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CALIFORNIA HORSE RACING BOARD
PARI-MUTUEL OPERATIONS COMMITTEE MEETING

Thursday, August 19, 2004
9:30 A.M.

DEL MAR SATELLITE WAGERING FACILITY
2260 Jimmy Durante Boulevard
Del Mar, California

BOARD MEMBERS PRESENT:

- William A. Bianco, Member
- Jerry Moss, Commissioner
- Roy C. Wood, Jr., Executive Director
- John C. Harris, Chairman
- Roger H. Licht, Vice Chairman
- Marie G. Moretti, Member
- John C. Sperry, Member
- Derry L. Knight, Deputy Attorney General

Reported by: Laura Longarini, CSR 12384

MEETING AGENDA

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Action Items

1. Discussion and action by the Board on the approval of the minutes of the regular meeting of June 3, 2003.
2. Discussion and action by the Board on the Application for License to Conduct a Horse Racing meeting of the Oak Tree Racing Association, from September 29 through October 31, 2004, inclusive.
3. Discussion and action by the Board on the application for license to Conduct a Horse Racing Meeting of the Fresno District Fair, from October 6 through October 17, 2004, inclusive.
4. Discussion and action by the Board on the Request of the Bay Meadows Operating Company to amend their license application to change the commencement of the Racing Meeting from September 3, 2004 to September 4, 2004.
5. Discussion and action by the Board on the approval of the Race Dates calendar for 2005.
6. Public hearing by the Board on the adoption of the following proposed regulatory amendments of CHRB rules.
 - A. Rule 1520-Definitions

- 1 B. Rule 1615-Scale of Weights for Age
- 2 C. Repeal of Rules 1616 & 1684
- 3 7. Discussion and action by the Board for the 45-day
- 4 notice, on the proposed regulatory amendment to CHRB
- 5 Medication Rules 1843.5, 1844, 1845.
- 6 8. Public Hearing by the BOard on the adoption of the
- 7 proposed regulatory amendment of CHRB Rule
- 8 1846.5-Postmortem Examination.
- 9 9. Discussion and action by the Board on the request of
- 10 the Los Angeles Turf Club to distribute \$262,800 in
- 11 charity racing proceeds to 44 beneficiaries.
- 12 10. Discussion and action by the Board on the request of
- 13 the Pacific Racing Association to distribute \$60,000
- 14 in charity racing proceeds to 12 beneficiaries.
- 15 11. Discussion and action by the Board on the request
- 16 by Capitol Racing, LLC concerning the location and
- 17 availability of the Satellite Signal at the Los
- 18 Alamitos Race Course.
- 19 12. Report by representatives of the California Animal
- 20 Health and F0od Safety Laboratory on the Postmortem
- 21 Program.
- 22 13. Discussion by the Board on the recently published
- 23 report of the California Performance Review
- 24 Commission and its specific recommendations
- 25 concerning the California Horse Racing Board.

- 1 14. Staff Report on the following concluded race
2 meetings:
- 3 A. Churchill Downs California Company at Hollywood
4 Park from April 21 through July 18, 2004.
- 5 B. Alameda County Fair at Pleasanton from June 30
6 through July 11, 2004.
- 7 C. Solano County Fair at Vallejo from July 14
8 through July 26, 2004.
- 9 15. Report of the Race Dates Committee
- 10 16. Report of the Medication Committee
- 11 17. General Business: Communications, reports, requests
12 for future action of the Board.
- 13 18. Old business: Issues that may be raised for
14 discussion purposes only, which have already been
15 brought before the Board.
- 16 14. Executive Session: For the purpose of receiving
17 advice from counsel, considering pending
18 litigation, reaching decisions on administrative
19 licensing and disciplinary hearings, and personnel
20 matters, as authorized by Section 1126 of the
21 Government Code.

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1 DEL MAR, CALIFORNIA; THURSDAY, AUGUST 19, 2004

2 9:30 A.M.

3

4 MR. WOOD: Good morning ladies and gentlemen,
5 welcome to the regularly-scheduled meeting of the
6 California Horse Racing Board. This meeting is being
7 conducted on Thursday, August 19 of 2004. And we're at
8 the Del Mar Satellite facility in Del Mar, California.

9 And before we go forward with this morning's
10 meeting, I'd like to introduce Chairman John Harris,
11 Vice Chairman Roger Licht, Commissioner William Bianco,
12 Commissioner Marie Moretti, Commissioner John Sperry,
13 District Attorney General, Derry Knight, Commissioner
14 Jerry Moss.

15 Before we go forward with this morning's
16 meeting I would respectfully request if you would like
17 to give testimony to the board, that you please, state
18 your name and your organization.

19 If you have a business card to provide our
20 court reporter it would be very much appreciated. And
21 with that I'd like to turn our meeting over to the
22 chairman, Mr. John Harris.

23 MR. HARRIS: I'd like to welcome everyone to
24 the meeting. Thank you for taking the time to come, we
25 have a busy agenda to cover.

1 First item is the approval of the minutes of
2 the regular meeting of June 3, 2004.

3 MR. MOSS: Just one minor correction that John
4 pointed out to me. When I asked the TOC to comment it
5 was not about TOBA in general it was about that race
6 series that they had.

7 MR. HARRIS: Could somebody explain? There was
8 an item on the June agenda where there was a series of
9 racing.

10 MR. COUTO: Good morning, Drew Couto on behalf
11 of the Thoroughbred Owners of California. You're
12 referring to the TCT on behalf of Thoroughbred Racing of
13 California. I believe you're referring to the TCT.

14 I'm sorry, what was the specific question?

15 MR. LICHT: It wasn't a question for you. At
16 that meeting I asked you to commented on your position,
17 not about TOBA in general but about that series, I think
18 under you guys were looking into it.

19 MR. COUTO: Correct. I'm not sure how
20 succinctly I can say this, but there was a meeting held
21 out here with the principles or the affected parties
22 that included the Oak Tree Racing Association the Del
23 Mar Thoroughbred Club, Hollywood Park, the CTT, TOC, and
24 TOBA represented as well as principles of the TCT met
25 about a month ago, a proposal was laid out, we have been

1 investigating it and working on a schedule with colleges
2 out of state and it's ongoing.

3 MR. HARRIS: We're not interested -- basically
4 we wanted to correct TOBA, it should be TCT. That is
5 it.

6 MR. MOSS: With that understanding,
7 Mr. Chairman, I move approval.

8 SPEAKER: Second.

9 MR. HARRIS: All in favor.

10 SPEAKER: So moved.

11 SPEAKER(S): Aye.

12 MR. HARRIS: The next item is, Application for
13 License to Conduct a Horse Racing meeting of the Oak
14 Tree Racing Association, from September 29 through
15 October 31, 2004.

16 MR. MINAMI: Mr. Chairman, Roy Minami, Horse
17 racing Board staff. This is the application for the Oak
18 Tree Racing Association. The plan can run from
19 September 29th through October 31 for 26 days which is 6
20 days less than 2003. They plan on racing five days a
21 week, Wednesday through Sunday, with eight races
22 weekdays, nine on opening day, weekends and on Monday,
23 October 11. First post will be 1:00 Wednesday and
24 Thursday, 2:30 on Friday and 12:30 p.m. On weekends and
25 holidays.

1 The only thing left outstanding is the fire
2 clearance. We have already received the horsemens'
3 agreement signed by all parties. The staff recommends
4 that the Board approve the application condition upon
5 receiving the fire clearance.

6 MR. HARRIS: I think that this has been covered
7 by Oak Tree, but just to clarify to the Board. The new
8 applications from associations at this point wants to
9 have assurance that there is a head on camera for the
10 turf course and digital scales for the jockey rooms.

11 SPEAKER: We have head on shots for both the
12 turf course and the main course and we have a digital
13 scale in the jockey room. We do not have one for the
14 way out, and we think that the normal usual scale is
15 satisfactory enough when you think about when rain
16 occurs, it will weigh a half pound more. It's not
17 necessary to have a digital scale after the ride.

18 MR. HARRIS: Anyway let's get into that at
19 another time. I think it would be good to have one.

20 SPEAKER: Did that answer your question?

21 MR. HARRIS: Yes, thank you.

22 MR. LICHT: I move approval of Oak Trees'
23 application.

24 SPEAKER: Second.

25 MR. HARRIS: All in favor.

1 SPEAKER(S): Aye.

2 MR. HARRIS: For the next item is 3.

3 Discussion and action by the Board on the application
4 for license to Conduct a Horse Racing Meeting of the
5 Fresno District Fair, from October 6 through October 17,
6 2004, inclusive.

7 MR. MINAMI: Roy Minami of the California Horse
8 Racing Board staff. The application for Fresno District
9 Fair to run from October 6th through October 17th, 11
10 days, they will be racing five days the first week and
11 six days the second week. Eight races, Monday,
12 Wednesday and Thursday, ten on Friday and Saturday and
13 nine on Sunday. The first post 12:37 Saturday and
14 Sunday, 12:45, Friday and 1:30 p.m. Monday, Wednesday
15 and Thursday.

16 The items still out standing is fire clearance
17 and the thoroughbred sign off for the Fresno Fair and
18 Horsemens' Agreement and the contract with Scientific
19 Games. The staff recommends that the board approve the
20 application conditioned upon receiving additional
21 information.

22 MR. HARRIS: Any comments on this application?

23 MR. SPERRY: Move approval, Mr. Chairman.

24 SPEAKER: Second.

25 SPEAKER(S): Aye.

1 MR. HARRIS: Approved. So moved.

2 Next request is for license.

3 MR. REAGAN: Commissioners, John Regan and CHRB
4 staff. Bay Meadows' race course has submitted a letter
5 in the package for your review in requesting to reduce
6 the number of days of their meet by one. They would do
7 this by commencing their meet on Saturday, September,
8 4th instead of Friday the 3rd. This reduces the overlap
9 by one day.

10 Staff recommends approval of this request.

11 MR. HARRIS: I think it's a good idea. I don't
12 know how it became a love fest between Sacramento and
13 Bay Meadows to achieve this, but it's wonderful.

14 MR. DARUTY: Scott Daruty on behalf of Magna
15 Entertainment. We had entered into that arrangement
16 familiarity with Cal-Expo for this coming Labor Day
17 weekend, but we had done so subject to the approval of
18 the TOC. We spoke with TOC and they were not very
19 enthusiastic about the idea. I apologize about the mix
20 up, I thought had been withdrawn from today's agenda.
21 Thank you.

22 MR. HARRIS: I think it's a good idea
23 personally. But does Cal-Expo still support?

24 MR. Elliot: Dave Elliot, California State
25 Fair. To answer your question, absolutely we support,

1 we obviously, at the direction of Commissioner Moretti
2 and Commissioner Granzella, we have been in
3 conversations with Bay Meadows and Magna to try to get
4 something done this year and next year. Obviously in
5 that picture is next year's calendar and all of that
6 stuff. We've been speaking with them for two months to
7 see what we can do to reduce overlap and Magna, to their
8 credit, stepped forward and offered to get rid of one
9 day of overlap this year. And after the letter was sent
10 obviously, the TOC has some type of objection to it, but
11 we are in support of it.

12 MR. LICHT: Do they have the right to withdraw
13 from the agenda or is it up to them or us?

14 SPEAKER: It's up to you certainly.

15 MS. MORETTI: I'd like to hear from the TOC.

16 MR. COUTO: Good morning, again. Drew Couto,
17 Thoroughbred Owners' of California.

18 We're of the understanding with NEC that they
19 had withdrawn this from the meeting agenda. The
20 opposition came from the directors in the north who
21 were concerned about Cal-Expo's decision not to run a
22 day overlapped with Del Mar. When these would be an
23 overlap, Northern California Fair instead opted to ask
24 Bay Meadows to give up a Friday. That was unnecessary
25 from the Board's perspective.

1 They are looking for one overlap day, they
2 would have that running with Del Mar, but instead they
3 want Bay Meadows on a different day to give up that
4 overlap. It was our opinion, it was in the best
5 interest of owners and the state, to run the additional
6 day overlapped with Del Mar and keep the one day with
7 Bay Meadows in place. And it was, again, our
8 understanding with Magna that they agreed and were
9 withdrawing this amendment to their application.

10 MR. WOOD: Just to clarify, did the entire TOC
11 board vote on this or just the northern directors?

12 MR. COUTO: It was the northern directors.

13 Typically what happens, Mr. Harris, the
14 Northern California board members, make the decisions
15 with regard to the dates and purse contracts up north
16 and make a recommendation to staff that these be
17 followed up.

18 MR. HARRIS: We're going to go ahead with the
19 jockey weight agenda item because we have a number of
20 people that want to be here for that. If we wait too
21 long we'll inconvenience some of them. We'll go ahead
22 with the jockey weight issues and come back to the dates
23 issue after that. If no one objects to not having a
24 court reporter for that part of the program.

25 We're going out of order. Onto agenda item 6.

1 We're going to race dates.

2 MS. MORETTI: Section 6. I can read the report
3 from the meeting that we had last month. The race dates
4 committee held a meeting in the Del Mar satellite
5 facility on July 23rd, 2004, to discuss the 2005 racing
6 calendar. The first matter taken up by the committee
7 was the northern schedule, a compromise schedule was
8 proposed by Bay Meadows and Golden Gate Fields in which
9 the two entities would essentially put the number of
10 days of thoroughbred racing in order of zone. The
11 committee was advised that negotiations continue between
12 the two thoroughbred associations regarding overlap days
13 but there were no results to report at that time. The
14 committee encouraged all parties to continued to work on
15 some form of overlap relief.

16 Next on the agenda was the southern
17 thoroughbred fair schedule. Although a proposal that
18 most southern associations have accepted was on the
19 table, representatives of Santa Anita asked the
20 committees to expand the proposed 2005 dates for the Los
21 Angeles Turf Club meet for one additional week in April.

22 This request would cause the other associations
23 to move one week further into calendar and was not
24 well-received by those associations. In 2005, shifts in
25 the calendar with regard to Santa Anita's opening day to

1 reduce their number of days by two as compared to the
2 number of days they had in 2004. A compromise of adding
3 the two Wednesday, following Mondays, holidays in
4 January and February was suggested for a one-time fix
5 for the reduced days of racing. The matter was not
6 resolved at that time.

7 The harness industry was next to be heard and
8 simply asked the committee to allocate the full view of
9 racing, however, given the fact that Cal-Expo only runs
10 through July 2005 the committee will keep its options
11 open until the RSP process at Cal-Expo has been
12 completed. A representative for Los Alamitos thanks the
13 committee for the proposed quarter horse dates for 2005.
14 Those are the minutes from our July 23rd meeting.

15 MR. WOOD: Mr. Reagan, please give us the staff
16 report on the race dates meeting recommendation.

17 MR. REAGAN: Commissioners, John Reagan, CHRB
18 staff. The current proposal for 2005 racings dates is
19 as follows: First of all, for the thoroughbred meetings
20 in the southern central southern zones, the Santa Anita
21 winter meet, 85 days, from December 26th '04 through
22 April 18th' 05. Hollywood Park, 65 days, April 20th,
23 '05, July 17th, '05. And the rest of these dates will
24 be '05. Del Mar, 43 days, July 20 through September
25 7th. Santa Anita for fall, 31 days September 28th,

1 November 6th. Hollywood Park, 31 days November 9th
2 through December 19th. Also included in that schedule
3 are 17 days at Pomona from September 9 through September
4 25th, that is for the central southern zones.

5 For the northern zone, thoroughbreds, we have
6 Golden Gate Fields, 28 days from December 26th, '04,
7 through January 30th, '05. And the rest of these dates
8 will be '05. Bay Meadows, 72 days, February 2nd through
9 May 8th, Golden Gate fields, May 11 through June 19th,
10 28 days. Bay Meadows, back again, 33 days, September,
11 3rd through October 16th. And Golden Gate Fields, 46
12 days, October 19th through December 19th.

13 The northern fairs, Stockton, 10 days, June
14 15th through June 26th. Pleasanton, 11 days, June 29th
15 through July 10th. Vallejo, 11 days, July 13th through
16 the 25th, Santa Rosa, 12 days, July 27th through August
17 8th. San Mateo, 12 days, August 10th through August
18 22nd. Ferndale, 10 days, August 11th through August 21.
19 State Fair, Sacramento, 12 days, August 24th through
20 September 25th. Fresno, 11 days, October 5th through
21 October 16th. That's the northern fairs.

22 The nighttime industry, quarter horses,
23 state-wide, Los Alamitos, 204 days, December 26th, '04
24 through December 18th, '05. The nighttime harness meet,
25 Cal-Expo, sacramento, 134 days, December 26th, '04

1 through July 30th, '05.

2 That's the entire schedule. If you have any
3 questions, I'll be happy to answer them.

4 MR. LICHT: The issue with the Southern
5 California thoroughbred dates are; Santa Anita's
6 proposal is to start on the 28th of December, continue
7 on extra an week and have Hollywood continue on until
8 the 24th, Christmas Eve, right?

9 MS. MORETTI: Actually, Santa Anita's position
10 was to extend their meet. Maybe Jack could explain
11 thoroughly.

12 MR. LICHT: There are two -- the committee
13 selected one solution I guess you would say and Magna
14 has a different viewpoint.

15 MR. HARRIS: I think the committee also has a
16 viewpoint as I understand it, that is in conflict of a
17 previous policy that you reinstated 6 to 8 weeks on
18 some of the holiday weeks during the Santa Anita meet,
19 where traditionally we had holidays off on
20 Tuesday/Wednesday.

21 MS. MORETTI: On the original proposed calendar
22 Santa Anita would definitely lose some and in our final
23 proposal we have what I hope is somewhat of a mitigation
24 to them for the loss.

25 MR. HARRIS: At this time committee feels that

1 it was kind of a right for "X" number of days for racing
2 association.

3 MS. MORETTI: We tried to be very open-minded
4 and not concern ourselves only with what's traditional
5 in horse racing. We wanted to see where there might be
6 means of consensus and unfortunately there appears to be
7 no consensus among all of the racing association and
8 therefore there was no compromise among the associations
9 so we came up with our own.

10 MR. HARRIS: So do we want to start -- we have
11 several different segments of this. Why don't we
12 start -- it might be easier to get some of the less
13 controversial ones out of the way. Start off with the
14 north and see if there is comments on that part.

15 MS. MORETTI: For the northern California
16 thoroughbred the committee proposal will more or less
17 divide available days and the purses and commissions
18 generated between Golden Gate Fields and Bay Meadows.
19 The change in the southern thoroughbred schedule will
20 impact the northern schedule. The northern track and
21 fairs have indicated that are satisfied with the 2005
22 allocation of dates. The overlap with the two
23 thoroughbred tracks and fairs that is San Joaquin and
24 the State Fair was adjusted to limit the overlap to
25 three days at each fair for which we thank Magna and the

1 fairs for coming together and forming that compromise.

2 Harness dates are proposed through July 2005
3 through the RFQ/RFP process (inaudible) will be
4 conducted by Cal-Expo regarding the extension of the
5 lease of their facility prior to July 2005. We believe
6 that the Board can discuss the matter of additional
7 dates where a new lease has been executed.

8 Quarter horse dates are without issue at this
9 time.

10 MR. HARRIS: Is there any consideration given
11 to the overlap of Fresno?

12 MS. MORETTI: We talked about that but Fresno
13 and Humboldt were left out of the equation at this
14 moment in time. When we requested that the fairs and
15 the association come together and discuss overlap, we
16 offered our suggestion to at least come with a pilot
17 program to the Board so that we could look at it for a
18 year and we'll see what happens next year in 2005.

19 MR. HARRIS: What's the pilot program?

20 MS. MORETTI: The pilot is between San Joaquin
21 and the State Fair.

22 MR. HARRIS: As far as elimination of overlap?

23 MS. MORETTI: Yes, just to have an elimination
24 overlap. As you know it's a very contentious issue.

25 MR. HARRIS: We can do that regardless of which

1 side someone might be on. We need to also figure ways
2 that we evaluate --

3 MS. MORETTI: Mostly our concern is the field
4 size, the lack of import up to northern California, as
5 you mentioned earlier. It's a major issue.

6 MR. LICHT: I have a question on the holidays.
7 Veteran's Day and Martin Luther King Day, are they
8 accounted for, I don't know the exact days but they
9 don't look like they are indicated on here.

10 MR. HARRIS: Mr. Licht, January 17 is Martin
11 Luther's and the Veteran's day is a Friday that is a
12 normal race day.

13 MR. LICHT: That's not observed on Monday?

14 MR. HARRIS: Veterans' Day is the observed on
15 the day that it falls.

16 MS. MORETTI: November 11.

17 MR. HARRIS: The impact on Santa Anita is on
18 the 17th and the 21st which is one of the issues that
19 creates six day weeks that I'm concerned about as far as
20 field size.

21 MR. LICHT: Not having an overlap on those
22 days.

23 MR. HARRIS: Is one also -- the issue that
24 we're talking about the north is that there is an
25 assumption made that the north should race every day the

1 south races, which, you know, importing the simulcast
2 races I don't know if that is sacred as it one time was
3 thought to be. It does in the north where there is
4 difficulty everywhere with field size, but particular in
5 sometimes in the winter and the north. If that's
6 well-advised that they have six day weeks in January and
7 February.

8 Let's go ahead with comments from the
9 participants in the north on the proposal.

10 MR. KORBY: Executive Director of Racing
11 Authority of Racing Fairs. First, I'd like to thank the
12 Dates Committee for their hard work, that has to be one
13 of the most challenging and complicated tasks that a
14 commissioner can take on and thank you very much. We're
15 here to speak in support of this recommendation from the
16 Dates Committee and I'd also like to note on behalf of
17 San Joaquin Fair, Forest White, the manager from that
18 fair, sent a letter to the Board noting that San Joaquin
19 Fair came to an agreement with two days of overlap in
20 the 2005 calendar, we want to express our thanks to
21 Magna for their cooperation. We've had good discussions
22 with them. That's part of the basis for the calendar
23 that's being proposed. Thank you.

24 MR. HARRIS: Additional comments on the date in
25 the north?

1 I'm still concerned with the 6-day weeks
2 basically in February and January and October. If the
3 population in the north is sufficient to really sustain
4 those, do the horsemen have feelings on those?

5 Do you want to comments on 6-day weeks during
6 the winter?

7 SPEAKER: Jack (inaudible) from Bay Meadows. I
8 think this is somewhat of a historic meeting for the
9 first time since 1992 the north has had any
10 controversies with the south where there was never any
11 controversy. And I mentioned '92 that's when I started,
12 this is sort of a landmark occasion. As far as the
13 overlaps at that point in time, that's really when I
14 think that we have the best chance that the horse
15 population could be running against Emerald Downs.
16 We're not running against any overlaps at all. I don't
17 think that we've had too much problem in the north. I
18 don't have the stats for those particular days, but I
19 don't recall it being life and death to fill in January
20 and February. Thank you, and again, we appreciate the
21 work of the Dates Committee and accept their
22 recommendation. Thank you.

