

**CALIFORNIA HORSE RACING BOARD**

1010 Hurley Way, Suite 300  
Sacramento, CA 95825  
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## REGULAR MEETING

of the **California Horse Racing Board (CHRB)** will be held on **Wednesday, February 18, 2015**, commencing at **9:30 a.m.**, in the **Baldwin Terrace Room** at the **Santa Anita Park Race Track, 285 West Huntington Drive, Arcadia, California**. The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website ([www.chrb.ca.gov](http://www.chrb.ca.gov)) under "Webcasts."

### AGENDA

#### Action Items:

1. **Approval of the minutes of January 15, 2015.**
2. **Executive Director's Report.**
3. **Public Comment:** Communications, reports, requests for future actions of the Board.  
**Note:** Persons addressing the Board under this item will be restricted to **three (3) minutes** for their presentations.
4. Discussion and action by the Board on the request from the **Del Mar Thoroughbred Club to enact CHRB Rule 1406, Suspension of Rule, to waive the provisions of CHRB Rule 1433(b), Application for License to Conduct a Horse Racing Meeting**, to facilitate the installation of a dirt race track at Del Mar.
5. Discussion and action by the Board regarding the **proposed amendment to CHRB Rule 1658, Vesting of Title to Claimed Horse**, to provide that a claim shall be voided by the stewards if the racing or official veterinarian determines the horse will be placed on the Veterinarian's List as "bled".
6. Discussion by the Board regarding the **proposed amendment to CHRB Rule 1699, Riding Rules**, as it pertains to the criteria for disqualification in a horse race.
7. Discussion and action by the Board regarding the **proposed amendment to CHRB Rule 1844, Authorized Medication**, to 1) lower the amount of ketoprofen that can be present in a test sample from 10 nanograms per milliliter of blood plasma or serum to 2 nanograms per milliliter of blood plasma or serum; and 2) to add isofluprodone and its specified authorized level to the list of California's authorized medication.

8. Discussion and action by the Board regarding the **proposed amendment to CHRB Rule 1845, Authorized Bleeder Medication**, to require that authorized bleeder medication be administered by independent, third party veterinarians.
9. Discussion and action by the Board regarding the **proposed amendment to CHRB Rule 1887, Trainer to Insure Condition of Horse**, to add owners of a ship-in horse as equally responsible for the condition of a horse.
10. Discussion and action by the Board regarding the **request for approval of the continuation of the 0.50% distribution to the Southern California Stabling and Vanning Fund from advance deposit wagering (ADW) hosted by thoroughbred racing associations and racing fairs conducting racing in the Central and Southern zones for the period commencing March 1, 2015 through February 29, 2016 as permitted under Business and Professions Code section 19604(f) (5) (E).**
11. Discussion by the Board regarding the operation and financial status of **Southern California Off Track Wagering, Incorporated (SCOTWINC) and Northern California Off Track Wagering, Incorporated (NOTWINC)**, and the awarding of the contract to AmTote, to provide California's wagering services and the impact this may have on California racing.
12. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
  - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).
  - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).
  - C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126, (a).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at [www.chrb.ca.gov](http://www.chrb.ca.gov). \*Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

**CALIFORNIA HORSE RACING BOARD**

Chuck Winner, Chairman  
Bo Derek, 1st Vice Chairman  
Richard Rosenberg, 2nd Vice Chairman  
Steve Beneto, Member  
Jesse H. Choper, Member  
George Krikorian, Member  
Madeline Auerbach, Member  
Rick Baedeker, Executive Director  
Jacqueline Wagner, Assistant Executive Director

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## PENDING LITIGATION FEBRUARY 2015

### COURT LITIGATION

- A. **Jeff Mullins vs. CHRB, et al**  
Superior Court of California, County of San Diego, Case No. 37-2010-00092212
- B. **Morteza Atashkar vs. CHRB**  
Superior Court of California, County of Sacramento, Case No. 34-2008-00024426  
Court of Appeal, Third Appellate District, C074852
- C. **San Luis Rey Racing, Inc., vs. CHRB, et al**  
Superior Court of California, County of San Diego, Case No. 37-2011-00096586
- D. **Donald Lockwood vs. CHRB**  
Superior Court of California, County of Los Angeles, Case No. BS147701
- E. **Jose DeLaTorre vs. CHRB**  
Superior Court of California, County of Los Angeles, Case No. BS152795

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**PENDING ADMINISTRATIVE ADJUDICATIONS  
FEBRUARY 2015**

**CASE**

**A. Pending Further Action**

**Trainer A. C. AVILA**

Case Number: SAC 14-0079

**B. Fitness for Licensure**

**Zvi Kriple**

Case Number: SAC 14-0060

**PROCEEDINGS** of the Regular Meeting of the **California Horse Racing Board** held at the **Santa Anita Park Race Track, Baldwin Terrace Room**, 285 West Huntington Drive, Arcadia, California, on **January 15, 2015**.

Present: Chuck Winner, Chairman  
Bo Derek, 1<sup>st</sup> Vice-Chairman  
Richard Rosenberg, 2<sup>nd</sup> Vice-Chairman  
Madeline Auerbach, Member  
Steve Beneto, Member  
Jesse H. Choper, Member  
George Krikorian, Member  
Rick Baedeker, Executive Director  
Jacqueline Wagner, Assistant Executive Director  
Robert Miller, General Counsel

#### APPROVAL OF THE MINUTES OF DECEMBER 18, 2014

Chairman Winner asked for approval of the minutes of the Regular Meeting of December 18, 2014. Commissioner Choper stated a correction was needed on page eight regarding the governing procedures over hearings of the revocation or non-revocation of licenses. The minutes stated "It was determined that the hearing should be before the stewards or hearing officer as opposed to an administrative law judge." This was discussed but not determined. Rather, it was determined that the California Thoroughbred Trainers and Board counsel were going to meet and resolve the matter. A meeting is scheduled for February 17, 2015. Chairman Winner **motioned** to approve the minutes with corrections made. 2<sup>nd</sup> Vice-Chairman Rosenberg **seconded** the motion, which was **unanimously carried**.

#### EXECUTIVE DIRECTOR'S REPORT.

Executive Director Baedeker stated CHRB staff prepared several versions of revised language regarding Rule 1699, Riding Rules. The proposed changes were still being refined. He said a proposal would likely be presented to the full Board in February. Executive Director Baedeker

stated Safety Steward Vic Stauffer received commitments from three trainers at Golden Gate Fields to participate in the microchip pilot program. He said the pilot program would involve about 70 horses and would begin on April 1<sup>st</sup>. Executive Director Baedeker stated that InCompass Solutions was completing the software application and a vendor was developing a new scanning wand to be racehorse friendly. He said Safety Stewards Jeff Salmon and Jeff McCarthy had met with the California Department of Food and Agriculture which had pledged its support of the program. He stated CHRB staff had been in contact with the British Horseracing Authority (BHA) which offered to share its experience, technology, and operational procedures with CHRB and reported that its microchip program experience was positive. Executive Director Baedeker said he would ask the Board to adopt regulations to govern this program. Executive Director Baedeker stated the budget change proposal CHRB staff submitted last summer requesting additional funding for the Maddy Lab was approved by the Department of Finance and the Governor included the amount in his proposed budget. Executive Director Baedeker said the financials for the month of December 2014 were soft. Daytime business was off by 21.86 percent; night business was slightly up. He stated overall business was down 19.4 percent. He said the end of the year was down one-half of 1 percent for daytime business; off 8.6 percent for nighttime business, and combined, the entire industry in California was down 1.3 percent for the year. Executive Baedeker stated interviews with the finalists for the staff counsel position had been scheduled and the individual selected could start before March 1<sup>st</sup>.

#### **PUBLIC COMMENT**

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There were no public comments.

**DISCUSSION AND ACTION BY THE BOARD REGARDING A REPORT FROM THE CALIFORNIA MARKETING COMMITTEE (CMC) REGARDING ITS 2015 MARKETING AND PROMOTION PLANS PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19605.73 (B).**

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Craig Dado, representing the California Marketing Committee (CMC), stated CMC generated about \$1.7 million a year; down from almost \$6 million ten years ago. Mr. Dado said the reasons for the decline were due to CMC being funded from satellite wagering facilities with a shift in handle from satellites to ADW providers, and the percentage of handle that went to this fund was reduced from 0.4 percent to 0.25 percent. Mr. Dado stated the CMC Board needed to focus on a few key areas of importance, with the most important being "project enhancement." Mr. Dado said this meant more horses and higher quality horses at the racetracks in California. He stated the first and most important marketing tool for the State of California and racing was product and that was where the CMC would emphasize the budget for 2015. Mr. Dado said there were two significant changes from the 2014 budget to the 2015 budget. He stated the first change was in regards to the Significant Player program. He said the program was down from \$730,000 in 2014 to \$180,000 in 2015. He stated the CMC would continue to administer the Significant Player program; however, the CMC would pay a maximum monthly rebate of only 1 percent, when in the past it had gone to 3 percent. He said the racetracks should pay amounts above the 1 percent threshold, and the tracks agreed to supplement the CMC 1 percent rebate with their own programs. He stated the players would still receive rebates, but the tracks benefiting from the commissions off of these players would now pick up part of the expense. Chairman Winner asked if that was for all of the tracks. Mr. Dado said absolutely; however, each track was going to have its own specific program. Commissioner Choper asked if it was all with on-track betting. Mr. Dado said no, that it was state-wide. He stated the tracks had a choice. He said they could rebate just the players on-track or they could rebate players at

satellite facilities. He stated the 1 percent was state-wide. Commissioner Choper clarified that the rebate did not involve ADWs. Mr. Dado said that was correct. Mr. Dado stated the second big change in the budget was that the "product enhancement" line item was increased from \$735,000 in 2014 to \$1.35 million in 2015. He said this was due to the implementation of a year-round Ship and Win program in Southern California, which would debut at Santa Anita on April 2<sup>nd</sup>. He stated the program would be almost identical to the Ship and Win program at Del Mar; there would be a \$1,000 starter fee for qualified horses and a thirty percent purse bonus for qualified horses. Commissioner Auerbach asked if this would replace the current program. Mr. Dado said it was the same program; it was just funded from CMC. He stated the money going to this program from the CMC would not cover the entire program. He said it would cover approximately half of the program. He stated the track and the Thoroughbred Owners of California (TOC) would continue to fund the other half, as they have done at Del Mar. 2<sup>nd</sup> Vice-Chairman Rosenberg asked if more people would be hired as part of the budget. Mr. Dado said that over 60 percent of the participants in the program were trainers from the local trainer base. He stated the program used trainers to recruit local horses and bringing them back. He said the word really needed to get out to local trainers and owners to go out and get horses and bring them in. He stated CMC would not be adding more staff. Commissioner Choper asked if the major motivation was to get two-year olds coming from out of state. Tim Robbins, of Del Mar, said that the program was designed to attract two-year olds from other parts of the country, and to provide another incentive to come to California. Commissioner Auerbach asked for clarification regarding the \$150,000 budgeted for Southern California and the \$225,000 for Northern California. Shannon McDonald, of CMC, stated the \$150,000 was based on a historical figure that had been allocated for Graded Stakes recruitment in Southern California,

and the figure for Northern California was bumped up a little from 2014 for Golden Gate and the California racing fairs in the north. Ms. McDonald said the division of the \$225,000 between Golden Gate and the fairs would be determined in the next couple of weeks. John Bucalo, Barona Casino, asked if the amount the satellites were getting for marketing was going down from last year. He said that every player who wagered on races should be rewarded and recognized. Chairman Winner stated there was no reduction for satellite marketing.

**DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FROM GALWAY DOWNS TRAINING CENTER IN TEMECULA, CALIFORNIA, TO BECOME AN AUTHORIZED TRAINING CENTER.**

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Executive Director Baedeker stated that a CHRB Safety Steward from Santa Anita inspected the Galway Downs (Galway) facility and found it was in good shape. He said it was an impressive place and management was accommodating. He stated that the issues that needed to be addressed were not difficult and Galway expected they would be addressed within a week or ten days. Joe Morris, Thoroughbred Owners of California (TOC)/Stabling and Vanning Committee (committee), stated the committee voted unanimously to open Galway. He said the committee hoped to get the facility open, as long as the criteria was met, by February 4<sup>th</sup>, and ten days later close the Fairplex facility. Commissioner Auerback asked if there was a reason that Santa Anita was not signed on. Mr. Morris stated the package was not there, but that everybody was in agreement. Mr. Alan Balch, California Thoroughbred Trainers (CTT) stated the formal agreement had been provided; everything was in order. He said it was all reviewed at the committee meeting. Mr. Balch stated Galway had to complete the fire inspection, a checklist CHRB provided as to the physical facilities, and one or two insurance issues remained. He said Galway understood that it could not start until all of those commitments were delivered upon.

