

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Damascus Castellanos, Commissioner

Dennis Alfieri, Commissioner

Brenda Washington Davis, Commissioner

Thomas Hudnut, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Assistant Executive Officer

Robert Brodник, Chief Counsel

Amanda Brown, Staff Counsel

Amanda Drummond, Policy, Regulations, and Administrative
Hearings Officer

Darrel McHargue, Chief Steward

Francisco Gonzales, Audit Supervisor

Zachary Voss, Regulation Analyst

Jeff Blea, Equine Medical Director

Mike Marten

ALSO PRESENT

Chaplain Dan Waits

Eligible Hernandez

Chaplain Izzy Uribe

APPEARANCES

ALSO PRESENT

Rob Cochran

Corey Johnson

Irad Ortiz

Jose Ortiz

Josh Rubenstein

Eric Sindler

Larry Swartzlander, California Authority of Racing Fairs

Jim Morgan, Humboldt County Fair

David Duggan, Golden Gate Fields

William Rizzuto, Golden Gate Fields

Bill Nader, Thoroughbred Owners of California

Alan Balch, California Thoroughbred Trainers

Cliff Goodrich, Thoroughbred Horsemen's Foundation

Darrell Haire, Jockeys' Guild

PUBLIC COMMENT

Martha Sullivan

Heather Wilson

Elvia Sedano

Lori Saldaña

Ellen Ericksen

Bonnie Croker

Wayne Johnson

Wendy Lemke

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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 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).

9. Adjournment

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P R O C E E D I N G S

9:30 A.M.

THURSDAY, MARCH 16, 2023

CHAIR FERRARO: Ladies and gentlemen, this meeting of the California Horse Racing Board will please come to order. This is the regular noticed meeting of the California Horse Racing Board on Thursday, March 16th, 2023, at Le Meridian Hotel in Arcadia, California.

Present at today's meeting are: myself, Dr. Gregory Ferraro, Chair; also Oscar Gonzales, Vice Chair; Dennis Alfieri, Commissioner; Damascus Castellanos, Commissioner; Brenda Washington Davis, Commissioner; Thomas Hudnut, Commissioner; and Scott Chaney, Executive Director. Commissioner Wendy Mitchell is not available to join us today.

Before we go to the business of the meeting, I need to make a few comments.

The Board invites public comment on the matters appearing on the meeting agenda. 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 comments only, not questions.

Unsolicited speakers are limited to two minutes.

1 During all public comments, a sign will be raised after the
2 first 90 seconds, meaning the speaker will have 30 seconds
3 remaining to conclude their remarks. At two minutes, the
4 second sign will be raised and a tone will sound to indicate
5 the speaker's time is up. The Board may ask questions of
6 individuals who speak, which may extend their two-minute
7 limit.

8 There are public comment sign-in sheets located at
9 the designated table for each agenda item on which the Board
10 invites comments. There is also a sign-in sheet for those
11 wishing to speak during the public comment period for
12 matters not on the Board's agenda if it concerns horse
13 racing in California. Please print your name legibly on all
14 sign-in sheets.

15 When a matter is open for public comment, your
16 name will be called. Please come to the podium and
17 introduce yourself by stating your name and organization.
18 This is necessary for the court reporter to have a clear
19 record of all who speak. When your two minutes are up, I
20 will ask you to return to your seat so that others can be
21 heard.

22 I will insist that all speakers stay strictly on
23 topic for each agenda item. If a speaker stays off topic, I
24 will ask to move to the next speaker. If a speaker repeats
25 themselves, I will ask if the speaker has any new comments

1 to make. If there are none, the speaker will be asked to
2 let others make comments to the Board.

3 If anyone has comments of a more general nature
4 that are not specific to earlier agenda items, those
5 comments must wait until the agenda item number 12, Public
6 Comment. There will be a 30-minute time limit for public
7 comment in order to allow as many individuals to speak as
8 possible within that half hour. I will strictly enforce the
9 two-minute time limit for each unsolicited speaker.

10 And with that, we'll proceed through the meeting.
11 Agenda item number one is Approval of the Minutes of January
12 19, 2023.

13 Do I have a motion to approve?

14 COMMISSIONER DAVIS: Davis moves.

15 CHAIR FERRARO: Second?

16 COMMISSIONER HUDNUT: Second. Hudnut.

17 Alfieri and Damascus were not present at that
18 meeting. So we'll start with Mr. Hudnut.

19 COMMISSIONER HUDNUT: Yes.

20 CHAIR FERRARO: Davis?

21 COMMISSIONER DAVIS: Yes.

22 CHAIR FERRARO: Gonzales?

23 VICE CHAIR GONZALES: Yes.

24 CHAIR FERRARO: And Ferraro votes yes. The
25 minutes are approved.

1 Our second item is presentation by the Race Track
2 Chaplaincy of America.

3 The industry presenters are: Dan Waits, Executive
4 Director of RTCA National; Chaplain Eli Hernandez at Santa
5 Anita, Del Mar, and San Luis Rey; Chaplain Rob Cochran,
6 Golden Gate Fields; Chaplain Izzy Uribe, Los Alamitos; and
7 Council President Ruben Escalante, Los Alamitos, former
8 chaplain.

9 Welcome, gentlemen.

10 CHAPLAIN WAITS: Thank you, Mr. Chairman. My name
11 is Dan Waits. I'm the Executive Director of the Race Track
12 Chaplaincy of America. These are --

13 MS. SULLIVAN: Excuse me. Can we please not have
14 our view blocked? Maybe you guys can sit at the table.

15 CHAIR FERRARO: Come and sit at the table. That's
16 fine.

17 CHAPLAIN WAITS: Okay.

18 CHAIR FERRARO: You three.

19 CHAPLAIN WAITS: Sure.

20 MS. SULLIVAN: Thank you.

21 CHAPLAIN WAITS: And we appreciate the Board's
22 time. I talked to Oscar and asked him if we might have the
23 opportunity to present. And just wanted to let you know
24 what's going on with the Race Track Chaplaincy, not only
25 nationally, but also in your state.

1 So with that, if I may, I'd just like to show a
2 short video?

3 (Whereupon a video is played and is transcribed.)

4 "Race Track Chaplaincy of America is a partner to every
5 racetrack. And to put it succinctly, we're a family,
6 and the Race Track Chaplaincy makes sure that no one in
7 our family falls through the cracks.

8 "A lot of people leave their homes, their countries,
9 and come over, and they feel very comfortable when they
10 see that church there. And these guys are working
11 seven days a week, and they love what they do, but they
12 need a place to go to church.

13 "The horse-facing industry is a very transient
14 industry, so people are going from place to place.
15 They need that anchor that's on the backside. The
16 scope of the Chaplaincy is all across the nation. We
17 are at 40 -- right now, about 49 different tracks where
18 we have RTCA chaplains and RTCA facilities.

19 "The chaplains are selfless servants. They are always
20 on the clock, 24/7. When a person gets injured, it's
21 the chaplain that is going to go and be in E.R.. It's
22 going to take them for the doctor's visit. It's going
23 to follow up with the family. That chaplain is going
24 to be the go-to person to help them through that
25 situation.

1 " They do a lot for everyone, from, you know, clothing,
2 to guidance, to just, you know, being there to support
3 people, whether it's, you know, a loss of a family, or
4 possibly an addiction issue, things like that that, you
5 know, the Chaplaincy has been there to support them
6 for.

7 "They're going to have Thanksgiving events. They're
8 going to have Christmas holiday events. They are the
9 one who is coordinating those types of social
10 atmosphere as well, not just the spiritual atmosphere,
11 but also the social needs of the racetrack community.
12 So there's a lot of kids involved in that. There's
13 going to be backpack programs. There's going to be
14 people that we're ministering to with just presence and
15 things like that.

16 "You know, every day they do a prayer before the races.
17 They're there to tend to the spiritual needs of the
18 jockeys. And I've seen a major difference over my time
19 in horse racing in that one area.

20 "Yeah, we are very competitive, but at the end of the
21 day, we go back to the same room, and the chaplain
22 coming in and get everybody together, saying a prayer,
23 I think, is to keep everybody together at the same
24 time. I love when the chaplain comes to the jockeys
25 room and gets us together, and we pray together. We

1 all want to win but, also, we want to be united, and I
2 think this is something that brings us together.

3 "You can take that same kind of concept, and the same
4 thing happens in the stable area. The same thing
5 happens kind of with our employees at tracks that may
6 have problems. There's a spiritual peace that goes
7 along with it.

8 "I think 2020 has displayed how important the Race
9 Track Chaplaincy is. You know, they've been there from
10 really the beginning of the pandemic to do so much
11 service for the entire backstretch.

12 "We went and became kind of the nerve center for the
13 horse racing industry, the response center. We had
14 industry partners that were calling us and saying, Dan,
15 where are the needs? How can we help? We were also
16 feeding information, and they were giving us
17 information.

18 "We had families back there, and we had workers that
19 really no one else could tend to. And the chaplain
20 stepped in and stepped it up, made sure that they were
21 fed, made sure they had the proper health care.

22 "I see a lot of cases in New York, and no one wants to
23 be close to them. So the Chaplaincy was the only
24 person that brings help to those kind of person that
25 have been going through the COVID-19 and fighting.

1 "Without the Chaplaincy, we would not be running racing
2 right now, you know, and especially keeping the
3 families together, safe, you know, putting protocols
4 and doing all the things they do.

5 "It also is evident why there needs to be a national
6 organization and the shared best practices and the
7 shared resources to make sure that we take care of
8 these families on the backside. That's our call, our
9 call is to serve. Our call is to serve and to love,
10 and that means everyone. And so that's what we do
11 every day, every day."

12 CHAPLAIN WAITS: So I think that gives you a
13 little bit of a taste of what the Chaplaincy does.

14 To my right is Eli Hernandez. He's your chaplain
15 at Santa Anita, Del Mar, and San Luis Rey. Izzy Uribe is
16 the chaplain at La Salle. And Rob Cochran is the chaplain
17 at Golden Gate Park. So I'm just going to give them just a
18 few moments, if they might, and just kind of tell you what
19 they're doing right now.

20 Again, these are my heroes. They are on the front
21 line. They are helping people each and every day. And they
22 are organizing the volunteers. They are doing so much good
23 work on the backside, the jocks room, the front side,
24 everything else. And I just want to give them a moment to
25 tell you what's going on at their tracks.

1 MR. HERNANDEZ: Good morning, Mr. Chairman. Good
2 morning, ladies and gentlemen.

3 Like it was mentioning there, we're here to serve.
4 And that could be giving a ride to the DMV, giving a ride to
5 their appointments, making appointments for them.

6 Our main goal is, number one, is to have an open
7 heart, a listening ear. Every day we provide food, we
8 provide water, we provide blankets as they're donated to us.
9 But mainly more than anything, we want them to know that
10 we're here for them. We are a family. We're not here one
11 day, then gone two weeks. No. We try to be here every day.

12 We try to reach out to them, let them know a lot
13 of these individuals are away from their families, so we try
14 to let them know that, hey, we want to be part of that.
15 Yes, we can't substitute your family, but we want to be part
16 of your life. If that means just sitting down and listening
17 to your hurts and your pains, or just making an appointment
18 for you.

19 Every Friday is our big day. We have trucks that
20 come in with pallets of food, and what we do is we just
21 distribute the food. We don't have to do this. We get to
22 do this. My wife and I, Martha, we get up, and plus we have
23 volunteers that are so amazing that just get up and we're
24 ready to serve the individuals. And again, that could be in
25 anything, like I said, just being there, making sure our

1 doors are open for them and to them, making a place for them
2 where they know they could come and sit down, watch the
3 races. When they're hungry, my wife Martha makes food for
4 them. You know, again, just to come, sometimes they'll just
5 come and say, I just want to take a nap. Come in, take a
6 nap. It's that's simple.

7 So, you know, we love what we're doing, and we
8 enjoy what we're doing. And I know I speak for the rest of
9 the chaplains, we thank God that God has given us that
10 platform to do what we do today.

11 CHAPLAIN URIBE: Good morning. I'm Chaplain Izzy
12 at Los Alamitos Racetrack, and it is a pleasure to be able
13 to be here and share with you what's going on.

14 I would say the three main areas that, you know,
15 we do ministry at the racetrack is, it's under fun,
16 fellowship, and faith. And when it comes to the fun part,
17 we have big things like, you know, holidays, around
18 Christmas, Easter. We have different festivals where we
19 have things for not just the adults but also for the kids.

20 On a weekly basis, we also offer a fun space for
21 them to come. We have dinner, as well as a place for them
22 to be able to watch movies, hang out, play pool, and a
23 couple other things.

24 And we also have the opportunity to be able to
25 minister to the jockeys on race day, as well as the starting

1 gate. And like Chaplain Eli was saying, we provide a
2 ministry of presence through the fun, fellowship, and faith.
3 We're present. If they need to cry, if they need to talk
4 to someone, if they need to laugh, we're just being present.
5 And when the opportunity comes to make a decision to better
6 their life, go through a rehab program, we're there to work
7 alongside with Winners Foundation and the team there.

8 So we're excited that we can be able to be there
9 as a presence to be able to minister and connect with all
10 the individuals through these different ways that we
11 minister to them.

12 I just actually came back from Los Alamitos.
13 Every Thursday morning for two hours, I go in a little golf
14 cart and we pass out pan dulce, pastries. It's a great
15 icebreaker. Get to connect with them. How is the family
16 doing? And, you know, who doesn't like free bread, you
17 know, early in the morning with their little coffee?

18 So we create opportunities to be present. And
19 when we're there and they get to know us, they're able to
20 open up and we can be able to connect and help either
21 practically or spiritually.

22 So thanks for letting me share.

23 MR. COCHRAN: I'm Rob Cochran, Assistant Chaplain
24 up at Golden Gate Fields. We have good support from the
25 racetrack up there and enjoy doing the work.

1 We have a lot of food and clothing ministry up
2 there. We have it available 24/7 so people can come by any
3 time of night. I notice up in the evening, I load some food
4 in the bins outside and then I go out to go home and a lot
5 of food is gone already, so people are coming by at all
6 hours for that.

7 There are also a lot of children and grandchildren
8 of race-trackers who live off track and we're helping with
9 the diaper ministry. Right now there's about 35 children,
10 babies enrolled, so we're helping to keep them clothed and
11 dry in their bottom parts.

12 Also, weekly prayer in the jocks room at the
13 starting gate before the first race, hopefully.

14 And I do a lot of translations. We're all pretty
15 much bilingual at the tracks in the backside, so
16 translations and transportation when people need it. Not
17 everybody is connected with cars. And a lot of people
18 haven't learned English yet, a lot of Latinos.

19 Also, we encourage people to get medical help when
20 they need it. Sort of the standard attitude is cowboy up
21 and get through it and you'll be okay, but it doesn't always
22 work out that way. So we have to be on the lookout for
23 people who really need to get checked out right away so they
24 can get the help that they need.

25 And I want to be ready to help in time of

1 emergencies. We had -- the Health Department up there at
2 Golden Gate during the COVID outbreak ordered all the
3 positive people to leave the track, evacuate. And so we
4 were a part of helping people getting lodging outside and
5 then, along with Golden Gate, feeding them while they were
6 outside and supposed to be isolating.

7 So it's a very enjoyable work, very challenging,
8 and I'm glad to be a part of it. Thank you.

9 CHAPLAIN WAITS: So with that, I don't want to
10 take up too much more of your time, but I just want to let
11 you know is that we have five components that we try to
12 meet. We try to meet the spiritual, yes, but we also try to
13 meet the social, the emotional, the educational, just
14 whatever needs are really amongst the workers, but not only
15 the workers on the backside. The jockey's room, obviously,
16 is where they play an important part.

17 And there's 450,000 people in the horse racing
18 industry. And I'm very blessed to be a part of this
19 ministry that's helping so many. And we'd like to think
20 that we have an impact on each one of those 450,000 people
21 and we make things exponentially better for them in their
22 environments.

23 So that was my agenda today, was basically just to
24 introduce you to your chaplains to let you know the good
25 work that they're doing. And obviously, you know, with

1 that, these guys deserve your support, and I hope that they
2 can rely upon that.

3 CHAIR FERRARO: Thank you.

4 (Applause)

5 CHAIR FERRARO: Any questions from the
6 Commissioners?

7 Sit down. Stay down. Okay.

8 Go ahead, Tom.

9 COMMISSIONER HUDNUT: I'd like to thank all of you
10 for your good work. And I'd like to thank the Vice Chairman
11 for seeing to it that you're here today. It's been very
12 instructive and very useful.

13 I do have one question, though. How are you
14 funded?

15 CHAPLAIN WAITS: That's a good question. I'll
16 speak to that, and then these guys can weigh in.

17 I've got, right now, I've got 41 senior and
18 associate chaplains at 53 different places across the United
19 States. That's not just racetracks, that's training
20 centers, farm communities, fair meets, everything. So no
21 one funding is alike.

22 And so we depend upon the track, if the track can
23 give, towards, you know, towards a stipend or special
24 advance, or even regular funding. The horsemen, obviously,
25 the horsemen's association step up, HBPA, THA, CTT. Those

1 type of organizations will step up and fund us. Private
2 donations, fundraisers, there's no really one-size-fits-all
3 when it comes to funding.

4 What I like to say is that, and Elliott Walden,
5 who's our president of RTCA, we like to say is that a two-
6 legged stool doesn't stand for very long. So if you only
7 get income coming in from the tracks and the horsemen's
8 organization, that's good and that's wonderful, but we'd
9 like to involve as many people as possible just because we
10 don't want to depend upon one revenue source, if that makes
11 sense.

12 So a multifaceted question, but we certainly
13 welcome any funding and contribution. You will not get a
14 better value than the work that these guys do.