23 MR. HARRIS: If you did have a scenario where
24 it was a Monday, Wednesday in February or January that
25 you were dark but the south did run, you would still be

1 able to be open for simulcasting the total program that
2 was available that day in the south and what the south
3 imported?

4 SPEAKER: That's true, but it doesn't work very
5 well, we've tried that on several occasions. And we
6 have proposed, and it's part of a discussion now, to get
7 legislation that would allow us to bring in the northern
8 zone unlimited simulcast on such days but we don't plan
9 to introduce that bill until next year. That bill was a
10 bill that we ran about four years ago that, you know,
11 fortunately passed a legislature that was vetoed by
12 Governor Davis.

13 I don't think that the six days will be a
14 problem in January and February. Thank you.

15 MR. COUTO: Good morning again, Drew Couto,
16 Thoroughbred Owners of California. Mr. Harris, in
17 general, we favor five days. That's clear on the
18 horsemen. It's difficult to run sustained 6-day weeks
19 and when you look at the total number of thoroughbred
20 starters in California, thoroughbred meets and fair
21 meets in 2003 it's hard to argue with the numbers.
22 We've had the fewest that we've had potentially ever, at
23 least back to 1990. So this is serious. There is a
24 serious shortage of horses, we know that, all of us know
25 that. But I would say to you that my board has not been

1 offered at this time, a week difference, we discussed
2 with our track partners and they believe that the best
3 productive time use was the schedule developed by the
4 committee and by our colleagues at the racetrack and
5 colleagues in the north, but I would confirm exactly
6 what you're implying, we do favor 5-day weeks in
7 general, and we do have a shortage of horses.

8 MR. DOERGHTY: Charlie Doerghy, California
9 Thoroughbred Trainers. I'd have to echo Drew's comments
10 that given the sentiment of the trainers in northern
11 California they do favor the 5-day week. It's a very
12 difficult call. It's, you know, we're given -- we're
13 willing to give up some of those days during the fair
14 time and to think of give up more additional days at
15 major race tracks, that's something that most trainers
16 just do not want to do to give up days at a major race
17 track. It's, you know, field size is an important
18 consideration. It's a tough call. But we do favor
19 5-day race weeks.

20 MR. HARRIS: Both of those responses were sort
21 of yes and no. I'm not sure what they mean. Anyone
22 with the fans committee have any feeling on this issue?

23 Any other comments from this issue?

24 MR. MARCONI: My name is Bob Marconi, I'm on
25 the Southern California Fans Committee and our

1 committee, and myself being a fan, I'm real concerned
2 with the fan field sizes, especially during the week at
3 the Southern California sites. I'm retired, I like to
4 go to the racetrack, but on the weekdays, especially at
5 Hollywood Park I don't go because of the field sizes,
6 they have five- and six-horse fields, they don't excite
7 me at all. My main thing is I think that we should cut
8 the racing days as far as I cannot see six day a week
9 days because they dilute the fields. So I believe that
10 we should go to five and sometimes 4-day a week racing.
11 Thank you.

12 MR. LICHT: I move we accept northern
13 California harness and quarter horse schedules.

14 MR. HARRIS: Second to that?

15 MR. HOROWITZ: Allen Horowitz, Capitol Racing.
16 I know from the description of the last meeting sounds
17 like there was no discussion at all from a proposal that
18 was submitted by Capitol Racing to the Dates Committee
19 that entertains harness racing at the Stockton facility
20 from July through November. Clearly there have been no
21 dates allocated. I think that Capitol Racing has
22 entered into a lease with the Stockton fairgrounds for
23 that, we think that it's a viable facility, we think
24 that it's a viable market for developing new racing
25 programs and in this day and age where there is so much

1 instability in racing, what's going to happen at Bay
2 Meadows when it's done. What's happening with Golden
3 Gate in light of the San Pablo Casino. There are so
4 many negatives that I think it's shortsighted for us not
5 to think about the future of racing and when there is an
6 opportunity to expand to a new facility and a facility
7 that will take some time to develop, instead of, if you
8 will, bottling up harness racing to one facility,
9 Cal-Expo, where Capitol Racing has been successful in
10 developing those dates, let us have a shot at another
11 facility that we can also begin to do the same thing
12 that was done at Cal-Expo. I think it's shortsighted
13 and I didn't want this meeting to go by without the
14 members of the board without knowing there was another
15 proposal that went beyond the July dates that are in
16 this calendar. Thank you.

17 MR. HARRIS: Will the Dates Committee
18 explain how they visualize things happening after the
19 1st of August?

20 MS. MORETTI: In terms of?

21 MR. HARRIS: I understand basically the harness
22 dates have been addressed through July with the thought
23 that they would be revisited at some point for August
24 through December?

25 SPEAKER: Excuse me. I'm Ben (inaudible) the

1 president of the California Harness Horsemen's
2 Association. I would like to touch on that. It is
3 important that we get the dates for fall '05.
4 Historically our Cal-bred closer programs have been in
5 the fall of '05, I believe this will effect breeding in
6 our state. We do need as many Cal bred's as we can,
7 that's how we showcase them off. It's also how we
8 showcase our two years olds off and three years olds in
9 October, November, December. So, I ask that you revisit
10 that. Thank you.

11 MR. HARRIS: It looks like today we're not
12 going to be able to do it. I agree that we shouldn't
13 let it slide forever, but we do not have anything at
14 hand today to show --

15 SPEAKER: We would revisit this?

16 MR. HARRIS: Revisit this in the fall sometime
17 to see where it could go.

18 MR. HOROWITZ: Allen Horowitz, Capitol Racing.
19 The RFQ for Cal-Expo has been essentially put out and
20 advertised and distributed. The calendar of events from
21 the distribution point to the future is that the
22 decision will be made with regard to a new operator for
23 the Cal-Expo dates on the 3rd of December. That puts us
24 way into the fall, very late fall, almost into 2005
25 before we would have discussions with the allocation

1 committee revisiting this issue, in the meantime any
2 improvements, and a host of improvements have to be made
3 in the San Joaquin facility in Stockton, we've lost four
4 months in trying to make those changes. And those
5 changes, one of those changes include lights and frankly
6 that's no small task, either expense-wise or time of
7 installation. We would request that maybe this be put
8 over for the next meeting and try to give the Board some
9 input and try to get the Board to deal with the issue, I
10 know it's a difficult issue. But there is another
11 facility that is available to harness racing, and in my
12 business sense instead of putting all your eggs in one
13 basket sometimes you have to make changes that are hard
14 to make to try to do something to develop another
15 facility. Thank you.

16 MS. MORETTI: One of the things that Cheryl and
17 I both talked about was to request that the dates be
18 reviewed sooner in the course of the fall or the
19 beginning of next year, prior to waiting for the summer,
20 but because Cal-Expo has already indicated that they are
21 going out would be allocating dates to non-entities.

22 MR. HARRIS: It won't be a problem to, whatever
23 we do can be revised later, it's not chiseled in stone.

24 MR. ELLIOTT: David Elliott, California State
25 Fair. We request that the Board -- our letters indicate

1 that we request to the Board to allocate the dates for
2 the entire year, but we're satisfied with this current
3 schedule, if you were to approve those dates today, as
4 Allen mentioned and RFP will be out and we would award
5 sometime in December, early enough if there is a meeting
6 in December of the Horse Racing Board we can bring more
7 information to this board regarding Cal-Expo beginning
8 in the fall, '05. Thank you.

9 MR. HARRIS: Why don't we get the discussion
10 out of the way on the harness or night industry.

11 MR. LICHT: I move that we accept the northern
12 California schedule, the harness and quarter horse
13 schedule as proposed by the committee.

14 MR. HARRIS: For that's the total schedule the
15 motion is on. Is there a second for that?

16 MR. SPERRY: Second.

17 MR. HARRIS: Discussion on this?

18 To get a vote on the table I propose that we
19 amend this recommendation to delete six day weeks except
20 during the point that Del Mar is overlapped. Basically
21 eliminate the days, 19th of January the 23rd of
22 February, the 12th of October.

23 MR. LICHT: We have a motion the way it is --

24 MR. HARRIS: It will be a motion to amend. I
25 don't know if I have a second.

1 MR. LICHT: There was a second by Commissioner
2 Sperry.

3 MR. HARRIS: On the amendment?

4 MR. WOOD: On the motion that's on the table.
5 You need to vote on that motion.

6 MR. HARRIS: The motion on the table is to
7 approve it as submitted by the staff?

8 MR. LICHT: No, as submitted by the committee.

9 MR. HARRIS: All in favor.

10 SPEAKER(S): Aye.

11 MR. HARRIS: I'll vote no.
12 Any other notes? My no is based on the fact
13 that I'm concerned about the field size.

14 MR. BIANCO: I vote no.

15 MR. MOSS: I vote no.

16 MR. HARRIS: Three nos.
17 We'll do a role call.

18 MR. WOOD: Mr. Moss?

19 MR. MOSS: No.

20 MR. WOOD: Mr. Sperry?

21 MR. SPERRY: Yes.

22 MR. WOOD: Ms. Moretti?

23 MS. MORETTI: Yes.

24 MR. WOOD: Mr. Licht?

25 MR. LICHT: Yes.

1 MR. WOOD: Mr. Harris?

2 MR. HARRIS: No.

3 MR. WOOD: It does not carry, it needs four
4 votes to make it carry.

5 MR. SPERRY: Do you have another motion then?

6 MR. HARRIS: I'd like to see data on what sort
7 of field sizes we had during those months and what the
8 economic impact would be on the north if they were dark
9 one of those given days and instead did bring in races
10 from the south and because I know that it's been done
11 but my recollection of that it was done on pretty
12 limited basis and it wasn't done recently and it wasn't
13 done very many times. My theory was that it would be
14 good to do it, my proposal would be like three different
15 days to see what data we could collect. These would be
16 days that purses would be generated and commissions
17 would be generated.

18 MS. MORETTI: Would you prefer to carry over
19 the discussion until next month then?

20 MR. HARRIS: We have time to do it if we could
21 carry it over to get more data to sustain or rebut the
22 arguments.

23 MR. WOOD: Was the committees' recommendation
24 to add those Mondays to the racing calendar in the north
25 based upon the additional changes in the southern

1 calendar?

2 MS. MORETTI: We tried to accommodate north and
3 south of course they feel --

4 MR. WOOD: The Wednesdays were added in order
5 to make an overlap situation with south. So if you take
6 the northern California as it was originally and submit
7 it and reduce the Wednesdays, which you're having
8 concerns with because of the six days, that would be
9 what the industry had submitted and agreed upon. The
10 committee tried to add the extra Wednesdays in order to
11 facilitate the southern calendar if it worked out and
12 we're going to mitigate the circumstances in the south.
13 Is that not right, Ms. Moretti?

14 I think the northern California was agreed upon
15 we just added the Wednesdays in order to have an
16 overlap. If you were to make an amendment to the
17 Wednesdays --

18 MR. HARRIS: The concern is, is it necessary
19 the this northern dates absolutely mirror the southern
20 dates or not? Or would it be wise to have an experiment
21 in 2005 and see what sort of results we could get on
22 those dates by racing in one sector without the other
23 sector.

24 SPEAKER: Jack (inaudible) Bay Meadows.

25 First I'd like to point out to the Board, and I

1 would assume this might be supported by some of the
2 racing associations in the south, that the northern
3 signal is also of importance to them on days that they
4 are open and it generates substantial commission and
5 purse money in the south.

6 Secondly, you know, I would wonder whether we
7 couldn't have some flexibility in that if we were
8 running into field size, it would be discussed with the
9 board and determined whether, you know, we should run on
10 those Wednesdays or not. I would say that one of the
11 things that's happening in the north is that, because of
12 the concerns of the horsemen, both TOC and TCC, the
13 dates have been changed in the north because of the
14 perception that the Bay Meadows track can handle rain
15 better than the Gold Gate track has in the past,
16 although that may not be true in the future, but you
17 cannot tell. That was one of the reasons for the change
18 in dates. If that happens there will be impact
19 favorably upon field size. And it seems to me that
20 rather than making a decision right now as to what the
21 field size is going to be in January and February that
22 we could have some flexibility in that through the staff
23 or through a committee that you might appoint among
24 yourselves as to who would make a decision as to whether
25 we would be able to run on those two Wednesdays that are

1 in question.

2 MR. LICHT: I agree with you. There is no
3 statistical data that the impact is any more severe in
4 the north than the south, and to penalize the north for
5 no reason makes no sense.

6 SPEAKER: I think that I just called quickly to
7 find out in the field size in the north on February was
8 almost identical to what it was in March. And those
9 days are the days that the north has the best chance, we
10 aren't running against Emerald Downs and not running
11 against overlaps. I would ask for flexibility and see
12 if we can't work it out that way. Thank you very much.

13 MR. HARRIS: I could see something like that if
14 it was earned dates, if you could show that you had a
15 field size of 7 1/2 or 8 for that four weeks preceding
16 the dates in question, I wouldn't have a problem with
17 that. I'm concerned about the field sizes in the 6s and
18 we're trying to jam in another day.

19 MR. COUTO: Drew Couto, Thoroughbred Owners of
20 California. Mr. Harris, you indicated before that we
21 gave a yes and no answer, let me clarify that. Yes, we
22 would support 5-day weeks from TOC's perspective in
23 terms of we do believe, and if the commission would
24 like, we'll compile some data for you as to what field
25 sizes were by week last year. Unfortunately I can't do

1 it at this moment. As a general statement, particularly
2 in the north, we believe we have an inventory issue, we
3 have an inventory issue throughout the state, obviously.
4 But we do support five day weeks. We think at this
5 point in time we would have to support any
6 recommendation in that regard, at least with regard to
7 the north.

8 MR. HARRIS: How much in purses do you think
9 would get generated if you had a dark day in the north
10 but had racing in the south?

11 MR. COUTO: I would hate to speculate on that.
12 I could have projections run to try to identify that.

13 MR. HARRIS: That would be an interesting part
14 of it if you could generate purses to be used on the
15 other days to help field sizes.

16 MR. COUTO: We have to balance the interest of
17 northern California horsemen and southern California
18 horsemen. Obviously, we don't want to adopt a schedule
19 that is predatory in terms of handle up north versus the
20 south, we have to balance those interests. But at least
21 recognizing the conditions currently in the north. As I
22 said, my board supports to an individual 5-day race
23 week.

24 MS. LICHT: How do you justify being against
25 the three days being added on the Wednesdays and yet you

1 are pro the overlap that we talked about in the prior
2 issue? Isn't that the same issue?

3 MR. COUTO: You're talking about the northern
4 California Cal-Expo?

5 MR. LICHT: Yes.

6 MR. COUTO: What we're saying with regard to
7 the northern California Cal-Expo is, you have a day,
8 Monday, when Cal-Expo elects not to run overlaps with
9 Del Mar then it would be the sole northern California
10 meet, instead they choose to run on a Friday and have
11 three meets running. If they want a day of clear
12 overlap racing in the north, move to the Monday, help
13 Del Mar to the south, help themselves to the north and
14 south. We're saying, balance this. But stacking three
15 is not a good idea.

16 MR. LICHT: For me that's a business decision
17 for them, and what you're saying, you're justifying
18 based upon field size, it has nothing to do with field
19 size.

20 MR. COUTO: We think it's more than a business
21 decision to be made alone by Cal-Expo. The horsemen
22 have a role in suggesting what the date process is, we
23 looked at that, we believe that the industry throughout
24 the state is benefited by having a meet running
25 simultaneously in the north and south on that particular

1 day, that Monday that we're talking about, we're talking
2 in general, in abstract, it's different, but if you look
3 at one instance, that's the recommendation that we have
4 there.

5 MR. LICHT: I think this is a direct penalty to
6 the northern California horsemen and horse population
7 myself.

8 MR. SMITH: Good morning, Preston Smith. I
9 have a background as a trainer and a driver with harness
10 horses. Former owner of thoroughbred, one anyway. I
11 think the Board itself is overlooking one important
12 issue, if in fact you suggest moving one day out of the
13 program, how much is going to impact the entire
14 community, and I'm talking about 20 percent of someone's
15 wages, if you're not working the parking lot, if you're
16 not working the mutual machines, how many other
17 contributing factors are involved as far as people's
18 income is concerned. If it's at all possible to race
19 that fifth day, you have to give consideration to a bill
20 that was implemented earlier this year in affording the
21 owners more additional income just for putting a horse
22 on the track.

23 That may not sound like much money, \$400, but
24 if you have that bill coming in every month, and you
25 know you have \$400 in front of it for starting that

1 horse, then you're going to give yourself more
2 opportunity to invest in the industry and I think there
3 are a few trainers here in California, northern
4 California especially, that have not aborted
5 thoroughbred racing here in the State of California
6 primarily because of the assistance offered by this
7 government. The California Horse Racing Board has to
8 take everybody into consideration. Could you lose 20
9 percent of your income and still exist the way that you
10 are? Do not take this extra day away from these people.
11 They need the income, whether they are working the
12 parking lot, the mutual machines or just delivering
13 something. The stewards are going to lose an extra day,
14 they haven't even thought about that. That 20 percent is
15 a lot to anybody's income right now.

16 MR. HARRIS: We're not talking about going from
17 a 5-day week to a 4-day week, we're talking about going
18 from a 6-day week to a 5-day week.

19 MR. SMITH: The mention was made of eliminating
20 one day because of purses, because of the field sizes.
21 You've got to give this industry a chance to adjust to
22 the additional monies made to the starters. And maybe
23 then you'll bring more horses into the State of
24 California, because you'll have more people willing to
25 put money into the industry. You're losing owners

1 because they do not get any money back. If you put 12
2 horses into the starting gate and there are guys that
3 finish 10th, 11th and 12th, at nothing, now they have
4 something to look forward to, at least they can pay part
5 of their bills with that starter money. I thank you for
6 your time.

7 MR. HARRIS: Any comments on this?

8 MR. CASTRO: Richard Castro, representing
9 pari-mutuel clerks. We would also like to see the added
10 day. What bothers me is that we negotiate contracts and
11 we base our contracts on your racing calendar and then
12 you juggle them. If this one day is not that much of a
13 bother, but what comes down the road may be of some
14 concern if you were to stop the overlap with Fresno or
15 something like that. But on this issue, at this time,
16 we would like to see you add the extra day.

17 MR. HARRIS: To be clear on the issue, even if
18 it was a dark day in the north the track would be opened
19 for pari-mutuel wagering and the employment at the front
20 side would be similar to a normal day.

21 MR. CASTRO: When you run a dual signal we hire
22 more people. When you have one part of the signal dark
23 simulcast, it's less people.

24 If I could quote Dick Hughes, "If there is one
25 such problem like that in this industry, it is one too

1 many."

2 MR. HARRIS: Would it be better that we have
3 all 6-day weeks?

4 MR. CASTRO: If you want to get that way about
5 it, what do they do with the Indian reservations? Do
6 they shut those places down?

7 I think I better quit here.

8 MR. LICHT: Why don't we start with a simple
9 motion. I move we accept the Los Alamitos dates and the
10 harness dates as proposed by the committee.

11 MS. MORETTI: Second.

12 MR. HARRIS: All in favor of that.

13 SPEAKER(S): Aye.

14 MR. HARRIS: I move that we accept the proposal
15 of the HRB Dates Committee with the exception of
16 modifying it to eliminate the Wednesdays following a
17 Monday holiday, subject to reconsideration based on
18 adequacy of field sizes prior to those dates being run.

19 MS. MORETTI: Would you repeat that.

20 MR. SPERRY: You're talking about Golden Gates
21 one day which would be January the 19th?

22 MR. HARRIS: Yes, that's one day.

23 MR. SPERRY: Bay Meadows, February 23rd and
24 April 20th?

25 MR. HARRIS: Yes. We can leave the 20th, that

1 is the opening day of Hollywood Park. I would hate to
2 see that as a dark day. I think that could be the
3 exception. But the other day would be on October the
4 12th.

5 MR. SPERRY: It's okay to have short fields on
6 that day but not the other two?

7 MR. HARRIS: Every day that we eliminate helps
8 our field somewhat.

9 MR. SPERRY: You're only talking about three
10 days on the calendar, it's not that big of a burden.

11 MR. HARRIS: I'd like to see the data of what
12 we could do with that scenario to see if that -- I think
13 it would be help field size somewhat, but to get the
14 economic data if there could be a viable way to do it.
15 I'm concerned of the 6-day weeks and our horse
16 population the economics of racing going forward not
17 looking that good, we need to look at different ways to
18 experiment with it.

19 MR. SPERRY: I don't understand how it can
20 impact Golden Gate's field size on just one day of a
21 meet.

22 MR. HARRIS: Well, it doesn't dramatically, but
23 I think it does help somewhat. If you run 60 horses a
24 day that could conceivably run some other day that week,
25 you could get another five horses in the next five days.

1 MR. LICHT: I can't accept it in the south if
2 we do not accept it in the north without any statistical
3 data at all, only speculation, there is absolutely no
4 data in front of us.

5 MS. MORETTI: We could table this until we can
6 get more data for you, would that help?

7 MR. SPERRY: Of the 6-day weeks, April 20th was
8 one of them?

9 MR. HARRIS: Well, yes, that one I did not
10 include. It could be included. The other day would be
11 October the 12th, that is Fresno overlap day. If we
12 would not want to have triple overlap on that day.

13 MR. WOOD: Could I make a suggestion,
14 Mr. Chairman, those dates are added to the calendar
15 based upon the calendar in Southern California to make
16 them consistent. Wouldn't you want to look at the
17 Southern California calendar to decide if you want to
18 grant those overlap days in Southern California to
19 determine if Northern California was right or wrong?

20 MR. HARRIS: One of the issues is how important
21 it is to mirror the dates between the north and the
22 south, which I don't buy into that it being that
23 important.

24 MR. LICHT: One of the fairs last year raced
25 one day and there was not racing in the south and it was

1 a disaster.

2 MR. HARRIS: That's a different experiment than
3 where the race in the south and they don't race in the
4 north, I'd like to see that data. Do we have that some
5 place?

6 MR. CASTRO: I don't have it with me today,
7 Mr. Chairman, but it's certainly available.

8 MR. HARRIS: I'd like to see how that has
9 worked and if we did it enough times to really be
10 relevant and also what sort of the field sizes we have
11 in the north or south during these times in question.
12 And we get some comments from fans that are upset about
13 short field sizes and we come in here as a board and
14 say, this is terrible but we would give as many days as
15 they want.

16 MR. SPERRY: Without making a motion to table,
17 why don't we hold it over and get the information from
18 north and the south.