Commissioner Beneto asked how many stalls there were. Mr. Balch stated there were 400 stalls. He said there would be a payment made, or a reimbursement made only for the number of horses that were approved. He said the committee would not pay for horses that were not approved by the racing office and would pay on a per-horse per-day basis. Commissioner Choper asked what was the daily rate. Mr. Balch stated \$8.50 per horse per day. He said incremental expenses for bringing the facility up to par had to be paid, but those expenses would not be reflected in the day rate; those would be paid separately. Chairman Winner asked if the problem of separating the approved horses from the unapproved horses had been resolved. Mr. Balch stated Galway would stable approved horses and unapproved horses, however the facility was going to make sure that everyone's credentials were in accordance with CHRB requirements. He added there would be 24/7 security. 2<sup>nd</sup> Vice-Chairman Rosenberg asked what was the definition of an approved horse? He asked if the horse had to be ready to race, in training to get ready to race, or being broken as a two-year old. Mr. Balch stated that the Stabling and Vanning fund and statute were designed to accommodate year-round development of horses. He said two-year olds were not permitted into any facility until February 15<sup>th</sup>. He said it was hard to find places to break and start two-year olds, and there were some that had been at Galway since late 2014 as yearlings; they were not approved and did not count for the \$8.50 per stall per day. 2<sup>nd</sup> Vice-Chairman Rosenberg asked what the policy was at San Luis Rey Downs. He asked if Galway was a facility that was approved to break a pre-February 15<sup>th</sup> two-year old. Executive Director Baedeker stated a horse could perhaps be broken there but the costs were not going to be reimbursed by the fund until it was recognized. Mr. Balch stated the differential between the two places was San Luis Ray was a flat fee whether there were 200 or 400 horses there, as with Pomona and Los Alamitos. He said Galway would reimburse only for approved horses. He said Galway was a

superb facility for breaking and training horses, and it had a lot of advantages. He said it was much larger than any other facility; 240-plus acres, a mile track, round pens, and schooling areas. 2<sup>nd</sup> Vice-Chairman Rosenberg asked what Galway charged for an outsider to come in with a horse for the day. Mr. Balch stated \$8.50, the same rate. Chairman Winner stated that rate should be used as the bar for everybody else. Commissioner Krikorian asked if Galway would classify as an overflow facility. Mr. Morris stated it was an auxiliary stable; it would be overflow. Mr. Balch stated Galway would have a clocker and gate crew, as needed, because it would be possible for horses to run directly from there if all the conditions were met, but because of the smaller number of horses, the clocker and gate crew might be there one day a week. 2<sup>nd</sup> Vice-Chairman Rosenberg asked what was the total number of stabling available, at all tracks. Mr. Morris said 3,100, at the tracks in addition to Galway and Del Mar. He said 3,500 to 3,600 stalls, were needed at the peak of the year, to support current rate schedules. Mr. Balch stated the CTT would like to have 4,000 stalls. He said with the Ship and Win program, aggressive recruiting, and with the state of racing in other jurisdictions, California should be a magnet. Mr. Beneto asked where the money for the program was coming from. Mr. Morris stated the money came from the Stabling and Vanning Committee. Mr. Balch stated at capacity, it would be \$102,000 a month for stabling. Commissioner Auerbach asked him to explain the cost for Pomona in comparison to the Galway cost. Chairman Winner stated it was a \$300,000 savings. Mr. Morris stated the Stabling and Vanning Committee had a significant deficit. He said 2015 would be the first year in the last few that cash flow was actually in the black. Mr. Beneto asked if horses could ship and run the same day. Mr. Morris stated yes, they would be eligible for vanning and the Stabling and Vanning Committee were planning on giving the same rate that was given for those vanning from San Luis Rey. Commissioner Krikorian asked if any mechanisms

were in place, or were going to be put in place, that encouraged horses without stalls available at the other facilities to go to Galway to try to decelerate the costs as much as possible. Mr. Balch stated he did not think there was a way the committee could direct where horses had to go before Galway. He said the trainers had to have as much choice as possible. Mr. Morris stated that trainers would submit their stall application to the racing office at Santa Anita, and Santa Anita would then assign the stalls. Commissioner Auerbach stated the Board would like to see more control. Commissioner Beneto asked who was going to monitor the track. Mr. Morris stated Galway had a track crew and Dennis Moore. Commissioner Choper **motioned** to approve the request for Galway Downs to be an authorized training center, pending the receipt of final approval, security plan, fire prevention map, fire regulations, surveyor's map with marker poles noted, emergency procedures plan, local fire authority permit inspection. Commissioner Auerbach **seconded** the motion, which was **unanimously carried**.

#### **DISCUSSION REGARDING POORLY PERFORMING HORSES RACING IN CALIFORNIA.**

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Executive Director Baedeker stated this issue was on the agenda to reduce any confusion, and to let the public know there was a process when it came to horses that had very poor performance over a period of time. Chairman Winner stated the question from the betting public and others was why poor performing horses were allowed to run. He asked if the Board was absolutely sure the poor performing horses were physically sound to run. Kim Sawyer, Steward, stated poor performing horses always had a pre-vet race exam, and were red tagged if the Stewards thought the veterinarian should take a closer look. She said trainers were questioned as to what was going on with a poor performing horse. If a valid reason was given, then the trainer was given

one more chance. If performance did not improve, trainers and owners had the option of finding another jurisdiction in which to run, or finding a home for the horse. Commissioner Beneto asked if it was the Racing Secretary's job to disqualify a horse he did not feel was fit. Scott Chaney, Steward, stated racing secretaries set the eligibility conditions of a horse at the beginning of the meet, and a horse would be eligible for the entire meet. He said Racing Secretaries could step in after a horse had ran once or twice to state it was not good enough, and should not be racing. Mr. Chaney stated the concern could be poor performance, or a horse that liked to bolt. He said the Stewards and the Racing Secretaries were on the same page; the Stewards stepped in as often as necessary, but had to balance both the owners' and the trainers' interests, as well as the betting public, and horse safety. Commissioner Beneto stated he had experienced a "reversal of fortune" with his horse. He said he had a horse: 99 to 1. Commissioner Beneto said the trainer tried different things and found out the horse ran better with blinkers. Ms. Sawyer stated any time there was a "reversal of form" that large, one always question the trainer. Executive Director Baedeker asked if there were veterinarian inspections at the receiving barn, in the paddock and on the racetrack. Mr. Chaney said yes. He said the Stewards reviewed all past performances and identified high-risk horses; horses that dropped down, irregular work patterns, poor performance, or on long lay-ups. He said Stewards told the official veterinarian's office about the high-risk horses. He said high-risk and poorly performing horses got extra scrutiny. Mr. Chaney said to rule a horse off, or prevent it from running, the Stewards gave the horse a fair number of chances, and communicated with the trainer throughout the process. He stated the Stewards found that trainer and owner communication was rather poor; the owners were often surprised their horses were no longer permitted to run in California. Dr. Rick Arthur, CHRB Equine Medical Director, stated examining veterinarians had a watch list

from the stewards and also maintained examination records; horses were marked for watching in all stages of the process. Chairman Winner asked if there was any evidence of a spike in terms of injury or catastrophic injury with horses that fit in this category. Dr. Arthur stated that statistically such horses were at greater risk of injury. He said the Equine Injury Database and the Welfare and Safety Summit looked at a number of objective parameters to identify horses at risk and within a year that program could be available. Chairman Winner asked how the thirty-length arbitrary number was determined. Mr. Chaney stated it was discretionary. He said to get off the Stewards list, the horse needed a five-eighths official recorded work. Commissioner Choper stated the Board should do as much as could reasonably be done to let the wagering public know how this situation was being handled. Mr. Chaney suggested the Stewards might include the results of interviews, and/or investigations on the small number of at risk/poor performing horses in the stewards' minutes.

#### REPORT FROM THE MEDICATION AND TRACK SAFETY COMMITTEE.

1<sup>st</sup> Vice-Chairman Derek stated the first item on the Medication and Track Safety Committee (committee) meeting agenda addressed the health of pony horses. She stated a systematic protocol would be developed, including a veterinary examination similar to pre-race inspections for soundness and regular stable inspections. The CHRB would work with interested industry participants to develop protocols for the Pony Healthy Oversight program. She stated those involved would report back to Executive Director Baedeker with a specific plan, and the matter would be placed on the agenda for the next Committee meeting. 1<sup>st</sup> Vice-Chairman Derek reported Dr. Rick Arthur, CHRB Equine Medical Director, stated that strenuously exercising horses and anticoagulant rodenticides need to be kept apart. 1<sup>st</sup> Vice-Chairman Derek stated the second-generation rodenticides were still being used at racetracks. She reported that Cal Expo

had a feral cat program that was successful, and at Los Alamitos they used snap traps to control rodents. Joe Morris, Thoroughbred Owners of California (TOC), said the TOC was working on adding language to the horsemen's agreement requiring racing associations to remove rodenticides. 1<sup>st</sup> Vice-Chairman Derek said Dr. Arthur recommended the Board adopt a lower Ketoprofen level that could be present in a test sample from ten nanograms per milliliter of blood plasma or serum to two nanograms. The proposed levels were part of the National Uniform Medication Program and the ARCI Model Rule. Concerning Isoflupredone, 1<sup>st</sup> Vice-Chairman Derek reported that Dr. Arthur recommended adding Isoflupredone and its specified level to the list of California's Authorized Medication. He said the 100 pg/mL level in blood was part of the National Uniform Medication Program and the ARCI Model Rule. 1<sup>st</sup> Vice-Chairman Derek stated both of the medications were in CHRB Rule 1844, Authorized Medication, which would be amended. She said when the changes were completed; the CHRB would be in compliance with the Uniform Medication Rule. 1<sup>st</sup> Vice-Chairman Derek said Rule 1843.3, Penalties for Medication Violations, was adopted in July 2008 and had worked well. She said Dr. Arthur reported penalties were more consistent and it was very unusual to have a Class 1, 2, or 3 violations that were not accompanied by a suspension. She stated a number of issues had come up that caused confusion or could be improved. She said there have been instances where a greater penalty was appropriate, and the proposed amendment to Rule 1843.3 would clarify language that was interpreted as inhibiting the ability to assign greater penalty. She stated Alan Balch, California Thoroughbred Trainers (CTT) and TOC could be submitting comments in writing concerning the proposed revisions to Rule 1843.3. She said the committee discussed the proposal to scratch a horse that had been gelded since its last start but not designated as such in the official program. Commissioner Auerbach agreed to the need to protect geldings by erring on the side of caution by scratching such horses when the public was not notified about the sex change until after the wagering polls opened. 1<sup>st</sup> Vice-Chairman Derek stated that Alan Balch cited potential errors that would unfairly penalize owners and trainers if the horses were

scratched. She said there was no one present at the meeting to represent the wagering public in the discussion, so it was requested that the item be put over. Dr. Arthur discussed 2013/2014 drug violations. He reported there were 28 Class 2 and 3 violations in 2013/2014. He stated sixty percent of the violations were at Los Alamitos, with the majority being Clenbuterol violations. Dr. Arthur said the good news was that in the first six months of 2014, from July 1<sup>st</sup> to December 31<sup>st</sup>, there had been only three Class 1, 2, or 3 violations and only one at Los Alamitos. The Class 4 violations were roughly the same from year to year. Executive Director Baedeker said there were 48,332 samples tested with 29 Class 1, 2, or 3 medications detected; this represented six one-hundredths of 1 percent positives out of 48,000 samples. 1<sup>st</sup> Vice-Chairman Derek reported on a program for trainers' ship-ins. The committee reviewed the proposal to amend Rule 1887, Trainer to Insure Condition of Horse. Executive Director Baedeker reported instances where horses were vanned to the track and left with trainers who had no involvement in the training and treatment of the horse. The proposal would make the owner the co-absolute insurer of such horses. 1<sup>st</sup> Vice-Chairman Derek reported that Commission Auerbach stated it was unfair to punish trainers for medication violations when it was the owner who was at fault. Dino Perez, representing Los Alamitos Quarter Horse Racing Association, agreed there was a problem at Los Alamitos and his organization fully supported the rule change. 1<sup>st</sup> Vice-Chairman Derek reported the Committee also discussed the proposed amendment to Rule 1658, Vesting of Title to Claimed Horse, which would add "bled" to the list of reasons for voiding a claim.

**DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO CHRB RULE 1865, ALTERING OF SEX OF HORSE, TO REQUIRE HORSES BE SCRATCHED BY THE STEWARDS IF THE TRUE SEX OF THE HORSE IS NOT CORRECTLY IDENTIFIED IN THE OFFICIAL PROGRAM FOR THE RACE IN WHICH THE HORSE IS ENTERED AND NO CORRECTION HAS BEEN ANNOUNCED TO THE PUBLIC PRIOR TO THE ACCEPTANCE OF WAGERS ON THE RACE.**

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Alan Balch, California Thoroughbred Trainers (CTT), stated one of the issues not discussed in the letter he submitted to the Medication and Track Safety Committee was how the racing form was dealing with, or not dealing with, so-called first-time geldings, the dates of geldings, and the ramifications for handicapping. 2<sup>nd</sup> Vice-Chairman Rosenberg stated based on Mr. Balch's letter there were eight violations in calendar year 2014 out of 40,000 starts; the number of violations had been significantly reduced. Mr. Balch said five of the eight violations were first-time starters. He stated if a horse was a first time starter that had been gelded, why should the horse be scratched where there was no possibility of a form reversal. He said that this circumstance needs to be taken into account in the final draft of the proposed amendment to Rule 1865. Commissioner Auerbach asked when first-time starters were gelded. Dr. Rick Arthur, CHRB Equine Medical Director, stated it was not known whether a horse came to the trainers as a gelding and its condition just not recognized. He stated almost all of the geldings were noted before the race. The issue was the timing of notification to the public. Chairman Winner stated it was noted that some of the reporting errors occurred in the racing office. Chairman Winner agreed that when a horse was scratched it had an impact on the wagering public. Commissioner Auerbach stated that was why the Board/Committee wanted the wagering public to weigh in. Mr. Balch said a lot of gelding information came from the Jockey Club InCompass system; if the information in the InCompass system was incorrect, it was picked up. 2<sup>nd</sup> Vice-Chairman Rosenberg asked which states had similar rules. Mr. Balch stated he could not identify what

states had similar rules; however, California had more information on this issue than any other jurisdiction. Commissioner Beneto asked who was informed when a colt was gelded. Dr. Arthur stated the horse identifier and the racing office were notified. Commissioner Beneto asked if it was the owner's responsibility or the trainer's responsibility. Dr. Arthur stated it was the responsibility of whomever had the horse gelded; but California held the trainer responsible.

**MEETING ADJOURNED AT 11:12 A.M.**

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Executive Director

**CALIFORNIA HORSE RACING BOARD**

**FEBRUARY 18, 2015**  
**REGULAR BOARD MEETING**

**There is no board package material for Item 2**

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**CALIFORNIA HORSE RACING BOARD**

**FEBRUARY 18, 2015**  
**REGULAR BOARD MEETING**

There is no board package material for Item 3

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STAFF ANALYSIS  
DISCUSSION AND ACTION BY THE BOARD ON THE REQUEST FROM  
THE DEL MAR THOROUGHBRED CLUB TO ENACT CHRB RULE 1406, SUSPENSION  
OF RULE, TO WAIVE THE PROVISIONS OF CHRB RULE 1433(B), APPLICATION  
FOR LICENSE TO CONDUCT A HORSE RACING MEETING, TO FACILITATE  
THE INSTALLATION OF A DIRT RACE TRACK AT DEL MAR

Regular Board Meeting  
February 18, 2015

ISSUE

Del Mar Thoroughbred Club (Del Mar) is requesting a waiver to Rule 1433, Application for License to Conduct a Horse Racing Meeting, subsection (b). Del Mar has announced plans to replace its synthetic track with a dirt track in time for its 2015 summer season. To accomplish this, Del Mar is seeking an exemption to subsection 1433(b), which requires specified tracks to install synthetic racing surfaces. Del Mar is the last Southern California track with a synthetic race surface; only Golden Gate Fields in Northern California has such a surface. Rule 1433 subsection (b) requires an association, operating four or more weeks of continuous thoroughbred racing in a calendar year, to have installed a polymer synthetic type racing surface.

