

VIRGINIA RACING COMMISSION 2020 ANNUAL REPORT



Horses competing on the Secretariat Turf Course at Colonial Downs in New Kent, Virginia.

Virginia Racing Commission

2020

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Charlottesville

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Vice Chairman
Richmond

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Joseph Rudisill – Historical Horse Racing Specialist



COMMONWEALTH of VIRGINIA

Virginia Racing Commission

D.G. Van Clief, Jr., Chairman
Stuart C. Siegel, Vice Chairman
I. Clinton Miller
Stephanie B. Nixon
J. Sargeant Reynolds, Jr.

David S. Lermond, Jr.
Executive Secretary

February 15, 2021

TO: The Honorable Ralph Northam, Governor of Virginia
Members of the General Assembly

In accordance with Code of Virginia Title 29, Chapter 59.1-369 (9) as related to horse racing with pari-mutuel wagering, I am pleased to present the 2020 Annual Report of the Virginia Racing Commission.

House Bill 1609, which authorized Historical Horse Racing (HHR), was signed into law by the Governor in April of 2018. Since that time the Virginia Racing Commission (VRC) has authored and promulgated the permanent regulations for HHR, awarded five licenses to the Colonial Downs Group (CDG) for Satellite Wagering Facilities (SWFs) to conduct pari-mutuel wagering on HHR, monitored the successful opening of these five SWFs, and has effectively regulated the wagering activity that has taken place through a total of 2,300 HHR terminals in the Commonwealth of Virginia.

Funding for the Virginia Racing Commission comes solely from revenue generated by a small percentage of all pari-mutuel wagers made in the Commonwealth. This revenue enables the agency to meet its financial obligations associated with the regulation of horse racing with pari-mutuel wagering and revert any excess to the General Fund.

The Racing Commission remains steadfast in protecting the integrity of racing for those who participate and the loyal customers who enjoy it, in addition to the health and welfare of the equine athletes. As always, we rely on the continued support of the Virginia Equine Industry, from you and your administration, as well as from the General Assembly.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'DL', written over a horizontal line.

David S. Lermond, Jr.
Executive Secretary

THE RACING COMMISSION

The Racing Act, Title 59, Chapter 29, effective as of January 1, 1989, vests control of all horse racing with pari-mutuel wagering conducted in the Commonwealth to the Virginia Racing Commission.

The Commission:

- Prescribes regulations and conditions under which racing and wagering is conducted;
- Maintains horse racing in the Commonwealth of the highest quality free of corrupt, incompetent, dishonest or unprincipled practices, and;
- Maintains in such racing complete honesty and integrity.

Horse racing offering pari-mutuel wagering is permitted in the Commonwealth with the intention of “promotion, sustenance, and growth of the native industry, in a manner consistent with the health, safety, and welfare of the people”.



Commission Staff Member Rhonda Davis prepares for a double sulky race at Shenandoah Downs in Woodstock, VA.

The closure of Colonial Downs in 2014 adversely affected the Thoroughbred and Standardbred racing and breeding industries in the Commonwealth. However, we are pleased to report that through the excellent efforts of the Virginia General Assembly, the Governor's Office, the Virginia Equine Alliance, the Virginia Horsemen's Benevolent and Protective Association, and the Virginia Harness Horse Association, horse racing with pari-mutuel wagering has been resurrected in the Commonwealth.

Live Thoroughbred racing at Colonial Downs Race Track in 2020 was scheduled for 18 days and began in late July. Unfortunately, there was an outbreak of COVID-19 amongst numerous jockeys and as a result the live racing was canceled after only 7 days of racing in an effort to protect the health and welfare of the participants, employees, and the limited number of spectators that were allowed to attend the races. Horsemen from as many as sixteen different states came to New Kent, Virginia to compete on the Secretariat Turf Course, which is considered one of the best in North America. A special emphasis was put on the safety and welfare of the horses.

Live Steeplechase racing was conducted at Great Meadow Racecourse in Fauquier County for the Virginia Gold Cup Races, which celebrated its 95th anniversary on June 27, 2020. In addition, the International Gold Cup Races were contested on October 24, 2020. Due to COVID-19 restrictions, spectators were not allowed at either event and as result, there was no wagering on the races. Without pari-mutuel wagering, the Virginia Racing Commission did not have jurisdiction over the racing and it was overseen instead by the National Steeplechase Association.

