

MINNESOTA RACING COMMISSION BIENNIAL REPORT 2023-2024



Acknowledgement

The Minnesota Racing Commission would like to thank Heather R Grevelis, as well as the Running Aces Marketing Team for their photographic efforts and contributions to our biennial report.

This biennial report is being submitted to the Governor and state legislature pursuant to Minnesota Statute §240.02 Subd. 6 and to the Secretary of Senate, the Chief Clerk to the House of Representatives, and the Legislative Reference Library pursuant to Minnesota Statute §3.195. In compliance with the Laws of 1994, Chapter 559, Section 1, it is estimated that it cost \$2,500 to prepare this report.



Canterbury Park Location
Thoroughbred and Quarter Horse Racing
1100 Canterbury Road, Ste. 100
Shakopee, MN 55379
952.496.7950

Running Aces Location
Standardbred Racing
15201 Zurich Street NE, Ste. 212
Columbus, MN 55025
651.925.3951



www.mn.gov/mrc/



Table of Contents

INTRODUCTION

MESSAGE FROM OUR CHAIR	5
MESSAGE FROM OUR EXECUTIVE DIRECTOR	6

AT A GLANCE

OUR MISSION AND DUTIES	7
OUR PERFORMANCE	8
OUR COMMISSIONERS	11
OUR STAFF	12
OUR SEASONAL STAFF	13

FINANCIAL

ADVANCE DEPOSIT WAGERING	15
SIMULCAST WAGERING	16
REGULATION FUNDED BY THE INDUSTRY	17
EXPENDITURES	19

DEVELOPMENT

COMMISSION GRANTS	20
MINNESOTA BREEDERS' FUND	22
CANTERBURY PARK	24
RUNNING ACES HARNESS PARK	28
PARTNERSHIPS	32

Introduction

A Message from our Chair **Camille McArdle, DVM**

Dear Governor Walz, Lieutenant Governor Flanagan, and
Members of the Minnesota Legislature:

The Minnesota Racing Commission is pleased to share its
biennial report for 2023 and 2024. Over the past two years,
the racing industry has experienced a variety of challenges, but
also a number of successes.

After the partial launch of the federal Horseracing Integrity
and Safety Act's (HISA) rules in the summer of 2022, we
experienced the full implementation of HISA's Anti-Doping
and Medication Control program in May of 2023. This federal
oversight provides for uniform safety measures, testing protocols, and medication thresholds. Nearly all these
practices have long been in place in Minnesota, so the federal rules have not changed how our team does its work to
ensure the health and safety of horses. Nationally, however, the industry has seen many improvements, particularly at
tracks that did not have the same rigorous equine safety measures in place prior to HISA, and catastrophic injuries in
horses have dropped significantly since its implementation.

The costs of HISA and the federal entity that oversees implementation, however, are high and increasing each year.
The federal entity is funded through assessments made against state racing commissions and racetracks. We are
grateful for the Legislature's and Governor's appropriation to the Commission in 2023, which allowed the
Commission to cover the full HISA assessment in 2023 and 2024. Going forward, though, much of the burden of the
assessment will be passed on to Canterbury Park and the owners and trainers who run Thoroughbred horses in the
state. This, unfortunately, will only exacerbate the financial hurdles that the industry was already facing.

One bright spot in the industry is the increasing recognition and commitment that all stakeholders have given to the
needs of horses when they retire from racing. Racehorse aftercare provides the opportunity for horses to retrain for a
second career after they leave the track. While some horses find new homes through private channels, many others
rely on a network of not-for-profit organizations for rehabilitation and retraining. The Commission, as well as the
state's racetracks and horsepersons, provide grants to local nonprofits that help horses find their next home and next
career. Over the past two years, the Commission has awarded approximately \$375,000 in grants to aftercare
organizations.

The Commission has had an excellent working relationship with the industry partners that we regulate. We have a
shared interest in ensuring that racing and card playing is conducted with the highest level of integrity and with a
commitment to ensuring the health and safety of all participants. As the industry faces ever-evolving challenges, we
look forward to working together every day to bring forward a product that represents the highest standards that
Minnesotans have come to expect.



Sincerely,

A handwritten signature in dark ink that reads "Camille McArdle". The signature is fluid and cursive, matching the printed name below it.

Dr. Camille McArdle
Chair

Introduction

A Message from our Executive Director Kyle Gustafson

It is an honor to present the 2025 Biennial Report to Governor Tim Walz, Lieutenant Governor Peggy Flanagan, and the Minnesota Legislature.

The Minnesota Racing Commission operates in the public interest to ensure the integrity of horseracing and card playing at Minnesota's two racetracks, Canterbury Park and Running Aces Harness Park. Through a combination of robust regulatory oversight, administering the distribution of funds back into the industry, and establishing the highest standards of human and animal safety and welfare, the Commission plays an integral role to support the generation of a half billion dollars in economic activity for the state.



Horse racing in Minnesota faces a number of challenges. This is particularly true for Thoroughbred racing, where purse money is in decline, fewer horses are returning each summer, and the number of new foals is at a historic low. Horse owners and trainers are facing rising costs, including the costs of compliance related to the federal Horseracing Integrity and Safety Act. The federal law has been the subject of litigation since its enactment, and the industry is hopeful that the United States Supreme Court will provide some clarity on the federal oversight of horseracing later this year.

The future for Standardbred harness racing is looking bright. The industry in Minnesota is experiencing competitive purses, full racing fields, and increasing numbers of foals being born in the state. These conditions help expand the impact that horseracing has on the state's economy, particularly in the agricultural sector. Where there are horses, there is the need for veterinary care, horse feed and hay, and many other products and services for the care of those horses.

Regardless of the challenges that the racing industry is facing, the Minnesota Racing Commission is committed to ensuring the highest standards for safety and integrity, and we have long held a reputation as a leader for equine health and fairness. We believe that the standards established and enforced by our veterinarians and racing officials make Minnesota an attractive place for horses to compete, as owners and trainers know that racing here will give their horses a fair chance to win.

The Minnesota Racing Commission looks forward to continuing its work to uphold Minnesota's strong reputation in the industry. By doing so, we will continue to provide an environment where families can enjoy a day at the track, horsepersons can trust that the playing field is level, and equine and human safety will always be the top priority.

A stylized, handwritten signature in black ink, appearing to read 'Kyle Gustafson'.

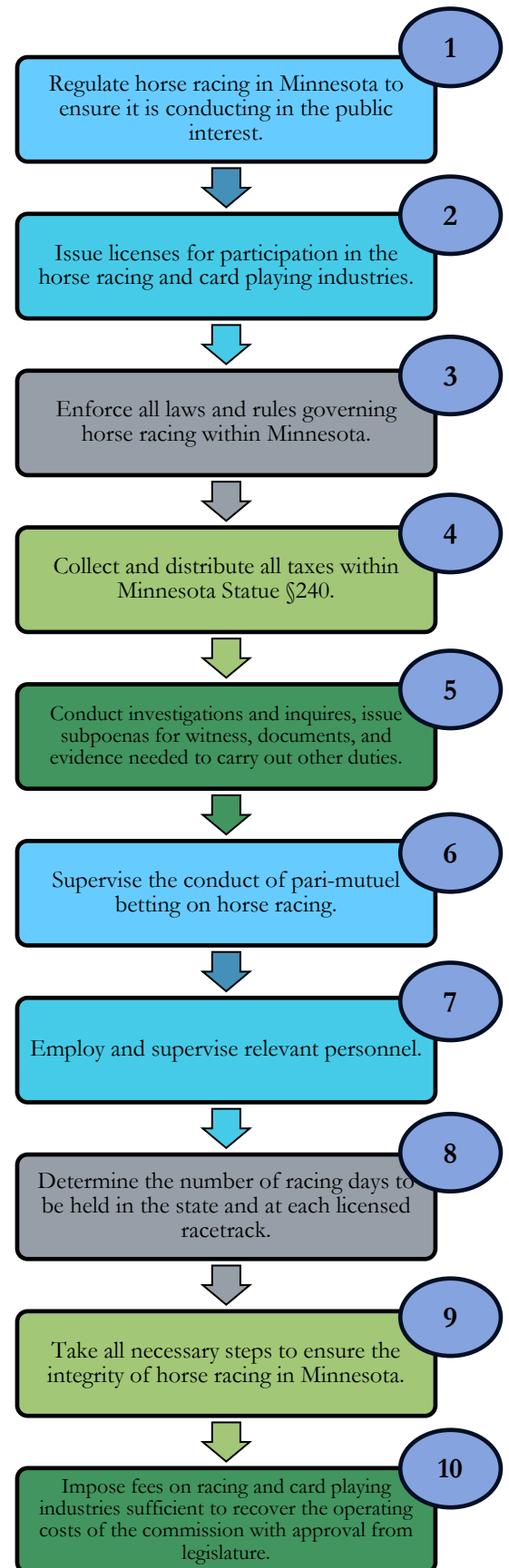
Kyle Gustafson
Executive Director

Our Mission

The Minnesota Racing Commission (MRC) operates in the public interest to ensure the integrity of horse racing and card playing, oversee the proper distribution of funds back into the industry, and provide for the safety and welfare of the human and equine participants. Additionally, the Commission works to promote the horse racing and breeding industry in Minnesota in order to provide economic stimulus, offer residents and visitors an exciting entertainment option, and support agriculture and rural agribusiness.