15 COMMISSIONER HUDNUT: Thank you very much. I
16 appreciate that. I had heard of RTCA before but had no idea
17 the scope of your work.

18 CHAPLAIN WAITS: Yeah.

19 CHAIR FERRARO: Go ahead.

20 VICE CHAIR GONZALES: Yeah. Thank you, Mr.
21 Chairman.

22 Dan, thank you for traveling out from Kentucky to
23 be here. I really appreciate it.

24 Eli, thank you, sir. You know, you presided over
25 the burial services of my grandfather last year who was a

1 40-year groom at the local racetrack, so it was heartfelt.

2 So thank you very much, Eli.

3 The question that I have is, one, it's a great
4 opportunity for California hosting successive Breeders' Cup,
5 so this year or next year. If there's anything, and I do
6 know that the Breeders' Cup and the different racetracks,
7 Del Mar and Santa Anita in particular, welcome you with open
8 arms, but if there's anything that we can do to take things
9 to another level. I do know that you host an event where
10 you recognize, I think it's a white knight recipient.

11 CHAPLAIN WAITS: The White Horse.

12 VICE CHAIR GONZALES: The White Horse, that's
13 right, the White Horse.

14 CHAPLAIN WAITS: The White Horse recipient.

15 VICE CHAIR GONZALES: And one of them was an
16 assistant starter, a Teamster who saved the life of a fellow
17 gateman. And I saw that you did some raffle items and so
18 forth, but it was a really, really good event. So if
19 there's anything that this Board can do to help elevate what
20 you do during the Breeders' Cup, that would be great.

21 CHAPLAIN WAITS: Thank you.

22 VICE CHAIR GONZALES: So that's more of a comment,
23 and you can react to that.

24 The second thing is if any one of you can touch on
25 the importance of immigration reform? We know our

1 backstretch community has mixed status that even carries out
2 to their family members. And for the first time, equine
3 workers were included in a major federal agricultural -- I'm
4 sorry, a major immigration proposal that didn't quite make
5 it out of Washington, D.C. So those two things, what can we
6 do around the Breeders' Cup to elevate things, and then the
7 importance of immigration reform of any kind?

8 CHAPLAIN WAITS: Yeah. So at the last Breeders'
9 Cup here in California, we did a feed at Santa Anita that
10 was coordinated. We fed all the folks on the backside of
11 Santa Anita. We got them all t-shirts. We worked really
12 closely with the Breeders' Cup. We got them all t-shirts
13 that were -- because they feel like they belong, and you'll
14 still see those t-shirts everywhere. I mean, they wear them
15 all the time because a lot of times they don't get
16 recognized. They don't get a part of the fanfare and
17 everything else for the workers.

18 And so what we make sure is that they're loved
19 upon, that we give them gift packs and that type of thing
20 during that week. So we'll likely do the same thing this
21 year. We'll have a nice what we call a feed, but it's just
22 a huge outpouring of meals and support to -- at Santa Anita.
23 And then we'll also do one at Del Mar if the timing works
24 out.

25 The other thing, too, is that as far as

1 immigration goes, we just love everyone who comes to us.
2 And we try to meet every potential need or possible need
3 that they have, irregardless. We know that we're not
4 professionals in that regard. We have a lot of chaplains
5 who have taken additional training and additional courses as
6 far as immigration.

7 And we had Julio Rubio, who works for the Kentucky
8 HPPA, who's an expert on immigration, and Will Vali
9 (phonetic) came and spoke at our national conference this
10 year, and we got them some training on the latest visas and
11 things like that. But there's certainly -- we're not
12 experts in it, but we do know that we want to be educated as
13 to the latest and greatest. And we had that session at this
14 year's national conference.

15 VICE CHAIR GONZALES: Great. Thanks, Dan.

16 CHAPLAIN WAITS: Yeah. Sure.

17 CHAIR FERRARO: Excuse me. Locally here, what's
18 your relationship with the Winners Foundation? How does
19 that work?

20 CHAPLAIN WAITS: Do you want to speak to that?
21 Or, actually, they all work with the Winners Foundation.

22 So do you have anything?

23 MR. HERNANDEZ: We're neighbors, so we work hand
24 in hand.

25 I worked seven years as a drug and alcohol

1 counselor, so I have a heart for those that are in substance
2 abuse. And we work hand in hand with Darren, with Omar,
3 Jennifer. And every time we see a problem or an issue, we
4 work with the trainers when somebody's, you know, addicted
5 to alcohol or drugs.

6 One thing we always do is, number one, is we don't
7 judge them. We don't put them down. What we do is we walk
8 them to the Winners Foundation. And what they'll do is what
9 they do so great, they set up a treatment plan in regards to
10 if they need an outpatient, inpatient, but we work hand in
11 hand. And we know the importance of working with them.

12 And so, again, our main goal is not to tell
13 somebody, stop doing this or stop doing that, but pointing
14 them to the resource. And Winners Foundation is a big
15 resource when it comes to substance abuse. So we do work
16 hand in hand. And like I said, they're our neighbors, so we
17 love our neighbor, so we work.

18 I don't know if anybody else wants to share
19 something else about Winners Foundation, but we're so
20 thankful for Winners Foundation.

21 CHAIR FERRARO: Very good.

22 Commissioners, any other questions?

23 Thank you very much. I'm glad you came.

24 CHAPLAIN WAITS: Thank you.

25 MR. HERNANDEZ: Thank you for having us.

1 CHAPLAIN WAITS: Thank you for the privilege.
2 I'll set these brochures over there. And if anybody wants
3 to pick up, if any of the audience wants to pick up one and
4 just learn more about the Race Track Chaplaincy and our
5 work, grab one.

6 CHAIR FERRARO: Yeah. Thanks very much. You're
7 doing great work.

8 CHAPLAIN URIBE: Thank you very much.

9 (Applause)

10 CHAIR FERRARO: Any comments or questions from the
11 Board on this item?

12 We have some public comments. Martha Sullivan.

13 MS. SULLIVAN: Good morning and welcome back to
14 Southern California. Good to see you again.

15 CHAIR FERRARO: Thank you.

16 MS. SULLIVAN: Since there was no material in the
17 Board packet for this agenda item, I didn't know what was
18 going to be discussed or if the Board was going to be taking
19 any action, so I went ahead and signed up to speak.

20 I'm familiar with and aware of the Race Track
21 Chaplaincy Program, and it's good that it's there because,
22 clearly, there's a need for assistance to the backstretch
23 workers, and so it's a very good resource for those workers
24 to have.

25 I'm familiar with this kind of work myself because

1 I work on an almost daily basis with the houseless residents
2 in San Diego County, so it's very similar work, providing
3 food assistance, providing assistance to get to DMV, you
4 know, providing emotional support, providing, you know,
5 legal advice and so forth, so I see the parallels. I'm glad
6 that they're there for the workers because it's very
7 important.

8 I had hoped, when I heard at the beginning the
9 reference to trying to get some kind of a national thing
10 going, that there might be discussion of that. Because
11 clearly there's a deep need for this kind of service. And I
12 would highly recommend that this Board do whatever it can to
13 facilitate that and to make sure these services are provided
14 to the workers.

15 Thank you.

16 CHAIR FERRARO: Thank you.

17 Heather Wilson.

18 MS. WILSON: Good morning. Welcome back to
19 Arcadia.

20 Religion and horse racing is actually a very odd
21 combination. There is nothing holy about animal abuse and
22 gambling. There are multiple biblical verses of Jesus with
23 horses. Another website boasts over 100 references to
24 horses in scripture in 26 different books of the King James
25 Bible. As described in scripture, horses are sacred,

1 heavenly animals. So why do you gamble on them? Why do you
2 beat them? Why do you dominate them? Why do you kill them?

3 Can you picture Jesus going to a horse race? The
4 Book of Revelation chapter 19 verse 11,

5 "I saw heaven standing open and there before me was a
6 white horse whose rider is called Faithful and True
7 with Justice. He judges and wages war."

8 The faithful and true are the animal rights
9 activists sitting in the front row who show up to defend and
10 to honor the fallen horses. And we will continue to judge
11 this bloody, violent, and most unholy industry.

12 I agree with Martha, it is a beautiful thing to
13 help people in need. I myself volunteered for many years
14 taking hotline calls, helping people to get into treatment
15 and rehab for substance abuse disorders. There's nothing
16 wrong with that.

17 The problem is that using religion, it's hypocrisy
18 even to the non-religious. There's nothing holy about horse
19 racing.

20 CHAIR FERRARO: Thank you.

21 Elvia Sedano.

22 MS. SEDANO: Good morning and thank you for
23 letting me speak.

24 I really don't understand why the Chaplaincy is
25 involved in the horse racing industry being that they are a

1 member of the clergy and they represent God. The horse
2 racing industry is not of God because in this industry it is
3 well known that animals have been abused either by doping,
4 beating, and whipping, or even end up dying.

5 In the Bible, the concept of dominion over animals
6 in Genesis involves wise stewardship and responsible care
7 for the animal world. Dominion is not a license for the
8 unbridled exploitation of animals, yet the exercise of
9 dominion has been flawed because humans believe it is okay
10 to hurt animals.

11 Per the RTCA, they are dedicated to sharing the
12 love of Christ by ministering to the needs of everyone
13 involved in the horse racing industry. It looks like the
14 horses are so sadly ignored. Why is the RTCA not speaking
15 up for the animals that are being abused?

16 Pastor MacArthur spoke on why gambling is wrong
17 because: it denies reality of God's sovereignty by affirming
18 the existence of luck or chance; number two, because it is
19 built on irresponsible stewardship, tempting people to throw
20 away their money because it erodes a biblical work ethic by
21 demeaning and displacing hard work as the proper means for
22 one's livelihood; number four, because it is driven by the
23 sin of a (indiscernible), tempting people to give into their
24 greed; number five, because it is built on the exploitation
25 of others, often taking advantage of poor people who think

1 they can gain instant wealth.

2 Thank you.

3 CHAIR FERRARO: Thank you.

4 Lori Saldaña.

5 MS. SALDAÑA: Good morning. And I want to thank
6 and acknowledge the Chaplaincy for their work, for their
7 compassion and their service to people that are working
8 under very trying conditions. And as was mentioned, often
9 they are transients. They are people who are traveling by
10 choice and working in places all around the country. So
11 having this stability in this community at the tracks is
12 absolutely essential and important, and so I think people
13 need to appreciate their work.

14 As was mentioned, though, there's also in the
15 Bible -- they didn't mention what faith background they're
16 from. I get the sense that they are many different faith
17 and traditions. But St. Francis of Assisi has a blessing of
18 the animals every year. And as was mentioned, there are a
19 lot of images of horses in the Bible where Jesus, when he
20 returns, is riding a white horse. And in fact, in
21 Revelation, we find every creature in heaven and on earth
22 has a spirit. We read of Jesus returned from heaven riding
23 a white horse in Revelations.

24 There is a lot of imagery of horses in the Bible.
25 They're treated with respect and reverence. And I would

1 love to see the tracks have a similar respect and reverence
2 for the animals that make your industry possible. And
3 perhaps a blessing of the animals would be in order from the
4 Chaplaincy, as well as services to the human beings who work
5 at the track, express their faith in a religious fashion,
6 like St. Francis has done, by blessing those horses.

7 The Bible tells us and there are many teachings
8 that say animals have spirits. They will wind up with us in
9 the afterlife. And sadly, many horses end up in the
10 afterlife on these tracks. So I encourage the Chaplaincy to
11 consider blessing them before they make that transition.

12 Thank you.

13 CHAIR FERRARO: Thank you.

14 We move on now to item number three, discussion
15 and action by the Board regarding the distribution of race
16 day charity proceeds of the Del Mar Thoroughbred Club
17 combined 2022 Summer and Fall Race Meets.

18 Josh?

19 MR. RUBENSTEIN: Good morning, CHRB Commissioners
20 and staff. Josh Rubenstein, Del Mar Thoroughbred Club,
21 President and Chief Operating Officer.

22 The Del Mar Thoroughbred Club is requesting the
23 CHRB's approval of our charity days from our 2022 summer and
24 fall race meets. The requested allocations are in your
25 meeting package in total \$160,657.

1 It should be noted that Del Mar is supplementing
2 our charity days distributions with an additional \$62,337.

3 Happy to answer any questions.

4 CHAIR FERRARO: Questions from the Board?

5 COMMISSIONER ALFIERI: Just a comment. I think
6 it's terrific that you're supplementing another \$62,000. I
7 think it's terrific.

8 MR. RUBENSTEIN: Thank you.

9 COMMISSIONER ALFIERI: Yeah. Thank you.

10 CHAIR FERRARO: Martha?

11 MS. SULLIVAN: Reported by the *Paulick Report* on
12 February 3, quote, "When the Thoroughbred Aftercare
13 Alliance" -- sorry, my phone decided to refresh -- quote,
14 "When the Thoroughbred Aftercare Alliance was
15 established in 2012 with seed money from the Jockey
16 Club, Keeneland, and Breeders' Cup, one of its goals
17 was to establish sustainable funding upwards of
18 \$20 million a year from a wide swath of the industry.
19 A decade later, TAA, which both accredits and funds
20 aftercare operations throughout the country, has fallen
21 far short of that mark in annual funding.

22 "The race day charity proceeds designated for
23 thoroughbred aftercare are pathetic compared to the
24 need documented by the Thoroughbred Aftercare Alliance,
25 which accredits CARMA, the California recipient. And

1 clearly, funding other than race day charity proceeds
2 is completely inadequate as well.”

3 This is window dressing.

4 CHAIR FERRARO: Heather Wilson?

5 MS. WILSON: One of the nonprofits listed to
6 receive a percentage of the race day charities is the PDJF,
7 or Permanently Disabled Jockey Fund.

8 A 2016 publication in the *Equine Veterinary*
9 *Journal* specifically looked at jockey falls and injuries in
10 the state of California over a six-year period. Jockeys
11 were 162 times more likely to fall and 171 times more likely
12 to be injured when they rode a horse that died in a race. I
13 mean, this is real groundbreaking stuff here. The study
14 concluded that prevention of the most common catastrophic
15 injuries and conditions of the racehorse, example given,
16 fetlock injuries, may be the most effective at decreasing
17 rates of falls and injuries to jockeys.

18 According to UC Davis, 85 to 90 percent of
19 catastrophic breakdowns have a pre-existing injury at the
20 breakdown site, which means that catastrophic injuries are
21 now preventable. The breakdown of horses equals the
22 breakdown of jockeys.

23 The jockeys choose to participate. The horses do
24 not. So you need to allocate more money to the unwilling
25 participants, the ones who don't consent, and those are the

1 horses.

2 CHAIR FERRARO: Thank you.

3 Elvia?

4 MS. SEDANO: On the CARMA website in '22 shows
5 having transitioned more than 380 thoroughbreds from the
6 track since 2013. That is a measly 42 horses per year.
7 Dozens of horses go missing every year from California
8 tracks, horses that should be eligible for CARMA. Where do
9 all the horses go?

10 Former California horses pop up in feed lots and
11 kill pens all the time. It is impossible to track them all
12 but is far greater than the 42 a year that land at CARMA.

13 Thank you.

14 CHAIR FERRARO: Thank you.

15 Any further comments from the Board?

16 Moving on to item number four.

17 EXECUTIVE DIRECTOR CHANEY: You need to approve
18 the distribution.

19 CHAIR FERRARO: Oh, yes, we do. I'm sorry.

20 I need a motion to approve.

21 COMMISSIONER HUDNUT: So moved. Hudnut.

22 COMMISSIONER DAVIS: Davis seconds.

23 CHAIR FERRARO: Mr. Castellanos?

24 COMMISSIONER CASTELLANOS: Yes.

25 CHAIR FERRARO: Commissioner Alfieri?

1 COMMISSIONER ALFIERI: Yes.

2 CHAIR FERRARO: Commissioner Gonzales?

3 VICE CHAIR GONZALES: Yes.

4 CHAIR FERRARO: Mr. Davis?

5 COMMISSIONER DAVIS: Yes.

6 CHAIR FERRARO: Commissioner Hudnut?

7 COMMISSIONER HUDNUT: Yes.

8 CHAIR FERRARO: The Chairman votes yes.

9 Item number four, discussion and action by the
10 Board regarding the distribution of race day charity
11 proceeds of the Los Angeles Turf Club, Inc., dba Santa Anita
12 Park, 2022 Fall Race Meeting.

13 Eric?

14 MR. SINDLER: Good morning, Commissioners. Eric
15 Sindler on behalf of Los Angeles Turf Club.

16 We are here seeking approval of the statutory
17 distributions for charity days of \$19,178.27, all of which
18 goes to horse racing-related charities.

19 As a reminder, this is just the statutory
20 distributions. LATC annually makes voluntary distributions
21 well in excess of hundreds of thousands of dollars. This
22 \$19,000 is just the statutory amount.

23 If you have any questions, I'm happy to answer
24 them.

25 CHAIR FERRARO: Questions from the Board? There

1 are none?

2 Thank you, Eric.

3 Martha -- or no, Heather Wilson. Excuse me.

4 MS. WILSON: I'd like to take a minute to talk
5 about CARMA, which is listed as a significant beneficiary
6 for the Los Angeles Turf Club, also known as Santa Anita.

7 The Thoroughbred Charities of America, or the TCA,
8 is listed as a program placement supporter on the CARMA
9 page. Michael McMahon, the TCA president, bred a filly
10 named Dynamite Queen. She's pictured right here. Dynamite
11 Queen was a maiden. She had six starts, one at Los Alamitos
12 Thoroughbreds, one at Del Mar, and four at Santa Anita. Her
13 most recent start was January 9th, 2022, and the chart says
14 that she weakened.

