

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

TELECONFERENCE

THURSDAY, MARCH 17, 2022

9:30 A.M.

Reported by:

Martha Nelson

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Wendy Mitchell, Commissioner

Dennis Alfieri, Commissioner

Damascus Castellanos, Commissioner

Brenda Washington Davis, Commissioner

Thomas Hudnut, Commissioner /

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Assistant Executive Director

Amanda Brown, Staff Counsel

Amanda Drummond, Policy, Regulations, and Administrative
Hearings Manager

Shawn Loehr, Chief of Licensing and Enforcement

Darrel McHargue, Chief Steward

Francisco Gonzales, Audit Supervisor

Zachary Voss, Regulation Analyst

Mike Marten, Public Information Officer

ALSO PRESENT

Chad Rainey, Churchill Downs Technology Initiatives Company

Josh Rubenstein, Del Mar Thoroughbred Club

Eric Sindler, Pacific Racing Association II and Pacific
Racing Association

APPEARANCES

ALSO PRESENT

Alan Balch, California Thoroughbred Trainers

Cliff Goodrich, CTHF

PUBLIC COMMENT

Martha Sullivan, Kill Racing Not Horses

Wayne Johnson

Elvia Sedano, Kill Racing Not Horses

Lynn Freudenberg, Kill Racing Not Horses

Bonnie Croker, Kill Racing Not Horses

Kimberly Marrs, Marrs Racing

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will be limited to two minutes.

14. Closed Session: For the purpose of receiving 79
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," and 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

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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).

Adjournment

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P R O C E E D I N G S

9:33 A.M.

TELECONFERENCE, THURSDAY, MARCH 17, 2022

CHAIR FERRARO: This is the noticed meeting of the California Horse Racing Board conducted by teleconference pursuant to Executive Order N-29-20.

Participating in this meeting are myself, Dr. Gregory Ferraro, Chair; also, Oscar Gonzales, Vice Chair; Dennis Alfieri, Commissioner; Damascus Castellanos, Commissioner; Brenda Washington Davis, Commissioner; Wendy Mitchell, Commissioner; and our new Commissioner, Thomas Hudnut.

We are joined by Scott Chaney, Executive Director; Cynthia Alameda, Assistant Executive Director; Robert Brodник, Chief Counsel; Amanda Brown, Staff Counsel; Amanda Drummond, Manager of Policy and Regulations; Shawn Loehr, Chief of Licensing and Enforcement; Darrel McHargue, Chief Steward; Francisco Gonzales, CHRB Audit Supervisor; and Zachary Voss, Regulation Analyst.

The Board invites comments on matters appearing on the meeting agenda. Procedurally, the Board will first hear from those directly involved in the agenda item. I will then invite public comment on the agenda item. The Board will not answer questions. This item is for comment only,

1 not questions. Those wishing to speak must follow the
2 directions of the operator to have their individual phone
3 lines opened for comment.

4 Unsolicited speakers are limited to two minutes.
5 During all public comments a bell will be rung after the
6 first 90 seconds, meaning the speaker will have 30 seconds
7 remaining to conclude his or her remarks. At two minutes a
8 more distinctive sound will be heard to indicate the
9 speaker's time is up. The Board may ask questions of
10 individuals who speak which may extend their two-minute time
11 limit.

12 I will insist that all speakers stay strictly on
13 the topic for each agenda item. If a speaker strays off
14 topic, I will ask the operator to move on to the next
15 caller. If a speaker repeats himself or herself, I will ask
16 if the speaker has any new comments to make. If there are
17 none, the speaker will be asked to let others make comments
18 to the Board.

19 If anyone has comments of a more general nature
20 that are not specific to earlier agenda items, those
21 comments must wait until agenda item number six [sic],
22 Public Comment. There will be a 30-minute time limit for
23 the Public Comment period. In order to allow as many
24 individuals to speak as possible within that half-hour, I
25 will strictly enforce the two-minute time limit for each

1 unsolicited speaker.

2 With that, we will begin. First of all, it's
3 appropriate that we recognize that we have a new
4 Commissioner, Thomas Hudnut. Thomas has a background in
5 education with a key interest in horse racing. I'm sure
6 he's going to make positive impacts on this Board and we
7 welcome Tom.

8 I'd also like to acknowledge --

9 COMMISSIONER HUDNUT: Thank you very much. I'm --

10 CHAIR FERRARO: Go ahead.

11 COMMISSIONER HUDNUT: No. I just wanted to say,
12 thank you very much. I'm delighted to be part of the Board.

13 CHAIR FERRARO: And we're looking forward to
14 working with you.

15 COMMISSIONER HUDNUT: Thank you.

16 CHAIR FERRARO: I also want to acknowledge that
17 Alex Solis, who served on this Board for seven years, has
18 departed. Some of us have known Alex a lot longer than
19 that. We've known him to be a gentleman and someone who
20 cares deeply about horse racing. Alex has made some
21 valuable contributions to this Board over the years and the
22 industry -- the Board and the industry as a member of the
23 Medication, Safety, and Welfare Committee, and the Jockey
24 and Driver Welfare Committee, which he chaired.

25 Alex's hands-on experience as a jockey and

1 participant in horse racing helped this Board make decisions
2 to enhance the safety of all participants, human and equine,
3 and the industry should be eternally grateful for his
4 leadership.

5 I personally found him quite helpful to me when I
6 first came on the Board and I thank him for his
7 participation. On behalf of the entire Board and the horse
8 racing industry, we should thank Alex.

9 And with that, we can begin our meeting and that
10 starts with approval of the minutes. Can I have a motion to
11 approve?

12 COMMISSIONER CASTELLANOS: Castellanos, motion.

13 CHAIR FERRARO: Second?

14 VICE CHAIR GONZALES: Oscar Gonzales seconds.

15 CHAIR FERRARO: Okay. Any comments or discussion
16 from the Board?

17 Is there a queue, Operator, for public comment?

18 OPERATOR: All right. Yes, sir.

19 CHAIR FERRARO: Go ahead.

20 OPERATOR: If you would like to make a comment,
21 please press star one on your telephone keypad.

22 Our first comment will come from Martha Sullivan
23 with Kill Racing Not Horses.

24 CHAIR FERRARO: Good morning, Martha.

25 MS. SULLIVAN: Good morning. I want to welcome

1 the new Commissioner.

2 I also want to ask that a live link to the meeting
3 transcripts be included in the minutes to facilitate people
4 referencing those because it's not very clear or obvious
5 where to find that transcript.

6 I also would like to once again ask that if public
7 comment was received on an agenda item, that that be noted
8 in the minutes.

9 Thank you.

10 CHAIR FERRARO: Next, please.

11 OPERATOR: Thank you. Our next comment will come
12 from Wayne Johnson.

13 CHAIR FERRARO: Go ahead, please.

14 MR. JOHNSON: Welcome, Mr. Hudnut.

15 COMMISSIONER HUDNUT: Thank you.

16 CHAIR FERRARO: Next, please, Operator.

17 OPERATOR: All right. Thank you. Our next
18 comment will come from Elvia Sedano with Kill Racing Not
19 Horses.

20 CHAIR FERRARO: Go ahead, please.

21 MS. SEDANO: Good morning. Today I want to talk
22 about a horse that was recently rescued from a feedlot in
23 Nevada.

24 CHAIR FERRARO: This is not the time to do that.
25 We're talking about the minutes now. You'll have to --

1 MS. SEDANO: Oh.

2 CHAIR FERRARO: -- include that in the public
3 comment period.

4 Next, please, Operator.

5 MS. SEDANO: Okay. Thank you.

6 OPERATOR: Thank you, sir. At this time we have
7 no further comments.

8 CHAIR FERRARO: Okay. Can I have a vote?

9 Mr. Gonzales?

10 VICE CHAIR GONZALES: Yes.

11 CHAIR FERRARO: Mr. Alfieri?

12 COMMISSIONER ALFIERI: Yes.

13 CHAIR FERRARO: Ms. Mitchell?

14 COMMISSIONER MITCHELL: Yes.

15 CHAIR FERRARO: Mr. Hudnut? Oh, you have to
16 recuse.

17 COMMISSIONER HUDNUT: I abstain.

18 CHAIR FERRARO: You weren't here last time. Sorry
19 about that.

20 Damascus Castellanos?

21 COMMISSIONER CASTELLANOS: Yes.

22 CHAIR FERRARO: Brenda Washington Davis?

23 Did we lose Brenda?

24 COMMISSIONER DAVIS: I said, "Yes." Can you hear
25 me?

1 CHAIR FERRARO: Oh, sorry. I heard you this time.
2 And the Chairman votes yes. The minutes are approved.

3 We now move on to reports from the Pari-Mutuel and
4 Wagering Committee. Please note, there won't be a public
5 comment period on this as you had your opportunity
6 yesterday.

7 Can we hear from, I guess, Alfieri and
8 Castellanos, please?

9 COMMISSIONER ALFIERI: Yeah. Thank you, Mr.
10 Chairman.

11 Commissioner Castellanos and I held a meeting of
12 the Pari-Mutuel and Wagering Committee yesterday to hear
13 from stakeholders and the public on how best to deal with
14 horses that inadvertently are scratched from races. The
15 most obvious blaring example was the incorrect scratch of
16 Modern Games in a Breeders' Cup race at Del Mar on November
17 5th, which I was there and watched, witnessed.

18 By rule, Modern Games was permitted to compete in
19 the race, even after the scratch, but he ran for purse money
20 only as a non-wagering interest. He finished first in that
21 race and that caused a great deal of confusion and, in some
22 cases, anger amongst the people and the public who felt
23 their bets had been treated unfairly.

24 Among the critics were those who used Modern Games
25 in Pick 4, Pick 5 and Pick 6 wagers, collectively known as

1 Pick N wagers. And by rules, the rules received the race
2 favorite in his place -- the race favored him in the race
3 and won -- the favorite did -- the favorite did not win.

4 Excuse me.

5 The purpose of our meeting was not to specifically
6 go over the Modern Games incident. We really want to move
7 forward, hearing from stakeholders and the public, on ways
8 to deal with errors in the future. Let's not dwell on the
9 past. Let's move forward.

10 I jotted down five proposals that were mentioned
11 during the meeting.

12 One, to simply place the erroneously scratched
13 horse back into the race as if nothing ever happened. These
14 are some of the comments.

15 Two, the second one was to continue the practice
16 of allowing the horse -- (audio cut out) -- and they were on
17 the line, as well, yesterday.

18 To amend our rules to provide for consolation
19 pulls in Pick N wagers when a horse is scratched in this
20 manner.

21 Fourth, to expand to ADWs the current option
22 betters have to name alternate selections in cases where one
23 or more of their primary selections is scratched. Only
24 those making wagers at brick-and-mortar facilities in
25 California have been able to use the alternate selections

1 option because it requires the use of an index card. It
2 must be passed through a machine, not allowed with ADWs.

3 To make every selection in a particular Pick N
4 race a winner when a horse is permitted to run for purse
5 money only. We already have a rule in place allowing for
6 this when there is a late surface change. And to the best
7 of our knowledge, there have not been any complaints when
8 that rule has been invoked.

9 So those were a few of the items mentioned,
10 comments from stakeholders and others.

11 The three proposals that received the most
12 attention were the ones for consolations, alternate
13 selections at ADWs, and the all, if you will, solution.

14 Representatives of AmTote were also on the line,
15 came on, explained the technical problems associated with
16 consolation pulls which alone, probably, will eliminate that
17 proposal. But additionally, we suspect that a great many
18 betters would not want consolations that would prevent them
19 from competing for the grand prizes, preferring, instead, to
20 go with their alternate selection or the race favorite.