Our Duties

In order to work toward the overall benefit of the State of Minnesota to safekeep the public trust in horse racing and card playing industries, the Minnesota Racing Commission has the following duties as outlined in Minnesota Statute §240.03.



Our Performance

Issue Licenses

The MRC issues licenses to all personnel working at either racetrack in any capacity. All card room staff, racetrack employees, horsepersons, vendors and our MRC staff must apply and be approved for a license. Licenses acknowledge purpose, verification, and permission from the MRC to be on and operate business on the grounds of the tracks, which are also licensed themselves by the Commission to operate.

4,163 Licenses were issued in 2023

4,045 Licenses were issues in 2024

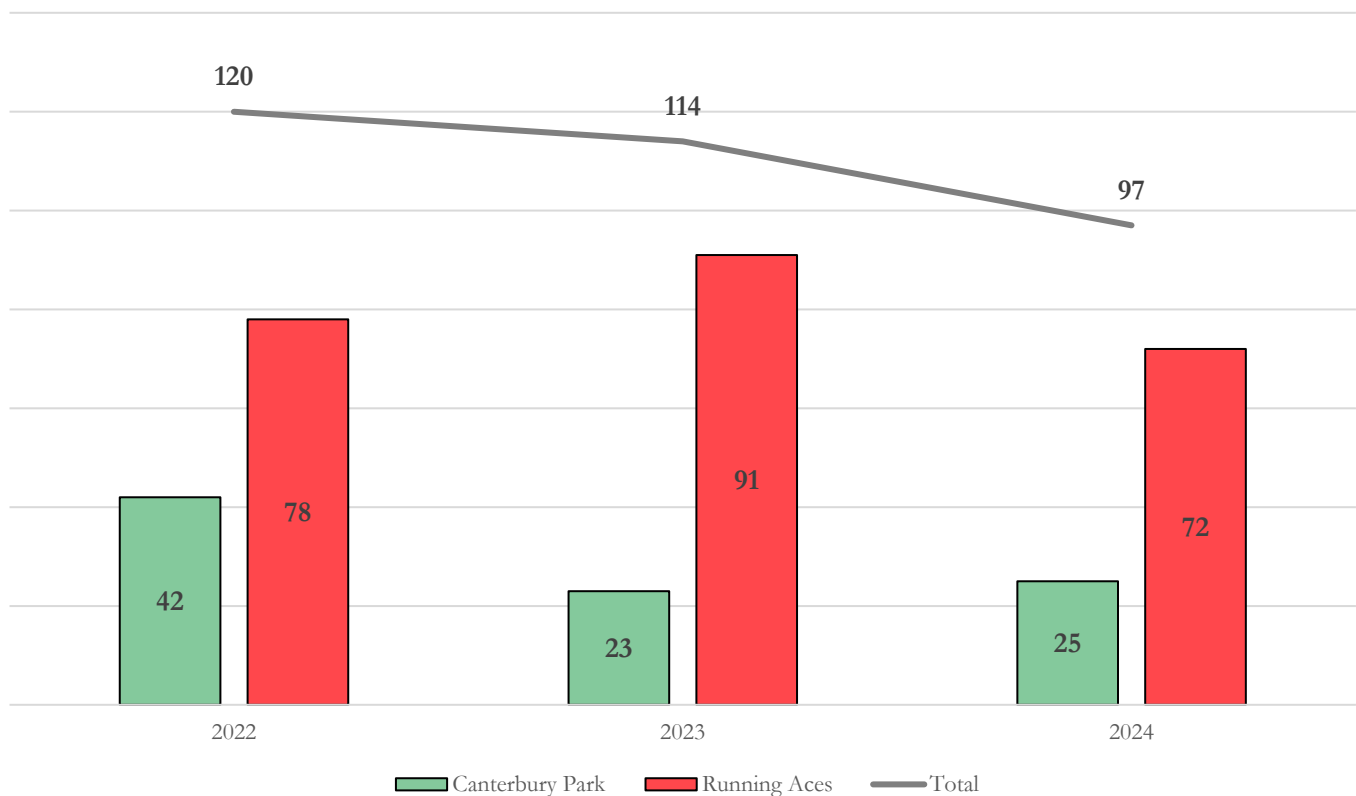


Our Performance

Ensure Integrity

Rulings are issued by Commission-contracted racing Stewards and Judges at each track. These officials are committed to keeping the sport fair and honest for the betting public as well as the horsepersons and horses competing. Should a licensee break a rule, the Stewards and Judges can issue fines, enact suspensions, revoke licenses, and use other procedures as needed. The fines and fees collected are added to the racehorse aftercare grant fund.

Number of Rulings per Track per Year



Our Performance

Protect Safety and Welfare

The Commission contracts an incredible team of talented and dedicated veterinarians. Our veterinarians work tirelessly to ensure our equine athletes are healthy and sound before every race. One of the ways they do this is by performing **pre-race examinations**. On race day mornings, full examinations are completed for every horse entered to start. The veterinarians will decide if the horse is cleared to run their race.

This process ensures fewer equine injuries due to racing and more fairness to the betting public, as horses that are not in tip-top shape will be scratched.

2,977 Pre-Race Examinations were completed in 2023

3,357 Pre-Race Examinations were completed in 2024

After every race is finished, select horses will be chosen to go to the state test barn for **post-race blood and urine sampling**. These samples are collected by our commission veterinarians and test barn technicians, then sent out to Industrial Laboratories in Colorado. The laboratory will test for any banned or controlled substances in the system. These results are then sent back to our commission veterinarians so purse money can be distributed to the winners of the race.

2,033 Post-Race Samples were collected in 2023

2,153 Post-Race Samples were collected in 2024

OUR COMMISSIONERS

Dr. Camille McArdle, *Chair*

Appointed: 1993

Term Expires: 2029

David Koob, *Vice Chair*

Appointed: 2022

Term Expires: 2028

Barbara Colombo

Appointed: 2015

Term Expires: 2027

Julie Idelkope

Appointed: 2019

Term Expires: 2025

Lisa Goodman

Appointed: 2014

Term Expires: 2025

Alan Gingold

Appointed: 2014

Term Expires: 2025

Raymond Dehn

Appointed: 2021

Term Expires: 2027

Johnny Johnson

Appointed: 2024

Term Expires: 2029

Melanie Benjamin

Appointed: 2024

Term Expires: 2029

Our board of nine commissioners also make up five different committees. The MRC has Executive, Administration, Finance, Racing, and Racehorse Aftercare committees.