15 The very next month, she popped up in a feedlot in
16 Nevada associated with Mitch Stanley. Dynamite Queen was in
17 the slaughter pipeline just one month after her start at
18 Santa Anita.

19 Why wasn't Dynamite Queen afforded a spot at
20 CARMA? Was she not worthy because she was a maiden? Was it
21 because she only earned a measly \$5,300 in her six starts?
22 Why wasn't Dynamite Queen allowed entry into CARMA?

23 And how many other Dynamite Queens will slip
24 through your fingers? We will never know.

25 CHAIR FERRARO: Thank you.

1 Can we have a motion to approve?

2 COMMISSIONER HUDNUT: So moved. Hudnut.

3 COMMISSIONER CASTELLANOS: Castellano seconds.

4 CHAIR FERRARO: Okay. Castellano?

5 COMMISSIONER CASTELLANOS: Yes.

6 CHAIR FERRARO: Alfieri?

7 COMMISSIONER ALFIERI: Yes.

8 CHAIR FERRARO: Gonzales?

9 VICE CHAIR GONZALES: Yes.

10 CHAIR FERRARO: Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: Hudnut?

13 COMMISSIONER HUDNUT: Yes.

14 CHAIR FERRARO: The Chairman votes yes.

15 Item number five, discussion and action by the
16 Board regarding distribution of race day and charity
17 proceeds of the Pacific Racing Association and Pacific
18 Racing Association combined 2022 Summer and Fall Race
19 Meetings.

20 Mr. Sindler?

21 MR. SINDLER: Good morning again. Eric Sindler on
22 behalf of Pacific Racing Association and Pacific Racing
23 Association II.

24 We are requesting distribution of \$7,402.85 to
25 horse racing-related industries. And similar to Los Angeles

1 Turf Club, this is just the statutory distributions.
2 Similar to Los Angeles Turf Club, Pacific Racing Association
3 also makes hundreds of thousands of dollars of charitable
4 contributions voluntarily, it's just we don't need Board
5 approval for it.

6 CHAIR FERRARO: Thank you.

7 Any questions from the Board?

8 MR. SINDLER: Thank you.

9 CHAIR FERRARO: Thank you, Eric.
10 Heather?

11 MS. WILSON: CARMA is also listed as a recipient
12 of the race day proceeds for the Pacific Racing Association,
13 or Golden Gate Fields.

14 Queen Helene, a stunning dark bay mare, was born
15 in 2016. She had a total of 16 starts, 14 at Golden Gate
16 and 2 at Pleasanton. She won six races, earning nearly
17 \$100,000. No doubt a portion of her earned race day
18 proceeds went to the charity pot.

19 On 08/27/21, she is pulled up, bleeding profusely
20 from both her nostrils. And you can see in this picture,
21 she's bleeding so much, her entire chest is covered in
22 blood. This poor animal then collapses and is vanned off
23 the track.

24 We have asked you, the CHRB, multiple times where
25 she is. If this horse was in CARMA, you would be proud to

1 say this horse has been retired to CARMA, where she can live
2 out the rest of her life in peace and in dignity.

3 Your track announcer, Matt Dinerman at Golden Gate
4 Fields, has the audacity to claim that this horse has been
5 retired as a broodmare. Being in a constant state of
6 pregnancy is hardly retirement. But if that were the case,
7 and it's actually laughable to even consider, if that was
8 the case, she has zero registered foals. And there has been
9 plenty of time for this animal to conceive.

10 If this horse is still alive, is she in CARMA?
11 Where is Queen Helene? And look at this animal, this is
12 what your industry supports. Get a good look at this
13 animal, covered in blood.

14 CHAIR FERRARO: Thank you.

15 Can I have a motion to approve?

16 COMMISSIONER DAVIS: Davis moves.

17 COMMISSIONER ALFIERI: Second.

18 CHAIR FERRARO: Commissioner Hudnut?

19 COMMISSIONER HUDNUT: Yes.

20 CHAIR FERRARO: Commissioner Davis?

21 COMMISSIONER DAVIS: Yes.

22 CHAIR FERRARO: Commissioner Gonzales?

23 VICE CHAIR GONZALES: Yes.

24 CHAIR FERRARO: Commissioner Alfieri?

25 COMMISSIONER ALFIERI: Yes.

1 CHAIR FERRARO: Commissioner Castellanos?

2 COMMISSIONER CASTELLANOS: Yes.

3 CHAIR FERRARO: And the Chairman votes yes.

4 Item number six, discussion and action by the
5 Board regarding the Allocation of Northern California
6 Thoroughbred Racing Dates for racing year 2023.

7 Mr. Chaney, would you like to start this off?

8 EXECUTIVE DIRECTOR CHANEY: Yeah, I can. Good
9 morning, Commissioners.

10 As you know, the Board allocates race dates and
11 has done with 51 over the weeks, except for the one last
12 week in Northern California. We've had a few Board
13 meetings. I believe at the last one the idea was that the
14 parties would get together and see if they could work
15 something out privately. I suspect they're going to say
16 they haven't, and so it will just be incumbent upon the
17 Board to allocate this race week, hopefully today as the
18 race week is coming up in the next few months.

19 CHAIR FERRARO: Who wants to go first? Larry?

20 MR. SWARTZLANDER: Good morning, Chairman,
21 Commissioners. Larry Swartzlander, Executive Director of
22 California Authority of Racing Fairs.

23 What I'd like to do this morning is that I'll give
24 a presentation, a quick presentation, on some of the
25 clarification points of the TOC letter that was presented to

1 the Board. I'll be followed by Mr. Morgan, who would like
2 to discuss some points also. And at that point, obviously,
3 I guess we'll turn it over to The Stronach Group.

4 So just to give you a little background before we
5 start, we've had several meetings. We've actually had one
6 down here with Craig Fravel present, Bill Nader, Alan Balch,
7 and so there's been a lot of discussions going back and
8 forth. At this point, we've reached where now that you've
9 gotten a letter from the California Trainers, you have a
10 letter from the TOC, and they had a follow-up email from
11 Bill also. So at this point, I'd just like to go through
12 some points I'd like to clarify in the letter, and obviously
13 there's some rebuttal in some of my comments.

14 In the October meeting, I believe you were all
15 present, we came forward with a proposal for race dates of
16 Humboldt, and obviously the other three fairs, but in
17 Humboldt's case, we wanted to have both weeks un-overlapped,
18 six days of live racing. In 2022, we only had one week
19 overlapped. At that meeting, there was discussion as
20 to -- that focused not on the first week but on the second
21 week as to could we reach some type of financial agreement
22 to get Humboldt un-overlapped for those three days. And I
23 believe that Commissioner Alfieri said at that point, he
24 says, "Can't you split the baby?" And later on, I'll
25 finalize with a proposal that we attempted to do that.

1 As we know, I just feel that we were kind of
2 misdirected in the TOC letter now that we're discussing both
3 weeks being un-overlapped, and that was never the intention,
4 at least from CARF's perspective, as we went to the
5 bargaining tables.

6 Just as a point of clarification at the bottom
7 one, in the context of these bullets for purses and
8 commissions, this will make it clear that ADW is always part
9 of the commissions and purses.

10 The tone letter, there were some phrases in there
11 that concerned me that, you know, I've advocated to this
12 Board that, you know, we want to have harmony in racing of
13 all California. We want to stabilize the northern racing
14 situation. CARF continues to, you know, be proactive,
15 working with Golden Gate. David and I have had several
16 discussions. You know, we want to come up with a solution
17 that's best for racing.

18 Right now, we had more discussions with Santa
19 Rosa. Santa Rosa was at the point of joining CARF this
20 year, but we ran just short. But I feel confident in 2024
21 Santa Rosa will rejoin CARF.

22 The Humboldt situation, again, is a situation
23 where we've got to a point where two weeks of racing
24 fiscally is sufficient to make a profitable meet, and also
25 that makes the fair situation, all four fairs that are still

1 in live racing, very stable, and we can move forward with
2 racing.

3 Also, one of the points here, too, was that
4 Commissioner Davis [sic], who's not here, did point out,
5 too, that, you know, when you look at the continuum of
6 racing, Humboldt all the way to Del Mar, that, you know, as
7 owners and trainers, you know, the industry, we all have
8 \$2,500 claimers and we all have allowance horses. It's all
9 part of the game. It's a part of the business.

10 And, you know, Humboldt is a fair racetrack. It's
11 a half-mile track. There used to be several of these, years
12 ago in the United States, and we've seen them all just
13 basically go away.

14 Humboldt is well attended. We were up there last
15 week. Commissioner Damascus -- Gonzales was with us, and we
16 had a little town meeting where there was, I'd say, 70, 80
17 people showed up, and it's just the people are just, it's
18 part of their life, horse racing. In all the fairs, if you
19 go to them, you have families, you know, young people. And,
20 you know, racing has an agricultural base, and that's what
21 the fairs present.

22 At one point, clarification on the Oregon horses,
23 specifically, that was 39.4 percent that came from Oregon.
24 And a point I'll make here, too, that, you know, when we
25 attract out-of-state horses, and I've talked to you about my

1 incentive programs and we'll give you some more specifics
2 later, that our intent is to bring all -- you know, entice
3 horsemen to come to California in to stay. And, you know,
4 that has worked in certain cases. And Oregon, in the case
5 of Elmo (phonetic) County Fair, obviously, is more
6 attractive to the Oregon horsemen. And we all know that
7 Portland Meadows closed, so that there's a void, and Grants
8 Pass has been dramatically diminished.

9 I'd just point out, too, in the overlap, Mr. Nader
10 pointed out, there was a million-dollar loss in commissions
11 and purses that was basically addressing two weeks, but
12 specifically for that second week, those are the actual
13 numbers that we have for what was spent, in other words,
14 what the Golden Gate provides, and the difference from
15 Humboldt. I'm talking about the purse account up there.
16 Last year, Golden Gate was overpaid for that particular last
17 week, and I would assume they would be overpaid again this
18 year.

19 The last bullet there, the Section 19601, there is
20 a code, Business Code that says that if they run overlapped,
21 funds are provided by Golden Gate to Humboldt, and last year
22 that provided \$18,100 to Humboldt.

23 This is a recap. CARF has approximately \$156,000
24 in incentives in 2022. Humboldt put out approximately
25 \$75,000 in addition to that. Recapping our trainer

1 programs, we have \$500 for five starts, five to nine, \$1,000
2 for ten plus, owners incentives of \$2,000 for five plus,
3 out-of-state runners, \$600 per horse, they get \$300 first
4 start, \$300 for second.

5 CARF has also requested an additional program this
6 year, that we provide \$300 for every thoroughbred that
7 starts at every fair. There is an obvious concern from
8 owners and trainers that the costs of moving between, you
9 know, fair to fair has increased dramatically. And the
10 intent here is to offset that, the point that 60 of these
11 horses at Humboldt did go on to Fresno.

12 Also, just a point, CARF will maintain our state
13 overnight purse structure, and we're proposing to add a
14 \$150,000 stakes race.

15 The point I've already made in the first one, just
16 making a point about, you know, the discussion about, it's
17 simple, if Golden Gate runs overlapped with us, they simply
18 lose purse money. They're going to be overpaid. There's
19 no, you know, there's no increase in reducing their deficit
20 and overpayment.

21 Out of these fairs, we talked about ownership and
22 exposing thousands of people to the business.

23 At this point, CARF has a proposal on the table.
24 We've offered \$100,000 in purse funds and \$100,000 in
25 commissions, and this is basically 50 percent of what added

1 revenue would be produced because we run overlapped by
2 Golden Gate.

3 Those are my points on the TOC letter. Any
4 questions at this point?

5 CHAIR FERRARO: Go ahead.

6 MR. MORGAN: Hi. Jim Morgan, Humboldt County
7 Fair. I'll try not to go over any of the points that Larry
8 brought up.

9 For 126 years, Humboldt County Fair has been a
10 part of the live racing program in California. They'd like
11 to continue to do so. When we were last here in January, we
12 were told that the first week had been allocated to Humboldt
13 and that we were to work out the financial arrangements with
14 The Stronach Group on allocating the revenues from the
15 second week. And through CARF, good faith offers were made,
16 and at some point The Stronach Group said, you know what,
17 we're just going to take our chances with the Board, we're
18 not going to make an offer.

19 And at that point, the TOC and the CTT had taken
20 up the baton and given you letters, which I will try to
21 answer in part, about why it's in the best interest of horse
22 racing for Humboldt to be overlapped both of those weeks.
23 In other words, take a step back from your prior
24 determination.

25 I'd like to address some of the points brought up

1 by Alan Balch in his letter for the CTT.

2 First of all, we agree there's less horses. We
3 agree there's rising costs for all venues. We agree that it
4 is a contracting pool of horses with less breeding. In that
5 scenario, it makes absolutely no sense for this Board to
6 conclude it's in the best interest of horse racing, given
7 the small field sizes, given the diminishing foal crops, to
8 allow any two meets to race without overlap -- or race with
9 overlap. It just makes no economic sense.

10 I think Mr. Balch brings up an important point.
11 The charge of the California Horse Racing Board is governed
12 in part by Business and Professions Code 19401, but he
13 doesn't quote the whole thing. It says your purpose is,
14 "Assuring protection of public and maximum expansion of
15 horse racing in the public interest."

16 The Humboldt County Fair is owned by Humboldt
17 County. That's a public entity. The county relies on the
18 revenues, estimated at about \$7 million, to come into the
19 county to support the county. They've supported live racing
20 for 126 years, and it is in the public interest of that
21 county to maintain their status as a live horse racing
22 event. And given the economic realities that you're all
23 very much aware of, that can only be done by allowing them
24 to race without overlap. Humboldt County is a public owned
25 facility, falls right into that statute.

1 We're talking about -- the CTT and TOC are fine
2 organizations. They are instrumental to the success of
3 racing in California, but they represent private trainers,
4 they represent private owners, and now they're lobbying for
5 a privately owned racetrack. That is not the charge brought
6 forth in the Business and Professions Code.

7 There's a way for all of us to coexist. We're not
8 trying to hurt The Stronach Group, Golden Gate Fields, CTT,
9 TOC. We're trying to find a way to coexist.

10 Mr. Balch suggests in his letter that host status
11 for Humboldt is a subsidy. It's not a subsidy. It's the
12 lifeblood that every racing venue relies on in order to
13 survive, in order to pay for its operation costs, in order
14 to pay for its purses.

15 We've been criticized in those letters for having
16 small purses. Yeah, because when we overlap, we don't get
17 the purse money, and CARF can't afford to contribute more
18 than they do. But if we were able to race without overlap,
19 we would be able to generate purses. And our intent,
20 subject to the TOC approval and CARF approval, would be to
21 pay it all back, our purse money. We don't want to keep it.

22 There was talk in the letter from the TOC about
23 the inferior product from Oregon and how that doesn't really
24 contribute to the racing landscape. I'd like to remind you
25 about a gentleman who started racing at Grants Pass. In

1 2018, he raced for the first time at Humboldt, and now he
2 owns a couple shares of Flightline. He owns a brand of
3 broodmares, and it's all because of the enthusiasm generated
4 by the full stands and live racing product, starting at
5 Grants Pass, coming down to Humboldt eventually, and
6 investing in this product.

7 Humboldt continues to contribute in that way. The
8 breeder of California Chrome owned his first horse and raced
9 it at Humboldt. The breeder -- or the owner of She's a
10 Tiger, who won an Eclipse Award, also raced it at Humboldt.
11 Humboldt does contribute and it's disingenuous to suggest
12 that we don't contribute anything or our horses are too
13 insignificant to be considered as a contributing factor.

14 The other thing Mr. Balch brings up, and I think it
15 cannot be understated, is that he says that equine welfare
16 and safety, above all else, is the most important matter,
17 safety. He says in his letter, not ours, that,

18 "The track at Golden Gate Fields must be replaced. The
19 tapeta was in charge -- was installed in 2007. It has
20 a seven- to ten-year lifespan according to its
21 manufacturer. I don't know if and when the strut group
22 deems it a proper investment to replace it, but I
23 haven't heard anything yet. It would have expired in
24 2007."

25 Let me tell you what Humboldt County has invested

1 in since 2007 in their track. They've resurfaced it.
2 They've done the angles on the side. They put fencing all
3 the way around to keep horses from bolting. They installed
4 a new safety rail. And this is a small track with a small
5 budget and they invested in safety. And we're being told by
6 Mr. Balch's letter that somehow we should punish the small
7 track that made its investment up front in safety and reward
8 the larger track, which hasn't committed to replacing the
9 track, and we don't know if it ever will. So we're going to
10 punish the people that invest and reward the people that
11 withhold.

12 And again, I have nothing -- we have nothing
13 against The Stronach Group or Golden Gate Fields, but that's
14 a reality. If safety is your priority, you should not
15 punish the track that goes out of its way to make sure its
16 track is safe. And to my knowledge, there's only been one
17 fatality at Humboldt in the last six years, and that's a
18 safety record that cannot be matched by any other track
19 other than a fair track.

20 The TOC letter talked about an overlap pattern and
21 how Humboldt's always been overlapped. I went through, and
22 I have a list, and I won't bore the record with it, but in 8
23 of the last 13 years, Humboldt has either received partial
24 host status or a financial contribution toward host status.
25 And it used to be that we would get Wednesday, Thursday,

1 we'd negotiate for it, and then suddenly in 2016, we were
2 told that as long as Golden Gate Fields was awarded
3 overlapping dates, the Business and Professions Code 19601.2
4 limits Humboldt's receipt of host status to 0.751 percent.
5 That makes it lucrative for Golden Gate Fields to run on top
6 of us and make money because, as Larry pointed out, we've
7 got \$18,100 of the hundreds of thousands of dollars
8 generated.