21 The good news is that Xpressbet has been offering
22 the alternate selection option to its online customers since
23 February and it seems to be working well. A representative
24 of Twinspace indicated they are looking at this option, as
25 well. Scott Chaney suggested that we could revisit this

1 matter with each ADW when their licenses come up for renewal
2 later this year.

3 The all proposal raised by Patrick Cummings was
4 new to us, so we haven't had time to consider it thoroughly
5 but it will be included in our future discussions.

6 Commissioner Castellanos and I will be meeting and asking
7 for more detail, more information, more research on all
8 these proposals and thoughts. And we hope this discussion
9 will prompt others to contact us with their thoughts.

10 We understand there were 360 individuals listening
11 in to our meeting yesterday through the webcast link rather
12 than dialing in, so we know they were out there. And let's
13 help we hear from more and more people on this item and make
14 positive changes, if necessary, here which there are. We
15 don't want this to ever happen again, what happened at Del
16 Mar back in November.

17 So that's my conclusion and my report, Mr.
18 Chairman.

19 CHAIR FERRARO: Thank you very much.

20 Any questions from the Board?

21 I had one, Dennis, and you can answer, or maybe
22 Mr. Chaney. It seems to me that it would be more
23 expeditious to, when these license renewals come up for
24 organizations, like ADW, that we could make it a condition
25 of their license to adopt one of these measures when it's

1 decided upon which one is best rather than us going forward
2 to make a rule which would take, as we know, probably up to
3 a year to get approved.

4 Is that an acceptable method, Mr. Chaney?

5 MR. CHANEY: Yeah, I mean, for sure, especially if
6 you're talking about what seemed to enjoy most of the
7 discussion and attention, which was the concept of alternate
8 wagers for Pick Ns with respect to ADW companies. Their
9 licenses are two-year licenses. And all of the 10 to 12
10 that operate in California, I believe, come up for renewal
11 at the end of the year, so November, plus or minus a month.

12 So I'd be happy to reach out on behalf of Staff
13 and ask about the feasibility of having alternates and
14 whether that can be in place by November. It seems like,
15 from what Commissioner Alfieri explained, that at least one
16 tote company has already done the work and is beta testing
17 that option. So asking and/or expecting the other companies
18 to do the same doesn't seem out of the realm of possibility.

19 CHAIR FERRARO: Perfect. Any objections from the
20 Board --

21 COMMISSIONER ALFIERI: Yeah.

22 CHAIR FERRARO: -- regarding that procedure?

23 COMMISSIONER ALFIERI: No. I think that's smart.
24 I think it's too bad we didn't have it for today. We have
25 item number three coming up.

1 But this is work in progress. I plan to spend
2 some time on this so we really try to do our best to get
3 this right. And with the help of some of the stakeholders
4 here involved, like I think Scott said, there's beta testing
5 going on. You know, we'll be interested to see how, in the
6 next 30 days, what the results of that is, you know, how
7 that -- how well that's working or not working, so -- but
8 thank you.

9 CHAIR FERRARO: Great. Thank you.

10 Let's move on to item number three, discussion and
11 action by the Board regarding an amendment to the
12 Application for the Advance Deposit Wagering of Churchill
13 Downs Technology Initiatives Company, dba Twinpires and
14 BetAmerica, pursuant to Board Rule 2072(i).

15 Mr. Voss, can you explain this to us, please?

16 MR. VOSS: Hello Commissioners. This is Zachary
17 Voss, Regulation Analyst with the CHRB.

18 This item three is a discussion and action on the
19 amendment to the application to conduct ADW by Churchill
20 Downs Technology Initiatives Company, also known as CDTIC,
21 pursuant to Board Rule 2072(i).

22 The Board approved CDTIC's original application to
23 conduct ADW at the November 2020 regulation Board meeting.
24 Since then, CVTIC submitted a letter dated February 28th,
25 2022 requesting a change in officers on the application

1 after appointing a new president, Mr. Benjamin Murr.
2 Pursuant to Board Rule 2072, changes or amendments to
3 information or operating procedures contained in an ADW
4 application must be approved by the Board. Since a change
5 in presidential officers has occurred, CDTIC asked the Board
6 for their consideration on approval in amending the existing
7 application to reflect that change.

8 And CDTIC has included additional exhibits in the
9 Board package. And then we have Chad Rainey representing
10 CDTIC available should the Board have any questions.

11 Thanks.

12 CHAIR FERRARO: So, basically, this is before us
13 only because there's a change in personnel; is that correct?

14 MR. VOSS: That is correct, yeah. It just needs
15 to be amended on the application itself, which the Board has
16 to approve.

17 CHAIR FERRARO: Okay. Can we hear from Mr. Roney,
18 Operator? Do you have him on the queue?

19 OPERATOR: Sir, I do not show where he has queued
20 up.

21 But, Mr. Roney, if you wouldn't mind just hitting
22 star one on your telephone keypad? Okay.

23 Your next comment comes from Chad Rainey.

24 CHAIR FERRARO: Good morning, Mr. Rainey.

25

1 MR. RAINEY: Hi. How are you? Thank you --

2 CHAIR FERRARO: All right.

3 MR. RAINEY: -- for consideration of this item. I
4 think as Mr. Voss eloquently described, this request for an
5 amendment is tied to a change in personnel for the
6 replacement of the president of the CDTIC entity.

7 Happy to answer any questions the Board may have
8 on this but don't want to waste too much time commenting as
9 I don't have much more to offer, other than what Mr. Voss
10 said.

11 CHAIR FERRARO: Thank you.

12 Any questions from the Board for Mr. Rainey?

13 Thank you, Mr. Rainey.

14 Operator, do we have a queue on this?

15 OPERATOR: No, sir.

16 Again, to make a comment, please press star one.

17 CHAIR FERRARO: No comments. Let's have a vote
18 from the Board -- or a motion, please.

19 COMMISSIONER DAVIS: Davis moves.

20 COMMISSIONER CASTELLANOS: Second.

21 CHAIR FERRARO: We'll go to the vote.

22 Commissioner Gonzales?

23 VICE CHAIR GONZALES: Yes.

24 CHAIR FERRARO: Commissioner Alfieri?

25 COMMISSIONER ALFIERI: Yes.

1 CHAIR FERRARO: Mr. Castellanos?

2 COMMISSIONER CASTELLANOS: Yes.

3 CHAIR FERRARO: Ms. Davis?

4 COMMISSIONER DAVIS: Yes.

5 CHAIR FERRARO: Mr. Hudnut?

6 COMMISSIONER HUDNUT: Yes.

7 CHAIR FERRARO: Ms. Mitchell?

8 COMMISSIONER MITCHELL: Yes.

9 CHAIR FERRARO: And the Chairman votes yes.

10 Moving on to item number four, discussion and
11 action by the Board regarding the distribution of Race Day
12 Charity proceeds of Del Mar Thoroughbred Club combined 2021
13 Race Meetings in the amount of \$218,221 to nine
14 beneficiaries.

15 It's my understanding that Del Mar has
16 supplemented in that total \$86,000 as a supplemental to the
17 charity days, which is quite commendable as far as I'm
18 concerned.

19 Mr. Gonzales?

20 MR. GONZALES: Francisco Gonzales, CHRB Staff.

21 Chairman, Commissioners, the Del Mar Thoroughbred
22 Club is seeking approval to distribute its race day charity
23 proceeds in the amount of \$218,221 to nine beneficiaries, as
24 you mentioned. And, yes, it is -- the amount that they're
25 required to contribute is only \$131,511. The difference,

1 the \$86,700 that you mentioned, it an increase to their
2 distribution on their part.

3 CHAIR FERRARO: Thank you very much.

4 Any questions from the Board regarding this?

5 Operator, do you have Josh Rubenstein on the line?

6 Does he wish to make a comment?

7 OPERATOR: Yes, sir.

8 CHAIR FERRARO: Go ahead, Josh.

9 MR. RUBENTSTEIN: Good morning, CHRB Commissioners
10 and Staff. Josh Rubenstein for the Del Mar Thoroughbred
11 Club.

12 Charity days proceeds from Del Mar Thoroughbred
13 Club's 2021 summer race meet, our Breeders' Cup, and our
14 fall race meet totaled \$131,511. As Chairman Ferraro
15 mentioned, in addition, Del Mar has chosen to supplemental
16 our 2021 charity days total with an incremental \$86,710 of
17 DMTC funds, increasing Del Mar's total funding to charity
18 days beneficiaries in 2021 to \$218,221.

19 In your meeting package if the proposed
20 distribution of these funds. And I'm happy to answer any
21 questions that you may have.

22 CHAIR FERRARO: Any questions from the Board for
23 Mr. Rubenstein?

24 Josh, thank you, on behalf of the Board, for your
25 generosity here.

1 Operator, do we have a queue on this?

2 OPERATOR: Yes, sir.

3 Our next comment will come from Martha Sullivan
4 with Kill Racing Not Horses.

5 CHAIR FERRARO: Go ahead, please.

6 MS. SULLIVAN: Good morning again. I live in San
7 Diego County, so this is really, you know, close to my
8 heart, so to speak.

9 As you commend the Del Mar Thoroughbred Club for
10 doing tremendously better than its counterpart in providing,
11 you know, charitable donations to equine-related charities,
12 particular to CARMA, the retired racehorse placement
13 charity, I do want to point out that Del Mar, you know, has
14 touted its record handles from last year and it's actually
15 exceeded its requirements -- required payments to the Del
16 Mar Fairgrounds by several million dollars. So on the one
17 hand I'm torn between wanting them to make up for their
18 deficit in past years and doing that and pay off the
19 fairgrounds debt (indiscernible), but I also know that
20 thoroughbred racehorse retirement needs more funds,
21 desperately needs more funds.

22 We just had a news report of a horse that raced at
23 Del Mar who was found in a kill pen in Nevada, thankfully he
24 wasn't but that was just, you know, by sheer luck.

25 So we need more money for thoroughbred retirement.

1 And it sounds like, to me, Del Mar can afford it.

2 CHAIR FERRARO: Thank you, Martha.

3 Next, please.

4 OPERATOR: Thank you. At this time there are no
5 further comments.

6 CHAIR FERRARO: Can we have a motion from the
7 Board, please?

8 COMMISSIONER CASTELLANOS: Castellanos, motion.

9 COMMISSIONER HUDNUT: So moved. Hudnut.

10 CHAIR FERRARO: Castellanos motioned. Who was
11 second?

12 COMMISSIONER HUDNUT: Hudnut, second.

13 CHAIR FERRARO: Thank you. We'll have a vote.
14 Mr. Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Mr. Alfieri?

17 COMMISSIONER ALFIERI: Yes.

18 CHAIR FERRARO: Ms. Mitchell?

19 COMMISSIONER MITCHELL: Yes.

20 CHAIR FERRARO: Mr. Hudnut?

21 COMMISSIONER HUDNUT: Yes.

22 CHAIR FERRARO: Mr. Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 CHAIR FERRARO: Ms. Davis?

25 COMMISSIONER DAVIS: Yes.

1 CHAIR FERRARO: And the Chairman votes yes. Thank
2 you very much.

3 We'll move on to the next item for discussion,
4 number five, discussion and action by the Board regarding
5 the distribution of Race Day Charity proceeds of Pacific
6 Racing Association II and Pacific Racing Association
7 combined 2020 race meetings in the amount of \$2,402 to eight
8 beneficiaries.

9 Mr. Gonzales?

10 MR. GONZALES: Francisco Gonzales, CHRB Staff.

11 Chairman, Commissioners, before you is the Pacific
12 Racing Association II and the Pacific Racing Association
13 seeking Board approval to distribute race day charity
14 proceeds from its combined 2020 race meetings in the amount
15 of \$2,402 to eight beneficiaries.