OUR STAFF

Executive Director: Kyle Gustafson

Deputy Director: Penny Nelson

General Counsel: E. Joseph Newton

Auditor: Kevin Hoese

Chief Commission Veterinarian: Dr. Lynn Hovda RPH, DVM, MS, DACVIM

Investigative Specialists: Nick Cummins, Sean Corrigan, and Selena Sartor

Animal Health Specialist, Breeders' Fund and Safety Coordinator: Nicole Boentgen

Contracts, Procurement and Rulemaking Coordinator: Lynette Podritz

Commission Liaison and Licensing Office Manager: Kimberly Cave

Licensing Specialists: Taylor Traufler, Mary Beth Schaefer, and Denise Montgomery

OUR SEASONAL STAFF

Chief Steward: Randy Blaseg

Stewards: Rueben Rivera and Greg Hosch

Presiding Judge: Bob Corey (2023), Casey Larson (2024)

Associate Judges: Peter Hanley and Casey Larson (2023), Michael Hall and John Yinger (2024)

Commission Veterinarians: Christy Klatt, DVM, Rebecca Butler, DVM, Jennifer McDonald, DVM, David Radechel, DVM, Raye Taylor, DVM, Brian Hoefs, DVM, Melissa Adelman, DVM, and Haley Markow, DVM

Animal Health Specialists: Jeanne French (2023), Nicole Boentgen and Trisha Dunks (2023 and 2024)

Law Compliance Representatives: Kiddjazzminne Freeman (2023), Gabby Betzler and Dominic Schaefer (2024)

Veterinary Services Coordinators: Taylor Traufler, Rebecca Brueggemeier (2023 and 2024), and Kay King (2024)



OUR SEASONAL STAFF

Running Aces Harness Park Test Barn Technicians 2023: Ginny Haglin, Abby Nisben, Marilyn Johnson, Kindred Maki, Abigail Bondi, Jenna Stockinger, Jody Oliver, Andrea Bernier, and Savannah Dunks

Canterbury Park Test Barn Technicians 2023: Alexa Bishop, Olivia Boyd, Ray Hashimoto, Madilyn Quarles, Maddy Primeau, Tiffany Rask-Hollmon, Denae Rothmeier, Chayse Burgess, Alexis Songa, Lydia Ryder, Nicole Zaun, Gretchen Lobben, and Gretchen Pederson

Running Aces Harness Park Test Barn Technicians 2024: Ginny Haglin, Abby Nisben, Marilyn Johnson, Jody Oliver, Andrea Bernier, Savannah Dunks, Maddie Babbs, Leah Johnson, and Anne Senger

Canterbury Park Test Barn Technicians 2024: Alexa Bishop, Olivia Boyd, Ray Hashimoto, Tiffany Rask-Hollmon, Denae Rothmeier, Chayse Burgess, Alexis Songa, Nicole Zaun, Gretchen Pederson, Emily Leroux, Lola Well, Elizabeth Haugen, Gabrielle Hetland, and Sophia Farrow

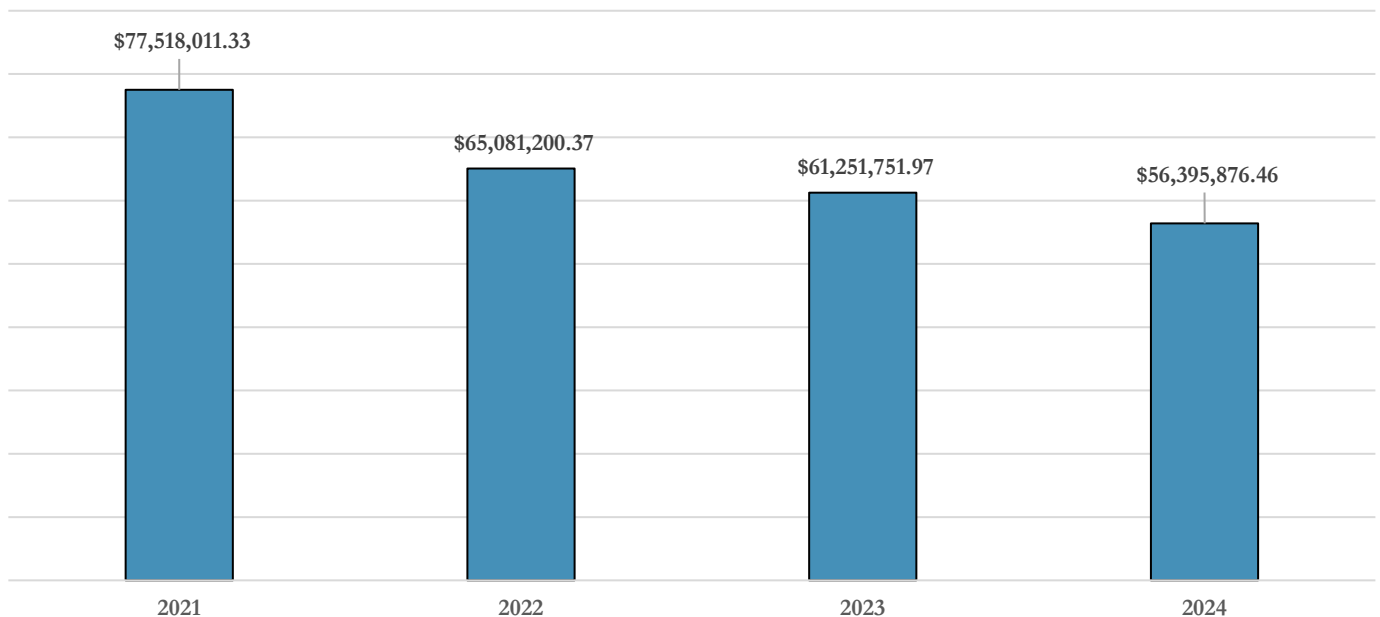


ADVANCE DEPOSIT WAGERING

In 2016, the Minnesota legislature authorized advance deposit wagering (ADW), which allows Minnesota residents to place pari-mutuel wagers on live races conducted in other states via simulcast by funding personal wagering accounts.

It was originally created to benefit the entire horse racing industry by directing revenues to purses, the racetracks, the MRC, and for the promotion of breeding in Minnesota. Stakeholders were able to reinvest these funds into the growing industry. In 2023 and 2024, eight ADW operators were licensed by the MRC.

Annual Advance Deposit Wagering for MN Residents



SIMULCAST WAGERING

On-track simulcast wagering allows bettors at each track the opportunity to place pari-mutuel wagers on live horse races taking place throughout the country. Even though bettors could bet on these races from any location using an Advanced Deposit Wagering platform, some horseplayers prefer the on-site experience at the track. On-track simulcast wagering activity has been relatively consistent year-after-year, following the COVID-19 pandemic.

Simulcast Wagering per Track



REGULATION FUNDED BY THE INDUSTRY

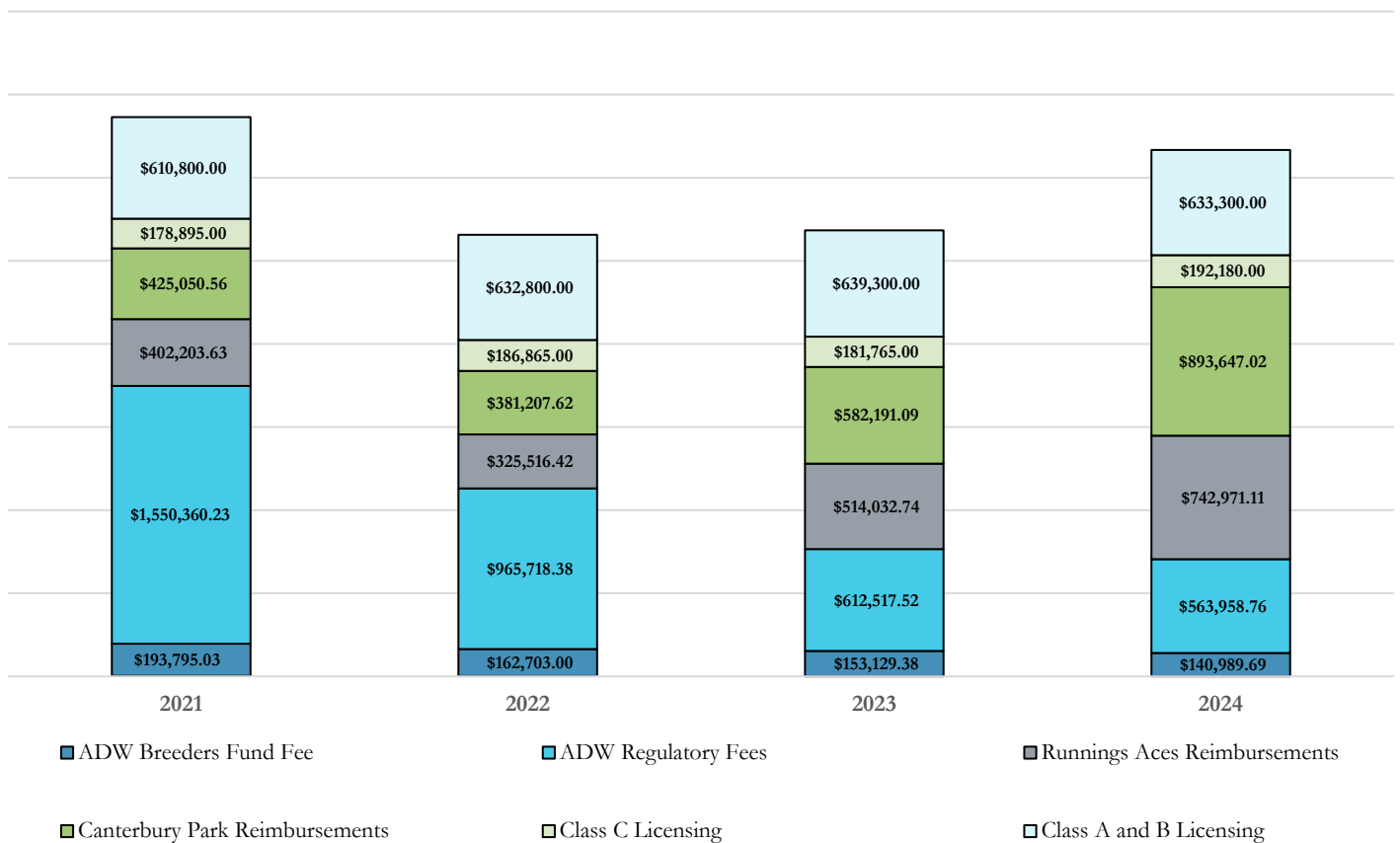
The Minnesota Racing Commission is funded through a number of sources per MS Chapter 240. The Racing Commission's basic operations are currently financed entirely by the industry it regulates. The following graphs show the sources of yearly funding by category, total yearly funding, along with total yearly expenditures and the breakdown of those expenditures.

