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Racing industry a big payoff in W.Va.

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CHARLES TOWN, W.VA. - The horse racing industry in Jefferson County has enjoyed "phenomenal" success in the last five years, generating a local annual economic impact of \$173 million and employing more than 3,000 people, according to a report released Thursday.

The report, which was prepared for the track's horsemen's association, is being released before the upcoming session of the West Virginia Legislature, when lawmakers are expected to again consider casino table games for the state's racetracks.

When table game legislation was being considered last year in the Legislature, local officials expressed concern about the future of horse racing at the local thoroughbred track.

Some county officials said they would support table games but wanted assurances that horse racing would be protected at the track.

Local lawmakers criticized a table games bill last year because it proposed to take away the rights of Jefferson County voters to control gaming at the track through elections.

Del. Bob Tabb, D-Jefferson, said it is important for county voters to be able to call for a referendum on gaming, in case there is an ever an attempt to eliminate horse racing at the track.

Track officials later emphasized how important horse racing is to them and said the possibility of eliminating horse racing is a "silly notion."

The economic impact report, prepared for the Charles Town Horsemen's Benevolent & Protective Association, said Charles Town's horse racing industry has thrived in recent years with the help of revenue from the track's slot machines.

Slot machines began operating at the track in 1997. There are 4,300 machines.

From 2000 to 2005, the annual economic impact of horse racing in the area went from \$99.2 million to \$173 million, according to the report.

During the same time period, jobs associated with horse racing went from 2,581 to 3,658, the report said.

The report was developed by Richard Thalheimer of Thalheimer Research Associates, a Lexington, Ky., a firm that specializes in economic research for the racing industry.

Thalheimer, Clarence E. "CEM" Martin, a Martinsburg attorney who has lobbied for the local horse racing industry since 1994, Randy Funkhouser, president of the HBPA, and others associated with the horse racing industry appeared Thursday morning before the Jefferson County Commission to brief commission members on highlights of the report.

"We think these are very important figures for you to understand," Martin told the commission.

Track general manager Al Britton, who was at another function at Avanti Restorante where the report was being released, said the report reaffirms statements from track officials that horse racing is vital to the track's success. Britton said the \$173 million economic impact figure is interesting because track officials have never determined the impact.

"Overall, everything we heard was extremely positive," Britton said.

Thalheimer said the horse racing industry is responsible for many benefits that people might not realize, such as creating demand for veterinary services and feed suppliers or helping to preserve green space in the Eastern Panhandle.

Thalheimer's report said that horse farms have increased from 55 to 140 in the Eastern Panhandle.

"That's just huge," Thalheimer said.

HBPA members said in information they handed out Thursday that they will support table games legislation only if the legislation guarantees live horse racing. The track must offer at least 220 days of live racing to have slot machines, said John Finamore, senior vice president of regional operations for Penn National Gaming Inc., which owns the oval.

That requirement will not be challenged in the table games bill, Finamore said Thursday.

Commission member Jane Tabb agreed that the horse racing industry has been a boon for Jefferson County's farming community, saying there is constant demand for hay.

Commission member Dale Manuel said that if the track gets table games, he wants some assurances that Jefferson County Schools will get funding from the games.

Funkhouser said he is supportive of that.

Track officials initially defended their support of language in last year's table games bill that would take away all referendum rights of citizens in regards to gambling at the track.

Track officials later said they would support table games legislation that would allow county voters to put the games up for a vote after five years if they are initially approved by voters.

That would give the track time to recoup its investment in the games if they were turned down, said Finamore.

After the five-year period, voters would be able to call for gaming referendums as they currently do, Finamore said.

Britton said track owners are still supportive of the referendum language.

The Legislature convenes in January but it is not clear when the table games bill might be introduced, Britton said.

Report released

The Charles Town Horsemen's Benevolent & Protective Association released a report Thursday saying the horse racing industry generates a local economic impact of \$173 million a year and employs more than 3,000 people.

A copy of the full report is available at www.cthbpa.com

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