2022 Annual Report





2022 Delaware Harness Racing Commission

Mission Statement

To protect, promote, serve, and regulate the Harness Racing Industry and uphold its honesty and integrity in a competent and impartial manner.

<u>Purpose</u>

The Delaware Harness Racing Commission (DHRC) regulates and oversees the sport of harness racing in the state of Delaware.

Objectives

- 1. To protect, preserve and promote agriculture and horse racing through effective and efficient efforts to prevent and eliminate corrupt practices.
- 2. To ensure fairness in decision-making affecting licensees and patrons; and ensure due process in administrative proceedings.
- 3. To be responsive to the public and licensees and provide information concerning the industry and DHRC operations.

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2022 Delaware Harness Racing Commission Summary of Activities

Purse, Race and Handle Statistics

2022 was a good year for Delaware Harness Racing. The COVID19 pandemic negatively impacted our industry in 2020. 2021 was a rebuilding year and 2022 continued to see improvements in purses paid and total handle. In 2022, there was an increase in the total handle and a 12% increase in total purses paid, see page 8.

In 2022, there were 147 race days, 1,958 races and 15,514 starters total, all up from 2021. Dover Downs (DD) (now Bally's Dover) and Harrington Raceway Inc. (HRI) distributed approximately \$27.9M in purse funds (up 12% from 2021). The total live handle was \$69,884,707, which is up 1% from 2021. See page 8 for more data.

The Delaware Standardbred Breeders' Fund (DSBF) successfully promotes the production and improvement of Delaware-based Standardbreds, as well as the prominence of the state's harness racing industry in North America. The continued success of the DSBF program is the single best marketing tool for the Delaware harness racing industry. The DSBF distributed about \$3.17M in purse funds in 2022, with \$453,589 bonus funds paid to DSBF 2 and 3 year olds. (see page 9)

Commission Rules and Procedures

Through adherence to the highest standards of integrity, the Delaware Harness Racing Commission (DHRC) effectively regulated the sport of harness racing in the First State. As usual, various improvements were made to internal procedures and regulatory protocols. The latest amendments to USTA's rules were reviewed and appropriate revisions were adopted into the DHRC rules. The DHRC works closely with the Association of Racing Commission International (ARCI) and utilizes the recommended penalty matrix guidance among other guidance, but the DHRC opposes both the federal Horse Racing Safety and Integrity Act and ARCI acquiescence to the effort.

In 2018, the USTA formed the Harness Racing Medication Collaborative (HRMC) to assess/research and then recommend appropriate scientifically based regulatory thresholds for medications used in the harness racing industry. In response to the Racing Medication and Testing Consortium's (RMTC) almost exclusive focus on the thoroughbred industry and lack of willingness to consider the unique aspects of the Standardbred industry, the USTA left the RMTC and formed the HRMC. The Delaware Harness Racing Commission, through its Executive Director, is one of only two racing commissions represented on its board.

Equine Drug Testing

Both the frequency and quality of the drug screening programs are continuously assessed and adjusted for improvement. In 2022, a total of 1,550 pre-race blood gas tests were completed inhouse. Due to the addition of more analytical protocols, this total is down from 2021. Dalare Lab providing analysis of post-race (blood/urine) and out-of-competition (blood) samples. A total of 2,031 (blood) and 1,723 (urine) post-race samples (full spectrum analysis) were collected and analyzed in 2022, which is an increase compared to 2021. In 2022, the DHRC relied on "fill-in" veterinarian staff which greatly impacted our ability to perform out of competition testing. In order to monitor the use of cobalt and enforce the new regulation related to its use, the DHRC collected 275 blood samples (pre-race) for cobalt analysis in 2022. All results were well below the regulatory threshold.

After many successful decades of service, in December 2022, Dalare Lab informed the DHRC that it was ceasing operations and closing. They agreed to continue providing analytical services until the end of January 2023. The DHRC immediately initiated a search for a new laboratory contractor and was able to retain Industrial Laboratories in early 2023 to perform analytical services. The transfer of operations was seamless.