ANALYSIS

Del Mar has stated they have chosen to return to a natural dirt surface for its main track for reasons of safety keyed around two notable elements. Del Mar provided . . . “first, the previous main track surface, synthetic Polytrack, had reached the end of its useful life and, secondly, after consultation with racing surfaces experts, it will be installing a well-regarded type of dirt (called “El Segundo Sand”) that is currently employed at both Santa Anita and Los Alamitos, meaning that for the first time all the major racing surfaces in Southern California will be uniform, allowing for the easiest and safest transitions for horses and riders. Del Mar’s return to a natural dirt surface has been endorsed by industry stakeholders such as the Thoroughbred Owners of California and California Thoroughbred Trainers.” The renovations of the main track is in process and the return to “natural dirt” will be completed in time for Del Mar’s 2015 summer race meeting (July 16 – September 7).

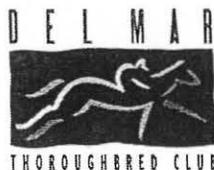
At its March 2014 Regular Meeting, the Board determined that Rule 1433 should be amended to delete subsection 1433(b). The amendment would remove the requirement, and allow racing associations to install either type of racing surface without having to seek Board approval. The rulemaking process has not yet been completed for Rule 1433. Thus the waiver of subsection 1433 (b) is required. Golden Gate Fields and Santa Anita Park obtained a waiver to the synthetic track requirement allowing for the return to a dirt racing surface.

## BACKGROUND

Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purpose of this chapter. Responsibilities of the Board shall include, but are not limited to, adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutual wagering. Business and Professions Code section 19480 states the Board may issue to any person who makes application therefor in writing, who has complied with the provisions of this chapter, and who makes the deposit to secure payment of the license fee imposed by this article, a license to conduct a horse racing meeting in accordance with this chapter at the track specified in the application; provided, the Board determines that the issuance thereof will be in the public interest and will subserve the purposes of this chapter. Rule 1433, Application for License to Conduct a Horse Racing Meeting, Subsection (b) requires an association operating four or more weeks of continuous thoroughbred racing in a calendar year, to have installed a polymer synthetic type racing surface.

## RECOMMENDATION

This item is presented to the Board for discussion and action.



February 2, 2015

Mr. Rick Baedeker  
Executive Director  
California Horse Racing Board  
1010 Hurley Way, Suite 300  
Sacramento, CA 95825

Mr. Baedeker,

As you aware, the Del Mar Thoroughbred Club ("DMTC") is in the process of renovating its main track racing surface for a return to "natural dirt" beginning with the 2015 summer race meet, July 16 - September 7. With this said, DMTC is requesting a waiver to CHRB Rule 1433(b) which currently states: *No racing association that operates four weeks or more of continuous Thoroughbred racing in a calendar year shall be licensed to conduct a horse racing meeting at a facility that has not installed a polymer synthetic type racing surface.*

In addition to consultation with racing surfaces experts, we have had on-going communication with CHRB staff on the selection of materials and the installation process for Del Mar's new main track. As you are aware, DMTC will be using the same surface - commonly called "El Segundo Sand" - that compromises Santa Anita's present main track.

Please feel free to contact me if you have any questions or concerns.

Regards,

A handwritten signature in black ink, appearing to read "Josh Rubinstein".

Josh Rubinstein  
Chief Operating Officer

cc: Jacqueline Wagner, CHRB  
Joe Morris, TOC  
Joe Harper  
Tom Robbins

## STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO CHRB RULE 1658, VESTING OF TITLE TO CLAIMED HORSE, TO PROVIDE THAT A CLAIM SHALL BE VOIDED BY THE STEWARDS IF THE RACING OR OFFICIAL VETERINARIAN DETERMINES THE HORSE WILL BE PLACED ON THE VETERINARIAN'S LIST AS BLED

Regular Board Meeting  
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### BACKGROUND

Business and Professions Code section 19420 provides that the Board has jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. Business and Professions Code section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board include adjudication of controversies arising from the enforcement of those laws and regulations dealing with horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in California. Rule 1658, Vesting of Title to Claimed Horse, provides the conditions under which a claim will be voided. The proposal to amend Rule 1658 adds another condition to this list.

At the January 2015 Medication and Track Safety Committee Meeting, the committee discussed the proposed amendment to Rule 1658 and recommended the item be heard before the Board.

### ANALYSIS

The proposed amendment to Rule 1658 provides that the stewards shall void a claim and return the horse to the original owner if the official veterinarian observes the horse bleeding from one or both nostrils during or after the race, and determines such bleeding is a direct result of an exercised induced pulmonary hemorrhage (EIPH). The definition of bled is consistent with Rule 1845, Bleeder Medication, subsection (g).

### RECOMMENDATION

Staff recommends the Board instruct staff to initiate the 45-day public comment period.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 7. CLAIMING RACES.  
PROPOSED AMENDMENT OF  
RULE 1658. VESTING OF TITLE TO CLAIMED HORSE.

Regular Board Meeting  
February 18, 2015

1658. Vesting of Title to Claimed Horse.

(a) Title to a horse which is claimed shall be vested in the successful claimant from the time the field has been dispatched from the starting gate and the horse becomes a starter; and said successful claimant becomes the owner of the horse unless voided by the stewards under the provisions of this article. Only a horse which is officially a starter in the race may be claimed. A subsequent disqualification of the horse by order of the stewards or the Board shall have no effect upon the claim.

(b) The stewards shall void the claim and return the horse to the original owner if:

(1) The horse suffers a fatality during the running of the race or dies or is euthanized before leaving the track, or

(2) The racing or official veterinarian determines the horse will be placed on the Veterinarian's List as bled, unsound or lame before the horse is released to the successful claimant.

(A) For the purpose of this regulation, bled is defined as the official veterinarian observing a horse bleeding from one or both nostrils during or after the race and determines such bleeding is a direct result of exercise induced pulmonary hemorrhage.

(c) The stewards shall not void the claim if, prior to the race in which the horse is claimed, the claimant elects to claim the horse regardless of whether the racing or official veterinarian determines the horse will be placed on the Veterinarian's List as unsound or lame.

(1) An election made under subsection (c) of this rule shall be entered on the form CHRB-11(Rev. 8/13) Agreement to Claim, in accordance with section 1656 of this article.

(d) The claim shall be void if the race is called off, canceled, or declared no contest in accordance with Rule 1544 of this division.

Authority: Sections 19420 and 19440,  
Business and Professions Code.

Reference: Section 19562,  
Business and Professions Code.

STAFF ANALYSIS  
DISCUSSION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO CHRB  
RULE 1699, RIDING RULES, AS IT PERTAINS TO THE CRITERIA FOR  
DISQUALIFICATION IN A HORSE RACE

Regular Board Meeting  
February 18, 2015

BACKGROUND

CHRB Rule 1699, Riding Rules, reads as follows:

During the running of the race:

- (a) A leading horse is entitled to any part of the course but when another horse is attempting to pass in a clear opening the leading horse shall not cross over so as to compel the passing horse to shorten its stride.
- (b) A horse shall not interfere with or cause any other horse to lose stride, ground or position in a part of the race where the horse loses the opportunity to place where it might be reasonably expected to finish.
- (c) A horse which interferes with another and thereby causes any other horse to lose stride, ground or position, when such other horse is not at fault and when such interference occurs in a part of the race where the horse interfered with loses the opportunity to place where it might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with.
- (d) Jockeys shall not ride carelessly, or willfully, so as to permit their mount to interfere with or impede any other horse.
- (e) Jockeys shall not willfully strike or strike at another horse or jockey so as to impede, interfere with, intimidate, or injure.
- (f) If a jockey rides in a manner contrary to this rule, the mount may be disqualified and the jockey may be suspended or otherwise disciplined by the Stewards.

The Stewards' Committee reviewed Rule 1699, Riding Rules, at its March 2014 meeting and then again at its November 2014 meeting. The rule was subsequently discussed by the Board at its November 19, 2014 Regular meeting in an effort to determine whether the current rule could be improved and perhaps provide more clearly defined guidelines for stewards conducting inquiries. At the November 19, 2014 Regular Board meeting Chairman Winner referred the matter to the Legislative, Legal and Regulations committee for further public discussion. The Legislative, Legal and Regulations committee met on December 17, 2014.

## ANALYSIS

Discussions regarding Rule 1699 almost always focus on the wording that requires stewards to form opinions as to whether interference occurred and, if so, whether the interference cost the horse or horses interfered with a placing. Suggested alternatives to amend the rule have included: 1) amending Rule 1699 to state that any foul is cause for disqualification regardless of whether it cost a horse a placing; 2) eliminating the references to location (i.e. "a part of the race) and changing the "placing" reference to something broader, such as "affecting a horse's performance in a negative way." ; 3) adding language that gives the benefit of any doubt to the aggrieved party (i.e. the horse interfered with).

The CHRB solicited input from stakeholders and the public for suggestions for improving Rule 1699. Comments received are attached for your reference. Additionally, the Stewards' Committee at its November 2014 meeting reviewed proposed amendments to Rule 1699 suggested by the Board's Executive Director, which most of the stewards in California supported. That proposed text is also attached for discussion and is identified as Version 1. The proposed text of Version 1 expands the language under subsection (b) and adds language regarding the opinion of the Stewards in subsection (c). In addition to Version 1, there are two additional versions of text attached for discussion. The proposed text of Version 2 adds language regarding interference at the start of a race as well as the definition of interference at the start of a race versus during a race, and also adds language regarding a better placing as determined by the distribution of the purse. The proposed text of Version 3 adds language that states if interference has occurred as defined the horse shall be disqualified.

The Race Track Industry Program at the University of Arizona regularly reviews and compares racing regulations in North American racing jurisdiction, and one such review focused on rules for disqualification. That review also is included in the Board's package.

## RECOMMENDATION

This item is presented for Board discussion.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 8. RUNNING THE RACE  
PROPOSED AMENDMENT OF  
RULE 1699. RIDING RULES.

As Proposed at the November Stewards Committee Meeting

Version 1

Regular Board Meeting  
February 18, 2015

1699. Riding Rules.

During the running of the race:

(a) A leading horse is entitled to any part of the course but when another horse is attempting to pass in a clear opening the leading horse shall not cross over so as to compel the passing horse to shorten its stride.

(b) A horse shall not alter course and thereby bump, impede, force or float in or out or otherwise interfere with or cause any other horse to lose stride, ground, momentum or position ~~in~~ a part of the race where the horse loses the opportunity to place where it might be reasonably expected to finish.

(c) A horse which interferes with another and thereby causes any other horse to lose stride, ground, momentum or position, when such other horse is not at fault and when ~~such interference occurs in a part of the race where the horse interfered with loses the opportunity to~~ place where it might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with. Such an opinion should be weighted in favor of the horse interfered with when such horse is not at fault.

(d) Jockeys shall not ride carelessly, or willfully, so as to permit their mount to interfere with or impede any other horse.

(e) Jockeys shall not willfully strike or strike at another horse or jockey so as to impede, interfere with, intimidate, or injure.

(f) If a jockey rides in a manner contrary to this rule, the mount may be disqualified and the jockey may be suspended or otherwise disciplined by the Stewards.

Authority: Section 19562,  
Business and Professions Code.

Reference: Sections 19461 and 19562,  
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 8. RUNNING THE RACE  
PROPOSED AMENDMENT OF  
RULE 1699. RIDING RULES.

Version 2

Regular Board Meeting  
February 18, 2015

1699. Riding Rules.

At the start or ~~D~~during the running of the race:

~~(a) A leading horse is entitled to any part of the course but when another horse is attempting to pass in a clear opening the leading horse shall not cross over so as to compel the passing horse to shorten its stride.~~ (a) A horse shall not alter course and thereby interfere with another horse. Interference at the start of a race is defined as severely bumping or severely impeding another horse. Interference after the start of a race is defined as bumping, impeding, forcing or floating in or out or otherwise causing any other horse to lose stride, ground, momentum or position.

~~(b) A horse shall not interfere with or cause any other horse to lose stride, ground or position in a part of the race where the horse loses the opportunity to place where it might be reasonably expected to finish.~~ (b) A horse which interferes with another as defined in subsection (a) when such other horse is not at fault and when, in the opinion of the stewards, the horse interfered with thereby loses the opportunity for a better placing as determined by the distribution of the purse, may be disqualified and placed behind the horse so interfered with. In close calls, the opinion of the Stewards should be weighted in favor of the horse interfered with when such horse is not at fault.

~~(c) A horse which interferes with another and thereby causes any other horse to lose stride, ground or position, when such other horse is not at fault and when such interference occurs in a part of the race where the horse interfered with loses the opportunity to place where it might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with.~~

~~(d)~~ (c) Jockeys shall not ride carelessly, or willfully, so as to permit their mount to interfere with or impede any other horse.

~~(e)~~ (d) Jockeys shall not willfully strike or strike at another horse or jockey so as to impede, interfere with, intimidate, or injure.

~~(f)~~ (e) If a jockey rides in a manner contrary to this rule, the mount may be disqualified and the jockey may be suspended or otherwise disciplined by the Stewards.

Authority: Section 19562,  
Business and Professions Code.

Reference: Sections 19461 and 19562,  
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 8. RUNNING THE RACE  
PROPOSED AMENDMENT OF  
RULE 1699. RIDING RULES.

Version 3

Regular Board Meeting  
February 18, 2015

1699. Riding Rules.

At the start or ~~D~~during the running of the race:

~~(a) A leading horse is entitled to any part of the course but when another horse is attempting to pass in a clear opening the leading horse shall not cross over so as to compel the passing horse to shorten its stride.~~ (a) A horse shall not alter course and thereby interfere with another horse. Interference at the start of a race is defined as severely bumping or severely impeding another horse. Interference after the start of a race is defined as bumping, impeding, forcing or floating in or out or otherwise causing any other horse to lose stride, ground, momentum or position.

~~(b) A horse shall not interfere with or cause any other horse to lose stride, ground or position in a part of the race where the horse loses the opportunity to place where it might be reasonably expected to finish.~~ (b) A horse which interferes with another as defined in subsection (a) when such other horse is not at fault, shall be disqualified and placed behind the horse so interfered with. In close calls, the opinion of the Stewards should be weighted in favor of the horse interfered with when such horse is not at fault.

~~(c) A horse which interferes with another and thereby causes any other horse to lose stride, ground or position, when such other horse is not at fault and when such interference occurs in a part of the race where the horse interfered with loses the opportunity to place where it~~

might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with.

