

# THE *work* HORSE

NOVEMBER 2005 VOLUME II

OFFICIAL NEWSLETTER OF THE KENTUCKY EQUINE  EDUCATION PROJECT

**Horses  
work**  
for Kentucky.

## TRAIL AND PLEASURE HORSE SUMMIT TO BE HELD IN DECEMBER

The University of Louisville's Equine Industry Program, the Kentucky Equine Education Project, and the Kentucky Horse Council are joining together to sponsor the first-ever Kentucky Trail & Pleasure Economics Summit on Saturday, December 17, at the Pritchard Community Center, 404 South Mulberry Street, Elizabethtown, Kentucky.

"Because horses owned and used for trail or pleasure riding compose an important part of this state's equine economy, the goals of the Summit are to evaluate the impact and scope of these activities," stated Rich Wilcke, Professor at the University of Louisville and a member of the KEEP Board of Directors, "and to investigate both those impediments that may retard them and also those opportunities

that may allow them to expand and flourish."

The keynote speaker will be Ward Stutz, Director of Membership and Public Policy for the American Quarter Horse Association, Amarillo, Texas.

Other speakers and panelists on the program will include representatives of organizations, equipment manufacturers, retailers, public land officials, organizers of trail rides, etc

The event, which will run from 10 a.m. to 3 p.m., will be open to the general public, with lunch available for the first 100 who register.

For more information contact KEEP at 1-866-771-5337, visit our website at [www.horseswork.com](http://www.horseswork.com) or a new trail riding website at [www.kqhattrails.com](http://www.kqhattrails.com).

"...horses owned  
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-Rich Wilcke, U of L  
and KEEP Board

## WKU President Gary Ransdell Elected to KEEP Board of Directors

The Kentucky Equine Education Project is pleased to announce that Western Kentucky University's President, Dr. Gary Ransdell has been elected to its board of directors.

"President Ransdell is a great addition to our board," said Brereton Jones, Chairman of KEEP. "Having his participation will be a tremendous resource for our board and our entire industry. Part of our very name is education, and having someone of Dr. Ransdell's stature will enhance our public education efforts on the impact of the equine industry."

"Kentucky's equine economy is a fundamental building block for the Commonwealth's economy," said Ransdell. "I look forward to working with the KEEP Board to strengthen both. I am honored to have been selected."

Under Ransdell's leadership, WKU has become the fastest growing public university in Kentucky. Since 1998, retention rates have increased significantly and sponsored research initiatives have more than doubled.

# Group's Goal: KEEP Equine Industry United

By Jason Feldmann, The Sunday Challenger\*  
jfeldmann@challengernky.com

The Kentucky Equine Education Project (KEEP), the largest statewide lobbying group for the horse industry, supports a voter referendum to amend the state constitution to allow for full casino gaming at licensed racetracks in Kentucky.

But as KEEP executive director Jim Navolio points out, the group offers more than just support for the thoroughbred industry.

The group's overall mission is to unify the equine industry and spread a public information campaign about the significance of the horse economy in Kentucky.

With a goal to sign up 10,000 members by the end of the year, KEEP now has over 8,500 paying members since its inception in May 2004.

There are members in all 120 counties, said Navolio, including an estimated 300 in Northern Kentucky. While Turfway Park counts itself as a member, so do countless other horse-related businesses across NKY, including stable owners, veterinarians and feed store managers.

Turfway Park President Bob Elliston said he's learned a few things since becoming a KEEP board member.

"I was arrogant and thought it was all about the thoroughbred business. But it's not. There are hundreds of thousands of horses in our state and a large part of them are something other than a thoroughbred," he said.

Research shows that there are nearly 100,000 jobs in the state related to the horse industry with an overall economic impact of more than \$1 billion.

"There is so much of the horse business that is not visible to the general public on a daily basis," said Navolio. "The impact that filters through the community is just mind-boggling when you talk about feed and tack and equipment and trailers and farriers and all the things that go along with owning a horse."

Part of KEEP's support for the voter referendum on expanded gambling in the state includes earmarking "significant and quantified" tax revenues for education, healthcare, local development funding, and environment preservation.

According to KEEP, estimates on the potential tax revenue impact from expanded gaming in Kentucky approach \$400 million annually.

"When people think of horses, they think of racetracks," said Navolio.

## Racetracks at Risk

Supporting Kentucky thoroughbreds is a must, he added, given the importance of maintaining the state's reputation as the "Horse Capital" of the world. But, as he points out, 80 percent of the horses in the state are non-thoroughbred breeds.

"If these racetracks continue to succumb to competition from other forms of gaming, and in particular government-sponsored gaming like the lottery, you're not going to have an industry," said Navolio. "The racetracks must survive."

Missy Jo Hollingsworth, the KEEP team leader for Campbell County, agrees that all horse-related businesses - from thoroughbreds to saddlebreds - are linked directly and indirectly.

