The Virgin Islands Consortium

New Day For Horse Racing Dawns As Mapp Signs Horse Racing Bill, Racino Changes And VIGL Agreement Into Law

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ST. THOMAS -- Governor Kenneth Mapp on Thursday acted on the bills relating to the establishment of racinos in the Virgin Islands and amending the title of the Virgin Islands Code relating to the zoning of racinos in the Virgin Islands, Government House has announced. The measure is referred to as “The Virgin Islands Horse Racing Industry Assistance Act of 2016.”

The Mr. Mapp reiterated in his letter that horse racing has had a storied history in the U.S. Virgin Islands. However, the horse racing industry has fallen on hard times across the country, including the territory. “The Virgin Islands Horse Racing Industry Assistance Act of 2016” measure submitted by the Mapp/Potter administration to the 31st Legislature provided a road map to modernize the horse racing industry in the Virgin Islands and help jump-start sports tourism in the Territory, especially on the island of St. Croix," the governor said.

In his transmittal letter Mr. Mapp thanked the members of the Senate for the hard work and long hours spent working on the bill. He noted that, “This dedication only underscores your commitment to serve the needs of the people of our community.”

The governor pointed to the changes made by the Senate during its deliberations. He indicated that there are some key and very important provisions that were removed from the bill that he has asked the Legislature to revisit to maximize the benefits to the racing community and the V.I. community at large.

Removed from the measure was sections 216-223 which banned illegal doping of horses, and authorized mandatory random testing to insure that prohibited drugs and substances are not used in horse racing at Virgin Island facilities. In addition, the responsibility for such testing and the final say in whether a particular horse is fit to participate in racing is done by a licensed Veterinarian. Currently, there is no anti-doping policy statutes existing in the territory, according to Government House. Anti-doping policies, it says, level the playing field for everyone invested and interested in horse racing.

Mr. Mapp challenged the amendment, stating, “It is essential, if we truly want to promote horse racing as sports tourism in the Virgin Islands… In fact, there is a groundswell of support by jockeys, trainers, horse racing fans, and owners for drug and medication reforms in the industry," he said.

Also removed from the measure, but of significant importance, were the proposed consolidation of the two existing District Horse Racing Commissions into one territorial commission, called the Virgin Islands Horse Racing Commission.

Of major concern is the change to the casino fees from 19 percent to 25 percent. These fees would be paid into a separate and distinct special fund called the “Horse Racetrack Casino Revenue Fund.” This nearly 30 percent increase in casino fees would have been distributed from the fund as follows:

- 50% to the General Fund of the Virgin Islands Treasury;
- 30% to the respective horsemen’s associations in both island districts, evenly divided;
- 3% to a newly established Thoroughbred Fund for use in the Certified Thoroughbred Program to improve facilities and breeding stock in the horse racing industry;
- 3% to a newly established Hospitality Fund for hospitality training in the tourism industry;
- 4% to the Agriculture Revolving Fund established and administered pursuant to 33 V.I.C. §3018, for the purchase and cultivation of fresh fruits and vegetables for consumption within the Territory;

- 2% to the Virgin Islands Horse Racing Commission for administrative functions and expenses;
- 5% to the Department of Sports, Parks and Recreation for the development of youth sports activities in the Territory; and,
- 3% to the Virgin Islands Olympic Committee for the funding of athletes and national teams to represent the Virgin Islands in national and regional competitions.

The Legislature opted to maintain the current fee structure, which only provides fees to be distributed to the St. Croix District Horsemen Association -- leaving the St. Thomas Horsemen Association out of the loop as well as denying funds to entities that have codified responsibility under the law, including the management of retirement of horses by the Department of Agriculture and promotion Department of Tourism, according to Government House.

Mr. Mapp, in his transmittal letter to Senate President Neville James, asked the members of the Legislature to revisit this section and amend the legislation to restore the fee distribution structure that was originally proposed. Concerning increase of revenue to the horseman, the governor said, “Under this new law and with the distribution we proposed, the St. Croix Horsemen Association will receive much more funds at 25 percent than they received at 38 percent.

The governor approved the act approving the Franchise Agreement between the Government of the Virgin Islands and the Lease and Sublease Agreements between the Government of the Virgin Islands and VIGL Operations, LLC.

The Clinton Phipps Racetrack on St. Thomas and the Randall “Doc” James Racetrack on St. Croix are both in a state of serious disrepair, Government House reminded. These tracks need significant new capital investment, a minimum number of race days, and larger purses for our horsemen.

“With the approval of this measure, we now have an operator with nationally recognized experience in the horse racing industry who will invest nearly $30 million in private capital to build modern state-of-the-art racetracks and related facilities on both St. Thomas and St. Croix," Mr. Mapp said.

He is asking the Senate to adopt the anti-doping law, create a single territorial racing commission and distribute the anticipated revenues to regulate and manage the industry, care for retired horses, provide funds for hospitality training and support programs for the territory's youth, which he contends would in turn create a new vibrant segment in Virgin Islands economy.