MRC Total Funding				
	2021	2022	2023	2024
Total Funding	\$ 3,364,354.45	\$ 2,656,960.42	\$ 2,683,035.73	\$ 3,167,096.58



REGULATION FUNDED BY THE INDUSTRY

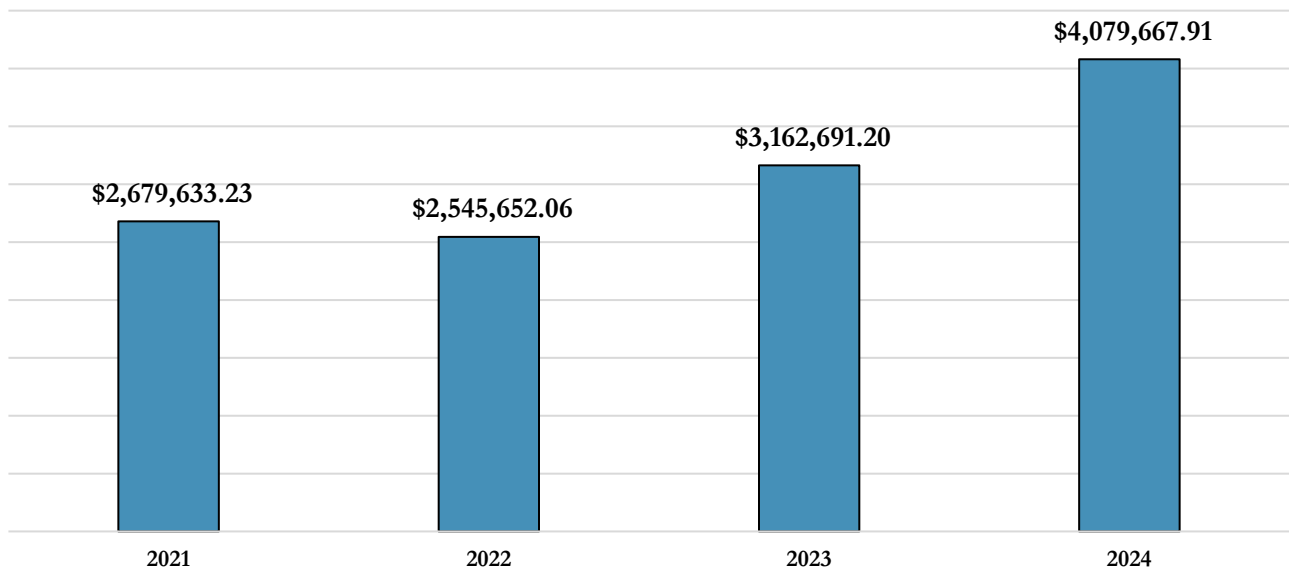
Major Sources of MRC Revenue FY21-FY24



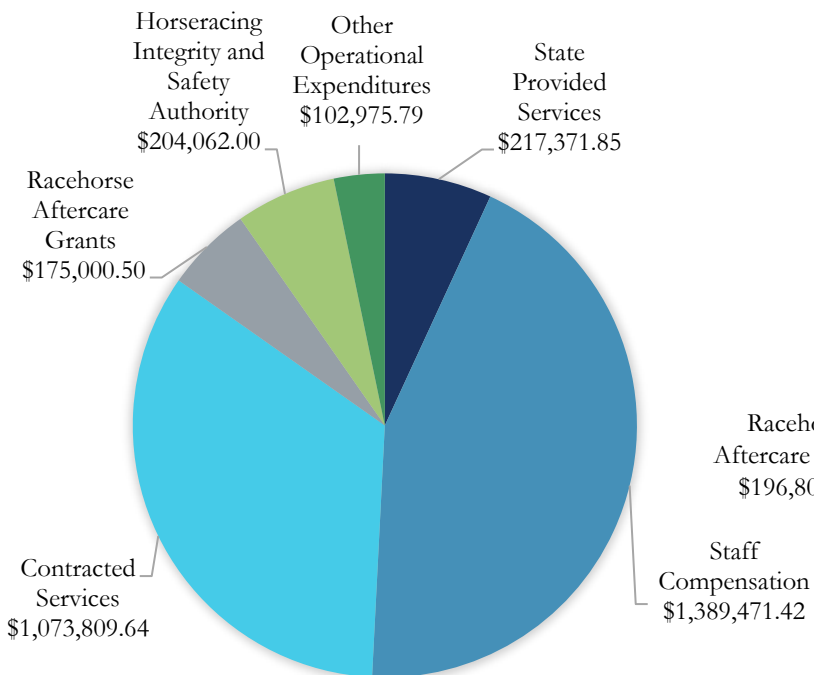
ADW activity peaked during the COVID-19 pandemic, as gaming and entertainment options were limited, but racetracks around the country continued to host races, albeit without fans in attendance. This provided a gaming and entertainment option for consumers who could watch and wager on horseracing by utilizing ADW platforms. Following the height of the pandemic, as other gaming and entertainment options returned to pre-pandemic standards, there has been a steady decline in horseracing wagering on ADW platforms. Some of the decrease may also be due to bettors migrating their wagering dollars toward sports betting, even though such gaming has not been legalized in the state. Additionally, a temporary increase in the ADW Regulatory fee reverted from two percent to one percent on January 1, 2022.