9 It makes more sense for Golden Gate Fields to try
10 to get our dates and not -- and yet close during Fresno
11 because Fresno doesn't have that code section that limits
12 them to 0.75. They'd have to share it.

13 And if the issue is truly, as has been suggested
14 by TOC and CTT, the three days of racing at Humboldt County,
15 what about the three weeks in December where Golden Gate
16 Fields ran one day, one day in three weeks? If they want
17 three more days, they have three more weeks there. I
18 understand, August is more lucrative.

19 I understand that The Stronach Company, being a
20 private group, would want to not necessarily run overlapping
21 Los Alamitos because that would help Los Alamitos. It may
22 be a competitor in that market. I don't know what their
23 business decisions are. They have an excellent group of
24 professionals working for them. But they don't want to run
25 in December and yet everybody wants to give us doom and

1 gloom about Humboldt wanting an additional three days
2 without overlap in August.

3 Your charge is to represent the public interest.
4 Our fair is owned by a public entity. We look to you to
5 level the playing field and acknowledge our contributions,
6 our 126-year history going on 127, and provide us the
7 lifeblood of host status that every other race meet gets
8 throughout its race meet.

9 We know we're small. We know our handle is small.
10 To some, we're insignificant. But it is your charge to
11 represent the public interest and to protect and preserve
12 racing, and that includes Humboldt County. And these days,
13 that includes the ability to race without overlap.

14 Thank you.

15 CHAIR FERRARO: Thank you.

16 David? Mr. Duggan?

17 MR. DUGGAN: Sorry, Mr. Chairman, I was just
18 processing what Jim had to say.

19 You know, this is becoming frightfully repetitive,
20 126 years, this guy, that guy. This is a race meet that
21 is -- almost entirely benefits the horsemen in Oregon. I'm
22 pleased to see Jim's concern about Golden Gate Fields and
23 our business decisions and what we may or may not do.

24 But realistically, this is all about survival of
25 the un-fittest. The California Horse Racing Board is a

1 horse racing board. I don't believe it should be influenced
2 by tales of nostalgia or sentiment. This is the realities
3 of scale. Throughout the United States and further afield,
4 businesses are looking at their models, looking at what can
5 be the right way to run a business. The right way to run
6 horse racing is for Golden Gate Fields to run for those two
7 weeks.

8 We don't have any objections to Humboldt running.
9 But really, in the interests of the horsemen, in the
10 interests of the owners, in the interests of the breeders,
11 it's very important that Golden Gate Fields lead the way, so
12 much so that in 2024, we would certainly be on the back of
13 our minds to look at expanding our program in the summer.

14 There's this notion that the summer goes to the
15 fairs. It's always the same, but maybe it's time for a
16 change.

17 I get so many people asking me, "Are you guys busy
18 at the moment, in July?"

19 I said, "No, we're not racing."

20 They said, "Are you nuts? Why aren't you racing?
21 You've got a great turf track. You've got a great track."

22 I said, "It's just the way it is. It's beyond
23 daft."

24 But that's 2024, and I would ask maybe the Dates
25 Committee to really consider that, consider the impact on

1 Golden Gate Fields not racing in 2024. I think we could
2 replay the last five meetings and you'll be hearing the same
3 thing from the Humboldt people, almost verbatim. In
4 October, Rick Pickering had the audience in tears with his
5 emotional plea about the fairs. He said the fairs' dates
6 have been nibbled at. They haven't been nibbled at. Those
7 are bites, reality bites. If horse racing is to survive in
8 Northern California, the California Horse Racing Board has
9 to support Golden Gate Fields. It's very simple.

10 The other issue that hasn't been discussed with
11 regard to Humboldt, and it's one that I've held back on, is
12 my staff, we provide employment for a lot of people, none
13 more so than my 12 starting crew who would lose a week, five
14 days of work. They're dependent on days of work to meet
15 their health insurance requirements. Larry's approach to
16 that was, well, let them work at Humboldt. I don't think
17 so. I don't think they're going to drive 257 miles. And
18 I'm not, certainly in this audience, going to tell you their
19 response when I told them. It was a profanity-laden tirade
20 against Humboldt. Sorry, Jim, but they don't like you.

21 You know, my situation remains the same. For
22 horse racing to survive in Northern California, the
23 California Horse Racing Board must do everything in its
24 power to support a good, sound business decision and support
25 Golden Gate Fields. It doesn't matter whether we're a

1 private company or a PLC. Look what they're doing at
2 Belmont Park. Wake up. Look what they're doing. Now we're
3 making a concerted effort to bring the East back alive.
4 Historically, it was always East versus West when we were
5 talking about rappers. It looks like it's going to extend
6 to horse racing.

7 We need to come back. Things are getting better
8 in California. We're miles ahead of everybody else with
9 regard to HISA regulations, miles ahead, and we have
10 facilitated so many things, and this Board should be given
11 great credit for leading that charge in welfare and every
12 other element of things.

13 We don't know how good we have it. Wait till it
14 gets to Arizona. Wait till it gets to Texas. Wait till
15 they see the reality of what those owners and trainers and
16 breeders are going to have to do.

17 You know, we've got a bit of a jump start on
18 everything here. I really do feel strongly about this. I'm
19 a horse racing guy through and through. I've worked for
20 some really good organizations and I'm very passionate about
21 horse racing. I don't know that some of the Humboldt people
22 would know the difference between Northern Dancer and the
23 Northern Lights. It's really important. It's really
24 important. Northern California is really important.

25 That's all I have to say. Thank you very much

1 indeed for your time. And I'd take this opportunity to
2 offer everybody and wish everybody a happy St. Patrick's Day
3 tomorrow.

4 MR. RIZZUTO: Thank you, Chairman. Good morning,
5 everybody. I always get the task of following probably one
6 of the best speakers I've ever been around, so I'll keep it
7 simple. I know we've talked about a lot of stuff -- William
8 Rizzuto with Golden Gate Fields -- So I won't reiterate what
9 we've talked about on a lot of these meetings.

10 But the one thing I will bring up is probably the
11 biggest concern I get from owners, trainers, and industry
12 people that come to the races of Golden Gate is, you know,
13 how come this overlap has to exist, or how come they want to
14 take away the overlap for you guys? Well, I answer them,
15 "Well, you know, it's up to the Board."

16 But, you know, their expenses are going up.
17 That's significant for them to keep operating in California,
18 you know, with traveling, with feed, with supplies, so that
19 taking any weeks away from us at this time would definitely
20 hinder the owners and trainers and the breeders on, you
21 know, when they can run. You know, they can either go to
22 Humboldt and run up there, or they can wait for Golden Gate
23 to run on the turf course. So we have that turf course to
24 run for them and so they're going to -- you know, I think we
25 started 25 horses at Golden Gate Fields in the summer week

1 out of 1,000 starters that came from Humboldt County. So I
2 think that kind of tells where the horses are coming from.

3 So thank you. Thank you very much.

4 CHAIR FERRARO: Thank you.

5 MR. SWARTZLANDER: Larry, I don't want you guys to
6 get in a debate.

7 MR. SWARTZLANDER: No, I don't want to debate.

8 CHAIR FERRARO: Larry, if you have some comments
9 you want to make?

10 MR. SWARTZLANDER: Just one quick point, I talked
11 to the Commissioner about this, the labor, the CARF supports
12 labor 100 percent. Humboldt and all fairs, those positions
13 are open to the union members. In the case of Humboldt and
14 Fresno in the past, they've always come to me, and last year
15 specifically with Fresno, we paid them an additional per
16 diem when they go to Fresno to offset their costs. That is
17 certainly open to the starters, too, of Golden Gate. Last
18 year they chose not to come. That's their choice. But
19 those positions are union positions, and they're filled by
20 union personnel first.

21 MR. MORGAN: One minute. Jim Morgan.

22 What Mr. Duggan didn't say is they had 351 people
23 come to Golden Gate Fields the day they reopened in the
24 summer. We had thousands coming to Humboldt during the
25 overlap period.

1 Northern Dancer didn't race at Golden Gate Fields
2 or Humboldt.

3 And they may have turf, but we have dirt and our
4 dirt is safe, and we invested to make it that way.

5 CHAIR FERRARO: Thank you.

6 Any questions or comments from the Board?

7 VICE CHAIR GONZALES: Mr. Chairman, I do.

8 Oscar Gonzales here. Thank you both for the
9 presentation.

10 The last time we met I committed to my colleagues
11 here that I would travel up to Ferndale to visit not only
12 the facility to meet the local leadership and community, and
13 I was beyond impressed, I must say. It is a community that
14 is proud. It is a community that works hard. It's a
15 community that believes in what the fair does as a local
16 institution and what it does to celebrate family and
17 community, and it's definitely a community that knows their
18 horse racing.

19 They have an established Ferndale Jockeys Club
20 that has its annual meeting in May to kick off what many
21 horse racing enthusiasts do to embrace the heritage. It is
22 a local institution that is right next to a high school that
23 has a strong partnership with its high school, loaning its
24 infield to the local athletic teams. It is an institution
25 that many in the community rally around.

1 And I can assure you there are probably no fewer
2 than 300 people listening to this meeting right now from
3 that community. The town hall meeting that Larry and Jim
4 referenced, along with Andy Titus and Greg Gomes, Alan
5 Aldrich, a known owner, was also there answering any
6 questions, sharing what it meant to them in terms of horse
7 racing. And all they're asking for is for that three days
8 of racing, similar to the other three days that they have
9 the ability to draw horses to the community there.

10 Yes, there was, and Mr. Hudnut, you did, and some
11 other Board members have brought up, a management challenge
12 that they had. I have been assured that new leadership will
13 be in place at the fairgrounds. They have taken safety
14 measures, the right protocols, but it is definitely an area
15 that is worthy of investing.

16 And you talk about business models. If we were to
17 say, alright, we need to start to address the horse
18 population, as I discussed at the last meeting, no better
19 place in that part of the state to get families, households,
20 and partnerships to understand the virtues of horse
21 ownership and to being a part.

22 What I wasn't prepared to say, and I'll just close
23 with this, is there are literally hundreds of commissions
24 like this that meet on a regular basis. What we have to do
25 is to strike a balance between urban and rural.

1 California remains a highly rural area. Its
2 residents, its workers who send their sons and daughters to
3 fight wars. No other area of the country other than rural
4 areas defend this nation. These small business owners who
5 are looking for opportunities. And I believe that there is
6 not a better area of California to make this small
7 investment, especially in a year when The Stronach Group
8 will be hosting the Breeders' Cup. So to ask them to make a
9 small sacrifice to allow for Humboldt to have that second
10 week of un-overlap, I don't believe it's too much to ask
11 for.

12 But, Commissioners, I appreciate you being
13 patient. I'm proud to chair the Race Dates Committee and I
14 know we do a good job of addressing and striking a good
15 balance of what we're trying to do here.

16 But, again, I want to thank the entire Humboldt
17 community, Ferndale in particular, for hosting me. And I
18 encourage any Commissioner to attend any of the meetings
19 that are coming up, the events, because you would be as
20 impressed as I was.

21 So, Mr. Chairman, back to you.

22 CHAIR FERRARO: Thank you, Oscar.

23 Any other comments from the Board?

24 I'd like to hear from TOC before we --

25 EXECUTIVE DIRECTOR CHANEY: I think Bill can just

1 use the podium, if that makes sense.

2 CHAIR FERRARO: Yeah, as you like.

3 EXECUTIVE DIRECTOR CHANEY: No, I want you to sit
4 here.

5 MR. NADER: Thank you, Chairman, Board members,
6 Executive Director Chaney. Bill Nader, President of the
7 TOC.

8 And, look, I understand the sensitivity of the
9 subject matter, and I arrived on the scene here in mid-
10 October, and I've been doing my best to catch up, to get
11 familiar with all of the little things that I need to know
12 to do the job, not only to the best of my ability to help
13 the TOC, but to help the entire ecosystem. So, in my mind,
14 my comments here today represent more than the TOC. They
15 represent, at least in my view, the California racing
16 industry and the many people who rely on us for a viable,
17 sustainable future, particularly those in Northern
18 California.

19 And so for the comments that Mr. Morgan made --
20 and by the way, I have great respect for him as a gentleman,
21 he conducts his business well, but when we talk about the
22 charge of the CHRB being in the public interest, I think we
23 need to remember that the public interest includes those
24 many people across the great state of California that rely
25 on a viable, sustainable future.

1 California racing has a proud and rich racing
2 history. We hold our heads high for the good work we've
3 done together at many levels to preserve and protect our
4 industry. We do not have the benefit of a secondary stream
5 of income as many of our competing states do. No, we do it
6 the old-fashioned way, pari-mutuel wagering onsite, offsite,
7 out of state, which makes these decisions in awarding host
8 status critically important.

9 When we transitioned into 2023, we've had a bad
10 run of weather-related race day cancellations at Santa
11 Anita. We knew that the cost of HISA would be more than
12 anticipated. And while we accept these things that we
13 cannot change, we are reminded that as custodians of the
14 sport, we must do our part to keep California racing viable,
15 sustainable, and generate income for purses, commissions,
16 equine research, jockey, and backstretch welfare, among
17 others.

18 We must also protect and preserve the purse
19 incentives for California-bred horses for the preservation
20 of horse farms and breeders across the great state. There
21 is an ecosystem that hangs in the balance. The allocation
22 of race dates in the north and the awarding of host status
23 is directly linked to purses and commissions and other
24 benefits. These are big decisions, especially for a state
25 like California, which is built to be big and strong in

1 racing reputation and a showcase for the best of racing,
2 particularly during the primetime summer season.

3 No one in this room is opposed to the traditional
4 two weeks at Ferndale. We all support that. But somehow,
5 host status has entered the equation. And while I've been
6 catching up and doing my due diligence to speak with the
7 knowledge that you deserve, I've looked at this through a
8 fresh set of eyes, and I ask, why? Mr. Morgan mentioned
9 that if they were allowed host status, they would take that
10 money and invest it in purses.

11 But when I look, it's not inferior racing content,
12 it's just the standard of racing is not on par with Fresno,
13 Sacramento, Santa Rosa, Golden Gate. It's a half-mile track
14 with no turf course. Forty percent of the horses are coming
15 in from Oregon. There's nothing to be ashamed of in that,
16 it's just a different standard of racing.

17 So investing in higher purses, what do we gain by
18 that? The purses currently, or at least last season, that
19 were available at Ferndale were fair. They were good for
20 the caliber of racing that was on offer. So there's no
21 need, in my mind, for additional purse money. There's no
22 OTB or satellite facility in Humboldt County.

23 Its contribution to the ecosystem is two weeks of
24 fair racing, which we appreciate. We know that it helps the
25 Oregon racing circuit. But it generates only a handle of

1 \$10,000 per race at brick-and-mortar locations in Southern
2 California and ADWs.

3 It's a half-mile track, no turf track. In the
4 first week, when it ran un-overlapped, unopposed, field
5 sizes were 4.79 per race. In the second week last season,
6 when it did run overlapped, field sizes were 5.2. So
7 there's no justification that running unopposed would
8 generate higher field sizes.

9 There are 257 miles, 257 miles that separate
10 Golden Gate from Ferndale. The Golden Gate turf course is
11 rested and ready during the prime time. Del Mar is in full
12 swing in the south. From the north, it would be better for
13 the California brand to have Golden Gate and Ferndale
14 running together where horse owners, trainers, everybody in
15 California racing would have the opportunity to run on turf
16 during the month of August in California.

17 The question then becomes, what does the
18 opportunity cost in granting host status to Ferndale for two
19 weeks? Now, when you look at that and all the figures are
20 thrown out, we gave our figures in the report that we shared
21 on March 1, which we also shared as a courtesy with Larry at
22 CARF to be transparent and fair, the cost is nearly \$1
23 million to purses, commissions, and results in further
24 reductions to breeders, backstretch and jockey welfare,
25 Workers' Compensation, as well as industry and government

1 programs.

2 To sum it up, it's a luxury we can't afford.
3 Purses will be adjusted downward at the Santa Anita spring
4 meet beginning in late April. We've enjoyed good momentum
5 over the last two years, but we can't maintain it. The same
6 will happen at Del Mar in the fall. As for Golden Gate, I
7 can only say it is in a tenuous position when we look at
8 purse money going forward in 2023.

9 The last piece of the puzzle is the California
10 brand. These are prime racing dates in the month of August.
11 The racing at Golden Gate is relevant and attractive
12 throughout the state of California and across the nation.
13 It's through this handle on these races that we generate
14 returns to purses, to commissions, to backstretch, to jockey
15 welfare, to equine research. That's the vehicle that brings
16 in the revenue.

17 So the TOC recommendation is to return to the
18 policy of the last decade. When you look at 2011 through
19 2020, there were only three days over those ten years when
20 Humboldt County Fair ran un-overlapped. That happened in
21 2018. It was then reversed in 2019. I believe we got it
22 right back then. That is the model that we should be
23 looking at.

24 So the recommendation here is to return to that,
25 allow Ferndale to run its two weeks, to keep its purse

1 structure where it is, and allow Golden Gate to provide the
2 opportunity for those in California to run on a racetrack
3 that's not a half-mile track, on a racetrack that has a
4 rested and ready turf course, and share that not only
5 throughout the state of California, but across the country,
6 alongside Del Mar.