Harness racing presented by the Virginia Equine Alliance (VEA) was conducted for a fifth straight year at Shenandoah Downs in Woodstock, Virginia. The Shenandoah County oval formally known as Woodstock Racetrack has conducted harness racing without pari-mutuel wagering for many years in conjunction with the Shenandoah County Fair. In 2016, the VEA invested \$750,000 in track renovations producing a quality racing surface, which was very well received by the horsemen. There were 10 days of live harness racing conducted at Shenandoah Downs distributed over five weekends beginning on September 19, 2020 through October 16, 2020 on Fridays and Saturdays. Due to COVID-19 restrictions, spectators were not allowed to attend and as result, there was no wagering on the races. Without pari-mutuel wagering, the Virginia Racing Commission did not have jurisdiction over the racing and it was overseen instead by the United States Trotting Association.

Advanced Deposit Wagering (ADW), offered through the internet and telephone, continues to be a major source of the pari-mutuel wagering in Virginia. The four Advanced Deposit Wagering providers licensed to operate in Virginia are: "TwinSpires" operated by Churchill Downs Incorporated, "Xpressbet" operated by the Stronach Group, "TVG" operated by Betfair, Inc., and NYRAbets owned and operated by the New York Racing Association. The amount bet through ADW in 2020 was up 56% over the prior year which was due mainly to COVID-19 and the limited number of sporting events held earlier in the year. This increase not only off-set the decrease in the wagering at the Satellite Wagering Facilities, but may have helped to create some new horse racing fans as well.

Pari-Mutuel Wagering by Source

Year	Wagering at Racetrack and at Satellite Facilities	Account Wagering	Historical Horse Racing	Total Taxable Wagering
1996	\$36,952,607.00			\$36,952,607.00
1997	\$95,094,161.00			\$95,094,161.00
1998	\$120,717,190.00			\$120,717,190.00
1999	\$121,324,249.00			\$121,324,249.00
2000	\$121,754,800.00			\$121,754,800.00
2001	\$123,879,396.00			\$123,879,396.00
2002	\$124,064,569.00			\$124,064,569.00
2003	\$130,382,875.00			\$130,382,875.00
2004	\$145,394,480.00	\$1,287,541.00		\$146,682,021.00
2005	\$151,758,202.00	\$12,691,398.00		\$164,449,600.00
2006	\$164,208,077.00	\$28,300,972.00		\$192,509,049.00
2007	\$167,684,686.00	\$33,206,726.00		\$200,891,412.00
2008	\$149,629,200.00	\$47,303,439.00		\$196,932,639.00
2009	\$122,461,456.00	\$49,850,493.00		\$172,311,949.00
2010	\$105,505,800.00	\$53,392,088.00		\$158,897,888.00
2011	\$97,737,892.75	\$62,646,843.85		\$160,384,736.60
2012	\$91,927,194.10	\$69,233,852.85		\$161,161,046.95
2013	\$86,220,534.60	\$73,205,095.00		\$159,425,629.60
2014	\$21,198,320.50	\$93,858,388.30		\$115,056,708.80
2015	\$291,173.50	\$79,478,622.50		\$79,769,796.00
2016	\$2,726,163.80	\$76,725,493.00		\$79,451,656.80
2017	\$20,803,619.10	\$81,076,535.12		\$101,880,154.22
2018	\$32,681,651.30	\$83,958,599.27		\$116,640,250.57
2019	\$39,078,097.10	\$86,629,347.47	\$1,078,283,481.45	\$1,203,990,926.02
2020	\$23,154,730.50	\$135,486,989.11	\$1,578,675,788.98	\$1,737,317,508.59
Totals	\$2,296,631,125.25	\$1,068,332,423.47	\$2,656,959,270.43	\$6,021,922,819.15