19 MR. HARRIS: That's fine with me, anyone object
20 to that? We'll hold over, at least the northern
21 proposal.

22 MR. SPERRY: We have to hold over both then.

23 MR. HARRIS: Well, if you assume the south and
24 the north have to mirror each other.

25 MR. SPERRY: We need the data.

1 MR. HARRIS: We need the data to see those. We
2 have a lot of other issues in the south besides this
3 issue.

4 MR. CASTRO: I would like to leave you a
5 thought with the north. This was a huge cooperative
6 effort of the Racing Association and the trainers and
7 TOC, and we all came together and we came up with a
8 schedule. It's a long-established policy of this board
9 that I think that there is imperial evidence or it
10 wouldn't be a policy of the Board that the dates should
11 have concurrent racing in the north and south. I think
12 that you also have to look at how much they produce in
13 the south in this equation because it is of importance.

14 You're cutting down, if I can do on those
15 Wednesdays you're importing 21 races in the north and
16 the south and we're at 29, and you're taking away 8
17 races in the south would otherwise have. I'm pointing
18 that out for the good of the industry that someone may
19 have a horse that's running in the south, although
20 that's infrequent. I think that, you know, it's unclear
21 to me whether we're talking about two days because I can
22 see us also getting down here to October the 12th where,
23 you know, there's going to be pressure. So that's
24 taking two days away from Bay Meadows at least.

25 I think that the Dates Committee and everybody

1 worked hard on this and I would suggest that some votes
2 should be paired, but I would assume that Cheryl
3 Granzella is absent here would vote to support her
4 committee, and if that was the case we would have four
5 votes. Unfortunately she's not here. Thank you.

6 MR. HARRIS: I would like to see the data
7 before we made a final decision.

8 MR. BETAKER: Rick Betaker, Hollywood Park. I
9 do have a little data. We ran one day during this last
10 spring summer meet uncovered, it was the Wednesday
11 following July 4th, so July 6th. We handled, it was on
12 Pleasanton, we handled \$464,000, we generated, \$23,000
13 in purse money on that day.

14 MR. HARRIS: Is that the total southern network
15 or just Hollywood Park?

16 MR. BETAKER: It was total southern network,
17 yes. That's wagering on all products, not just the
18 Northern California products. That was the total handle
19 that day for Southern California.

20 MR. LICHT: Would you have any idea what
21 percentage of your front-sided employees you employed
22 that day as opposed to a typical Wednesday?

23 MR. BETAKER: It was reduced, we knew what kind
24 of business we would do. I can't tell you from an
25 association standpoint -- we're happy to generate

1 additional purse money so that we can build that into
2 the subsequent programs, but it's a money loser for the
3 Association with the Union wages and so forth, and the
4 minimum amount of space that you have to open, we simply
5 do not have the volume to realize revenue streams like
6 admission, parking, food and beverage and so forth.

7 MR. HARRIS: I'm not clear, you would like to
8 get July 6th back as a Hollywood Park date then?

9 MR. BETAKER: That's not my point. You were
10 asking for data, I wanted to give you the one day that
11 would be as close as anybody has in the room here right
12 now along the lines of these discussions. You can
13 extrapolate that, that obviously was Southern California
14 wagering on Northern California fair, and you can factor
15 that up if you like given the other conditions. It
16 isn't great any way you cut it.

17 MR. HARRIS: I would look to see it going the
18 other way. If you run in the south and not in the
19 north.

20 MS. MORETTI: Well, I can tell you that one of
21 the other ideas that we had was to throw it all in a
22 lottery, put everybody's name into a hat and pull out
23 the days, that doesn't seem to work either. From my
24 point of view as a committee member, I find it difficult
25 to deal with the southern -- if you don't do Northern

1 California to deal with the southern because we actually
2 -- first of all, thank you Northern California for
3 coming together because it was very helpful. We kept
4 hoping Solomon would come to the table with us but he
5 didn't show up, so we came to the best consensus we
6 could and it was based on the facts that we had at hand
7 and nothing isn't concrete, we're not married to this
8 proposal, and I'm certainly open to any and all new, you
9 know, methods of compromise and we'll get you as much
10 data as we can.

11 MR. COUTO: Drew Couto, Thoroughbred Owners of
12 California. Perhaps I'm the most confused individual in
13 the room, but I want to try to set at least TOC's
14 position straight to the extent it might help you make a
15 decision. I thought in responding to Mr. Harris'
16 question it was a philosophical question about whether
17 we support five days versus six days. And we, in
18 general, support five days, we think it's better for all
19 the horses, individuals, et cetera, fans.

20 With regard to the specific proposal for
21 Northern California, I'd have to echo what commissioner
22 Moretti says, this was a joint effort between the tracks
23 and the horsemen trying to resolve very difficult
24 schedule issue in the north. We spent quite a bit of
25 time, we came to a recommendation together, submitted

1 that to the committee, and are prepared to live by that.
2 We will provide, if it assists the commission in looking
3 at this issue going forward, we volunteer to provide any
4 statistical data, but with regard to this particular
5 recommendation, we'd like it clear that this reflects
6 TOC's opinions along with their colleagues in the north
7 and we remain supportive of the committee's
8 recommendation. Thank you.

9 MR. WOOD: Is there a motion on the table now?

10 MR. LICHT: I move that we accept the proposal
11 of the committee regarding northern California, with a
12 corollary that's subject to review by the Dates
13 Committee up to their total -- their decision that
14 unilateral decision, they can make a decision that based
15 upon field size they can eliminate any or all of the
16 three Wednesdays that we're talking about, if they
17 believe it necessary.

18 MR. HARRIS: Well, I don't know if that's
19 should be the Dates Committee, or just come back to the
20 Board, they can make a recommendation of the Board.

21 MR. LICHT: I thought it was more efficient to
22 have the Dates Committee. I'll keep my motion with the
23 Dates Committee.

24 MR. WOOD: Second the motion.

25 MR. HARRIS: All in favor.

1 SPEAKERS(S): Aye.

2 MR. HARRIS: I vote no.

3 MR. WOOD: Five to one.

4 MR. HARRIS: Ideally if they could come up with
5 some benchmark of how they will do that, that's the
6 problem.

7 MS. MORETTI: That based on Northern
8 California consensus.

9 Southern California, okay. The results of the
10 committee are as follows; we'll maintain a holiday break
11 at the end of the racing year from December 20th to 25th
12 for 2005. The holiday break is the one item that will
13 the TOC has indicated that is absolutely essential for
14 them in the racing calendar. The calendar will not
15 reduce race days thereby answering the concerns of
16 waiver regarding the number of workdays available to
17 their union members. It will allow Del Mar to post
18 two after Labor Day thus keeping the majority of their
19 meets. It will provide the racing schedule requests by
20 all of the racing associations except Santa Anita and
21 try to address the concerns of Santa Anita at the same
22 time. The proposed 2005 races dates include to maintain
23 the policy of capping the total number of races at
24 thoroughbred meets at an average of 8.6 races per day
25 should be continued with an additional mandate of now

1 more than nine races on weekends and holidays. For
2 Southern California thoroughbreds the committee has made
3 an intensive review of the calendar with the
4 consideration of the input from the racing associations.
5 In order to deal with the concerns Santa Anita has with
6 the initial proposal for 2005 dates, with two day
7 rejection from 2004 for their winter meet, the committee
8 has added three days to the winter schedule, two
9 Wednesdays and a closing Monday. We're now recommending
10 85 days, one more day than in 2004. The
11 bottom line, there is a wide range of possible schedules
12 and as I said, I did keep hoping that Solomon would come
13 join us, but he did not show up. Only a few of these
14 did work. Cheryl Granzella, chair of the committee, and
15 I both agree that neither of us is completely satisfied
16 with the total schedule given. But given all of the
17 issues we tried to put them all into the best that we
18 could and weigh them and we felt this was the best for
19 this year.

20 We would also say that we agreed that if Santa
21 Anita was designated to take the hit, if you will, or
22 loss this year, then they can speak to those projected
23 losses, that next we're we would want to make sure that
24 they were not the ones at risk. And also we both
25 thought that to avoid such contentious decision in the

1 future, not that we would avoid them, but perhaps we
2 could come to the table with a little bit more
3 consensus, we would suggest that the racing dates
4 calendar be issued on a multi-year basis and obviously
5 that is something that the Board would have to decide.
6 But we thought that would be better for all of the
7 associations for labor, so that everyone could preplan.

8 MR. HARRIS: Any discussion on the southern
9 dates?

10 MR. DARUTY: Scott Daruty with Magna
11 Entertainment. Speaking on behalf of Santa Anita Park.
12 As you know we have made an alternate proposal different
13 than that that staff has recommended. Over the past
14 several months my colleague, Mr. McDaniel, has prepared
15 the most exhaustive study and analysis of California
16 racing dates as ever has been done. He has looked at 25
17 years of racing calendars, that's every racing calendar
18 since 1980. He's color-coded them, charted them,
19 analyzed them, looked at the handle numbers, the purse
20 generation numbers, he's compared week on a year over
21 year basis, compared weeks within given meets. This
22 information has been analyzed backwards and forwards.
23 The results of all of that analysis has been compiled in
24 various reports and letters all of which have been
25 previously submitted to this board. We would ask at

1 this time that all of that information that we have
2 submitted be formally made part of the record at these
3 proceedings.

4 I'm not standing up here today to restate all
5 Mr. McDaniel's prior work, I cannot do that more
6 eloquently than he already has. What I'm here to do is
7 to focus the Board's attention on five simple facts.
8 Each of these five points comes directly out of
9 Mr. McDaniel's analysis. Each of these five points is
10 in the information that has been previously submitted to
11 you, but I want to make sure that it is highlighted for
12 the Board.

13 The first point; the proposed racing calendar
14 submitted by Santa Anita is consistent with 24 out of
15 the last 25 racing calendars. The proposal put together
16 by staff is consistent with one out of the last 25
17 racing calendars. Now, what I mean by that is, if you
18 look at the last 25 years of racing calendars in every
19 year but one, Santa Anita opens on the day after
20 Christmas and runs 17 full weeks including 17 weekends.
21 That sets the base for each racing calendar.

22 I'm not saying that because I think that Santa Anita is
23 the center of the universe, I'm saying that obviously
24 because Santa Anita is the first meet of the racing
25 calendar. But again, in 24 of the 25 years we opened on

1 the day after Christmas and ran 17 full weekends. The
2 completion of the racing calendar is then slotting in
3 each additional race meet, Hollywood Park, Del Mar, et
4 cetera, et cetera. That's what our proposal that we
5 have put before the Board does this year. Again, we're
6 consistent with 24 of the last 25 years.

7 I would like to point out that the staff report
8 today, there's a notation under Santa Anita that we're
9 running 17 weeks and I want to make sure that no one is
10 confused about that. The proposal that's on the
11 calendar to date does not give us 17 weekends, does not
12 give us 17 full weeks, it gives us 16 weeks and a part.

13 My second point is, that everybody loves a
14 gift. If somebody comes up to you and wants to give you
15 a gift, what do you do? You look them in the eye, you
16 thank them, you take the gift and you walk away happy.
17 That's what's going on here.

18 Hollywood Park and Del Mar are supportive of
19 the staff proposal and I don't blame them, they are
20 getting a gift. It's not that Santa Anita is here
21 asking this board to do something different or do
22 something special or give us something we've never had
23 before. Quite the contrary, we're saying let's go with
24 history. Let's not unilaterally give a gift to two
25 other racing associations at our expense. Now, what's

1 the gift that I'm referring to? Well, in Del Mar's case
2 it's the gift of the closing their meet the Wednesday
3 after Labor Day instead of running an additional week.
4 We all know that certain years Del Mar does that and
5 certain years they don't. But that determination over
6 the last 25 years has been based on how the calendar
7 falls, not based on the action of the Board. This year,
8 the calendar is such that if we follow history and
9 tradition, Del Mar would run a week after Labor Day,
10 that's why the staff's proposal gives them a gift.

11 What about Hollywood Park? They are getting a
12 gift of two extra days. Under the traditional method of
13 determination racing calendars, they would have 29
14 racing days in their fall meets. This year they have
15 31. Again, I don't blame Rick Betaker for stepping up
16 here and saying he supports the staff. But let's
17 recognize what's going on. I believe that any analysis
18 that this board does of the competing proposals cannot
19 be done in a vacuum, it has to be done in the financial
20 context that our industry operates.

21 In other words, what's the economic effect on
22 the industry of these competing proposals? I could
23 dream up a scenario where it makes sense to abandon 24
24 years of history, where it makes sense to give gift to
25 Hollywood and Del Mar. The scenario that I'm dreaming

1 up would be one where staff has compiled comprehensive
2 financial data that shows that the industry would be
3 better off in doing that, I don't believe that's the
4 case, I don't believe that that financial analysis has
5 been done or if it has, it has not been made publicly
6 available.

7 Quite the contrary, the most exhaustive
8 financial analysis that's ever been done in our industry
9 shows the exact opposite. What financial analysis shows
10 that the Santa Anita's proposal is much better for the
11 industry. We'll actually have 30 million dollars more
12 of handle, as an industry, as a whole, under our
13 proposal than under staff's. We'll generate 1.13
14 million dollars more of purses under our proposal than
15 under staff's. Now these are hard numbers, these are
16 based on historical data. And then again, that's a net
17 number, I'm not saying that's how much Santa Anita will
18 lose. Santa Anita will lose more than that, and you
19 have to net back in the gifts that Del Mar and Hollywood
20 are given. As an industry we still come out far, far
21 behind.

22 The other point I want to make is, I don't
23 think that this should be viewed as, Del Mar supports
24 the staff proposal, and Hollywood supports the staff
25 proposal, so there are two on this side. And Santa

1 Anita supports it's own proposal, so there is one on
2 it's side. Santa Anita loses, it's two against one.

3 May I suggest, that's not the appropriate way
4 to look at it. I think you have to balance, you have to
5 balance the benefit to the two associations versus the
6 detriment cause to the one. And on balance, the
7 industry comes out much better off under our proposal.

8 Just to make that point a little bit finer, the
9 gift that is being given to Del Mar is the gift of not
10 having to run a week after Labor Day. Well the
11 financial data shows that that's not really that big of
12 a gift, despite what we might all think. Last year in
13 2003 Del Mar ran a full week after Labor Day. And the
14 handle during that week was a mere seven percent less
15 than the handle during one of their typical midmeet
16 weeks. It wasn't the end of the world, it wasn't
17 horrible. I don't blame them for wanting that extra
18 seven percent, but the gift is not really all that
19 great. It equates out to about 4 1/2 million dollars of
20 handle and \$250,000 of purses. That's the gift that
21 we're giving to Del Mar if we adopt the staff's
22 proposal.

23 What about Hollywood Park? Again, I don't
24 blame them for accepting the gift, but what's the gift?
25 It's two extra days. It's going to generate about

1 \$600,000 worth of purses, and 15 million dollars worth
2 of handle. Again, take those gifts to Hollywood and Del
3 Mar, net them out of the loss that Santa Anita is going
4 to suffer and the industry is still 30 million dollars
5 behind the handle, 1.13 million dollars behind in
6 purses.

7 Now the next point that I want to make is that
8 this is not just a one-year problem. If this board
9 adopts staff's methodology, we have reason to expect
10 this will continue on in the future. We're at
11 crossroads saying, are we going to go with what happened
12 in 24 out of the 25 years or are we going to adopt a new
13 way of looking at things? If you adopt the new way of
14 looking at things, Santa Anita is going to have a
15 16-week meet, not just in 2005, but also in 2006, also
16 in 2007 and most likely also in 2008. This is four-year
17 problem and over that period of time we're talking about
18 almost 5 million dollars of lost purses. If there were
19 a reason, if there were a reason to adopt staff's
20 proposal backed up by hard financial information, we
21 could have a debate about that, but I haven't seen the
22 financial data and to me it's unclear why we would go
23 down that route.

24 Now, the last point that I want to make is the
25 point about the Christmas break. You've heard me talk a

1 lot about the 24 out of the last 25 years. The only
2 year that was any different was 2001. And there was a
3 concession made by Santa Anita in order to make sure
4 that the Christmas break was a possibility. We still
5 support the Christmas break, we support it because our
6 partners, the horsemen, want it, it's important to them
7 and it's important to us. We're not saying do away with
8 the Christmas break, we're saying there is a much less
9 destructive way, destructive to the industry and
10 destructive to Santa Anita. There is a much less
11 destructive way to do it. And for that, I'd look to
12 turn the microphone over to my colleague, Chris McCarron
13 who is going to talk about our ideas on the Christmas
14 break because we do recognize it's important.

15 MR. WOOD: I want to make a comment. I do
16 appreciate your presentation and it's well-prepared, but
17 would you please remember that is not a staff
18 recommendation, this is a Race Dates Committee
19 recommendation, and when you speak of this
20 recommendation it's not from the staff, it's from the
21 Race Dates Committee. Thank you, Scott.

22
23 MR. DARUTY: Your point is well taken, thank
24 you.

25 MR. MCCARRON: Chris McCarron, Santa Anita

1 Park.

2 Thank you for my opportunity to express my
3 views on this as well. Despite the fact that we
4 recognize that CTT and TOC have not necessarily taken a
5 position on which calendar, should be approved for next.
6 We're we nonetheless wanted to get the opinion of the
7 horsemen, so yesterday morning we went into the
8 backstretch of Del Mar to basically provide an
9 opportunity for them to hear our proposal and get their
10 views on it. And we wanted to take their temperature so
11 to speak. And if I may, I'd like to pass out to each
12 one of you the flier that we handed out yesterday that
13 basically provides six bullet points for the horsemen
14 that gave them opportunity to review it and we feel that
15 any questions that they have -- I'll go ahead and pass
16 those out.

17 Scott has already said that we're in favor the
18 Christmas break and yesterday at the trainer's
19 gathering, which by the way was incredibly
20 well-attended, I think that anybody in this room would
21 agree if you can get 35 trainers, no offense to people
22 back, here, if you get 35 trainers in one room over a
23 topic, it's pretty good attendance. And I'm happy to
24 say at the end of our presentation Ron stood up and
25 asked for a show of hands who favors the -- which was,

1 correct me if I'm wrong, the staff proposal, the
2 calendar that we had shown them yesterday.

3 MR. HARRIS: Just to clarify, I don't think
4 this was a staff proposal, the Dates Committee proposal.

5 MR. MCCARRON: The one that I showed them
6 yesterday?

7 MR. WOOD: I just got it handed to me.

8 MR. MCCARRON: Nonetheless --

9 MR. WOOD: Everything starts out as a staff
10 proposal, Chris, it began as a proposal of the staff.
11 The committee had three meetings, the committee
12 determined what the recommendation to the Board was
13 going to be on the race dates. We take a little
14 exception when you refer to it as "the staff." The
15 staff does not make that recommendation, it's the
16 committee that does.

17 MR. HARRIS: Just to clarify, what they show as
18 staff proposal, is it the Race Dates Committee proposal?

19 MS. MORETTI: The final decision was made
20 between Cheryl and myself.

21 MR. SPERRY: Chris, did you show the group that
22 you met with yesterday both calendars?

23 MR. MCCARRON: No, sir. We did not have the
24 committee's proposal in our possession yesterday, we got
25 that this morning.

1 So anyway, we were -- needless to say that we
2 were pleased with the result of our meeting with the
3 trainers yesterday, they were overwhelmingly in favor
4 the proposal that Santa Anita has made. I did also
5 share with them the discussions that have gone on
6 between the tracks and TOC and TCC with regard to the
7 Christmas break. I realize this we already said that we
8 are happy to provide the Christmas break, we feel it's
9 necessary, despite the fact that it has not proven to
10 provide the economic gain that it was projected to
11 several years ago. I believe the statistics bear that
12 out, that the Christmas break hasn't accomplished what
13 it was set out to do. When I shared with them the fact
14 that horses do not rest with a three or four day break,
15 the help doesn't rest and all that, I basically got nods
16 of approval around the room that everybody agreed with
17 that.

18 Nonetheless, Jack worked very, very hard in
19 trying to come up with compromise to grant this
20 Christmas break because it is so adamantly asked for.
21 So he came up with a creative way and that was to move
22 the opening day off of Christmas Day. We also
23 discovered yesterday that is not necessarily something
24 that the horsemen are in favor of, and so we'll be
25 flexible with that as well. If we need to open on

1 Christmas Day we'll do that --

2 MR. HARRIS: Not Christmas Day, you mean the
3 day after.

4 MR. MCCARRON: Yes. After. The traditional
5 26th of December. And then provide the break after that
6 if that needs to be. So we can move the dates after our
7 opening day to go ahead and provide that break. So, we
8 feel very comfortable that the compromise that we have
9 offered should afford that opportunity and we just
10 basically ask you to strongly give that consideration.

11 Now I'll have Mr. McDaniel come up here and add
12 some more to it.

13 MR. MCDANIEL: Thank you. Jack McDaniel, Santa
14 Anita Park, Magna Entertainment.

15 I can add some specific points to the numbers
16 that have been addressed here today in terms of these
17 proposals. First of all, Commissioner Moretti, thank
18 you. I think that you heard our pain, you understood
19 that this was a great loss, it is going to be a hit if
20 you go down this road, it was a hit in 2001, we tried to
21 quantify that. We indicated in my letter that we
22 suffered a loss of 90 million dollars in handle from the
23 year prior. Was all that attributable to the loss in
24 the week, I don't think so, many other variables come
25 into play. But we've quantified the value of the week

1 at a very minimum number of 50 million dollars in handle
2 and two million dollars in purses.

3 MR. HARRIS: Just to clarify, do the handle
4 numbers, do they include -- that's the total handle
5 including imported races or everything?

6 MR. MCDANIEL: That's everything.

7 At the end of the day, as a business, we
8 operate on what we take to our bottom line is the
9 commission, and the commission intake is over two
10 million dollars. What we're looking at here, and thanks
11 for the help, we add back in those three days where they
12 were. the two Wednesdays that we've been discussing,
13 and closing Monday. I can give you this information.
14 The last time that we closed on a Monday happened to be
15 in 2001. The committee did the same thing in those
16 years. That closing Monday was 11 million dollars worth
17 of additional handle. We had a Wednesday also in that
18 calendar, and that Wednesday was after Martin Luther
19 King, and that was worth 7.7 million dollars. Add all
20 that up it's about 26 million dollars in total handle.
21 It gets us half way home. We're still going to lose 25
22 million dollars in handle and a million dollars in
23 commission.

