

APPEARANCES

COMMISSIONERS

Chuck Winner, Chairman

Richard Rosenberg, Vice Chairman

Jesse Choper

Steve Beneto

Madeline Auerbach

Alex Solis

STAFF

Rick Baedeker, Executive Director

Robert Miller, Board Counsel

Phil Laird, Board Counsel

Jacqueline Wagner, Assistant Executive Director

Mike Marten

ALSO PRESENT

John Valenzuela, Local 280

Joe Harper, Del Mar Thoroughbred Club

Josh Rubenstein, Del Mar Thoroughbred Club

Tom Robbins, Del Mar Thoroughbred Club

Craig Dado, Del Mar Thoroughbred Club

Christopher Schick, Watch and Wager

Ben Kenney, Watch and Wager

Scott Daruty, Santa Anita Park Race Track

INDEX

PAGEAction Items:

1. Approval of the minutes of August 20, 2015. 2
2. Executive Director's Report. 3
3. Public Comment: Communications, reports,
requests for future actions of the Board. 6
Note: Persons addressing the Board under this
item will be restricted to three (3) minutes for
their presentations.
4. Discussion and action by the Board on the 6
Application to Conduct a Horse Racing Meeting of
the Del Mar Thoroughbred Club (T) at Del Mar,
commencing October 29, 2015 through November 29,
2015, inclusive.
5. Discussion and action by the Board regarding the 15
allocation of the 2016 Harness Race Dates.
6. Discussion and action by the Board regarding the 37
proposed addition to CHRB Rule 1846.6, Postmortem
Examination Review, to require a postmortem

INDEX

PAGEAction Items:

- Examination review of each equine fatality within a CHRB enclosure.
7. Discussion and action by the Board regarding the proposed addition of CHRB Rule 1866.1, Presence of Clenbuterol in Quarter Horses, and proposed amendment to CHRB Rule 1844, Authorized Medication, to prohibit the presence of clenbuterol in a quarter horse test sample. 47
8. Report from the Medication and Track Safety Committee. 17 & 43
9. Discussion and action by the Board regarding the proposed amendment to CHRB Rule 1845, Authorized Bleeder Medication, to require that authorized bleeder medication be administered by independent, third-party veterinarians. 49
10. Closed Session: For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personal 52

INDEX

PAGEAction Items:

matters, as Authorized by section 1126 of the Government Code.

- A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel, considering regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation" as authorized by Government Code section 11126(c).
- B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(c).
- C. The Board may convene a Closed Session for the Purpose of considering personnel matters as authorized by Government Code section 11256(a).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

9:38 A.M.

LOS ALAMITOS, CALIFORNIA, WEDNESDAY, SEPTEMBER 16, 2015

(The meeting was called to order at 9:38 A.M.)

CHAIR WINNER: Ladies and Gentlemen, this meeting of the California Horse Racing Board will come to order. Please take your seats. This is the regular noticed meeting of the California Horse Racing Board on Wednesday, September 16th, 2015 at Los Alamitos Course, 4961 Katella Avenue, Los Alamitos, California.

Present at today's meeting are: myself, Chairman Winner; Vice Chairman Richard Rosenberg; Commissioner Madeline Auerbach; Commissioner Steve Beneto; Commissioner Jesse Choper; and Commissioner Alex Solis. Commissioner George Krikorian is not with us today.

Before we go on to the business of the meeting I need to make a few comments. The Board invites public comment on the matters appearing on the meeting agenda. The Board also invites comments from those present today on matters not appearing on the agenda during a public comment period if the matter concerns horse racing in California.

In order to ensure all individuals have an opportunity to speak and the meeting proceeds in a timely fashion, I'll strictly enforce the three-minute time limit

1 rule for each speaker. The three-minute time limit will be
2 enforced during discussion of all matters as stated on the
3 agenda, as well as during the public comment period.

4 There's a public comment sign-in sheet for each
5 agenda matter on which the Board invites comments. Also,
6 there is a sign-in sheet for those wishing to speak during
7 the public comment period for matters not on the Board's
8 agenda if it concerns horse racing in California. Please
9 print your name legibly on the public comment sign-in sheet.

10 When a matter is open for public comment your name
11 will be called. Please come to the podium and introduce
12 yourself by stating your name and organization clearly.
13 This is necessary for the court reporter to have a clear
14 record of all who speak. When your three minutes are up the
15 Chairman, or myself, will ask you to return to your seat
16 or -- so that others can be heard.

17 When all the names have been called I'll ask if
18 there is any more or anyone else who would like to speak on
19 the matter before the Board. Also, the Board may ask
20 questions of individuals who speak. If a speaker repeats
21 himself or herself I'll ask if the speaker has any new
22 comments to make. If there are none I'll ask the speaker to
23 let others make their comments before the Board. Thank you.

24 The next item on the agenda is the approval of the
25 minutes of the August 20th, 2015 meeting. In reading those

1 minutes we noticed some corrections that need to be made, so
2 we won't have approval of the minutes at this meeting.
3 We'll move that until the next meeting and Staff will
4 correct the minutes that -- that are in the book.

5 So moving on would be the Executive Director's
6 Report.

7 Mr. Baedeker?

8 EXECUTIVE DIRECTOR BAEDKEKER: Yes. Thank you,
9 Mr. Chairman. I have a short report this morning.

10 I want to reiterate the Board's policy on host
11 days. We've said it a couple of times now, and this should
12 probably suffice as the last time it needs to be said. But
13 the policy of the Board is that host days begin on the
14 Wednesday before opening and they conclude on the Tuesday
15 following closing, unless this Board stipulates otherwise.
16 Okay? Very simple. Any questions about that, let us know.

17 Just to note that the stakeholders in the room got
18 together and tried to move some legislation at the last
19 minute when the legislature came back. It was very late in
20 the process. And despite the valiant efforts of everybody,
21 there were some language issues in the -- in the draft
22 legislation, and so it got stalled with insufficient time to
23 correct it and move it.

24 So congratulations to everybody for trying. And
25 our understanding is that they'll show up in early January

1 when the legislature comes back and give it another shot.

2 The financials for the month, we had two fairs
3 that closed during -- during the month.

4 First of all, the Sonoma County Fair, on-track
5 business was down 3.29 percent, but they had two fewer race
6 days than last year.

7 Overall business was up 5.7 percent for Santa
8 Rosa.

9 The Ferndale meet did well. They were up 6.8
10 percent on track, and overall they were up 6.7 percent.
11 Their field size increased just slightly. They had an
12 influx of horses from Oregon that helped. And I visited
13 Ferndale and the fair, and it's a real throwback to the good
14 old days. A lot of interest in racing in the town and at
15 the fair, and it's worth a trip. They also have done good
16 work on their race track. Even though it's 5/8ths of a
17 mile, they sufficiently increased the banking on the turns
18 and they've put in some safety fencing. And it's -- they've
19 made great improvements there.

20 Overall business for the month, however, was not
21 stellar. The daytime business was down 4.1 percent.
22 Nighttime business down 3.8 percent. And overall business,
23 all in, down 4.07 percent for the month of August. Year to
24 date, daytime is up 1.6, nighttime is up 7.8, and everything
25 in up 2.15 year to date through August.

1 And finally, we notice an old familiar face in the
2 room that we welcome back. Cliff Goodrich is here with us
3 today.

4 Cliff, good to see you.

5 I also see Dick Hughes back there.

6 And I was just doing some calculating, that if you
7 add Joe Harper into the mix there's collective experience in
8 the racing industry of something like 700 years. I'm not
9 sure exactly what it is. So we welcome everybody.

10 Thank you, Mr. Chairman. That's -- that's my
11 report.

12 CHAIRMAN WINNER: Thank you.

13 And again, we also welcome Mr. Goodrich back.

14 As to the legislation, I just want to comment that
15 I, too, think all of us on the Board appreciate the effort
16 by -- this was primarily Northern California legislation,
17 but the effort by the various stakeholders to reach an
18 agreement. And they did reach an agreement and submitted it
19 to legislation. And we appreciate the cooperation of
20 everybody who was involved and the way that they cooperated,
21 also, with -- with the Board.