A former member of the Western Kentucky University national championship equestrian team from the early 1990s, Hollingsworth now operates the Saddle Lake Equestrian Center in Camp Springs.

She won the Kentucky Quarter Horse Association Trainer of the Year award two years in a row and describes the center as the "most formal stable" in Northern Kentucky.

And while not involved in the thoroughbred industry, Hollingsworth believes that horse racing helps promote horses, and related businesses, in general.

"It takes on the spotlight and is a wonderful medium for education," she said.

"I think if anything, KEEP and all of the talk about thoroughbreds and racing has really brought awareness to Kentuckians that the equine industry is very powerful in Kentucky and responsible for a huge amount of our jobs and a huge amount of our tourism."

## A Tax-Free Alternative

Debbie Noem, of Morning View, is self-employed because of horses. Retiring as a corporate trainer with a Fortune 100 company nine years ago, Noem now gives riding lessons six to seven days a week on her 50-acre farm in southern Kenton County, Sunrise Ranch.

Also active in Kenton County 4-H clubs, Noem is the leader of the Trailblazers Horse Club and stresses horsemanship above anything else.

She wants to see more open riding trails in Kentucky and an end to what she and other horse owners consider unfair taxation. Although all agriculture-related businesses don't pay a sales tax on anything from feed to equipment, horse owners are excluded.

"If the state of Kentucky wanted to support the horse industry, instead of just make money off it, all horse businesses - not just racing and plow horses - could be tax free," said Noem.

She's a big supporter of KEEP - which supplied grant money to install a competitive riding trail on her farm.

"They are supporting the true across-the-board horse industry," she said.

## Supporting Horse Issues

State Sen. Damon Thayer, R - Georgetown, is chairman of the subcommittee on horse farming, and works in the thoroughbred industry, but stresses support for the equine industry as a whole.

Declining to comment on the issue of expanded gaming, Thayer instead pointed to KEEP's support for past Senate bills that he has filed in hopes of adjusting the state's tax system - from a horse breeder incentive bill to removing sales tax on all horse-related materials.

"I've sponsored bills in the past to try and eliminate this onerous tax on feed, fencing, and farm equipment, and I plan to do so again this year," said Thayer.

KEEP has been successful since its creation, he said.

"It remains to be seen what their stance on expanded gambling will do and whether expanded gambling comes around or not. But in terms of pushing purely horse issues, I think that it's been very beneficial."

\* reprinted with permission from the Sunday Challenger, November 6, 2005

# Keep It In Kentucky Campaign Launched

## All 120 Kentucky Counties Benefit from Expanded Gaming

As an outgrowth of the Kentucky Equine Education Project's plan to push for expanded gaming, supporters have adopted a public message for this effort-Keep It In Kentucky. The "it" refers to revenue.

"Each year some 566,000 Kentuckians travel out of state to riverboats and casinos. When they do, those states collect tax revenues to spend on education, local development, healthcare services and so on. Last year alone, Indiana and Illinois gained \$236 million in tax revenues from Kentuckians. This is money that should stay in Kentucky," said Jim Navolio, Executive Director of KEEP.

"Our plan calls for legislators to allow a constitutional amendment vote for casino gaming in Kentucky. From the monies collected, dedicated revenues would go to education, healthcare, local government, economic development, fish and wildlife, the environment, agricultural research, and for addiction treatment. Under this plan, it is estimated that casino gaming revenues could generate up to \$437 million annually in tax revenues for the state," said Navolio.

Based on revenue estimates and its proposed earmarks, KEEP has put together a list of estimated revenues that could go to each county in the state.

This proposal allows all Kentucky counties to benefit from expanded gaming but only a few limited areas of the state would have casinos. Supporters of the Keep It In Kentucky plan represent educators, healthcare professionals, local governments and many others who would benefit from increased revenues to our state.

Unlike the state lottery, supporters of this plan are working to insure that revenues are dedicated to specific services.

"Our polling data tells us that people are supportive of this issue, but only if they are guaranteed of where the money will go," said Navolio.

KEEP plans to have its bill finalized in December to begin sharing with legislators before the 2006 session begins in January.

"We strongly believe that this is the right approach. To stand by and allow money to flow out of our state that we could be using for our children's education, to provide healthcare for the uninsured and to improve our local government services is wrong. This approach helps, not only our horse industry, but all of Kentucky," said Navolio. "We're proud to be leading this discussion and look forward to working with our legislators on this issue."

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## A Little Goes a Long, Long Way

### KEEP donates nearly \$100,000 to statewide equine organizations

KEEP announced today that it has provided funding to 147 equine programs around the state in the past ten months. To date, \$98,195.00 has been reinvested in Kentucky's horse economy in 68 counties.

