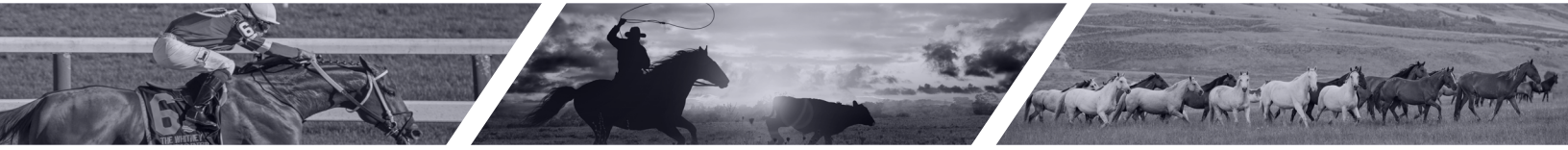


Investing in the Texas Horse and Agriculture Economy



The Texas horse industry has a long history and a prominent place in our society. That history spans generations and has been bred into the fabric of our culture and the hearts of our people.

In 2019 the legislature enacted HB 2463 allowing for a portion of sales tax proceeds from horse-related products to be put back into the industry through a grant program benefiting all facets of the horse industry bringing more dollars back to Texas.



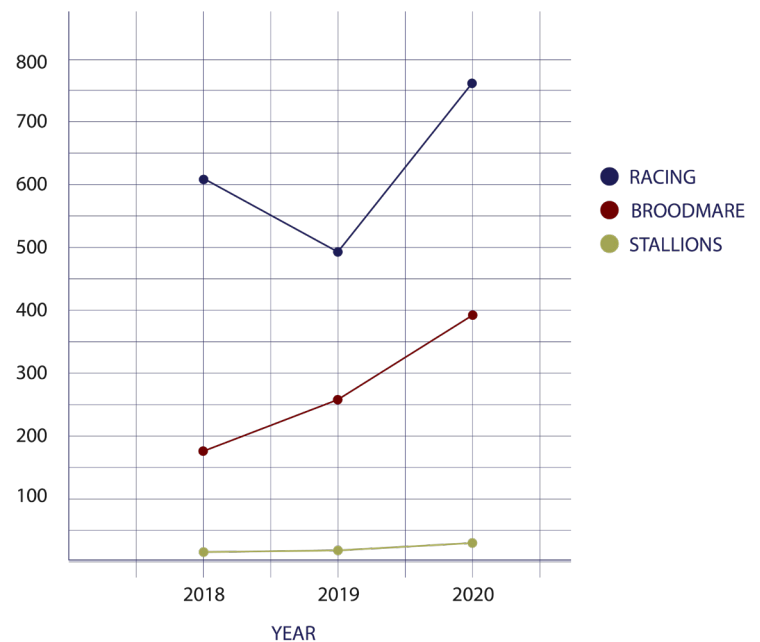
HB 2463 leverages dollars the horse industry already generates to help restore this vital area of Texas's heritage and economy.¹

Reinvested Dollars – Up to \$25M Annually
Estimated New Jobs – 1,800

Non-racing events that will grow the Texas horse industry

- Incentives for breeding more Texas horses
- Support of equine therapy for veterans
- Re-Training and adoption for retired racehorses
- Support for 4-H clubs and equine programming
- Strengthening multi-discipline equine events across the state

Historic Quarter Horse Accreditation



Highlights From Race Meets in 2020 despite impact of COVID-19

Lone Star Park Thoroughbred Meet

Daily Handle	\$2.2M	↑131%
Purse Increase	\$95k	↑34%
Horses per Race		↑20%

Sam Houston Thoroughbred Meet

Total Handle	↑49%
Horses Started	↑31%

Retama Park Quarter Horse Race Meet

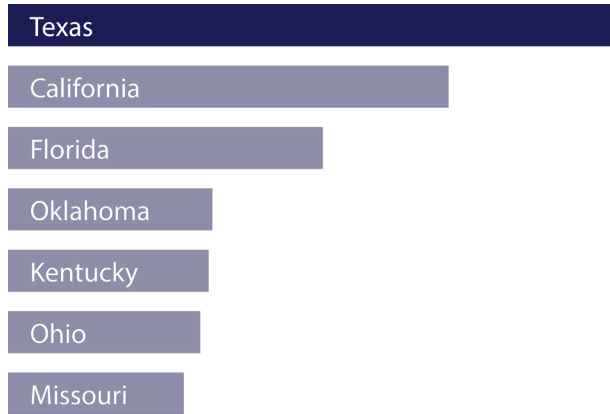
Daily Purse	\$81k	↑65%
Horses Started		↑75%
Horses Entered		↑12%