22 So to all of them, thank you. And we look forward
23 to the beginning of next year when the legislation will be
24 resubmitted. And hopefully we can do the same thing with
25 Southern California next year.

1 Moving on then to the public comment period. I
2 have one card, John Valenzuela.

3 John, do you want to come up, from Local 280?

4 MR. VALENZUELA: Hello, Ladies and Gentlemen. I
5 just basically wanted to bring this to the attention of the
6 CHRB. It's basically informational purposes.

7 Local 280 is in the process of negotiating our
8 contract on what we call a reopener. It's on manning.
9 Basically, at this time I just want to bring it to your
10 attention that that's where we're at. And we'll update you
11 on any further issues that might -- might come -- come up as
12 time goes by. But we just wanted to bring it to your
13 attention.

14 CHAIRMAN WINNER: Thank you, John.

15 MR. VALENZUELA: Okay.

16 CHAIRMAN WINNER: John, could you make sure that
17 you talk to either Mr. Baedeker or Ms. Wagner as they're --
18 as the situation develops, just to keep, as you said, to
19 keep us informed as to what's going on?

20 MR. VALENZUELA: Okay. Thank you very much

21 CHAIRMAN WINNER: Thank you very much.

22 Any other public comments? Anyone else?

23 Anybody have any questions for Mr. Valenzuela?

24 All right. Thank you.

25 We'll go on then to item number four which is the

1 discussion and action by the Board on the application to
2 conduct a horse racing meeting of the Del Mar Thoroughbred
3 Club at Del Mar, commencing October 29th, 2015 through
4 November 29th, 2015, inclusive.

5 Gentlemen?

6 MR. HARPER: Thank you. Joe Harper, Del Mar Race
7 Track.

8 You have the license application in front of you.
9 This is our -- would be our second of our fall meets. The
10 last one was a success, somewhat of a surprise to us but a
11 delightful one at that. So this one, we have five more
12 days. We're going to stay basically with the same modus
13 operandi that we had last -- last fall. We've got folks
14 here that can talk about marketing and anything else that
15 you have a comment about.

16 Josh, you want to kick this off?

17 MR. RUBENSTEIN: Sure. Probably the one change
18 that folks will notice, we'll have a new tote system at Del
19 Mar this summer, or excuse me, this fall. California is
20 switching over to AmTote beginning with Del Mar's fall meet.
21 We've been working very diligently with industry
22 stakeholders and the folks at AmTote to ensure that it's a
23 smooth transition. We'll have plenty of customer service
24 folks at the self-service machines to help folks out,
25 because it is a bit of a new platform on the self-service.

1 And our mutuel clerks are beginning training in the state, I
2 think it's the 29th of this month.

3 So I'll kick it over to Tommy for -- for racing.

4 MR. ROBBINS: Thank you. Tom Robbins.

5 As Joe mentioned, we are increasing the meet from
6 15 days to 20 days this year. A quick overview, for the
7 racing schedule, we are running all of the same stakes races
8 this year that we ran last year.

9 In addition, we are running this year three --
10 three races that have been run recently at Santa Anita's
11 autumn meet, races that were run at the end because of their
12 shortened meet this year that we've picked up. And we'll
13 run those three races the opening week of our season, one
14 Grade 2 filly and mare event, the Gold Decova (phonetic),
15 one mile in the turf, and two California Bred stakes, the
16 Golden State Juvenile Fillies and the Golden State Juvenile,
17 also \$200,000, so three additional races at \$200,000
18 guaranteed each.

19 Overnight purses levels will match those levels
20 that are being offered at the Santa Anita autumn meet, as we
21 matched their levels last year.

22 We again are offering the Ship and Win Program
23 which is a program, as you all know, that has been offered
24 in Southern California statewide beginning in early April,
25 and we'll continue to through the remainder of the year.

1 The other thing to note, our partnership with
2 Barrett's, they will be having a mixed sale of yearlings and
3 horses of racing age on Tuesday, October 27th, two days
4 before we open. And again that sale will -- those horses
5 will be sold in the Surfside facility.

6 And -- and that's about it. Happy to answer any
7 questions you may have.

8 CHAIRMAN WINNER: Thank you.

9 Craig?

10 MR. DADO: Craig Dado, Del Mar.

11 As Joe mentioned, the inaugural Bing Crosby season
12 was a success. We were really happy with it. It was
13 difficult to predict attendance numbers. But we were, as I
14 said, really happy to have over 9,000 people per day in
15 attendance and over \$10 million per day in total handle.

16 Clearly, when you start a new business or run --
17 or start a new race meet the challenge is product awareness.
18 And, you know, after 78 years the summer meet doesn't really
19 have any awareness issues in San Diego or Southern
20 California, but a new meet does. And we spent a lot of
21 money last year to really get the word out. But I still
22 don't believe everybody in Southern California was aware of
23 this meet.

24 We're going to continue to spend aggressively.
25 And I just think product awareness will continue to get

1 better and better. And we'll probably peak in 2017 when we
2 host Breeders' Cup as part of the fall meet.

3 Again, we have a very strong marketing budget this
4 year of over \$1.7 million; \$1.2 million of that is going to
5 be in advertising, again, to try to attack this product
6 awareness obstacle that we have with a new meet. As was the
7 case last year, we have major promotions scheduled every
8 weekend, starting off with the Breeders' Cup races from
9 Keeneland on opening weekend, and including other events
10 such as concerts, a food festival, a college day, a beer
11 festival, and a family fun run on Thanksgiving.

12 So kind of to summarize from a marketing
13 standpoint, whereas we thought year one was solid, we expect
14 to be even better this year. And, of course, in our packet
15 I included details on all the various promotions. And I'd
16 be very happy to answer any questions.

17 CHAIRMAN WINNER: Thank you. Thank you all very
18 much. And I looked carefully at your marketing plan and
19 marketing budget and I agree it's very solid, and appreciate
20 that. It was terrific last year, and I think it will be
21 even better this year.

22 Any other -- any questions?

23 Commissioner Choper?

24 COMMISSIONER CHOPER: Yeah. Well, the first thing
25 I want to say is that you've set a great standard for

1 getting all the material in. I don't think I've ever --
2 we've ever, in the time I've been here, ever seen one in
3 which there wasn't something missing someplace.

4 Where's Jackie?

5 MR. HARPER: Well, we must have a lot of years of
6 experience to do this.

7 COMMISSIONER CHOPER: Well, it doesn't seem to
8 have affected the other people with that many years.

9 Anyway, and the other question is the difference,
10 the different timing, you know, the starting time. I figure
11 you're doing the, I guess the same thing that Santa Anita
12 did, start at 12:30. Any consideration of that affecting
13 what you do in the -- in the regular meet, the summer meet?
14 I just wondered why you picked that up that way?

15 MR. HARPER: Well, the primary thing is that the
16 sun seems to go down a little quicker at that time of the
17 year.

18 COMMISSIONER CHOPER: Uh-huh.

19 MR. HARPER: So we sort of --

20 COMMISSIONER CHOPER: I see.

21 MR. HARPER: -- see when the sun is going down and
22 work our way backwards.

23 COMMISSIONER CHOPER: I got you.

24 MR. HARPER: So that's -- that's pretty much
25 the --

1 COMMISSIONER CHOPER: That was what did it?

2 MR. HARPER: Yeah.

3 COMMISSIONER CHOPER: Okay. Thank you.

4 CHAIRMAN WINNER: You've also reduced some of the
5 concession costs, parking and stuff, did you not in this --
6 in this meet?