16 CHAIR FERRARO: Thank you.

17 Is Ms. Sindler on the line, Operator? Can we hear
18 from him?

19 OPERATOR: No, sir, he has not pressed star one
20 yet.

21 So, sir, if you would please press star one on
22 your phone? Okay.

23 CHAIR FERRARO: Mr. Sindler, are you on now?

24 MR. SINDLER: Yes, I am on now. Good morning,
25 Chairman.

1 CHAIR FERRARO: Okay. Good morning. Do you have
2 any comments about this that you'd like to make to the
3 Board?

4 MR. SINDLER: I believe everything's in the packet
5 but I'm certainly happy to answer any questions that the
6 Board may have.

7 CHAIR FERRARO: Any questions from the Board for
8 Mr. Sindler on this?

9 Operator, do we have a queue?

10 OPERATOR: Yes, sir, we do have a comment again
11 from Martha Sullivan with Kill Racing Not Horses.

12 CHAIR FERRARO: Go ahead, please.

13 MS. SULLIVAN: Yes. The contrast between Golden
14 Gate Fields, which is owned and operated by The Stronach
15 Group, you know, pretty much the largest horse racing entity
16 in at least the U.S., if not North America, I mean, for the
17 two items, five and six, there's a total of \$10,000 being
18 donated to charities, and only \$900 to CARMA, the
19 thoroughbred retirement fund.

20 This is appalling, appalling, and despicable. I
21 mean, how can the largest thoroughbred racing corporation in
22 our nation, if not, you know, our continent, be so chintzy?

23 And how can they dare make announcements about
24 thoroughbreds aftercare and come up with 900 bucks from its
25 Golden Gate Fields racetrack? Its appalling. I can't -- I

1 don't even know how The Stronach Group can show their faces.

2 CHAIR FERRARO: Thank you, Martha.

3 Next, please.

4 OPERATOR: All right. We have no further comments
5 at this time.

6 CHAIR FERRARO: Do we have a motion from the
7 Board?

8 COMMISSIONER HUDNUT: So moved. Hudnut.

9 CHAIR FERRARO: Second?

10 COMMISSIONER ALFIERI: Second. Alfieri.

11 CHAIR FERRARO: Okay. Mr. Gonzales?

12 VICE CHAIR GONZALES: Yes.

13 CHAIR FERRARO: Mr. Alfieri?

14 COMMISSIONER ALFIERI: Yes.

15 CHAIR FERRARO: Ms. Mitchell?

16 COMMISSIONER MITCHELL: Yes, sir.

17 CHAIR FERRARO: Mr. Hudnut?

18 COMMISSIONER HUDNUT: Yes.

19 CHAIR FERRARO: Mr. Castellanos?

20 COMMISSIONER CASTELLANOS: Yes.

21 CHAIR FERRARO: Ms. Davis?

22 COMMISSIONER DAVIS: Yes.

23 CHAIR FERRARO: And the Chairman votes yes.

24 Moving on to item number six.

25 Mr. Gonzales?

1 MR. GONZALES: Francisco Gonzales, CHRB Staff.
2 Chairman, Commissioners, the Pacific Racing
3 Association II and Pacific Racing Association seek Board
4 approval for distribution of race day charity proceeds for
5 its combined 2021 race meeting in the amount of \$7,534 to
6 eight beneficiaries.

7 CHAIR FERRARO: Thank you.

8 Any questions from the Board regarding this?

9 Do we have a queue, Operator?

10 OPERATOR: Yes, sir, we do. Our next comment will
11 come from Martha Sullivan, Kill Racing Not Horses.

12 CHAIR FERRARO: Go ahead, Martha.

13 MS. SULLIVAN: Yeah. Well, you can guess that I
14 want to say similar for this second item for Golden Gate
15 Fields. And I don't know why you maintain this fiction of
16 Pacific Racing Association. Just call it Golden Gate Fields
17 so everybody understands what we're talking about.
18 Otherwise, it seems like all you're trying to do is
19 obfuscate about the entity that you're actually talking
20 about. Just be clear. You know, stop trying to do the
21 smoke in mirrors to obfuscate what's going on.

22 This is Golden Gate Fields, owned and operated by
23 The Stronach Group, or as they want to call themselves now,
24 1/ST Racing, offering a paltry total of \$10,000 of charity
25 donations from a year of racing with, you know, an abysmal,

1 abysmal amount, less than \$1,000, going to CARMA, the
2 California thoroughbred aftercare program.

3 Once again, Stronach Group, 1/ST Racing, can just
4 stop with any messaging about how much it values
5 thoroughbred aftercare because, you know, money talks, and
6 this is silence on their part.

7 CHAIR FERRARO: Thank you.

8 Next, please.

9 OPERATOR: Thank you. Our next comment will come
10 from Lynn Freudenberg with Kill Racing Not Horses.

11 CHAIR FERRARO: Go ahead, please. Go ahead,
12 please.

13 OPERATOR: Lynn, you may be --

14 CHAIR FERRARO: Let's move on.

15 OPERATOR: -- self-muted.

16 CHAIR FERRARO: Move on.

17 MS. FREUDENBERG: Can you hear me?

18 CHAIR FERRARO: Yes, we can now.

19 MS. FREUDENBERG: Okay. Good morning,
20 Commissioners.

21 And I just want to put my two cents in on
22 distribution at a charity fund. It's definitely -- I'm
23 backing Martha with this. You definitely need to give more
24 towards the retirement of horses. The racehorses got you
25 the money. You definitely need to consider them in their

1 retirement and give them the life that they deserve for all
2 the work that they've done to raise this money.

3 So, yes, I really hope you can reconsider this,
4 and thank you for listening.

5 CHAIR FERRARO: Thank you.

6 Next, please.

7 OPERATOR: At this time we have no further
8 comments.

9 CHAIR FERRARO: Do we have a motion from the
10 Board?

11 COMMISSIONER DAVIS: Davis moves.

12 CHAIR FERRARO: Second?

13 COMMISSIONER HUDNUT: Second. Hudnut. Second.

14 CHAIR FERRARO: Mr. Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Mr. Alfieri?

17 COMMISSIONER ALFIERI: Yes.

18 CHAIR FERRARO: Ms. Mitchell?

19 COMMISSIONER MITCHELL: Sorry. Yes.

20 CHAIR FERRARO: Mr. Hudnut?

21 COMMISSIONER HUDNUT: Yes.

22 CHAIR FERRARO: Mr. Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 CHAIR FERRARO: Ms. Davis?

25 COMMISSIONER DAVIS: Yes.

1 CHAIR FERRARO: And the Chairman votes yes.

2 Moving on to item number seven.

3 Mr. Gonzales?

4 MR. GONZALES: Francisco Gonzales, CHRB Staff.

5 Chairman, Commissioners, the Los Angeles Turf Club
6 Incorporated, doing business as Santa Park, seeks Board
7 approval of its charity day race proceeds from it's 2020-
8 2021 race meet in the amount of \$39,863 to ten
9 beneficiaries.

10 CHAIR FERRARO: Any questions from the Board?

11 Mr. Sindler, if you want to comment on the Los
12 Angeles Turf Club charity days?

13 Operator, queue him in if he wants to.

14 OPERATOR: All right. Yes, sir. Here comes Eric
15 now.

16 MR. SINDLER: Good morning, again, Mr. Chairman.
17 I believe, like with Pacific Racing Association, everything
18 is in the packet.

19 So I would just like to remind the Board that all
20 we're seeking for approvals is the statutory amount. We
21 have not included any other donations and charitable
22 contributions we've made since those are outside the purview
23 of the approval rights. All of these amounts are the
24 amounts that are donated required by statute, not any
25 additional amounts that we made just because it's the right

1 thing to do.

2 CHAIR FERRARO: So these amounts are based on --

3 MR. SINDLER: And those amounts --

4 CHAIR FERRARO: -- based on the charity days of
5 racing; correct?

6 MR. SINDLER: Correct. This is the statutory
7 charity days. This is not all charitable contributions that
8 are made. We make massive amounts of other charitable
9 contributions but they do not require CHRB approval and
10 that's why they're not in the packet.

11 CHAIR FERRARO: Correct. Thank you for clearing
12 that up.

13 Operator, do we have a queue on this?

14 OPERATOR: Yes, sir. We do have another comment
15 from Martha Sullivan, Kill Racing Not Horses.

16 MS. SULLIVAN: So --

17 CHAIR FERRARO: Go ahead, please.

18 MS. SULLIVAN: -- you know, the comment by Mr.
19 Sindler just now reinforces the The Stronach Group's slash
20 1/ST Racing's (indiscernible) handed approach to public
21 relations.

22 I have to hand it to Del Mar Thoroughbred Club.
23 They might not have to report that they added \$86,000 to
24 statutory charity race days, you know, donations but they
25 did because they recognized the value of doing that.

1 I mean, The Stronach Group, again, is the largest
2 racing entity, probably, in the nation. Maybe I'm wrong.
3 Maybe it's Churchill Downs. But they certainly promote
4 themselves to be, you know, like the foremost. But they are
5 absolutely clueless about P.R., truly clueless.

6 The fact that between the two L.A. Turf Clubs,
7 again, why don't we just call it Santa Anita Park instead of
8 the L.A. Turf Club, let's just be clear, the fact that
9 they're donating less than \$5,000 to CARMA, thoroughbred
10 retirement, and they don't pass -- you know, they don't come
11 forward and say, and this is what else we're doing, is
12 insane. And why is their race day proceeds so much lower
13 than Del Mar which operates less of the year? It boggles my
14 mind. It's just boggles my mind.

15 CHAIR FERRARO: Thank you.

16 Next, please.

17 OPERATOR: All right. Next we have Wayne Johnson.

18 VICE CHAIR GONZALES: Go ahead, please.

19 MR. JOHNSON: Thank you, Dr. Ferraro.

20 Fifteen percent of -- at least 15 percent of
21 retired racehorses are going to slaughter in Canada and
22 Mexico, so we certainly do need a lot more money going into
23 organizations like CARMA.

24 Santa Anita killed Dylans Wild Cat, killed
25 Warren's Showtime, and they're donating \$10,000 to charity?

1 Please.

2 Thank you, sir.

3 CHAIR FERRARO: Thank you.

4 Next, please.

5 OPERATOR: All right. There are no other comments
6 at this time.

7 CHAIR FERRARO: Can I have a motion from the
8 Board?

9 COMMISSIONER CASTELLANOS: Castellanos, motion.

10 CHAIR FERRARO: Second?

11 COMMISSIONER HUDNUT: Second, Hudnut.

12 COMMISSIONER ALFIERI: Second.

13 CHAIR FERRARO: Okay. Take the vote.

14 Mr. Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Mr. Alfieri?

17 COMMISSIONER ALFIERI: Yes.

18 CHAIR FERRARO: Ms. Mitchell?

19 COMMISSIONER MITCHELL: Yes.

20 CHAIR FERRARO: Mr. Hudnut?

21 COMMISSIONER HUDNUT: Yes.

22 CHAIR FERRARO: Mr. Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 CHAIR FERRARO: Ms. Davis?

25 COMMISSIONER DAVIS: Yes.

1 CHAIR FERRARO: The Chairman votes yes.

2 Moving on to item number eight.

3 Mr. Gonzales?

4 MR. GONZALES: This is Francisco Gonzales, CHRB
5 Staff.

6 Chairman, Commissioners, the Los Angeles Turf Club
7 II Incorporated, doing business as Santa Anita Park, seeks
8 Board approval of its charity day race proceeds from its
9 2021 race meet in the amount of \$17,644 to ten
10 beneficiaries.