KEEP created this local funding program as part of its grassroots efforts to help horse organizations around the state. The grants program is divided into four categories: 4-H clubs, horse shows, equine associations and equine education programs at Kentucky colleges and universities. Each category has a funding limit and specific criteria the applicants must meet to be considered.

"When we began traveling the state last year, we realized there are a lot of equine enthusiasts and groups that struggle to find funding for their local 4-H programs, county horse shows and for their equine association events. In addition, there are some great equine programs at colleges and universities throughout the state and they need funding assistance," said Jim Navolio, executive director of KEEP. "Although we can't fully fund any one program, we've found that our small donations of \$250, \$400 or \$500 mean a lot to these groups."

# KENTUCKY HORSE FARMERS COULD SEE TAX EQUITY BILL IN '06

by Amy Whitfield  
The Blood-Horse

Republican state Sen. Damon Thayer said he will be working in the next two months on legislation for the 2006 Kentucky General Assembly that would exempt horse feed and other supplies from state sales and use taxes.

Thayer said he and Rep. Susan Westrom have spoken about introducing companion bills, one in the House and one in the Senate, on the horse farming sales and use tax equity issue. Thayer and Westrom co-chair the Subcommittee on Horse Farming of the Interim Joint Committee on Agriculture and Natural Resources.

"Hopefully, we can come together on some kind of agreement on the language and drop companion bills," Thayer told the subcommittee at a Nov. 9 meeting in Frankfort.

Similar tax equity bills have been introduced in recent years. Most recently, Sen. Joey Pendleton introduced Senate Bill 174 during the 2005 General Assembly. Rep. Joe Barrows also introduced House Bill 349.

If passed, Pendleton's bill would have revoked sales and use taxes paid by horse farmers on a broad range of items, including feed, farm machinery and even embryos and semen used for artificial insemination purposes. That bill eventually died in the Senate Appropriations and Revenue Committee.

Barrows bill was less broad, yet similarly called for an exemption on feed, supplies, and equipment from the sales and use tax when raising horses as a business. His bill died in the House Appropriations and Revenue Committee.

Thayer said two questions that arise regarding a tax equity bill are what would its affect on revenue be and what would be the scope of its design. Thayer said it is the job of he and other legislators to work with the Legislative Research Commission to ascertain a bill that has reasonable fiscal impact in order for the bill to pass.

"Maybe what we have to do is start out incrementally, and look at a couple of items like the feed, fence, and purchase of equipment," Thayer said. "We have to decide on how narrow or broad we want to make it to see if we can actually get something to the floor for a vote."

According to the Kentucky Constitution, a sales and use tax equity bill is considered a revenue bill and must be first introduced in the House of Representatives.

"What would be ideal is if we could work ahead of time and pre-file the same bill in the Senate as we do in the House," Thayer said.

Pendleton who also serves on the subcommittee said exempting horse farmers from paying taxes on feed and other equipment is the fair thing to do, considering that other livestock farmers are exempt from such taxes.

"When you're looking at our No. 1 industry in Kentucky now, it's only a fairness issue that we are able to treat them (horse farmers) like we treat everybody else," Pendleton said.

Jim Navolio, executive director of the Kentucky Equine Education Project, said his organization would be in full support of sales and use tax equity legislation benefiting horse farmers.

"I can promise you one thing from our organization, that if you do get that legislation introduced, we will cover this place up with people in support of it," Navolio said at the meeting.

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## BENEFITS OF A KEEP MEMBERSHIP

- Receive all KEEP newsletters, press releases and updates
- Free admission to Kentucky Pari-mutuel Race Tracks (excluding the Kentucky Derby, Kentucky Oaks and the Breeders' Cup) through December 2006
- Free admission to the Kentucky Horse Park/American Saddlebred Museum through December 2006 and 15% discount at the Horse Park Gift Shop

## THE KEEP MISSION

The Kentucky Equine Education Project (KEEP) was formed to build broad-based education and grassroots initiatives to increase awareness of the benefits of Kentucky's horse economy, including all breeds, and to promote and preserve jobs and economic opportunities within the equine industry for Kentuckians throughout the Commonwealth.

# A BREED APART - THE AMERICAN QUARTER HORSE

The American Quarter Horse is the first breed of horse native to the United States. The breed evolved when the bloodlines of horses brought to the New World were mixed. Foundation American Quarter Horse stock originated from Arab, Turk and Barb breeds. Selected stallions and mares were crossed with horses brought to Colonial America from England and Ireland in the early 1600s. This combination resulted in a compact, heavily muscled horse that evolved to fill the colonist's passion for short-distance racing.



Today, heavy muscling and sprinter's speed remain characteristic traits but the breed has been specialized to excel at particular events.