24 We're going to bleed red next year if we go
25 down this road. That's not good for us, obviously, or

1 this industry. We do not want to have a series of bad
2 news. We have been on an up swing of having good news,
3 we had an up swing in our attendance last year. We want
4 to continue that trend. If we go this way, this route,
5 we can not possibly deliver on the promises that we
6 made. We cannot possibly sustain the level of
7 investments that we're making. We have to be realistic
8 about what it costs to run these businesses. We've
9 invested over 60 million dollars in this facility in the
10 last five years. We've invested a significant amount of
11 that money just this prior year and we're committed to
12 do it year, after year, after year. That's the
13 long-term play for us.

14 Here's the problem that we have with the
15 calendar that you proposed. From a business standpoint,
16 hard to turn down cutting your losses in half, but if we
17 accept it we are accepting three 6-day weeks. And if we
18 heard anything yesterday from the trainers and if we
19 heard anything from the fans, and they are very vocal,
20 six-day weeks are not going to be a good thing.

21 We're going into next year, Mr. Chairmen, with
22 a down year, we're going to be losing handle and
23 compressing our stakes races into 16 weeks. That's
24 another problem that we haven't really addresses. We're
25 going to take that 17th week of scheduled stakes races

1 in the weekend and push them back into our calendar.
2 And that means that going forward we're going to turn
3 those races around much more quickly, and that's a
4 problem for us. Here's an additional problem. We're
5 going to have our derby week, which is a big week, right
6 butted up against our closing week, which is another big
7 week. And that contributes to what we call fan
8 exhaustion. We're asking too much of our public in too
9 short a period of time. Consequently we have to
10 respectfully decline the offer to include those days in
11 our schedule. I suspect that after further
12 investigation that could be the outcome of this
13 committee.

14 Here's the suggestion that we would like to
15 make. If more of this needs to be investigated, if more
16 of this needs to be digested, if the analysis of field
17 size, potential field six-day weeks is something that
18 needs further study, let's push this all off to next
19 month. Let the Board digest what we propose. Let the
20 fans step up, let the trainers step up. Get everybody
21 involved in this process. Our fear is that we are
22 setting the stage for the next four years, if not
23 forever. This is a monumental decision that impacts us
24 not just next year but we think going forward.

25 MR. LICHT: Are you saying that the derby is

1 the week after Santa Anita? It's two weeks after.

2 MR. MCDANIEL: No, sir no, sir. We would run
3 our derby weekend is four weeks out.

4 MR. LICHT: Oh, your derby weekend.

5 MR. MCDANIEL: If you look at the numbers that
6 we submitted in the letter previously, it's a 60 million
7 dollar handle week. It was a huge week.

8 MR. LICHT: When I think of the derby, I think
9 of the Kentucky Derby.

10 MR. MCDANIEL: We'll change that. We'll make
11 California the star that it deservedly needs to be.

12 MR. HARRIS: I could see this pushing this
13 forward another month to make a final decisions. There
14 is so much data that is conflicting here, not
15 conflicting, but it is tough to digest it all.

16 MR. HALPERN: Ed Halpern, California Trainers.

17 I felt compelled to make one comment.

18 By State law -- first of all let me
19 congratulate Magna on learning something from Jack, to
20 try to interview individual trainers to come up with a
21 different position. But the truth is, and I'm not
22 speaking against their proposal here, but what I am
23 telling you is that, California law created the
24 California Thoroughbred Trainers to represent all the
25 trainers in the state. And they elect a board of

1 directors to do just that. And by state law we're the
2 ones that make the presentation to the Board. And I
3 would say that when you take 35 trainers into a room and
4 give them your side you may come up with a vote on your
5 proposal or a vote favoring your proposal, but as the
6 Board knows, from going through five years of these
7 issues, and certainly as the Dates Committee knows, from
8 going through five years of these issues, that when you
9 hear from Hollywood Park and from Del Mar, and Fairplex,
10 and you hear from fairs, all these issues become so
11 complex that it did not work from a random pole of
12 members giving some information.

13 Our board considered all that information,
14 people that work hard at considering all that
15 information and came to the position that our board does
16 not know how to cut the baby so to speak. But either
17 does this board, it's a very difficult task. But
18 certainly, we want to make comment, that we don't think
19 that a random pole of a few trainers should be the
20 determining factor here, unless a full discussion has
21 been made, and that's the purpose of our board.

22 MS. MORETTI: Mr. Halpern, what's CTT's
23 position on the break and how long would the CTT propose
24 the break be?

25 MR. HALPERN: CTT has always taken the position

1 that more breaks, longer breaks, and less racing would
2 be healthy for racing, would be healthy for trainers,
3 would be healthy for their employees and would be
4 healthy for our horses and that continues to be our
5 position. We do fall apart, and as Mr. Harris said
6 earlier, I suppose my answer is yes and no. We take
7 that general position to come up with the specifics of
8 it, is almost impossible, it's a task that you face now
9 for four years. We've seen it every year and we get
10 into this discussion. We go from the overall principle
11 that less is better for now, but it's not happening.

12 MS. MORETTI: Are you wed to the period that we
13 had the break for the last few years?

14 MR. HALPERN: No, we're not wed to any
15 position, we're really not taking a position on how you
16 deal with this. We want you to understand that the
17 overall feeling of horsemen is less dates, longer
18 breaks, would be better for racing.

19 MR. HARRIS: Well, that has not been
20 articulated too well in the previous discussion.

21 MR. HALPERN: Well, I think it's articulated
22 over a 5-year period at every meeting.

23 MR. MCCARRON: Chris McCarron, Santa Anita.
24 When I was riding I was of the same mind set
25 that a between each meet would be wonderful and a nice

1 long Christmas break would be wonderful. I thought that
2 way for selfish reasons. Because I always felt there
3 had to be some point during the year that I need to have
4 a vacation. In order for me to go out there and perform
5 to the best of my ability, I need to prevent from
6 becoming sour. And consequently in the last several
7 years that I rode, I took vacations. And we he have
8 jockeys that are here today that do that as well, most
9 do not.

10 The reason that they do not do that is because
11 when they are on vacation they lose business and because
12 of the extremely competitive environment here in
13 Southern California to gain and secure and keep the
14 mounts you have to be there, if you don't show up, you
15 lose your business. Now that I've been in this job for
16 a year and a half and I get an opportunity to see the
17 business from a different side, I realize that that's
18 not in best interest of the business.

19 To give an example, if I go to a particular
20 shopping mall, and that's where I shop all the time, and
21 all of a sudden for four or five days they close that
22 shopping mall and I have to go elsewhere, I might find
23 that that shopping mall is nicer and I'm going to start
24 to give them my business. If I go to a bar, if there is
25 a particular bar that I go to and they close that bar

1 down for a week and I have to go find some place else to
2 go, that's where I'll go from that point on. The same
3 thing happens with our racing fans.

4 I always thought that the racing fans needed a
5 break. Give them a break and they will come back fresh
6 and they will be throwing that money through the window.
7 It does not happen that way. If you take racing away
8 from the fans, they will find some other product to bet
9 on and they might find that product more attractive to
10 them. If we try to create these long breaks in
11 California racing, I really don't believe that it's in
12 the best interest of the sport.

13 MR. HARRIS: Additional comments?

14 MR. BETAKER: Rick Betaker, Hollywood Park.

15 With your indulgence I'm just going to read a
16 couple of paragraphs from the letter that I submitted to
17 the Dates Committee last week.

18 "Magna has argued that running through
19 Christmas Eve has been the traditional
20 calendar, but to refresh both fans and the
21 horses the CHRB mandated a Christmas break in
22 2001 and began a new tradition, that was a
23 Horse Racing Board that was chaired at the time
24 by George Nicloaf. In mandating that break the
25 Board reasoned it would be unfair to penalize

1 Hollywood Park by cutting off the final week of
2 its fall meet while rewarding Santa Anita with
3 a business windfall for the beginning of its
4 ensuing winter meet."

5 In other words, Santa Anita would have been
6 dramatically helped, Hollywood Park dramatically harmed.
7 So the Board shifted the calendar forward, reasoning,
8 and the reasoning was validated by the ensuing figures.
9 After that Christmas break Santa Anita opened with large
10 field sizes, the first week the average was 10.2, the
11 next week it was in the mid 9s and then the following
12 weeks the mid 8s. Then a total handle of the first two
13 weeks in the meet increased 17.8 million dollars over
14 the previous year, with increased in earned purses of
15 \$541,000, and similarly increases -- similar increases
16 in earned commissions on the part of the racetrack.

17 So just think, when you heard the story of the total
18 impact over the course of the entire Santa Anita meet,
19 you should, I think, look at the impact in the first
20 part of that meet, the positive impact that was caused
21 by this break.

22 "Hollywood Park's proposal: The winter meet
23 at. Santa Anita averaged 84.7 days over the
24 six years, The CHRB should allow Santa Anita
25 to restore racing as the Dates Committee has

1 done on two Wednesdays following the holidays;
2 January 19th and February be 23rd, thus
3 increasing the total number of days in our
4 proposal to 84."

5 The Dates Committee has gone a step further to award
6 an additional day on closing day. I understand that the
7 Dates Committee is doing it's best to mitigate the
8 effect on Santa Anita. I will, however, state for the
9 record that we have a very difficult time with our
10 opening day, traditionally, we lack the excitement that
11 surrounds both the opening day at Del Mar, there's been
12 no racing down here for all but seven weeks during the
13 year, and the excitement that, what do you open the day
14 after Christmas? Santa Anita. We open in April after
15 there has been 16 weeks, 17 weeks in the most years of
16 racing. It is fairly plain wrap. We open on a
17 Wednesday, we do the best we can and to have Santa Anita
18 close on a Monday, that will make that opening day more
19 lack luster. However, these are special circumstances,
20 and we support the proposal as submitted by the Dates
21 Committee.

22 The proposal we think insures a reasonable
23 break before Christmas, when everybody wants it frankly.
24 If you've been at Hollywood Park on those few days
25 before Christmas and up to and including Christmas Eve,

1 the fans have a choice, they obviously want to be there.
2 I can't say that working with the employees or the
3 horsemen is a very positive experience on those few days
4 before Christmas.

5 So the Dates Committee's proposal insure a
6 reasonable break before Christmas without severe
7 penalties for horsemen, associations, or employees?

8 MR. LICHT: The employees part of your
9 conclusion on your August 13th letter, I've always heard
10 the opposite from the representatives of the employees
11 here. I remember Ron with a line that I won't forget,
12 that, "if we don't race up until Christmas, our
13 employees don't have a Christmas." So what employees
14 are you talking about that it has a negative effect?

15 MR. BETAKER: Well, I haven't poled the
16 employees, my supposition is that the employees enjoy
17 having that time off prior to Christmas. We have added
18 the Monday closing to add an additional day that
19 otherwise would not be on the calendar, for that
20 expressed purpose. And that takes us back to last
21 year's discussion of the dates. So you're mitigating
22 the effect on the employees, there is no question, put
23 us in their position, it's going to be difficult not
24 having that time before Christmas, I presume. However,
25 every one of those employees has a nice package with the

1 racetrack, does include vacation time, which they can
2 plan accordingly.

3 MR. LICHT: We have been through this with TCC
4 before, but the trainers do not make money unless they
5 win purses, if there are no races they can't win purses.
6 They are going to incur substantial losses during that
7 period, they have to maintain their payroll to the full
8 extent, they have to keep every groom, every hotwalker,
9 it's a lot of work to take care of --

10 MR. BETAKER: Somewhere there is a happy middle
11 ground, a reasonable middle ground. But based on that
12 line of reasoning we would race six or seven days a
13 week. Based on that, on other reasoning that's been
14 presented here this morning, we would race 52 weeks at
15 Del Mar to maximize purses. There is a happy middle
16 ground. It's true, the proposal as presented by the
17 Dates Committee is better for Hollywood Park, for it's
18 fall meet, 31 days versus 29. I can tell you that meet
19 is in need of help. It's difficult for us to even
20 present a stakes schedule based on the business that
21 happens after Thanksgiving. We'll accept that gift as
22 characterized by Santa Anita, it's rather critically
23 needed. But I think that the middle-ground proposal
24 that has been presented by the Dates Committee is
25 reasonable.

1 MR. CHILLINGWORTH: Sherwood Chillingworth.

2 I believe that the macro issue here, this is
3 such a significant decision to make that it should be
4 put over for another month at least. I think it takes
5 some examination to make sure we're doing the right
6 thing here.

7 On a minor issue, not to me, possibly everyone
8 else, I thought the Dates Committee recommended a
9 nine-race day maximum; is that correct?

10 MS. MORETTI: Only on weekends and holidays.

11 MR. HARRIS: That's the recommendation. I
12 don't know if I agree with that, but that's in there.

13 MR. CHILLINGWORTH: My point is, for example,
14 we have (inaudible) we have to have ten races that day.
15 The first post is at 4:30. In the TCT Program if the
16 present schedule holds up they will be televising one of
17 our races on October 1st and two on October 8th. Both
18 of which have to be done between 1:30 and 3:00. We need
19 the 10th race on our calendar those two days to equalize
20 the handle because you burn off your big races early in
21 the day. I'm saying, we should have some latitude to be
22 allowed three days a week and run ten races and let us
23 know what days those are.

24 MR. HARRIS: I agree that to say there is not
25 ten race days ever is not very sound. But on the

1 overall issue I don't know if we have enough consensus
2 to move forward today. We have a bunch of trainers and
3 jockeys here today that want to talk about the jockey
4 weight issue. I suggest we give this issue back to the
5 Dates Committee and get more data on some of the issues
6 that come up.

7 MS. MORETTI: I love presents.

8 MR. HARRIS: Beware of greeks bearing gifts
9 I've always heard. We need to get data on some of these
10 issues that were brought up and return for the September
11 meeting to try to finalize, unless if someone wants to
12 move forward today, I'd be happy to entertain a motion
13 to do that.

14 MR. MOSS: I make a motion to wait for a month.

15 MR. HARRIS: We'll table this until next month.
16 Any second on that?

17 SPEAKER: Second.

18 MR. HARRIS: This is tabled until the September
19 meeting.

20 (Recess.)

21 MR. HARRIS: Start with the Jockey Guild's
22 presentation on the weights issue, and we'll follow that
23 with comments from the general audience. Very broad
24 from the Jockeys Guild will lead off.

25 SPEAKER: Mr. Chairmen and members, it's a

1 pleasure to be here today.

2 Before we get started I want to thank the
3 executive director of the staff and particularly the
4 chair, Mr. Harris, I've been around state government for
5 a lot of years and in these part-time appointments it's
6 not always easy to put a lot of time into these issues,
7 and the chair has put an enormous amount of time
8 listening to these issues as have others of you, he, I
9 think engaged in his own personal investigation of this
10 issue, and met with a number of the parties and brought
11 parties together in an effort to really understand and
12 get to the bottom of the issue and whatever the
13 resolution of this, I just want to say on behalf of the
14 Jockeys' guild, we appreciate the way that this issue
15 has been treated and that we have been treated by this
16 board.

17 Now, we do have one witness who is here,
18 Mr. Bacharach, who has to leave in a few moments. I
19 would ask that you indulge me and allow him to kind of
20 go first since he has to leave.

21 MR. BACHARACH: Thank you for letting me go
22 first. My name is Burt Bacharach, horse owner,
23 part-time composer. All right. I'd like to read these
24 three documented letters.

25 This is first one is from Jim DiBonni, he's the

1 doctor for the USC football team.

2 "To whom it may concern: Through my
3 association with Dr. Robert Kerlan, I've been a
4 physician taking care of jockeys for the past
5 20 years, including being a jockey consultant
6 at Hollywood Park for the last eight years. I
7 am familiar with the problems that jockeys have
8 in maintaining their weight and the maneuvers
9 that they endure to stay the ideal racing
10 weight, such as hotboxings and purging. As the
11 size of the population has increased through
12 time, more and more jockeys have difficulty in
13 maintaining the proper racing weight. While
14 maintaining the lowest body fat possible,
15 jeopardizing the health and performance in
16 the process. Rapid weight loss reduces the
17 plasma body and blood distribution to active
18 tissues. Adversely effects thermal regulation
19 which can impair performance. Water deficit as
20 little as 2 percent body weight can impair
21 physical performance. A jockey that weighs
22 120 pounds and loses 3 or 4 pounds in the
23 sweatbox is at greater than 2 percent body
24 water deficit. This deficit compares
25 skeletal/muscle performance and also impairs

1 cognitive performance and visual motor
2 tracking. This can lead to mistakes in
3 judgment that can cause serious injury to
4 other jockeys, to the horses they are riding
5 and themselves. The injuries might not occur
6 as often to jockeys who are not dehydrated
7 during the race. I think the Racing Board
8 should seriously consider raising slightly the
9 jockey weight limits. That would improve their
10 health and perhaps lead to less accidents on
11 the track. This would benefit the horses,
12 trainers and their owners. Sincerely James
13 DiBonni, M.D."

14 Second one, not as long. This is from Dr. David
15 Eaber, UCLA, professor of medicine, director of UCLA
16 Center for Human Nutrition.

17 "Dear Mr. Bacharach, I'm happy to support your
18 efforts to bring public attention to the plight
19 of jockeys who are fasting, self-inducing,
20 vomiting, using diuretics and diet pills all in
21 an effort to reduce their body weights. Long-
22 term health consequences of this type of
23 behavior could be serious and include; bone
24 loss, kidney and liver disease and other
25 nutritional diseases. With severe calorie

1 restriction it's difficult to get the vitamins
2 and minerals needed daily. There could be a
3 serious balance, protein, fat, and carbohydrate
4 leading to significant changes in body
5 composition and function. That this problem
6 has been wide-spread has been documented in the
7 literature, including the paper in the
8 International Journal of Health, and in the
9 journal of Sports Nutrition and Exercise and
10 metabolism in 2002."

11 Lot of credits on that.

12 "Management and Weight Loss Strategies of
13 Professional Jockeys."

14 This is on record and can be looked up.

15 "Robert Norwood of the Los Angeles times quoted
16 me on the topic and the story published July
17 21st, 2004 which details the issue involved.
18 Let me repeat, that the loss of body weight
19 through the methods outlined in these articles
20 could carry significant health risk for
21 professional jockeys. Please, let me know if
22 you need and further information. Best
23 regards, David Eaber, UCLA."

24 Last one. This is from Arilla Natif, Associate
25 Professor UCLA, Department of Family Medicine, Division

1 of Sports Medicine. Also team physician for the UCLA
2 Athletic Department.

3 "To whom it may concern: As a medial team
4 physician with expertise in sports medicine, I
5 strongly recommend the elimination of dangerous
6 weight control practices by jockeys. These
7 weight control methods resulting in very low
8 body fat percentages can lead to serious health
9 consequences that can even lead to death. It's
10 my recommendation that jockeys can receive
11 closer monitoring regarding their status and
12 body fat percentages should not fall below 5
13 percent. Further attention in this matter is
14 of the utmost importance for the health
15 and well-being of jockey. Sincerely, Arilla
16 Natif."

17 Thank You for letting me have he microphone. I do
18 appreciate it, and thank you.

19 MR. HARRIS: Thank you.

20 MR. BROAD: You have in front of you a poster
21 that requests the of Commissioner Moretti when I passed
22 her on Hollywood and Vine there in Sacramento, she said
23 to me that we ought to have a list of some of these
24 quotes that deal with the health issues. These are all
25 quotes from various studies and letters and so forth

1 that are in the record. I hope that you can see them.

2 I don't know if they are big enough.

3 MR. HARRIS: I left my binoculars at home.

4 MR. BROAD: If you want I can pass it around.

5 In any event, all of those quotes are in the record.

6 Let me begin by saying this, our proposal is a
7 three-legged stool. Any one leg gets kicked out from
8 under it and it just wouldn't work. We've sat down with
9 the industry, with the owners, the trainers, we've
10 talked to many of you, I believe the proposal is well
11 understood, I don't believe there is anybody out there
12 that doesn't understand it or thinks it can't work.

13 There are significant disagreements about whether it
14 ought to be adopted. But I don't think, and there are
15 various groups, and I'll comment in a little bit in a
16 few seconds about this, that want one part or another
17 part but not all the parts. But as far as we're
18 concerned all the parts work together to create a system
19 that is protective of jockey health, transparent and
20 fair to the public and to the industry and fully
21 appropriate and backed up by clear and strong medical
22 science.

23 You've heard some physicians obviously have
24 written in, you have also heard from the California
25 Medical Association in support of this, the California

1 Nurses Association and the premier entity in the United
2 States that deals with the issue of weight and health
3 regarding sports, the American Dietetic Association.

4 The question of whether someone can compete and
5 whether there are injuries that occur and there is
6 danger having a body-fat level that is too low, is not a
7 debated measure in science. It is, it is fully
8 understood and accepted by science. And Dr. Seftel will
9 be testifying, he is a clinical practitioner who sees
10 jockeys in Northern California, he sees a sizable
11 percentage of the jockey colony in the State of
12 California. He can talk about his patients, their
13 health, in their population. There is a -- because
14 jockeys are superb athletes, the problem that we have is
15 they look great, but what they are doing to themselves
16 has very, very dangerous long-term consequences.

17 Included in our comments is the statement of
18 the American Dietetic Association and American College
19 of sports Medicine and the Canadian Dietetic, they made
20 a statement on nutrition and sports several years ago.
21 And all the things that jockeys do is the exact opposite
22 of what athletes are supposed to do before competition.
23 They are supposed, above all, hydrate themselves, have
24 proper meals, stay away from activities that involve
25 anything related to dehydration. They shouldn't be

1 ingesting drugs like diuretics, they are doing the wrong
2 thing. I won't go on about this, it's important that
3 you hear this from the doctor. But the three parts of
4 this proposal work together and work in tandem. That is
5 a limit is to say that you cannot, you have to maintain
6 at least a 5 percent minimum body-fat standard, that the
7 minimum weight limit be 118 pounds, and that separate
8 and apart from their body weight, that the equipment
9 that they carry weigh 10 pounds.

10 Yesterday we went out to the paddock and
11 weighed the equipment with the chair and it weighs 10
12 pounds. That's what the equipment weighs. That's what
13 jockeys go out with and come back with now. The system
14 with regard to the equipment, we're saying when they
15 weigh out and when they weigh in, they are going to
16 weigh with the equipment that is used for racing that is
17 specified, so that the weight when they go out and the
18 weight when they go in, should be the same. Right now
19 it's all over the place. It varies from track to track
20 and race to race. They weigh out with one set of
21 equipment and weigh in with another set of equipment.
22 It allows for a situation at that's not clear and is not
23 transparent. There are expectations in how this
24 regulation would work in practice is that they would,
25 before the commencement of racing on a day, the jockeys

1 would be required to be weighed nude, have their body
2 fat measured, that they are in compliance, and then they
3 would weigh out and weigh back in with their 10 pounds
4 of equipment.