7 Thank you.

8 CHAIR FERRARO: Thank you, Bill.

9 Any questions from the Commission? Thank you.

10 MR. BALCH: Can I comment on that, Mr. Chairman?

11 CHAIR FERRARO: Pardon me.

12 Thank you, Bill.

13 MR. NADER: Thanks.

14 CHAIR FERRARO: Alan?

15 MR. BALCH: Alan Balch, California Thoroughbred
16 Trainers. Is this on?

17 EXECUTIVE DIRECTOR CHANEY: Yes, it is.

18 MR. BALCH: I really can't hope even to be more
19 persuasive than Mr. Nader just was. He has a command of the
20 facts and figures which speak for themselves. I just want
21 to emphasize a couple of points.

22 As he said, nobody that I know of in this room is
23 opposed to racing at Humboldt County/Ferndale. I'm one of
24 the dinosaurs who was up at Ferndale, or Eureka, actually,
25 for a meeting of the California Horse Racing Board sometime

1 in the 70s when Chairman Colley (phonetic) asked us all to
2 come up to what he termed the Santa Anita of the North. So
3 we're familiar with Ferndale.

4 We like Ferndale. We like fair racing. We're not
5 opposed to it. Our position is not to punish Ferndale or
6 Humboldt County. Our task, representing owners and
7 trainers, is to optimize opportunity for California racing.

8 So the question really becomes, does Humboldt
9 County need a subsidy or not? And if it does, who should
10 pay it?

11 We used to hear tales of woe, dire straits about
12 the financial condition of the Humboldt County Fair. Within
13 the last year, however, we've been hearing and reading in
14 the media that its financial condition is robust. Well, we
15 don't know objectively, but to the extent that Humboldt
16 County or the racing needs a subsidy, who should pay it? We
17 believe CARF should pay it. Fairs should take care of
18 fairs. We don't think Golden Gate should be required, or
19 the rest of California racing should be required to
20 subsidize Humboldt.

21 Thank you.

22 CHAIR FERRARO: Thank you.

23 Any comments from the Board?

24 Thank you, gentlemen.

25 COMMISSIONER CASTELLANOS: Mr. Chairman, I have a

1 question, just one question.

2 Larry, you mentioned about the gate crew being
3 offered at Golden Gate to be offered to go run up there.
4 What gate crew are you using now?

5 MR. SWARTZLANDER: The last two years, they were
6 all Oregon people. Three years ago, your assistant starter
7 at Golden Gate was my starter at Golden Gate, and most of
8 the people were. It's just simply that with this one week
9 on and one week off that they've just chosen, the positions
10 are available. And I have offered them, in the past,
11 compensation for travel.

12 COMMISSIONER CASTELLANOS: I understand. Thank
13 you.

14 CHAIR FERRARO: Anybody else?

15 VICE CHAIR GONZALES: Yeah, just to Commissioner
16 Castellanos' point about the gate crew, which is very
17 important, union members, or even the SEIU pari-mutuel clerk
18 workers there, I have seen, you know, me growing up on the
19 backside, where there were concerns about going from Santa
20 Anita, Hollywood Park, Pomona to Del Mar. I mean, it's just
21 the distance to travel. So in many cases, we'd see Del Mar
22 where they made housing accommodations or other kind of
23 support.

24 Similar to what CARF has done for trainers to
25 offset travel by giving gas cards, I could easily see CARF

1 and the community there providing the kind of support that
2 has been extended to unionized workers in the past.
3 And I heard firsthand about these kinds of commitments. So
4 in no way should we let the lack of Golden Gate personnel
5 being willing to go up there.

6 I think we just have to, you know, consider what
7 we're about to do here, a situation where you have the haves
8 and have nots, not only in California, but in horse racing.
9 Are we about helping the few or helping the many? What
10 better time during a Breeders' Cup cycle to showcase what
11 California does with its ecosystem, it was mentioned.
12 Ecosystem isn't just about the haves and the few. The
13 ecosystem is about from one corner of the state to the next.

14 You know, I'm just firmly committed to seeing
15 competitive racing, the ability to foster racing with two
16 weeks un-overlapped.

17 So, Mr. Chairman, I again appreciate the ability
18 to have traveled up there and I remain committed, even more
19 so, to allowing for there to be a level playing field up in
20 that part of the state when it comes to horse racing.

21 CHAIR FERRARO: Thank you, gentlemen.

22 We'll have the public comments now. Ellen
23 Erickson?

24 You take your seats if you want to go back and sit
25 down. I don't want you to get shot in the back.

1 MS. ERICKSEN: I'm a peaceful person.

2 CHAIR FERRARO: Go ahead, Ellen.

3 MS. ERICKSEN: Ellen Erickson, San Diego,
4 California.

5 Once again, we are questioning the reporting of
6 this Board of horses that have disappeared and are missing.
7 I am going to list some of the horses missing from Golden
8 Gate fields in 2022. Where are they and how many more
9 horses go missing when the 2023 dates are allocated? The
10 following four horses are still unaccounted for, last seen
11 racing at Golden Gate.

12 March 11th, 2022, Indio Mo Mo finished last,
13 stopped, eased, walked off, last workout, March 20, 2022.

14 April 1, 2022, Viva La Fiesta placed last, vanned
15 off, last workout, January 12th, 2022.

16 April 23, 2022, Union Boy placed second, bled when
17 pulled up, last workout, April 9th, 2022.

18 April 29th, 2022, Pray to an Angel pulled up,
19 vanned off, did not finish, the videos were butchered, and
20 the last workout was April 23rd, 2022.

21 Where are these horses, horses that leave the
22 track by van, horses with visible bleeding from their lungs,
23 horses who are eased and walked off, horses whose racing
24 replay videos are butchered to hide injuries. You, the
25 California Horse Racing Board, should be just as, if not

1 more, concerned than we are.

2 And a little sidebar for the pastors in the room,
3 when they're at the track, do these pastors give last rites
4 to the horses that have died on the track? I would say not.

5 VICE CHAIR GONZALES: Bonnie Crocker, please.

6 MS. CROKER: Good morning. I'm going to make this
7 easy for the Board. Please do not allocate any racing dates
8 for Golden Gate Fields. They do actually need a safer
9 track. Twenty horses have died there since January of last
10 year, that we know of. I say, "that we know of," because
11 Golden Gate Fields, like most of the horse racing industry,
12 practices blatant deceit and compulsive lying.

13 One very glaring example of this was just
14 performed by or on behalf of Golden Gate Fields. On Friday,
15 March 3, 2023, race three at Golden Gate Fields ended in
16 tragedy. Three-year-old filly Ultimate Diva won the race,
17 then suffered a catastrophic injury just past the wire on a
18 gallop out. She was then immediately euthanized on the
19 track.

20 Here is the deception that took place. The first
21 version of the Equibase results chart for this race stated
22 within the footnotes said Ultimate Diva was injured during
23 the gallop out and was euthanized on the track.
24 Additionally, at the end of the footnotes, a sentence in
25 bold type said, "Ultimate Diva suffered a catastrophic

1 injury past the wire and was euthanized on the track.”

2 Within approximately one-half of an hour, the
3 Equibase chart was altered critically. The statements about
4 Ultimate Diva within the footnotes said, “She was injured
5 during the gallop out and was banned off.” The bold type at
6 the end of the footnotes describing her death had been
7 eliminated.

8 I have screenshots of both charts if anyone would
9 like to see them.

10 Please do not allocate any race dates for Golden
11 Gate Fields. They use deception to hide the truth from the
12 public and from the CHRB, I am certain.

13 Thank you and happy St. Patrick's Day.

14 VICE CHAIR GONZALES: Heather Wilson.

15 MS. WILSON: Regarding that comment about shooting
16 these people in the back, it wouldn't be from anybody in the
17 front row. We are not violent people.

18 So when these Northern California dates are
19 inevitably approved, how many more of your allegedly beloved
20 horses will get dumped out of state, most notably Arizona?

21 Class Proof was one such horse that you allowed to
22 slip through the cracks. On November 19th, 2022, his Golden
23 Gate Fields claim was voided due to unsoundness. Two months
24 later, he was killed in Arizona. The sad story of Class
25 Proof was actually published in the *Paulick Report*. Class

1 Proof was running in a cheapo \$5,000 claiming race. He was
2 claimed, but the claim was voided by the state veterinarian
3 due to unsoundness, and he was placed on the CHRB vet list.

4 When he was killed in January at Turf Paradise, he
5 still appeared on the CHRB vet list, and that should have
6 prevented his entry into Turf Paradise and it should have
7 kept him in the state of California. So why was he allowed
8 to leave? How did this happen?

9 And we hear this every single year from the mouths
10 of the track announcers themselves, we got to clear out the
11 barns for the two-year-olds. And then where do all these
12 old, old three- and four-year-old, five-year-old horses go?
13 They get dumped out of state.

14 How many more Class Proofs will be killed once
15 these Northern dates are approved? Again, we will never
16 know.

17 CHAIR FERRARO: Thank you.

18 Elvia?

19 MS. SEDANO: The animal advocates have been asking
20 about missing horses at CHRB meetings for a long time, and
21 we will keep asking.

22 Also, why is the CHRB not doing their job? Why is
23 it that we are the ones asking about horses who have been
24 vanned, pulled up, DNF, and bleeding? Why isn't the CHRB
25 asking?

1 These horses last known whereabouts were racing at
2 Golden Gate.

3 05/30/2022, Lucky Lara, four-year-old mare,
4 stopped, eased, walked off. Last workout, 04/30/2022.

5 11/05/2022, Say It With Roses, seven-year-old
6 mare, lost action, pulled up, DNF, vanned. Hard to tell
7 which limb, but it does not look good. On vet list, lame.
8 Last workout, 10/22/2022.

9 11/06/2022, Russell, two-year-old gelding, pulled
10 up, DNF, vanned. On vet list, unsound. No workouts listed
11 on Cal Racing.

12 Did these horses go to CARMA? They absolutely met
13 the eligibility requirements. Where are the horses, Lucky
14 Lara, Say It With Roses, and Russell?

15 Thank you.

16 CHAIR FERRARO: Thank you.

17 Martha?

18 MS. SULLIVAN: I wasn't going to comment on this
19 one, but since I've been listening to this discussion for
20 probably about three years now coming to these meetings, a
21 couple of things jumped out at me that I really felt like I
22 had to highlight.

23 Every one of the tracks in this state does what
24 Ferndale is accused of, which is importing horses. In fact,
25 Del Mar brags about it. Santa Anita is desperate for it.

1 So, you know, I don't get the 40 percent of the horses come
2 from Oregon. I don't know what the percentage is for the
3 other track, but they're all desperate to get horses from
4 out of state and from other countries, so I think you ought
5 to just drop that as a differentiator.

6 Secondly, similarly, every track in this state has
7 begged for host revenue. I recall Del Mar saying they
8 needed it to survive. Every track wants that host revenue
9 because it is a subsidy. So again, I don't think that's a
10 differentiator for Ferndale.

11 I just wanted to say this as an observer of this
12 discussion and debate that I have witnessed, as I say, for
13 about three years coming to these meetings, just to offer an
14 outsider's perspective. And this is also coming from
15 somebody that worked at the State Public Utilities
16 Commission for 20 years and saw a lot of similar debate, so
17 I'm not new to it.

18 Thank you.

19 CHAIR FERRARO: Thank you. Alright,
20 Commissioners, we have to make a decision about this today.

21 So I would start with you, Tom, and I'm going to
22 poll each one of you to see where you're at the moment.

23 COMMISSIONER HUDNUT: Well, I would be surprised
24 if there was a great deal of enthusiasm for two weeks
25 unopposed for Ferndale and would, myself, like to consider

1 two weeks of racing at Ferndale with the second week covered
2 with Golden Gate, which was part, actually, of the original
3 proposal a number of months ago.

4 CHAIR FERRARO: And that's what we did last year,
5 too.

6 COMMISSIONER HUDNUT: I would see that as a
7 compromise solution in this instance.

8 COMMISSIONER ALFIERI: I'll second that.

9 CHAIR FERRARO: Commissioner Davis?

10 COMMISSIONER DAVIS: I'm looking at the race date
11 allocations, and that is what happened before. I think it's
12 fine to go to that.

13 CHAIR FERRARO: Okay.

14 VICE CHAIR GONZALES: Mr. Chairman, I believe we
15 need to extend even further support for Ferndale racing, and
16 my position remains two weeks of un-overlapped. That's
17 where I stand.

18 CHAIR FERRARO: Okay.

19 Now if as a compromise, if as a compromise,
20 because we have to be able to test and pilot certain things,
21 and just to use Commissioner Alfieri's term, is what can we
22 do to split the baby, as they call it, how to kind of split
23 the loaf? And I do know CARF is offering up about \$200,000.

24 Is that about right, Larry, I think it's \$200,000
25 for any financial sacrifice?

1 But what if we went to a rotation where one year
2 is un-overlapped that second week, and the other year, it
3 goes un-overlapped? So essentially, 2023, we would allow
4 for two weeks of un-overlapped. 2024, we go back to that
5 second week being overlapped. Us, as a Commission, we can
6 take a look at what works, take a look at the numbers, and
7 then we can then decide for the future whether it's two
8 weeks of un-overlapped, overlapped, or whatever the case may
9 be. We just need more data, but I think we have to give it
10 a try. That's where I stand.

11 CHAIR FERRARO: Castellanos?

12 COMMISSIONER CASTELLANOS: Well, first off, I'll
13 start off with a statement. The comments that were made by
14 both parties are just, and I understand. And I've said it
15 from day one, I've said it when I was sitting in the
16 audience back in the day, and I say it now sitting at this
17 table, is that in no way am I against harming in any way the
18 current status that we have for the fairs. The fairs, I
19 believe, is our advertisement, and it works pretty well.

20 But at this point, I have to agree with Mr.
21 Hudnut's proposal, and I'd have to go that route.

22 CHAIR FERRARO: Commissioner Alfieri?

23 COMMISSIONER ALFIERI: I understand where the Vice
24 Chairman is with his proposal taking it further. However, I
25 just think we re-look at it again. That's all. The last

1 part of your comment was, let's re-evaluate and see where we
2 are, what the numbers look like, and everything else. Let's
3 do that. Let's just do it again next year. It won't be a
4 discussion like all of this, because we know where things
5 are falling out and have fallen out.

6 So I think that's why I'm with Commissioner
7 Hudnut.

8 CHAIR FERRARO: Since you made the initial
9 statement, Commissioner Hudnut, would you like to put that
10 in the form of a motion?

11 COMMISSIONER HUDNUT: I move that the Humboldt
12 County Fair be allocated the two weeks, August 16 through
13 August 29, 2023, and that Pacific Racing Association, aka
14 Golden Gate Fields, be allocated the weeks from August 23
15 through October 3, thereby creating one overlapped week for
16 the Humboldt County Fair and Golden Gate Fields.

17 CHAIR FERRARO: Can I have a second?

18 COMMISSIONER ALFIERI: I'll second.

19 CHAIR FERRARO: Commissioner Castellanos?

20 COMMISSIONER CASTELLANOS: Yes.

21 CHAIR FERRARO: Commissioner Alfieri?

22 COMMISSIONER ALFIERI: Yes.

23 CHAIR FERRARO: Commissioner Davis?

24 COMMISSIONER DAVIS: Yes.

25 CHAIR FERRARO: Commissioner Gonzales?

1 VICE CHAIR GONZALES: No.

2 CHAIR FERRARO: Commissioner Hudnut?

3 COMMISSIONER HUDNUT: Yes.

4 CHAIR FERRARO: And the Chairman votes yes.

5 Moving on to item number seven, discussion and by
6 the Board on the Request from the California Authority of
7 Racing Fairs, CAREF, to Designate the Following 2023
8 Allocated Race Dates as a Combined Fair Horse Racing
9 Meeting.

10 Larry?

11 MR. SWARTZLANDER: Thank you, Commissioners.

12 This is a pretty basic request. We do this every
13 year. The intent here is to allow the pools to carry over
14 from one fair to the other. You know, if you have to pay
15 out the Pick 6 and Pentafecta wager, after two weeks, you
16 don't get a lot of money in it. This allows us to roll it
17 over to all the fairs and, generally, we end up with a
18 massive pool at the end of the year which generates a large
19 handle.

20 Other than that, that's it.

21 CHAIR FERRARO: Any questions? Nobody?

22 Heather Wilson?

23 MS. WILSON: So more about the allocation of
24 Northern California fair dates.

25 There's a few more former Northern California fair

1 race horses that have been trafficked and then killed out of
2 state. Tamarindo's Mine (phonetic), he ran at Fresno,
3 dumped in Arizona, November 2021, and then killed at Turf
4 Paradise two months later.

5 Prasica (phonetic) raced at Fresno, dumped in
6 Arizona at the same time, November of 2021, dead three
7 months later. This was one of the horses killed in opening
8 weekend at Rillito where a *Paulick* article was published
9 under the title, Arizona Horse Tracks Are a 'Killing Field'
10 And It Has To Stop. California knows that Arizona is a
11 killing field and you keep sending horses there.

12 Then there was Lippy, ran at Oak Tree Pleasanton,
13 trafficked from California to Arkansas, New Mexico, last
14 stop, Arizona, killed at Turf Paradise, November 25th, 2022.

15 When you care about horses, you know their
16 whereabouts. When you care about horses, you would express
17 concern when members of the public are making such
18 statements. And when you care about horses, you don't dump
19 them out of state to be trafficked and then killed.

20 CHAIR FERRARO: Thank you.

21 Elvia?

22 MS. SEDANO: Once horses are done racing in
23 California, they are known to drop in class and they get
24 sent to lower tier tracks. This is an undeniable pattern
25 that is seen year after year.

1 Juan Aguayo (phonetic) was one such horse. She
2 was a beautiful, dark bay filly, just a baby when she was
3 killed at the age of two. Her so-called career was not even
4 a year long. She was a good racehorse, winning at three
5 different Northern California fairs, Pleasanton, Santa Rosa,
6 Fresno. Her last California race was at Golden Gate Fields
7 where she placed last. The chart callously described her as
8 "tired."

