



To: The Honorable Milton Potter
Senate President, 36th Legislature of the U.S. Virgin Islands

From: Elroy Bates Jr.
President, Flamboyant Park Horseman Association

Re: Bill Number 36-0313, An act approving a lease agreement for the development and operation of the Randall Doc James racetrack on St. Croix and the Clinton E Phillips racetrack on St. Thomas and amending Titles 32 and 33 of the Virgin Islands Code

Date: August 19, 2026

Good morning, Senate President Potter and members of the 36th Legislature.

My name is Elroy Bates Jr., President of the Flamboyant Park Horsemen Association. I am grateful for the opportunity to testify on Bill No. 36-0313.

The members of the Flamboyant Park Horsemen Association stand ready to work alongside Southland Gaming to finally bring horse racing back to the Randall "Doc" James Racetrack on the island of St. Croix.

We are not simply seeking a racetrack on St. Croix. We want a recognized racetrack on St. Croix, where anti-doping measures, lameness evaluations, and routine physical examinations are conducted by licensed veterinarians. Horsemen on St. Croix have endured years of turmoil under the previous promoters, Treasure Bay, the parent company of Divi Hotel and Casino (TRAXCO), and Caravelle Hotel and Casino (VIGL).

Under TRAXCO, we were initially racing for a purse of \$48,500. Later, the horsemen were informed that the purse would be reduced to \$22,500. That is when everything began to fall apart. By law, they could have installed up to 200 gaming machines in the Racino, yet they operated only 38 machines, which likely affected purse funding. In addition, maintenance of the racing surface and stable area was not up to standard.

In March 2025, after VIGL and the Government of the Virgin Islands settled their dispute, Antoine Kuipers reached out to us for a meeting. On June 24, 2025, Randall Knight, Marcus Knight, and I met with Susan Varnes, Attorney Todd

Newman, and Antoine Kuipers. My first question was whether they were interested in being the promoter. Ms. Varnes responded that they did not want to build the racetrack themselves but wanted someone else to do it for them. That response effectively ended the meeting, and no further discussion took place.

On October 27, 2016, the Government and VIGL entered into a franchise agreement designating VIGL as the promoter for both racetracks: The Randall "Doc" James Racetrack and the Clinton E. Phipps Racetrack. Nearly eleven years have passed since that agreement was signed. A lawsuit filed by Southland Gaming was settled on July 7, 2021, allowing VIGL to move forward with redevelopment of the Randall "Doc" James Racetrack, yet nothing was done. Governor Bryan also returned 40 percent of the Racino tax revenue to VIGL to support racing purses, but again, nothing was done.

Senator Javan James introduced legislation to provide VIGL with \$5 million to assist in rebuilding the racetrack. In response, they quickly installed a roof that began leaking almost immediately in order to qualify for the funding. Randall Knight, Senator Violet, and I appeared on Ms. Mary Moorehead's radio programs and publicly called on the Casino Control Commission to grant VIGL its Racino license so the project could move forward. Despite those efforts, no meaningful action was taken.

In March 2025, VIGL and the Government reached an agreement, and VIGL relinquished control of the racetrack.

Senators, I share this history to make one point: **both previous entities had the opportunity to operate and develop the racetrack, and both ultimately walked away.** Now they are raising concerns about potential job losses. Those losses are the result of their own decisions, not ours.

We are ready to move forward with rebuilding the racetrack and restoring horse racing on St. Croix. However, when we look at horse racing trends across the United States, we see an industry under pressure. Even Hawthorne Race Course, where our own Julio Maganga Felix rides, is scheduled to cease racing operations on September 1, 2026. Several notable racetracks have already closed in recent years, including Arlington Park, Calder Race Course, Golden Gate Fields, Suffolk Downs, and Aqueduct.

Southland Gaming is willing to invest \$20 to \$25 million of its own money to rebuild the Randall "Doc" James Racetrack and continue promoting racing at the Clinton E. Phipps Racetrack. To operate a recognized racetrack, a Racino is essential.

A Racino generates the revenue necessary to support \$100,000 race-day purses, drug testing, veterinary care, and proper maintenance of both the racing

surface and stable area. It also provides funding for important aftercare programs. Under the proposed framework, the promoter must contribute \$30,000 annually to one or more reputable horse retirement, aftercare, or rehoming organizations recognized as tax-exempt charitable organizations under Section 501(c)(3) of the Internal Revenue Code and accredited by the Thoroughbred Aftercare Alliance (TAA).

Additionally, the promoter must establish and fund a scholarship program for no fewer than two qualified individuals who intend to pursue academic studies or professional training in the horse racing industry. These scholarships would total \$10,000 annually.

Today, 80 to 90 percent of racetracks operating in the United States are either affiliated with or supported by a Racino or casino. The reality is that gaming revenue is critical to sustaining modern horse racing. Without it, few operators would be willing to invest in or maintain a racetrack.

I would also like to highlight Bill No. 31-0484, introduced by Senator Kurt Violet, which requires at least one non-thoroughbred race on each race day. This is a provision we strongly support. These races bring entire communities together behind individual horses and riders.

The Youth Horsemen Association of St. Croix is doing a remarkable job developing young people through the sport. Non-thoroughbred racing gives these young horsemen and horsewomen the opportunity to compete in a safe environment and interact with professional jockeys who can inspire them to pursue careers in the industry. Many of us began in non-thoroughbred racing before advancing to thoroughbred competition.

Many Virgin Islanders have gone on to successful careers on the U.S. mainland as owners, trainers, exercise riders, gate men, starters, grooms, and jockeys. Horse racing has created opportunities and careers for generations of Virgin Islanders, and it can continue to do so if given the chance.

Senators, if Bill No. 36-0313 fails, we do not know when, or even if, horse racing will return to the Randall "Doc" James Racetrack on St. Croix.

Thank you again for inviting me to testify.