7 MR. HARPER: Yes. It -- we -- I don't think we
8 can get away with it, okay, in the fall. So it's a
9 different -- it's a different crowd. It's --

10 COMMISSIONER CHOPER: Right.

11 MR. HARPER: You know, the summer is festive.
12 It's party. It's a lot of newcomers, people that have never
13 been to a race track before, they come there for the party,
14 and we price accordingly. Although we are looking at that
15 very seriously for next summer. But the fall meet, we -- we
16 have lowered in some areas to accommodate the -- kind of the
17 steady fan.

18 VICE CHAIRMAN ROSENBERG: Did you lower them for
19 last year, too, or are they lower -- this is lower than last
20 year's?

21 MR. HARPER: No. We lowered them last year.

22 VICE CHAIRMAN ROSENBERG: Same price as --

23 MR. HARPER: Yeah.

24 CHAIRMAN WINNER: Yeah. It's lower than the
25 summer --

1 VICE CHAIRMAN ROSENBERG: But --

2 CHAIRMAN WINNER: -- but the same as last year.

3 VICE CHAIRMAN ROSENBERG: But you are looking at
4 next summer at Del Mar, lowering it?

5 MR. HARPER: We are. You know, we --

6 VICE CHAIRMAN ROSENBERG: Because I heard a lot of
7 complaints. I must say, having been a regular out there you
8 can just hear people talk about how expensive it is to go,
9 and the beer, \$10.75 for designer beers, whatever those are.

10 MR. HARPER: Yeah. Yeah. Those \$15.00 margaritas
11 that got the -- well, no, we're looking at all of that and
12 doing some marketing research that Craig has got a hold of
13 and I think is going to show us and tell us a lot.

14 CHAIRMAN WINNER: Right. We're working -- I'm
15 working a little bit with Craig on the marketing research,
16 and I think that those are the things that you're going to
17 learn.

18 Yes, please.

19 COMMISSIONER AUERBACH: Tommy, with the two -- the
20 three stakes that you picked up early in the meet, do you
21 envision back and forth with Santa Anita, depending how the
22 calendars fall going forward? I mean, you -- are you -- are
23 you claiming these for Del Mar now? I mean, how are you
24 guys working this out?

25 MR. ROBBINS: Well, we -- we expect these to be

1 returned --

2 COMMISSIONER AUERBACH: Okay.

3 MR. ROBBINS: -- so to speak, to Santa Anita next
4 year.

5 COMMISSIONER AUERBACH: That was my question. So
6 we're just trying to --

7 MR. ROBBINS: Definitely.

8 COMMISSIONER AUERBACH: -- keep them whole, but
9 they would be depending on how the calendar falls?

10 MR. ROBBINS: Right. We didn't --

11 COMMISSIONER AUERBACH: Okay.

12 MR. ROBBINS: We didn't want to give up on a Grade
13 2 event. And then, certainly, the two California Bred races
14 for the two-year-olds --

15 COMMISSIONER AUERBACH: Right.

16 MR. ROBBINS: -- we're wanting to keep going.

17 COMMISSIONER AUERBACH: And the other question I
18 had is you are going to start on Thursday? You're opening
19 on Thursday?

20 MR. ROBBINS: That's correct.

21 COMMISSIONER AUERBACH: Okay. Thank you.

22 CHAIRMAN WINNER: Any other questions? Is there a
23 motion to approve?

24 COMMISSIONER BENETO: I'll make a motion.

25 CHAIRMAN WINNER: Commissioner Beneto moves.

1 COMMISSIONER SOLIS: Second.

2 CHAIRMAN WINNER: Commissioner Solis seconds.

3 All in favor?

4 ALL COMMISSIONERS: Aye.

5 CHAIRMAN WINNER: Any opposed?

6 Congratulations. Have a great meet. We look
7 forward to it.

8 Moving on, discussion and action by the Board
9 regarding the allocation of the 2016 harness race dates.

10 At the last meeting the Board approved Northern
11 and Southern California thoroughbred -- thoroughbred race
12 dates, but the 2016 harness race dates were inadvertently
13 not allocated at the August meeting. So we need to -- we
14 need to do that at this meeting.

15 Gentlemen?

16 MR. SCHICK: Good morning, Chairman Winner,
17 Members of the Commission, Christopher Schick, Watch and
18 Wager.

19 MR. KENNEY: Ben Kenney, Watch and Wager.

20 EXECUTIVE DIRECTOR BAEDKEKER: If I might, Mr.
21 Chairman, the allocation of dates for -- for Watch and Wager
22 are a little bit more challenging than perhaps some of the
23 other meets where it's fairly easy to stipulate that, you
24 know, the meet will begin on this day, end on this day, and
25 race, you know, on exact proposed dates in between.

1 It's a little different here. These gentlemen
2 have to deal with a little guess work, and that is, you
3 know, how many horses will be on the grounds when they open?
4 How many can they expect over the next couple of months as
5 racing is curtailed in the eastern parts of the country?
6 And so it's a bit of a guessing game.

7 I want to point out to the Commissioners that
8 management is in constant contact with Staff regarding
9 their -- their proposed dates and -- and the circumstances
10 that surround their requests. So they don't -- they don't
11 just operate in a vacuum. They do keep in constant touch
12 with -- with us.

13 MR. SCHICK: Thank you. And this -- this request
14 that is put forth by Cal Expo was done in collaboration with
15 Watch and Wager. And we expect to be the applicant for all
16 of 2016 harness dates at Cal Expo. And the dates that we're
17 requesting are somewhat similar, almost similar to what they
18 are -- the block of dates for 2015. And, obviously, we'll
19 be submitting an application for the first part of 2016 that
20 will probably be heard next month.

21 CHAIRMAN WINNER: Is there any discussion on the
22 dates for Watch and Wager? Is there a motion?

23 COMMISSIONER SOLIS: Moved.

24 CHAIRMAN WINNER: Commissioner Solis moves.

25 COMMISSIONER AUERBACH: Second.

1 CHAIRMAN WINNER: Commissioner Auerbach seconds.

2 All in favor?

3 ALL COMMISSIONERS: Aye.

4 CHAIRMAN WINNER: Any opposed?

5 Good luck. Have a great meet.

6 MR. KENNEY: Thank you.

7 MR. SCHICK: Thank you.

8 CHAIRMAN WINNER: Item number six, we're going
9 to -- we're going to move things around a little bit. If
10 you recall at the last meeting, due to time we didn't have a
11 report from Commissioner Auerbach on the Medication and
12 Track Safety Committee. So there's -- there are actually
13 two reports to give for Medication and Track Safety, the
14 meeting -- the Committee meeting that was held prior to our
15 last Board meeting, and then the Committee meeting that was
16 held prior to this.

17 So before we get into a discussion on item number
18 six, Commissioner Auerbach is going to give a report on
19 the -- on the Committee meeting that was held prior to our
20 last Board meeting.

21 COMMISSIONER AUERBACH: Thank you. And the reason
22 to do this is because the Committee meeting that we had
23 directly impacts item six here. This is kind of a long
24 report, so I'll try to make it as brief as I can.

25 This was a meeting that was held at Del Mar on

1 August the 19th. And the first item on the agenda was Dr.
2 Arthur reporting that in California the medication
3 violations for the Fiscal year 2014-15, we only had 4 Class
4 1, 2 or 3 violations, compared to 28 the year before. So
5 that's really news. And there were a total of 72 violations
6 for Class 4 and 5 drugs, and 13 of those were for the
7 official veterinarian. A total of 41,000 samples were
8 analyzed. And the majority -- the major change was the
9 elimination of the clenbuterol violations at Los Al. So it
10 was -- it was a year that marked a very big change in
11 medication violations, all on the -- the violations went
12 down, which was very positive for us.

13 The second item we talked about was Rule 1846, the
14 Postmortem Examination Review Board, which will be the next
15 item on the agenda that we're going to talk about. And this
16 is to require a postmortem examination review of each equine
17 fatality. And Rick Baedeker stressed this review will be
18 for research and education only, and it's designed to
19 improve safety conditions for horses and riders.