Horses working out in the morning at Colonial Downs

Live Thoroughbred Racing Statistics

Year	Daily Average On-Track Handle	Total Handle	Daily Average Total Handle	Daily Average Attendance	On-Track Per Capita
1997	\$183,594.00	\$28,182,006.00	\$939,400.00	3,620	\$50.72
1998	\$141,154.00	\$21,293,467.00	\$881,473.00	2,263	\$62.37
1999	\$107,881.00	\$23,420,243.00	\$975,854.00	1,628	\$66.27
2000	\$90,589.00	\$27,923,752.00	\$872,617.00	1,247	\$72.65
2001	\$117,818.00	\$27,579,707.00	\$1,103,188.00	1,940	\$60.73
2002	\$140,067.00	\$31,039,485.00	\$1,193,826.00	2,202	\$63.61
2003	\$140,305.00	\$36,090,262.00	\$1,203,009.00	2,193	\$63.98
2004	\$138,236.00	\$36,205,494.00	\$1,064,867.00	2,155	\$64.15
2005	\$124,122.00	\$44,710,190.00	\$1,117,755.00	2,028	\$61.20
2006	\$113,438.00	\$51,587,415.00	\$1,258,230.00	1,804	\$62.88
2007	\$164,557.00	\$50,507,580.00	\$1,262,689.00	1,996	\$82.44
2008	\$126,195.00	\$50,343,446.00	\$1,118,743.00	1,668	\$75.66
2009	\$128,093.00	\$31,241,633.00	\$781,041.00	1,712	\$74.82
2010	\$131,908.00	\$29,287,463.00	\$732,187.00	1,499	\$88.00
2011	\$127,542.00	\$27,041,285.00	\$845,040.00	1,864	\$68.42
2012	\$116,525.00	\$18,733,192.00	\$604,297.00	2,008	\$58.03
2013	\$118,086.00	\$14,343,174.00	\$597,632.00	1,942	\$60.81
2014	\$0.00	\$0.00	\$0.00	0	N/A
2015	\$13,130.00	\$13,130.00	\$13,130.00	3,478	\$3.78
2016	\$0.00	\$0.00	\$0.00	0	N/A
2017	\$0.00	\$0.00	\$0.00	0	N/A
2018	\$0.00	\$0.00	\$0.00	0	N/A
2019	\$133,271.00	\$18,101,453.00	\$1,206,764.00	2,588	\$51.50
2020	\$20,963.00	\$7,774,939.00	\$1,110,706.00	258	\$81.25



Horses getting schooled in the starting gate at Colonial Downs.

Live Harness Racing Statistics

Year	Daily Average On-Track Handle	Total Handle	Daily Average Total Handle	Daily Average Attendance	On-Track Per Capita
1998	\$56,661.00	\$7,260,770.00	\$172,875.00	1379	\$41.09
1999	\$41,319.00	\$5,795,265.00	\$193,175.00	909	\$45.46
2000	\$19,270.00	\$5,903,010.00	\$147,575.00	258	\$74.69
2001	\$30,912.00	\$2,459,010.00	\$163,934.00	486	\$63.60
2002	\$30,860.00	\$3,716,853.00	\$154,869.00	478	\$64.56
2003	\$34,585.00	\$4,148,072.00	\$148,145.00	580	\$59.63
2004	\$40,361.00	\$5,815,294.00	\$181,728.00	645	\$62.58
2005	\$36,959.00	\$6,217,238.00	\$172,701.00	620	\$59.61
2006	\$20,498.00	\$6,562,653.00	\$182,296.00	312	\$65.70
2007	\$43,183.00	\$5,726,362.00	\$178,949.00	613	\$70.45
2008	\$35,945.00	\$5,320,909.00	\$156,497.00	509	\$70.62
2009	\$27,552.00	\$3,885,199.00	\$107,922.00	353	\$78.05
2010	\$40,575.00	\$2,748,428.00	\$98,194.00	511	\$79.40
2011	\$33,198.00	\$3,125,901.00	\$104,197.00	431	\$77.03
2012	\$22,856.00	\$1,993,949.00	\$83,081.00	495	\$46.17
2013	\$20,503.00	\$2,425,357.00	\$101,057.00	376	\$54.53
2014	\$14,812.00	\$1,723,748.00	\$71,823.00	265	\$55.89
2015	\$7,953.00	\$31,811.00	\$7,953.00	557	\$14.28
2016	\$10,553.70	\$105,537.00	\$10,553.70	299	\$35.30
2017	\$12,499.30	\$124,993.00	\$12,499.30	324	\$38.58
2018	\$11,908.34	\$119,083.40	\$11,908.34	312	\$38.17
2019	\$14,818.76	\$148,187.60	\$14,818.76	318	\$46.60
2020*	\$0.00	\$0.00	\$0.00	0	N/A

* Due to COVID-19, racing was conducted without spectators or wagering.