11 CHAIR FERRARO: Thank you.

12 Any questions from the Board?

13 Do we have a queue on this, Operator?

14 OPERATOR: Yes, sir. Our next comment comes
15 again --

16 CHAIR FERRARO: Go ahead.

17 OPERATOR: -- from Martha Sullivan.

18 VICE CHAIR GONZALES: Go ahead.

19 MS. SULLIVAN: I --

20 CHAIR FERRARO: Go ahead, Martha.

21 MS. SULLIVAN: -- would be interested to hear a
22 response from Mr. Sindler. You know, he has a great
23 opportunity to offer how much The Stronach Group and 1/ST
24 Racing, you know, on behalf of their Santa Anita Park has
25 donated to charity above and beyond the statutory

1 requirements, particularly to thoroughbred aftercare. If
2 that indeed is the case, go ahead and report it. I mean,
3 what are -- aren't you proud of that? Don't you want people
4 to know about it?

5 You know, I also want to really press this notion
6 of not using the names of a racetrack in the licenses. I
7 don't understand. Is this some kind of legal artifice to
8 shield, you know, Santa Anita Park and Golden Gate Fields?
9 You know, just call them what they are. Don't obfuscate,
10 don't. You know, be clear to the public about what you're
11 talking about. But, of course, this is horse racing, so
12 deception is the name of the game.

13 CHAIR FERRARO: Thank you.

14 Next, please.

15 OPERATOR: Yes, sir. At this time there are no
16 further comments.

17 CHAIR FERRARO: Can I have a motion from the
18 Board?

19 COMMISSIONER HUDNUT: So moved. Hudnut.

20 CHAIR FERRARO: Second?

21 COMMISSIONER ALFIERI: Second.

22 COMMISSIONER DAVIS: Davis seconds.

23 COMMISSIONER ALFIERI: Alfieri.

24 CHAIR FERRARO: Okay. Mr. Gonzales? Mr.
25 Gonzales?

1 VICE CHAIR GONZALES: Yes.

2 CHAIR FERRARO: Okay. Mr. Alfieri?

3 COMMISSIONER ALFIERI: Yes.

4 CHAIR FERRARO: Ms. Mitchell?

5 COMMISSIONER MITCHELL: Yes.

6 CHAIR FERRARO: Mr. Hudnut?

7 COMMISSIONER HUDNUT: Yes.

8 CHAIR FERRARO: Mr. Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Ms. Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: And the Chairman votes yes.

13 Moving on to item number nine, public hearing and
14 action by the Board regarding the proposed adoption of CHRB
15 Rule 1415, Public Participation at Meetings, to define the
16 rules regarding public participation during meetings of the
17 Board. Note: This concludes the 15-day public comment
18 period. The Board may adopt the proposal as presented.

19 Ms. Drummond, can you explain it a little better
20 to us?

21 MS. DRUMMOND: Yeah. Good morning, Commissioners.
22 This is Amanda Drummond, Policy, Regulations, and
23 Administrative Hearings Manager with the CHRB.

24 Agenda item nine is the public hearing for the
25 proposed Rule 1415 following revisions to the text. The

1 Board originally approved the adoption of Rule 1415 at the
2 August 2020 meeting as is required per Bagley-Keene.

3 This rule was submitted to OAL for review on
4 October 26th, 2021. OAL advised us that they were unable to
5 approve the rule as is and modifications were required, so
6 the modified text was noted with an addendum to the Initial
7 Statement of Reason for 15 days.

8 The 15-day comment period ended on March 15th,
9 2022. One comment was received.

10 If the Board chooses to adopt the modified text,
11 then Staff will finalize the rulemaking packet and submit to
12 OAL for final approval.

13 And I'm also available if the Board has any
14 questions.

15 CHAIR FERRARO: Any questions from the Board?

16 COMMISSIONER CASTELLANOS: Mr. Chairman --

17 COMMISSIONER DAVIS: Commissioner --

18 COMMISSIONER CASTELLANOS: -- this is Castellanos.

19 CHAIR FERRARO: Yes. Go ahead, please. Go
20 ahead.

21 COMMISSIONER CASTELLANOS: Mr. Chairman --

22 COMMISSIONER DAVIS: Damascus, go ahead.

23 COMMISSIONER CASTELLANOS: -- yeah, the question
24 is -- I'm sorry. Is that me with feedback or is somebody
25 else there?

1 CHAIR FERRARO: You sound better now.

2 COMMISSIONER CASTELLANOS: Okay. So my question
3 is, after reading it and looking into this, this is
4 basically how we perform our meetings currently; right?
5 We're just looking to update it and put in the right text;
6 correct?

7 MS. DRUMMOND: That's correct, yeah. So Bagley-
8 Keene requires that we have in regulation how we conduct our
9 meetings. And since we are already performing these tasks,
10 we really need to have it codified in regulations. So
11 everything that we're doing is -- in this text, we're
12 already doing.

13 COMMISSIONER CASTELLANOS: Okay. Thank you.

14 MS. DRUMMOND: Um-hmm.

15 CHAIR FERRARO: Any other questions from the
16 Board?

17 Do we have a queue on this, Operator?

18 OPERATOR: Yes, sir. Our first comment --

19 VICE CHAIR GONZALES: Go ahead.

20 OPERATR: -- will come from Martha Sullivan.

21 CHAIR FERRARO: Go ahead, Martha.

22 MS. SULLIVAN: Yeah. You have been and continue
23 to refer to unsolicited speakers as being limited to two
24 minutes per speaker per agenda item. And this category is
25 not defined in this proposed rule. It basically -- this

1 undefined category basically allows the CHRB to limit the
2 time of those critical of the Board, of the horse racing
3 industry, are just different views from the Board and the
4 horse racing industry, so it's rife for abuse.

5 Since it is not defined in the current proposed
6 Rule 1415, we expect the Board to stop using it once this
7 rule goes into effect, if not sooner.

8 I also want to repeat our opposition in our
9 comments on the original proposed rule to limiting visual
10 aid during public meetings to 8-1/2 by 11 size. Unlike most
11 public agencies, the CHRB thus far has not used or allowed
12 digital presentations projected on a screen as highly
13 constructive aids to very time-limited public comments in
14 its meetings.

15 If the Board persists in this antiquated
16 methodology, it should at least allow members of the public
17 to use visual aids during their comments to the Board which
18 are readily visible to the Board, Staff, and other members
19 of the public in attendance.

20 I also want to point out that the only reference
21 to public comment on the original proposed rule on your
22 webpage is a transcript of the public hearing on July 7th of
23 2021. There's no link to the numerous written comments that
24 were also received, so that should be corrected.

25 CHAIR FERRARO: Thank you, Martha.

1 Next, please.

2 OPERATOR: All right. Next we have Bonnie Croker
3 with Kill Races Not Horses.

4 CHAIR FERRARO: Go ahead, please.

5 MS. CROKER: Thank you. That's Kill Racing Not
6 Horses. Bonnie Croker. Good morning and thank you, CHRB,
7 for acknowledging the significance of the Bagley-Keene Open
8 Meeting Act.

9 Government Code section 11125.7(b) specifies that
10 a state body cannot prohibit public criticism of the
11 policies, programs, or services of the state body or of the
12 act or emissions of the state body. As you work to solidify
13 and ratify Rule 1415, I urge you to consider Stipulation
14 Number 10. As seen in today's meeting packet, Rule 1415 has
15 Stipulation Number 10 lined out. I believe it should remain
16 in tact as it reinforces Government Code section 11125.7(b).

17 The verbiage that was originally drafted states
18 that the Board may not prohibit a public comment or
19 otherwise enforce this regulation based on any view
20 expressed which may include criticism of acts, omissions,
21 policies, programs, or services of the Board. I'm not sure
22 why such an important speaker's right, which is guaranteed
23 by Government Code section 11125.7(b) has been crossed out
24 and is pending removal.

25 Thank you.

1 CHAIR FERRARO: Thank you.

2 Next, please.

3 OPERATOR: Our next comment comes from Wayne
4 Johnson.

5 CHAIR FERRARO: Go ahead, please.

6 DR. JOHNSON: Hello. Hi again. Dr. Wayne Johnson
7 in Santa Monica.

8 Ms. Drummond is an attorney at law in the state of
9 California advocating more restriction on free speech. In a
10 state of 40 million people, we are given two minutes on each
11 agenda item, and a total of 30 minutes for general public
12 comment at the end.

13 What kind of restrictions are you trying to impose
14 on the public here?

15 Thank you.

16 CHAIR FERRARO: Thank you.

17 Next, please.

18 OPERATOR: All right. There are no further
19 comments at this time.

20 CHAIR FERRARO: Thank you.

21 And a motion from the Board?

22 COMMISSIONER CASTELLANOS: Castellanos' motion.

23 CHAIR FERRARO: Second?

24 COMMISSIONER DAVIS: Davis seconds.

25 CHAIR FERRARO: Okay. Mr. Gonzales?

1 VICE CHAIR GONZALES: Yes.

2 CHAIR FERRARO: Mr. Alfieri?

3 COMMISSIONER ALFIERI: Yes.

4 CHAIR FERRARO: Ms. Mitchell?

5 COMMISSIONER MITCHELL: Yes.

6 CHAIR FERRARO: Mr. Hudnut?

7 COMMISSIONER HUDNUT: Yes.

8 CHAIR FERRARO: Mr. Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Ms. Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: And the Chairman votes yes. Thank
13 you.

14 Moving on to item number ten. This is a
15 presentation from the California Thoroughbred Trainers
16 regarding a status update on the taskforce regarding animal
17 safety.

18 Operator, can you queue in Mr. Balch, please?
19 Let's hear what he has to say. Hello?

20 MR. BALCH: This is Alan Balch.

21 CHAIR FERRARO: Good morning, Alan. What you have
22 got --

23 MR. BALCH: I was --

24 CHAIR FERRARO: -- for us today?

25 MR. BALCH: Is this my turn? I was cut out for

1 some reason, I couldn't hear, so are you ready for my
2 report?

3 CHAIR FERRARO: I am.

4 MR. BALCH: Thank you. Commissioners, Staff, once
5 again, I appreciate the opportunity to report to you on the
6 important work our Safety Taskforce is undertaking which, as
7 you know, has representatives from all the stakeholders in
8 racing.

9 Today, I'm going to concentrate on the following
10 major areas: First, equine humeral fractures, which most of
11 us imprecisely refer to as shoulders; second, continuing
12 education; and third, lower leg equine injuries.

13 I want to express my appreciation at the outset to
14 Veterinarians Dionne Benson of The Stronach Group, and Ryan
15 Carpenter based at Santa Anita, for their ongoing and
16 invaluable contributions to our present work, as well as so
17 many previous steps forward in which they've been involved.
18 However, the comments I'm making today are my own. And any
19 errors or omissions in terminology or content are not their
20 responsibility, of course, nor are my opinions necessarily
21 theirs.

22 As you know, if we could eliminate shoulder
23 fractures, our safety record would improve even more
24 significantly than it already has. Shoulder fractures are
25 prevalent due to the simple fact that virtually all horses

1 who suffer these horses display subtle symptoms of an issue,
2 if any at all, prior to injury. Most symptoms are
3 especially difficult to recognize without a clear
4 understanding of when horses are at an increased risk for
5 them. If they were recognized, obviously their trainers,
6 owners, and veterinarians would have probed to find a
7 problem.

8 Dr. Benson has done careful statistical analysis
9 of past performances and training patterns across the
10 country to determine what these horses have in common.
11 Generally speaking, the factors are layoffs of 90 days or
12 more and, possibly, a premature return to serious training
13 once they've returned to a track of auxiliary facility.