20 Dr. Shields expressed concern that the information
21 in these reports will infringe on privacy rights. And he
22 also questioned whether or not the CHRB has a right to this.
23 And Dr. Arthur explained that it is within our purview to
24 gather this information and develop strategies to improve
25 the safety of racing for horses. And he said that the goal

1 is reduce injuries. Dr. Shields, again, was concerned about
2 confidentiality. And Rick Baedeker said that the reports
3 will not be subject to public records act. He said the CHRB
4 will review these issues, particular any conflicts with
5 existing law. And Baedeker stressed a fatality review is
6 important, and the CHRB will continue to move this program
7 forward.

8 And I want to stop for one moment because I want
9 to clarify something with Rick Baedeker.

10 As I recall, and I didn't put this in my notes,
11 but I believe that we stated that any information given to
12 this review panel would not be copied or held by the CHRB.
13 We would use it strictly for review and then return the
14 original documents to the parties that gave them to us. So
15 in other words, we will not retain that documentation; is
16 that correct? I think we need to know that.

17 EXECUTIVE DIRECTOR BAEDKEKER: That's correct,
18 Commissioner.

19 And also regarding a comment that you made
20 previously, in response to some of the concerns expressed,
21 Staff Counsel has reviewed this -- this rule proposal and
22 there is -- there is no conflict with other B and P codes
23 regarding the information that will be presented to the
24 Board in this review process.

25 And to reiterate what you've -- what you've

1 already said, everybody needs to understand, this is a
2 proactive thing, not a punitive thing. This is just to help
3 us learn how to make this -- this sport safer for everybody.

4 COMMISSIONER AUERBACH: Okay. Thank you.

5 And the next item we talked about was the proposed
6 addition of Rule 1866 about the Presence of Clenbuterol in
7 Quarter Horses. And this rule is actually something that
8 will replace the emergency rules that have been in place for
9 the last several months.

10

11 The next item we talked about were penalties for
12 medication violations and how they're classified. And
13 it's -- the most important thing, in my view, that came out
14 of this, that we changed -- we're changing the
15 classification so that a trainer who receives a suspension
16 for less than 30 days does not have to give up his horses.
17 We were concerned that if you receive a suspension for 15
18 days you shouldn't have to give up your horses. So we made
19 30 days be the demarcation line on when a trainer under
20 suspension has to give up care and control of his horses.

21 The next item we talked about was Rule Number
22 1689.1, and that's the Safety Vest Requirement. And we want
23 to extend the requirement for everybody to where a safety
24 vest, from pony riders and anyone mounted on a horse. And
25 the amendment will not apply to trainers. So if a trainer

1 wants to get on there without his safety belt -- safety vest
2 and take his life in his hands, that's his business. But
3 anyone else mounted on a horse will have to -- will be
4 required to wear a safety vest.

5 And we also talked about continuing education for
6 trainers as a condition for licensure -- licensure. And
7 we're going to need a lot more details on this program.
8 There are modules and certain things that are being
9 established now by Davis and other places where people will
10 be able to get the information that they might need. Before
11 we require it want to make sure that information for
12 trainers is readily available. And I asked the CTT to work
13 with Staff so we would know what would be available for
14 trainers before we require them to have the education.

15 Then we also heard a rather intensive report from
16 Jeff Salmon on the work that the CHRB has done with the race
17 tracks that relates to track surfaces for all track
18 surfaces, evaluation of dirt, synthetic, and grass. With
19 turf it's mostly the hardness and firmness and consistency,
20 all of this test data and all the correlated -- how it
21 correlates to injury rates. And our goal is to develop a
22 maintenance program at race tracks based on science. And
23 we're trying to make everything, obviously, safer for our
24 horses and for our humans.

25 And then the last item on that, which it was a

1 very long meeting, by the way, Dr. Arthur reported on the
2 AAEP's 10-Point Strategic Action Plan to safeguard horses in
3 the industry, and the Uniform Medication Program which would
4 take into account the elimination of anabolic steroids in
5 racing, expand out of out-of-competition testing, and
6 improve security at race tracks. And at that time I said
7 that I would -- I'm prepared to make improved security at
8 race tracks, such as the use of video surveillance in stable
9 areas, part of the license application.

10 In line with that I spent two hours yesterday
11 morning at Santa Anita at the request of Keith Brackpool.
12 And I'm happy to report that Scott Daruty is here today to
13 tell us a little bit about what I saw and make the industry
14 aware of it.

15 CHAIRMAN WINNER: Good morning, Scott.

16 MR. DARUTY: Good morning. Scott Daruty on behalf
17 of Santa Anita. And I'm here to give you all an update on
18 the security camera installation and progress we've made at
19 Santa Anita. That's something I know has been a concern to
20 many of these Board Members. And it's important for the
21 integrity of the industry to make sure we all are aware of
22 exactly what's going on, on the backside.

23 We've been in discussions with both Del Mar and
24 the TOC over this plan to make sure we're all coordinating
25 as an industry exactly what we do at the race tracks. And

1 the plan we have come up with at Santa Anita is based on the
2 fact that we already have a very sophisticated security
3 system on the front side. Areas such as the money room,
4 etcetera, are covered by video cameras that can be monitored
5 on both a live and a recorded basis. So rather than
6 starting from complete scratch on the backside, as we
7 studied the issue it became clear to us that the best thing
8 to do was integrate the backside security cameras into the
9 system we already have that exists.

10 Just to give you an example of the sort of thing
11 we can do, we have already installed cameras at both
12 entrance gates to the backside, both stationary cameras, as
13 well as remote-controlled cameras, the remote control being
14 able to be controlled by an operator to move one direction
15 or another, zoom in, zoom out, if there's any particular
16 issue that we're looking at. But at the same time there are
17 always static cameras covering the entrance gates so that
18 starting with our opening of our autumn meet in a couple of
19 weeks, every vehicle that comes into or out of the backside
20 24 hours a day, 7 days a week will be recorded, as would
21 obviously any persons walking into or out of the backside
22 through the gates.

23 As the system progresses we will ultimately
24 install approximately 600 cameras throughout the backside.
25 Those cameras will be positioned in all shed rows in such a

1 manner as they will clearly show in high definition video
2 any person who enters or exits any stall on the backside.
3 They will also cover many additional areas of the backside
4 that would be of interest from a regulatory and/or safety
5 standpoint.

6 We will also be adding, and this is more for
7 safety reasons, but we'll be adding six cameras to cover the
8 gap onto the race track so that morning training can be
9 monitored more closely and make sure that there aren't any
10 safety issues as people rush to get onto the track in the
11 morning.

12 We will have a single control room set up at Santa
13 Anita with television screens that would be able to monitor
14 all of these cameras. Now, obviously, you can't watch over
15 600 cameras at one time. But the operator would be able to
16 switch to various views to -- to see what's going on. The
17 cameras can also be viewed remotely via a tablet or even a
18 smart phone by authorized personnel who have appropriate
19 login credentials.

20 The cameras will be recorded. They're recorded on
21 a motion sensing basis. So what means is rather than a
22 camera just recording 24 hours when nothing's going on, what
23 it does is the camera actually senses motion in its field of
24 vision, backs up ten seconds and starts recording. So you
25 have ten seconds of non-motion, then whatever activity

1 caused the motion, and the camera will continue to record
2 until any motion in its view is ceased, at which time it
3 will shut off. All of that is time stamped.

4 So to give you an example, if there was a camera
5 directed at a certain shed row -- and the way they're set up
6 is each camera is going to cover very clearly probably three
7 or four of the stalls. And let's say that somebody walked
8 by at midnight, there would be a video that would be time
9 stamped at midnight and show the person walked by. If then
10 no other activity took place until 4:00 a.m. there would be
11 nothing recorded, but at 4:00 a.m. the recording would start
12 again if somebody walked into view. So again, you can see
13 everything that -- that goes on, on the backside, and
14 anybody who enters a stall.