Licensee Drug Testing

In 2022, 6,463 breathalyzer screenings were conducted (for alcohol presence) and 62 human (saliva) samples were collected for drug testing (full spectrum analysis). The continued monitoring of possible drug use/abuse in human and equine participants is paramount to maintaining the highest standards of integrity in Delaware horse racing. Our drug testing sample collection and analytical protocols, as well as testing parameters, are constantly monitored for quality improvement. The DHRC also tracks federal and local marijuana related statutes and makes the necessary updates to our policies.

Ownership Review Project

In 2018, the Commission initiated a comprehensive ownership review project. In addition to the straightforward outcomes of the Ownership Review Project such as uncovering hidden ownership, there have been some ancillary beneficial outcomes. By December 2021, of the (200) persons/stables from which we requested ownership information, twenty-six (26) people never complied with the request and are no longer licensed with the DHRC. After initially complying, an additional sixty-three (63) licensees have opted not to renew their DHRC licenses. This demonstrates that the mere inquiry effectively removed some possible hidden ownership/trainer activities. The DHRC continued this project in 2022 without significant findings requiring action.

Budget

It is important to remember the state fiscal year (SFY) runs from July 1st to June 30th and the annual report is based on the calendar year. In general, this report shows figures for the 2022 calendar year. Casino revenue is a source of funding for many DHRC operations. Some costs are directly paid by the tracks, such as laboratory services and supplies (not shown in the DHRC Operating Budget) and salaries. Other costs are covered by funds channeled through the Lottery Office to the DHRC (some salaries). The bulk of the non-salary operating costs are funded by the DHRC fines and fees holding account. DHRC operations are performed well within budgeted parameters. In fact, the DHRC will again complete the SFY under budget.

Delaware horse racing is still a vibrant and healthy industry. According to a 2014 study, contributing \$182M to the State's economy annually and accounting for 1,540 jobs. The DHRC constantly reviews internal procedures, and we will continue the practice of on-going assessment and improvement to reduce costs and increase efficiency. The DHRC will also continue to identify methods and measures (education, rules, procedures, testing, and investigation) to ensure the integrity of racing in the First State.

It will take all stakeholders (regulators, politicians, casinos/tracks, horsemen, and support businesses) working together to ensure the continued success of this important industry, which contributes significantly to our history and economy. Solutions which consider the needs of and provide a positive impact to both the horsemen and casino/tracks must be identified and implemented.

2022 Delaware Harness Racing Commission Personnel

Delaware Harness Racing Commission

Chairman, Beverly Steele
Vice-Chairman, Patt Wagner
Commissioner, George P. Staats
Commissioner, Jack Berberian
Commissioner, Stephanie Liguori
Executive Director, Mark A. Davis
Counsel, Adria Martinelli, ESQ
Prosecuting Counsel, Stacey Cohee, ESQ
Prosecuting Counsel, Victoria Groff, ESQ
Administrative Specialist, Donna Krol*
Administrative, Darlene Parker*

DE Standardbred Breeders Fund

Administrator, Judy Davis-Wilson

DHRC Judges

Presiding Judge, Brian Manges*
Associate Judge, Brent McLaren
Associate Judge, Randy Rosenthal
Alternate Judge, Norman Short*
Alternate Judge, Dan Kazmaier
Paddock Judge, Bob Delisi*

DHRC Veterinarians

Linda Molesworth
Claire Wellman (fill-in)
Gil VanSciver (fill-in)
Perry Chumley (fill-in)

Investigative Unit

Chief Investigator, Lauren Torres
Investigator, Handley Orr
Licensing Investigator, Clare Espino

Blood Gas Analyst

Wes Gerardi*
Jennifer Hobbs*
Trish MacDonald* (fill-in)

Office of Licensing

Holly Ventura*
Nikki Tome*
Christa Clark
Darlene Parker*

Equine Identifiers

Trish MacDonald*
Faith Parker*

BAC Technician

Robin Killen

Chief Paddock Inspectors

Jennifer Hobbs* Nikki Tome* Mollie Lynch*

Paddock Inspector

Lynn Dodenhoff*
Mollie Lynch*
Morgan Nichols
Richie Cannon
Jonathan Moore
Nikki Tome*
Faith Parker*
Cara Parker

^{*}Denoted personnel trained in more than one job function

Personnel

DHRC personnel are strongly encouraged to cross-train, thereby improving morale and operational flexibility. In addition, the DHRC maintains high standards of training and continues to participate in the national accreditation programs. On the previous page listing personnel, staff members trained in multiple tasks are indicating with an (*).

