



New Mexico Horsemen's Association
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March 6, 2024

Dear Governor Michelle Lujan-Grisham:

On January 26, 2024, we wrote to you and members of the New Mexico Legislature to discuss a very troubling situation which is affecting the lives and livelihood of the more than 3,500 individuals we represent who actively participate in thoroughbred and quarter horse racing in the State of New Mexico. We heard from and met with numerous members of the legislature. However, we did not hear anything from your office.

Perhaps you saw or were told of the incredible accomplishment that occurred two weeks ago when, Senor Buscador won the richest horserace in the world, the \$20 million-dollar Saudi Cup in Saudi Arabia. That special horse was trained by our own native son, Todd Fincher. Since that glorious victory, the eyes of the horse racing world have inquired and focused upon New Mexico horse racing like never before.

Rather than flourish and bask in the glory of a win rivaled only in importance by the Kentucky Derby, New Mexico racing continues to face a horrible dark side which has only worsened since our last call to you to intervene and take meaningful action.

The New Mexico Racing Commission ("NMRC"), who is comprised of individuals chosen solely by you, have failed in their mission. The New Mexico Racing Commission's website states their **Mission** is the following:

*"We exist to provide regulation in an equitable manner to New Mexico's pari-mutuel horseracing industry to protect the interest of wagering patrons and the State of New Mexico in a manner which promotes a **climate of economic prosperity for horsemen, horse owners and racetrack management.**"*

Rather than follow their "mission" of promoting a climate of economic prosperity for horsemen, horse owners and racetrack management, the New Mexico Racing Commission holds meetings where they **refuse** to allow any public comments or allow any members of the New

Mexico horsemen to speak or provide information. In fact, in the most recent meeting of the NMRC which took place on February 22, 2024, the unprofessional nature of these commission meetings reared its ugly head when the commission allowed racetrack management to call the New Mexico Horsemen's Association and other horsemen's groups in states such as Arizona, Kentucky, Ohio, Oklahoma, Pennsylvania and other states "**terrorists**"!

Perhaps the commissioners appointed by you found humor in the comments that cowardly bash the hardworking citizens of New Mexico, however, we take extreme offense to the comments. Calling organizations who serve to protect New Mexico citizens and people who do business in the State of New Mexico "terrorists" is vile and disgusting. The inability of the New Mexico Racing Commission to follow its mission and allow these types of meeting to occur without ramifications further exemplifies why the current commissioners are not fit to serve their positions and do not act in the best interest of horseracing in New Mexico.

Since that last New Mexico Racing Commission meeting, our New Mexico Horsemen's Association State Board members have come under attack. The New Mexico Racing Commission has threatened to violate the civil rights of our members and abuse the power granted to them by taking the license of owners and trainers in horse racing. The retaliatory acts of the New Mexico Racing Commission will continue to cost the taxpayers of New Mexico millions of dollars from their callous disregard of the law. The racetracks have also informed trainers and owners that they will not be allowed to have stalls at the tracks. These actions will force those trainers and owners to leave the State of New Mexico and run in other states, such as Arizona, Colorado, Texas or Louisiana. The local municipalities will lose hundreds of thousands of dollars in local revenues and taxes from the continued retaliatory acts of your hand selected New Mexico Racing Commissioners.

As a further result of the actions and collusion between the New Mexico Racing Commission and its member Association racetracks, another lawsuit has been filed against them in federal court to force the New Mexico Racing Commission to follow NMAC and federal law. This will again cost the taxpayers hundreds of thousands if not millions of dollars in damages and attorney fees.

As you should be aware, numerous other lawsuits have been filed against the New Mexico Racing Commission which have already cost the taxpayers millions of dollars. Because of the actions of these hand-selected individuals, appointed to the New Mexico Racing Commission by you, more lawsuits have had to be defended and continue to be defended at the expense of the taxpayers of New Mexico. We informed you of an example of one of the lawsuits, which the NMHA was forced to file to stop the abuses of the New Mexico Racing Commission from *pilfering* of horsemen's purse money. In *New Mexico Horsemen's Association v. New Mexico Racing Commission, et al*, No. D-202-CV-2020-0564 County of Bernalillo, Second Judicial District Court, the Hon. Judge Victor S. Lopez found that the actions of the New Mexico Racing Commission exceed the terms of its rule promulgating authority and circumvented the New Mexico Legislature. The actions of the New Mexico Racing Commission were found to be unlawful.