15 Our spend on this is going to be approximately
16 half-a-million dollars. Now you have to remember, this is
17 because we've integrated into an already integrated into an
18 already existing system. Had we started from scratch it
19 would have been much more expensive. But the -- the
20 equipment and the install which, as you can imagine, it's a
21 very, very complex install of wiring, both electrical and
22 whatnot, to be able to get all this video around. But in
23 any event, it's about a half-a-million dollars.

24 As I said, the entrance and exits are already
25 monitored and -- and will be starting with our autumn meet.

1 But as far as the rest of the system, the installation will
2 start sometime prior to the opening of our December meet.
3 Probably the install would begin most likely after the
4 autumn meet and before the winter meet starts. It is going
5 to take time because of the fact that we obviously have
6 horses on the backside as we're doing this installation.
7 But we'll work as quickly as we can to get this
8 accomplished.

9 So that's the report.

10 CHAIRMAN WINNER: Scott, on behalf of the Board,
11 and I don't want to speak for everyone, I think this is
12 very, very good news for racing. I appreciate what the
13 Stronach Group is doing with respect to this. And I did
14 have a chance to talk to Mr. Brackpool about it a few days
15 ago. And obviously Commissioner Auerbach was out there,
16 what, yesterday?

17 COMMISSIONER AUERBACH: Yesterday. I spent --

18 CHAIRMAN WINNER: And as she said --

19 COMMISSIONER AUERBACH: -- a couple hours out
20 there.

21 CHAIRMAN WINNER: -- very impressed with the plan,
22 and we thank you. It's -- it's a very big step forward in
23 our view.

24 One quick question. You mentioned that you're
25 working with Del Mar. What about -- are you going to

1 eventually do the same thing up at Golden Gate or something
2 like it?

3 MR. DARUTY: Ultimately that would be the plan,
4 yes. And then we think this is important at all the
5 facilities. Let's start at Santa Anita, get it right, get
6 it working, make sure everybody likes how it works.
7 Obviously, I extend an open invitation now to any of the
8 Members of the Board or Staff who would like to come take
9 the same tour that --

10 CHAIRMAN WINNER: I will.

11 MR. DARUTY: -- Commissioner Auerbach took. We'd
12 be happy to do that.

13 CHAIRMAN WINNER: Good. Thank you.

14 Any other -- go ahead, please.

15 COMMISSIONER AUERBACH: I wanted to mention, they
16 also had a good part of the program set up partly in the --
17 in the barn where horses come in and out of the track, so
18 that just that detention barn sort of area. They do have
19 that done. It was interesting to look at how the cameras
20 are positioned so that there isn't an angle that you miss.
21 And it's -- I was very impressed, because we actually sat
22 and watched the activity in the barns, people coming and
23 going. And let me tell you guys, now when you blow your
24 nose back there be careful what you're doing. Don't throw
25 anything down because we're all going to see it. It's --

1 it's really good.

2 And the other thing I wanted to say in thanking
3 Santa Anita for taking the lead after, you know, we've all
4 been prompting for a while, and I'm thrilled that they did
5 it, I'm hoping that both the TOC and the CTT will live up to
6 their commitments, and when they get copies of what this
7 stuff cost will reimburse both -- all the -- you know, Del
8 Mar and Santa Anita for some of the costs involved, up to
9 the amount that they said they would. And I just think it
10 would be great. I hope that's what happens. Because this
11 system compared to what we looked at is -- is a lot more
12 detailed and a lot better than what we originally talked
13 about. So I was very, very pleased. Thank you.

14 MR. DARUTY: Thank you.

15 CHAIRMAN WINNER: Any -- any other --

16 MR. DARUTY: Oh, of course.

17 CHAIRMAN WINNER: Yes, Commissioner Rosenberg?

18 VICE CHAIRMAN ROSENBERG: I'm just curious about
19 one thing. Do you have a plan in place about who will have
20 remote access ability? Because it would seem for security
21 purposes we're doing, and some safety -- and safety reasons,
22 but if, for example, a trainer asked to have remote access
23 to certain cameras in his barn, would -- would that be
24 granted to them?

25 MR. DARUTY: I don't think that is likely to

1 happen. I mean, I think what this is, is for safety and
2 regulatory purposes. The race track security office and key
3 executive personnel at the race track would have access.
4 Obviously, if there was an investigation, any of the
5 recorded footage would be turned over to the CHRB at its
6 request as part of any investigation. But I think we do
7 have privacy and other issues, that we wouldn't want to just
8 make the access available to anybody.

9 VICE CHAIRMAN ROSENBERG: Thanks.

10 CHAIRMAN WINNER: Any other questions?

11 COMMISSIONER BENETO: Yeah, I've got a question
12 for Scott.

13 CHAIRMAN WINNER: Yes, Commissioner Beneto?

14 COMMISSIONER BENETO: Is that wireless or do you
15 got to run wire to the --

16 MR. DARUTY: There's -- it's -- there's a lot of
17 wiring that needs to be installed. It's -- it's primarily a
18 wire-based system. There are DVRs that are recording that
19 are in each of the shed rows. So the camera is wired to
20 that local DVR.

21 COMMISSIONER BENETO: Everything goes to your
22 control room then or what?

23 MR. DARUTY: Yes.

24 COMMISSIONER BENETO: Well, that's a lot of wire.

25 MR. DARUTY: It is a tremendous amount of wire

1 that is being put in, as well as a lot of, you know,
2 electrical to drive all of it, yes.

3 COMMISSIONER SOLIS: The camera that you're going
4 to put in the gap are -- it's -- I want to thank you for
5 that. Because it's -- as you know, after all these breaks,
6 there are a lot of horses that get there a little too early,
7 and it would be a good idea just to have some TVs on the
8 backside at some points where the trainer can see where the
9 tractors are before they open the -- they open the race
10 track, each -- at -- I mean, after each break. Because
11 there's a lot of horses that get there too early and it
12 makes it a little unsafe. And it will -- it will really
13 help us all.

14 MR. DARUTY: That's -- that's a very good
15 suggestion, and we'll take that under consideration. I
16 think I'd put that maybe in a little bit different category
17 than providing a trainer a specific camera for a specific
18 stall. An area like the gap cameras, maybe we could make
19 arrangements to have some monitors on the backside that the
20 trainers can see before they go all the way over there in
21 the morning, yeah.

22 COMMISSIONER AUERBACH: And I think -- I think
23 that the cameras on the gap were a direct result of Louis
24 requesting it, Louis Jauregui, our safety steward. It's a
25 safety thing. And I think that's a direct result of that.

1 CHAIRMAN WINNER: At the gap?

2 COMMISSIONER SOLIS: And I want to thank you
3 for --

4 CHAIRMAN WINNER: That's a very good thing.

5 COMMISSIONER SOLIS: I want to thank you for the
6 renovation of the jockeys' room, by the way.

7 MR. DARUTY: Oh, you're welcome.

8 CHAIRMAN WINNER: Anything else?

9 Scott, really --

10 EXECUTIVE DIRECTOR BAEDKEKER: I want to make one
11 just --

12 CHAIRMAN WINNER: Yes, please.

13 EXECUTIVE DIRECTOR BAEDKEKER: -- quick comment
14 based on past experience.

15 You know, we -- we tried a program in the early
16 2000s, as I recall. And it turned out that the easy part
17 was the hardware. The difficult part was keeping the
18 cameras clean, dedicating personnel as needed, you know, to
19 review the tapes and the video and so forth. And so I
20 suggest that this be looked upon by everybody as a long-term
21 project.

22 And as you alluded to, this might even be
23 considered, even though it's a very pricy pilot project, I
24 think we'd probably all agree that there's a lot to be
25 learned collectively. And we may to, you know, be flexible

1 as we move on. The risk is that after three years we say,
2 you know, it's just too much trouble.

3 MR. DARUTY: Well, you make a good point.

4 And the one other thing I'll -- I'll mention is,
5 you know, this really is largely a result of the technology
6 boom. You know, what we're doing could not, I don't
7 believe, been done a few years ago in anything remotely
8 close to an economical cost. But, you know, the cost of
9 cameras have come down, particular high definition. The
10 cost of data storage has come down. So all of this is sort
11 of the right time to be pushing something like this.