EXPENDITURES

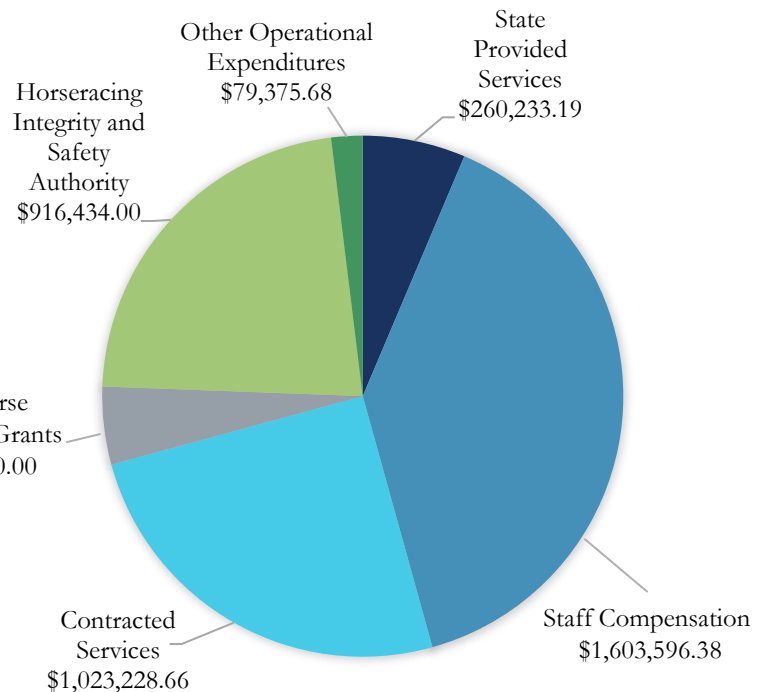
Total MRC Expenditures FY21-FY24



2023 USES OF FUNDS



2024 USES OF FUNDS



COMMISSION GRANTS

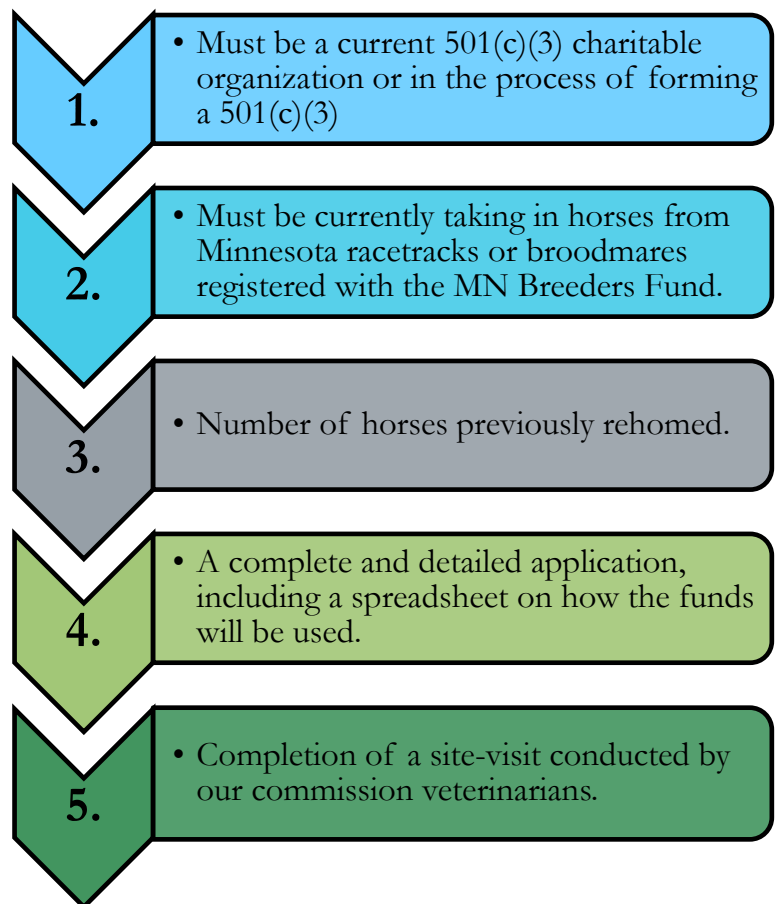
Racehorse Aftercare

Every year since 2016, the Minnesota Racing Commission has provided grant funding to organizations that take in and care for racehorses when their career at the track is finished.

A special revenue fund comprised of fees and fines collected by the Commission provides a portion of these aftercare funds, and in 2021, the Legislature made statutory changes allowing a percentage of Advance Deposit Wagering (ADW) funds to be directed to aftercare grants, substantially increasing the Commission's ability to support this vital work.

Grant funds may be used to provide hay, grain, and veterinary care, or to improve shelter and fencing that directly benefits horses. All with the goal of retraining, repurposing and rehoming the equine athletes and ensuring they have a good life once their racing career has ended.

Decision-Making Criteria



COMMISSION GRANTS

2023 Grant Recipients

A total of **\$197,000** was available and granted to the following facilities:

- Abiding Sunday
- Bowman's Second Chance Thoroughbred Adoption
- Remember Me Rescue
- This Old Horse

2024 Grant Recipients

A total of **\$170,000** was available and granted to the following facilities:

- Bowman's Second Chance Thoroughbred Adoption
- This Old Horse

The MRC is grateful to these organizations for the quality of care given to retired racehorses and for giving them a future in a new career. A few of the possible post-racing opportunities for these athletes include dressage, trail riding, jumping, or even becoming a therapy horse.

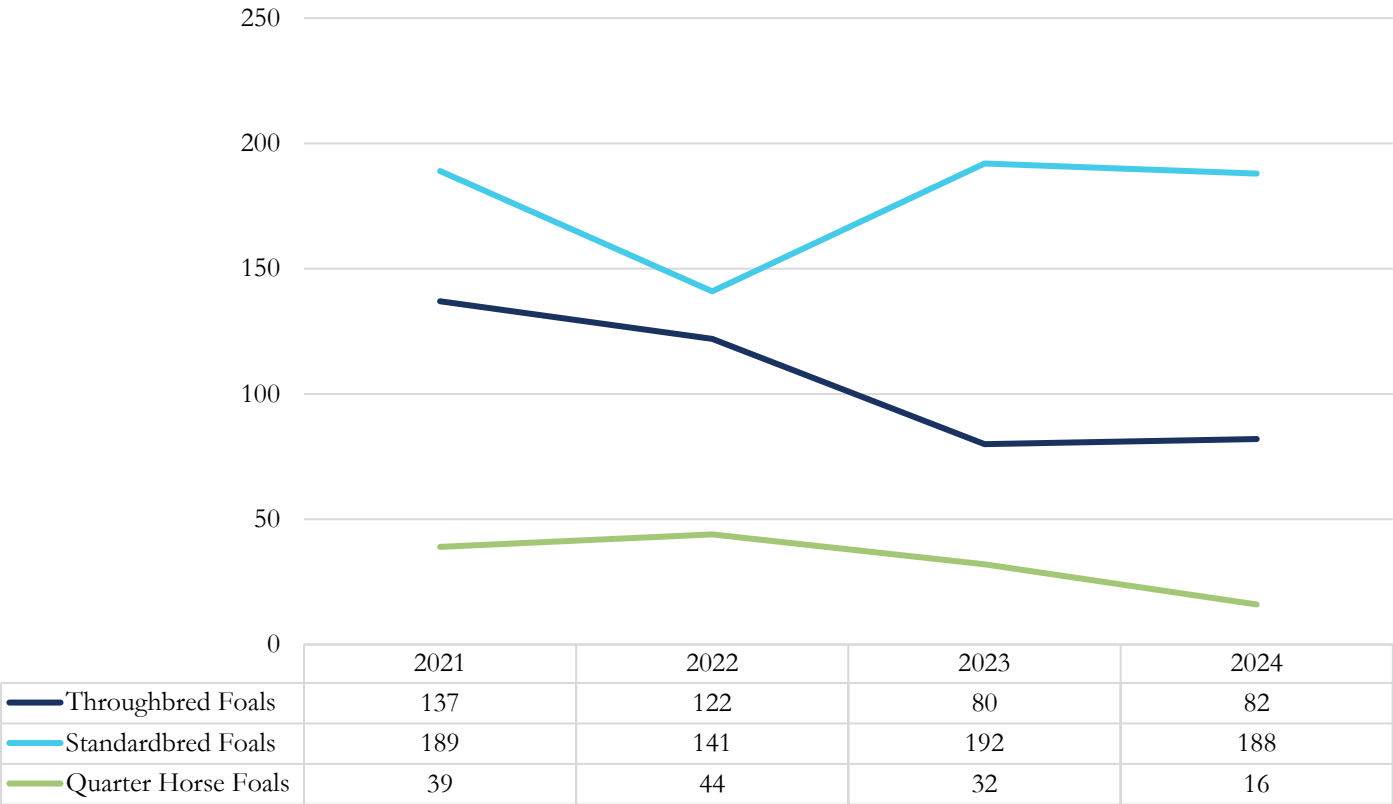
MINNESOTA BREEDERS' FUND

Purpose

The Minnesota Breeders' Fund encourages the breeding and racing of quality racehorses within the state. The MRC partners with Breeders' Fund Advisory Committees and industry stakeholders to provide incentives to increase the quality and quantity of Minnesota-bred and owned racehorses.