(~~d~~) (c) Jockeys shall not ride carelessly, or willfully, so as to permit their mount to interfere with or impede any other horse.

(~~e~~) (d) Jockeys shall not willfully strike or strike at another horse or jockey so as to impede, interfere with, intimidate, or injure.

(~~f~~) (e) If a jockey rides in a manner contrary to this rule, the mount may be disqualified and the jockey may be suspended or otherwise disciplined by the Stewards.

Authority: Section 19562,  
Business and Professions Code.

Reference: Sections 19461 and 19562,  
Business and Professions Code.

This comparison of rules in various racing jurisdictions was done in 2010 by Steve Barham, a student in the Race Track Industry Program at the University of Arizona.

The full report, including citations, can be found at the RTIP website listed as DQ Standards for Fouls in Races.

#### ARCI Model Rule

The offending horse may be disqualified, if in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.

#### Arizona

If a horse is ridden or drifts out of its lane in such a manner that it interferes with or impedes another horse in any way, a foul has been committed. The offending horse may be disqualified if the outcome of the race is affected by the foul and replaced at the discretion of the stewards in a manner as to correct the effect of the interference as nearly as possible. The provisions of this subsection shall apply to fouls caused by the horse or the jockey and fouls caused either carelessly or purposefully.

#### Arkansas

When clear, a horse may be taken to any part of the course, but no horse shall cross or weave in front of other horses in such a way as to impede them or constitute or cause interference or intimidation that affects the outcome of the race.

#### California

A horse which interferes with another and thereby causes any other horse to lose stride, ground or position, when such other horse is not at fault and when such interference occurs in a part of the race where the horse interfered with loses the opportunity to place where it might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with.

## Colorado

7.716 - In a straightaway race every horse must maintain position as nearly as possible in the lane in which it starts. Every horse in the race is entitled to racing room and may not be deliberately impeded. If a horse is ridden or drifts out of its lane in a manner that interferes with or impedes another horse in any way, it is a foul, and the offending horse may be disqualified when in the opinion of the stewards, the outcome of the race was affected by the foul. 7.718 - In races involving a turn(s), a horse is entitled to any part of the racing strip as long as it does not interfere with or impede the progress of any other horse(s). If, in the opinion of the stewards, a horse interferes with or impedes the progress of any other horse(s), the horse may be disqualified and the jockey may be penalized. Every horse in the race is entitled to racing room and may not be deliberately impeded. If a horse is ridden or drifts either in or out, in a manner that it interferes with or impedes another horse in any way, it is a foul, and the offending horse may be disqualified when, in the opinion of the stewards, the outcome of the race was affected by the foul.

## Delaware

A leading horse, when clear, is entitled to any part of the track. If a leading horse or any other horse in a race swerves or is ridden to either side so as to interfere with or intimidate or impede any other horse or Jockey, it is a foul. If a Jockey strikes another horse or Jockey, it is a foul. If, in the opinion of the Stewards, a foul alters the finish of a race, any offending horse may be disqualified by the Stewards.

## Florida

The offending horse shall be disqualified if, in the opinion of the stewards, the racing infraction altered the outcome of the race, regardless of whether the infraction was accidental, willful, or the result of careless riding.

## Idaho

060.03 - (Straightaway Races) Offending Horse. The offending horse may be disqualified when, in the opinion of the Stewards, the outcome of the race was affected by the foul. This applies whether the foul was caused by the horse or by the rider, irrespective of cause. 070 (Races around a Turn)  
 01. Race Around a Turn. In a race run around a turn, a horse that is in the clear may be taken to any part of the track, except that weaving back and forth in front of another horse may be considered interference or intimidation and may be penalized. 02. Jostles. If a horse or Jockey jostles another horse, the aggressor may be disqualified unless the jostled horse or Jockey was at fault or the jostle was wholly caused by the fault of some other horse or Jockey. 03. Crossing Another Horse. A horse crossing another so as to actually impede it is disqualified, unless the impeded horse was partly in fault or the crossing was wholly caused by the fault of some other horse or Jockey.

## Illinois

b) A horse crossing in front of another horse so as actually to impede the latter may be disqualified, unless the impeded horse was partly in fault or the crossing was wholly caused by the fault of some other horse or jockey. c) If a horse or jockey jostles another horse, the aggressor may be disqualified, unless the impeded horse or his jockey was partly in fault or the jostling was wholly caused by the fault of some other horse or jockey.

## Indiana

The offending horse may be disqualified if, in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful, or the result of careless riding.

## Iowa

The offending horse may be disqualified if, in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful, or the result of careless riding.

## Kansas

The stewards shall be vested with the discretion to determine the propriety and nature of a disqualification and whether it applies to any other part of an entry. The stewards' decision shall be final.

## Kentucky

Fouls. A leading horse if clear is entitled to any part of the track. If a leading horse or any other horse in a race swerves or is ridden to either side so as to interfere with, intimidate, or impede any other horse or jockey, or to cause the same result, this action shall be deemed a foul. If a jockey strikes another horse or jockey, it is a foul. If in the opinion of the stewards a foul alters the finish of a race, an offending horse may be disqualified by the stewards.

## Louisiana

A leading horse is entitled to any part of the track, but if any horse swerves, or is ridden to either side, so as to interfere with or impede any other horse, it is a foul. The offending horse may be disqualified, if in the opinion of the stewards the foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.

## Maryland

During the running of a race: (1) Unless caused wholly or partly by someother horse, a horse may not (a) Carry another horse in or out, (b) Cross or weave in front of another horse without sufficient clearance, (c ) Jostle another horse, Intimidate another horse, or (e) Impede another horse; and (2) A jockey may not: (a) Strike another horse or jockey, (b) Ride in a careless manner, or (c) Unnecessarily cause the horse the jockey is riding to shorten its stride with a veiw toward claiming foul against another horse or jockey in the race. A-1. A horse may be disqualified if it, or the jockey riding it, is involved in a violation of § A of this regulation.

## Massachusetts

The offending horse may be disqualified, if in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.

## Michigan

A leading horse is entitled to any part of the track, but if any horse swerves, or is ridden to either side, so as to interfere with or impede any other horse, it is a foul and the horse may be disqualified if, in the opinion of the stewards, the incident altered the finish of the race, whether the foul was willful or the result of carless riding.

## Minnesota

When clear, a horse may be taken to any part of the course but no horse shall cross or weave in front of other horses in such a way as to impede them or constitute or cause interference or intimidation such that it would affect the outcome of the race.

## Montana

(2) When clear, a horse may be taken to any part of the course, however, crossing or weaving in front of contenders may constitute interference or intimidation for which the offender may be disqualified and the jockey disciplined. (3) A horse crossing another so as actually to impede him is disqualified, unless the impeded horse was partly in fault, or crossing was wholly caused by the fault of some other horse or jockey. (4) If a horse or jockey jostle another horse, the aggressor may be disqualified, unless the jostled horse or his jockey was partly at fault or the jostle was wholly caused by the fault of another horse or jockey.

## Nebraska

Unless the stewards determine that a foul did not affect the outcome of a race, the stewards shall place the horse who has committed a foul behind such horses as in their judgment were fouled by the offending horse, or they may place it last.

## Nevada

An offending horse may be disqualified if, in the opinion of the board of stewards, a foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.

## New Mexico

The offending horse may be disqualified, if in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.

## New York

A horse crossing another may be disqualified, if in the judgment of the stewards, it interferes with, impedes or intimidates another horse, or the foul altered the finish of the race, regardless of whether the foul was accidental, willful, or the result of careless riding. The stewards may also take into consideration mitigating factors, such as whether the impeded horse was partly at fault or the crossing was wholly caused by the fault of some other horse or jockey.

## North Dakota

Extent of disqualification. Upon any claim of foul submitted to them, the stewards shall determine the extent of any disqualification and shall place any horse found to be disqualified behind the others in the race with which it interfered or may place the offending horse last in the race.

## Ohio

A leading horse when clear is entitled to any part of the track. If a leading horse, or any other horse in a race, swerves or is ridden to either side so as to interfere with or intimidate or impede any other horse or jockey, or to cause same, it is a foul. If a jockey strikes another horse or jockey, it is a foul. If in the opinion of the stewards, a foul has been committed, any offending horses may be disqualified by the stewards and the jockey fined and/or suspended.

## Oklahoma

325:60-1-19 Riding Rules In a straightaway race, every horse must maintain position as nearly as possible in the lane in which it starts. If a horse is ridden, drifts, or swerves out of it's lane in such a manner that it interferes with or impedes another horse, a foul occurs. ... 325:60-1-20 Stewards to Determine Fouls and Extent of Disqualification The Stewards shall determine the extent of interference in cases of fouls or riding infractions. They may disqualify the offending horse and place it behind such other horses as in their judgement it interfered with, or they may place it last. The Stewards may determine that a horse shall be unplaced.

## Oregon

The stewards may disqualify any horse which is the subject of fraudulent or corrupt practices, or any horse whose jockey has committed a violation of the rules of horse racing. A horse which interferes with, impedes or intimidates another horse may be disqualified by the stewards unless the impeded horse or jockey was partly at fault or the interference was wholly caused by some other horse or jockey.

## Pennsylvania

163.234 During the running of a race, when clear, a horse may be taken to another part of the course but a horse may not cross or weave in front of other horses in such a way that would impede them or constitute or cause interference or intimidation. 163.281 (k) The stewards are vested with power to determine the extent of disqualification in cases of fouls. They may place the offending horse behind the horses in their judgment it interfered with, or they may place it last.

## South Dakota

Impeding another horse a foul. If a horse swerves or is ridden to either side of the track so as to interfere with or impede another horse, it is a foul. The horse may be disqualified, and the stewards may fine or suspend the jockey. When a horse is disqualified by the stewards, every horse in the race owned wholly or in part by the same owner or trained by the same trainer may be disqualified upon a finding of just cause by the stewards.

## Texas

(a) A leading horse in a race around a turn is entitled to any part of the course; however, when another horse is attempting to pass in a clear opening, the leading horse may not impede the passing horse by crossing over so as to compel the passing horse to shorten its stride. A leading horse in a straightaway race must maintain a course as nearly as possible in the lane in which it starts. (b) A horse may not interfere with or cause another horse to lose stride, lose ground, or lose position in a part of the race where the horse interfered with loses the opportunity to place where the horse might be reasonably expected to finish. (c) The stewards may disqualify a horse who interferes with another horse in violation of this section and may place the horse behind the horse interfered with.

## Virginia

11VAC10-140-210 During a race, no jockey shall strike, strike at or touch another jockey or another jockey's horse or equipment, or jostle another horse to interfere with that jockey or horse. 11VAC10-70-150 The stewards, in their discretion, may determine the extent of any disqualification and may place any disqualified horse behind others in the race with which it interfered or may place the offending horse last in the race.

## Washington

A horse may not interfere with another horse and thereby cause the other horse to lose ground or position, or cause the other horse to break stride. When this interference occurs in the part of the race where the other horse loses the opportunity to place where it might reasonably be expected to finish, the stewards may disqualify the interfering horse.

## West Virginia

10.14. The stewards shall determine the extent of disqualification in cases of fouls. The stewards may place the offending horse behind the horse or horses that, in their judgment, the offending horse interfered with or they may place the offending horse last. 59.3. When clear, a horse may be taken to any part of the racing strip, but no horse shall cross or weave in front of other horses in such a way as to impede them or constitute or cause interference. 59.4. No horse or jockey shall willfully jostle another horse.

## Wyoming

(b) When a race is around a turn a horse may be taken to any part of the course when clear, but no horse shall cross or weave in front of other horses in such a way as to impede them or constitute or cause interference or intimidation. (c) When a race is run on a straightaway every horse must maintain position as nearly as possible in the lane in which he starts. If a horse is ridden, drifts, or swerves out of his lane in such a manner that he interferes with or impedes another horse it is a foul. The offending horse may be disqualified, when in the opinion of the stewards, the outcome of the race was affected. This shall apply whether the foul was caused by the horse or by the rider and whether it was caused willfully or by carelessness.

Lindo

From: jlindo  
Sent: Monday, December 01, 2014 1:09 PM  
To: Marten, Mike  
Subject: Public opinion on Stewards decisions

Hi Mike;

You asked for public opinions on how the Ca Stewards make their decisions and the rules we have that they use.

First of all, I completely agree that going back to the "a foul is a foul" guidelines would be a huge mistake. There are very limited times when judgement should come into play when it is MORE THAN OBVIOUS that a foul DID not affect the outcome of a race.

However, I believe the Ca stewards have taken their leeway into a gray area that leaves them open to much deserved criticism. Given the explanation in the Breeders Cup Classic that the "interference occurred at a point in the race where it did not alter the order of finish" is LUDICROUS when a foul occurs at the start or very early in the race.

- 1) There is no way to know how much the interference costs a dedicated frontrunner (like Moreno) in terms of lengths when his running style is totally compromised at the start.
- 2) The interference completely changed the pace scenario of the race, thus affecting the outcome.
- 3) The fact that the stewards acknowledged the interference then makes them use a crystal ball to determine how many lengths it cost each of those horses who were impacted at the start. That is simply too much vagueness for the wagering public to expect a consistent and accurate decision.

When there is ANY DOUBT as to how much interference may have impacted the outcome of the race and the finishing positions of those affected, the horse in question MUST BE DISQUALIFIED.

To me it is very simple. It would lead to much less speculation, more accuracy, more consistency, and make the jockeys adjust to the rules instead of putting the outcome into the hands of the stewards.

Let the decision be made on the field of play and not in the replay booth.

This has been brewing for a long time and Ca was exposed big time in the Breeders Cup.

How about the CHRB being proactive for once and changing the wording and stressing that if there is any doubt the outcome has been affected by the interference then a change MUST BE MADE???

I watch every race every day from California, have been an owner in California for 30 years, and have been wagering on the races in California for over 40 years. I believe I am qualified to have an opinion on this matter.

Jon Lindo

**From:** tjmichela  
**Sent:** Tuesday, December 02, 2014 6:44 PM  
**To:** Marten, Mike  
**Cc:** gcowden2  
**Subject:** Per CHRB advisory issued November 26, 2014 concerning Rule 1699 suggestions.