Competing in every discipline imaginable from traditional rodeo events such as roping and barrel racing to the refined English classes of dressage and show jumping

has made the American Quarter Horse the one of the most versatile breeds in the world. Although competition options are nearly unlimited, the number one interest of American Quarter Horse owners remains riding for recreation.

Since the creation of the American Quarter Horse Association more than 50 years ago, breeders have been perfecting the bloodlines of the American Quarter Horse to produce a high quality, versatile animal. AQHA has set forth a strict set of guidelines regarding registration of American Quarter Horses. There are 13 accepted colors recognized by AQHA. The most prominent of these colors is sorrel (reddish brown), with the others being bay, black, brown, buckskin, chestnut, dun, red dun, gray, grullo, palomino, red roan and blue roan.



Other identifiable characteristics of the breed are heavy muscling, sprinter's speed, versatility, keen cow sense and a gentle nature. From the past where the American Quarter

Horse origins can be traced to ranching and racing, to the present where American Quarter Horses excel in a variety of events, the American Quarter Horse gives an individual many outlets for enjoyment, thus making it the world's most popular breed.

## Breed Organization

The American Quarter Horse established a bold reputation as the greatest cattle roundup and trail driving horse in history and would never be forgotten by early American racing enthusiasts. To ensure the unique qualities of this breed did not perish, a group of American Quarter Horse enthusiasts met in 1940 in Ft. Worth, Texas, to establish what was to become the largest equine breed registry in the world, the American Quarter Horse Association. Located in Amarillo, Texas, AQHA has registered 3.7 million American Quarter Horses and serves more than 300,000 worldwide Members.



AQHA functions as the official record keeping and governing body of the American Quarter Horse industry. AQHA records all American Quarter Horse ownership, processes approved show and race results, catalogs performance and produce data on all American Quarter Horses, maintains Association funds and promotes the American Quarter Horse industry. In addition, AQHA maintains current statistics on ownership in each state and country as well as American Quarter Horse population figures.

Whether American Quarter Horses are still being used in traditional ranching operations, for showing, racing or pleasure, AQHA strives to provide services beneficial to all Association Members and ultimately the American Quarter Horse



## KEEP CALENDAR OF EVENTS

### NOVEMBER 2005

|               |  |
|---------------|--|
| November 3rd  | Owen County Chamber of Commerce Annual Dinner  |
| November 4th  | Louisville Agricultural Club, Kentucky Fair and Exposition Center, 12:00 pm  |
| November 4th  | Eastern Nationals 4-H Horse Round-up, Kentucky Fair and Exposition Center, 6:00 pm   |
| November 8th  | Shelby County Public Meeting, Claudia Sanders Resturant, 6:00 pm   |
| November 9th  | Kentucky Quarter Horse Association Meeting, North American International Livestock Exposition, Louisville, KY 8:00 pm                  |
| November 11th | KEEP Day at the Races (Churchill Downs)  |
| November 14th | Owen County Public Meeting, Owen County Extension Office, 7:00 pm  |
| November 14th | Boone County 4-H Meeting, 7:00 pm eastern time   |
| November 15th | Grant County Public Meeting, Grant County High School  |
| November 16th | Hardin County Public Meeting, Hardin County Extension Office   |
| November 16th | Spencer County Public Meeting, Red Barn Arena, Taylorsville, 6:00 pm   |
| November 17th | H.O.S.S. Southern States - The Thoroughbred Center, Lexington  |
| November 17th | Multi-County Public Meeting (Adair, Casey, Green, Taylor & Russell Counties) Lindsey Wilson College, 6:00 central / 7:00 eastern time. |
| November 19th | Pooky Fall Tack Sale, Masterson Station Park, 10:00 am - 3:00 pm   |
| November 21st | Southern Kentucky Tourism Commission, Somerset Rural Development Office  |

### DECEMBER 2005

|                    |  |
|--------------------|--|
| December 2nd       | Cassidy Elementary School, Arts and Science Fair   |
| December 2nd - 4th | Kentucky Quarter Horse Association Annual Convention and Banquet. The Executive Inn, Louisville, KY. |
| December 3rd       | KEEP's Day at the Races. Turfway Park  |
| December 5th       | Grayson County 4-H Meeting, 6:00 pm  |
| December 6th       | Lion's Club Meeting, Henderson, KY   |
| December 8th       | Owen County Chamber of Commerce Breakfast, 7:30 am   |
| December 12th      | Hart County 4-H Meeting, 6:00 pm central time  |
| December 17th      | KEEP Trail Riding Summit, Prichard Community Center, Elizabethtown, 10:00 am                         |

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### HAVE A STORY IDEA?

If you have an idea for a story in The Work Horse, contact Cara Stewart at [cstewart@horseswork.com](mailto:cstewart@horseswork.com).

### HOW TO BECOME A MEMBER

- Join online by visiting [www.horseswork.com](http://www.horseswork.com)
- Call our office toll free at 866-771-KEEP