Harness horses competing at Shenandoah Downs in Woodstock, VA

Live Steeplechase Racing Statistics

Year	Total Handle	Daily Average On-Track Handle	Daily Average Attendance
2013	\$119,956.00	\$59,978.00	43,500
2014	\$240,302.00	\$80,100.67	34,400
2015	\$222,682.00	\$111,341.00	50,000
2016	\$241,859.50	\$120,929.75	50,000
2017	\$179,930.50	\$89,965.25	47,500
2018	\$194,528.00	\$97,264.00	47,500
2019	\$196,358.00	\$98,179.00	47,500
2020*	\$0.00	\$0.00	0

* Due to COVID-19, racing was conducted without spectators or wagering.



Horses competing in the Steeplethon Stakes at Great Meadow Race Course in The Plains, VA.

The Virginia Breeders Fund

This fund establishes awards and incentive programs to foster the horse breeding industry in Virginia. Funding for these programs is derived from a one percent deduction of all wagers made in the Commonwealth. Since 1996, a grand total of \$31,834,360.00 has been contributed to the fund and it has increased by more than 100% since 2015. This fund is managed by the collaborative efforts of the Virginia Thoroughbred Association and the Virginia Harness Horse Association with oversight from the Racing Commission staff.

Breeders Fund Contributions

Year	Thoroughbred Contributions	Standardbred Contributions	Total Contributions
1996	\$263,517.00	\$105,288.00	\$368,805.00
1997	\$755,900.00	\$195,041.00	\$950,941.00
1998	\$917,484.00	\$289,688.00	\$1,207,172.00
1999	\$915,431.00	\$297,811.00	\$1,213,242.00
2000	\$942,714.00	\$274,834.00	\$1,217,548.00
2001	\$967,123.00	\$271,671.00	\$1,238,794.00
2002	\$970,555.00	\$270,091.00	\$1,240,646.00
2003	\$1,035,181.00	\$268,647.00	\$1,303,828.00
2004	\$1,136,789.00	\$317,156.00	\$1,453,945.00
2005	\$1,176,374.00	\$341,208.00	\$1,517,582.00
2006	\$1,285,476.00	\$356,604.00	\$1,642,080.00
2007	\$1,318,153.00	\$358,693.00	\$1,676,846.00
2008	\$1,167,875.00	\$328,417.00	\$1,496,292.00
2009	\$960,763.00	\$263,852.00	\$1,224,615.00
2010	\$1,266,614.00	\$287,607.00	\$1,554,221.00
2011	\$1,301,040.00	\$286,961.00	\$1,588,001.00
2012	\$1,338,896.00	\$276,548.00	\$1,615,444.00
2013	\$1,325,659.00	\$262,990.00	\$1,588,649.00
2014	\$854,434.00	\$287,360.00	\$1,141,794.00
2015	\$651,792.00	\$118,890.00	\$770,682.00
2016	\$729,940.00	\$96,759.00	\$826,699.00
2017	\$875,229.00	\$140,971.00	\$1,016,200.00
2018	\$997,228.00	\$175,765.00	\$1,172,993.00
2019	\$1,065,244.00	\$189,711.00	\$1,254,955.00
2020	\$1,374,865.00	\$177,521.00	\$1,552,386.00
Totals	\$25,594,276.00	\$6,240,084.00	\$31,834,360.00