Mike,

Having worked in the past as a Steward for six years I do understand how some rules can present a problem for the Stewards. In most states, but not all, where I worked the "Foul is A Foul" rule was used. -A truly very easy rule to interpret and to use without abuse. Rule 1699 presents a problem when a Steward reads too much into it as is the case in the BC Classic. Based on Scott Chaney's public statement an hour or so after the race it was very apparent that he acted not as a Judge during the inquiry but as a "defense counsel" defending the winner in the race. That is not his function. This was a prime example of his Law Degree causing much more harm than good. So, is the problem really with the rule or with the Stewards irresponsible interpretation of the rule? It is total incompetence to disregard the start of a race when applying Rule 1699. In the BC Classic at least two horses were so affected by the No. 7's actions at the start that it could not do anything but result in a lessor placing for those horses. Mr. Chaney's post race comments were absurd, ridiculous, and without foundation. As a former Steward I was totally embarrassed by his decision and his public statements. I am sure the end result of the BC Classic decision is a lack of public trust in horse racing thus it was not in the best interest of horse racing. Not to mention just plain incorrect.

Any rule change should include the "start of a race" and that "if a foul, contact or interference during the running of a race could reasonably be expected to affect a horses performance in a negative way then the offending horse should be placed behind the offended horse or horses or placed last."

Thank You,

Mr. Ted Michelakos

**Wagner, Jacqueline**

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**From:** Marten, Mike  
**Sent:** Wednesday, December 10, 2014 8:11 AM  
**To:** Wagner, Jacqueline; Richard Rosenberg ; Jesse Choper  
**Subject:** FW: CHRB Rule 1699, Riding Rules, as it pertains to the criteria for disqualifications in a horserace.

One more communication on 1699 to include in the committee package.

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**From:** Kimberly Nish  
**Sent:** Tuesday, December 09, 2014 7:53 PM  
**To:** Marten, Mike  
**Cc:**  
**Subject:** CHRB Rule 1699, Riding Rules, as it pertains to the criteria for disqualifications in a horserace.

Dear Sirs,

This letter is in response to your request for public commentary on review of CHRB Rule 1699, Riding Rules, as it pertains to the criteria for disqualifications in a horserace.

We live in a society of rules, and those rules are set in two ways: one is direct legislation, but the other is the unwritten rules established by precedent of rulings from those set to oversee and interpret those rules. Bluntly at the precedent resulting from the ruling of the stewards during the Breeder's Cup Classic should not and can not be allowed to stand. The current rule forces stewards and jockeys into the roles of clairvoyants and requires jockeys to put their livelihood on the line if an incident happens.

There has always been and will always be contact at the start of a race. The unwritten rule is that you get ONE jump, after which a jockey must control his mount and move them onto a straight path. In the 2014 Breeder's Cup Classic that rule was thrown out the window and a different rule was stated. That being: 'If whatever happens, happens early enough in the race-it doesn't count' because the stewards and the jockeys would need to predict the future and determine where the horses would finish to determine if it would cost them a placing or not. And contact can actually break bones, completely taking horses out of the race-BUT as long as it happens early, it is ok? Only if a rider is unseated into a sea of hooves of 1000 lb animals would there be a disqualification.

This precedent is unbelievably dangerous, for the jockeys, for the horses, for the sport. We cannot allow the start of a race to turn into a free for all where anything goes. The stewards statement to the press that 'If Mike Smith had been unseated, Bayern would have been taken down' was just scary! It basically implied that anything up to unseating him would be allowed. And when big money is on the line, who is to say that a horse that is encouraged to do something will stop before that line? There will be those that try!

I understand the CHRB has a difficult task, because it also needs to protect the field. Rightly, a foul may not result in a disqualification when a horse is tiring and in the stewards' opinions would have no hope of finishing in the money. But they should not have their hands tied at other stages of the race, and according to statements made at the Breeder's Cup, it seems like they possibly felt they were.

So I would recommend a minor alteration, but one that will allow the stewards to act with greater authority.

Currently the relevant part of the rule reads:

“horse which interferes with another and thereby causes any other horse to lose stride, ground or position, when such other horse is not at fault and when such interference occurs in a part of the race where the horse interfered with loses the opportunity to place where it might, in the opinion of the Stewards, be reasonably expected to finish, may be disqualified and placed behind the horse so interfered with.”

I would add:

“However if such interference is deemed significant (or extreme) such horse may be disqualified and placed behind horse(s) so interfered with, without regard to the other horses placing.”

This way the rule will allow for that one jump, and still protect the field.

And while we are reviewing this rule; I would also like to look at another precedent established at the Breeder's Cup. NO place in the rule above does it require a jockey's testimony. Horse racing is a VERY SMALL sport that is incredibly intertwined. One moment the participants are on the same side and in the next race, they are opponents.

No other sport requires the athletes to testify against themselves, their bosses at that moment or the one in 30 minutes. If the stewards decide to look into a race, it is just that by rule-the STEWARDS decision. If the stewards call an inquiry, it needs to be only on the stewards without the jockeys involved. Jockeys' involvement should be for jockeys' objections only.

And lastly, I will admit to having a 'horse' in this race. He came back from the Breeder's Cup Classic bruised and sore, but thankfully he and the jockey came back! Here's hoping the CHRB will act to ensure the ned horse comes back as well.

Sincerely,

Kimberly Nish  
KMN Racing, LLC

RECEIVED  
CHRBWALLACE, BROWN  
& SCHWARTZ

2014 DEC 10 AM 10:03

ATTORNEYS AT LAW  
215 NORTH MARENCO AVENUE  
THIRD FLOOR  
PASADENA, CA 91101-1504TELEPHONE  
(626) 344-6777  
FACSIMILE  
(626) 795-0353

December 10, 2014

Ms. Jackie Wagner  
Assistant Executive Director  
California Horse Racing Board  
1010 Hurley Way, Suite 300  
Sacramento, CA 95825

RE: CHRB Rule 1699

Dear Ms. Wagner:

I am writing to the California Horse Racing Board relative to its Legislative, Legal and Regulations Committee meeting scheduled for December 17, 2014, to review CHRB Rule 1699.

As you know, I have been involved in thoroughbred horse racing for over five decades. I served as CHRB hearing officer in the early 1990s; am an approved Steward in this State; have bred, raced and trained horses and our offices have represented many prominent industry participants including serving as local counsel to the Breeder's Cup in each of the years it has been conducted in California.

I am writing to oppose any change to rule 1699.

There is an adage in the law that bad facts make for bad law. As this committee meeting and this subject are based entirely on the running of the 2014 Breeders' Cup Classic, I wish to suggest that the start of that race was a unique set of occurrences not likely to happen again.

It would be unwise to change a rule that has worked well for at least fifteen years based upon a few split seconds at the beginning of that race. There is no good reason for the California Horse Racing Board to yield to the outpouring of emotional response related to the question of whether or not a disqualification should have occurred by stripping the Stewards of their discretion to evaluate the affects of fouls.

To do otherwise would result in a mindlessly arbitrary rule that no matter when or where a foul happened and regardless of its severity, an automatic disqualification must be assessed.

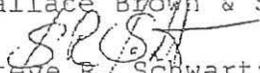
Ms. Jackie Wagner  
RE: CHRB Rule 1699  
December 10, 2014  
Page 2

If the commissioners feel that a steward or stewards are repeatedly making poor analytical judgments, simply do not renew their contracts.

The rule is not broken. There is no need to change it.

Sincerely,

Wallace Brown & Schwartz

  
Steve R. Schwartz

SRS

**From:** Marten, Mike  
**Sent:** Monday, November 17, 2014 10:45 PM  
**To:** Marten, Mike  
**Subject:** Suggested text for 1699

Commissioners, Executives and Stewards

Mike Wellman, a TOC director, asked me to distribute his suggested language for Rule 1699

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**From:** Mike Wellman  
**Sent:** Monday, November 17, 2014 2:58 PM  
**To:** Marten, Mike  
**Subject:** RE: CHRB Meeting Advisory

Mike,

Unfortunately I am unable to attend on Wednesday but feel there is no real reason to note the Steward part of b)....possibly it should read

b) A horse that does interfere significantly with or causes any other horse to lose stride, ground or position that this interference causes the victimized horse and/ or other horses in race to lose its fair opportunity to place where it might if the incident in question did not occur.

**From:** george  
**Sent:** Thursday, November 27, 2014 12:59 PM  
**To:** Marten, Mike  
**Subject:** Rule 1699

Mike

Happy Holidays!

Paulick Report was saying to e mail you with suggestions on this interference rule, here's my take.

Personally, i was one who thought Bayern should have been disqualified, but i don't like much about Baffert so maybe that clouded my judgment, not sure.

Anyway, my general feeling is that anything that might be tweaked to create MORE disqualifications is not something that i'm in favor of.

Im in favor of paying the winners in all but the most extreme cases. Bayern was right on the borderline of an "extreme case" and that if he was disqualified, i wouldn't have had a problem with it.

However, if you "nitpick" and start making MORE dq's and not less, that's not something i'm in favor of.

I know there was an outcry after the Classic and the knee jerk reaction might be to start DQing horses left and right to appease the masses, but i think California gets it right most times, they're pretty good at paying winners, which is all that really matters.

If you want to fine and suspend the jock, that's one thing, but i feel that for the integrity of the product, you have to leave the bettors who picked the winner out of it and pay them off.

Its like the old saying about criminals and people say its better to let 100 actual crooks go in order to not lock up one innocent and that's how i feel about DQs, i would say that its important to make mistakes by leaving horse UP and not make mistakes by taking the rightful money away from the winners.

The standard for a disqualification should be thru the roof, this is a contact sport and part of racing is that horses won't maintain exact straight lines all the time, you still have to find a way to pay off the winning bettors in all cases but the most extreme.

Lean towards NOT disqualifying, i think that despite outcries over the Bayern incident, i would rather see less DQs than more.

Thanks  
George B

**From:** Dave  
**Sent:** Thursday, November 27, 2014 5:53 PM  
**To:** Marten, Mike  
**Subject:** Kreskin or Shakespeare

Get rid of the attempted prose and put the rule book back in reality. There is NO territory between the starting gate and the finish line that is out of bounds or that determines beyond the realm of interference for betting or other consideration. Racing and Stakes races in particular are to determine pedigree and are wagered upon for public participation. But first and foremost the event is for sport! Jockeys Know it.

Trainers know it. The stupidity of what took place was in contradiction of "during the running of a race" which includes every piece of real estate utilized for the contest. Interference can be precipitated by the horse or the jockey separately or in combination at which time a determination can be made that the jockey is to be held blameless in some instances. But held blameless does NOT conclude that the incident is not to be considered injurious to the competitors. And the rules should dismiss any predication of stewards to determine that based on odds or form that the impeded horse should not have an equal chance to perform in the contest. The object, intent or interpretation of the original rules of racing in any recognized jurisdiction have never been construed toward happenstance or assessment of anything other than the contest and its actual outcome.

David Stevenson

## STAFF ANALYSIS

## DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT TO CHRB RULE 1844, AUTHORIZED MEDICATION, TO 1) LOWER THE AMOUNT OF KETOPROFEN THAT CAN BE PRESENT IN A TEST SAMPLE FROM 10 NANOGRAMS PER MILLILITER OF BLOOD PLASMA OR SERUM TO 2 NANOGRAMS PER MILLILITER OF BLOOD PLASMA OR SERUM; AND 2) TO ADD ISOFLUPREDONE AND ITS SPECIFIED AUTHORIZED LEVEL TO THE LIST OF CALIFORNIA'S AUTHORIZED MEDICATION

Regular Board Meeting  
February 18, 2015

## BACKGROUND

Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 states the Board may prescribe rules, regulations and conditions under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19580 requires the Board to adopt regulations to establish policies, guidelines, and penalties relating to equine medication to preserve and enhance the integrity of horse racing in California. Business and Professions Code section 19581 provides that no substance of any kind shall be administered by any means to a horse after it has been entered to race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. Board Rule 1843, Medication, Drugs and Other Substances, provides that no horse participating in a race shall carry in its body any drug substance or its metabolites or analogues, foreign to the horse except as hereinafter expressly provided. No drug substance shall be administered to a horse which is entered to compete in a race to be run in this state except for approved and authorized drug substances as provided in these rules. Board Rule 1844, Authorized Medication, names drug substances and medications authorized by the Board that may be administered to safeguard the health of the horse entered to race. The rule lists the drug substances that may be found in official test samples and the level at which such drugs may occur. The Association of Racing Commissioners International (ARCI) is the international association of the government sanctioned entities responsible for the honesty and integrity of horse and greyhound racing as well as all associated pari-mutuel wagering. ARCI sets standards used in medication policy, and drug testing laboratories.

The first proposed amendment to Board Rule 1844 would lower the allowed ketoprofen threshold in blood plasma or serum from 10 nanograms per milliliter (ng/ml) to 2ng/ml as recommended by ARCI. Ketoprofen, a non-steroidal anti-inflammatory and analgesic drug, is allowed to be administered up to 24 hours prior to racing at a current regulatory threshold of 10 ng/ml of blood plasma or serum under Board Rule 1844 (c)(3), Authorized Medication. The current withdrawal guideline is 24 hours after a single intravenous dose of ketoprofen at a total dose of 2.2 milligrams per kilogram. The 10 ng/ml threshold is based on results of studies conducted in the mid-90's. Based on more modern technology using a liquid chromatographic-mass spectrometric method, a more accurate 24 hour and 48 hour threshold has been determined.

On April 17, 2014, ARCI adopted the 2ng/ml of ketoprofen threshold in blood plasma or serum (ARCI 011-010 Section C Paragraph 1.b)

The second proposed amendment to Board Rule 1844 would add isoflupredone, in an amount that does not exceed 100 picograms per milliliter, to the list of drug substances that a blood serum or plasma sample may contain. Isoflupredone acetate is a long acting corticosteroid that can be used for the treatment of allergic, musculoskeletal, and inflammatory processes in the horse. Isoflupredone acetate can be administered via intra-articular, intravenous, and intramuscular/subcutaneous routes. On April 17, 2014, ARCI adopted the 100 picograms per milliliter of isoflupredone threshold in blood plasma or serum (ARCI 011-010 Section C Paragraph 1.b).

The proposed amendment to Board Rule 1844 was heard at the January 20, 2015 Medication and Track Safety Committee Meeting. The Committee agreed on the proposed amendments and recommended the item be heard before the Board.

#### RECOMMENDATION

Staff recommends the Board instruct staff to initiate the 45-day public comment period.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 15. VETERINARY PRACTICES  
PROPOSED AMENDMENT OF  
RULE 1844. AUTHORIZED MEDICATION

Regular Board Meeting  
February 18, 2015

1844. Authorized Medication.

Consistent with the intent of these rules, drug substances and medications authorized by the Board for use may be administered to safeguard the health of the horse entered to race provided that:

(a) No person shall administer a drug substance to any horse entered to race except upon authorization of the official veterinarian in conformance with these rules.