Due to the national shortage of large animal veterinarians, the most important challenge for the DHRC in 2022 was recruiting and retaining qualified veterinarians. Dr. Linda Molesworth accepted the DHRC Associate Veterinarian position and has proven to be a great asset. Our Chief Vet. position has remained vacant. The list of "fill-in" veterinarians is shown on page 4 of this report. Dr. Wellman was the primary fill-in for the 2022 racing season. The DHRC owes much gratitude to these "fill-ins". They have consistently provided the needed veterinary services we require to operate successfully. Currently, we enjoy the benefits of an exemplary Veterinary Team and will continue to seek out a qualified individual to assume the Chief Veterinarian duties. The lack of a fulltime veterinarian team drastically effected our ability to perform out of competition testing. We simply did not have adequate staff to perform this activity.

Personnel Training

Cross-training continues to be a cornerstone of the DHRC personnel management strategy. Cross-training strengthens both the individual employee and our entire operation. DHRC personnel are cross-trained in multiple job duties whenever possible; and as noted on the personnel roster, many DHRC paddock staff are trained in multiple job functions.

DHRC personnel are also encouraged to utilize the state training/education programs through OMB. The state offers courses in First State Financial system (FSF), operational management, personal skill building and others.

Personnel Accreditation

Judges working at Delaware's Harness tracks are fully licensed by the United States Trotting Association (USTA) and accredited through the University of Louisville. The Judges regularly attend continuing education sessions through the Racing Officials Accreditation Program (ROAP); www.horseracingofficials.com and will do so in 2023.

2022 Delaware Harness Racing Commission <u>Licensing Office Activity</u>

LICENSE TYPE	FEE	# Issued	YEAR 2022
OWNER 1 YR	\$50.00	382	\$19,100.00
TRAINER 1 YR	\$50.00	36	\$1,800.00
DRIVER 1 YR	\$50.00	8	\$400.00
OWN/TRNR/DRIVER 1 YR	\$50.00	19	\$950.00
OWNER 2 YR	\$100.00	51	\$5,100.00
TRAINER 2 YR	\$100.00	8	\$800.00
DRIVER 2 YR	\$100.00	0	0
OWN/TRNR/DRIVER 2 YR	\$100.00	10	\$1,000.00
OWNER 3 YR	\$150.00	207	\$31,050.00
TRAINER 3 YR	\$150.00	21	\$3,150.00
DRIVER 3 YR	\$150.00	13	\$1,950.00
OWN/TRNR/DRIVER 3 YR	\$150.00	24	\$3,600.00
AUTH. AGENT	\$50.00	0	0
VENDOR	\$50.00	4	\$200.00
VENDOR EMPLOYEE	\$20.00	18	\$360.00
GROOM	\$20.00	206	\$4,120.00
TRACK PERSONNEL	\$20.00	54	\$1,080.00
TOTAL LICENSES		1,061	\$74,660.00
FINGERPRINTS	\$65.00	129	\$8,385.00
APPEALS	\$400.00	2	\$800.00
FINES		46	\$9,200.00
EXEMPT	0.00		
TOTALS			\$93,045.00

2022 Delaware Harness Racing Commission

Equine Drug Testing Program

ТҮРЕ	2018 TOTALS	2019 TOTALS	2020 TOTALS	2021 TOTALS	2022 TOTALS
No. of Starters	15,010	15,584	11,939	15,814	15,990
Pre-Race BG (In-house)	2,194	2,540	1,727	1,878	1,550
Post-Race Testing (Dalare)	Urine: 1,437 Blood: 1,841	Urine: 1,668 Blood: 2,004	Urine: 1,275 Blood: 1,526	Urine: 1,635 Blood: 1,969	Urine: 1,723 Blood: 2,031
Out of Competition Testing (Dalare)	78	92	46	13	0
Cobalt (Dalare)	294	295	265	427	275
GRAND TOTALS	5,844	6,599	4,839	5,922	5,579