14 As we have stated before, our aim is to provide a
15 statistically sound guide, perhaps even by means of a rule,
16 based on verified evidence of steps which must be taken
17 before a horse returning from a layoff of a specified period
18 can gallop or work at speed. Doing this, in conjunction
19 with increased veterinary oversight from regulatory and
20 attending veterinarians for these identified horses, may
21 help us to address these injuries. Such steps would include
22 verified length of time a returning horse must be restricted
23 to jogging, or then galloping, or before serious works,
24 perhaps coupled with compulsory veterinary examinations.

25 Initially, such an approach might well be resisted

1 by some trainers and owners alike, almost all of whom have
2 never even had an equine shoulder fracture. However, the
3 objective evidence of risk is there and we ignore that risk
4 and the objective's statistics underlying it at peril to our
5 horses.

6 We do have a very good continuing education module
7 on this subject. Rita Baker of the CHRB staff has been
8 working with us to cross-reference trainers receiving this
9 education with any reported shoulder incidents. The key,
10 however, of course, is to have trainers get the education
11 before ever having any shoulder injuries to prevent them to
12 the fullest extent possible.

13 Therefore, the CTT will now take the lead to
14 persuade any trainer who has not yet received the education
15 to do so within the next 30 days. While we don't have the
16 authority to make any particular continuing education module
17 compulsory, and we hesitate to recommend that step, it may
18 become necessary.

19 In addition, we need to enhance all the
20 educational modules we now have and will continue to
21 develop. We need, we believe, to provide for some kind of
22 testing within the modules or other equally effective
23 methods of ensuring close attention to the educational
24 content by all who view it as a condition of licensing.

25 Other than shoulders, plus the issues of sudden

1 death, which I referred to at your last meeting, and freak
2 inexplicable accidents, the remaining area of serious risk
3 and needed progress is in equine lower limb injuries. The
4 entire sport, and particularly California, have made
5 undeniable and admirable progress in drastically reducing
6 the frequency of these over many years. Still, more needs
7 to be done.

8 Fortunately, Dr. Sue Stover of University of
9 California, Davis, who is also now in a leadership position
10 at the Horse Racing Integrity and Safety Authority, has done
11 pioneering studies relating to what she terms high-speed
12 furlongs. These are the number of furlongs raced and
13 incurred in timed workouts over varying periods of time as
14 compared to the incident of serious injury for individual
15 horses. It is possible that an incremental way to identify
16 at-risk horses is examining the accumulation of high-speed
17 furlongs by horse.

18 We may start by looking at horses that have had a
19 fetlock injury in the past three years to determine if there
20 is any statistically significant evidence in this data prior
21 to injury. Then drawing on this objective data, we believe
22 it may be possible to provide on an ongoing basis an
23 individual horses key high-speed furlong data to its
24 connections.

25 (Phone is dialed and ringing.)

1 MR. BALCH: Am I still on? I'm hearing --

2 CHAIR FERRARO: You're still on, yeah. I don't
3 know what this background is.

4 Operator --

5 MR. BALCH: Okay.

6 CHAIR FERRARO: -- can we deal with that, please?

7 CHAIR FERRARO: Go ahead, Alan.

8 MR. BALCH: Dr. Ferraro, are we there?

9 CHAIR FERRARO: Yeah. Go ahead. We're here. Go
10 ahead, please.

11 (Phone rings.)

12 CHAIR FERRARO: I'm sorry about this.

13 MR. BALCH: It's okay. shall I stop until we get
14 this cleared up or is it okay to go ahead?

15 CHAIR FERRARO: Are we clear, Operator?

16 OPERATOR: Yes, sir.

17 CHAIR FERRARO: Okay.

18 MR. BALCH: Okay.

19 CHAIR FERRARO: Go ahead, Alan. Sorry.

20 MR. BALCH: I'll continue again.

21 Drawing on the objective data, the high-speed
22 furlong data, we believe it may be possible to provide on a
23 ongoing basis an individual horse's key high-speed furlong
24 data to its connections, including owners and veterinarians,
25 as well as trainers. In this way, we may be able to

1 identify certain activity thresholds when reached where
2 radiographs, better known as x-rays, standing MRI scans, PET
3 scans, and/or nuclear imaging might be indicated,
4 potentially to reveal asymptomatic conditions, suggesting
5 rest or specific incremental care of some nature.

6 An enormous financial contribution to the
7 California installations of the latest diagnostic technology
8 has already been made by the industry, including the Dolly
9 Green Foundation, Oak Tree Racing Association, The Stronach
10 Group which, by itself, provided several hundreds of
11 thousands of dollars in getting the PET scan installed, and
12 numerous other substantial donors.

13 Nevertheless, individual imaging and scanning
14 costs to owners and trainer remain significant for each use
15 and are perceived to present a barrier to even greater
16 reliance on utilization of these advanced diagnostics.
17 Therefore, we believe it's important that we explore all
18 possible avenues of support in the was of financial
19 subsidies to incentivize additional and more frequent use of
20 them, including, potentially, from the 1/ST or otherwise,
21 especially if diagnostics were to be required under defined
22 circumstances by means of a new rule.

23 So what are the next steps? We will, again,
24 contact all of the stakeholders in the taskforce to surface
25 any additional ideas or suggestions we haven't already

1 brought forward. Depending on their responses, we will
2 confer in further detail with CHRB staff and leadership and,
3 perhaps, point now toward a meeting of the Board's
4 Medication, Safety, and Welfare Committee if that's now
5 indicated.

6 Thank you, ladies and gentleman, as always, for
7 your attention on behalf of the taskforce and the CTT.

8 CHAIR FERRARO: Alan, I have a couple of
9 questions.

10 I know you're aware of the fact that the Board has
11 been working on a draft of possible requirements regarding
12 the shoulder fractures as to layoffs or -- I mean
13 examinations after layoff or causes for diagnostic imaging.
14 We're trying to put that together. We certainly want your
15 input on that as we go forward, perhaps that's something we
16 can take up in a Medication Committee meeting, but we are
17 working on that. But we don't want you to feel that you're
18 excluded from that. You're certainly part of it.

19 MR. BALCH: No. Thank you. Once I prepared this
20 draft, I was advised of that. And, obviously, that's why I
21 added my last paragraph because we'd certainly like to be
22 involved in it if at all possible.

23 CHAIR FERRARO: Yes. The other thing, just based
24 on what you said today, something occurred to me. Could we,
25 for example, require -- you're talking about this continuing

1 education model for shoulder fractures, humeral fractures --
2 could we make it a condition of renewing your license as a
3 trainer, that you have to see this, review this module,
4 visit this module? Would that be a reasonable factor we
5 could maybe put in there right away?

6 MR. BALCH: Well, as you know, the rulemaking
7 process is long and painstaking. And we did go through a
8 long period of getting the, you know, the hourly -- the
9 number of hours of continuing education the trainers have to
10 have within a time frame for renewal. And you know, all the
11 continuing education is important but, clearly, some of the
12 modules are better than others in terms of content and
13 understandability, but the shoulder one is such a specific
14 subject matter. And everybody that's viewed it that I've
15 talked to believes that it's really good and instructive.

16 So somehow or other, I don't know in the
17 rulemaking process whether it's -- how long it would take to
18 make an individual one compulsory or, frankly, even if that
19 logical, but somehow or other, in terms of just by
20 contacting people and peer pressure and working individually
21 one on one with the most active trainers, we should be able
22 to get our number up close to 100 percent of participating
23 trainers.

24 I don't want to mislead anyone. A great, vast
25 majority of trainers have taken these, this continuing

1 education, seriously. But, obviously, it's not 100 percent
2 and we want to get it as close to 100 percent as we can,
3 however we do it. I don't know if the rule is the way to do
4 it. It would take a long time, I think, to get that rule in
5 place.

6 CHAIR FERRARO: Well, maybe Mr. Chaney can help us
7 here. But since we have a requirement that trainers have
8 certain hours of continuing education, I suppose we could
9 either modify that rule or at least suggest that part of
10 that 12 hours, that the shoulder module be part of the --
11 part of their education.

12 Mr. Chaney, how would we go about doing that?

13 MR. CHANEY: Yeah. Thank you, Mr. Chairman. I
14 see kind of three different ways we could make that happen,
15 two of which would take regulatory changes.

16 One, we could amend the postmortem examination
17 rule to require, you know, to give Dr. Vale, or whoever is
18 doing the -- you know, those interviews, you know, the power
19 to order that for trainers who, you know, who experience
20 humeral fractures. Now I think, you know, that's probably
21 too limited. We probably want a larger audience.

22 So the second way would be amending the CE rule we
23 have in place to require that specific one and that's
24 probably something we should start.

25 In the meantime, I think we can weight that, in

1 terms of credits, that particular module a little heavier to
2 incentivize trainers to take that one.

3 So those are kind of three suggestions I would
4 have off the top of my head.

5 MR. BALCH: Well, and clearly, Mr. Chaney, all of
6 us realize we want to make sure that, to the extent
7 possible, that we have the continuing education on shoulders
8 prior to any incidents, obviously, because it's intended --
9 you know, nothing is 100 percent but it's certainly
10 effective in explaining to trainers in lay terms, as well as
11 veterinary terms, why this is an issue for horses.

12 And Dr. Ferraro, you can probably state this more
13 professionally than I can, but from my understanding, horses
14 coming back from these 90-day or more layoffs, they appear,
15 because their musculature and wind and so forth recovers
16 very rapidly relative to bone strength, and so it gives,
17 potentially anyway, gives owners, trainers, even
18 veterinarians the idea that the horse is fitter and readier
19 to move on to more serious work, perhaps before the bone
20 remodeling has caught up. Am I stating that properly?

21 CHAIR FERRARO: You stated it perfectly. You
22 stated it perfectly.

23 Mr. Chaney, if we were just to weight the module
24 on shoulders a little heavier than the others with the idea
25 that it would encourage people to take that one, we wouldn't

1 need -- would we need a rule, make a change on that, or a
2 rule made?

3 MR. CHANEY: No. I mean, that would just be more
4 incentivizing, you know, certain modules over other ones.

5 CHAIR FERRARO: Okay. Well --

6 MR. BALCH: That would be helpful to us. But
7 we're -- but we're, as I said in my remarks, if we're going
8 to, in the next 30 days and beginning now, we're going to be
9 contacting every single trainer who has not completed this
10 particular module and knowing -- letting them know that we
11 know what they've done and what they've completed and what
12 they haven't, and this one is key and please do it right
13 away.

14 CHAIR FERRARO: That's good. But just to
15 encourage them a little more, maybe we can just weight it --

16 MR. BALCH: Right.

17 CHAIR FERRARO: -- a little heavier? And we --

18 MR. BALCH: No, that would --

19 CHAIR FERRARO: -- there's no reason we can't do
20 that since we don't need a reg. So the two of us --

21 MR. BALCH: That would be great.

22 CHAIR FERRARO: -- between you, Alan, and us
23 heavily weighting that module, maybe we can get everybody to
24 look at it. That's all I'm saying.

25 MR. BALCH: You know, there's another module

1 that's received really great reviews, and that's the one on
2 the social contract, so to speak, that is about the culture,
3 how the culture has changed. And that's another one that
4 doesn't apply specifically to injuries of any particular
5 nature but it gives a very good broad understanding of how
6 important it is to not just speak the words of safety but
7 have the behavior to match it. And I think we've already
8 seen, over the last three or four years in particular, some
9 cultural -- some important cultural changing as people have
10 become so much more aware that there are things we can do
11 and have done to prevent injuries, and everybody has to be
12 paying attention closely to that.

13 So that's another one. I wouldn't necessarily
14 recommend that be compulsory or anything. but when we're
15 making all these calls to trainers, we're certainly going to
16 call that one out, as well.