(b) No drug substance, other than authorized bleeder medication, shall be administered to a horse entered to race within 24 hours of the race in which entered.

(c) Not more than one approved non-steroidal anti-inflammatory drug substance (NSAID) may be administered to a horse that is entered to race and shall be only one of the following authorized drug substances:

(1) Phenylbutazone in a dosage amount that the test sample shall contain not more than 2 micrograms of the drug substance per milliliter of blood plasma or serum.

(2) Flunixin in a dosage amount that the test sample shall contain not more than 20 nanograms of the drug substance per milliliter of blood plasma or serum.

(3) Ketoprofen in a dosage amount that the test sample shall contain not more than ~~10~~ 2 nanograms of the drug substance per milliliter of blood plasma or serum.

(4) Metabolites or analogues of approved NSAIDs may be present in post race test samples.

(d) If the official chemist reports that a blood test sample contains an authorized NSAID in excess of the limit for that drug substance under this rule, the official veterinarian shall, in conjunction with the veterinarian who administered or prescribed the authorized drug substance, establish a dosage amount or time of administration of the drug substance that will comply with the limits under this rule; or the official veterinarian may, if in his/her judgment no such reduced dosage amount or amendment to time of administration will result in a test sample level within the limits of this rule, withdraw authorization for the use of any one NSAID.

(e) Official urine test samples may contain one of the following drug substances, their metabolites and analogs, in an amount that does not exceed the specified levels:

- (1) Acepromazine; 10 nanograms per milliliter
- (2) Mepivacaine; 10 nanograms per milliliter
- (3) Albuterol; 1 nanograms per milliliter
- (4) Procaine; 25 nanograms per milliliter
- (5) Salicylates; 750 micrograms per milliliter
- (6) Clenbuterol; 140 picograms per milliliter
- (7) Omeprazole; 1 nanogram per milliliter
- (8) Nandrolone; 1 nanograms per milliliter for geldings, fillies and mares; 45 nanograms for males other than geldings.
- (9) Boldenone; 15 nanograms per milliliter in males other than geldings.
- (10) Testosterone; 20 nanograms per milliliter in geldings.
- (A) Testosterone at any level in males other than geldings is not a violation of this regulation.
- (11) Testosterone; 55 nanograms per milliliter in fillies or mares.

(12) Butorphanol; 300 nanograms per milliliter

(f) Official blood test samples may contain the following drug substances, their metabolites and analogs, in an amount that does not exceed the specified levels in serum or plasma:

(1) Bethamethasone; 10 picograms per milliliter

(2) Dantrolene; 100 picograms per milliliter

(3) Detomidine; 1 nanogram per milliliter

(4) Dexamethasone; 5 picograms per milliliter

(5) Diclofenac; 5 nanograms per milliliter

(6) Dimethylsulfoxide (DMSO); 10 micrograms per milliliter

(7) Firocoxib; 20 nanograms per milliliter

(8) Lidocaine; 20 picograms per milliliter

(9) Methocarbamol; 1 nanogram per milliliter

(10) Methylprednisolone; 100 picograms per milliliter

(11) Glycopyrrolate; 3 picograms per milliliter

(12) Prednisolone; 1 nanogram per milliliter

(13) Triamcinolone Acetonide; 100 picograms per milliliter

(14) Xylazine; 10 picograms per milliliter of serum or plasma

(15) Butorphanol; 2 nanograms per milliliter

(16) Isofluprodone; 100 picograms per milliliter

(g) Official blood test samples shall not contain any of the drug substances, or their metabolites or analogs listed in subsection (e)-(1)(12).

(h) Procaine, following administration of procaine penicillin, is an authorized medication provided:

(1) Official blood test samples shall not contain any procaine, or its metabolites or analogs in excess of 25 nanograms per milliliter.

(2) all procaine penicillin administrations have been reported pursuant to Rule 1842 of this division,

(3) procaine penicillin was not administered after entry to race,

(4) the horse was under surveillance for a minimum of six hours prior to racing.

(i) All expenses related to surveillance and testing for procaine under subsection (h) of this regulation shall be paid by the owner of the horse.

Authority: Sections 19440 and 19562,  
Business and Professions Code.

Reference: Sections 19580 and 19581,  
Business and Professions Code.

DISCUSSION AND ACTION BY THE BOARD REGARDING  
THE PROPOSED AMENDMENT TO  
CHRB RULE 1845, AUTHORIZED BLEEDER MEDICATION,  
TO REQUIRE THAT AUTHORIZED BLEEDER MEDICATION  
BE ADMINISTERED BY INDEPENDENT, THIRD PARTY VETERINARIANS

Regular Board Meeting  
February 18, 2015

ISSUE

Furosemide (Lasix) is a diuretic administered to horses to prevent exercise-induced pulmonary hemorrhage (EIPH), which is a condition wherein pulmonary bleeding occurs when capillaries in horses' lungs burst as a result of the exertion from racing. In 2011 a committee of the Racing Medication and Testing Consortium (RMTC) studying the administration of Lasix and adjunct bleeder medications presented its recommendations to the RMTC board, which resulted in the development of a Model Rule for Racing Commissioners International (RCI) consideration. In 2013 the RCI incorporated the RMTC recommendations in a Model Rule, which requires that Lasix be the only medication authorized for administration on race day, and limits Lasix administration to no less than four hours prior to post time for the race in which the horse is entered. The RCI Model Rule also requires that Lasix administration be performed only by third-party veterinarians or veterinary technicians who are prohibited from working as private veterinarians or technicians at the racetrack or with participating licensees. As of January 2014, thirteen states had adopted regulations requiring third-party administration of Lasix: Colorado, Delaware, Indiana, Kentucky, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Dakota, Virginia and West Virginia. The proposed amendment to Rule 1845, Authorized Bleeder Medication, will bring the Board's regulations in line with the RMTC/RCI recommendations regarding the administration of Lasix.

ANALYSIS

The initial paragraph of the proposed amendment to Rule 1845 states the only authorized medication for the control of EIPH shall be Lasix. The administration of the medication shall be made on the grounds of the racetrack by a single intravenous injection, in a dosage of not less than 150 mg and not more than 500 mg, and no later than four hours prior to race time. Lasix shall only be administered to a horse that is registered on the authorized bleeder medication list. These provisions are consistent with the RCI Model Rule, and most of them are current Board practice under the existing regulation. The exception is the provision that Lasix is the only authorized medication for the control of EIPH. Rule 1845 currently states that an "authorized bleeder medication" may be administered, which provides for the possibility of an alternative medication. Under the proposed amendment, only Lasix may be used to control EIPH.

The amended subsections 1845(a) through (a)(2) describe how a horse is registered on the authorized bleeder medication list. Under the current regulation, a horse is eligible to race with authorized bleeder medication if the licensed trainer or the veterinarian determines it would be in the horse's best interest. If the horse will race with authorized bleeder medication CHRB form

194 Authorized Bleeder Medication Request shall be used to notify the official veterinarian. The proposed amendment requires a determination from the trainer and veterinarian designated by the owner that Lasix is medically necessary to control EIPH and is not otherwise contraindicated (should not be used because it may be harmful) for that horse. The official veterinarian must approve CHRB form 194 Authorized Bleeder Medication and Medical Records Request, as submitted by the trainer and veterinarian designated by the owner. The Form 194 has been given a new title that indicates medical records may also be requested; however, an amended form is not currently available, nor does the amended text mention medical records.

Once registered, any horse that will receive Lasix must arrive on the grounds of the facility where the horse will race no later than five hours prior to post time. This will ensure the horse will be at the racetrack prior to the deadline for administration of Lasix (four hours prior to post time).

Subsection (d) of the current 1845 text has been renumbered as subsection 1845(b)(2) of the revised text. It requires that the horse be placed in a pre-race security stall under the care and constant view of the trainer. The trainer shall be responsible for the horse while it is in the security stall. The horse may leave the stall prior to a race only with the permission of the official veterinarian. These provisions are the same as those in the current 1845 text.

New subsections 1845(c) through (c)(2) provide that Lasix will only be administered after the owner, trainer, or veterinarian designated by the owner or trainer has consulted with the veterinarian designated by the official veterinarian to administer Lasix. The veterinarian designated by the official veterinarian must also examine the horse. Or, the consultation may take place with the official veterinarian or racing veterinarian if one of these persons examines the horse and is to directly supervise the veterinarian or California registered veterinary technician who will administer Lasix. The consultation and examination required under subsections 1845(c)(1) and (c)(2) are meant to establish a client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032. The establishment of the client-patient relationship will address the concerns of the California Veterinary Medical Board which expressed reservations about the third party administration of Lasix due to what it believed were conflicts with existing statutes and regulations related to the veterinarian-client-patient relationship and the dispensing of medications.

New subsections 1845(d) through (d)(2) address how Lasix shall be dispensed. A third party veterinarian designated by the official veterinarian shall administer Lasix, or Lasix shall be administered by a California registered veterinary technician under the direct supervision of the veterinarian designated by the official veterinarian. Any veterinarian designated by the official veterinarian to administer Lasix or California registered veterinary technician who administers Lasix may not have a business or veterinarian-client-patient relationship with participating licensees within 30-days of the date they are designated to administer Lasix. This will act to ensure the veterinarian designated by the official veterinarian or California registered veterinary technician is a neutral party whose only interest is the proper administration of Lasix. The person who administers Lasix shall notify the official veterinarian of the treatment no later than two hours prior to post time of the race for which the horse is entered. The notification shall be

made on CHRB Form-36, Bleeder Treatment Report. Further, the owner, trainer or a licensed employee of the trainer shall be present to observe the Lasix administration.

Subsection 1845(d)(3) sets a standard Lasix dose of 250 mg, which is a nationally recognized default dose. However, subsection 1845(d)(3) also allows for a Lasix dose between 150 mg and 500 mg if it is determined after consultation between the owner, trainer or veterinarian designated by the owner or trainer, and the veterinarian designated by the official veterinarian, that an alternative dose is required. This provides the parties with the flexibility to act in the best interest of the horse.

A new subsection 1845(e) requires that in the event of an adverse reaction or other emergency related to the administration of Lasix, the veterinarian who administered the Lasix, or California registered veterinary technician who administered the Lasix, shall attend the horse until the arrival of the veterinarian designated by the trainer or owner. This provision will ensure the horse is in the care of a veterinarian or medical technician at all times, and it will allow the veterinarian to confer with the party who administered Lasix regarding the horse's reaction to the Lasix administration.

Designation: The text of the proposed amendment provides that the official veterinarian shall "designate" the veterinarian who will administer Lasix to horses entered to race. The proposed amendment also states the owner will "designate" a trainer and a veterinarian, and that the trainer, under certain circumstances, will also "designate" a veterinarian. However, the proposed text does not provide how the official veterinarian, the owner or the trainer will make such designations, or where such information will be retained.

Rule 1845 currently provides that a representative of the Board may request that the veterinarian administering the bleeder medication surrender the syringe used in the administration of Lasix for possible testing. A new subsection 1845(f) requires that the syringe used to administer Lasix shall be provided to, and shall be retained by the Board until all testing of the horse is completed. If there is a positive test finding, the Board, or the owner or trainer may request that the syringe be analyzed for prohibited substances. This ensures that each syringe used to administer Lasix shall be in the custody of the Board and available for testing as needed. However, the proposed text does not explain how the owner or trainer would request analysis of the syringe, or who would pay for such testing. These points need to be clarified in the revised text.

The current subsections 1845(b) and (c) have been renumbered and appear in the revised text as subsections 1845(g) through (g)(2). These subsections give the required specific gravity of post-race urine samples, which shall not be below 1.010. They also provide that if the urine sample is not available, or if it is determined to be below 1.010, quantitation of Lasix in serum or plasma shall be performed. Concentrations may not exceed 100 nanograms of Lasix per milliliter of serum or plasma. These levels are the same as those in the current 1845 text.

Subsection 1845(f) of the current Rule 1845 has been renumbered as subsection 1845(h) of the revised text. The subsection remains essentially unchanged from the current version of Rule 1845. Subsection 1845(h) states how a horse may be removed from the official authorized

bleeder medication list, and the periods of time the horse must remain off the list before it can be placed back on the list.

Subsection (g) of the current Rule 1845 has been renumbered as subsection 1845(i) of the revised text. The subsection provides the period of time a horse will be ineligible to race if the official veterinarian observes it bleeding externally from or both nostrils during or after a race or workout, and determines such bleeding is a direct result of EIPH. These periods of time remain unchanged; however, an exemption to these periods of ineligibility for horses voluntarily administered authorized bleeder medication has been stricken.

A new subsection 1845(j)(1) provides that the owner of the horse shall pay all costs associated with the administration of Lasix. Owners currently pay all such costs.

A new subsection 1845(j)(2) provides that the owner shall consent to the procedures in Rule 1845, and shall agree that the pre-race examination conducted by the official veterinarian constitutes a veterinary-client-patient relationship within the meaning of Title 16, section 2032.1, of the California Code of Regulations. Although Rule 1846, Racing Soundness Examination, provides that the horse may be examined as late as two hours before post time, most racing soundness examinations occur in early morning, well before the first post time.

## BACKGROUND

Business and Professions Code section 19440 states the Board has all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19580 requires the Board to adopt regulations to establish policies, guidelines, and penalties relating to equine medication to preserve and enhance the integrity of horse racing in California. Business and Professions Code section 19581 states that no substance of any kind shall be administered by any means to a horse after it has been entered to race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. Business and Professions Code section 19582 provides that violations of section 19581 are punishable as set forth in regulations adopted by the Board.

At its October 2012 Regular Meeting the Board approved amendments to CHRB Rule 1845, Authorized Bleeder Medication, to require that authorized bleeder medication be administered by independent, third party veterinarians. During the 45-day public comment period objections were raised by private veterinarians and the California Veterinary Medical Association. Those in opposition to the proposed amendment stated it violated the veterinary medical practice act by interfering with the client-veterinarian-patient relationship required for prescription medications since furosemide is a federal prescription medication. Revisions were made to the text and the proposed amendment came before the Board at the March 21, 2014 Regular Board Meeting. At that meeting the Executive Officer of the California Veterinary Medical Board (VMB) spoke in opposition to the amendment citing conflicts with existing statutes and regulations related to the

veterinarian-client-patient relationship, and the dispensing of dangerous drugs. CHRB Counsel met with representatives of the VMB to make revisions, and correct any issues of conflict with existing statutes and regulations.

#### RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD  
 TITLE 4. CALIFORNIA CODE OF REGULATIONS  
 ARTICLE 15. VETERINARY PRACTICES  
 RULE 1845. AUTHORIZED BLEEDER MEDICATION

Regular Board Meeting  
 January 18, 2015

1845. Authorized Bleeder Medication.

~~The only~~ Authorized bleeder medication for the control of exercised-induced pulmonary hemorrhage (EIPH) may shall be furosemide, and it shall only be administered ~~to~~ by a horse single intravenous injection, in a dosage of not less than 150 mg and not more than 500 mg, on the grounds of the racetrack where the horse will race, and no later than four hours prior to race time. It shall only be administered to a horse that is registered on the authorized bleeder medication list.

(a) ~~A horse is eligible to race with~~ registered on the authorized bleeder medication if the licensed list as follows:

(1) The trainer and/or a veterinarian determines it is in the horse's best interest. If a horse will race with authorized bleeder medication, form designated by the owner determine furosemide is medically necessary to control EIPH and is not otherwise contraindicated for that horse.

(2) Prior to entry for race, the Official Veterinarian approves the CHRB Form 194 (New 08/04), Authorized Bleeder Medication and Medical Records Request, (Date), which is hereby incorporated by reference, shall be used submitted to notify the Official Veterinarian by the trainer and veterinarian prior to entry designated by the owner.

~~—(b) The official laboratory shall measure the specific gravity of post-race urine samples to ensure samples are sufficiently concentrated for proper chemical analysis. The specific gravity of such samples shall not be below 1.010.~~

~~—(c) If the specific gravity of the post-race urine sample is determined to be below 1.010, or if a urine sample is not available for testing, quantitation of furosemide in serum or plasma~~

shall then be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

~~\_\_\_\_\_ (d) A horse qualified to race with authorized bleeder medication shall~~ (b) Once registered, any horse that will be administered furosemide shall:

(1) Arrive on the grounds of the racetrack where the horse will race no later than five hours prior to the post time of the race for which the horse is entered; and

\_\_\_\_\_ (2) Be assigned to a pre-race security stall prior to the scheduled post time for the race in which it is entered, and shall remain there until it is taken to the receiving barn or the paddock to be saddled or harnessed for the race. While in the security stall, the horse shall be in the care, custody, control and constant view of the trainer, or a licensed person assigned by the trainer. The trainer shall be responsible for the condition, care and handling of the horse while it remains in the security stall. The Official Veterinarian may permit a horse to leave the security stall to engage in track warm-up heats prior to a race.

~~\_\_\_\_\_ (e) A horse qualified for administration of authorized bleeder medication must be treated on the grounds of the racetrack where the horse will race no later than four hours prior to post time of the race for which the horse is entered. The authorized bleeder medication, furosemide,~~ (c) fFurosemide shall be administered by a single intravenous injection only, in a dosage of not less than 150 mg. after:

(1) The trainer, owner, or not more than 500 mg. A horse racing with furosemide must show a detectable concentration of the drug in the post-race serum, plasma or urine sample. The veterinarian administering designated by the owner or trainer has consulted with the veterinarian designated by the Official Veterinarian regarding the condition of the horse and the veterinarian designated by the Official Veterinarian has examined the horse sufficient to establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1; or

\_\_\_\_\_ (2) The trainer, owner, or veterinarian designated by the owner or trainer has consulted with the bleeder medication shall Official Veterinarian or Racing Veterinarian and the veterinarian designated by the Official Veterinarian has examined the horse sufficient to

establish a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1, and that consulting Official Veterinarian or Racing Veterinarian directly supervises the veterinarian or California registered veterinary technician who administers furosemide.

(d) Administration of furosemide shall occur as follows:

(1) Only a veterinarian designated by the Official Veterinarian or a California registered veterinary technicians under the direct supervision of the veterinarian designated by the Official Veterinarian may administer furosemide. The Official Veterinarian shall not designate himself or herself to administer furosemide except in an emergency, the details of which shall be immediately reported to the stewards.

(A) Any veterinarian or California registered veterinary technician who administers furosemide shall not have a current business relationship with participating licensees within 30 days of the date they are designated to administer furosemide, or have had a veterinarian-client-patient relationship within 30 days of the date they are designated to administer furosemide.

(B) The person who administers furosemide pursuant to subsection (d)(1) shall promptly notify the Official Veterinarian of the treatment of the horse. Such notification shall be made using CHRB Form-36 (New 08/04), Bleeder Treatment Report, which is hereby incorporated by reference, not later than two hours prior to post time of the race for which the horse is entered. Upon the request of a Board representative, the veterinarian administering the authorized bleeder medication shall surrender the syringe used to administer such medication, which may then be submitted for testing.

(f)(2) The owner, trainer or a designated licensed employee of the trainer shall be present and observe the furosemide administration.

(3) A horse placed authorized to be administered furosemide shall receive 250 mg of furosemide intravenously unless an alternative dose between 150 mg and 500 mg has been determined after consultation between the trainer, owner, or veterinarian designated by the owner or trainer, and the veterinarian designated by the Official Veterinarian pursuant to subsection (c).

(e) In the event of an adverse reaction or other emergency related to the administration of furosemide, the veterinarian or California registered veterinary technician who administered furosemide shall attend the horse until the arrival of a veterinarian designated by the trainer or owner.

(f) The syringe used to administer furosemide shall be provided to and retained by the Board until all testing of the horse is completed. In the event of a positive test finding as defined in this article, the Board may order, or the owner or trainer may request, the retained syringe be analyzed for prohibited substances. The results of the analysis may be used in any action before the Board.

(g) A horse that has been administered furosemide must show a detectable concentration of the drug in the post-race serum, plasma or urine sample.

(1) The official laboratory shall measure the specific gravity of post-race urine samples to ensure samples are sufficiently concentrated for proper chemical analysis. The specific gravity of such samples shall not be below 1.010.

(2) If the specific gravity of the post-race urine sample is determined to be below 1.010, or if the urine sample is not available for testing, quantitation of furosemide in serum or plasma shall then be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

(h) A horse registered on the official authorized bleeder medication list must remain on the list unless the licensed-trainer and/or veterinarian designated by the horse owner requests that the horse be removed. The request must be made using CHRB Form-194 (new-08/04), and must be submitted to the Official Veterinarian prior to the time of entry. A horse removed from the authorized bleeder medication list may not be placed back on the list for a period of 60 calendar days unless the Official Veterinarian determines it is detrimental to the welfare of medically necessary for the horse. If a horse is removed from the authorized bleeder medication list a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.

—(g) If the Official Veterinarian observes a horse bleeding externally from one or both nostrils during or after a race or workout, and determines such bleeding is a direct result of EIPH, the horse shall be ineligible to race for the following periods:

- —● First incident—14 days;
- —● Second incident within 365-day period—30 days;
- —● Third incident within 365-day period—180 days;
- —● Fourth incident within 365-day period—barred ~~for~~from racing lifetime.

For the purposes of counting the number of days a horse is ineligible to run, the day after the horse bled externally is the first day of such period. The voluntary administration of authorized bleeder medication without an external bleeding incident shall not subject a horse to the initial period of ineligibility as defined under this subsection.

NOTE: (j) The owner(s) of a registered horse shall:

(1) Pay all costs associated with the administration of furosemide.

(2) Consent to the procedures in this section and agree that the pre-race examination conducted under the direction of the Official Veterinarian shall constitute a veterinary-client-patient relationship within the meaning of California Code of Regulations, Title 16, section 2032.1.

Authority cited: Sections 19440 and 19562, Business and Professions Code.

Reference: Sections 19580 and 19581-19582, Business and Professions Code.

STATE OF CALIFORNIA

CALIFORNIA HORSE RACING BOARD

**AUTHORIZED BLEEDER MEDICATION REQUEST**

CHRB-194 (NEW 08/04)

HORSES NAME: \_\_\_\_\_

TATTOO NO: \_\_\_\_\_ BREED: \_\_\_\_\_ DATE: \_\_\_\_\_

TRAINERS NAME: \_\_\_\_\_

( ) Request that the horse listed above be **placed** on the Authorized Bleeder Medication List and be treated pursuant to California Horse Racing Board Rules and Regulations. Article 15. Section 1845.

( ) Request that the horse listed above be **removed** from the Authorized Bleeder Medication List pursuant to California Horse Racing Board Rules and Regulations. Article 15. Section 1845.

VETERINARIAN SIGNATURE: \_\_\_\_\_

TRAINERS SIGNATURE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ DATE RECEIVED: \_\_\_\_\_

CALIFORNIA HORSE RACING BOARD  
**BLEEDER TREATMENT REPORT**

HORSE: \_\_\_\_\_

Date: \_\_\_\_\_ Race: \_\_\_\_\_

Time Administered: \_\_\_\_\_

Lasix ( ) or Other Medication ( )

Veterinarian: \_\_\_\_\_

Trainer: \_\_\_\_\_

Attendant Present: \_\_\_\_\_

STAFF ANALYSIS  
DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED  
AMENDMENT TO CHRB RULE 1887, TRAINER TO INSURE CONDITION OF HORSE,  
TO ADD OWNERS OF A SHIP-IN HORSE AS EQUALLY RESPONSIBLE FOR THE  
CONDITION OF A HORSE

Regular Board Meeting  
February 18, 2015

## BACKGROUND

Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Business and Professions Code section 19580 states that the Board shall adopt regulations to establish policies, guidelines, and penalties relating to equine medication in order to preserve and enhance the integrity of horse racing in California. Business and Professions Code section 19581 states that no substance of any kind shall be administered by any means to a horse after it has been entered to race in a horse race, unless the Board has, by regulation, specifically authorized the use of the substance. Rule 1887, Trainer to Insure Condition of Horse, provides that the trainer is the absolute insurer of and is responsible for the condition of the horse entered in a race. If a positive test showing the presence of any prohibited drugs substance as defined in Rule 1843.1, Prohibited Drug Substances, the trainer of the horse may be fined, his/her license suspended or revoked, or be ruled off. In addition, the owner of the horse, foreman in charge of the horse, groom, and any other person shown to have had the care or attendance of the horse, may be fined, his/her license suspended, revoked, or be ruled off. If the Board or its agents fail to notify a trainer of a potential positive test within 21 days from the date the sample was taken, the trainer shall not be deemed responsible.

There are cases where horses are being trained off the grounds of CHRB licensed facilities under the care or direction of the owners, and then shipped in just a day or two before they race and placed with trainers who have little or no involvement in the prior care of those horses. If any of these horses subsequently test positive, the trainer is typically deemed responsible as the absolute insurer. Occasionally owners will admit they had prior custody of the horses, as opposed to some third party, in which case the CHRB can and have filed complaints against owners. However, when there is no such admission, it can be difficult to take action against those owners, given the current wording of Rule 1887.

The proposal to amend Rule 1887 was discussed at the November 2014 Stewards' Committee meeting. The Medication and Track Safety Committee discussed the proposed amendment to Rule 1887 at its January 14, 2015 meeting and agreed to recommend the item to the Board.

## ANALYSIS

The proposed amendment to Rule 1887 would require the owner and trainer of a “ship in horse” to be equally responsible for the condition of the horse, and would include the definition of a “ship-in” horse. Rule 1887 currently identifies the trainer of a horse as the primary individual responsible for the care and condition of a horse that is entered in a race and later tests positive for any prohibited drug substance as defined in Rule 1843.1. Rule 1887 does not address horses that are trained by their owners at another location and later shipped in by their owner to race under another trainer’s name. The proposed amendment defines a ship-in horse as any horse entered to race that has not been in the continuous care of a licensed trainer within a licensed inclosure in California or other racing jurisdiction for seven consecutive calendar days prior to the day of the race for which it is entered. Based on Rule 1887, if a shipped in horse that runs in a race later tests positive for a prohibited drug substance, the trainer under which the horse ran will be the primary individual held responsible and may be subject to fines, a suspended or revoked license, or be ruled off. Currently, the owner of the horse is not held equally accountable for the condition of the horse and may claim that since his horse was sent to another location to race under another trainer, the horse was not in his “care or attendance.”

The proposed amendment to Rule 1887 will ensure that both the trainer and owner are equally responsible for the condition of the horse entered in a race.

## RECOMMENDATION

Staff recommends the Board instruct staff to initiate the 45-day public comment period.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 16. GENERAL CONDUCT  
PROPOSED AMENDMENT OF  
RULE 1887. TRAINER TO INSURE CONDITION OF HORSE

Regular Board Meeting  
February 18, 2015

1887. Trainer or Owner to Insure Condition of Horse

(a) The trainer is the absolute insurer of and responsible for the condition of the horses entered in a race, regardless of the acts of third parties, except as otherwise provided in this article. If the chemical or other analysis of urine or blood test samples or other tests, prove positive showing the presence of any prohibited drug substance defined in Rule 1843.1 of this division, the trainer of the horse may be fined, his/her license suspended or revoked, or be ruled off. In addition, the owner of the horse, foreman in charge of the horse, groom, and any other person shown to have had the care or attendance of the horse, may be fined, his/her license suspended, revoked, or be ruled off. The owner of a ship-in horse is the joint-absolute insurer of and is equally responsible for the condition of the horses entered in a race.

(b) A ship-in horse is defined as any horse entered to race that has not been in the continuous care of a licensed trainer within a licensed inclosure in California or other racing jurisdiction for seven consecutive calendar days prior to the day of the race for which it is entered.

(b) (c) Notwithstanding the above, if the Board or its agents fail to notify a trainer or the owner of a ship-in horse of a potential positive test within 21 calendar days from the date the sample was taken, the trainer or the owner of a ship-in horse shall not be deemed responsible under this rule unless it is shown by the preponderance of the evidence that the trainer or the

owner of a ship-in horse administered the drug or other prohibited substance defined in Rule 1843.1 of this division, caused the administration or had knowledge of the administration.

Authority: Sections 19440, 19580 and 19581,  
Business and Professions Code.

Reference: Section 19440, 19577, 19580 and 19581  
Business and Professions Code.