Tax Revenue to Localities

Year	New Kent	Chesapeake	Henrico	Richmond	Hampton	Brunswick	Vinton	Henry	Scott	Fauquier	Woodstock	Total
1996	\$157,871.00	\$144,304.00	\$6,783.00	\$6,783.00								\$315,741.00
1997	\$408,498.00	\$159,665.00	\$113,726.00	\$113,726.00	\$1,430.00	\$855.00						\$797,900.00
1998	\$520,316.00	\$128,530.00	\$107,693.00	\$107,693.00	\$101,062.00	\$43,538.00						\$1,008,832.00
1999	\$524,049.00	\$132,641.00	\$108,839.00	\$108,839.00	\$101,396.00	\$46,906.00						\$1,022,670.00
2000	\$532,156.00	\$129,419.00	\$104,967.00	\$104,967.00	\$108,412.00	\$49,836.00						\$1,029,757.00
2001	\$539,392.00	\$131,455.00	\$107,885.00	\$107,885.00	\$115,242.00	\$51,140.00						\$1,052,999.00
2002	\$544,937.00	\$136,127.00	\$107,043.00	\$107,043.00	\$110,778.00	\$50,791.00						\$1,056,719.00
2003	\$574,992.00	\$145,928.00	\$103,758.00	\$112,388.00	\$113,880.00	\$59,092.00						\$1,110,038.00
2004	\$645,979.00	\$146,406.00	\$89,652.00	\$167,027.00	\$125,476.00	\$59,268.00	\$9,817.00					\$1,243,625.00
2005	\$676,257.00	\$146,065.00	\$84,164.00	\$165,595.00	\$119,218.00	\$52,244.00	\$44,660.00	\$14,615.00				\$1,302,818.00
2006	\$727,828.00	\$171,176.00	\$70,299.00	\$175,246.00	\$114,814.00	\$41,761.00	\$44,349.00	\$43,288.00	\$26,478.00			\$1,415,239.00
2007	\$743,077.00	\$172,558.00	\$79,755.00	\$165,331.00	\$110,160.00	\$45,105.00	\$46,583.00	\$51,189.00	\$29,266.00			\$1,443,024.00
2008	\$656,347.00	\$160,286.00	\$71,940.00	\$148,229.00	\$96,737.00	\$40,619.00	\$35,164.00	\$41,901.00	\$32,365.00			\$1,283,588.00
2009	\$537,046.00	\$121,016.00	\$55,955.00	\$120,425.00	\$88,982.00	\$30,613.00	\$32,241.00	\$37,024.00	\$24,824.00			\$1,048,126.00
2010	\$463,010.00	\$102,607.00	\$57,802.00	\$100,312.00	\$77,853.00	\$29,467.00	\$25,096.00	\$31,866.00	\$17,070.00			\$905,083.00
2011	\$436,914.00	\$94,877.00	\$57,104.00	\$86,180.00	\$72,505.00	\$25,339.00	\$24,079.00	\$32,532.00	\$16,435.00			\$845,965.00
2012	\$409,436.00	\$88,681.00	\$75,208.00	\$69,123.00	\$61,255.00	\$23,622.00	\$22,076.00	\$31,618.00	\$15,602.00			\$796,621.00
2013	\$384,745.00	\$91,428.00	\$72,231.00	\$58,969.00	\$59,531.00	\$21,880.00	\$15,642.00	\$31,733.00	\$15,062.00			\$751,221.00
2014	\$95,193.00	\$29,432.00	\$21,429.00	\$18,738.00	\$17,126.00	\$1,657.00	\$1,069.00	\$2,536.00	\$1,331.00			\$188,511.00
2015	\$66,269.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$853.00	\$109.00	\$67,231.00
2016	\$268,539.00	\$0.00	\$9,515.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$767.00	\$382.00	\$279,203.00
2017	\$283,768.00	\$6,093.00	\$49,582.00	\$36,041.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$571.00	\$451.00	\$376,506.00
2018	\$293,855.00	\$53,539.00	\$44,778.00	\$30,086.00	\$0.00	\$0.00	\$0.00	\$16,831.00	\$0.00	\$639.00	\$440.00	\$440,168.00
2019	\$3,821,691.00	\$44,832.00	\$39,581.00	\$1,092,579.00	\$304,665.00	\$0.00	\$405,440.00	\$18,181.00	\$0.00	\$624.00	\$528.00	\$5,728,121.00
2020	\$4,735,817.00	\$20,915.00	\$22,756.00	\$1,489,793.00	\$1,355,359.00	\$0.00	\$440,196.00	\$10,499.00	\$0.00	\$0.00	\$0.00	\$8,075,335.00
Totals	\$19,047,982.00	\$2,557,980.00	\$1,662,445.00	\$4,692,998.00	\$3,255,881.00	\$673,733.00	\$1,146,412.00	\$363,813.00	\$178,433.00	\$3,454.00	\$1,910.00	\$33,585,041.00