12 CHAIRMAN WINNER: Thank you very much, Scott.

13 MR. DARUTY: Thank you.

14 CHAIRMAN WINNER: Alan Balch would like to speak
15 on this matter.

16 MR. BALCH: Alan Balch, California Thoroughbred
17 Trainers.

18 We welcome hearing this. I rose to speak because
19 of Commissioner Auerbach's mentioning of us and our pledge.
20 It would have been great if we had been involved in some of
21 these meetings that have been held. We've been asking to be
22 but we haven't been so far. The Racing Law does say that
23 matters related to the backstretch are the province of the
24 trainer's organization. So think we should be going
25 forward, and we'll look forward to that.

1 I was at Keeneland on Friday and saw their camera
2 installation, which includes, particularly for Breeders' Cup
3 will include the ability of trainers to view their horses in
4 the stall. And that is what we, of course, are particularly
5 interested in the letter and release we sent to the Board
6 about monitoring the horses in their stalls. So we think we
7 should be involved in this. And we'll certainly stand by
8 our pledge, of course.

9 As to the gap, we agree that's very important. We
10 suggested to Santa Anita two years ago that cameras be
11 installed in the tunnel to the training track. And I hope
12 that will get on the agenda, too, because that's a critical
13 area for safety, and also for the welfare of the horse, to
14 be monitored. Thank you.

15 CHAIRMAN WINNER: Okay. Any questions for Mr.
16 Balch?

17 Commissioner Auerbach?

18 COMMISSIONER AUERBACH: I just -- I don't have a
19 question, Alan, I have a suggestion, that you contact Mr.
20 Brackpool's office and request that you be given input,
21 especially when you're talking about, you know, the tunnel,
22 etcetera, etcetera. And I think that's a great idea.

23 MR. BALCH: We have done so informally. But we
24 will now do so formally.

25 COMMISSIONER AUERBACH: Well, you know, just

1 not -- I just wanted to say that I believe that they -- and
2 I can't speak for TOC. I think Joe is here somewhere. But
3 I believe they have been talking to TOC. And I think it
4 would be helpful if they spoke with you, too, so --

5 MR. BALCH: Thank you.

6 COMMISSIONER AUERBACH: Thank you.

7 CHAIRMAN WINNER: Okay. Any other questions
8 regarding the Committee report? Because I do have a
9 question.

10 COMMISSIONER BENETO: Yeah, I have a question.

11 CHAIRMAN WINNER: Go ahead, Commissioner Beneto.

12 COMMISSIONER BENETO: The vest for -- for the
13 trainers, you say they don't have to wear a safety vest on
14 the track.

15 COMMISSIONER AUERBACH: The -- the regulation does
16 not stipulate that they have to wear a safety vest. We've
17 been --

18 COMMISSIONER BENETO: Well, I disagree with that
19 regulation because that would be like putting a whole bunch
20 of people in an airplane, and they all wear seatbelts but
21 the pilot.

22 COMMISSIONER AUERBACH: Yeah. Well, I happen to
23 agree with you, I think it's foolish. But we've had a lot
24 of -- a lot of kickback from people, you know, in that -- in
25 that field who -- the trainers who have been doing this

1 their whole lives who --

2 COMMISSIONER BENETO: But safety first.

3 COMMISSIONER AUERBACH: Well, I --

4 COMMISSIONER BENETO: And --

5 COMMISSIONER AUERBACH: I happen to agree with you
6 but it's not my call, so --

7 COMMISSIONER BENETO: Well, I think we should do
8 something about it ourselves. Because to have a stipulation
9 where a trainer not to wear a safety -- a safety vest while
10 he's on the race track I think is -- we're not doing him
11 justice.

12 VICE CHAIRMAN ROSENBERG: I'm not clear on that
13 one.

14 CHAIRMAN WINNER: Vice Chairman Rosenberg?

15 VICE CHAIRMAN ROSENBERG: Yeah. I'm not clear on
16 the status of that issue as it relates to coming -- were you
17 discussing it just as a possibility of amending a rule?

18 COMMISSIONER AUERBACH: It's a proposed amendment
19 to Rule 1689.1.

20 VICE CHAIRMAN ROSENBERG: So it will come before
21 the Board and --

22 COMMISSIONER AUERBACH: Yes.

23 VICE CHAIRMAN ROSENBERG: Okay. Thanks.

24 COMMISSIONER AUERBACH: That's my understanding,
25 Phil, Jackie, that it will come before the Board at some

1 point?

2 EXECUTIVE DIRECTOR BAEDKEKER: It was rejected by
3 OAL. It's already gone through the process with this Board.
4 And it was rejected by OAL because they considered the
5 language to be vague. And it really addressed your concern,
6 Commissioner. They felt that it wasn't clear whether
7 anybody on the race track had to where a vest of just the
8 pony riders. So it was brought back with language
9 addressing that. And it was referenced, I think, only to
10 pony riders; is that correct?

11 MS. WAGNER: That's correct.

12 EXECUTIVE DIRECTOR BAEDKEKER: So obviously the
13 Board can do whatever it wants moving forward, so there's --
14 there's time to change it as the Board sees fit.

15 COMMISSIONER AUERBACH: We don't have it on the
16 agenda today.

17 CHAIRMAN WINNER: It's not on today's agenda.

18 EXECUTIVE DIRECTOR BAEDKEKER: No.

19 COMMISSIONER AUERBACH: No.

20 CHAIRMAN WINNER: It can be on next month's
21 agenda.

22 COMMISSIONER AUERBACH: No. It's just something I
23 was reporting on that happened at the meeting, so --

24 CHAIRMAN WINNER: My question actually relates to
25 the next item on the agenda. And the question is for both

1 Commissioner Auerbach, as well as Mr. Miller and Mr. Laird.

2 EXECUTIVE DIRECTOR BAEDKEKER: Why don't you
3 introduce the next agenda item?

4 CHAIRMAN WINNER: All right. I'm going to
5 introduce the next agenda item. At the recommendation of
6 Executive Director Baedeker, I am going to introduce the
7 next agenda item.

8 Discussion and action by the Board regarding the
9 proposed addition to CHRB Rule 1846.6, Postmortem
10 Examination Review, to require a postmortem examination
11 review of each equine fatality within a CHRB enclosure.

12 Now, before we get into it, since you already
13 raised it at your -- in your report, I just want to ask a
14 question of the attorneys, specifically whether or not the
15 language that says -- that is (g), 7(g), "It is the intent
16 of the CHRB that the Postmortem Examination Review be
17 conducted for educational research purposes only, and that
18 disciplinary action will not be taken against any licensee
19 as a direct result of the Postmortem Examination Review
20 Panel's report," will that, at some point in the future, if
21 we learn through the postmortem report that something
22 nefarious has taken place, will that limit our ability to
23 use that postmortem report as evidence in any action against
24 whomever is allegedly committed that offense.

25 MR. MILLER: The -- it would limit the -- the use

1 of the report. But the investigation would be independent
2 of the report. And so the postmortem examination will be
3 part of the process. Any other work done by the enforcement
4 staff in collecting evidence regarding the alleged violation
5 would be all part of the investigative materials presented.
6 So it would -- the investigation and any action as a result
7 of that investigation arising from a postmortem examination
8 will be independent of the report and the report will not be
9 part of the process, nor need it be.

10 VICE CHAIRMAN ROSENBERG: Well, the timing on
11 that, Mr. Miller, how -- in terms of the investigation, if
12 the investigation is not completed prior to the time that
13 the postmortem exam hearing is held and before the report is
14 written, and they wait until after the report comes out,
15 does that preclude the investigation from using anything
16 that happened within, not the report itself but at that
17 hearing? People show up with records and testify and
18 talk -- not testify, but they talk about what happened to
19 the -- what caused the incident to review it all. It seems
20 to me it's a good question you're raising as to the
21 practical aspects here.