The Minnesota Breeders' Fund provides money for in-state, postsecondary equine research and other related educational programs; through grants, contracts, and other expenditures.

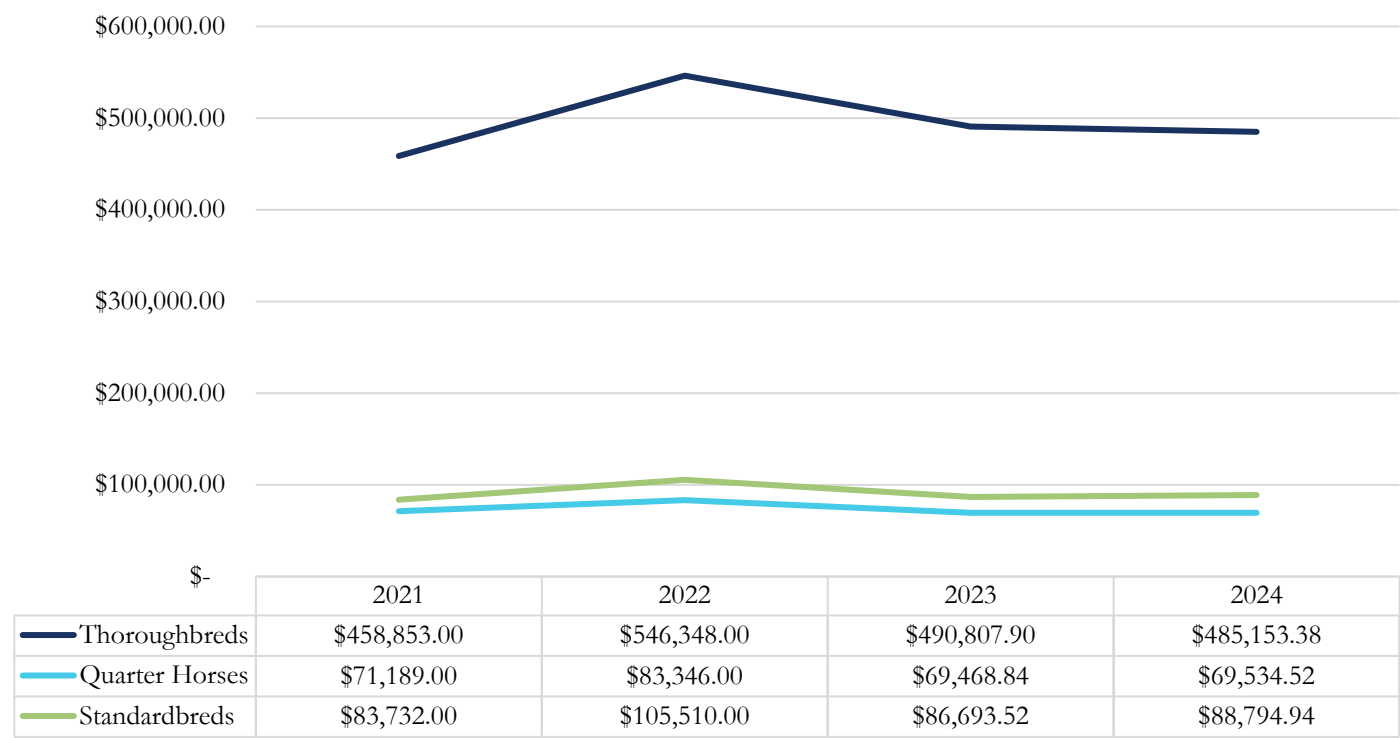
MN Bred Registered Foals



MINNESOTA BREEDERS' FUND

Racehorse breeders across the nation continue to face economic challenges, and Minnesota is no exception. The MRC works closely with industry stakeholders to provide support and to discover new solutions to these challenges.

Breeders' Awards Earned



In 2023, **\$646,970** was dispersed in breeders' awards amongst Thoroughbred, Quarter Horse, and Standardbred breeders. In 2024, **\$643,483** was shared amongst participants.



As authorized under MS 240.18, the MRC administers **over \$1.8 million annually** to owners of Minnesota registered mares, stallions, and racehorses. This amount includes both breeders' awards and purse supplements.

CANTERBURY PARK LEADERS

2023 Quarter Horse Champions



Leading Jockey: Edwin Escobar



Leading Owner: Tom Maher



Leading Trainer: Jason Olmstead

2023 Thoroughbred Champions



Leading Jockey: Harry Hernandez



Leading Owner: Lothenbach Stables Inc.