17 CHAIR FERRARO: Well, we'll leave that to you. I
18 don't want to monopolize all your time, Alan.

19 Do other Board Members have questions for Mr.
20 Balch?

21 COMMISSIONER ALFIERI: Just Alfieri. Just a
22 comment.

23 You're doing a great job, Alan, fantastic. Stay
24 on it, which you are, and really, really appreciate this.
25 This is terrific.

1 MR. BALCH: Thank you.

2 CHAIR FERRARO: Yeah, I would agree with that.
3 You know, I mean, what we're trying to do is encourage these
4 cultural changes we're talking about, the trainers to make
5 them on their own rather than have to be regulated into
6 doing things. I think it will work out in the long run a
7 lot better.

8 COMMISSIONER HUDNUT: Hudnut here. I would
9 endorse the notion of incentivizing trainers by weighting
10 the shoulder issue a little more heavily in their continuing
11 education.

12 CHAIR FERRARO: Anybody else have a comment?

13 Alan, thank you. We'll go on to the queue but --

14 MR. BALCH: Thank you for the opportunity.

15 CHAIR FERRARO: -- thanks very much.

16 Operator, do we have a queue on this?

17 OPERATOR: Yes, sir. Our next comment --

18 CHAIR FERRARO: Go ahead.

19 OPERATOR: -- comes from Martha Sullivan.

20 CHAIR FERRARO: Go ahead, Martha.

21 MS. SULLIVAN: Yes. Hello again.

22 First, I want to repeat a previous earlier comment
23 that it's really unacceptable that there's no written report
24 available to the public prior to this public meeting for a,
25 quote, "taskforce regarding animal safety," which was

1 essentially chartered by this Board. It's highly
2 unprofessional, if not downright illegal, that reports to
3 the public are fully oral. We should have, the public
4 should have -- not have to submit a Public Records Act to
5 get the communications between this taskforce and the Board.

6 I also want to point out that the 2022 Jockey
7 Club's Factbook, you know, as highlighted by the *Paulick*
8 *Report* recently, pointed out that racing horses into
9 condition lower the trainers' win percentage. So training,
10 since the late '80s and '90s, has increased rather than
11 racing. It raised the trainers' win percentage but it
12 lowered the horses' average number of starts per year.

13 It also points out that this has contributed to a
14 nearly 50 percent reduction in average starts per horse due
15 to unsoundness. I mean, so they're finding, you know,
16 unsoundness, whether it's due to breeding or speed, breeding
17 for the commercial market, permissive medication rules, or
18 something else has contributed to a near 50 percent
19 reduction in average starts per horse over the last 50
20 years.

21 CHAIR FERRARO: Thank you, Martha.

22 Next, please.

23 OPERATOR: All right. Thank you. Next we have
24 Lynn Freudenberg, Kill Racing Not Horses

25 CHAIR FERRARO: Go ahead, please.

1 MS. FREUDENBERG: Hi. Good morning. Good
2 morning. Hey, I want to thank you so much for supporting
3 the educational measures before license renewal. That
4 really makes a lot of sense that you're educated with
5 mandatory training before getting your license. So thank
6 you so much for supporting that and I hope to see it go
7 through.

8 But the reason why I called in is I'm hoping the
9 taskforce will include animal safety in weather within their
10 limits. There was a horse named Gaudy (phonetic) that was
11 forced to race in a downpour at Los Alamitos on 01/23/21.
12 It's been over a year since he has been seen. On this day
13 there was thunder, lightning, pouring rain, and the track
14 was muddy and a sloppy mess. Mike Wrona, the track
15 announcer, even stated that there would be an abbreviated
16 post parade due to lightning.

17 Well, when the gates open and Gaudy comes
18 barreling out, Gaudy slips, falls, and desperately tries to
19 regain his footing but then keeps falling. This was such a
20 horrific scene. The video has since been deleted by Los
21 Alamitos. And it was followed by harsh criticism by the
22 *L.A. Times* and *Paulick Report*, but we still have copies that
23 exist.

24 Gaudy was considered a starter, meaning he was
25 offered a fair start. How is this fair? Gaudy was listed

1 as a do not -- did not finish and was vanned off, never to
2 be seen again.

3 What is the taskforce going to do about hostile
4 weather conditions and safety?

5 Thank you.

6 CHAIR FERRARO: Thank you.

7 Next, please.

8 OPERATOR: Next we have Dr. Wayne Johnson.

9 MR. JOHNSON: Well, thank you very much. Dr. J.
10 in Santa Monica.

11 This taskforce implies that racing can be
12 reformed. Tell that to Ballet Royalty a five-year-old horse
13 that died at Los Alamitos, the killing fields of Los
14 Alamitos, just last week.

15 Mr. Balch claims he wants all stakeholders. Mr.
16 Balch claims he wants all points of view. Let me ask my
17 fellow activists on the call today, how many of you have
18 gotten a call from Mr. Balch asking for your point of view?

19 Hundreds of thousands of Californians do not share
20 the mainstream point of view of this rubberstamp Board.
21 Hundreds of thousands of Californians do not believe in
22 horse racing. Is our point of view going to be incorporated
23 in Mr. Balch's taskforce?

24 Thank you.

25 CHAIR FERRARO: Thank you.

1 Next, please.

2 OPERATOR: Thank you. Next we have Kim Marrs.

3 VICE CHAIR GONZALES: Go ahead, please.

4 MS. MARRS: Hello Board. Hello Board. Good
5 morning. Just wanted to congratulate Alan on what they're
6 doing. I think it's really, really important work.

7 I just wanted to throw my two cents in about --
8 because I am a trainer -- about bringing horses back off of
9 layoffs. I have adopted a program now where I've actually
10 had a couple that I've had to bring in that have had over
11 120 days off. And I'm very conscious of this because I have
12 watched this continuing education course a couple times.

13 I think that maybe putting in some ruling, like if
14 a horse comes back off a layoff and they maybe need to tack
15 walk for 30 days, they need to introduce their bones and
16 muscles back to exercising slowly because they haven't been
17 used in so long and they demineralize and they lose all
18 their important components. Even though they might look
19 good outwardly, inwardly they're still too strong.

20 I don't know if any of you have ever worked out or
21 been athletic but, you know, you do need to take some time
22 off. And sometimes when you take the time off you need to
23 bring your back -- bring it back slowly because your body
24 has, basically, I guess the best way to say it is use it or
25 lose it. If you don't use it, you're going to lose it. So

1 you need to, incrementally, slowly bring it back.

2 I have noted, too, that a lot of horses that do
3 have shoulder fractures, they tend to be just starting out,
4 like they're just jogging. They're not very far into to
5 their training so, obviously, that's a red flag.

6 And so anyhow, I do agree with the subsidies on
7 the diagnostics. I think it would be a great too. I have
8 used the PET scan. Would love to use it a lot more.
9 Obviously, the cost is prohibitive.

10 Let's see. And maybe, I know that there's a
11 study, but maybe something to look at, too, down the road is
12 a study on cytokines and maybe markers in the blood that can
13 detect fractures or inflammation so it gives trainers a
14 roadmap to look at.

15 Thank you.

16 CHAIR FERRARO: Thank you.

17 Next, please.

18 OPERATOR: All right. Next we have Elvia Sedano.

19 CHAIR FERRARO: Go ahead, please.

20 MS. SEDANO: Good morning and thank you.

21 Since there is no material provided in advance for
22 this agenda, I have to make my own.

23 Horse racing is not safe for horses. Where you
24 say to yourselves, they're having less fatalities, but the
25 sad truth of the matter is that the field sizes are smaller

1 so less horses are being raced. And the CHRB are definitely
2 not reporting the fatalities. You still refuse to answer
3 about all these horses when we have been asking for many,
4 many months.

5 Racehorses are constantly forced to run beyond
6 their normal and natural capacity, being whipped and drugged
7 and two methods -- are the two methods to accomplish this.

8 An example, Queen Helene, on 08/27 at Golden Gate,
9 she was bleeding profusely. Blood was gushing out of her
10 nostrils. The mare collapsed and left the track by van.
11 And she has not been seen since. Where is Queen Helene?

12 Another example, on 11/28/21, Conchita and this --
13 and Not This World both lost their lives racing at Los
14 Alamitos, the same race, in fact. Both horses suffered
15 fractured spines. Highly unusual to have two dead horses in
16 one race with almost identical catastrophic injuries. What
17 is the taskforce doing about this?

18 Horse racing is not safe. Horses are to given a
19 choice. This track (phonetic) is just a silly P.R. stunt to
20 try to make yourselves look better but we see right through
21 it.

22 Thank you.

23 CHAIR FERRARO: Thank you.

24 Next, please.

25 OPERATOR: All right. Thank you. Our next

1 comment comes from Bonnie Croker, Kill Racing Not Horses.

2 CHAIR FERRARO: Go ahead, please.

3 MS. CROKER: Good morning. Thank you and good
4 morning once again.

5 A few things that I'm urging the Safety Taskforce
6 to address are, one, to investigate the facts behind the
7 vast number of horses experiencing sudden death. Medina
8 Spirit was famous so, of course, this case was heavily
9 scrutinized. Having a infamous trainer who has been accused
10 of multiple drug violations added to the scrutiny. But
11 sudden death in racehorses is becoming all too common.

12 On 03/12/22, a six-year-old mare named Ballet
13 Royalty finished fifth in the first race at Los Alamitos.
14 She galloped back and was unsaddled, but then she collapsed
15 and died while walking off. The taskforce needs to
16 investigate and determine the precise cause of each sudden
17 death. We know that the general cause is horse racing
18 itself. Horse racing kills horses.

19 Second, the taskforce needs to look carefully at
20 racetrack surfaces, at Santa Anita in particular where the
21 horses have to cross over between turf and dirt. The
22 Equibase chart comments are loaded with remarks about horses
23 tripping, bumping, and stumbling while racing across the
24 changing surfaces. Each incident is a potential
25 catastrophic accident involving multiple horses. The Safety

1 Taskforce needs to investigate the large number of horses
2 who sustain an injury while racing but are made to hobble
3 across the finish line.

4 At Los Alamitos on 07/18/21, Listen Linda, injured
5 seven-year-old mare, was pulled up but made to hobble across
6 the wire. She has been missing from public record ever
7 since.

8 At Fresno, 10/17/21, Frost Warning, a three-year-
9 old gelding, also injured during his race, was made to
10 hobble across the wire.

11 These are just two examples of a huge number of
12 horses who should be pulled up, injured, and considered DNF,
13 did not finish, instead of being forced to hobble across the
14 finish line and earn their torturers a few hundred more
15 lousy dollars.

16 Safety Taskforce, you have your work cut out for
17 you. Please do your job.

18 Thank you.

19 CHAIR FERRARO: Thank you.

20 Next, please.

21 OPERATOR: All right. Thank you. At this time
22 there are no further comments in the queue.

23 CHAIR FERRARO: All right. We'll move on.
24 There's no need to have a vote on this one.

25 We move on to item number 11. Amanda, can you

1 explain this to us?

2 MS. DRUMMOND: Yes. Good morning, again,
3 Commissioners. Amanda Drummond here.

4 Agenda item 11 is a request from CARF to designate
5 the Pleasanton, Cal Expo, Ferndale, and Fresno Fairs as a
6 combined meet. The intent behind this request is to allow
7 the fairs to carry over pools from one fair to the other.
8 And this request is heard by the Board annually.

9 Larry Swartzlander from CARF is available if the
10 Board has any questions.

11 Thank you.

12 CHAIR FERRARO: Mr. Swartzlander?

13 Operator, can you queue him in, see if he has some
14 comments he wants to give?

15 OPERATOR: Yes, sir.

16 Again, please press star one to get into the
17 queue.

18 MR. CHANEY: Mr. Chairman, Scott Chaney, Executive
19 Director.

20 I'm to certain if Larry will be available or not
21 or if there's somebody else from CARF.

22 CHAIR FERRARO: Yeah, I heard that too.

23 Is there anybody from CARF who wants to comment?
24 Otherwise, we'll just carry on. We pretty well understand
25 what this is about.