9 Just one month later, she was dumped in Arizona.
10 Then just two months later, she was killed in a race. Said
11 to have went wrong, she suffered a life ending injury. She
12 collapses and then another horse fell on top of her. A
13 horrific, undignified death for this beautiful filly who ran
14 at Northern California fairs, winning three times.

15 Juan Aguayo died in the dirt in a claiming race in
16 Arizona.

17 Thank you.

18 CHAIR FERRARO: Wayne Johnson.

19 MR. JOHNSON: Thank you, Mr. Chairman. I promise
20 not to shoot anybody in the back. It should be noted they
21 shoot horses, don't they?

22 By granting these dates, you grant the
23 possibility, if not the probability, of more horses like Big
24 Laugh and Heza Valentine who died at Golden Gate to die on
25 these tracks.

1 Thank you.

2 CHAIR FERRARO: Thank you.

3 Can we have a motion to approve? Can we have a
4 motion to approve?

5 COMMISSIONER HUDNUT: So moved. Hudnut.

6 CHAIR FERRARO: Second?

7 COMMISSIONER DAVIS: Davis seconds.

8 CHAIR FERRARO: Commissioner Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Commissioner Alfieri?

11 COMMISSIONER ALFIERI: Yes.

12 CHAIR FERRARO: Commissioner Gonzales?

13 VICE CHAIR GONZALES: Yes.

14 CHAIR FERRARO: Commissioner Davis?

15 COMMISSIONER DAVIS: Yes.

16 CHAIR FERRARO: Commissioner Hudnut?

17 COMMISSIONER HUDNUT: Yes.

18 CHAIR FERRARO: Chairman votes yes.

19 Item number eight, discussion and action by the
20 Board regarding the request to modify the distribution of
21 market access fees from Advanced Deposit Wagering to cover
22 the Horseracing Integrity and Safety Authority's 2023
23 assessment on California racing associations.

24 Amanda?

25 MS. BROWN: Good morning, Commissioners. Amanda

1 Brown, Staff Counsel. Sure thing. Amanda Brown, Staff
2 Counsel.

3 So racing stakeholders in California are
4 responsible for the state's -- HISA's -- excuse me, for
5 HISA's operating budget. In 2023, that's approximately \$1.6
6 million. Stakeholders are requesting to utilize in-state
7 ADW monies that otherwise would be distributed to purses and
8 Commissions to pay for 2023 HISA costs. Last June, the
9 Board approved this funding mechanism for 2022 costs. If
10 approved for this year, the agreement would be effective
11 from March 27th through December 31st, 2023.

12 Finally, the Board should consider a condition that the
13 agreement is only valid if the Antidoping and Medication
14 Control Program goes into effect on March 27th.

15 CHAIR FERRARO: Do you have a comment?

16 EXECUTIVE DIRECTOR CHANEY: Yeah, I can just add a
17 little background.

18 As the Board might recall, before the FTC delayed
19 the imposition of the ADMC rules, I think the assessment for
20 2023 was \$7.2, \$7.3 million. Basically, it's ten percent of
21 the total budget for the authority, which is the max a state
22 can pay. The new assessment was \$6.7 million. Over the
23 last three months, we negotiated with HISA for a bunch of
24 credits to that \$6.7 million assessment. So we've agreed to
25 do such things as sample collection testing at Davis. Davis

1 will be taking samples from other states, as well, and
2 they'll also be doing some research on the behalf of the
3 authority. We're also going to use our personnel for out-
4 of-competition testing. And lastly, investigations with
5 respect to post-race drug positives will be done by CHRB
6 employees.

7 So for that, we received a credit to that \$6.7
8 million assessment, leaving stakeholders to pay about \$1.5
9 million. And today, what's before you is just whether they
10 can use this market access fee money in order to pay it.

11 CHAIR FERRARO: Any questions?

12 COMMISSIONER ALFIERI: A question, Scott. We
13 exclude the Cal Expo with any fees? It's a zero cost to
14 them?

15 EXECUTIVE DIRECTOR CHANEY: That's right, because
16 Standardbreds are not part of the HISA Program.

17 COMMISSIONER ALFIERI: Got it. Okay.

18 COMMISSIONER DAVIS: I just wanted to comment on a
19 job well done for Scott and his staff for getting all of
20 these credits. I think that's a significant accomplishment.
21 I just want to make sure that that doesn't go unnoticed,
22 that they got what is equivalent of \$4.7 million worth of
23 savings in terms of what has to actually be paid to HISA, so
24 I think we should acknowledge that.

25 EXECUTIVE DIRECTOR CHANEY: Thank you. I think I

1 appreciate it. We worked hard over the last few months to
2 squeeze every dollar of credit we could out of the
3 authority. But a lot of that bargaining position was
4 created by this Board in the support of the Authority. At
5 the end of the day, they wanted us to be the first state,
6 and we were the first state to sign a voluntary agreement,
7 and I think other states will follow suit over the next two
8 weeks, so hopefully we got the ball rolling.

9 CHAIR FERRARO: Alright, Martha.

10 MS. SULLIVAN: Again, because I spent 20 years at
11 the state PUC and I did a lot of rate design and rate
12 analysis and so forth, I'm not always great at math but I
13 have a thing about numbers, and I just want to ask that the
14 Board staff please check their staff analyses, double-check
15 it, because in this staff report it is said that the HISA
16 assessment is \$6.7 million, and with credits of \$4.7 million
17 agreed by HISA, my math says that means California's share
18 would be \$2 million, but later in that staff analysis it
19 says it's \$1.6 million.

20 Now, if you look at the various components of the
21 credits that are listed later in that staff analysis, they
22 do total up to the \$1.6 million, but I think what was left
23 out was \$450,000 for out-of-competition testing for that
24 beginning figure. So this is just me being a little OCD as
25 a former rate design person.

1 But I also want to raise a flag because it's my
2 understanding from what I've read about HISA over the last
3 year or two that Quarter Horses are also not covered by
4 HISA. So I was surprised to see the assessment on Los
5 Alamitos Quarter Horse Association, and only Cal Expo being
6 out of it. So I would appreciate knowing, have I read this
7 wrong, are Quarter Horses covered by HISA, Quarter Horse
8 racing?

9 EXECUTIVE DIRECTOR CHANEY: Just a clarification
10 on both points for the Board, the \$1.579 million, whatever
11 the small change is, is the correct amount, and that's what
12 you'll be voting on today. The \$450,000 is for out-of-
13 competition testing, and that credit is applied a little bit
14 differently, but the formula is correct.

15 Thank you, Ms. Sullivan.

16 And then Quarter Horses are excluded as well.
17 But, of course, Los Alamitos runs thoroughbreds, as well, so
18 Los Alamitos does have a portion to pay.

19 MS. SULLIVAN: So may I ask one other thing?

20 So how does HISA apply to the like mixed races at
21 Los Al? If there's thoroughbreds and Quarter Horses racing
22 together, how does it work?

23 EXECUTIVE DIRECTOR CHANEY: With respect to mixed
24 races, HISA regs will not apply.

25 MS. SULLIVAN: Okay.

1 EXECUTIVE DIRECTOR CHANEY: That's HISA's
2 decision, not ours.

3 MS. SULLIVAN: So only the Los Al races that are
4 thoroughbreds only?

5 EXECUTIVE DIRECTOR CHANEY: Exactly.

6 MS. SULLIVAN: Gotcha. Thank you.

7 EXECUTIVE DIRECTOR CHANEY: You're welcome.

8 CHAIR FERRARO: Thank you, Martha.

9 Do we have a motion?

10 COMMISSIONER ALFIERI: I'll so move.

11 COMMISSIONER HUDNUT: Second. Hudnut.

12 CHAIR FERRARO: Castellanos?

13 COMMISSIONER CASTELLANOS: Yes.

14 CHAIR FERRARO: Alfieri?

15 COMMISSIONER ALFIERI: Yes.

16 CHAIR FERRARO: Davis?

17 CHAIR FERRARO: Yes. Hudnut?

18 COMMISSIONER DAVIS: Yes.

19 CHAIR FERRARO: Mr. Gonzales, do you want to vote
20 on this item?

21 CHAIR FERRARO: Yes. Yes.

22 CHAIR FERRARO: And the Chairman votes yes.

23 Item number nine, and action by the Board to cease
24 pursuit of a 2023 Legislative Proposal to amend health and
25 welfare funding mechanisms for jockeys and backstretch

1 workers to provide financial stability to those programs.

2 Amanda?

3 MS. BROWN: The governor's office approved CHRB's
4 legislative proposal that would increase the cap on the
5 amount of handle from advanced deposit wagers originally in
6 California by \$800,000 in order to shore up health and
7 welfare programs for backstretch workers and jockeys.

8 The question for you today, Commissioners, is
9 whether the Board would like staff to continue to pursue
10 this proposal and work to secure an author or abandon the
11 proposal and leave it to stakeholders to find a non-
12 statutory solution?

13 CHAIR FERRARO: Scott?

14 EXECUTIVE DIRECTOR CHANEY: Sure. I can follow up
15 on that. Thanks, Amanda.

16 As the Board might recall, stakeholders objected
17 to this manner in which the funds were raised, and the Board
18 charged them with the responsibility of finding
19 alternatives. And I think what you'll hear from today, both
20 from the Jockeys' Guild, as well as CTHF, and probably the
21 TOC who administers the Jockey Program, is the extent to
22 which they found alternatives and hopefully inform the Board
23 with respect to whether we should withdraw this proposal or
24 not.

25 VICE CHAIR GONZALES: Is there a staff

1 recommendations?

2 EXECUTIVE DIRECTOR CHANEY: The question was
3 whether there was a staff recommendation? That's a hard
4 question.

5 Perhaps I'll let Cliff, first, and the Jockeys'
6 Guild kind of give their position. I believe it will be
7 that they're satisfied with assurances from the industry and
8 their recommendation would be to withdraw the proposal.

9 Personally, I don't think the Jockeys' Guild is
10 asking for enough but, you know, it's hard to force money on
11 people who don't want it.

12 MR. GOODRICH: Good afternoon, Commissioners and
13 Board members. My name is Cliff Goodrich. I'm Executive
14 Director of the CTHF, which provides health services for
15 eligible backstretch workers.

16 First of all, in regard to the legislation, I'd
17 like to thank Scott and Oscar mainly, but also this Board,
18 for their concern in our case about our financial stability
19 and the draft legislation, which really became the catalyst
20 for discussions with tracks and horsemen. That concern led
21 to fruitful discussions where each of us learned about our
22 respective financial concerns and challenges.

23 For everyone's information, although I know Board
24 members know, by CHRB rule, CTHF files our audited
25 financials annually with the Board. In addition, we file an

1 internal five-year projection of normal operating income.
2 That projection shows a cumulative normal operating income
3 losses of between \$500,000 and \$1 million over the next five
4 years, even including cost containment measures that allowed
5 us to not increase our health care costs significantly in
6 the last 20 years while maintaining our service levels and
7 the benefits offered.

8 With a sound balance sheet, a sound historical
9 investment policy, a windfall of almost \$250,000 in outs
10 receipts last year, and with the Breeders' Cup coming to
11 Santa Anita and then Del Mar over the next two years, which
12 provides us with about another cumulative \$100,000, and
13 given the understandable financial concerns of the track and
14 horsemen dealing with all of the challenges they face, CTHF
15 could not justify that we were in any kind of an emergency
16 situation for the next year or two.

17 Moving further out than that, however, could lead
18 to potential financial issues for us largely dependent upon
19 future brick and mortar and ADW handle and the industry's
20 ability to secure additional revenue from other sources of
21 gaming.

22 Knowing that I won't be here in a couple of years
23 from now because of my retirement, along with the likelihood
24 that some of the present Commissioners will not be here,
25 combined with the likely loss of some stakeholder

1 principals, while I believe the tracks and horsemen are
2 absolutely supportive of not only our fund, but also of the
3 Jockeys' Guild Fund, and would come to our rescue should we
4 need it, I think it's important after I speak and the
5 Jockeys' Guild speaks for some industry stakeholders to
6 stand up and read that support into the record.

7 With all of the above said, we at CTHF feel it is
8 prudent at this time for the Board to withdraw their
9 proposed legislation, knowing that all sides will continue
10 to talk and monitor ongoing developments and will continue
11 to work together as an industry, as any industry should.

12 Again, thank you for your concern over the status
13 of our welfare fund. It is much appreciated. Somebody in
14 my place may well be back here in three or four years, but
15 for the next year or two, I think we'll be okay barring any
16 abnormal emergencies.

17 With that, I'll answer any questions if you have
18 them.

19 CHAIR FERRARO: Anyone?

20 Thank you, Cliff.

21 MR. GOODRICH: Okay.

22 CHAIR FERRARO: Do we have a Jockeys' Guild
23 representative who would like to say something?

24 MR. HAIRE: Darrell Haire, Western Regional
25 Manager for the Jockeys' Guild.

1 Chairman Ferraro, Vice Chair Gonzales, Executive
2 Director Scott Chaney, and members of the Commission, The
3 Jockeys' Guild want to thank the Board and staff,
4 particularly Vice Chair Gonzales and Executive Director
5 Scott Chaney, for stepping in to try to make sure that the
6 Jockey's Health Care Fund is adequately funded. We agree
7 that something needs to be done and really appreciate all
8 the work that went into exploring the possibility of a
9 legislative fix.

10 The industry has asked us for the opportunity to
11 fix this without legislation. and after many discussions,
12 we have concluded that the best course at this time is to
13 give them a shot to stabilize the funding. We have a
14 commitment that the Jockey's share of the premiums will
15 never go above 40 percent. This is critical to ensure that
16 our riders can afford to have health insurance.

17 With that, we support the withdrawal of
18 legislative proposal for now.

19 Again, we appreciate everything the CHRB has done
20 on this issue, and we look forward to working with the
21 industry to address this going forward.

22 Thank you.

23 CHAIR FERRARO: Thank you.

24 Any questions from the Board?

25 Does TOC want to add anything?

1 MR. NADER: Chairman, I think this is a good story
2 to tell. I think we have worked collaboratively together
3 with the Jockeys' Guild and with backstretch to reach a
4 position where we have looked -- you know, in my short time,
5 we have been able to really look at the funding mechanism
6 and what has changed, And a couple of things have changed.

7 With people coming back to the tracks to brick-
8 and-mortar locations post-COVID, the statutory contribution
9 of refunds resulting from horses that have scratched has
10 come back up considerably.

11 Secondly, we are now receiving interest income on
12 our fund balance, which is currently at \$1.38 million.

13 And thirdly, in a very positive light, we have
14 been able to negotiate deals with our ADW partners where
15 they will now contribute to the funding mechanism for jockey
16 welfare.

17 So with all of these things, we believe we are in
18 a good position. We would like to come back and report to
19 the Board later in the year to demonstrate that what we
20 believe to be true is working, and we will give the update,
21 and we will continually liaise with Mr. Goodrich and the
22 Jockeys' Guild as we have over the last five months.

23 And we, speaking for the industry, believe that
24 these funds are critically important, and we recognize what
25 they mean to the industry at large, to all the good people

1 that they represent, and we are firmly committed to
2 maintaining a vigilant approach to make sure that they are
3 properly funded. But I believe that when we come back at
4 the end of the year, the things I have cited with ADW
5 supplemental funding, the return of statutory refunds at
6 brick-and-mortar locations, and the new revenue stream that
7 we haven't had in the past year or two with interest income,
8 these are things that will stabilize our fund balance, and
9 we, again, will report back to you at the end of the year.

10 Any questions?

11 CHAIR FERRARO: Thank you.

12 Any questions?

13 MR. NADER: Thank you.

14 CHAIR FERRARO: Ellen?

15 MS. ERICKSEN: Ellen Ericksen.

16 If the horse racing industry is to continue, this
17 Board needs to plan for the costs associated with chronic
18 traumatic encephalopathy, CTE, particularly with the
19 concussion baseline exams for jockeys required by HSA. As
20 reported in the *Thoroughbred Daily News* on March 8th, the
21 symptoms of CTE include memory loss, confusion, impaired
22 judgment, impulse control problems, aggression, depression,
23 anxiety, suicide, Parkinson's, and eventually progressive
24 dementia.

25 There are answers [sic] still seeking to be

1 answered to why Jockey Alex Canchari took his own life last
2 week at the age of 29. His family has sent his brain to
3 Boston University's CTE Center to ascertain whether or not
4 this jockey suffered from CTE, the brain condition linked to
5 repeated head injuries and blows to the head.

6 Several NFL players have committed suicide after
7 suffering CTE.

8 According to a 2019 story in the *Louisville*
9 *Courier Journal*, research shows that horse racing has the
10 highest concussion rate of any sport. Concussions can lead
11 to CTE. According to a report from the University of
12 Kentucky released at the 2015 Jockey Club Welfare and Safety
13 Summit, 8.6 percent of falls by jockeys during races from
14 2012 to 2015 resulted in concussions.

15 So in concluding the agenda, the item of this
16 agenda, not only are the horses abused by the humans in this
17 industry, but the humans are abused by you humans.

18 Thank you.

19 CHAIR FERRARO: Thank you.

20 And I'll take it on myself. I move that this
21 Board instruct the staff to withdraw our efforts to pass a
22 legislative proposal.