5 Now some folks have said, let's do the 5
6 percent body thing and not increase the body weight
7 limits. The TOC for example, has said that we should do
8 the 5 percent weight thing but we shouldn't separate out
9 the equipment but raise the total weight to 120 pounds
10 which means that jockeys could only weigh 110 pounds.
11 The problem with all these various permutations of it, is
12 that they either will continue to create incentives for
13 people to do things that are destructive to their body
14 or make it physically possible for the human being that
15 you see there to actually meet the standard in a
16 realistic way without losing their livelihoods because
17 the weight doesn't measure. They are simply too big to
18 be at a weight of 110 pounds or less, or more without,
19 with 5 percent or more body fat. So, it's important
20 that we add those additional five or six pounds on the
21 present minimum weight limit, in fact, it's critical to
22 us.

23 Let me talk about a few of the positions of the
24 opponents from their comments.

25 The TOC proposal, we actually appreciate their

1 proposal, they sat down with us, we had a fair and frank
2 discussion at Hollywood Park about a month or so ago.
3 Their proposal is deficient in our minds because if you
4 raise the total weight limit to 120 pounds and the fact
5 is that they are carrying, jockeys are carrying 10
6 pounds of equipment, then their real weight that they
7 can have goes from 112 pounds now to 117 pounds. I
8 don't think it really helps.

9 We can't perpetuate a myth out there that
10 somehow this equipment weighs 5 pounds when it weighs 10
11 pounds. That's critical to us. While we agree with
12 much of what they said, for example, they seem to
13 propose that the weighing out and weighing in process be
14 videotaped for the purpose of insuring that it's a whole
15 honest process, we have no objection to that. We want
16 it to be an honest process. I don't know if in the
17 Board's wisdom that's a necessary step that needs to
18 occur here, but we want it to be an honest process, if
19 that's what it takes, that's what it takes.

20 One of the things that I think that you'll
21 probably hear today is that this is going to hurt the
22 horses, this is going to harm the horses and we
23 fundamentally disagree with that. These horses are
24 ridden by exercise riders that weigh 140, 150, 160
25 pounds every day. In Europe, in England, in Australia

1 and South Africa, the jockeys weigh 123, 124, 125
2 pounds. In South Africa they have, for example, 20
3 tracks, they race 5 days a week, and the jockeys weigh
4 125 pounds. There is no evidence that we've seen that
5 this is going to cause some kind of harm to the horses.
6 We know that there is harm going onto the jockeys, we
7 know that horse racing around the world can operate with
8 heavier weights of jockeys and that realistically
9 reflects human physiology and we think that it can be
10 done here.

11 Finally, there is this anxiety, and I
12 understand the anxiety, this is a very anxious industry,
13 it's been anxious ever since I've been involved in it
14 because it feels like it's coming apart. And it's felt
15 that way for the last 20 years. It's in a constant
16 state of crisis what it's going to do for itself, we
17 share that anxiety, and we understand that. The concern
18 here is that, if we fix in this in California without
19 fixing it the rest of the country, first somehow, that
20 there will be smaller field size in California, that
21 people will leave. We don't believe that this will
22 occur.

23 And at the meeting in Hollywood Park there was
24 a thought mentioned, why don't we get together and
25 develop a national standard that everybody can agree to.

1 We said, that's fine, let's do this in the next couple
2 of weeks, let's get together, let's talk about it, let's
3 put out a joint letter and take it on the road
4 nationally. The fact is we live in a federal system in
5 the United States and states are going to have to adopt
6 this, state by state, by state, no matter what. And we
7 have to start somewhere. I'm pleased to say that
8 California has been, for jockeys, the place where the
9 best things start first. And that's a proud legacy in
10 this state, unfortunately, it means we tend to come here
11 first for everything, and we're here first for this, we
12 think that this is the state where we think that we'll
13 get first and foremost the first hearing on our case.

14 Let me conclude by saying this, you know, these
15 jockeys, they risk accident out there, and that's a risk
16 that they are willing to accept and that many people,
17 including themselves, they can profit by the risk that
18 they take.

19 That's the acceptable risk of the sport. But
20 the acceptable risk of the sport is not kidney failure,
21 or diabetes, or a significantly shortened life
22 expectancy, or a significantly greater risk of disease,
23 that is not an acceptable risk, and it's an unnecessary
24 risk. And I just ask you to look into your hearts and
25 do the right thing, please, thank you.

1 MR. LICHT: I have a couple questions. First
2 of all I'm in favor of making some adjustment to the
3 scale of weights, what it is I'm not certain yet, I want
4 to hear everything. But I think that the Jockeys' Guild
5 today has done a disservice to it's position by
6 mischaracterizing the testimony of some of these
7 physicians and so forth. They aren't saying adust the
8 scale of weights, they are just saying that the
9 weight-loss techniques used by jockeys are not healthy.
10 I think that's smoke that should not be thrown at us.

11 MR. BROAD: Those letters speak for themselves,
12 Mr. Licht, and so does the testimony from the California
13 Medical Association that supports the proposal and the
14 California Nurse's Association that supports the
15 proposal. I urge you to just read what's in the record.
16 I'm not mischaracterizing -- they were read into the
17 record. Different people have different things to say
18 and I don't think that I intended to mischaracterize
19 anything and I frankly don't agree with that, sorry.

20 MR. LICHT: My second question is, if health is
21 the issue, which I accept that it is for sure, why
22 should we grandfather existing jockeys, and older people
23 have more health issues than younger people.

24 MR. BROAD: That's a totally legitimate
25 question. Let me explain that because a lot of

1 questions have been raised. Here's what we're grappling
2 with, we need to have jockeys change their own behavior.
3 Okay. Now, when they went -- and the model that we've
4 looked at was hockey when it went to helmets, protective
5 gear, and what they did is they grandfathered in the
6 hockey players and they basically got significant
7 compliance immediately even from the grandfathered-in
8 hockey players. There were a few that didn't comply
9 until their retirement, but basically they all complied
10 voluntarily.

11 Nevertheless, I don't want to suggest that
12 we're hypocrites here. These jockeys need to meet this
13 5 percent body-fat standard and it's critical that they
14 do so. And I understand that to simply grandfather in
15 to say, well, only the newest jockeys have to apply, the
16 existing jockeys are given a nudge, if you will, a
17 significant opportunity to do it, and we think that they
18 will comply voluntarily. However, if the Board in it's
19 wisdom here feels that is a deficiency in the proposal,
20 then we understand and we may take some lumps from those
21 jockeys right at the edge, this is about their
22 livelihood, who are at the heaviest weight, engaged in
23 the most dangerous activities, they are going to be
24 overweight.

25 Well, somebody if they are overweight one or

1 two pounds will someone say, sorry, we will not ride you
2 any more? I don't know if that's even a reasonable
3 anxiety. We want to save them from that anxiety and
4 that was our motivation. God only knows we want them to
5 comply. If you feel that they should not be
6 grandfathered in, and I understand the point, and the
7 point is well taken, then you must give them a period of
8 time to comply. Two years, three years, something
9 on that magnitude. They need the existing group, they
10 need to learn to live differently than they do now. And
11 that's going to take education, training, it's going to
12 take a whole kind of relearning process about nutrition
13 and health and what you can do and can't do and how to
14 stay healthy.

15 And so I recognize your point, and I think your
16 point is well taken, you understand our point, that was
17 our intention was not to evade the rule that we so
18 strongly believe in, but to try to accommodate its
19 introduction in a way that would not be disruptive to
20 the current jockey colony. And I leave it at that.

21 MS. MORETTI: I have a question. I too am
22 supportive of this proposal, I have no problem with the
23 fact that California would be the first in the nation to
24 do this. When it comes to health we've been the first
25 in many, many instances, whether it's from smoking to

1 second-hand smoking, to short-handled hoes for farm
2 workers to OSHA standards. There is a lot that we're
3 the first in the nation. And in fact what's happened is
4 the rest of the nation has followed. But I do have a
5 question and it goes back to what you just said about
6 the education. Is there a component of your plan so
7 that if we were to pass this that we would be assured
8 that the jockeys will be educated as to the proper
9 nutrition, what they need to do, how they can make this
10 transition, that would be a very, very important point.

11 MR. BROAD: There is nothing in the proposal
12 that funds or establishes a government program to do
13 that. Obviously, the Guild has ever interest in the
14 world in insuring that its members and frankly anybody
15 who races, I mean the Guild represents 90 percent or
16 more of the jockeys in the United States at this point.
17 We're reaching pretty much the entire group. But we
18 obviously have a strong incentive in doing that. We
19 want people to be able to meet the standard, protect
20 their health and continue to race. Is it formalized in
21 this proposal, no. Should it be? I think that's a
22 question that you folks should consider. We had not
23 considered it in developing it, creating, setting out a
24 mandatory standard. I'm not sure how you would do it,
25 how you would monitor that. But it's certainly worthy

1 of consideration. I will say also, that just in
2 response to what you said about California being first,
3 frequently, and I hope we don't hear this today,
4 whenever we're considering doing something new and
5 different the legendary chicken little makes an
6 appearance and the sky is falling, and the world is
7 coming to an end.

8 If you recall, eliminating smoke in restaurants
9 was going to destroy restaurant industry forever, there
10 are way more restaurants now than there were then. So
11 sometimes these things turn out to be making a mountain
12 out of a molehill. It doesn't mean that people's
13 anxieties aren't real and that we respect them, but it
14 just doesn't turn out to be as big a problem as people
15 think it might be. We're not out to destroy horse
16 racing, we're for horse racing. That's what we want to
17 do is to promote the sport. We would not do it if we
18 thought that we would harm our industry or harm our
19 members or harm our trainers or the owners. And so, I
20 hope that people understand that.

21 MR. SPERRY: I'm in favor of it also and in
22 fact I wish there would be one for owners that there
23 would that they had to be a specific weight. Also I
24 wonder whether a 2-year period of time for example, that
25 everybody has to comply, is not too long a period of

1 time.

2 MR. BROAD: Well, yes.

3 MR. SPERRY: Is there any study that says, if
4 you're saying all new jockeys have to do it now, then
5 obviously they are going to get on the band wagon a lot
6 quicker than somebody that has a long period of time to
7 adjust.

8 MR. BROAD: Yes, although, I think what
9 happens, the sizable percentage of these jockeys,
10 probably be 70 percent or so by our calculation, they
11 are simply going to be able to eat a little bit more,
12 stop heaving and stop taking the drugs and they will be
13 in compliance the next day. It's a group in the 30
14 percent area in our mind that could conceivably have
15 problems. I think that two year is necessary,

16 Mr. Sperry, because we're talking about a
17 couple of seasons, let's say you adopted his and it was
18 in effect in January and you said that you had to come
19 in compliance in six months, that's in the middle of the
20 year. I don't think there is any danger here in making
21 it a 2-year period. If we make it less than that we're
22 going to have timing problems and people are going to --
23 it will be more difficult. As far as we're concerned,
24 if we need to have a delayed implementation date for
25 other reasons related to making this work, we don't have

1 an objection to kind of a more -- we're not trying to
2 rush the thing, it doesn't have to be tomorrow. We want
3 it to get done, but I think we would like at least a
4 2-year period, a 2-year period would probably be
5 sufficient. I mean could it be 18 months, I don't know.

6 MR. HARRIS: We have to discuss that, I agree
7 that the grandfather deal needs to come out, but I think
8 we'll have to look at that. One of the issues that
9 American Diuretic Association brought up was a different
10 baseline between woman and male athletes, and do you
11 have any problem in putting a higher body fat on female
12 jockeys?

13 MR. BROAD: Here's what our reasoning was;
14 unlike unique to horse racing, maybe there is another
15 sport, but unique to horse racing, males and females
16 with all their differences and body physiology, compete
17 head to head. There is not a female division and a male
18 division of this sport. The doctor can respond to this
19 in greater detail. We thought about the idea of
20 creating a minimum 12 percent, which is the
21 recommendation for females. However, because of the
22 woman, in the human population there are many, many more
23 woman that weigh 118 pounds or less, than there are men.
24 That woman in the ranges that we're talking about will
25 be able to meet this standard and will be at 12 percent

1 or above without having to create a separate standard
2 for males and females. There is a little bit of a
3 complication I think, that someone might argue, that
4 it's a competitive advantage or disadvantage.

5 MR. HARRIS: Well the issue is, is it true,
6 that a woman would -- at the same body fat, be doing
7 more damage to her kidneys than say at 5 percent than a
8 man would be at 5 percent, if it is a health issue there
9 may be two different standards.

10 MR. BOARD: I'll let the doctor answer that,
11 there are as I understand it, and he can correct me, as
12 I understand it, part of the difference between males
13 and females is that males and females have different fat
14 in different parts of the body that serve different
15 purposes. Women have breast tissue, men do not have the
16 same breast tissue. The damage, as I understand, that
17 the woman is, it is not, is not the significant internal
18 body damage, it's a different kind of lesser serious --

19 MR. HARRIS: We're familiar with external
20 appearance but we're talking about internal organs here.

21 DR. SEFTTEL: Just to clarify on the issues of 5
22 percent versus 12 percent. Female body fat has a
23 different distribution and slightly different
24 composition to that of the males. The reason why the 12
25 percent standard is adopted is for protection of

1 reproductive organs and reproductive system that
2 requires additional body fat as an energy source. And
3 we certainly see in the literature for anorexia nervosa
4 that it is critical that the females have a higher body
5 fat standard. I am not opposed to the differential of
6 the 5 to 12 percent on this basis. In other words, that
7 is my professional view. And the Guild has taken a
8 position that they want a single standard and that
9 simply simplifies matters. But from a physiological
10 prospective there is an appreciable difference. For
11 women in the reproductive age group, the 12 percent
12 standard is the preferred standard.

13 However, most the jockeys that I have had
14 exposure to and measured easily meet the 12 percent
15 standard, measured 14 to 18 percent on average. The
16 decision should be up to the discretion of the Board as
17 to if they want to create differential standard from a
18 physiological prospective for reproductive women, 12
19 percent is the ideal.

20 If I can continue with my former comment, as I
21 mentioned I am with the California Emergency Physicians
22 Practice Group, I also have served for the last four
23 years as the medical director for Bay Meadows and Golden
24 Gate Fields, in this capacity I've been involved in
25 studying the jockey community both from a physical

1 prospective and from a biochemical prospective and
2 amassed a critical amount of data which would be
3 available to the Board in an anonymous form and to
4 substantiate a number of the elements that I will be
5 discussing.

6 We're sitting today to discuss an absolutely
7 critical rule that effects the health and welfare of the
8 jockey community. I think all of us would agree that
9 we're facing an important decision. The choice before
10 the Board today is simple, that is, do we abolish
11 state-sanctioned starvation and/or perpetuate it. There
12 is no medical or ethical justification for mandated
13 malnutrition. I repeat that. There is no medical or
14 ethical justification for mandated malnutrition.

15 And the current status quo does effectively do
16 that. I speak, not only personally, but on behalf of
17 the 600 physicians within our medical practice group and
18 most importantly on behalf of my colleagues that sit
19 right there. These are the individuals whom I have to
20 stare into their eyes every single day, when they are
21 dry, dehydrated, confused and disoriented and fall off
22 their mounts, because they do not have any energy left
23 in them, they are the people that we think about, they
24 are the people that should be sitting right in front
25 here and be telling you their stories, daily stories of

1 struggle and survival in facing an untenable situation.

2 I'm proud that Bert Bacharach had presented
3 additional reports, additional letters which were
4 submitted to the commission that substantiate the work
5 that we have done to show that there is unanimity within
6 the scientific with this standard should be adopted and
7 should be enforced rigorously.

8 From my own four-year studies we have
9 demonstrated the ten-fold increase in kidney damage and
10 kidney failure in the jockey community as compared as to
11 the average population. The average jockey in my colony
12 has proteinuria on a daily basis. What does that mean?
13 That means that the kidneys are leaking protein. Every
14 single day their kidneys are losing function on a daily
15 basis. This is an untenable situation. We do not want
16 our jockey community to all end up like one of their
17 colleagues that appeared on the HBO Special. They have
18 8 times increase in incidents in infectious diseases;
19 pharyngitis, laryngitis, bronchiolitis, herpes
20 infections, urinary tract infections, the amount of
21 antibiotics that I prescribe to this population is 8
22 times as is necessary in this community.

23 They get antibiotic-associated complications;
24 diarrhea and the emergence of other multi-drug resistant
25 organisms that makes treating the infections much more

1 complicated. Please, do not allow the implementation of
2 this rule to be delayed any further. The issues that
3 are being raised and addressed by Barry are critical
4 issues and they address some of the objections that we
5 have, that people may have to this issue.

6 Today the eyes of California are on this
7 commission, and the eyes of the nation are on
8 California. We have a unique and truly historic choice
9 to make. In the past California led the nation in
10 bringing about positive change to the racing industry.
11 Today I call upon you once again to lead the nation in
12 adopting the proposed rule that will make a landmark
13 contribution to the mental and physical welfare of the
14 rider community. Thank you for allowing me to testify.

15 MR. HARRIS: Any questions of Dr. Seftel.

16 MS. ROWE: I'm Mary Francis Rowe from Hemet
17 California and I have I'm a horse owner. I have one
18 horse. I know what you're talking about when you say
19 that they put in 165 or 175 pound exercise rider on my
20 horse. But my question to you is, I'm 73 years old,
21 I've been involved in sports, I've never been in the
22 hospital except when I had my son. I don't have any
23 high blood pressure or cholesterol, in fact the doctor
24 says --

25 MR. HARRIS: Get to the question.

1 MS. ROWE: My question to you is, what are
2 these jockeys doing? That, I mean, I don't smoke, I
3 notice that a lot of them do. They drink. What is this
4 doing to them, that isn't the weight problem. They
5 could be doing this if they weighed 150 pounds.

6 DR. SEFTTEL: Thank you for that question. I
7 think in your situation you had the fortunate situation
8 of choosing your parents correctly. Genes have an
9 enormous amount to do with good health. The critical
10 issue is that we don't want to obviate the importance of
11 education. Health education, as Ms. Moretti pointed
12 out, it's critical. It's not one or the other, we have
13 to have both. We have to have basic minimum standards
14 in nutrition that are complied with and consistent with
15 every other sport in the nation. We have done hundreds
16 of studies, this standard of 5 percent has been on the
17 books since 1985. Since 1985 this has been an
18 established standard for athletes. What we believe is
19 exactly what you're talking about; education, decrease
20 in smoking, decrease in alcohol consumption, but you
21 have to give people the strength, physical strength and
22 mental strength to do this. When you are malnourished
23 and can't eat then you drink. There is an enormous
24 amount of depression within this community that I treat
25 on a daily basis. If they can eat better they will be

1 less prone to the other forms of addiction and physical
2 abuse.

3 MR. HARRIS: Let's go ahead with other
4 proponents, some of these the jockeys have to leave
5 before we get to the opposing side.

6 MR. HALPERN: Ed Halpern, I suggest that we
7 could have the jockeys and trainers that are here that
8 have to leave, speak first.

9 MR. HARRIS: Would any of the riders like to
10 comment object this proposal?

11 Proponents of the proposal first.

12 MS. SWAN: My name is (inaudible) Swan.
13 Mr. Chairman and members of the Board. I have been a
14 race rider for 35 years. And I'm now the chairman of
15 the Board of The Jockeys' Guild. I have been since
16 2001. That means that I represent 1,229 jockeys across
17 the nation. And those riders ride 90 percent of all the
18 races in the United States. So, yes, the Jockeys' Guild
19 speaks for the jockeys, and I, as chairman of the Board
20 would like to speak for them. I am not going to go over
21 all the same issues that have been brought up by
22 Mr. Broad and Dr. Seftel because they covered it. There
23 are a couple of things that I want to remind you of,
24 that is, when these riders leave today and go to ride
25 here at Del Mar, they have of the choice of the three

1 venues that you just heard about, taking medication,
2 sitting in a hotbox, or vomiting in the bowls that are
3 conveniently put there by the racetrack to encourage
4 bulimia. They are doing that to ride a 1,200 pound
5 horse with a system that was put into effect in 1907.
6 Please, keep that in mind. That is almost over 100
7 years that this system has been in effect. And it is
8 time that it be changed. Like I said, I'm not going
9 over it all again, I just want you to keep in mind that
10 this is a moral issue, it's a small thing for you to do
11 but it can make a tremendous impact on the quality of
12 the lives of the riders.

13 MR. HARRIS: We like to get all the opposition
14 first.

15 Any other proponents would like to make a
16 statement and then we'll get to the opposing parties.

17 MR. McCarron: I guess I'm somewhere in the
18 middle. I'm absolutely -- I've already gone on record
19 here in front of the Board stating the fact that I'm
20 very much in favor of raising the scale of weights. I
21 am not in favor of the Guild's proposal however nor the
22 representatives of Magna, I believe Churchill Downs or
23 NYRA, we're going through extensive dialogue between
24 those companies to come up with a proposal that will be
25 meaningful and acceptable to the jockeys who are over

1 here to my right as well as jockeys all over the country
2 and I believe the horsemen will eventually agree that,
3 you know, the proposal that these three companies can
4 come up with will be something that they can live with.
5 I have a number of -- first of all I should probably
6 give the microphone to any other proponent who is here
7 that they want to speak, if there is anybody else I'll
8 certainly surrender the mic.

9 MR. HARRIS: Is there anybody else that would
10 like to speak in favor of the proposal? Go ahead.

11 MR. MCCARRON: Number 1, as far as the body fat
12 issue is concerned, I've done a little reading about the
13 wrestlers, about the NCQA wrestlers and going on a
14 website of the National Wrestling Coaches Association.
15 The reason they came up with a body fat percentage
16 program is because of three deaths in '98 involving
17 wrestlers who had reduced so hard that they died because
18 of the practices. The program that they have in place
19 is to establish -- they measure the body fat percentage
20 in order to establish a minimum weight that that
21 wrestler can compete at. They do it once a year, it's
22 not something that they do on an on-going basis. If we
23 give this serious consideration we may also be able to
24 implement a similar type of policy whereby, test the
25 body fat on January 1, and make sure that I prepare my

1 body in such a way that the measurement will be accurate
2 and true, because body fat measurement has a great deal
3 of inaccuracy if the proper tools are not used.
4 For example, the NCQA only approves the use of calipers
5 and body displacement measurement which is when you're
6 emerged in water. They do not approve of the
7 bioelectric analysis devices that are made by the Tenita
8 scale company. Those can be inaccurate by several
9 points.

10 There are a number of things that the body has
11 to be prepared with and the number one thing is
12 hydration, before any tests can be conducted the
13 individual must go through, I believe it's called a
14 urine specific gravity test. You're familiar with that
15 I'm sure. The point is, I'll cut to the chase, the
16 point is, this is very complicated stuff. And the thing
17 that I, as a racetrack manager, I'm most concerned with,
18 is the potential negative impact that it could have on
19 the field size here in California. I'll repeat myself
20 as I said earlier, I am fully in favor the raising the
21 scale of weights. It has to be done. Those guys over
22 there work their tail off in trying to maintain their
23 weight.