STAFF ANALYSIS  
DISCUSSION AND ACTION BY BOARD REGARDING THE REQUEST  
FOR APPROVAL OF THE CONTINUATION OF THE 0.50% DISTRIBUTION  
TO THE SOUTHERN CALIFORNIA STABLING AND VANNING FUND  
FROM ADVANCE DEPOSIT WAGERING (ADW) HOSTED BY THOROUGHBRED  
RACING ASSOCIATIONS AND RACING FAIRS CONDUCTING RACING  
IN THE CENTRAL AND SOUTHERN ZONES FOR THE PERIOD COMMENCING  
MARCH 1, 2015 THROUGH FEBRUARY 29, 2016 AS PERMITTED UNDER  
BUSINESS AND PROFESSIONS CODE SECTION 19604(f)(5)(E)

Regular Board Meeting  
February 18, 2015

#### ISSUE

The Thoroughbred Owners of California (TOC), Del Mar Thoroughbred Club, Fairplex, Los Alamitos, Santa Anita and the California Thoroughbred Breeders Association (CTBA) are requesting the continuation of the 0.50 percent distribution to the Southern California Stabling and Vanning Fund (Fund) from the advance deposit wagering (ADW) hosted by thoroughbred racing associations and racing fairs.

#### BACKGROUND

Business and Professions Code section 19604(f)(5)(E) provides that notwithstanding any provision of this section to the contrary, the distribution of market access fees pursuant to this subparagraph may be altered upon the approval of the Board, in accordance with an agreement signed by all parties whose distribution would be affected.

In February 2014 the Board approved an agreement between the TOC, Del Mar Thoroughbred Club, Fairplex, Los Alamitos, Santa Anita and the CTBA, to modify the ADW market access fees distribution by 0.50 percent on races hosted by Central and Southern Zones, thoroughbred associations and fairs. The parties stated that the funds generated would be used to offset stabling and vanning expenses incurred by the Fund, which is administered by the Southern California Off-Track Stabling and Vanning Committee.

#### ANALYSIS

The TOC, the Southern California thoroughbred racing associations, and the CTBA are requesting approval from the Board to continue with the agreement under Business and Professions Code section 19604(f)(5)(E) for the period of March 1, 2015 through February 29, 2016. In conjunction with the request for the continuance of the agreement the parties have submitted an agreement signed by all parties whose distributions are affected. The modification of the ADW market access fees generated \$1.7 million as of February 9, 2015, to benefit the Fund.

## RECOMMENDATION

Staff recommends the Board hear from the interested parties pursuing the continuance of the ADW distribution modification.

Southern California Stabling and Vanning Funding Agreement

This Agreement is entered into as of this \_\_\_\_ day of June, 2014 by and between the undersigned racing associations ("the Signatory Racing Associations") the Thoroughbred Owners of California ("TOC") and the California Thoroughbred Breeders Association ("CTBA").

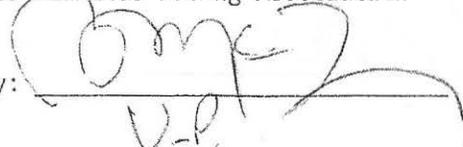
IT IS HEREBY AGREED AS FOLLOWS:

1. The distribution of Market Access fees from Advanced Deposit Wagering, ("ADW") placed on all live and imported races hosted by the Signatory Racing Associations shall be altered by the creation of an additional deduction for a distribution therefrom based upon 0.50% of handle in the Central and Southern Zones that would otherwise be payable as thoroughbred purses and commissions, and such deduction from ADW in the Central and Southern Zones shall be payable to the Fund administered by Southern California Stabling and Vanning Committee.
2. The parties shall immediately file this Agreement with the CHRB for the purposes of securing its approval of the deduction contemplated from market access fees placed on races hosted by the Signatory Racing Associations.
3. Subject to the requisite approval of the CHRB, the deduction from ADW set forth in #1 above shall be effective March 1, 2015 through February 29, 2016.
4. Notwithstanding the distributions from the ADW Deduction set forth hereinabove, the distribution to the Incentive fund administered by the CTBA shall be calculated at the rate of 0.463% of ADW handle in California on races hosted by the Signatory Racing Associations. In addition to the distributions set forth above, there shall be a distribution from the ADW Deduction in order to pay administrative expenses that would otherwise have been distributed to TOC, CTT, and the Backstretch Workers Pension Plan.
5. The Signatory Racing Associations and TOC agree to jointly continue to work toward improving the productivity and efficiency of auxiliary stabling in the Central and Southern zones.
6. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

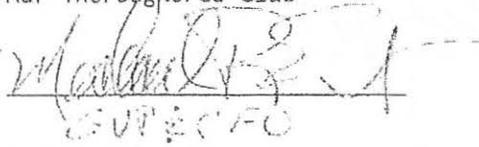
Thoroughbred Owners of California

By: 

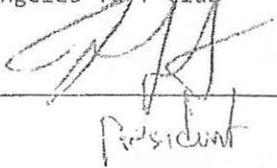
Los Alamitos Racing Association

By:   
V.P.

Del Mar Thoroughbred Club

By:   
SUPERVISOR

Los Angeles Turf Club

By:  SD  
President

Los Angeles County Fair Association

By: \_\_\_\_\_

California Thoroughbred Breeders Association

By: \_\_\_\_\_

Southern California Stabling and Vanning Funding Agreement

This Agreement is entered into as of this \_\_\_\_ day of June, 2014 by and between the undersigned racing associations ("the Signatory Racing Associations") the Thoroughbred Owners of California ("TOC") and the California Thoroughbred Breeders Association ("CTBA").

IT IS HEREBY AGREED AS FOLLOWS:

1. The distribution of Market Access fees from Advanced Deposit Wagering, ("ADW") placed on all live and imported races hosted by the Signatory Racing Associations shall be altered by the creation of an additional deduction for a distribution therefrom based upon 0.50% of handle in the Central and Southern Zones that would otherwise be payable as thoroughbred purses and commissions, and such deduction from ADW in the Central and Southern Zones shall be payable to the Fund administered by Southern California Stabling and Vanning Committee.
2. The parties shall immediately file this Agreement with the CHRB for the purposes of securing its approval of the deduction contemplated from market access fees placed on races hosted by the Signatory Racing Associations.
3. Subject to the requisite approval of the CHRB, the deduction from ADW set forth in #1 above shall be effective March 1, 2015 through February 29, 2016.
4. Notwithstanding the distributions from the ADW Deduction set forth hereinabove, the distribution to the Incentive fund administered by the CTBA shall be calculated at the rate of 0.463% of ADW handle in California on races hosted by the Signatory Racing Associations. In addition to the distributions set forth above, there shall be a distribution from the ADW Deduction in order to pay administrative expenses that would otherwise have been distributed to TOC, CTT, and the Backstretch Workers Pension Plan.
5. The Signatory Racing Associations and TOC agree to jointly continue to work toward improving the productivity and efficiency of auxiliary stabling in the Central and Southern zones.
6. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

Thoroughbred Owners of California

Los Alamitos Racing Association

By: [Signature]

By: \_\_\_\_\_

Del Mar Thoroughbred Club

Los Angeles Turf Club

By: [Signature]  
SUPERFO

By: [Signature] SD  
Resident

Los Angeles County Fair Association

California Thoroughbred Breeders Association

By: [Signature]  
CFO

By: \_\_\_\_\_

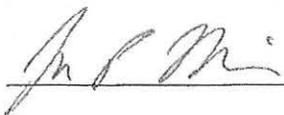
Southern California Stabling and Vanning Funding Agreement

This Agreement is entered into as of this \_\_\_\_ day of June, 2014 by and between the undersigned racing associations ("the Signatory Racing Associations") the Thoroughbred Owners of California ("TOC") and the California Thoroughbred Breeders Association ("CTBA").

IT IS HEREBY AGREED AS FOLLOWS:

1. The distribution of Market Access fees from Advanced Deposit Wagering, ("ADW") placed on all live and imported races hosted by the Signatory Racing Associations shall be altered by the creation of an additional deduction for a distribution therefrom based upon 0.50% of handle in the Central and Southern Zones that would otherwise be payable as thoroughbred purses and commissions, and such deduction from ADW in the Central and Southern Zones shall be payable to the Fund administered by Southern California Stabling and Vanning Committee.
2. The parties shall immediately file this Agreement with the CHRB for the purposes of securing its approval of the deduction contemplated from market access fees placed on races hosted by the Signatory Racing Associations.
3. Subject to the requisite approval of the CHRB, the deduction from ADW set forth in #1 above shall be effective March 1, 2015 through February 29, 2016.
4. Notwithstanding the distributions from the ADW Deduction set forth hereinabove, the distribution to the Incentive fund administered by the CTBA shall be calculated at the rate of 0.463% of ADW handle in California on races hosted by the Signatory Racing Associations. In addition to the distributions set forth above, there shall be a distribution from the ADW Deduction in order to pay administrative expenses that would otherwise have been distributed to TOC, CTT, and the Backstretch Workers Pension Plan.
5. The Signatory Racing Associations and TOC agree to jointly continue to work toward improving the productivity and efficiency of auxiliary stabling in the Central and Southern zones.
6. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

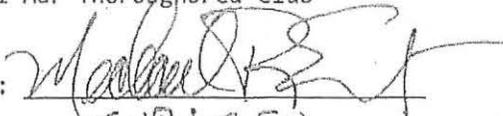
Thoroughbred Owners of California

By: 

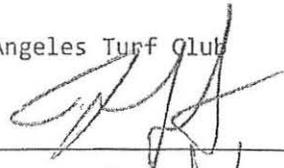
Los Alamitos Racing Association

By: \_\_\_\_\_

Del Mar Thoroughbred Club

By:   
SUPERVISOR

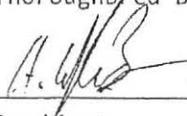
Los Angeles Turf Club

By:  SD  
President

Los Angeles County Fair Association

By: \_\_\_\_\_

California Thoroughbred Breeders Association

By:   
President

## STAFF ANALYSIS

## DISCUSSION BY THE BOARD REGARDING THE OPERATION AND FINANCIAL STATUS OF SOUTHERN CALIFORNIA OFF TRACK WAGERING, INCORPORATED (SCOTWINC) AND NORTHERN CALIFORNIA OFF TRACK WAGERING, INCORPORATED (NCOTWINC), AND THE AWARDING OF THE CONTRACT TO AMTOTE, TO PROVIDE CALIFORNIA WAGERING SERVICES AND THE IMPACT THIS MAY HAVE ON CALIFORNIA RACING

Regular Board Meeting  
February 18, 2015

## BACKGROUND

Business and Professions Code section 19608.2 authorizes the creation of simulcast organizations in California. The organizations are: Southern California Off-Track Wagering Inc. (SCOTWINC) and Northern California Off-Track Wagering Inc. (NCOTWINC). The entities are composed of racing associations and fairs to operate the audiovisual signal system. The horsemen's organization contracting with associations, fairs and non-racing fairs operating satellite wagering facilities must have "meaningful representation" on any such governing board. Section 19608.2(a) provides that in order to permit associations providing audiovisual signals the ability to do so without undue burden and expense, to avoid unnecessary duplication of facilities, to permit the associations to protect the security of their signals, and to permit the associations to protect the integrity of their parimutuel pools and to account for wagering proceeds included in those pari-mutuel pools, associations and fairs providing audiovisual signals pursuant to Section 19608 or 19608.1 may form an organization to operate, pursuant to Board supervision, the audiovisual signal system. (b) An organization operating under Board supervision pursuant to this section may consist of any combination of associations and fairs. (c) Nothing in this section precludes any other person or business entity from participating in, or holding a financial interest in, an organization formed by associations or fairs to operate satellite wagering, except that the person or business entity shall be approved by the Board. (d) Any organization formed shall provide horsemen's organizations contracting with associations and fairs for racing meetings and nonracing fairs operating satellite wagering facilities meaningful representation on its governing board, and shall administer the audiovisual signal and parimutuel operations at satellite wagering facilities. (e) (1) An organization shall bear the costs of operating the audiovisual signal system, including the costs of leasing or purchasing and operation of equipment for transmission and decoding of audiovisual signals and wagering data, the costs of totalisator equipment, mutuel department labor and equipment charges, and the costs, including labor, and overhead of the organization administering the satellite wagering program. (2) A satellite wagering facility shall bear the costs of satellite receiving dishes, head-end assemblies, television monitors or screens, facility buildings, labor at the satellite wagering facility other than mutuel department labor, and any and all other costs at the satellite wagering facility not specifically referred to in paragraph (1). (3) The board shall approve all costs and resolve any differences between an organization and a satellite wagering facility as to which party is required to bear the costs for a disputed item.

## ANALYSIS

The California horse racing industry enters into a contract every 10 years to provide totalizator services, which include providing all wagering equipment, the computer system to record and tabulate wagers, and other resources. The most recent two contracts were with Sportech and its predecessor Scientific Games. The current contract expires in September 2015.

The industry formed a committee in May 2014 to develop a Request for Proposal (RFP) for a new contract. This committee was chaired by George Haines, general manager of SCOTWINC, and included pari-mutuel managers and others closely associated with pari-mutuel operations. The committee issued the RFP to potential bidders in June 2014. Two bids were received by the September 5 deadline in response to the RFP – one from the current provider, Sportech, and the other from AmTote International Inc. (AmTote), an 80-year-old company based in Maryland that develops software, manufactures hardware, and operates systems for pari-mutuel wagering and fixed-odds wagering operations around the world. AmTote is wholly owned by The Stronach Group.

Upon receipt of the two proposals, the committee forwarded them to the racing interests involved: Santa Anita, Del Mar, Los Alamitos, Watch & Wager, Golden Gate Fields, and CARF, as well as NCOTWINC. Horsemen participated in this process as members of SCOTWINC and NCOTWINC. These parties heard presentations from Sportech and AmTote in September 2014, and then notified the two bidders in December 2014 that they had accepted AmTote's proposal.

A legal contract has been drawn up and is being reviewed. The signatories will be those previously mentioned – every racing organization in California that uses the totalizator equipment, namely Santa Anita, Del Mar, Los Alamitos, Watch & Wager, Golden Gate Fields, California Authority of Racing Fairs, NCOTWINC, and SCOTWINC.

The SCOTWINC 2013 financial statements show operating revenue of \$26,592,794 and expenses of \$23,317,189 having a net profit of \$3,327,605. Profits were distributed back to the SCOTWINC member racing associations.

The NCOTWINC 2013 financial statements show operating expenses of \$8,974,199. Expenses were reimbursed to NCOTWINC by the host horse racing associations. NCOTWINC does not report any revenue from its operations; it incurs the expenses and receives reimbursement of its operation expenses by the host racing associations in Northern California.

## RECOMMENDATION

This item is presented to the Board for discussion. Representatives from NCOTWINC and SCOTWINC are prepared to make a presentation. The NCOTWINC and SCOTWINC 2013 financial statements are attached.