1 OPERATOR: Okay, I do have Heather Haviland from
2 the California Authority of Racing Fairs.

3 CHAIR FERRARO: Okay. Go ahead, please.

4 MS. HAVILAND: Good morning, Commissioners. My
5 name is Heather Haviland, Deputy Executive Director of the
6 California Authority of Racing Fairs. Larry Swartzlander
7 sends his regrets for being unable to attend the meeting
8 today.

9 This is the seventh year CARF has made this
10 request for pari-mutuel purposes in order to increase the
11 opportunity for large carryover pools in the Pick 6 and
12 Super Hi-5. We appreciate your approval in the past and
13 request it once again for upcoming meets.

14 Thank you.

15 CHAIR FERRARO: Any questions from the Board?

16 Thank you.

17 Do we have a queue on this, Operator?

18 OPERATOR: All right. Yes, sir. Next we have --

19 CHAIR FERRARO: Go ahead, please.

20 OPERATOR: -- a comment from Elvia Sedano.

21 CHAIR FERRARO: Go ahead, please.

22 MS. SEDANO: Just one moment. Sorry.

23 CHAIR FERRARO: Next, please.

24 OPERATOR: All right. Next we have Martha
25 Sullivan.

1 CHAIR FERRARO: Go ahead, please.

2 MS. SULLIVAN: Hi. I just wanted to point out the
3 *Bloodhorse Racing News* (indiscernible) just reported that
4 Golden Fields [sic] will definitely be closed this summer.

5 CHAIR FERRARO: Yeah. Martha, that's not part of
6 this agenda item. You can bring it up in the public
7 comment.

8 MS. SULLIVAN: Isn't it relevant, relative to the
9 fairs? I mean, I thought this --

10 CHAIR FERRARO: It's not relevant.

11 MS. SULLIVAN: -- was about (indiscernible) --

12 CHAIR FERRARO: It's not relevant.

13 MS. SULLIVAN: -- (indiscernible) --

14 CHAIR FERRARO: This is a pari-mutuel issue. This
15 is a pari-mutuel issue only. It has nothing to do with it.

16 If you want to bring that up --

17 MS. SULLIVAN: Is Director Chaney --

18 CHAIR FERRARO: -- in the public comment --

19 MS. SULLIVAN: -- going to talk about it?

20 CHAIR FERRARO: -- we'll be happy to hear.

21 Let's go on, Operator, please.

22 OPERATOR: All right. Thank you. Next comment
23 comes from Lynn Freudenberg.

24 CHAIR FERRARO: Go ahead, please.

25 MS. FREUDENBERG: Hi. Good morning. Hi.

1 There's many reasons why I think this licenses
2 shouldn't be granted for these fairs. But with a two-minute
3 time limit, we can only focus on certain criteria. Mine is
4 regarding the two missing-in-action horses from Pleasanton
5 who have not resurfaced yet. We'd just like to know, where
6 are they? On (indiscernible) --

7 CHAIR FERRARO: This has nothing to do with --

8 MS. FREUDENBERG: -- (indiscernible) 21 --

9 CHAIR FERRARO: Excuse me. Excuse me. This is a
10 part-mutuel issue.

11 MS. FREUDENBERG: I hear you.

12 CHAIR FERRARO: This is combining these meets for
13 pari-mutuel payouts. That's all it has to do with. It's
14 not about racing. If you want to bring any of these
15 comments up --

16 MS. FREUDENBERG: (Indiscernible.)

17 CHAIR FERRARO: -- you can bring them up in the
18 public comment period.

19 MS. FREUDENBERG: (Indiscernible.)

20 CHAIR FERRARO: Next, please, Operator. Next,
21 please, Operator.

22 OPERATOR: Yes, sir. There are no further
23 comments in the queue.

24 CHAIR FERRARO: Do we have a motion from the
25 Board, please?

1 COMMISSIONER CASTELLANOS: Castellanos. Motion.
2 COMMISSIONER ALFIERI: So moved.
3 COMMISSIONER HUDNUT: So moved. Hudnut.
4 CHAIR FERRARO: Alfieri made a motion. Who was
5 second?
6 COMMISSIONER HUDNUT: Hudnut.
7 CHAIR FERRARO: Thank you.
8 Mr. Gonzales?
9 VICE CHAIR GONZALES: Yes.
10 CHAIR FERRARO: Mr. Alfieri?
11 CHAIR FERRARO: Mr. Alfieri?
12 COMMISSIONER ALFIERI: Yes.
13 CHAIR FERRARO: Ms. Mitchell?
14 COMMISSIONER MITCHELL: Yes.
15 CHAIR FERRARO: Mr. Hudnut?
16 COMMISSIONER HUDNUT: Yes.
17 CHAIR FERRARO: Mr. Castellanos?
18 COMMISSIONER CASTELLANOS: Yes.
19 CHAIR FERRARO: Ms. Davis?
20 COMMISSIONER DAVIS: Yes.
21 CHAIR FERRARO: Chairman votes yes.
22 We move on to the Executive Director's Report.
23 Mr. Chaney?
24 MR. CHANEY: Thank you, Mr. Chairman, and good
25 morning, Commissioners.

1 I'll begin with the handle report. In January,
2 night racing was up 11 percent -- I'm sorry, day racing was
3 up 11 percent, night racing was down 11 percent, and total
4 handle was up 8 percent as compared to January 2021.

5 In February, night racing was down ten percent,
6 day racing was down one percent, and total handle was down
7 two percent as compared to February 2021.

8 Year to date, as compared to last year, night
9 racing is down 11 percent, day racing is up 5 percent, and
10 total handle up 3 percent.

11 Next, I'd like to echo Chairman -- the Chairman's
12 comments earlier and welcome Commissioner Hudnut to the
13 Board. I appreciate his desire to serve and passion for
14 racing and look forward to working with and for you going
15 forward as we continue to promote animal welfare and address
16 industry challenges and opportunities.

17 At this time, just as the Chairman did earlier,
18 I'd like to acknowledge Commissioner -- now former
19 Commissioner, I suppose, Alex Solis. I first saw Alex in
20 person, although he doesn't know it, in 1986. I grew up in
21 Maryland and watched him win the Preakness aboard Snow Chief
22 at Pimlico Race Course. Over the past two years, I've
23 enjoyed working with Alex. His passion for jockey-related
24 issues, backstretch workers, and animal welfare made my job
25 easier and better. I appreciate and admire his dedication

1 to the Board and the horse racing industry over the last
2 seven years and wish him the best in all of his current and
3 future endeavors.

4 Since our last Board meeting the CHRB has
5 published the Medina Spirit necropsy report and post-race
6 mortem -- I'm sorry, postmortem examination report, and
7 summary of the Modern Games investigation report, as well as
8 our annual report. All of these documents can be found on
9 our website.

10 Regarding HISA and the authority created by that
11 legislation, the FTC approves all of the Racing Safety
12 Regulations, as they were, and they're set to go into effect
13 July 1st. while most of these regulations closely mirror
14 what we're already doing in California and were, in fact,
15 modeled on our program, there are a few that are stricter
16 than our current rules. And for that, I applaud the
17 Authority and look forward to complying on July 1st.

18 Having said that, there are a few areas where
19 their regs fall short of what we already have in place here
20 in California and give me concern, specifically, the crop
21 rule allows for overhand cropping, and their ban on pre-race
22 medication is 24 hours as compared to the 48 hours which is
23 in place here.

24 I am in frequent communication with the Authority
25 and their new CEO and working on solutions to these two

1 issues which are, frankly, nonstarters for California. I am
2 hopeful that we can reach a resolution in which there will
3 to be any loosening of the rules already in place here.

4 The Medication Control and Antidoping Regulations
5 will go into effect -- won't go into effect for some time as
6 the Authority is in the process of identifying a national
7 organization to administer that part of their mandate. From
8 a cost perspective, all of the regs require -- or the
9 current regs require that they provide the amount of
10 California's contribution by April 1st.

11 Before then, in the next two weeks, we will be
12 entering into negotiations to contract to do as much of the
13 work that is required under their regulation on July 1st.
14 Needless to say, this implementation is very fluid and will
15 require both the Authority and the CHRB to be flexible as we
16 both seek to promote human and animal welfare.

17 Lastly, a previous regarding future Board
18 meetings. The Governor's emergency order allowing for
19 teleconference Board meetings expires on March 31st.
20 Therefore, we will return to in-person meetings beginning
21 next month. There is some indication that the legislature
22 will be amending Bagley-Keene to allow for or even require
23 remote participation but the timeline for such a change is
24 unclear.

25 Hence, for the near future, Board meetings will be

1 in person beginning in April. And that meeting will be here
2 in Sacramento. As the landscape continually changes -- is
3 changing in this area, we will do our best to keep
4 stakeholders and the public informed regarding our meetings
5 and appreciate your indulgence as we navigate this
6 consequential time in state government.

7 And Mike Marten wanted me to add that, as usual,
8 all of our meetings will continue to be broadcasted through
9 our website, whether your present in the room or not.

10 And that, Mr. Chairman, is my report.

11 CHAIR FERRARO: Thank you, Mr. Chaney.

12 Any questions from the Board?

13 COMMISSIONER HUDNUT: This is Mr. Hudnut. I have
14 a question for the Executive Director.

15 Will you keep us apprised of the state of the HISA
16 trial in North Texas Federal District Court?

17 MR. CHANEY: Yes, sir, I will. There are a number
18 of lawsuits, as you know, going on, Texas being one of them.
19 So if there are any significant changes, I will inform the
20 Board.

21 COMMISSIONER HUDNUT: Thank you.

22 CHAIR FERRARO: Any other questions?

23 You want to start the queue, Operator?

24 OPERATOR: Yes, sir. Our first comment will come
25 from Elvia Sedano.

1 CHAIR FERRARO: Go ahead, please.

2 MS. SEDANO: Yes. Good morning. I wanted to
3 speak on a horse that was recently rescued from a feedlot in
4 Nevada, a horse that was doomed to be slaughtered, this
5 young filly who spent her entire life, but short-lived
6 racing career in California. She was raced four times at
7 Santa Anita, once at Del Mar, and once at Los Alamitos
8 Thoroughbred.

9 These kill pen posts pop up all the time in my
10 news feed and on social media. And this one caught my eye
11 because she was a California horse race [sic] who was
12 recently raced at the prestigious Santa Anita Track. She
13 was identified by the rescuers as Dynamite Queen. Her last
14 start was at Santa Anita on January 9th of this year. And
15 the very next month, she is in the slaughter pipeline.

16 Sadly, Dynamite Queen is not the only one. As we
17 know, thousands of racehorses end up butchered for their
18 meat every single year, including horses from California
19 where there is an alleged no-slaughter policy.

20 So how did the CHRB fail this horse?

21 Every month, members of the public, including
22 myself, call in to inquire about California racehorses that
23 are now missing from the major databases. What is the CHRB
24 going to do regarding the failures of this ridiculous,
25 useless no-slaughter policy? When will the CHRB start

1 tracking the horses that the public are demanding to know
2 answers about?

3 Thank you.

4 CHAIR FERRARO: I'm going to interject here. This
5 was not on the -- these comments were not on the subject of
6 the Executive Director's Report. They were better placed in
7 the public comment period. So any comments that anybody has
8 to make, please confine them to the subjects that were
9 discussed by the Executive Director. Other comments will
10 have to wait until the next item.