24 If I were a trainer and I were going to select
25 a jockey, if they had an opportunity, now don't get mad

1 guys, if they had an opportunity to see a rider come out
2 of the hotbox after having been in there and expect him
3 to go in there and ride at his absolute best, there is
4 no way, there is no way that a rider -- I believe Barry
5 and Dr. Seftel have already testified that this is
6 counter to what most athletes do when they are preparing
7 themselves for an athletic engagement. It's a must. We
8 have to raise the scale of weights. But in order to do
9 it properly it has to be done on a national basis. We
10 cannot put our California racing program at risk not
11 knowing what the consequences would be if we only
12 implement this proposal here in California.

13 I have already stated, I've engaged in dialogue
14 with the representatives, Churchill Downs Incorporated,
15 New York Racing Association, and I feel very confident
16 that we can come up with a proposal that the jockeys and
17 trainers and the Racing Commission throughout the
18 country can live with.

19 MR. HARRIS: What sort of time table do you
20 think that that will happen?

21 MR. MCCARRON: We're setting the goal at
22 January 1. And if the Guild wants to continue down the
23 road, and I'm not discouraging them from doing this, if
24 they want to continue down the road of going state to
25 state, commission to commission and getting regulations

1 in place to make sure that any house rule that is
2 implemented cannot be reversed, then that is their
3 prerogative.

4 What we'll do as a company, and hopefully I can
5 persuade Churchill Downs Incorporated and NYRA to do as
6 well, we can implement house rules that will increase
7 the scale of weights at level that will be acceptable
8 to the jockeys and to the track management and to the
9 horsemen and I think we can do it in an expeditious
10 fashion.

11 Another thing that's difficult to accept with
12 the Jockeys' guild proposal is, what does 118 on the
13 program or the racing form mean to a racing fan in New
14 York? They look at a horse than runs here at Santa
15 Anita Park and it looks like he was assigned 118 pounds
16 and in fact he carries 128 pounds. When that horse runs
17 in New York next time out, he might be assigned 115
18 pounds. What does that mean that he carried? How does
19 the better understand how to analyze all this
20 importation?

21 MR. HARRIS: Would you stipulate though that
22 even the current system has that flaw in it? One is
23 carrying 118 here really is carrying 122, under this
24 carrying 128. It's confusing the way we do it.

25 MR. MCCARRON: As far as that that goes it's

1 all relative. I already proved that -- okay, I'll offer
2 an explanation. If I weigh 112 stripped, if I put on a
3 pair of socks, underpants, T-shirt, light set of owners
4 colors, I'll give you an example, Bob in Beverly Lewis
5 colors you throw them up and they float down they are so
6 light. Stoners colors, they weigh almost two pounds
7 because they are thick satin. Owners colors vary in
8 their weight. So I get dressed, I get my small saddle
9 with an undergirth and a rubber pad, that weight totals
10 about 4 1/2 pounds. I go from 112 to 116 1/2. Okay,
11 now when you add to the fact that the horse is going to
12 carry a number cloth, overgirth, helmet, flat jacket
13 that's another 5 1/2 pounds, that's where the 10 pounds
14 comes in.

15 MR. HARRIS: Now just to clarify, do you
16 support the concept of the 10 pounds as part of the
17 concept or do you prefer the current system?

18 MR. MCCARRON: I prefer the current system. We
19 should raise the sale of weights whatever number of
20 pounds we agree upon and it's going to force us to
21 re-educate the public. We'll have to go out to the
22 public and explain to everybody that these horses are
23 now carrying a lot more weight than we have ever
24 revealed before.

25 MR. HARRIS: Is that in the program somewhere

1 the way we do it now?

2 MR. McCarron: No, I don't think so.

3 MR. HARRIS: They are not too informed now I
4 take it. As far as the methodology of measuring the
5 weight, the way that it is written up in the proposed
6 rule is that the jockeys' body fat content should be
7 measured and recorded by the scales once each day of
8 racing. I'd like to hear from Dr. Seftel on the
9 practicality of that, is there or is there not a
10 measuring device that can do that every day or is it
11 more complicated than that?

12 MR. SEFTEL: Just to clarify, when Chris talks
13 about measuring specific gravity this is an incredibly
14 simple test that can be done in 30 seconds, dipsticks
15 test that can be done. The methodology for using these
16 scales is standardized as you can see from the American
17 Diabetic Association letter that you have, they explain
18 the procedures by which these tests are used. The
19 bioelectric impedance method is internally consistent,
20 it has a very low error rate, and if it's done according
21 to the procedure it is accurate. Any methodology for
22 measuring anything has to be done in a standardized
23 fashion. That's the critical thing that is borne out by
24 the ABA recommendation. The other
25 point that bears mentioning is the American Sports

1 Medicine, which is an umbrella body, that is larger than
2 the Wrestling Foundation, has found that the bioelectric
3 impedance method is an efficient way to measure the body
4 fat standard. From the overall measurement of total
5 body fat there is no debate on the industry. The
6 consensus is this technology is doable and
7 standardizable and is recommended.

8 MR. HARRIS: It could be done every day and the
9 hydration issues would be addressed?

10 MR. SEFTEL: Yes, we have one of the machines
11 here with us and we can show you the internal
12 consistencies of measurements with that. As you see
13 from the ADA report there are requirements that have to
14 be logged at each time when the machines are used. But
15 provided these requirements are met the technology is
16 consistent.

17 MR. MCCARRON: I'm certainly not to go to argue
18 with the Harvard graduate. However, I do believe that
19 there are some gross inconsistencies with the
20 measurement process. I almost bought a scale a couple
21 days ago in order to prepare more greatly for this
22 meeting today. I went to Brookstone and I put a scale
23 on the ground and I stood on it and I measured my body
24 fat percentage. If you remember, Dr. Seftel, when we
25 were up in Sacramento I believe it was, and I measured

1 the little hand-held devices they use I was 15.9 on that
2 scale. On this particular scale at Brookstone the other
3 day, I got on it, I imputed all the importation, I weigh
4 118 pounds, 49 years of age, male, all the information
5 necessary, I went on there it said my body fat was 5.9.
6 There is no way that my body fat percentage is 5.9, I am
7 higher than that. I don't think that I'm as high as
8 15.9. They had two scales. I put the other on the
9 ground and it said I was 11.7. There was six point
10 swing in the two different devices. We need to make
11 sure that we know exactly which device is going to be
12 certified the way the NCQA does it they have a certified
13 physiologist or exercise coach that has a license in his
14 practice that does it. I'm certain that a Clerk of
15 Scales with a very short educational process would be
16 able to accomplish that, it would not be a big deal,
17 this is a very complicated issue, there is much more to
18 it than meets the eye. Once again, I don't think we
19 should be exposing the California Racing Program to the
20 potential impact that raising the scale of weights to the
21 degree that's proposed by the Guild has to be decided
22 upon today.

23 MR. HARRIS: We'll not decide today but we're
24 moving in that direction.

25 Any other proponents?

1 MR. DISARMO: Ken Di Sarmo, jockey. Good
2 morning, everybody. Before we get far from what Chris
3 said, we as the jockeys have no intention whatsoever to
4 allow the racetrack to have dialogue on how they feel we
5 jockeys should weigh. We feel like we've already
6 allowed other entities to decide such as the TOC, but
7 they decide for the whole industry of the horsemen what
8 the take out would be of simulcasting, and you know what
9 that has done to the purse structure, we have no intent
10 to let the racetrack cannibalize our livers and our
11 kidneys.

12 MR. HARRIS: I don't think that's exactly the
13 proposal.

14 MR. BETAKER: Rick Betaker, Hollywood Park. I
15 probably should have been waited, but I don't think that
16 I can. Hollywood Park and Churchill Downs support
17 increasing the scale of weights. We're not going to
18 mandate the weight that is put on the back of an owners'
19 horse, we feel like the owners need to be in the
20 dialogue with the jocks with the tracks. We're going to
21 implement it. As a matter of fact our responsibility is
22 to the racing fan directly and we have a moral
23 obligation to the jockeys relative to their health. In
24 this state I'm like any other, health insurance is
25 mandated by statute for the jocks and in this state the

1 jocks are determined to be an employee of the trainers
2 so that there is guarantee that they are covered by
3 Workmans' Comp insurance. In this state 20 percent of
4 Racing Association's charity money, by statute, goes to
5 the Jockeys' guild for Disabled Riders. We're not
6 opposed, we're supportive. What we're trying to prevent
7 is an imbalance in the country, where it causes
8 confusion for everybody, but specifically the racing
9 fans. Where a horse appears to be carrying a lot more
10 weight mere than another jurisdiction or vice versa.

11 There was a press release put out last week, I
12 hope everybody saw it, joint press release by Magna, by
13 Churchill, by NYRA that they are going to take the lead,
14 come up with a national policy, working with the Guild,
15 working with the owners and working with the trainers.
16 If I was you guys I would say it will take a year. No,
17 it won't. We're working on it right now. We'll be back
18 shortly. You heard it from Chris, Chris is spearheading
19 it. I want this group to know, Churchill Downs and
20 Hollywood Park supports increasing the scale of weights,
21 to do it on a reasonable level and implement it on a
22 national basis.

23 MR. HARRIS: Just as a hypothetical, do you
24 think if California enacted this rule or perhaps it did
25 not go into effect from a year from now, would that

1 encourage other states to enact a similar rule or would
2 it help or hurt the process?

3 MR. BETAKER: I don't know the answer to that.
4 I can tell you that the fact that it's on your agenda
5 has simulated this conversation between these three
6 major companies. You have already compelled these three
7 big companies to get together, work with the other
8 entities and figure this out. I would suggest to you,
9 Mr. Chairman, if, as a matter of fact, this board does
10 see inertia over the next 60 days, see that there is no
11 agreement and we're not getting anywhere on this level,
12 then maybe you need to take the lead and you have to
13 implement something and force the others to come on
14 board.

15 I'm telling you honestly, I know how our
16 company stands, we're supportive of raising the scale,
17 we know how Magna stands, we've all heard it from Chris,
18 we've read Barry's comments from NYRA, we'll get this
19 done and work together with the Guild and the owners and
20 the trainers. And wouldn't it be great today if we were
21 all standing here with an agreement, jocks and owners
22 and everybody else, saying, here is what we're going to
23 do and we'll implement this January 1st. We can still
24 be in that position within a board meeting or two.

25 MR. FISS: Mr. Howard Fiss, Jockeys' guild,

1 vice president.

2 I in fact did read the press release from last
3 week and I was amused by the fact that it included
4 Churchill, NYRA and Magna and didn't say if the Jockeys'
5 guild was called or sent a letter or addressed one of
6 the issue of participating in that work group.

7 I'm frightened anytime Churchill, NYRA and
8 Magna, they all get together on anything because it
9 seems to be the detriment of jockeys every single time.
10 I submit to you that the argument is that this will hurt
11 horse racing in California. And so again, I ask the
12 question, if that's the case then why is NYRA involved
13 in this all, anything that hurts California racing by
14 definition is going to help New York racing. So, I
15 don't think that the idea of Churchill, NYRA and Magna
16 and I will be getting together and solve this problem on
17 a national basis is going to improve horse racing either
18 in California or nationally, really files.

19 The other point that I want to make quite
20 frankly is that you have to remember, I think, that we
21 can't look at the existing rules on it the scale of
22 weights and make the assumption that they have anything
23 to do with current reality. Like Tommy Gene Swan, our
24 chairmen said, they were made almost a 100 years ago.
25 And so, looking at them as a comparison to what we're

1 proposing is comparing apples to oranges. Thank you.

2 MR. HALPERN: Mr. Chairman, can we get the
3 people that have to leave at this point.

4 MR. HARRIS: Anyone that needs to leave can go
5 ahead. I have a horse in the last race so I have plenty
6 of time.

7 MR. MARINO: Ken Marino, horse trainer.

8 All I have to say is that we have all these
9 sick riders that can't do the weight, they should get
10 another occupation. And it should be up to the horsemen
11 to decide about the weights, not the jockeys. We have
12 over 200 million people in the United States, we should
13 be able to get enough riders out of that much and 100
14 riders here in California, 112, 115 pounds, if they
15 can't do the weight, they need to quit. That's all I
16 have to say.

17 SPEAKER: Kathy (inaudible).

18 We started the meeting here this morning since
19 9:30 and we've discussed the majority at the early part
20 of the meeting had to do with the big issue of field
21 sizes and I think that when you're talking about field
22 sizes and you're talking about the new proposed rule
23 that you're absolutely creating a catastrophe. I
24 currently have had two owners already contact me and
25 asked me if I was going to attend this meeting and

1 informed me that in the event if this rule goes into
2 effect, which doesn't mean anything to anybody else, it
3 will mean a lot to me, they will remove their horses
4 from the State of California.

5 I think we lost the issue here that the people
6 that are putting up the money, investing millions and
7 millions of dollars, are being left to the side. I take
8 exception to the gentleman that spoke about Europe and
9 also made the statement that we have 150 pound exercise
10 riders. We do have 150 pound exercise riders, they
11 don't leave the starting gate in 21 and change and
12 finish the race in 9 and change, they are out there
13 galloping in a very slow and normal training procedure.
14 For the gentleman's information, in Europe, where they
15 have a higher scale, they run the first quarter of a
16 mile in 27, 28 seconds on very forgiving grounds, the
17 races are run in turf very much easier than we're
18 dealing in the State of California.

19 The State of California already has the
20 reputation of being a very difficult place to race
21 because of the soundness of horses, because of our race
22 tracks, which, we as trainers, have to overcome and get
23 people to believe that it is not all that quite true and
24 now we're going to take an issue and put it in front of
25 the other states and say that we'll put this rule into

1 effect for the benefit of the riders.

2 I don't think there is anyone in this room that
3 has any doubt that as soon as you raise the scale of
4 weights you'll have a number of exercise guys that weigh
5 140, 150 pounds now that will drop weight and try to
6 become jockeys. I appreciate the fact that the riders
7 are very deserving of some consideration, I have no
8 doubt that should be taken into effect. But there is
9 an exception to the rule, that it comes to the time when
10 your occupation you don't fit it any longer, and you
11 have to deal consciously with that. I don't think this
12 is going to be a big solution for riders that have been
13 doing all the purging and this stuff. I have exception
14 to the doctor that made the statement that they have a
15 difficult time. I think in all good conscience, as a
16 medical person, that if a jockey was in that kind of
17 difficult shape I would say it's time you find another
18 occupation.

19 We have an obligation to our owners, we have an
20 obligation to our industry that we protect. No one is
21 even dealing with this, we protect that animal, he puts
22 his trust in us and it's time to think about who is out
23 there and who is the athlete, that horse is the athlete
24 and he deserves something too. That's my opinion.

25 MR. STEW: My name is Warren Stew. I'm a

1 trainer for a long time and I gallop horses for years
2 because reducing was too hard, I wanted to be a jockey
3 too, but it was too hard so I galloped horse for years
4 and became a trainer. And I'm on the jockeys' side. I
5 think when they have to reduce they are really overdoing
6 it. They should maybe get a different job.

7 I would like to say something for the horse.
8 We don't know how much we hurt a horse. If it doesn't
9 hurt a horse, I'd say let them carry 150 pounds, but I
10 think you should find out how much weight hurts a horse.
11 I do know when a horse gets tired and has a lot of
12 weight he is liable to get hurt. I think you should try
13 to find out if weight does hurt a horse. If it doesn't,
14 put it up to 50, but if it does hurt a horse, you spent
15 thousands of dollars on track -- trying to find out if
16 the racetrack itself hurts a horse, so I think you
17 should really think about the horse more than the
18 jockeys. Thank you.

19 MR. SCHULMAN: Sammy Schulman, trainer. I have
20 one question, I'm all for the rasing of weights, it's
21 necessary, people are bigger now, there is so much to
22 it. I have one question as to the proposal of the 118
23 minimum with the 10 pounds. Which would be total of 128
24 which would be fair. What happens to the overweight,
25 does the overweight then become an obsolete thing? Are

1 the jockeys still allowed, to make myself clear, say you
2 raise the minimum to 118, now he's allowed to carry 10
3 pounds of equipment, whether it be equipment, whether it
4 be lighter boots, lighter whip, lighter anything, if you
5 can have 6 pounds of equipment the maximum a jockey
6 would carry as I believe it would be the proposal 128
7 pounds, 118 plus 10.

8 MR. HARRIS: That would be the minimum.

9 MR. SCHULMAN: Is a jockey then allowed to come
10 in and be 3 or 4 pounds overweight still? That would be
11 my question to you.

12 MR. HARRIS: The rule would allow a rider to be
13 7 pounds overweight but the 10 pounds has to be 10
14 pounds regardless of how much overweight he is, the 10
15 pounds doesn't go against the overweight

16 MR. SCHULMAN: May I ask then, if the minimum
17 becomes 118 and allowed 10 pounds of equipment, by the
18 rules he could be another 6 pounds overweight, bringing
19 to the total 134; is that correct?

20 MR. HARRIS: It might be where you had certain
21 categories where 122 down to 118, it would be 10 pounds
22 more than whatever the --

23 MR. SCHULMAN: To be simplified, wouldn't it be
24 a lot simpler if the jockey Guild sets the scale at 118
25 pounds then the jockey would be allowed up to 10 pounds

1 of equipment, up to 128, that would be the high, then
2 that would be the high a rider with his equipment would
3 be able to weigh. Wouldn't that be a lot simpler than
4 to break it down --

5 MR. HARRIS: You're making the proposed high
6 lower than the current high.

7 MR. SCHULMAN: Well, the current high is what
8 now?

9 MR. HARRIS: Well, unlimited really. But
10 assuming a jockey could conceivable weigh whatever and
11 still he has to carry another 4 pounds of equipment that
12 doesn't count, the current rules is you can't be more
13 than 7 pounds over the assigned weight to ride the
14 horse, even then, it's announced. But one weight would
15 be the minimum/maximum, one size fits all, that's not
16 part of the proposal.

17 MR. HALPERN: Ed Halpern California Trainers.
18 I'd like to start by saying that we're characterized as
19 the opposition. We're not the opposition here, we're
20 not opposed to most of the things that are being
21 proposed here. In spite of the perception here we're
22 not an industry alined against the jockeys, we're an
23 industry trying to find effective solutions to make life
24 safer and healthier for our jockeys. You must realize
25 that for many of us and for many of the jockeys, we're

1 work mates and many trainers are very close friends with
2 jockeys, many are even relatives of jockeys. So we're
3 just here to make things better for them and everybody
4 and make sure that we don't make a mistake here. You
5 face the same conflict as we do in a sense as that you
6 might appear unsympathetic while denying these rules.
7 But the truth is none are unsympathetic, we just don't
8 want to make things worse for them.

9 You will hear from all other segments of the
10 industry regarding all of the reasons as to why some of
11 the proposals should be rejected. My letters to you
12 list many of those reasons. You asked at the last
13 meeting when this proposal was first brought up, that we
14 bring you information and science to help make you a
15 decision here. We have gone out and done that. First,
16 let me tell you the parts the proposal that we have
17 favor. And we suggest, the industry and the Guild hire
18 people to create diet and exercise programs, training
19 regimens customized to the jockey.

20 Second that the 5 percent body fat rule will be
21 approved with a reasonable time to comply.

22 And third, that we determine, list, and enforce
23 true equipment. A fourth point is that we take the time
24 necessary to completely study the weight issue. You
25 asked for science and we've got it. Let me give you

1 some of that. But first let me ask you to ignore some
2 of the nonsense. The fact that exercise riders are
3 heavy, it's a very different situation, you will learn
4 from the information that I provided, that the critical
5 time is the time when the horse is tired after they have
6 run long distances at maximum effort. That's when we
7 cause breakdowns. That's not just those few pounds on
8 that one occasion, it's the combined stress over a
9 number of weeks, months, and years of putting that
10 stress on these small structures.

11 When went out and had a person do a study on
12 the effect of the additional weight. And what we
13 presented to you out of 30 experts and these are people
14 that work with body dynamics and animal body dynamics,
15 and not with humans. And they -- 28 out of the 30 that
16 were interviewed for this matter said that, there is a
17 problem, every time you add weight to a horse you
18 increase to some degree the risk of breakdown. You will
19 read that at lower levels you increase the risk less, if
20 you go from 113 to 118 you may have .53 increase in
21 stress, if you go from 122 to 128 it goes up to 5.9
22 increase in stress, and if you go from 130 to 137 you
23 may go up to .7. That doesn't seem like a lot but you
24 are effecting the small structures over a period of
25 time. And that small amount of increase hastens the

1 breaking point so to speak.

2 I don't know how many of you had the pleasure
3 of going to driver's school after getting a ticket, but
4 many of those show a film where people can make a curve
5 at 65 miles an hour with no problem at all, but the same
6 people when it is raised up to 66 miles per hour can't
7 make the curve and that's the same here, when you add
8 that stress it may seem like a small amount, but they
9 are only to take so much stress before they break.

10 And, in addition thereto, we're talking about
11 30,000 horses here. So if we only increase the stress a
12 small amount and we only increase the number of
13 breakdowns half a percent or 1 percent, you'd be talking
14 about another 150-300 breakdowns over the course of the
15 year on the track. And our concern for the jockeys, not
16 just the horses, for the jockeys is that every time you
17 have another breakdown like that on the track you
18 increase the risk of serious risk or death to a jockey.
19 If these 30 experts that we talk to are right, the
20 concern is, do you do them a favor by fixing one problem
21 and but creating another that is a worse problems for
22 them.

23 So for now we say adopt those parts of the rule
24 that we know can be effective and spend a reasonable
25 amount of time to study the effective weight and how

1 much we can responsibly provide without increasing the
2 problem. Thank you.

3 MS. MAHATTI: Jeanine Mahatti, president of
4 CTT. I'm opposed to the 118 pounds strip rule. I'm not
5 opposed to increase weight, but I am opposed to it the
6 way that it is written.

7 I will say that I resent the Guild insinuation
8 that the riders are not taken care of, this industry
9 rallies around the jockeys on a regular basis, they are
10 paid on a weekly basis, trainers are not, and are
11 afforded great parking spots, their wives are sitting
12 front and center on boxes on the finish line. They get
13 forms and programs every day. When one of them goes
14 down we're all at the hospital to make sure that they
15 get the best care and best doctors. Owners in
16 California have gone above and beyond the call of duty
17 to help the riders and things like that. I just --
18 because not everybody is in agreement with your 118
19 pound proposal and 5 percent body fat and for some
20 riders not to fall within that category of the 5 percent
21 body fat because they have been riding for a certain
22 period of time, there is no way that I can accept the
23 proposal the way that it is, it is not fair in any way,
24 shape or form. But it is insulting that anybody
25 associated with the Guild would insinuate that

1 California and the race track and anybody associated
2 with racing has done anything other than to try to help
3 the jockeys and provide them with a safe environment to
4 ride and work in. Everybody does the best to make sure
5 that they are afforded a safe environment. To insinuate
6 anything other than that is ludicrous.