Leading Trainer: Joel Berndt

CANTERBURY PARK LEADERS

2024 Quarter Horse Champions



Leading Jockey: Armanda Alvidrez



Leading Owner: Tom Maher

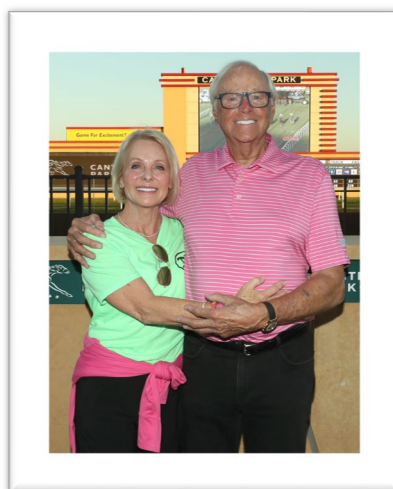


Leading Trainer: Jason Olmstead

2024 Thoroughbred Champions



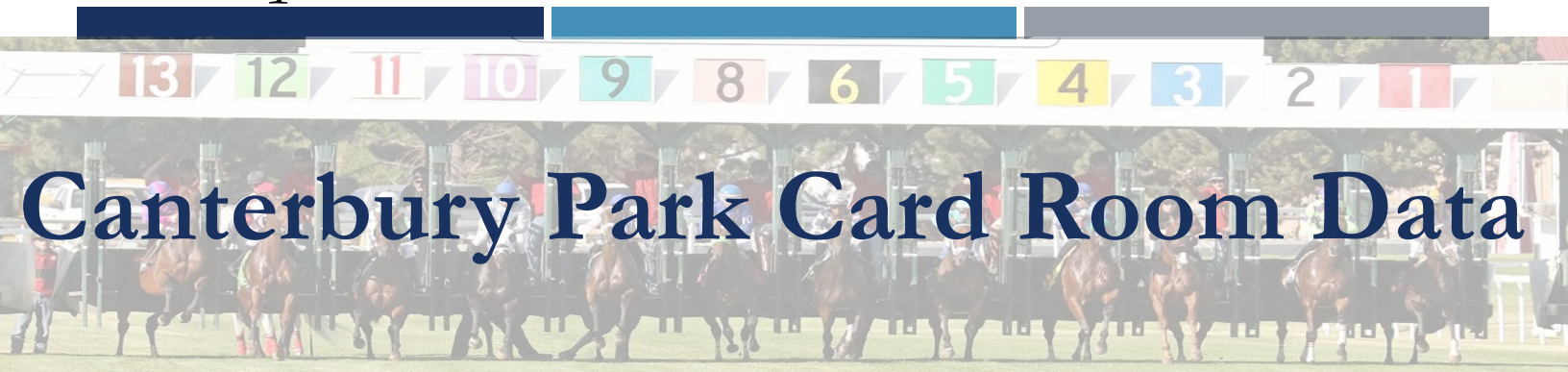
Leading Jockey: Luis Fuentes



Leading Owner: Novogratz Racing Stables

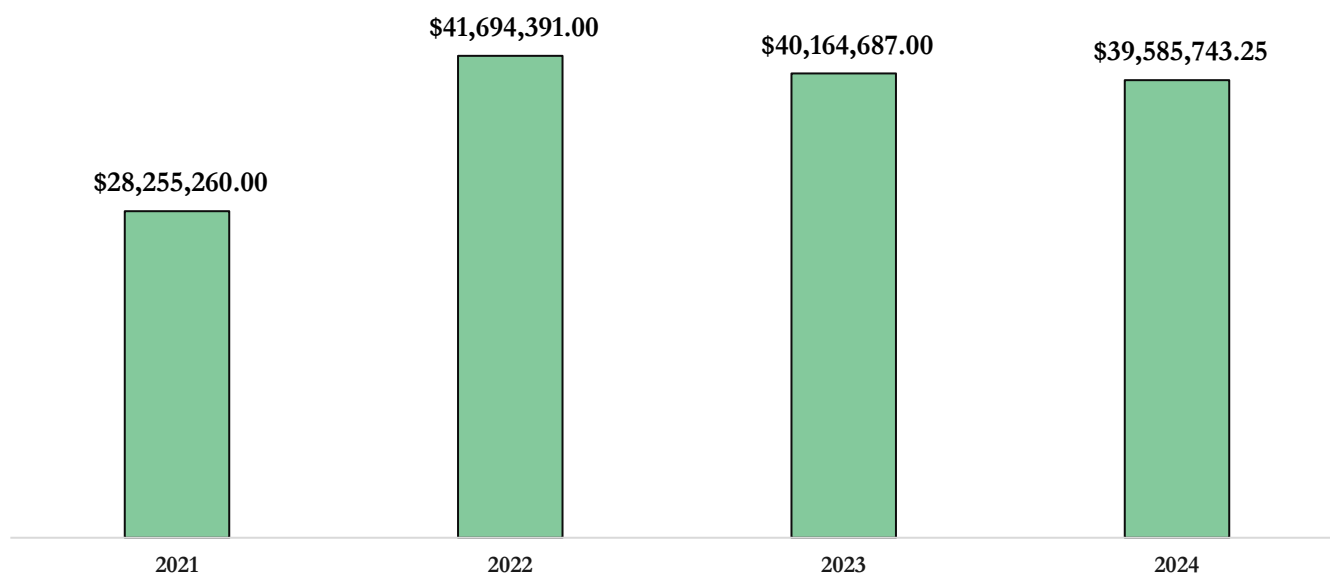


Leading Trainer: Mac Robertson

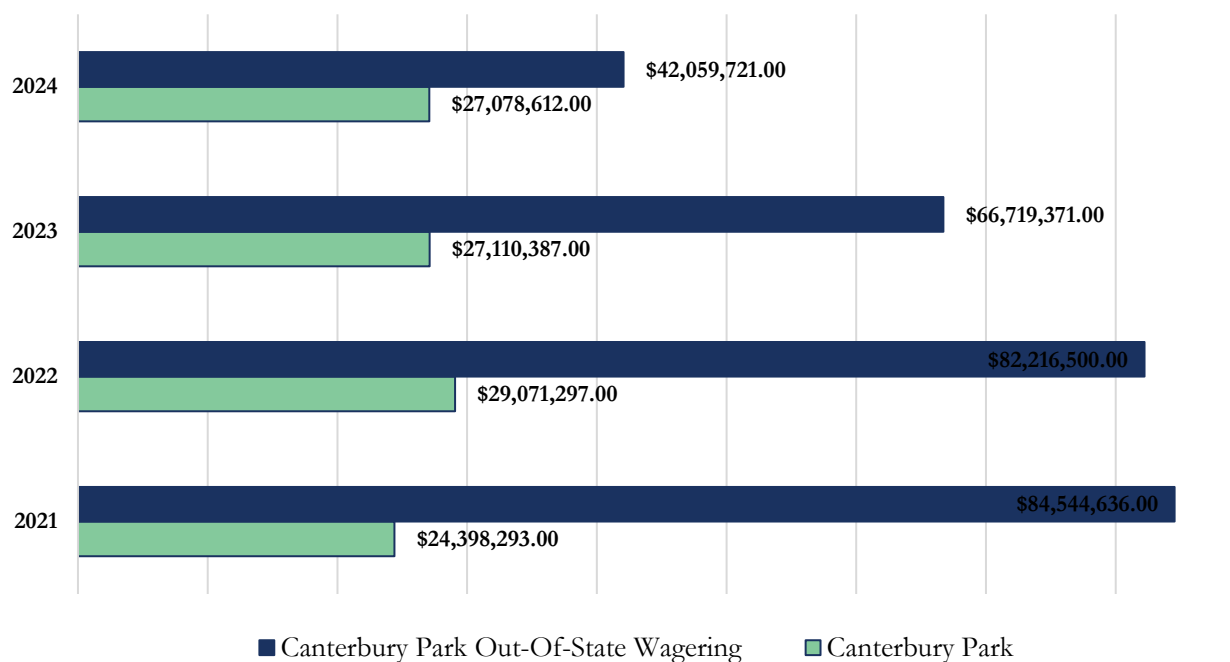


Canterbury Park Card Room Data

Canterbury Park Card Room Revenue



Canterbury Park Pari-Mutuel Wagering FY21-FY24



FROM CANTERBURY PARK



Canterbury Park is located in Shakopee and has been Minnesota's home for Thoroughbred and Quarter Horse racing since reopening in 1995. Live racing is conducted from May to September and full card simulcasting, card casino gaming and special events are offered year-round to patrons.

“Over the past three years, Canterbury Park has invested more than \$15 million in racing infrastructure improvement projects. We have strived, along with the Minnesota HBPA, to build a strong community on the backstretch making our racetrack and barn area one of the safest and welcoming places to train, live and race.

“We continue to enhance and improve gaming options, amenities and attractions in our casino, race book and event center as we expand our reputation as a regional entertainment destination. Canterbury Commons, a multi-use development where users live, work, stay and play, surrounds our racing and gaming property and has grown with the addition of multiple residential options, restaurants and office space as well as the 19,000-capacity amphitheater scheduled to open in the summer of 2025.”



**-John Groen (General Manager
at Canterbury Park)**

RUNNING ACES LEADERS

2023 Standardbred Champions



Leading Driver: Luke Plano
(pictured left)

Leading Trainer: Williams
Hernandez (pictured right)

Horse of the Year: Apple
Juice, 2021 Mare
Trainer, Scott Banitt Driver,
Jacob Cutting



RUNNING ACES LEADERS

2024 Standardbred Champions



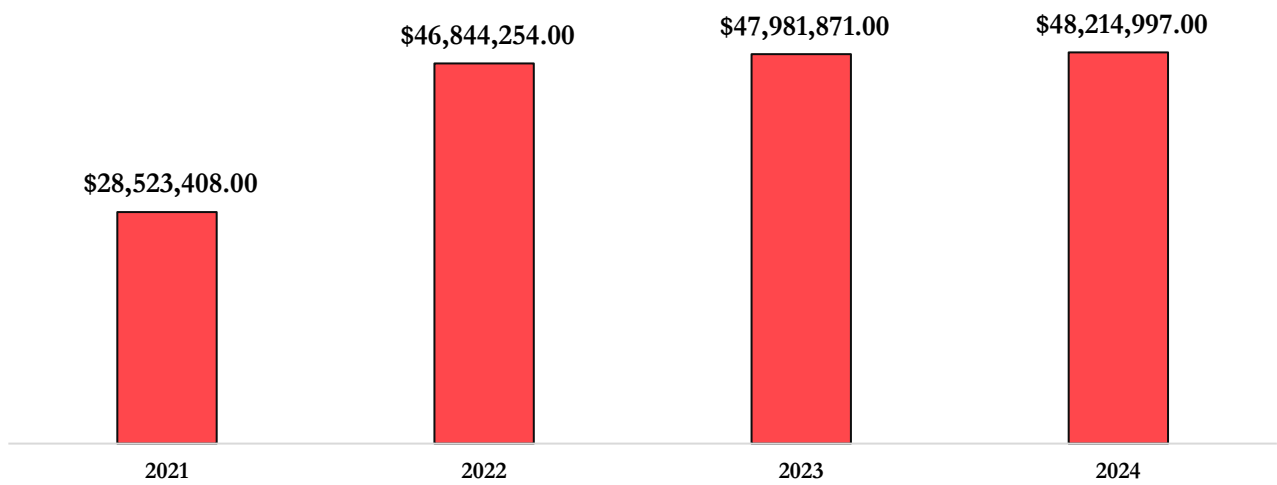
Leading Driver and Trainer:
Brady Jensen



