful to Senate Minority Leader Mitch McConnell and Rep. Andy Barr for their leadership and support of this provision, which is so important to horse owners and breeders.”

The provision allows taxpayers to depreciate racehorses 24 months of age and younger when purchased and placed into service on a three-year schedule as opposed to a seven-year schedule. The accelerated schedule better reflects the length of a typical racehorse’s career and is more equitable for owners.

H.R 5771 also retroactively extends two other provisions that spur investment in racehorses:

“Bonus depreciation” permits taxpayers to depreciate in the first year 50 percent of qualified new depreciable property purchased and placed into service. Yearlings that an owner purchases and puts into a training program are one example of eligible property.
2014 LEGISLATIVE SUMMARY

The “Section 179 expense allowance” remains set at $500,000, with a $2 million threshold for qualified new or used property purchased and placed in service. Total purchases of qualified property that exceed $2 million reduce the taxpayer’s expense allowance dollar for dollar. This provision applies to numerous businesses and activities within the Thoroughbred industry, including broodmare purchases; mares are eligible as used property because of their prior use as a racehorse or broodmare.

Tax reform that would have reduced the capital gains holding period for horses from two years to one and given the industry greater parity with other investments did not pass in 2014. The Equine Tax Parity Act, introduced in March 2013, received no further action in the 113th Congress but remains a priority for the NTRA in the 114th Congress.

IRS Reporting and Withholding Thresholds

In 2014, 17 members of Congress joined in supporting another key initiative of the NTRA, a move to request that the IRS clarify its definition of the “cost of a wager” in determining whether a winning horse player is subject to IRS reporting and withholding.

Senior members of the Department of Treasury subsequently met with the NTRA and other industry participants to learn more about the withholding issue. Also in attendance was Rep. John Yarmuth (D-KY), who has been instrumental in building support for modernizing current withholding rules to better and more fairly represent today’s wagering menu.

Treasury Department officials indicated that action may be forthcoming as part of a review of IRS Form W2-G, used by taxpayers to report gambling winnings and any federal income tax withheld on those winnings. NTRA continues to work with the Treasury Department as well as supporters on Capitol Hill to change the definition of a bet or a wager.

By way of background, horse players wagering on pari-mutuel races currently are subject to reporting of winnings of $600 or more and automatic federal tax withholding on pari-mutuel winnings of $5,000 or more at odds of at least 300-1. The “cost of a wager,” now defined simply as the single winning bet the player makes (versus the total investment made), is at the center of these calculations, which frequently trigger reporting and/or withholding for horse players. Withholding reduces players’ liquidity during handicapping and adversely impacts pari-mutuel handle and purses. Withholding levels for pari-mutuel winnings were last changed (from $1,000 to $5,000) in 1992. Reporting levels have not changed since the mid-1970s.

As we go to press, this matter remains under review by Treasury officials. Visit the NTRA’s Web site, NTRA.com, for updates.
Farm Bill
Congress passed a Farm Bill in 2014 whose provisions included expanded crop insurance in lieu of direct payment programs; restored and made permanent livestock disaster assistance (retroactive to 2011), which applies to horses, among other forms of livestock; consolidated conservation programs to improve local accountability and address regional priorities; authorized $880 million in funding for on-farm energy programs; and authorized $100 million for the Beginning Farmers and Ranchers Development Program.

Online Gambling
The question of whether to provide a federal tax and regulatory structure for online gambling (other than pari-mutuel wagering on horse racing, which is already regulated under the federal Interstate Horseracing Act), remained unresolved at the end of 2014. Bills that would have provided a federal apparatus languished while on the opposite end of the spectrum, casino mogul Sheldon Adelson sought an outright ban on online gambling.

In the meantime, states forged ahead with plans to allow online wagering with varying degrees of success. Nevada and Delaware created an interstate compact to allow online poker; New Jersey is offering online gaming but has stumbled with implementation of sports betting, which is opposed by most major sports leagues. The issue remains mired in the courts. Other states, including California, have online gambling under consideration, with online poker considered the most viable option. Several states, including Illinois, have also moved into online lottery sales, with Kentucky expected to join this growing list.

Animal Welfare
For over a decade, a variety of efforts have been made to secure a federal ban on horse slaughter with mixed results. No ban currently exists but states have shown little sustained interest in having equine slaughter facilities and currently none operate in the U.S. A chief proponent of efforts to ban horse slaughter, Sen. Mary Landrieu (D-LA), lost her re-election bid in 2014.

The Horseracing Integrity and Safety Act, introduced in 2013, would provide the U.S. Anti-Doping Agency with authority to regulate and enforce medication usage for racehorses competing in races with simulcast wagering. Several Congressional hearings were held on the bill but a truncated Congressional calendar, occasioned by the 2014 elections, and a plethora of Congressional issues resulted in little action for the bill in the second half of the 113th Congress.
Immigration

Efforts at comprehensive immigration reform begun by the U.S. Senate in 2013 floundered in the House of Representatives in 2014. The White House responded to the impasse with an Executive Order (EO) in late November 2014 that would have extended legal rights to several million undocumented aliens.

According to the White House, the EO would help secure the border; prioritize deportations to focus on terrorists and felons; hold undocumented immigrants accountable by requiring them to pass a criminal background check and pay their fair share of taxes; and modernize the legal immigration system.

More than 20 states have joined efforts to overturn the EO, saying it is unconstitutional. The issue is likely to remain in the judicial system for the next several months.

2015 Outlook

Horse PAC continues its strategy of bipartisan support, giving highest priority to Senate candidates who are up for re-election in 2016 and to House members who serve on the committees that oversee key business areas for horse racing and breeding, such as taxes, Internet gaming, immigration and agriculture. Renewal of the three-year depreciation schedule for racehorses remains a priority, spelling continued focus on disbursements to members of the tax-writing committees in the House and Senate.
Special thanks to our Founding Supporters who have given to Horse PAC every year since its inception:

Gary Biszantz
Alexander G. Campbell, Jr
Bill Casner
John C. Harris
Mrs. Robert Lewis

And to Samantha Siegel, who continues the legacy of her late father, Founding Supporter Mace Siegel.
Horse PAC, the Federal Political Action Committee (PAC) of the National Thoroughbred Racing Association, was activated to support Federal elected officials who are interested in issues that affect pari-mutuel horse racing. Contributions to Horse PAC are accepted from NTRA members only. Contributions from outside this restricted class will be returned to the contributor. As an NTRA member, you can choose to participate in the PAC or decline. The NTRA will not favor or disfavor members according to donations. Suggested contribution amounts are merely a suggestion. Members should feel free to contribute more – up to the legal maximum of $5,000 per year – or less than the suggested contribution, or not at all. Federal law requires us to use our best efforts to collect and report the name, mailing address, and occupation and the name of the employer of individuals whose contributions exceed $200 in a calendar year. Contributions to Horse PAC will be used to support or oppose candidates for public office. Contributions to Horse PAC are not tax-deductible.
FOR MORE INFORMATION CONTACT:

Margaret E. Hendershot  
President, Horse PAC

(859) 621-6929