22 MR. MILLER: Well, the investigation would take
23 precedent over the Review Panel's work. The investigation
24 of an alleged violation as a result of something that's
25 learned from a postmortem examination, that would go forward

1 with all deliberate speed. The Panel's review is more of --
2 is a research educational thing that is independent of the
3 investigation. And I would assume that the investigation
4 would take precedence over the -- the hearing, the work of
5 the Review Panel.

6 VICE CHAIRMAN ROSENBERG: I understand that. But
7 wouldn't it be better to have any investigation completed
8 before a postmortem examination was -- hearing was held so
9 you won't have any issue of whether information that comes
10 out within the hearing itself cannot -- could be used by the
11 investigators?

12 MR. MILLER: That's correct, it would be.

13 VICE CHAIRMAN ROSENBERG: Yes, it would be a good
14 idea?

15 MR. MILLER: Yes.

16 VICE CHAIRMAN ROSENBERG: Well, I'll note that.

17 CHAIRMAN WINNER: Yeah. So the question is can
18 we --

19 COMMISSIONER AUERBACH: And I have -- I have also
20 another question, too, because in reading what we talked
21 about in our meeting, one thing that I don't see in what we
22 wrote was where does it state that all materials will be
23 returned and that there will be no copies taken? I don't
24 read that in the text either.

25 MR. LAIRD: Phil Laird, CHRB Staff.

1 I think when we drafted the language originally we
2 addressed that issue through the -- let's see, the
3 terminology specifically is, "The trainer shall make
4 available at the Postmortem Examination Review," this is
5 subsection (d), "the training records for the expire horse."

6 We interpret that as "making available" as not --
7 as not handing over.

8 COMMISSIONER AUERBACH: I don't -- I don't -- I
9 don't think that's sufficient.

10 MR. LAIRD: Okay.

11 COMMISSIONER AUERBACH: If we are telling people
12 that we are not going to keep their material, that we are
13 going to return their records, that we are not going to make
14 copies, we've got to say so. Otherwise, we have license to
15 do that because we don't specifically delete that. And I
16 would not be comfortable in passing this or moving it
17 forward without language that addresses those materials,
18 that we're not keeping them, we're not copying them, that
19 they belong to the trainer, the vet, whomever they belong
20 to.

21 MR. LAIRD: Okay.

22 COMMISSIONER AUERBACH: All right?

23 MR. LAIRD: Staff can make that adjustment.

24 COMMISSIONER AUERBACH: Yeah, please. So I don't
25 think we're really ready to -- to do this because I think it

1 needs some work, aside from what else we talked about.

2 EXECUTIVE DIRECTOR BAEDKEKER: Well, I think -- I
3 think that we -- if you wanted to I think that the Board
4 could move this forward into 45-day with -- with language in
5 the motion that called for Staff to include that specific
6 language.

7 COMMISSIONER AUERBACH: Isn't that where we get a
8 problem with an underground regulation --

9 EXECUTIVE DIRECTOR BAEDKEKER: No.

10 COMMISSIONER AUERBACH: -- if we put something --

11 CHAIRMAN WINNER: No.

12 COMMISSIONER AUERBACH: -- in the motion? No?

13 EXECUTIVE DIRECTOR BAEDKEKER: No. Huh-uh. And
14 so then during the 45 days, of course, anybody would be able
15 to comment on it. And, you know, if you're not happy with
16 it when it comes back, then you'll do whatever you want. We
17 do run the risk, of course, I suppose, of inserting the new
18 language per your direction and putting it out for 45 days,
19 and then having to redo that process if you're not happy
20 with the change; correct? Isn't that right?

21 MR. MILLER: Yes.

22 EXECUTIVE DIRECTOR BAEDKEKER: Yeah. Okay.

23 So I would say that I think we should postpone
24 this month, if you agree, and -- and bring it back with --
25 with new language that will satisfy the concerns.

1 CHAIRMAN WINNER: I think that would be helpful
2 because we still do have -- I know Commissioner Rosenberg
3 and myself and Commissioner Auerbach have some concerns
4 about the language. And we would like to bring it back at
5 the next meeting.

6 VICE CHAIRMAN ROSENBERG: I have one other
7 question.

8 CHAIRMAN WINNER: Please, go ahead.

9 VICE CHAIRMAN ROSENBERG: Could I ask a question?
10 In Paragraph F, above Paragraph G there, why did they -- why
11 did you decide not to have a notice go to the trainer and
12 the owner rather than trainer or the owner? Why shouldn't
13 the owner receive a copy of it as well? Because who knows
14 if a trainer is going to decide to send a copy to the owner
15 if it's for educational purposes?

16 MR. LAIRD: I don't recall if there was a specific
17 purpose for that. So we could make that adjustment, as
18 well --

19 VICE CHAIRMAN ROSENBERG: I think it's a good
20 idea.

21 MR. LAIRD: -- if it's important to the Board.

22 VICE CHAIRMAN ROSENBERG: I don't know.

23 CHAIRMAN WINNER: I agree with Commissioner --
24 Vice Chair Rosenberg. Okay.

25 Any other questions on this item?

1 Thank you, Phil.

2 We'll go then on to item number seven, but that
3 will call for the second report from Commissioner Auerbach
4 of the more recently held Medication and Track Safety
5 Committee meeting.

6 COMMISSIONER AUERBACH: On September 4th at the
7 direction of the Board we had another Medication meeting,
8 and it was held at Del Mar. And there were 17 non-CHRB
9 attendants there.

10 Item one dealt with a proposed rule to require
11 third-party administration of Lasix. Rick Baedeker opened
12 the discussion by stating that Staff tried to include
13 everything that was discussed at our previous Board meeting
14 for consideration. Phillip Laird indicated that the staff
15 is prepared to answer all the questions, and that they had
16 included alternative versions of the rule.

17 The first version in the packet that day was the
18 original proposed text. And all of these things are within
19 your -- within the Board packet today if anybody is
20 interested in rereading them. And version two is very
21 similar but improves the definition terms. And version
22 three was essentially the same but added alternatives,
23 including the proposal for private veterinarians to continue
24 administering Lasix but under supervision.

25 Dr. Shields got up and spoke about the same

1 problems that he had with previous issues. And he was
2 concerned about a practicing vet is not actually doing the
3 administration, whose responsibility. And the staff
4 addressed the issue at the time. And Dr. Shields asked
5 whether a vet tech can be authorized under the rules to
6 administer medication. And Steve Schwartz was there and he
7 indicated that the proposed rule already includes language
8 covering the issue that was approved by the Vet Medical
9 Board. And Rick Baedeker concurred that the Veterinary
10 Medical Board approved the text of the proposed rule that
11 covers the issue the staff will seek to clarify. So we
12 attacked this from every way going. And that concern has
13 been -- that fear has been allayed.

14 Alan Balch said that the CTT has always supported
15 third-party administration, along with other security
16 procedures to making it meaningful. The CTT believes the
17 way to move the matters forward most quickly would be to
18 work out all the procedures before approving any rule. He
19 suggested that third-party administration would not
20 eliminate the perception of illegal activities.

21 The CTT believes the more effective and immediate
22 solution would be to improve and expand upon the current
23 Backside Stake Surveillance Program, for example, adding
24 security personnel, widespread confiscation of syringes for
25 testing, etcetera.

1 And Jim Cassidy cited the need for video
2 surveillance in each stable area.

3 Alan suggested the creation of a small group of
4 people to discuss and narrow the issues for consideration by
5 the Board.

6 I indicated that there is absolutely nothing
7 stopping the industry stakeholders from doing exactly what
8 Alan suggested. This does not require Board direction. I
9 encouraged them to get together and work out these things in
10 whatever fashion that they wish to do so. There is no
11 reason that they can't. They certainly don't need us to
12 tell them to do the right thing.

