

---

# VIRGINIA STATE BUDGET

---

2021 Special Session I

## Budget Bill - HB1800 (Chapter 552)

Bill Order » Office of Agriculture and Forestry » Item 110

Virginia Racing Commission

### Item 110

First Year - FY2021    Second Year - FY2022

<b>Regulation of Horse Racing and Pari-Mutuel Betting (55800)</b>	<b>\$1,708,655</b>	<b>\$1,708,655</b>
License and Regulate Horse Racing and Pari-mutuel Wagering (55801)	\$1,708,655	\$1,708,655
Fund Sources:		
Special	\$1,708,655	\$1,708,655

---

Authority: Title 59.1, Chapter 29, Code of Virginia.

A. Out of this appropriation, the members of the Virginia Racing Commission shall receive compensation and reimbursement for their reasonable expenses in the performance of their duties, as provided in § 2.2-2104, Code of Virginia.

B. Notwithstanding the provisions of § 59.1-392, Code of Virginia, up to \$255,000 the first year and \$255,000 the second year shall be transferred to Virginia Polytechnic Institute and State University to support the Virginia-Maryland Regional College of Veterinary Medicine.

C. Any revenues received during the biennium and which are due to the commission pursuant to § 59.1-364 et seq., Code of Virginia, shall be used first to fund the operating expenses of the commission as appropriated in this item. Any change in operating expenses as herein appropriated requires the approval of the Department of Planning and Budget. A year-end fund balance of \$500,000 shall be maintained for payment of authorized commission obligations for operating expenses as appropriated under the provisions of this act and amounts payable to specific entities pursuant to § 59.1-392 and appropriated in paragraphs B and D of this item prior to the reversion of nongeneral fund balances. Any fund balances in this item at the end of fiscal years 2021 and 2022 in excess of \$500,000 shall revert to the general fund.

D. Out of these amounts, the obligations set out in § 59.1-392 D. 5., D.6., G.5., G.6., K.3., K.4., K.5., N.3., N.4., and N.5., Code of Virginia, shall be fully funded.

E. In the event revenues exceed the appropriated amounts in this item, the Virginia Racing Commission is authorized to seek an administrative appropriation, up to \$700,000, from the Director, Department of Planning and Budget, to develop programs or award grants for the promotion and marketing, sustenance and growth of the Virginia horse industry, including horse breeding.

F.1. The Virginia Racing Commission shall report monthly to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the gross gaming revenues generated from traditional horse racing wagering and from historical horse racing (HHR) wagering from any significant infrastructure limited licensee facility and each satellite facility licensee authorized for operation in the Commonwealth. This monthly reporting shall include the actual dollar amount of the (i) total prize payout; (ii) total contributions to purses for thoroughbred and harness racing; (iii) amount of state and local taxes collected and remitted by jurisdiction; (iv) amount retained by the Virginia Racing Commission; and (v) amount retained by any licensee or operator.

2. Included within the monthly report required in F.1., from the amounts included in clause (v) of F.1., the Commission shall specifically identify the actual dollar amounts allocated pursuant to a Revenue Sharing Agreement dated April 13, 2018, or any amendments thereto, or for an Amended Memorandum of Understanding dated December 4, 2017, or any amendments thereto, for (i) contributions to the Virginia Equine Alliance and other parties collectively referred to in the Revenue Sharing Agreement as the Horsemen; (ii) all HHR gross commission; (iii) any amounts or rebates from Advanced Deposit Wagering to service providers; (iv) deposits to the Virginia Breeders Fund; (v) deposits to the Virginia-Certified Residency Program; and (vi) any allocation of funds for problem gaming.

3. In addition to the reporting requirements in F.1. and F.2., the Commission shall report quarterly to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the actual number of days of live racing conducted across the Commonwealth for the preceding quarter, including all reporting requirements identified in F.1 and F.2 resulting from each day of live racing pursuant to 11 VAC 10-47-190.

4. Not later than November 1, 2020 the Virginia Racing Commission shall investigate and report on the total amount of money allocated annually from the provisions of F.1. and F.2. to the Virginia Equine Alliance for supporting development of the equine industry in Virginia and any funding that directly or indirectly supports the operations of the Virginia Horse Center or the Virginia Horse Center Foundation. As part of this report, the Commission shall, in cooperation with the Department of Agriculture and Consumer Services, make a recommendation as to the benefits of involvement of the Commonwealth in the whole or partial operation or management of the Virginia Horse Center Foundation, including the addition of state-appointed members to the Board of Directors of the Foundation. The Commission may take any steps necessary to accomplish the investigation, including negotiations with the Board of Directors, but shall not expend state funds for the purchase, transfer, or lease of real property unless specifically appropriated for that purpose or approved by the General Assembly.

5. For any local referendum passed pursuant to § 59.1-391 after July 1, 2020, the Virginia Racing Commission shall not authorize any additional satellite facilities as defined in § 59.1-365 of the Code of Virginia, or additional simulcast wagering terminals pursuant to 11 VAC 10-47-180, during a period of two years after the effective date of this act.