23 VICE CHAIR GONZALES: I'll second that, Mr.
24 Chairman.

25 CHAIR FERRARO: Mr. Hudnut?

1 COMMISSIONER HUDNUT: Yes.

2 CHAIR FERRARO: Ms. Davis?

3 COMMISSIONER DAVIS: Yes.

4 CHAIR FERRARO: Gonzales?

5 VICE CHAIR GONZALES: Yes.

6 CHAIR FERRARO: Alfieri?

7 COMMISSIONER ALFIERI: Yes.

8 CHAIR FERRARO: Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Chairman votes yes.

11 Item number ten, discussion regarding the
12 Inclement Weather Policy as it relates to surfaces and
13 returning to racing and training.

14 Do you want to begin this?

15 EXECUTIVE DIRECTOR CHANEY: Sure. I think EMD,
16 Dr. Blea, will help out as well.

17 As this Board probably remembers, we established a
18 statewide Inclement Weather Policy approximately two years
19 ago, and tracks are required to adopt that as part of their
20 license application. And it's worked really well because we
21 have a uniform policy. And I think, in large part, HISA
22 probably modeled their reg on ours which also requires an
23 Inclement Weather Policy.

24 I think it's fair to say that we've received an
25 inordinate amount of rain this year, and so I think it's,

1 shall we say, strained the limits of the Inclement Weather
2 Policy. So we put this agenda item on the agenda, possibly
3 better suited for a committee meeting, but given it was just
4 one agenda item, it seems smart to take care of it today and
5 discuss possible changes to the Inclement Weather Policy.
6 We're making no recommendations at this meeting but staff
7 would like to get sort of some direction from the Board in
8 terms of what we can be looking at. I could imagine
9 bringing it back next month with specific changes based on
10 this discussion.

11 I would defer to Dr. Blea, who has some
12 significant opinions as well.

13 EQUINE MEDICAL DIRECTOR BLEA: Thank you, Scott.

14 Good morning, Mr. Chairman, Dr. Ferraro, Vice
15 Chairman Gonzales, Board, and Scott as well.

16 COURT REPORTER: Can you speak into the
17 microphone? Thank you.

18 EQUINE MEDICAL DIRECTOR BLEA: Is that better?

19 COURT REPORTER: Yes.

20 EQUINE MEDICAL DIRECTOR BLEA: Okay.

21 So as you know, we've had numerous weather events
22 this winter in Southern California and Northern California
23 and throughout the state. One of the issues that we deal
24 with or the horsemen deal with is a sealed racetrack. So
25 there's been quite a bit of discussion amongst the horsemen,

1 the CTT, myself, as well as track superintendents and
2 management on how best to handle these rain events from a
3 safety standpoint.

4 So a bit of a summary of some of the salient
5 points in the current Inclement Weather Policy. When the
6 track is sealed, as you know, is when the track has been
7 smoothed or compacted with specialized equipment. A sealed
8 track allows the water to run off the track, thereby
9 reducing the amount of water and precipitation that gets
10 absorbed by the dirt. That provides for a consistent
11 surface when it's sealed to prevent inconsistencies when it
12 is opened or harrowed.

13 When the track is sealed, horses are not permitted
14 to train on the track. In other words, the track is closed
15 for training. Those horses walk that day. That creates a
16 different set of problems for horsemen and horses following
17 that event, such as tying up, and horses that are fresh.

18 Any decision to race on a sealed track is made
19 based upon the decision of the track superintendent, and
20 that is based on fact, and it is very, very pointed that the
21 track surface must be safe to conduct racing. The track
22 will not race on -- it will not jeopardize racing or
23 training on days subsequent to inclement weather, so the
24 track superintendent is intimately involved in those
25 decisions.

1 That decision to not race is an unanimous consent
2 of a committee consisting of the track superintendent, the
3 assistant general manager of the racetrack, Jockeys' Guild
4 representation, and safety stewards, and is subject to
5 confirmation by the Board of stewards.

6 What we're going to discuss today or what we're
7 talking about today is not the racing part of the Inclement
8 Weather Policy, it's the training part. Currently in the
9 policy the language is,

10 "No horses will be permitted to engage in high-speed
11 workouts over the harrowed track for at least 24 hours.
12 High-speed workouts may only resume when approved by
13 the track superintendent."

14 So, essentially, what happens is the track is
15 sealed prior to a weather event. Following the weather
16 event, the track superintendent will open the track or
17 harrow the track so it's open. So for example, the track
18 was sealed yesterday, which was Wednesday, so there was no
19 training. At one o'clock this morning, the track crew,
20 based on weather data, opened up the track, harrowed the
21 track, so the track was open today for training.

22 Quite a bit of discussion has taking place from
23 different perspectives. And the perspective I bring today
24 to you is a culmination of track management, myself, the
25 CTT, and the track superintendent that we would like to

1 discuss the opportunity to modify the Inclement Weather
2 Policy to state that rather than no breezing is permitted
3 for 24 hours, we would like to limit the first 24 hours of
4 training following the opening of a sealed track, limit that
5 training to jogging only.

6 The next 24 hours of the 48-hour period following
7 the opening of a sealed racetrack, we would like to leave
8 that to the discretion of the track man, the CTT
9 representation, and myself in an opinion that we feel the
10 track is safe to permit galloping on the second day the
11 track is open after a seal and possibly breezing.

12 So the first point is rather than opening the
13 track, after the track is open for the first 24 hours, we
14 would like to modify this policy to state that it is for
15 jogging only. And the reason for that is we feel the track
16 is safe for training, but we feel we don't -- we feel, as a
17 matter of safety, to reduce the amount of concussion and
18 bone remodeling events that would occur during galloping
19 events and limit it to jogging only, we feel that would be
20 safer for the horses. And we feel it would allow the
21 horsemen to still be able to train and plan their training
22 accordingly the first 24 hours after the seal is open.

23 The second 24 hours of the 48-hour period, we
24 discussed leaving that to jogging only, but we landed on a
25 conclusion that that determination will be made at the

1 recommendation of the track superintendent, in conjunction
2 with myself and the CTT, to determine whether the second day
3 after the opening of a seal we remain jogging or we allow
4 them to gallop or even possibly breeze on the second day.

5 CHAIR FERRARO: Most of that decision depends on
6 how much water has been accumulated in the previous
7 rainstorm, correct?

8 EQUINE MEDICAL DIRECTOR BLEA: That decision will
9 depend upon how much water occurred during that event, when
10 they were able to get the track sealed, what the track looks
11 like when it's open, how deep they can cut it, and ensure
12 that there's a safe and consistent base to it.

13 CHAIR FERRARO: And would there be any changes to
14 the current policy in regard to racing?

15 EQUINE MEDICAL DIRECTOR BLEA: No, the current
16 policy in regard to racing will remain the same.

17 CHAIR FERRARO: Okay.

18 VICE CHAIR GONZALES: Yes, Gonzales here. Thank
19 you so much, Dr. Belia. I'm fully in support.

20 Can you address what the situation would be with
21 the training track? I mean, I think if you were to restrict
22 some of the training you're describing on the main track,
23 you'd get a lot of that traffic pushed on the training
24 track. And I'm just especially concerned about, you know,
25 those early dark-hour morning workouts where, you know, some

1 things have happened in the past. So what happened with the
2 training track during that time?

3 EQUINE MEDICAL DIRECTOR BLEA: The recommended
4 amended language would also apply to the training track.

5 VICE CHAIR GONZALES: Great.

6 EQUINE MEDICAL DIRECTOR BLEA: And this year, due
7 to the amount of rainfall we've had in Southern California,
8 most days when the main track was sealed, the training track
9 was also sealed and closed.

10 VICE CHAIR GONZALES: That's good by me. Thank
11 you.

12 EQUINE MEDICAL DIRECTOR BLEA: And, you know,
13 dealing with it on a daily basis, having conversations with
14 the track superintendent, management, the CTT, it's tough
15 because we have to do what's best for the horses from a
16 safety standpoint. But I can tell you there was a couple
17 different times where we maintained -- our management only
18 allowed them to jog for the first two days, and the horsemen
19 adapted extremely well, and were very compliant as far as
20 getting to a safe surface so that they can increase their
21 training.

22 VICE CHAIR GONZALES: Sure. The only other point
23 that I'd like to make is just making sure there's ample
24 communication with workers, like gate crew, outriders,
25 others that actually count on that activity, you know,

1 because they may not need them, so as long as there's that,
2 the proper level of communication with them so they can make
3 any kind of work adjustments or, you know, anything else
4 that goes along with not being able to do the things on a
5 normal day.

6 But other than that, I'm supportive.

7 EQUINE MEDICAL DIRECTOR BLEA: And boots in the
8 ground, that has occurred. Numerous communications go on
9 between track management, racing secretary, and the track
10 super so everyone is informed. And they try to notify the
11 horsemen well in advance so they know how to prepare as
12 well.

13 VICE CHAIR GONZALES: Great.

14 CHAIR FERRARO: Any other questions?

15 Alan, you're standing in the corner. Did you
16 want -- have something to say?

17 MR. BALCH: Alan Balch, CTT.

18 Dr. Blea did an exceptional job, as usual, in
19 describing everything.

20 This year has been what you might call a stress
21 test of the Inclement Weather Policy protocols. And we have
22 been very, very gratified at the exceptional communication
23 between the racing offices and the managements north and
24 south on all these issues.

25 Now, granted, I have hundreds of constituents, so

1 I'm not going to tell you that everyone is ecstatic about
2 the decisions that have been made from time to time, but
3 that's where it's critically important to have the Equine
4 Medical Director consulting with the track superintendent
5 because they are objective. That's their expertise.

6 Trainers can disagree about the track surface or
7 when it was sealed, how it was sealed, how deep the cushion
8 should be, and all those things, but the objectivity and
9 independence of the track superintendents and the Equine
10 Medical Director are key to this. And we're very
11 appreciative to all the steps that Santa Anita and Golden
12 Gate managements have been making to communicate, try to be
13 in front of things, try to give the horsemen as much advance
14 notice of what's going to happen.

15 And we have to add in there, pending the forecast,
16 because we've also learned, even with all of the
17 advancements in meteorology, these forecasts can change.
18 And then things have to change when the forecast changes.

19 So thank you for considering this, and particular
20 thanks to Dr. Blea.

21 CHAIR FERRARO: Thank you, Alan.

22 CHAIR FERRARO: Board have any questions?

23 CHAIR FERRARO: Ellen?

24 MS. ERICKSEN: Ellen Ericksen.

25 As of March 6, the California Horse Racing Board

1 has reported 20 racehorse fatalities, almost two equine
2 athlete deaths per week in ten weeks of the 2023 racing
3 season, seven at Santa Anita, seven at Los Alamitos, five at
4 Golden Gate, and one at San Luis Rey. We are only three
5 months into the year, and at the rate that horses are dying,
6 it appears that this will be deadlier than last year.

7 The majority of deaths are musculoskeletal, except
8 for Golden Gate, which has a synthetic track rather than
9 dirt. So with the big rains, back like we saw in 2019, it's
10 not surprising to see the staff report for this item noting
11 that it appears that horses that work or race immediately
12 after a track is unsealed are at higher risk for future
13 injury.

14 Equine Medical Director Jeff Blea has engaged UC
15 Davis to study this matter. Studying this alone won't
16 prevent more horses from dying. Your default needs to be to
17 prevent further deaths until the study is complete, not
18 waiting for further study in order to prevent future deaths.

19 Thank you.

20 CHAIR FERRARO: Thank you.

21 Lori?

22 MS. SALDAÑA: Thank you for looking at this and
23 looking at some good research on how climate change may
24 impact the operations of the horse-racing facilities.

25 I wanted to encourage you to also look at

1 groundwater, especially at Del Mar. What they are finding
2 in the Bay Area is that sea level rise doesn't just mean
3 flooding, obvious flooding, it also means sea level -- or
4 saltwater can intrude into groundwater and lift the
5 groundwater table.

6 And there is research that is showing that this
7 can damage infrastructure near the coast and it could also
8 interfere with having the track dry out as quickly. If you
9 have a saltwater wedge coming up under the track and you
10 have what appears to be even a relatively normal rain event,
11 the fact is that that saltwater may intrude in a way that
12 prevents it from drying as it has in past years.

13 So I would really encourage you to talk to
14 Scripps, talk to the Governor's Office of Research and
15 Planning, look at their climate assessment models and
16 determine if any of the infrastructure of the Thoroughbred
17 Club in Del Mar is impacted by this saltwater wedge that
18 could be intruding.

19 I didn't introduce myself earlier. I am a former
20 legislator. I represented the City of San Diego in the
21 legislature for six years. I worked on climate change
22 legislation. I was the Presiding Officer, Speaker Pro Tem.
23 I understand chairing these meetings can be challenging.

24 But I also have to say, as someone who authored
25 gun safety legislation, that your comments earlier were not

1 well taken by the audience. Gun violence is not a laughing
2 matter and I really feel that needs to be said on the
3 record. It was disturbing, frankly, to hear that, and I
4 think it disturbed some other people on the Board as well.

5 So I understand that you may not always agree with
6 the people who are here as volunteers making comments about
7 the agency, but that was really inappropriate comment to
8 make about us being here.

9 Thank you.

10 CHAIR FERRARO: I agree with you. I apologize.
11 It was my vain attempt at humor. I'll curtail such activity
12 in the future.

13 MS. ERICKSEN: Thank you for the apology.

14 CHAIR FERRARO: Heather Wilson.

15 MS. WILSON: According to the meeting packet, the
16 Board created an Inclement Weather Policy two years ago.

17 Just about two years ago, on January 23rd, 2021,
18 it was pouring rain. The Los Alamitos Track announcer
19 stated that there would be an abbreviated post parade due to
20 lightning and it was a downpour. All of the gate crew and
21 assistance starters were wearing full raincoats. The track
22 was a muddy, sloppy mess.

23 The gates flew open for race number seven and
24 Gowdy could not get his footing. He slipped, he fell, he
25 got up, he fell again, and he was vanned off the track. And

1 just like with Ultimate Diva, his racing chart was
2 butchered. The original chart said he was injured. The
3 chart was then changed to say that he locked up, whatever
4 that means.

5 So since the Inclement Weather Policy was created,
6 HISA required an Inclement Weather Policy to be in place as
7 it relates to thoroughbred racing. So once again, we're
8 seeing a significant portion of the racehorses that are not
9 covered by HISA. We've got the mixed races at Los Alamitos.
10 We've got Quarter Horse racing, the Standardbreds at Cal
11 Expo.

12 And let's not forget Rancho Los Alamos, the
13 illegal match racing track that you are all aware of. They
14 announced last month on social media that they were now open
15 to thoroughbreds. So I don't know if there's been a follow-
16 up. I have submitted a lot of information, as Mr. Chaney
17 asked for or he agreed to receive it, and I mean the list of
18 jockeys that go up both tracks is actually quite longer than
19 I originally suspected. So I've sent a lot of information
20 to the Board, and I would encourage you to please look at
21 it. And they are now racing thoroughbreds at these illegal
22 tracks.

23 CHAIR FERRARO: Thank you.

24 CHAIR FERRARO: Wayne Johnson.

25 MR. JOHNSON: I'm not sure that Dr. Blea and the

1 track superintendent should have the flexibility regarding
2 galloping and even breezing.

3 Finally, I hope you realize how incredible the
4 research is that these women have done on horse racing,
5 especially in horse racing in California, and missing
6 horses. It used to be back in the day, and maybe this has
7 changed, that some of you are a little skeptical of our
8 facts. I've always challenged you to point out where we
9 don't have the facts. These women are brilliant, they're
10 incisive, and they do their homework.

11 Thank you.

12 CHAIR FERRARO: Thank you.

13 We don't require any access to the Board on this
14 item, really, do we?

15 EXECUTIVE DIRECTOR CHANEY: No, I think so. I
16 think based on the discussion, we can --

17 CHAIR FERRARO: Let's move on --

18 EXECUTIVE DIRECTOR CHANEY: -- make the --

19 CHAIR FERRARO: -- to the Executive director's
20 Report and the Equine Medical Director's Report, then?

21 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.
22 Chairman, and good morning, Commissioners, by one minute,
23 maybe.

24 I will begin with the handle report. As we skip
25 the February Board meeting, I will focus on the year-to-date

1 figures rather than those for each of the last two months
2 individually. As you know, many racing cards were canceled
3 over the last two months due to rain, and I commend the
4 tracks for taking such action. However, that economic
5 impact will be evident here. For the first two months of
6 2023, day racing handle is down 11 percent, night racing
7 handle is down 15 percent, and total handle is down 12
8 percent.

9 As the Board recalls, Kathy Guillermo from PETA
10 gave a presentation at the December Board meeting on the
11 problem of match racing in the U.S., including California.
12 I want to update the Board with respect to action on this
13 front.

14 Staff received photographic evidence of licensees,
15 mostly jockeys, participating in unsanctioned racing from
16 several animal welfare advocates, including PETA. Although
17 I cannot comment on the likelihood of filing complaints, I
18 can say that we are investigating this evidence as we speak.

19 Staff has developed language for a CHRB regulation
20 that specifically prohibits licensees participating in
21 unsanctioned racing. We anticipate presenting that language
22 to the Board next month.

23 Assemblymember Valencia from Orange County
24 introduced Assembly Bill number 1298, which would amend the
25 Business and Professions Code to state, in part, that,

1 "Any person who, without first procuring a license
2 directly or indirectly holds, conducts, or facilitates
3 any horse racing in which horses compete against each
4 other is guilty of a misdemeanor and subject to a civil
5 fine of up to \$25,000 per day per violation."

6 I know that Los Alamitos is a driving force behind
7 the proposed legislation and that they have received input
8 already from PETA regarding this proposed legislation.
9 While the language may not -- may change slightly before
10 passage, it will be a vast improvement in the effort to end
11 match racing as compared to current law.

12 Additionally, I sent a letter to the AQHA, ahead
13 of their annual convention held two weeks ago at which match
14 racing was discussed, expressing the CHRB's concern over
15 this illegal practice.