13 Let's see where I am here.

14 The CHRB can move forward. It doesn't preclude
15 the CHRB from moving forward with our initiative. One,
16 they're not mutually exclusively. We can move forward with
17 our initiatives. And those working in the industry who want
18 to create a more secure environment can certainly work
19 together and get that done.

20 Alex suggested the designation of detention stalls
21 in each shed row with cameras. And that would be another
22 item that could be discussed.

23 And Joe Morris indicated that TOC is 100 percent
24 behind the National Uniform Medication Guidelines, which
25 includes third-party administration.

1 Dr. Joe Dowd, a private practitioner, praised the
2 professionalism and ingenuity of the California Race Track
3 Veterinary Group. And I concurred, while indicating third-
4 party administration is not a criticism of practicing vets,
5 and Dr. Dowd suggesting solving the Lasix perception problem
6 in a way that might be less disruptive.

7 At the conclusion of the discussion I indicated
8 that the Committee's support for Version B, Option 1,
9 requiring that Lasix be administered by a designated
10 furosemide veterinarian which -- which would put us in step
11 with the rest of the country. In other words, read that
12 third-party administration.

13 Item two involved a suggestion for detention barns
14 at California race tracks. And Louis Jauregui came up and
15 gave us -- got us and gave us a report on how the detention
16 barns had worked at other race tracks. The bottom line was
17 that it didn't work and has been disbanded. And he pointed
18 out specifically the New York program once had detention
19 barns but they don't anymore. And Jim Cassidy described his
20 unhappiness with the program. It doesn't work.

21 And I think the issue that Mr. Baedeker was
22 pointing out, that this system would be a great deal more
23 convenient, cost effective and time effective, the problem
24 is that so far it doesn't seem to work. It might be in the
25 best interest of the humans, but it doesn't appear at this

1 time to be in the best interest of the horses. If we want
2 to investigate it further, I'm sure we can. Thank you.

3 CHAIRMAN WINNER: Thank you very much.

4 Any questions on those issues? We're going to get
5 to that item, third -- third-party administration item after
6 we do item number seven.

7 Item number seven on the agenda is a discussion
8 and action by the Board regarding the proposed addition of
9 CHRB Rule 1866.1, Presence of Clenbuterol in Quarter Horses,
10 and proposed amendment to CHRB Rule 1844, Authorized
11 Medication, to prohibit the presence of clenbuterol in a
12 quarter horse test sample.

13 Are you speaking on this, Phil?

14 MR. LAIRD: Yes.

15 CHAIRMAN WINNER: Okay. Please.

16 MR. LAIRD: Phil Laird, CHRB Staff.

17 So I am happy to report that on the last day of
18 July the Office of Administrative Law approved emergency
19 regulations which amended Rule 1844 and added Rule 1866.1,
20 de-authorizing the presence of clenbuterol in quarter horses
21 and establishing procedures for quarter horses on the vet's
22 list that have clenbuterol in their systems.

23 These regulations, however, only remain in effect
24 since they are emergency regulations until January of 2016.

25 In the meantime, the Board is moving through the process and

1 here -- here today to discuss passing these as permanent
2 regulations through the regular rule-making process.

3 And the only notes I should make is that -- well,
4 the text is substantially the same as was passed in the
5 emergency regulations. There were a few minor changes made
6 to address issues of clarity and redundancy. And otherwise,
7 there was a provision added limiting the length of any
8 single prescription to 30 days. But this was discussed at
9 the Committee meeting and approved to move forward at the
10 Board today.

11 CHAIRMAN WINNER: Go ahead, Commissioner Choper.

12 COMMISSIONER CHOPER: I would like to move. I
13 guess we have to go for the 45 days.

14 CHAIRMAN WINNER: Put this out?

15 COMMISSIONER CHOPER: Put -- put this out for 45
16 days.

17 CHAIRMAN WINNER: Yeah.

18 COMMISSIONER CHOPER: We've -- we, after all, have
19 been operating under the rule without any problems for a
20 while, let's just say. And now we have formalized it. This
21 does it. So I think we should go ahead.

22 CHAIRMAN WINNER: All right. There's a motion.
23 Is there a second?

24 VICE CHAIRMAN ROSENBERG: Second.

25 CHAIRMAN WINNER: Seconded by Vice Chair Rosenberg

1 to move this item out for 45-day review.

2 Any discussion? All those in favor?

3 ALL COMMISSIONERS: Aye.

4 CHAIRMAN WINNER: Any opposed? The matter is
5 approved.

6 Moving on then to item number nine, and this is
7 the item, discussion and action by the Board regarding the
8 proposed amendment to CHRB Rule 1845, Authorized Bleeder
9 Medication, to require that authorized bleeder medication be
10 administered by independent third-party veterinarians.

11 As you know, we had a lengthy discussion on this
12 item at the last meeting. Commissioner Auerbach has given
13 you the report of the Committee. At the last meeting we
14 referred it back to Committee. The Committee has now made a
15 recommendation to the Board.

16 I have a quick question. I fear that I know the
17 answer, but I'll ask the question anyway. Given that this
18 thing has been discussed ad nauseam, and that the changes
19 that were made in Committee, I suppose, are process in
20 technical, my question is: Is there any way that we can
21 move this on and act on it without going through the 45-day
22 process?

23 MR. MILLER: No.

24 CHAIRMAN WINNER: Okay. Thank you. I thought
25 that would be the answer. I'm sorry to hear that because

1 I'd like to get this moved on. But if we have to put it out
2 for 45 days, then that would be -- then the motion would
3 include that.

4 EXECUTIVE DIRECTOR BAEDKEKER: You were talking
5 about emergency; right?

6 CHAIRMAN WINNER: Yeah, I was. I was talking
7 about whether we can treat it as an emergency reg to get it
8 operational. But the answer is no?

9 MR. MILLER: No.

10 CHAIRMAN WINNER: Okay. Who's going to speak on
11 this issue or have we had enough on this issue?

12 MR. LAIRD: I'm prepared to speak. But I think it
13 requires little introduction. So happy to answer any
14 questions.

15 CHAIRMAN WINNER: And I have no cards, so no one
16 else has asked to speak on the issue.

17 So the question is, is there a motion to approve?

18 COMMISSIONER AUERBACH: So moved.

19 CHAIRMAN WINNER: Commissioner Auerbach moves.

20 COMMISSIONER CHOPER: Second.

21 CHAIRMAN WINNER: Commissioner Choper second.

22 All in favor?

23 ALL COMMISSIONERS: Aye.

24 CHAIRMAN WINNER: Any opposed? The motion
25 carries. Thank you all very much.

1 Is there a motion to -- I think that's the last
2 item. Yeah.

3 A couple of points I'd like to make. Number one,
4 I see that Joe Morris is here. And for those of you that
5 did not see the press release or hear about it, on November
6 7th, I think it is, Joe will be moving from TOC to Stronach
7 Group, so my congratulations to the Stronach Group, my
8 condolences to TOC.

9 And we wish you well, Joe. And we look forward to
10 continuing to work with you.

11 Also, I want to extend a thank you to Los Alamitos
12 for, as usual, providing a wonderful setup and breakfast for
13 all of us here, and for -- for the setup here which is
14 always a pleasure to work with.

15 COMMISSIONER CHOPER: I second that.

16 CHAIRMAN WINNER: Commissioner Choper seconds
17 that.

18 COMMISSIONER CHOPER: Yeah, that's just very, very
19 nice.

20 CHAIRMAN WINNER: We will be going into executive
21 session.

22 So is there a motion to adjourn?

23 COMMISSIONER AUERBACH: So moved.

24 CHAIRMAN WINNER: Commissioner Auerbach moves to
25 adjourn.

1 COMMISSIONER BENETO: Second.

2 CHAIRMAN WINNER: This meeting is adjourned.

3 Thank you all very much for attending.

4 (The regular meeting of the California Horse Racing Board
5 adjourned at 10:42 a.m.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2015..



MARTHA L. NELSON

CERTIFICATE OF TRANSCRIBER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



MARTHA L. NELSON, CERT**367

September 17, 2015