7 MR. HARRIS: Setting aside the weight issues,
8 anybody that feels that the 5 percent body fat is a bad
9 rule, that that is flawed?

10 MR. MCCARRON: Real quickly, in order to
11 address a comment made earlier about exercise rides, I
12 believe the 5 percent body fat is a very important
13 aspect of this proposal. In order to prevent those
14 wanna-be jockeys who are exercise riders to reduce down,
15 if they drop below that 5 percent body fat, they are not
16 going to qualify to ride.

17 SPEAKER: Owner/trainer. I will speak a little
18 bit, I'm going to represent the horse. The majority of
19 us trainers when we breed our horses they are only
20 extended themselves on their breeze dates, not their
21 gallop dates, on the gallop dates most of them go around
22 slow, they are carrying 135 to 150 pound men or women,
23 when we breeze them they are going 70-85 percent of
24 their capacity. Generally all of us put 120 pound or
25 less people on them and we work feverishly at trying to

1 keep these horses together.

2 Whatever you decide, it seems like you've
3 already made up your minds, the more weight you put on
4 these horse cause more fatigue and breaks these horses
5 down, we will increase the breakdown ratio of the
6 horses, without a doubt.

7 The other thing is having California be the
8 first state to do this. I don't think is real a good
9 idea because we're already experiencing and exodus out
10 of the State of California because of all of our other
11 problems. Some of these states that have all the
12 casinos and all the slot revenue, maybe you could start
13 there first. I see a lot of damage to the State of
14 California if we're the ones that start it.

15 MR. CASSIDY: Jim Cassidy, trainer.

16 No one in this room wants to risk the health of
17 anyone, trainers included. But we do concern ourselves
18 with these horses and nobody but us trainers see these
19 horses on a daily basis, the changes and the unforgiving
20 racetracks. Chris made mention that we should go to the
21 sweatbox and watch these boys try to lose weight on a
22 daily basis. I have never seen a rider in the blue room
23 when they have a shattered leg or broken knee. We're
24 here to defend the horse and that's all, we're not
25 trying to hurt anybody else.

1 SPEAKER: Horse trainer. If we're going to go
2 up to 128 pounds you better get a new track man around
3 here, for these things are walking home in 27 now, they
4 will be walking home in 28. You're talking about being
5 the first, if you are the first, you will see horses
6 leave here. If it goes nation-wide, that's great, but
7 being the first, Bobby Franco better be careful. Thank
8 you.

9 MR. ELLIS: Ron Ellis, trainer.

10 I'm probably going to echo what everybody said,
11 most of this has all been covered. It's a very
12 uncomfortable position for a trainer to be up here kind
13 of speaking against the jockeys when we rely on them or
14 are friends with them. I hope that all the jockeys
15 understand our opposition to that request. We're all
16 very sensitive to their health. It was very perceptive
17 of Mr. Licht to listen to the medical explanations about
18 the jockeys, they do not take care of their bodies and
19 some of them don't have the best nutritional practices
20 and there is a problem with some of the things that they
21 do to keep their bodies so low.

22 But I'm not sure that rasing the weights
23 necessarily is going to solve that. I believe there is
24 going to be a lot of riders that are heavy now that have
25 given up on riding that will try to do the same things

1 that this group is doing to get down to what the new
2 riding weight will be. You are not solving any
3 problems. You might be with this group but you'll
4 create a secondary group of heavy riders that are going
5 to ride.

6 I find Mr. McCarron's stance very interesting
7 because I can guarantee that when Chris was riding he
8 would take a much more heavier stance leading towards
9 the jockeys than he has now that he's seen the other
10 side a little bit. A lot of these jockeys if they had
11 to train and see these horses and the weight and see
12 what injuries they have, I think that they would have a
13 little bit of a different view of how much weight these
14 jockeys should be carrying.

15 Danny Velazquez was here earlier and wanted to
16 speak, he is person that has ridden a lot of years, he
17 now trains. He had to leave, but he said it was all
18 right for me to get up and say that he's all for
19 dropping the weights by 3 pounds. There is somebody
20 that has seen both sides.

21 When you're training these horses every day,
22 I've been training for twenty years, you want to see a
23 trend, and the trend is these horses are not staying as
24 sound as they used to be. To do something that would
25 counteract that is not in the best judgment. I didn't

1 think that I would ever run into somebody that could
2 logically say that 10 pounds of weight would not make a
3 difference on a horses soundness but I didn't talk to
4 anybody in the Jockeys' Guild. There is no way that
5 that makes any sense.

6 In Europe it's been said that the pace of the
7 whole race is much slower, anybody that has been to
8 Europe has seen that the surfaces are much kinder. It's
9 not a good analogy to compare those two. I don't
10 believe that California should be a trend setter in this
11 instance. I think some of the smoking issues and things
12 are not a good analogy, because that was public health
13 and not a specific group. There are a lot of people
14 that have worked hard in the state to try to keep horse
15 and get horse here with the workers' comp reform and
16 performance fees, I don't think that we need to give
17 people a reason not to send horses here. I think that
18 there is a perception around the country that
19 California's tracks are harder and unforgiving and the
20 horses do not stay sound in California. It's hard to
21 get people that race around the country to race in
22 California to beat that perception. Especially, if
23 there horses are carrying 128-135 pounds we're not going
24 to be able to help that argument much.

25 If you do decide to go through with this

1 proposal, I definitely think that you ought to go ahead
2 and print on the program what the weight is that the
3 horse is carrying. If he's carrying 128 pounds, I think
4 that you should go ahead and put that on the program.
5 If they are carrying 135 pounds, I think you should put
6 that on the program. If you have a problem doing that
7 then you really have to re-evaluate if you're making the
8 right decision. I think if you put 118 pounds and you
9 have 10 pounds that you're deceiving the public on,
10 that's because you think there's a problem with the
11 horse carrying 128 or 130 pounds. That's the way that
12 it will be perceived by the racing fan. That's all I
13 have to say. Thank you.

14 DR. ARTHUR: Dr. Rick Arthur, practicing
15 veterinarian for 20 years. As everyone, I support the
16 jockeys weight problem and certainly think that some
17 adjustment is in order. My concern however, is that
18 force equals mass times acceleration. For our purposes
19 mass is weight and weight is bad for horses. That's why
20 jockeys ride horse and people like me don't. All of us
21 should recognize that these horses are raced to the very
22 limit of their ability. And all too often they exceed
23 that. I assisted in the preparation of biomechanical
24 analysis with Dr. Gillette and I want to point out that
25 that is a purely mathematical calculation of the

1 absolute minimum of fact that these weight changes will
2 have on that's horses. Does not take into account
3 fatigue at the end of the race and a study in Kentucky
4 had shown that 20 percent of the horses break down past
5 the wire. Doesn't take into account live versus dead
6 weight and by live weight I'm talking about the horse --
7 and the jockey is a dead weight because it's not natural
8 to the horse. And we have our racing surface to contend
9 with in all the other multitude of factors. To put
10 these small numbers in perspective a 1 percent change in
11 a time of a race at a mile is five lengths and that's a
12 tremendous difference in horse racing when you talk
13 about very small numbers.

14 And remember that I would argue that the
15 greatest risk to a jockey is not the weight issue but
16 the horses breaking down. The fact of the matter is
17 that when a horse goes down, when we push them past the
18 limit of their structural integrity and a horse goes
19 down, that's the greater risk to the jockey than
20 fighting the weight.

21 I agree the jockeys' weight problem is an issue
22 but there is no way that we can increase the upper limit
23 and not increase the workload on the horse, that's the
24 bottom line, we have to balance those interests somehow.

25 MR. COUTO: Drew Couto, Thoroughbred Owners,

1 california.

2 In reviewing the materials issued to the
3 Commission I noticed that the staff analysis did not
4 acknowledge that prior to the close of public comment
5 period, letters were submitted from both the TOC and
6 the Florida HBPA and the day after the public comment
7 period closed the Kentucky HBPA provided some input as
8 well. It's uncertain whether the Board has had the
9 benefit of reviewing the TOC recommendation, but I'd
10 like to address that briefly right now.

11 In researching this issue of the minimum weight
12 we're talking about the minimum weight, we looked at the
13 rules and rule 1616 says that the minimum weight in
14 California is currently 112 in overnight races.

15 We noted that in addition to the -- we looked
16 to see how many races were run in California at 112 this
17 year and we were able to locate nine so far this year
18 and we didn't locate any races where a horse was asked
19 to carry less than 112 pounds. Based on the information
20 provided by the Guild, we understand that safety
21 equipment that is excluded from this 112 assigned weight
22 is roughly 5 pounds, that includes the vest, the helmet
23 and the whip. Not included in the weight is the silks,
24 and as Chris indicated those can vary from 6 ounces to 2
25 pounds. What we concluded was that the current minimum

1 in California currently being carried, that's the
2 minimum, that occurred again, roughly times so far this
3 year --

4 MR. HARRIS: There were 9 races that 112 was
5 the high weight? Was the low weight?

6 MR. COUTO: It was nine horses that were asked
7 to carry 112 --

8 MR. HARRIS: In different races.

9 MR. COUTO: In different races, correct. So
10 adding that figure together you come up with 117
11 minimum. Now the Guild has represented a number of
12 times that we're talking about increase of 4 pounds in
13 the minimum weight, but as we do the math and perhaps
14 we're missing something, a minimum of 117 to a minimum
15 of 128 is an 11-pound increase in the minimum weight.
16 The risk to all of us being up here to voice any opinion
17 contrary to the proposal is portrayed as insensitive to
18 the riders, and a number of riders now in the Guild
19 knows that TOC and myself are not insensitive to the
20 riders.

21 My brother was a rider who was a Guild
22 representative for years in the State of California. We
23 include the riders and like to count them among our
24 friends at the races. Some of us go out to dinner, have
25 social occasions with them and we're very concerned for

1 their safety. I don't think that's hopefully not a
2 serious question among the Guild or among the riders.

3 In all of the evidence that has been discussed
4 today and presented we've only found one factor relating
5 to the health of the rider and that is the minimum body
6 fat content of 5 percent. I was not aware of any of the
7 data submitted by the Guild that said 118 is a magical
8 weight that these health issues would disappear, but if
9 you maintain a minimum of 5 percent body weight the
10 health issues disappear.

11 So the question becomes what is the fair
12 minimum weight to be applied? We have made a proposal
13 to this board that the minimum weight in California be
14 increased currently from the 112 that's indicated in
15 rule 1616 to 115 that's that 3-pound increase as the
16 Guild said early on they were seeking. All this was a
17 4-pound increase from the minimum, we've recommended a
18 3-pounds increase in the minimum. We've gone to include
19 a couple of more components.

20 As Mr. Broad said this is a 3-legged stool. I
21 guess the question comes we're not trying to knock out
22 any of the legs but determine how long the legs are on
23 the stool.

24 We proposed a 115 minimum weight, minimum
25 weight, not maximum, not average, not anything but 115

1 minimum. We've proposed that the five additional pounds
2 of equipment be included in the program to identify for
3 the public that the minimum weight is actually 120, that
4 there be standardization of the silks so that the weight
5 does not vary between 6 ounce and 2 pounds, so the fans
6 are getting a true reading of what's being carried. We
7 have asked, I think that the Guild has pointed out us a
8 very valuable point, the current system may be deceiving
9 the public as to what the horses are actually carrying.
10 The only way to protect the public is to have the
11 weighing in and the weighing out, conducted live in
12 front of the public or video access to the actual weight
13 carried and this again would protect the public.

14 And lastly, because we are concerned and we are
15 convinced and Mr. Broad has done a good job of pointing
16 out to us, the dangers currently imposed, in addition to
17 the 5 percent body fat we do believe that nutritional
18 counseling will help, as well as a nutritional diet at
19 the jockeys room will help maintain bodies as
20 professional athletes. We want our friends to be safe,
21 no doubt about that. We want to balance their interests
22 and make sure that we do nothing as an industry to
23 endanger them.

24 But we also think that they themselves don't
25 not want to injure the California industry and the

1 concern here is if 128 minimum is applied in this state,
2 they've heard trainers tell them, they are aware of
3 this, there will be horses that leave the state, with or
4 without that 128 there will be horses that leave the
5 state. If a riders is set, if their weight is set 128
6 nude in California and they follow that horse to another
7 state that does not apply this standard, which they do
8 all the time, and I don't blame them, they are pursuing
9 their riding opportunity, but they will arrive in a
10 state where they will have to drop weight very quickly,
11 under very drastic conditions in order to maintain that
12 mount.

13 The point that everyone had been making today
14 is, not only is this a California problem but it should
15 be a national problem, otherwise we'll be inflicting
16 harm when they leave the state, which is something,
17 again, we don't want to do. The TOC made a
18 recommendation to increase the minimum weight 3 pounds,
19 to impose as is recommended by the Guild, a 5 percent
20 minimum. To issue in the program the actual weight
21 which includes the 5-pound safety --

22 MR. HARRIS: Just to clarify, there is dispute
23 between 5 pounds and the 10 pounds. What's the
24 difference between your 5 pounds and the Jockey Guild's
25 10 pounds?

1 MR. COUTO: Currently under the rules excluded
2 from the program weight are three items, the whip, the
3 helmet and the vest.

4 MR. HARRIS: Would they be included in your
5 weights?

6 MR. COUTO: At 120 they would be included in
7 our weights, correct.

8 If you look at today and you recognize that the
9 minimum is 112 per the rules and according to the Guild
10 they are carrying that 112 is including the five pounds
11 of equipment that they must weigh with. If my math is
12 correct that means that the minimum that they are
13 weighing nude is 107 to make the minimum.

14 MR. HARRIS: The 5 pounds is not including some
15 other items that the horse does carry.

16 MR. COUTO: An overgirth, correct, what we're
17 asking to do is to standardize things if 120 is not the
18 correct weight because there is an additional pound of
19 equipment listed in that then 121 should be the minimum
20 if you have 6 pounds. This is the question. We don't
21 have it standardized. What we're recommending is an
22 increase of 3 pounds in the minimum weight and
23 protection of the body-fat issues. Thank you.

24 SPEAKER: John (inaudible) trainer.

25 I think that everybody is in agreement about

1 making some adjustment in the jockeys' weight scale. I
2 think there is a lot of disagreement on how this is
3 going to happen. I can tell you as a trainer when I
4 look at a person to get on my horse, it's the galloping,
5 all I look at the weight and then see if the person is
6 strong enough to hold the horse. If I want to work the
7 horse, if I want a fast work, I look for the lightest
8 rider I can find. How much weight is a detriment, we
9 have to be careful there. There is's 5 percent body fat
10 issue, I have a hard time with that. But I think there
11 is some 6-year old that is dreaming about being a jock
12 and it might be somebody that is 5'8" or 5'9" and maybe
13 their chance to be a jockey is very limited, only 3 or 5
14 years, I don't know what it is, but I think it's wrong
15 to take that opportunity away from that person because
16 he can't do that because his body fat is not there.

17 SPEAKER: Darrell, National Representative of
18 the Jockeys' Guild. I need to clarify a couple of
19 things. In talking with Drew I just don't understand
20 where that 11 pounds comes in. First of all, it's 10
21 pounds of equipment with the riders go out and come back
22 with, it's 10 pounds, you've all seen it. Ron when he
23 said add 10 pounds of equipment, we're not changing
24 anything that they are already carrying, doesn't make
25 sense. And what drew said about the all the equipment

1 that they go out with, he left out saddle, towel, whip,
2 all we want here is full disclosure, all we want in that
3 10 pounds of equipment, so that when he weighs out and
4 comes back in, it's the same. It isn't even close now.

5 And getting to the 11 pounds, I talked to him
6 and to be perfectly frank, we're acting in good faith,
7 and we met with Drew and we're supposed to get together.
8 We have not heard anything from him until yesterday.
9 That 11 pounds -- it's 6 pounds, 112, we're looking at
10 here is a 6-pound increase from 112 to 118, it's 6
11 pounds, not 11. That will make these riders -- if they
12 can weigh 118 they don't have to crucify their bodies.
13 They are not all stressed out from trying to get down to
14 112 or 113 or whatever they are trying to do. At 118
15 they can be so much healthier and we can educate them on
16 nutrition. It's a lot different to weigh 118 than 112.
17 I just want to clarify, it's 10 pounds of equipment,
18 it's 6 pounds we're looking at here.

19 MR. LICHT: The jockey is assigned 112. He's
20 carrying 107 pounds of his own body, right? 5 pounds of
21 equipment that's listed and 5 more pounds that is not
22 listed; am I right?

23 SPEAKER: That's correct.

24 MR. LICHT: Let's use that example. We have
25 112 plus 5, plus 5. Under your system explain to me

1 what it would be.

2 SPEAKER: Under our system it would be --

3 MR. LICHT: 118 plus 10.

4 SPEAKER: Plus 10. But they get on the scale

5 with everything that they are going to go out and ride

6 with.

7 MR. LICHT: Right now it's 117 and under yours

8 it's 128.

9 SPEAKER: That's correct.

10 MR. LICHT: It's 10 pounds different.

11 SPEAKER: It's 10 pounds of equipment though.

12 MR. LICHT: No, it isn't. Let me finish,

13 please. If a jockey is assigned 112 today his body

14 weighs 107 pounds. He has 5 pounds of equipment that is

15 counted and 5 more that is not. Don't tell me that is

16 not correct. 5 Disclosed weight added and 5 more

17 pounds. You're asking him to carry 11 pounds more.

18 MR. COUTO: No.

19 MR. HARRIS: Under some circumstances --

20 MR. COUTO: You're asking him to weigh 107

21 pounds.

22 MR. LICHT: I'm not asking him to do anything.

23 MR. COUTO: I don't know what exactly you're

24 saying, Mr. Licht. The fact of the matter is very

25 simple. We're talking about the minimum weight

1 supposedly is 112 pounds, they carry 10 pounds of
2 equipment.

3 MR. LICHT: 5 of it is counted and 5 --

4 MR. COUTO: That doesn't make it better, that
5 makes it --

6 MR. LICHT: You can't double count it.

7 MR. COUTO: It's --

8 MR. LICHT: I'm not saying that it's better or
9 worse. I'm just asking you to make a true
10 representation of what's going on instead of some kind
11 of a phoney allocation of the numbers.

12 MR. COUTO: The only thing that is phoney is
13 the deception that's been done to the public.

14 MR. LICHT: What deception is that?

15 SPEAKER: He's trying to make his argument here
16 based on 9 races that were raced in California last
17 year. I don't want the commission to be caught up in
18 that. The reality is if you look at the current scale
19 of weights, the racing rules in California, the minimum
20 that a that a horse can carry is 96 pounds, not 112, not
21 107. 96 pounds. Under the condition a 2-year old
22 starter in September running a mile race, you look at
23 your racing book, you'll find 96 pounds. You're getting
24 into the same old trap of thinking that the current
25 scale of weights has any legitimacy to it. It doesn't.

1 You have to remove yourselves from the idea that 100
2 year-old rule has any form of legitimacy.

3 MR. LICHT: All I'm saying is you're asking for
4 11 pounds more to be added.

5 MR. HARRIS: For the 112 pound one, you have to
6 look at different weight of horses.

7 SPEAKER: In Drew's example you're absolutely
8 right and that would effect 9 races next year. Now, if
9 the Commission wants to decide on 9 races over the
10 course of a year, you can do that.

11 MR. HARRIS: Let's look at 118. That is more
12 realistic. The 118 the jockey would weigh 113 and we
13 have 5 pounds of equipment, under the current situation
14 if the program weight shows 118 the jockey weighs 113,
15 he has the 5 pounds of equipment and another 5 pounds.
16 What were the other 5 pounds in?

17 MR. LICHT: That's what's not disclosed, the
18 helmet and the whip --

19 MR. HARRIS: That's above the 118.

20 MR. LICHT: To make the 118 he has to have a
21 body naked of 113.

22 MR. HARRIS: How much is the horse actually
23 carrying?

24 MR. LICHT: 123.

25 MR. HARRIS: It's about 4 more pounds.

1 MR. FISS: Let me interject on more thing
2 though, you're forgetting that trainers will bring their
3 own pads that weigh 2 pounds more than the pad that the
4 jockey weighed out with from the training stable into
5 the paddock to be worn by the horse. You're talking
6 about deception upon deception here.

7 MR. LICHT: Under the Jockey Guild situation
8 with that same 118 they would be carrying --

9 MR. HARRIS: I'll stipulate to that. Let's
10 just go back to the 118 under the current rules, they
11 are carrying 123, that's the additional 5 pounds under
12 the new system versus the system in place.

13 MR. LICHT: No, they are going to take the 5
14 pounds off and add 10 extra, we're only adding 5 now.

15 MR. HARRIS: That's the 5, isn't it?

16 MR. COUTO: If I could make one point. Albert
17 said that I'm arguing over 9 races. The fact is if you
18 increase the minimum to 115 as proposed, that's the
19 minimum, you'd be looking at 9 races run at 115 which
20 means it elevates the average weight 3 pounds. Now the
21 scale of weights to which Albert refers to is the
22 historical scale of weights that only applies in the
23 absence of conditions. You have to understand that
24 based on condition books and based on agreements between
25 the TOC and the racing offices that 112 is accepted as

1 the minimum weight based on conditions in the State of
2 California.

3 There has not been, and I've challenged him,
4 show me a race that someone had to ride with 96 pounds
5 in this state in I don't know how long. And it hasn't
6 happened. 112 is the minimum based on current
7 conditions and the regulations in the State of
8 California. The thing to recognize in the current
9 program, the current rule, the riders weigh in wearing
10 their pants and T-shirt, they carry their saddle, there
11 are pads not included, we agree. But they carry roughly
12 5 pounds, that 112 includes 5 pounds of material,
13 equipment, et cetera. Their body weight is 107 for
14 those that are asked to make the minimum it's 107.

15 MR. LICHT: You correct me if I'm wrong. I'm
16 the racing secretary, I assign your horse 118 pounds
17 today. How much is that horse carrying?

18 MR. COUTO: It should be you add 5 pounds to
19 that weight and that's the actual weight that's going
20 out.

21 MR. LICHT: He's carrying 123.

22 MR. HARRIS: Under the new rule he will be
23 carrying 128.

24 MR. COUTO: No, under the new rule, if he was
25 assigned the equivalent of 118 today, he'd be carrying

1 134. You're talking about 6 pounds --

2 MR. HARRIS: As far as when he weighs back

3 in --

4 MR. COUTO: Let me finish. If the 112 is the

5 minimum today and the horse is asked to carry 118 --

6 MR. HARRIS: Let's not compare apples to

7 oranges.