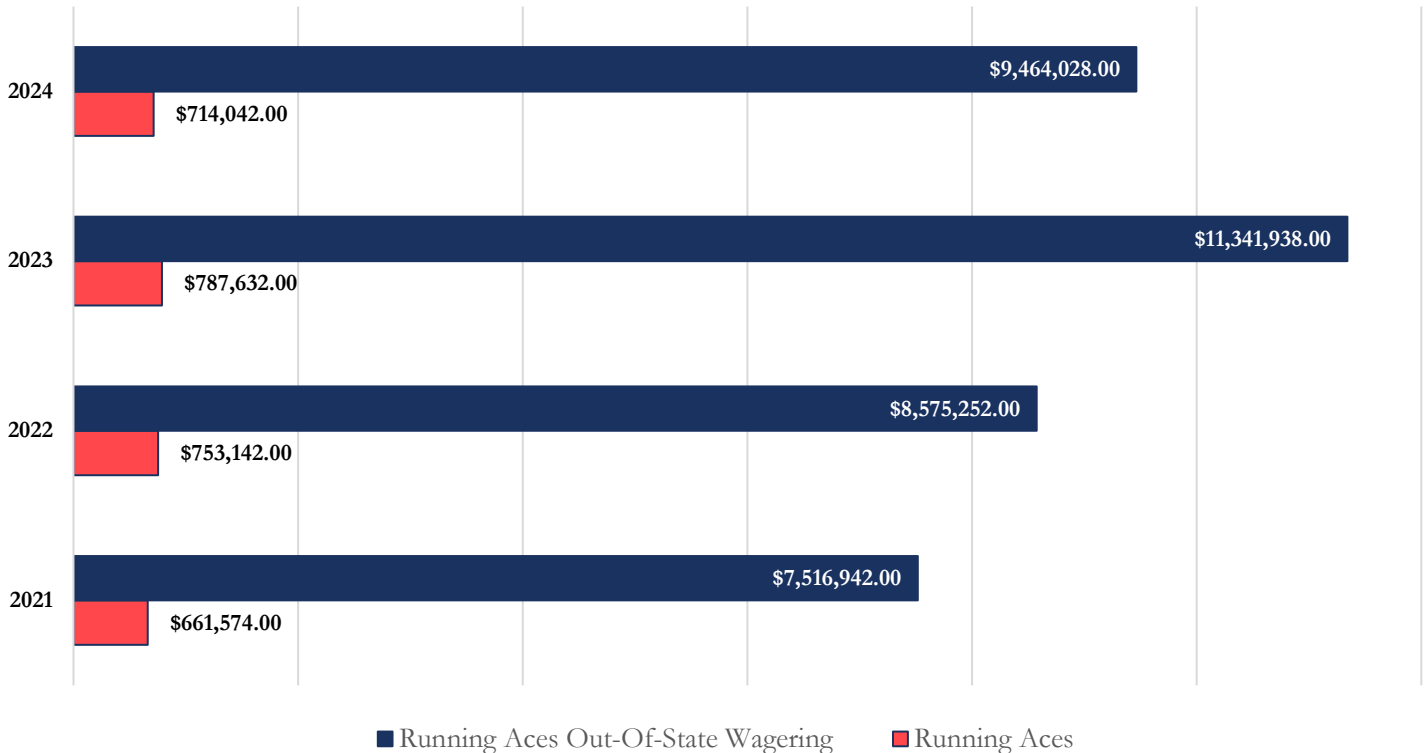
Dan Patch Champion: Muskateer Hanover, 2020 Gelding
Trainer and Driver, Brady Jensen

Running Aces Card Room Data

Running Aces Card Room Revenue



Running Aces Pari-Mutuel Wagering FY21-FY24



FROM RUNNING ACES

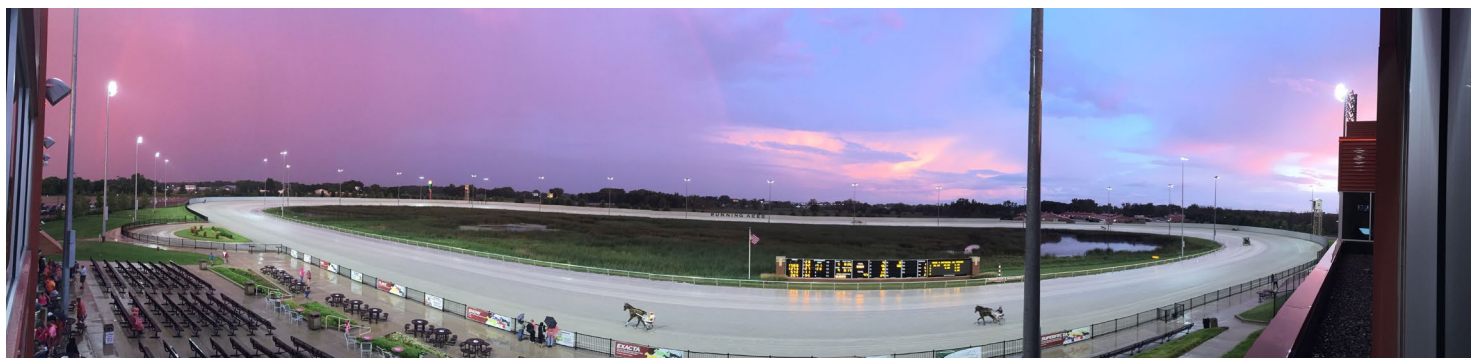


Running Aces Casino, Hotel and Racetrack is located on I-35 in Columbus, Minnesota. The facility is open 24 hours a day, seven days a week, 365 days a year. The racetrack features Standardbred harness racing May through September of each year and offers simulcast wagering, card casino gaming and special events year-round.

“The last two years have brought a lot of change and challenges within the horse racing industry. Despite these challenges, ownership continues to have confidence in Running Aces and has started a \$7.5M renovation project. This renovation will include a complete overhaul on the inside of the casino, bar, restaurant, the main floor of the building. Some highlights of the project are lowering the bar area, adding a 10’x54’ LED TV wall creating a modified simulcast and dining area and upgrading the fit and finish of the property to closer match the modern look and feel of the hotel.

“Horse racing in 2023 had a record high year for purses and source handle. 2024 saw a roll-back on purses and handle at around 7%. 2024 did see an increase of total races run and attracted many new drivers, trainers and owners.

“We have continued to grow our community partnerships with local non-profit organizations which not only help them raise money and awareness of their organization but also helps us attract new horse racing fans while giving back to those in need. We have been able to bring back many featured race nights and also create new ones with these partnerships. Outdoor concerts made a return to the track, which attracts a different clientele and allows us to offer more entertainment options for our guests. We also introduced a ‘pop-up’ kitchen opportunity for local restaurants and food truck owners to operate out of our card room. This partnership helps give our guests a variety of food options, helps a local entrepreneur an opportunity to grow their business and can also take some of the pressure off our food and beverage operation.” **—Aaron Bedessem (Vice President of Marketing & Operations)**



PARTNERSHIPS

Horseracing in Minnesota depends on a broad network of partnerships who support the industry and its participants and enhance the benefits it brings to the thousands of people who visit the tracks each year.

Organizations including the **Minnesota Harness Racing, Inc.**, the **Minnesota Quarter Horse Racing Association**, the **Minnesota Horsepersons Benevolent and Protective Association**, and the **United States Trotting Association** all work to promote, educate the public, and support breeding, ownership and the racing industry. The **University of Minnesota College of Veterinary Medicine Genetics Center** conducts nation-leading research related to equine cardiac health through a national study that was first funded with a grant from the Racing Commission.



Together and in partnership with the Minnesota Racing Commission, these organizations enhance the opportunities for the owners, trainers, jockeys, drivers, and backside staff who make horse racing in Minnesota a sport like no other.



Racetracks and Card Rooms



Canterbury Park
1100 Canterbury Road
Shakopee, MN 55379
952.445.7223
www.canterburypark.com



Running Aces
15201 Running Aces Blvd.
Columbus, MN 55025
651.925.4600
www.runaces.com





Canterbury Park Location

Thoroughbred and Quarter Horse Racing

1100 Canterbury Road, Ste. 100

Shakopee, MN 55379

952.496.7950

Running Aces Location

Standardbred Racing

15201 Zurich Street NE, Ste. 212

Columbus, MN 55025

651.925.3951