11 Go ahead, Operator.

12 OPERATOR: All right. Thank you. Our next
13 comment comes from Martha Sullivan.

14 MS. SULLIVAN: Yeah. I want to quote from *Horse*
15 *Racing Nation* about handle, which Director Chaney did speak
16 about.

17 "Through the first 24 days of the current winter-
18 spring meet, Santa Anita has averaged 6.91 starters per
19 race. At this time last year, Santa Anita was
20 averaging eight starters per race. The result, a nine
21 percent reduction in total handle and \$203,000 from
22 \$225,000 during the same time frame a year ago. The
23 handle decline has led Santa Anita to share the overall
24 wagering market to dip to 20.5 percent from 21.8
25 percent last season.

1 " 'It's not good and no one is happy about it,' said
2 Aiden Butler, Chief Operating Officer of Santa Anita's
3 parent company, 1/ST, told *Horse Racing Nation* this
4 week, 'as we are well aware of it. I am more aware of
5 it than anything else in my life at this moment.' "

6 I'd also like to ask Director Chaney why the
7 fatality reports have been split into two separate lists
8 that we now have to check, you know, separately to count up
9 racehorse fatalities, either total or by track? You know,
10 you have to explain to most people who don't follow closely
11 that there are now two lists, and that you have to track and
12 count all of the fatalities. You know, you've got to
13 consult both of those lists.

14 So you know, I don't know what the purpose of this
15 is. Once again, it seems to just make it more difficult for
16 the public, including journalists, to determine what is
17 going on, what the information is. It certainly doesn't
18 facilitate it.

19 CHAIR FERRARO: Thank you.

20 Next, please.

21 OPERATOR: All right. Next we have a comment from
22 Dr. Wayne Johnson.

23 CHAIR FERRARO: Go ahead, please.

24 MR. JOHNSON: Thank you. Mr. Chaney mentioned
25 that there was a final report on the death of Medina Spirit.

1 Here's what the pathology included, quote, "Degenerative
2 joint disease was seen in the fetlock and elbow joints,
3 swollen lungs, enlarged spleen, congestion, mild
4 hemorrhage." That was a three-year-old horse. That's what
5 horse racing's about.

6 Thank you.

7 CHAIR FERRARO: Next, please.

8 OPERATOR: There are no further comments.

9 CHAIR FERRARO: Okay. We'll move on to the public
10 comment period.

11 Do we have a queue, Operator? I'm sure we do. Go
12 ahead.

13 OPERATOR: All right. Again, if you would like to
14 make a public comment, you may do so by pressing star one on
15 your touchtone phone.

16 Our first comment will come from Kim Marrs.

17 CHAIR FERRARO: Go ahead, please.

18 MR. MARRS: Hi.

19 CHAIR FERRARO: Go ahead.

20 MR. MARRS: Thanks again, Board.

21 I just wanted to point out, I don't know if the
22 taskforce could take it up or some -- or the racetrack or
23 maybe the Board, but putting in some sort of an education, I
24 don't know, module or whatever for the public to explain our
25 sport? And why it's important is because we have so many

1 animal extremists and they've had a 20-year head start on
2 us. These groups are now interconnected, sharing staffing,
3 ideologies, projects, lawsuits, writings, funding and
4 marketing, and legislation. And in the day of social media,
5 silence is accepted.

6 Let me just explain to the public, animal
7 extremism is not animal welfare. First and foremost, it is
8 important for the public to understand that animal extremism
9 is not the same as animal welfare. They have nothing to do
10 with each other. However, animal extremist groups have used
11 animal welfare as a ruse to raise funds from goodhearted
12 people for their causes, get on platforms like this, say
13 it's about welfare but it's really about ending the sport
14 and, you know, extinguishing horses off the planet.

15 I don't know if any of you read in the OC paper
16 this -- I think it was this week, March 13th? There was a
17 really, really good report done -- article done on how we've
18 reduced the fatalities in this state. And honestly, for
19 what this Board has done and everything in the reforms that
20 has happened, nothing gets done in this state very fast and
21 this has, and it's made a huge impact. Just keep it going.
22 It's the horse first, the sport second.

23 Thank you.

24 CHAIR FERRARO: Thank you.

25 Next, please.

1 OPERATOR: All right. Thank you. Our next
2 comment will come from Dr. Wayne Johnson.

3 CHAIR FERRARO: Go ahead, please.

4 MR. JOHNSON: Horses, and their cousins mules,
5 built the railroad in this country. If you'd seen Steven
6 Spielberg's film *War Horse*, it's clear that horses won World
7 War I and were major contributors, along with carrier
8 pigeons to World War II.

9 This industry kills 2,000 horses every single year
10 and you call us extremists. We're the extremists? No.
11 We're extreme in the defense of the rights of these horses
12 to live because they want to live.

13 Dylans Wild Cat died at Santa Anita.

14 (Indiscernible) died at San Luis Rey Downs. Warren's
15 Showtime died at Santa Anita. Ballet Royalty died at Los
16 Alamitos. And that's just since this Board has met last.
17 And we're the extremists? These horses want to live as much
18 as you and I.

19 Thank you.

20 CHAIR FERRARO: Thank you.

21 Next, please.

22 OPERATOR: All right. Thank you. Our next
23 comment will come from Bonnie Croker.

24 CHAIR FERRARO: Go ahead, please.

25 MS. CROKER: Yes. I've participated in

1 practically every CHRB teleconference over the past two
2 years. As I have listened to the CHRB members speak and
3 interact with one another and industry insiders I've become
4 more and more baffled and confused as to why those of you
5 who have significant talents are using your talents to
6 promote and sustain an industry that is characterized by
7 animal abuse, corruption, and fraud. You may think you are
8 here to help eliminate those characteristics. But the fact
9 is if you are not working to eliminate horse racing, you are
10 working to exploit animals and kill them be that's what
11 horse racing does.

12 I hope that those amongst the CHRB who have strong
13 talents, leadership, business promotion, negotiations,
14 education, public relations, et cetera, will use your
15 talents for true good someday in an industry that doesn't
16 exploit those who have no voice.

17 The country is moving towards generating great
18 revenue through human sports wagering. I hope some of you
19 talented people in the CHRB will help lead the way through
20 that arena of entertainment. Stop promoting and supporting
21 animal abuse.

22 Thank you.

23 CHAIR FERRARO: Thank you.

24 Next, please.

25 OPERATOR: Thank you. Our next comment will come

1 from Elvia Sedano.

2 MS. SEDANO: Good morning and thank you. I want
3 to use this opportunity to speak on item 11, which I wasn't
4 able to.

5 From the last meet at Ferndale in August of 2021,
6 there were at least four horses that had concerning findings
7 on their racing charts who ended up out of state.

8 On 08/20/2021, Slightly (phonetic) was eased and
9 walked off at Ferndale. She was dumped in Oregon the
10 following month.

11 On 08/21/21, Strike It Lucky clipped heels,
12 stumbled, and was pulled up at Ferndale. Two months later,
13 he was -- he has races posted in Oregon.

14 On 08/28/21, Latitude 42 was stopped, eased,
15 walked off at Ferndale. He is the third horse to end up at
16 Grants Pass, Oregon.

17 Lastly, on 08/28/21, (indiscernible) was stopped,
18 eased, walked off at Ferndale. She gets dumped at Turf
19 Paradise, Arizona in January 2022.

20 California fair racing is anything but fair for
21 the horses. When they don't perform they get dumped out of
22 state so the CHRB can wash their hands of them. Even the
23 previous Equine Medical Director, Dr. Rick Arthur, bragged
24 that horses who make the vet list more than twice go out of
25 state. What kind of doctor would dump his patients when

1 they are injured and need medical care and monitoring? This
2 is because the CHRB does not care.

3 Thank you.

4 CHAIR FERRARO: Thank you.

5 Next, please.

6 OPERATOR: Thank you. Our next comment comes from
7 Martha Sullivan.

8 CHAIR FERRARO: Go ahead, please.

9 MS. SULLIVAN: First, I want to note that you can
10 find no record of Kim Marrs as a trainer in the Equibase
11 database. She keeps representing herself as a horse trainer
12 but there's no record of her as a trainer in the Jockey
13 Club's database.

14 Secondly, I want to quote from a Letter to the
15 Editor to the *Paulick Report* by a horsepower named John
16 Connick (phonetic), quote,

17 "Just recently, I could not help but wonder at the
18 coverage of the Saudi Cup by racing, quote,
19 journalists, coverage that seemed completely oblivious
20 to the authoritarian government and an abysmal human
21 rights record of the host country. I'm sure we'll see
22 the same with the Dubai World Cup.

23 "Ironically, the Saudi Cup occurred at the same time as
24 a new golf tour sponsored by Saudi concerns was
25 engendering public controversy, as well as resistance

1 from the PGA and its golfers, hardly known has hotbeds
2 of progressivism. Yet racing, while properly concerned
3 with the need to be acceptable with people, vis a vis
4 treatment of animals being blind or uncaring about the
5 industry's tacit acceptance of the mistreatment of
6 humans.

7 "Of course, the amount of Saudi UAE money and influence
8 in breeding and racing operations making more in these
9 countries' shameful human rights records
10 (indiscernible). It does not make it acceptable."

11 And I want to point out in a more recent news
12 report that the (indiscernible) of the upcoming Dubai World
13 Cup, where several California owners, trainers and horses
14 will compete, the United Arab Emirates actually failed to
15 vote against Russia's invasion of Ukraine in the United
16 Nations Security Council. And it's clear that Dubai is
17 siding with its oil-producing partner, Russia.

18 CHAIR FERRARO: Thank you, Martha.

19 Next, please.

20 OPERATOR: Our next comment comes from Cliff
21 Goodrich with CTHF.

22 CHAIR FERRARO: Go ahead, please.

23 MR. GOODRICH: Good morning, Commissioners. I
24 represent the California Thoroughbred Horsemen's Foundation,
25 for Mr. Hudnut's knowledge, and welcome, Mr. Hudnut, to the

1 Board. We provide healthcare for backstretch workers at
2 three tracks around the state of California. And I'm
3 weighing in because if there's fewer horses there's fewer
4 workers.

5 And I would just like to refer to Mr. Balch's
6 excellent report today. It's kind of amazing to me that
7 those same individuals who are clearly passionate about
8 equine health and safety can't find the words to show any
9 appreciation whatsoever for the efforts being put forth by
10 the Board, the industry, and Mr. Balch to do just what they
11 advocate, to do everything possible in our power to protect
12 the health and welfare of the horses. Why? Because,
13 clearly, their agenda is to improve horse racing and not
14 protect the horses but to kill horse racing.

15 I find it rather ironic that everything this
16 Board, the industry, and Mr. Balch is doing to reduce
17 injuries goes against their agenda and, in fact, greatly
18 reduces injuries and serves to preserve horse racing, which
19 is exactly the opposite of what they want. And I find their
20 frustration at each and every meeting to show in spades.

21 So thank you for letting me have these remarks.

22 CHAIR FERRARO: Thank you.

23 Next, please.

24 OPERATOR: Yes, sir. There are currently no
25 further comments in the queue.

1 CHAIR FERRARO: Thank you.

2 Well, this brings us to the point where the Board
3 will now go into executive session. At its conclusion we
4 will reconvene the public meeting for the sole procedural
5 purpose of adjourning the public meeting without further
6 comment. Anyone wishing to hear that meeting adjournment
7 can use the link to audio webcast on the CHRB website.

8 So at this point, we're going into closed session.
9 Thank you all very much.

10 (The regular meeting of the California Horse Racing Board
11 recessed into closed session and was later adjourned
12 at 11:22 a.m.)

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CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of March, 2022.



MARTHA L. NELSON, CERT**367

CERTIFICATE OF TRANSCRIBER

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

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

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



MARTHA L. NELSON, CERT**367

March 25, 2022