

UNAPPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF THE

COMMISSION MEETING

March 21, 2007

STATE CORPORATION COMMISSION
TYLER BUILDING, COURTROOM C
1300 EAST MAIN STREET
RICHMOND, VIRGINIA

In Attendance

Commission Members:

Peter C. Burnett, Chairman
Mark Brown
William "Trip" Ferguson
David C. Reynolds
I. Clinton Miller

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
David Lermond, Jr., Director of Pari-Mutuels
Marvin A. Sniegon, Director of Financial Management & Planning

Attorney General's Office:

Amy K. Dilworth

At 9:32 a.m., Chairman Burnett called the regular monthly meeting of the Commission to order.

The minutes of the February 21, 2007 meeting were approved.

During Commissioners' Comments, Chairman Burnett gave an overview of the Instant Racing support during the legislative session. He also stated that the 5th Annual Joint meeting of the Thoroughbred Racing Associations and Harness Tracks of America had considerable discussion on slots. It was stated that a new fan base had not been built and that a new racing fans base needed to be built while waiting for other support.

He also stated that progress is being made on removing anabolic steroids from racing and dealing with the transfer of horses from suspended trainers. He praised the Indiana Racing Commission for its recent rule change requiring the trainers suspended more than 15 days cannot transfer their horses to an employee or family member and reminded everyone that in Virginia it is 10 days.

Chairman Burnett presented the “Breakthrough” award from Dale Carnegie to Kimberly Carter of the Commission’s staff.

Commissioner Reynolds, Chairman of the Marketing and Promotion Committee, reported that the Committee is seeking approval for the following projects:

1. \$21,500 to be matched by Colonial Downs for an advertorial to run in the Sunday, July 15 edition of the Richmond Times-Dispatch. The purpose of the advertorial is to support the Virginia Derby and part of the editorial matter will include information on other state-wide equine activities;
2. \$10,000 to be matched by others to establish a state-wide radio network to be aired on Saturdays beginning April 7. It will feature a timely analysis of upcoming races and other equine industry news and interviews
3. \$10,000 for VaHBPA Owners’ Day to be held on June 16;
4. \$8,000 for VaHBPA in support of the National HBPA Convention to be held in Williamsburg on July 19-22;
5. \$8,000 for VTA for their VTA Awards Day on June 16.

It was moved, seconded and all five programs were unanimously approved.

Commissioner Reynolds then requested that \$50,000 be allocated from the Marketing Fund for the next fiscal year (July 1, 2007-June 30, 2008) for small projects.

It was moved, seconded and the request was unanimously approved.

Chairman Burnett reported that the Code Revision & Rules Committee had met and is recommending a number of changes for approval by the Commission. All of the proposed rules changes can be in place before the start of live racing in June. Changes in the following regulations were approved:

- 11 VAC 10-20-330. Multiple Wagering
- 11 VAC 10-110-90. Coupling
- 11 VAC 10-120-50. Claiming procedure
- 11 VAC 10-120-80. Restrictions on a claimed horse

Acting on the recommendation from Mr. Bowker, the Commission approved Colonial Downs’ April simulcasting schedule.

Mr. Bowker reported that the Racing Officials Accreditation Program had sent each Racing Commission a list of Points of Emphasis for 2007. They involve posting the inquiry sign, jockeys and drivers finishing a race, communications with departments and officials involved in overseeing live racing and the mechanics of watching the races.

It was moved, seconded and unanimously approved that the Stewards be instructed to implement all of the Points of Emphasis for 2007.

Colonial Downs Vice President and General Manager Iain Woolnough reported that the stables for the live Thoroughbred meet will open May 20. He also stated that considerable work is being done in re-grading the lower section of the backstretch and that concrete pads for manure buckets are being installed. He introduced Darrel Wood, Director of Marketing, who outlined the weekend promotions planned for the live Thoroughbred meet.

Frank Petramalo, Executive Director of the Virginia HBPA, requested \$157,750 be allocated from the breakage fund for a number of projects for 2007. It was moved, seconded and the request was unanimously approved.

Glenn Petty, Executive Director of the Virginia Thoroughbred Association, stated the VTA, VaHBPA and Colonial Downs had agreed that eight-tenths of one percent (.8%) from handle generated by advance deposit account wagering through Colonial Downs' PhoneBet go to the VTA for general operating purposes rather than the Breeders' Fund. After considerable discussion the agreement between the three parties was unanimously approved for two years.

While the next meeting of the Commission is scheduled for April 18, 2007, Mr. Bowker advised the date could change to hear the request from Churchill Downs for an advance deposit account wagering license. A decision will be made by April 4.

There being no further business, the monthly meeting was adjourned at 10:55 a.m.