8 MR. COUTO: Let me work through this. I think

9 that we'll understand it if we go step by step. If the

10 minimum is 112 and a horse is asked to carry 118 today,

11 he is 6 pounds over the minimum weight.

12 Now, if you add 6 pounds to the minimum suggested by the

13 Guild at 128 that horse today would be carrying 134, if

14 the average weight being carried today --

15 MR. HARRIS: That would be the data for us to

16 get is the average weight carried today, I guarantee it

17 has to be something like 118.

18 MR. COUTO: That's not what's in front of us,

19 what's in front of us is the request to change the

20 minimum. We have to stay focused on that minimum. That

21 minimum effects --

22 MR. HARRIS: It is more than to do that. We

23 have the body fat rule, all kinds of stuff.

24 MR. LICHT: Whether it's right or wrong we need

25 to know what's to be decided here.

1 MR. HARRIS: Why don't we get some comments on
2 the commissioners on what they think about this. I
3 don't think that we are going to pass this rule today.
4 We need to get it refined and see what people feel about
5 it. We've heard people's opinion on this. What do the
6 commissions feel about this?

7 MR. MCCARRON: In my humble opinion we're
8 really making a mountain out of a mole hill. In all due
9 respect to the trainers who stepped up here and voiced
10 their opinions and Dr. Arthur who presented a scientific
11 proposal as well, there is no doubt in my mind, after
12 having ridden for 28 years, that the horses are capable
13 of carrying more weight than they are assigned today. I
14 do not believe it will increase the chance of more
15 frequent injuries. I cannot dispute the fact that more
16 weight -- well, I don't want to contradict myself --

17 MR. HARRIS: I think we have heard this, I
18 think we have heard about everything that there is to
19 hear on it. We're not going to decide today. Get a few
20 comments from the commissioners and we'll see where we
21 can go with it.

22 MR. LICHT: I think we should raise the weight
23 minimally to accommodate the growth in people's body
24 size from generation to generation. This is too extreme
25 and the 5 percent situation, if we're going to have it

1 there should be no grandfather clause.

2 MR. SPERRY: I would agree with Roger.

3 MS. MORETTI: I also agree.

4 MR. MOSS: I agree with the 3-pound increase.

5 I'd still like to understand the 5 and the 10 pounds,
6 which I still don't have together. So if somebody can
7 fax me something. But I am for a 3 pound-increase.

8 Thank you.

9 MR. BIANCO: I'm for an increase but I'm like
10 Jerry, I'd like to really understand the weight issue, I
11 think it's more important on the 5 percent body fat and
12 if there is a difference for a lady jockey then that
13 should be a consideration, but as far as the weight
14 issue I can see 3 pounds plus mandatory body fat
15 requirement.

16 MR. MOSS: I'd like to pay some attention to
17 the national picture that is of concern. Chris seems to
18 think that we can resolve this by January 1, that is a
19 good date to perhaps look at it strongly.

20 MR. SPERRY: We should have full disclosure.
21 If it's 10 pounds of equipment they are carrying that's
22 what should be in the program.

23 MR. HARRIS: My comments -- we would have to
24 get rid of the grandfather clause and have them
25 phased-in for a short period of time. That we need to

1 take a good look at the American Dietetic Association
2 recommendation on different body fat, recommendations
3 for female riders and someone to clarify what type of
4 measure there would be on body fat in general. I like
5 the idea that TLC had, a more transparency on the scales
6 to show our fans that those weights are correct or at
7 least have are reference to go back if there is any
8 controversy over the weigh in or weigh out.

9 I think we need to address the issue, and I'd
10 hate to see us not have some action at some point, but
11 there are enough questions out there we need to have our
12 staff take a look at and us take a look at. One of the
13 things that we need to get to the bottom of is 5 pounds
14 versus 10 pounds and how much stuff there is. Whatever
15 the stuff is it's got to be part of the weight when a
16 jockey weighs in or out it would be better to show the
17 public what that rider carried, not what he weighed
18 sometime and did not include this or that. Our current
19 system is flawed. It's not very transparent at all. I
20 suggest we send this back to staff and rework the
21 recommendation and bring them back and we'll debate it
22 again.

23 MR. SPERRY: And at the same time,
24 Mr. Chairman, encourage the industry to continue their
25 national discussion to try to come up with something

1 that everyone can live with.

2 MR. HARRIS: Is there a comment?

3 SPEAKER: I'm trainer and a jockey. I
4 definitely think there has to be an adjustment on the
5 weight for the jockeys. I think it's time. It's a
6 situation that's too hard for them to stay a specific
7 weight, especially in Del Mar where they are out
8 partying. I think it has to be done on a national
9 basis, if you try to do it just in California it's going
10 to be a real negative to racing in the state. And we
11 all go to the races all the time and you see horses in
12 every race from 112 pounds to 123 pounds. I think just
13 look at what's real and actual out there and not get
14 confused by different things thrown out there today.
15 Whatever is done you have to look at the repercussions
16 nation-wide. Racing is very fragile in this country.
17 No one knows if there is going to be difference in
18 horses breaking down if they are carrying 2 or 3 pounds
19 more. If you get up to the higher weights then
20 everybody agrees that there is a problem. This is a
21 problem that has to be addressed for the jockeys, but it
22 has to be addressed for the jockeys across the country.
23 Thank you.

24 MR. HARRIS: There is no motion on this. We'll
25 ask our staff and all of us to provide input to come up

1 with another proposed rule that hopefully we'll
2 address -- I don't think we'll have a consensus but
3 we'll come up with something that is closer to what
4 we're trying to do.

5 (Recess.)

6 MR. HARRIS: Item 7. This is the proposed
7 amendment of rules on medication. These are done to
8 bring us as -- actually we would be one of the lead
9 states, we don't necessarily want to be a lead state.

10 To join some of the RMTTC recommendations.

11 SPEAKER: The racing industry has long asked
12 for be uniformity in medication rules and medication
13 drug testing in racing for many years. An organization
14 known as the Racing Medication Testing Consortium was
15 established to do just that. What you have before you
16 are suggested rule changes that will incorporate the
17 recommendations of the Racing Medication Testing
18 Consortium into the California Horse Racing Board rules.

19 And I should explain at that the Racing
20 Medication Testing Consortium is an organization made up
21 of all statements of the racing industry and includes
22 several representatives from the California racing
23 industry. The Medication Committee met last Friday here
24 at Del Mar and the committee approved these changes with
25 some additions and some corrections to those. And I'd

1 like to read those changes that were made at the
2 Medication Committee into the record so that everybody
3 is aware. We start with rule 1843.5, Section I. Which
4 has changed to read that.

5 "Veterinarians, other than the official
6 veterinarian and racing veterinarian should not
7 have contact with the entered horse on race
8 date unless approved by the official
9 veterinarian except for the administration of
10 medication."

11 What's been changed is that, "other than the
12 official veterinarian" and the official veterinarian has
13 been added to that change.

14 MR. HARRIS: On these changes basically all the
15 regulations are in compliance with what the
16 recommendations were?

17 SPEAKER: That's correct.

18 MR. HARRIS: Do the tracks have concerns about
19 losing horses to Kentucky because of our regulations
20 being stricter than theirs?

21 SPEAKER: Well, there are several -- California
22 racing associations represented and none of them voiced
23 that concern.

24 Second rule being changed is 1844. And there
25 were no changes to those amendments made during the

1 medication Committee meeting.

2 Rule 1845 does have some changes. Section A of
3 1845 now includes CHRB Form 194. At the time of the
4 committee meeting there was no form established for this
5 and there is now a form and it's CHRB 194.

6 MR. HARRIS: One of the parts of this one was,
7 we're abandoning the theory that you had to show a horse
8 bled to put it on a bleeder's list. Just notify
9 somebody that you're doing it, but it eliminates the
10 need to show that horse necessarily bled in the workout?

11 SPEAKER: That's correct.

12 MR. HARRIS: Which really was the de facto way
13 it was being done anyway.

14 SPEAKER: On page 2 of 1845, Section C, now
15 reads;

16 "If the specific gravity of post urine sample
17 is determined to be below 1.010 or if a urine
18 sample is not available for testing,
19 quantitation of perosamide in serum or plasma
20 will then be formed. To the addition of, if a
21 urine sample is not available for testing has
22 been added during the medication committee
23 meeting."

24 Also on page 2, Section E,

25 The minimum amount of phenacemide that is going

1 to be recommend is 150 milligrams, not 250 milligrams as
2 was listed this your information received in your
3 packet. And that was a mistake on my part when I cut
4 and pasted the recommendations into the RMTC
5 recommendations into the California recommendations I
6 neglected to put 150, but it is 150 milligrams.

7 On Page 3, one additional change and that is in
8 Section E, which begins on page 2, and is continued in
9 the first paragraph of page 3, there is an additional
10 sentence added during the Medication Committee Meeting,
11 which reads:

12 "Upon request of a board representative, the
13 veterinarian administering the authorized
14 medication shall surrender the syringe which
15 was used to administer the medication which
16 then may be submitted for testing."

17 And finally in Section F, there is now a form that I
18 mentioned 194, CHRB 194 is now included in that
19 requirement. Those were the changes that were made
20 during the Medication Committee Meeting. And like I
21 said, that was the opinion of the committee that this be
22 brought to the Board and asked the Board to request that
23 the staff notice these changes to the Office of
24 Administrative Law for the 45-day discussion and public
25 commentary.

1 MR. HARRIS: Any comment on this?

2 MR. BIANCO: I'll make a motion.

3 MR. SPERRY: Second.

4 MR. HARRIS: All in favor.

5 SPEAKER(S): Aye.

6 DR. JENSEN: Dr. Ron Jensen, Equine Medical
7 Director for the California Horse Racing Board. This
8 rule adoption is an addition to submission form that's
9 used to -- when a horse is submitted to the diagnostic
10 lab for postmortem examination and the change is in the
11 form that's utilized and because it's referenced in the
12 rule it takes a rule changes to change the form. So
13 what's been added to the submission form is a place to
14 note if there has been a jockey injured or a human
15 injury associated with this horse that is being
16 submitted for postmortem examination. And also on the
17 form there is space added for additional comments that
18 the submitting veterinarian may ask the diagnostic lab
19 do additional testing. That's been changed on the form
20 as well. In addition, this rule changes the word that
21 mandates the test samples be taken from the carcass when
22 the postmortem is being conducted and that the samples
23 may be collected and tested.

24 And the reason for that is it is not always
25 necessary to do testing in certain cases and it's done

1 on a case-by-case basis. And those are the changes that
2 is are proposed for CHRB.

3 MR. HARRIS: It is clear that these postmortem
4 reports are available to the owner and trainer of the
5 horse in question?

6 DR. JENSEN: That's true. Made available to
7 the owner or the trainer or the attending veterinarian.

8 MR. HARRIS: Any comments on these?

9 SPEAKER: I have a quick comment. The only
10 concern I have is often times the horse is brought off
11 the race track in the ambulance, the veterinarian who
12 fills out this form would not know if there was an
13 injury involved in that. There has been to be a
14 mechanism that an official veterinarian or HRB
15 Veterinarian may need to fill that out. We fill them
16 out and submit them to the veterinarian we would not
17 know if someone got hurt or not.

18 MR. HARRIS: The stewards need to be on the
19 loop somewhere.

20 DR. JENSEN: Current practice is if the
21 official veterinarian is not available the form is faxed
22 into the diagnostic laboratory and some follow up is
23 often performed by the diagnostic laboratory to fill in
24 the blanks that information is missing. The idea is to
25 have it available so that it's noted on the form.

1 MR. HARRIS: This has been noticed and is for
2 adoption?

3 DR. JENSEN: Yes, it has gone through the
4 notice period and there has not been any comment from
5 the public. And staff recommend that it be adopted.

6 MR. HARRIS: Motion on that?

7 MR. MOSS: So moved.

8 MR. HARRIS: Second by Jerry.

9 All in favor.

10 SPEAKER(S): Aye.

11 MR. HARRIS: Okay. A few more things. Let's
12 go ahead with the request for approval of charity
13 distribution by LATC.

14 MR. REAGAN: Yes, commissioners, John Reagan
15 CHRB staff. Los Angeles Turf Club is requesting
16 approval to distribute \$262,800 in charity day benefits
17 to 44 beneficiaries, we find this to be in order and
18 request your approval.

19 MR. SPERRY: So approved.

20 MR. HARRIS: Second.

21 MR. MOSS: Second

22 MR. HARRIS: All in favor.

23 SPEAKER(S): Aye.

24 MR. HARRIS: Another one is item 10, Pacific
25 Racing Association to distribute \$60,000.

1 MR. REAGAN: Commissioners, you've also
2 reviewed this, \$60,000 to 12 beneficiaries. We find it
3 to be in order and recommend your approval.

4 MR. LICHT: So moved.

5 MS. MORETTI: Second.

6 MR. HARRIS: All in favor.

7 SPEAKER(S): Aye.

8 MR. HARRIS: It's approved.

9 This item on Los Alamitos and Capitol --

10 MR. WOOD: Both parties involved in item number
11 11, which was the discussion action by the Board,
12 request of Capitol Racing concerning location and build
13 a satellite signal on Los Alamitos race course. Both
14 entities have requested that this be tabled for the
15 meeting in September.

16 MR. HARRIS: What was item 12?

17 MR. WOOD: Item 12 was the report by the
18 representatives of the California Animal Health and Food
19 Safety Laboratory on the Postmortem.

20 MR. HARRIS: We have deferred that also.

21 Item 13. Is the California Performance Review
22 Committee discussion.

23 MR. WOOD: I'll be glad to advise the Board
24 that there has been a California performance review
25 committee, hearings have been scheduled, in fact the

1 first hearing for the input on that was conducted on
2 August the 13th. There is another meeting scheduled --
3 another hearing scheduled on August the 20th in San
4 Diego. It is a review committee to listen to public
5 input and for final adoption of the proposal made by the
6 Governor by his committee to create (inaudible) in the
7 regulatory agencies of the state. We were asked to
8 provide information to that committee when the CPR was
9 put together. We believe that we're going to
10 continuously be able to provide reports to that group
11 through information requested of the Board.

12 And we encourage the board members and the
13 industry to help on getting involved in those
14 discussions. We think that the process will give us an
15 opportunity to explain the importance of racing to the
16 members of the community. At this point in time we
17 brought this as a general item at your request so that
18 everyone would understand that the review committee is
19 in process and the steps that are necessary for their
20 recommendations to be approved.

21 MR. HARRIS: I did suggest this be on the
22 agenda. I think that government is a continuing process
23 of reinvention and that's probably healthy but the
24 actual CHRB, I can't really envision it going away very
25 easily without having some way to regulate the industry

1 for the benefit of the fans and the public, unless it
2 was completely deregulated and all the regulations were
3 turned over to whatever track was operating. But there
4 might be functions that could be integrated into
5 different parts of government, there might be some
6 function that we do that other parts could do more
7 efficiently. I'm not sure how we really have input or
8 how we get into the thing as far as specifically how
9 they would do it if you didn't have CHRB. If you have a
10 draft of where all these different functions would go
11 to.

12 MR. WOOD: Yes, they have made recommendations
13 in the function of the Horse Racing would be placed in
14 the Consumers Affairs Protection Agency and some of the
15 investigating (inaudible) of the California Horse Racing
16 Board will had been placed under the Department of
17 Justice. These are recommendation, there is a long road
18 to go before they're approved or adopted. And that's
19 set out in the staff analysis of the different areas
20 that have to be traveled down before these adoptions are
21 made and we have just constantly getting requests from
22 the CPR Committee for our input to get additional data
23 and we continue to provide that. I solicit everyone's
24 involvement in this review process to learn what's
25 happening, distributed the commissioner, the pages of

1 the 250 page report that relates to the Horse Racing
2 Board and marked the areas in which we are involved.

3 MR. HARRIS: I guess the overall changes would
4 be made legislatively. They proposed an obvious bill
5 that would do a lot of this or are they going to do this
6 piece by piece? Do they have a plan on how they plan to
7 move forward?

8 MR. WOOD: The hearings that are being
9 conducted now by the CPR Committee, would determine
10 whether it will be required legislatively the adoption
11 of these recommendations where the constitutional
12 amendments will have to be infected or the Governor and
13 the legislators together will have to go through the
14 committee to make some of the changes that have been
15 recommended. As you know, the California Horse Racing
16 Board is a constitutionally created entity. It's
17 unclear at this time what process will be to use to
18 develop these changes.

19 MR. HARRIS: I think we need to become familiar
20 with the budget and source of revenue. As I understand
21 that all of our revenue come from pair-mutuel wagering
22 not from the general funds.

23 MR. WOOD: That is correct.

24 MR. HARRIS: Part of the wagering goes to run
25 our agency. A lot of things was not to try to save

1 general fund money, but we need to be prepared to defend
2 the way we spend the money. In any event, but it's
3 different than if it was just general fund money.

4 MR. WOOD: We can keep this on a regular
5 monthly update of what's happening in the CPR and bring
6 to the Board's attention what we find takes place.

7 MR. HARRIS: Any comments on that? Let's go to
8 item 1414.

9 MR. REAGAN: Yes, commissioners, John Reagan,
10 CHRB staff. We have three reports, Churchill Downs and
11 Hollywood Park. The spring meet and Alameda County, and
12 the Solano County Fair. The information is presented
13 for your review. We have the additional charts and if
14 you have any questions you'll let us know. Thank you.

15 MR. HARRIS: Too bad this is the end of the --
16 I'd like to spend more time on these at some point to
17 try to figure out what we're doing wrong or what we
18 could do better. All these trends are discouraging, not
19 showing any growth, show a slow decline.

20 The next item, things that come up under
21 general business. Anything under old business?

22 General business or old business.

23 One issue that had come up was the concern with
24 the recent compact signed by the Governor, I guess
25 proposed to be signed by the governor, that had to be

1 approved by legislature, to give a basically a tribal
2 gaming compact to a group of native Americans in San
3 Pablo which is five or six miles from Golden Gate
4 Fields. Also part of the compact would prohibit any
5 other entity having slots within 35-mile radius of that.
6 And that I think would be detrimental to racing. And
7 I'm not sure if we have much time to do anything about
8 it, but different people in the industry need to be
9 aware of that.

10 MR. MOSS: Are you familiar with anything being
11 done to accomplish what -- between race tracks and the
12 Indian gaming similar to what happened in the State of
13 Washington or even happening here and so far is cross
14 promotions between Del Mar and casinos. In New Jersey
15 they are getting money from gaining the interest without
16 having to have slots in the race tracks.

17 MR. HARRIS: Overtures have been made but
18 nothing has come about, TOC has had discussions with
19 them. Del Mar is the best example.

20 MR. MOSS: We're not doing so well on this
21 thing.

22 MR. HARRIS: You got that right.

23 MR. MOSS: What should we do, should we write
24 the Governor a letter or --

25 MR. HARRIS: We don't have an agenda item. I

1 don't know if we could discuss it in detail. We do need
2 to have an agenda item of how racing can best survive
3 with all the different competitive things out there,
4 gaming out there, can we figure out a way that we can
5 join with them or how do we get there from here.

6 Meeting is adjourned.

7 MS. ROWE: I am Mary Francis Rowe from Hemit
8 and supposedly yesterday all of you -- let me go back
9 and say that since June the 2nd I have sent 22 letters
10 and faxes to members of the California Horse Racing
11 Board and I received on the 11th a response back from
12 Mr. Wood which I considered was a form letter regarding
13 trainer loans fraud judgment case. And on that I spoke
14 with
15 Mr. Wood this morning and he said that because it was a
16 Nevada case that that nothing could be done about it.
17 So I'm going to put this in a letter so that you can say
18 to me what you said to me this morning so that I can
19 check into it. I have a letter from attorney Joseph T.
20 Frank, an expert on the California Public Records Act
21 and I made copies because Mr. Wood said he did not get a
22 copy.

23 MR. HARRIS: Who are you representing at this
24 meeting?

25 MS. ROWE: Myself.

1 MR. HARRIS: This letter is dated the 17th. I
2 don't think I ever got this letter.

3 MS. ROE: It was sent by fax and Mr. Frank said
4 he sent it also to your ranch or farm in Colinga at the
5 fax number that you have there.

6 MR. HARRIS: Maybe it's there.

7 MS. ROE: I'll give you a minute to read it
8 then and then you can respond. I'm requesting of
9 Mr. Wood on August the 9th, I'll read it. As submitted
10 by fax and also I sent it certified with return receipt
11 a copy of the letter plus a couple of other letters to
12 Mr. Wood and I requested a complete list of the all
13 positive drug test results for the years 2001, 2002,
14 2003, and through July of 2004, including the trainer's
15 name the horse's name, what illegal drug was used, and
16 what disciplinary action was taken by of the CHRB. You
17 must give me that information.

18 MR. WOOD: The Attorney General's Office will
19 respond to your question right now. I must let them do
20 that.

21 MR. KNIGHT: My name is Derry Knight, I'm with
22 the Attorney General's Office and your letter on behalf
23 of the Horse Racing Board was responded to by a letter
24 that I signed and mailed to you yesterday. And we
25 basically will be providing that information, they are

1 gathering the information as we speak, they don't have
2 it all together but we'll be providing it to you. And I
3 did respond. It was mailed to you, you presumably were
4 in route and would not have seen my letter.

5 MS. ROWE: You mailed it yesterday?

6 MR. KNIGHT: I didn't but my secretary did.

7 MS. ROWE: Well, I probably won't get it for a
8 couple three days. Will that be within the 14 days that
9 is allowed here or are you asking for more time?

10 MR. KNIGHT: Yes, the staff will contact you to
11 either come and review them or have them mailed to you,
12 I believe the date is September 2nd.

13 MS. ROWE: Thank you very much.

14 MR. HARRIS: On our website there is a complete
15 report of all stewards rulings and administrative
16 rulings that someone could go to get some of this right
17 there.

18 MS. ROWE: I don't use Internet. I'm retired.

19 MR. HARRIS: Meeting is adjourned.

20 (Recessed for executive session.)

21 (End of meeting 4:23 p.m.)

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1 REPORTER'S CERTIFICATE

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I, Laura Longarini, a Certified Shorthand Reporter for the State of California, do hereby certify that I reported in shorthand the above proceedings on July 22, 2004; and I do further certify that the above and foregoing pages contain a true and correct transcript of all of said proceedings.

IN WITNESS WHEREOF, I have subscribed my name this 6th day of September, 2004.

LAURA LONGARINI, CSR NO. 12384