Human Drug Testing Program and Searches

	2018	2019	2020	2021	2022
TYPE	TOTALS	TOTALS	TOTALS	TOTALS	TOTALS
Human Drug Testing	168	107	91	111	62
Breathalyzer (In-house)	6,744	6,711	4,742	7,140	6,463
GRAND TOTALS	6,912	6,818	4,833	7,251	6,507
Truck/Trailer Searches	142	77	154	201	34

2022 Delaware Harness Commission Racetrack Handle and Purse Statistics

	2018 Totals	2019 Totals	2020 Totals	2021 Totals	2022 Totals
Live Racing Days	142	143	116	145	147
Races	1,828	1,915	1,490	1,944	1,958
Races per Day (avg.)	13	13.3	12.8	13.3	14
Total On-track Live Handle	\$1,878,155	\$1,478,838	\$742,273	\$1,236,662	\$1,297,989
Total Off-track Handle	\$48,954,983	\$54,478,175	\$48,100,492	\$67,889,559	\$68,586,718
Total Live Handle	\$50,833,138	\$55,957,013	\$48,842,765	\$69,126,220	\$69,884,707

These figures are summed from the Monthly Administrator's Report

	2018	2019	2020	2021	2022
	TOTALS	TOTALS	TOTALS	TOTALS	TOTALS
Total Purses Paid Harrington	\$8,562,487	\$9,472,742	\$5,857,850	\$11,132,898	\$10,860,631
Total Purses Paid Dover Downs	\$14,136,197	\$15,501,091	\$16,020,088	\$13,743,650	\$17,019,150
TOTAL Purses Paid	\$22,698,684	\$24,973,833	\$21,877,858	\$24,876,548	\$27,879,783

2022 Delaware Standardbred Breeders Fund

The Delaware Standardbred Breeders' Fund was created to oversee a state-based breeding program.

- The DSBF Board is made up of 11 appointed members.
- The DSBF Administrator, Judy Davis-Wilson, oversees both the Sires and Racing Programs.
- These programs consist of a minimum of 48 races per year equally divided between two of the state's race tracks; Dover Downs and Harrington Raceway.
- These 48 races include 2 Eliminations and a \$100k Final at each track, for each division.
- The DSBF strives to maintain a competitive level of purses and to keep the flow of hybrid vigor among Delaware bred Standardbreds, by annually contributing to the base of horses racing at the states' two harness tracks.
- The DSBF Administrator markets and showcases Delaware bred horses at major Standardbred sales (such as the Harrisburg Sale) and supports educational events. These annual events include the Harness Horse Youth Camp and Clyde Hirt Writers' Workshop.
- Another important annual event for the DSBF is Governor's Day, held at the Delaware State Fair each July.

	2015	2016	2017	2018	2019	2020	2021	2022
Stallions								
Registered	35	33	36	36	37	43	44	44
Mares Bred	282	217	251	347	297	345	345	347
Yearlings								
Registered	201	147	153	116	132	189	162	184
2 & 3 Year Old								
Payments	473	468	341	344	304	314	455	423

Total Bonus Paid to DSBF 2 & 3 Year Olds in DSBF Events: \$453,589

Total Purses Paid: \$3.177 Million

2022 Final Winners

<u>3 Year Olds @ Dover Downs</u> 3CP-HEINIKIN BYTHEBAY; 3FP-ODDS ON SURFER GAL; 3FT-SHES ALL WOMAN; 3CT-NAVY BLUE

3 Year Olds @ Harrington Raceway 3CP-HEINIKIN BYTHEBAY; 3FP-SHABBY CHIC; 3CT-NAVY BLUE;3FT-SHES ALL WOMAN

<u>2 Year Olds @ Harrington Raceway</u> 2CP-GAITWAY GUY; 2FP-MISTY COAST; 2FT-SHE IS STRONG; 2CT-PERFECT TWENTY

<u>2 Year Olds @ Dover Downs</u> 2CP-GAITWAY GUY; 2FP-KILLER STRIPES; 2FT-ROYAL FLIRT; 2CT-PERFECT TWENTY