¹ "The Potential Economic & Fiscal Impacts of Enhanced Purses for Texas' Horse Racing"; Capital Consultants; TXP, INC, 2019

A Storied Industry of Texas

Whether from the working horses on ranches across the state, the rodeo horses that keep the cowboys and cowgirls going, the athletes thundering down a racetrack or the pony with a saddle that a young child is learning to ride; Texas' connection with horses runs deep.

Texas leads the nation's horse economic sector with an estimated 780,000 horses in the state.

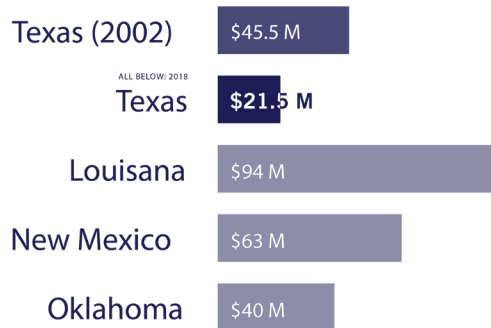


The horse industry represents an estimated output of over \$5B annually to the state's economy – supporting 52,000 permanent jobs.²

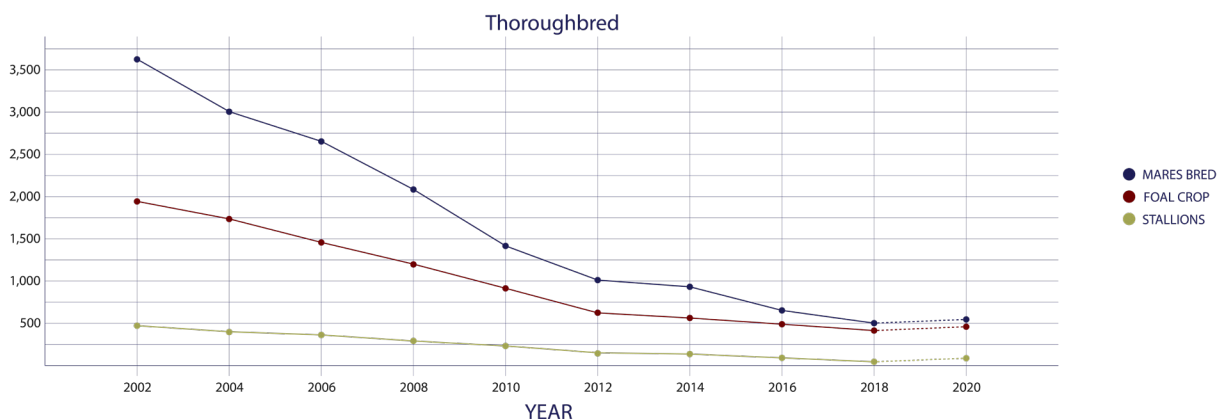
Impact From Out-of-State

Our Texas horse breeding and racing industries have been severely impacted by the fact that all of our neighboring states use casino gaming revenues to boost purses and support their racing and breeding industries.

Prior to the passage of HB 2463, Texas has seen a loss of horse owners, breeders, trainers, and supporting jobs to states where purses and breeder's awards are much higher. As purses have declined, the number of horses bred in Texas follows suit. The wisdom of the legislature has put Texas back in competition with other states.



At it's peak in 2002: Texas racing businesses competed for \$45.4 million in purses.



²"Texas Equine Industry Study"; Texas Department of Agriculture, Texas A&M Equine Initiative and Texas A&M AgriLife Research, 2015