

# Down The Stretch

## MR. GULOTTA GOES TO TRENTON

When owner-breeder Mike Gulotta, owner of Deo Volente Farm in New Jersey and popular Ontario sire Lis Mara, testified recently before members of the New Jersey Senate Budget and Appropriations Committee on the importance of bringing slots to the Garden State, it was not the first time his input had been sought by a legislative body.

Now retired, during a 30-year span as a CEO and actuary, Gulotta had testified dozens of times in Washington before congressional Senate and House committees regarding complex pension and health benefit issues. His testimony came from working with legislators on both sides of the aisle.

"I was asked to testify by one Republican and one Democrat. I had met with each of them before Governor Corzine's budget was released. Knowing the budget was going to be filled with cuts in social programs, they thought it would be productive to suggest ideas for raising revenue without additional tax increases," Gulotta explained. "It was similar—but actually less stressful—to previous experiences when I testified in Washington."

Gulotta's testimony in the state capitol in

Trenton before the New Jersey committee lasted for three hours. Gulotta was well informed and unflappable. "Besides, my biggest fan and best friend, my wife, Madeline, was there to support me," he said.

Told that the senators didn't appreciate being read to, Gulotta prepared accordingly. "I had written testimony, but instead I made an outline of my remarks and used that as a framework. What was most important to get across was the revenue estimate for the state treasury," he emphasized. "Specifically, I wanted them to know that \$1.04 billion could be raised for the state government by adding 10,000 VLTs to our racetracks. During the first eight months of their current fiscal year, Pennsylvania's slot revenues were \$610 million. Annualized that's close to \$1 billion. Given the demographics of New Jersey and its higher population density, our numbers should be even better."

The senators had questions for Gulotta. "Specifically, they wanted to reconcile testimony from the Thoroughbred representatives with mine. Theirs was \$750 million, but was based on 6,000 machines. Thus, my estimate on a per machine basis was actually more conservative."

Gulotta also used the fact that Lis Mara stands in Ontario to further illustrate his point. "I told them he is in Ontario because it made more economic sense for us. I would prefer he stand here, but the uncertain situation didn't give us that option."

Gulotta believed his testimony was well received. "Two of the senators in attendance, Barbara Buono and Paul Sarlo, sponsored legislation to permit slots at New Jersey racetracks. They're frustrated because it hasn't happened yet," he noted.

Gulotta, who was appointed to the Department of Labor's Advisory Council during the administration of former President Bill Clinton and also named chairman of that council by Clinton, called his experience, "similar to the legislative bodies I have testified before earlier in my career."

So, does he think slots are coming? "There are too many simultaneous wins if slots are approved for this to be ignored," he said. "Racinos would increase tax revenues significantly. Atlantic City casinos would gain new and potent sources of profit. The casinos should run the racinos and have an equity interest in them. It will generate thousands of new jobs, help restore New Jersey to preeminence in racing and preserve open space by providing the financial capacity to maintain our horse farms in the Garden State."



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