The Hon. Judge Lopez specifically found:

"It is not the Commission's role to decide and implement policy which would essentially allow the skimming of racing revenue."

Consequently, the New Mexico horsemen were "shorted" more than **\$9 million dollars (\$9,000,000.00)** in purse money dedicated to the hardworking men and women who participate in horse racing in New Mexico! Desperate not to pay the judgment, the New Mexico Racing Commission began and continue to take retaliatory acts against the New Mexico horsemen.

Over the past month, national publications such as Bloodhorse and Paulick Report have begun to investigate the abuses occurring in New Mexico from the current racing commission. Local newspapers have also inquired and begun investigations of these abuses.

The abuses by the New Mexico Racing Commission and their refusal to follow federal and state law has resulted in other states refusing to do business in the state of New Mexico. In particular, the horsemen of Kentucky **refuses** to send their simulcast signal to the State of New Mexico. ***This means that not a single person in the State of New Mexico will be allowed to legally wager on the 2024 Kentucky Derby!***

On January 31, 2024, the Blood Horse magazine a national publication, discussed the decision not to allow New Mexico to simulcast or wager on the Kentucky Derby. In that article, Rick Hiles, the President of the Kentucky Horsemen's Benevolent and Protective Association discussed his decision to withhold the simulcast signal from Kentucky and stated:

"I shut it down." Hiles went on to state ***"The New Mexico Racing Commission is circumventing the Interstate Horseracing Act. When the commission took it upon itself to get around federal law, then we will stand up to this – forever."***

Additionally, *since our last letter*, horsemen's groups in states such as Arizona, Oklahoma, Ohio and Pennsylvania now refuse to send their simulcast signals to the State of New Mexico. The unlawful actions of the New Mexico Racing Commission and its inability to properly and legally regulate its tracks will result in a significant loss of tax revenue to the citizens of New Mexico. There is a substantial likelihood that the latest lawsuit will result in additional horsemen's groups not sending their simulcast signals to New Mexico after learning that they are considered "terrorist organizations" by racetracks in their comments before the New Mexico Racing Commission. This will result in millions of dollars in lost revenue to the State of New Mexico.

Also, *since our last letter*, New Mexico Racetracks, who have no oversight of their purse structure, have been providing **insufficient checks to the horsemen**. Specifically, the issue was so bad at Zia Park Casino Hotel & Racetrack that the New Mexico Racing Commission discussed it at their last meeting. ***Rather than take any action, admonishment or punishment***, the Commission ***assisted*** Zia Park Casino Hotel & Racetrack in delaying payments by claiming that the issue was the number of checks not being allowed in a mobile deposit. This decision

was in complete derogation to the facts and insufficient fund issues presented to the Commission.

Because the New Mexico Racing Commission did not do anything about the issue at Zia Park Casino Hotel & Racetrack, the issue of insufficient checks has manifested again, this time at Sunland Park and Casino. ***Numerous individuals have been given insufficient fund checks from Sunland Park and Casino.*** Imagine if you went to a casino to cash in your chips and they told you they do not have the money to cash them in? This is not how the regulations and expectations of a highly regulated gambling industry operate or were intended to operate in New Mexico. Yet, under the eyes of the New Mexico Racing Commission, this is exactly how they are allowed to operate. We implored you in our last letter to allow the New Mexico State Auditor to audit and provide oversight to the racetracks and make the findings public – your office did nothing.

Governor Michelle Lujan-Grisham, for the second time, we are formally requesting that you take immediate and meaningful actions with the New Mexico Racing Commission. The failure to do so continues to impact the economic viability of thousands of families in the State of New Mexico who have been impacted by the personal vendetta of this hand selected commission. The actions of the New Mexico Racing Commission continue to cost the taxpayers of the State of New Mexico ***millions of dollars*** in legal fees, expenses, and lost revenues.

With all due respect, if our concerns continue to be ignored, we intend to bring hundreds if not thousands of members to the capital and with all local and national media present, wait until our representatives meet with you to discuss an amicable resolution. In a time when we should be celebrating New Mexico racing and the incredible accomplishments of a great horse and trainer winning the richest race in the world and catapulting our state to prominence, thoroughbred and quarter-horse racing continues to falter without your intervention and help. We beg of you to hear our concerns and take immediate action to stop these rampant abuses immediately.

Very respectfully,



Dr. Paul Jenson, President
New Mexico Horsemen's Association