16 Also, I spoke with equine epidemiologist Dr.
17 Angela Pelzel-McCluskey, who works for the USDA and is
18 involved in the effort to end unsanctioned racing in the
19 U.S. as these places are vectors for equine disease,
20 particularly equine infectious anemia.

21 Overall, I would say that there is a critical mass
22 developing to seriously address unsanctioned racing in
23 California and the broader country, both from racing
24 participants and non-racing entities.

25 Last week, I attended the Association of Racing

1 Commissioners International ARCI Conference that was held
2 jointly with the National HBPA in Louisiana. As the Board
3 may recall, it voted to rejoin ARCI in late 2021, after a
4 few years absence. We use their medication and drug
5 classification system, the current rulings and suspension
6 database to research licensees' status in other states, as
7 well as the National Racing Compact, which shares background
8 check information regarding licensees from other states --
9 or with other states, I should say.

10 The meeting was interesting in that state racing
11 Commissions and certainly the HBPA strongly oppose HISA, and
12 as you know, California had just signed a VA first in the
13 country one week before the meeting. In fact, the keynote
14 speaker was the Attorney General of Louisiana, Jeff Landry,
15 who was spearheading one of the lawsuits against HISA.

16 I will say that several EDs from state racing
17 Commissions inquired of me privately asking how the VA
18 process worked and asked advice with respect to negotiating
19 one for their state.

20 California was also elected to the Board of
21 directors of ARCI.

22 Lastly, of particular interest with respect to the
23 presentations were the work of doctors David Lambert and Ian
24 Wright, who talked about stride difference measurement
25 systems and post-injury care and equipment respectively. I

1 know these are both interests of our EMD, Dr. Blea, and plan
2 to discuss them with him soon.

3 Speaking of HISA, we continue to plan for the
4 anticipated March 27th start date for the Antidoping and
5 Medication Control Program. Deputy ED Cynthia Alameda has
6 been coordinating with HIWU and the tracks to set up test
7 barn personnel training program. Davis is working with HIWU
8 on a lab services agreement regarding such thing as a new
9 limb (phonetic) system and testing menu.

10 For the most part, I do not think that licensees
11 will experience a major change when it comes to post-race
12 and out-of-competition testing, with one exception. It is
13 important to note that any adverse analytical finding of a
14 post-race positive will result in disqualification. This
15 includes therapeutics and what we now can categorize as
16 Classes 4 and 5. In other words, a bute overage will result
17 in disqualification. This is a new concept in California
18 racing about which licensees need to be aware.

19 Next, I'd like to point out that the amendment to
20 the CHRB Rule 1867, our FDA reg that the Board passed
21 recently to address compounding ambiguity, and the Vet Med
22 Board's interpretation therein, were approved by OAL in
23 emergency fashion, meaning they went into effect immediately
24 this past Monday, in fact.

25 I want to thank both CHRB staff and Dr. Blea for

1 their dedicated work and attention to this endeavor.

2 Frankly, the bar for emergency status is high. It was due
3 to staff's efforts that the CHRB was able to clear it.

4 In a similar vein, I'd like to congratulate Dr.
5 Barry Grant, who was recently appointed by Governor Newsom,
6 to the Vet Med Board itself. Dr. Grant has been a
7 practicing equine -- has been practicing equine medicine --
8 sorry -- for many years in California, in particular in the
9 area of horse racing.

10 In addition to owning an equine clinic, and
11 voluminous scholarly work and equine practice technology, he
12 more recently currently serves as a regulatory veterinarian
13 at Sandler Ray Downs and Del Mar. While he's only one of
14 eight members of the Vet Med Board, he's an important voice
15 for equine veterinarians.

16 Lastly, since we now have a few Board meetings
17 outside of Sacramento, Chief of Enforcement Marc Shaw and I
18 thought it would be appropriate to recognize CHRB
19 investigators who are here today and encourage them to
20 introduce themselves to Board members and vice versa when
21 the meeting concludes. I see them on the right-hand side in
22 the last two rows there.

23 At this meeting are So Cal Supervising
24 Investigator Mike Parker, Santa Anita Investigators Anne
25 Dillon and Jean Guerrero, and San Luis Ray Downs

1 Investigators Steven Manila and Ryan Russell. I appreciate
2 their hard work and dedication in what is oftentimes a
3 difficult job.

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

5 CHAIR FERRARO: Thank you.

6 Any questions from the Board?

7 Dr. Blea, do you have something you want to add to
8 your previous statements?

9 EQUINE MEDICAL DIRECTOR BLEA: Thank you. I'll
10 add a couple comments. Mr. Chaney usually steals some of my
11 thunder.

12 EXECUTIVE DIRECTOR CHANEY: We can reverse order
13 next time if you want.

14 EQUINE MEDICAL DIRECTOR BLEA: That's okay. You
15 present it well.

16 So a couple items.

17 HIWU, Horse Racing Integrity Welfare Unit, will
18 take over enforcement and testing on March 27th, provided
19 the Antidoping and Controlled Medication regulations are
20 approved by the FTC, so that is still pending. They state
21 that they will be approved by March 27th. At that point in
22 time, HIWU will take over as the enforcement and testing
23 agency.

24 As Mr. Chaney alluded, we will be subcontracted,
25 as will the Maddy lab, to do all the testing, so that won't

1 change.

2 HIWU came out several weeks ago to Santa Anita and
3 Golden Gate Fields. Dr. Mary Scollay, who is the Chief
4 Veterinary Officer for HIWU, came out and had an hour
5 seminar to educate the horsemen on what to expect, when to
6 expect it, how things will change, and how things will work.
7 By and large, most of the programs that are in HIWU are
8 similar and parallel to what we currently do at CHRB.

9 Training of all test barn personnel and sample
10 collection individuals will occur in the next two weeks at
11 Los Alamitos, Golden Gate Fields, and Santa Anita. So that
12 will be a full day of training, six to eight hours,
13 including an exam following that training, to become HIWU
14 certified to do sample collection. All official
15 veterinarians, sample collectors, and test barn personnel
16 are required to attend that training in order to be
17 certified by HIWU.

18 As Scott mentioned, Dr. Barry Grant, a renowned
19 educator, veterinarian, clinician, and person, most
20 importantly, was recently appointed by Governor Gavin Newsom
21 to the California Veterinary Medical Board, and they're
22 getting a tremendous individual to serve on that Board. So
23 congratulations to Dr. Grant.

24 Earlier this week, I attended a regulatory vet
25 continuing education meeting. It was a RMTTC regulatory vet

1 CE program that occurred at Gulfstream Park. At that
2 meeting, which was a two-day meeting, Doctors Tim Grande,
3 Alina Vale, Ryan Carpenter, Dionne Benson, Laurie Bohannon,
4 and myself either all presented papers or presented topics
5 or served on industry panels. Topics included entry review
6 strategies, the panel monitoring system, the CHRB Mortality
7 Review Program, regulatory vet oversight of training and
8 welfare practices, racing safety and welfare, pre-race exams
9 and strategies, and live shed row exams.

10 I can honestly say that California was very well
11 represented on the program, as well as in the audience by
12 attendees from California. And it was very clear and
13 evident to me that our regulatory veterinarians and our
14 regulatory structure here in California under the umbrella
15 of the California Horse Racing Board are experts in the
16 field, not only on a local level, but on a national level.

17 A week ago, several members of this Board traveled
18 to Golden Gate Fields to meet with the trainers to discuss
19 the California Horse Racing Board panel review process,
20 regulatory vet interactions and processes, and it also gave
21 us an opportunity to listen to concerns of horsemen and to
22 also recognize the safety record of the horsemen and the
23 management team at Golden Gate Fields.

24 The Inclement Weather Policy we discussed, and
25 there are some issues that I'm working with, with UC Davis

1 to look at data that we collect under CHRB programs, as well
2 as data collected by the track superintendent to try to put
3 science to some of these presumptions of what a safe
4 racetrack is, what a sealed racetrack is, and how long it
5 takes for that track to normalize.

6 Regarding fatalities, in January there were eight
7 fatalities. One occurred in racing, five in training. Four
8 out of the five of the training fatalities were
9 musculoskeletal and one sudden death fatality. Two of the
10 eight fatalities in January were medical. Both were colics,
11 and both were referred to UC Davis School of Veterinary
12 Medicine. However, due to poor prognosis, they were
13 euthanized.

14 In February there were eight fatalities, three
15 occurred in racing, two of which were musculoskeletal and
16 one sudden death. Three occurred in training, one of which
17 was musculoskeletal, one accident, and one sudden death. Of
18 the eight that occurred in February, there was one colic and
19 one accident.

20 In 2022, sudden deaths accounted for 16 percent of
21 all fatalities in California, and this is an area of
22 research that needs to be developed, and it's an area that
23 we are looking into from CHRB's perspective.

24 Regarding the Maddy Lab report, in January there
25 were 912 out-of-competition test samples that were tested

1 for anabolic steroids, EPO, evidence in blood, hair, and
2 urine; 1,364 paired blood and urine samples were tested
3 post-race. Additionally, 38 official work bloods were
4 tested for horses to come off the vets list. In all
5 sampling, there were two Class 4 violations, one for
6 phenylbutazone, one for methocarbamol.

7 In February, there were 857 out-of-competition
8 samples, which tested including all work samples, all of
9 which were 38. There was 1,196 paired blood and urine post-
10 race samples tested, and 75 official work blood samples
11 tested. Of all samples tested in February, there was one
12 Class 4 violation, phenylbutazone.

13 That concludes my report, and I'm happy to answer
14 any questions.

15 VICE CHAIR GONZALES: Mr. Chairman, it was good to
16 join you at the Golden Gate Fields meeting with the
17 trainers. I want to just commend CTT, Alan Balch, and the
18 70 to 75 trainers who attended. Dr. Blea, Scott, and the
19 staff just did a great job of allowing the CHRB to
20 communicate directly with the trainers about our
21 expectations and also to hear from them about how we can
22 make the sport even safer. So again, I just want to commend
23 you on that.

24 And as we get ready to adjourn here, I know
25 there's still a few procedural things, but I want to just

1 point to an article that was posted in the *L.A. Times* today
2 for my fellow Commissioners to be sure they take a look at.
3 It was just a chapter in the past of a dark moment in this
4 country's history when Japanese Americans were interned at
5 Santa Anita. And I think it's an important read entitled,
6 *Forced To Live In Horse Stalls: How One of America's Worst*
7 *Injustices Played Out.*

8 And I really want to just say thanks to Santa
9 Anita for allowing for what appeared to be a walkthrough,
10 just some individuals who had family members interned, to
11 take a look at what once was a housing facility there. So
12 it's not lost on us that horse racing just has an up and
13 down history in this nation's history, and we as
14 Commissioners do our very best.

15 That said, I couldn't think of a better way to
16 honor Japanese Americans who were interned than to have one
17 of their own being embraced by the horse racing community.
18 For those who do know, Jockey Corey Nakatani, a Japanese
19 American who grew up here in the San Gabriel Valley, was
20 nominated for the first time to the Hall of Fame in 2022.
21 But I think it very well may be where we lend our support in
22 whatever way we can. You know, Corey Nakatani, Japanese
23 American, son of a bus driver, took up horse racing at an
24 early age and went on to become one of the more accomplished
25 riders, brought many Asian Americans to this great sport.

1 So if there's anyone in the industry that sees fit
2 to help out Mr. Nakatani to be back on the ballot, to pay
3 tribute to his accomplishments as an athlete, but also to
4 pay tribute to his family members who were interned here,
5 not far, it would be great. And anything the CHRB can do to
6 lend their voice for his efforts, it would be something that
7 I'd be willing to explore.

8 So, Mr. Chairman, that's all I got.

9 CHAIR FERRARO: Thank you, Oscar.

10 Anyone else?

11 COMMISSIONER ALFIERI: I'd just like to commend,
12 and I know that our Executive Director doesn't get much
13 praise, but I do think that to your efforts leading the team
14 to get that Rule 1867 approved, they approved it, but is a
15 big win, a big win, especially after what we were put
16 through the last couple years or over, yeah, two years.

17 So anyway, I commend you, Scott, and the team.

18 EXECUTIVE DIRECTOR CHANEY: Yeah, they deserve
19 their credit, so thank you for that.

20 CHAIR FERRARO: Okay, we'll have public comments
21 now.

22 Martha?

23 MS. SULLIVAN: I wanted to bring this up because
24 in my analysis of the 20 fatalities that this Board has
25 announced of horses so far in the 2023 racing season, 3 of

1 them have the same buyer, Mr. Big, and the same breeder,
2 George Krekorian. Big Future on January 8th was a
3 musculoskeletal injury and death in training at Los Al,
4 three years old. Big Talker on February 20th was a sudden
5 death in racing at Santa Anita at four years old. Big Laugh
6 on February 22nd was gastrointestinal colic at Golden Gate
7 at two years old.

8 This seems to be much more than a coincidence that
9 these three racehorses, between two to four years old, died
10 within a five-week period at three different racetracks with
11 the same buyer and breeder. I would suggest that this be
12 something that the Equine Medical Director have a look at.
13 It just, I mean, it just seems like, as I say, more than a
14 coincidence that three horses with the same buyer and
15 breeder have died within five weeks.

16 I'd also just like to say, this is a mantra of
17 mine, no legitimate sport would tolerate the deaths of 20 of
18 its athletes in three months in one state. This is almost
19 two horses a week at 11 weeks of the 2023 racing season that
20 started December 26th. And I know you all are very aware
21 that this is much worse than last year already.

22 CHAIR FERRARO: Thank you.

23 Bonnie Croker.

24 MS. CROKER: Thank you. I'm seeking the attention
25 of the Equine Medical Director and any safety investigators

1 that are here. I'm addressing horse and rider safety with
2 urgency as it pertains to Santa Anita's inherently dangerous
3 downhill turf course with the dirt crossing.

4 For four years Santa Anita has talked about making
5 safety alterations to this death trap, yet it has remained
6 unchanged since the tragic death of Arms Runner. On March
7 31st, 2019 during race four, horse two, Arms Runner, came
8 out some leaving the hill, took a bad step on the dirt
9 crossing, appeared injured, was vanned off and later
10 euthanized. Santa Anita actually closed the course for a
11 while, probably because it was determined that no other
12 horse had caused arms runner to fall. It was the course
13 that killed him.

14 Since reopening this dangerous course the
15 incidents, injuries, and deaths have continued. Just
16 recently, on February 11th, 2023, in Santa Anita's race nine
17 on the downhill turf with the dirt crossing, horse six,
18 Decorated My Life, sustained an injury and lost her rider on
19 the dirt. She was vanned off and later euthanized.

20 I work with a group that monitors every CHRB-
21 sanctioned race on every CHRB-sanctioned track in
22 California. When reading Equibase charts pertaining to
23 Santa Anita's downhill turf course with the dirt crossing,
24 the comments and footnotes are literally filled with
25 remarks, such as, "Took a bad step on the dirt, jumped the

1 dirt crossing, angled out to avoid crowding on the dirt,
2 clipped heels, tripped, bumped, bobbed on the dirt," et
3 cetera, et cetera, et cetera.

4 I'm asking the Equine Medical Director and any
5 investigators present for the sake of the horses and their
6 riders who get dumped on the dirt after the hill, please
7 shut this death trap down.

8 Thank you.

9 CHAIR FERRARO: Lori Saldaña.

10 MS. SALDAÑA: I haven't attended these meetings in
11 person for quite a while. I was surprised there was no
12 budget report because the California state budget is going
13 through quite a rollercoaster this year as much of our
14 economy is.

15 So I was looking over the budget online for the
16 Horse Racing Board and I've noticed that you've had some
17 increases in recent years even as the horse racing industry
18 is declining. And that concerns me as a retiree, a state
19 employee who's now retired, but for example, there is about
20 a 16 percent increase in salaries and wages over the last
21 three budget cycles. It's gone up about half a million
22 dollars from \$3.7 million to \$4.3 million. And you've added
23 about six positions as well. So about 48 positions listed
24 in the budget. So that's about a 12 percent increase in
25 positions.

1 If the state of California is going to underwrite
2 these changes, I think you need to take into account that
3 we're facing a budget deficit this year. And if the horse
4 racing industry is losing races because of this very rainy
5 year we're having, consider where some of these budget
6 shortfalls may have to be made up. So I want to bring that
7 forward.

8 In addition, I tend to look at numbers; I taught
9 business information technology for 20 years in addition to
10 serving in the legislature. And one thing I would always
11 tell my students in accounting and business technology, you
12 can never improve what you don't measure. And as others
13 have testified today, and I know it makes people
14 uncomfortable and many people left the room, a lot of horses
15 are dying in these races. And if you don't measure them
16 accurately, you can't improve those results.

17 And so when you fudge on the numbers, when horses
18 are shipped off, when official records are changed, you're
19 really defeating the whole purpose. You cannot improve what
20 you don't measure, and especially if you don't measure it
21 accurately, honestly, and with transparency.

22 So I would encourage this Board to consider that
23 as you make your reports. You will never solve this problem
24 if your measurements are not accurate.

25 Thank you.

1 CHAIR FERRARO: Thank you.

2 Heather Wilson.

3 MS. WILSON: Thank you, Mr. Chaney, for your
4 follow-up on the match racing. We don't get any advance
5 notice in the meeting packet for these agenda items, so I
6 had no way of knowing that you were going to talk about
7 that, so thank you so much. I do appreciate it.

8 When I visited Rancho Los Alamos, I found this on
9 the ground and I picked it up, and I keep this horseshoe on
10 my desk and I look at it every day. I think of these horses
11 very often.

12 I just wanted to comment on the inequality
13 regarding the treatment of horses and how rules apply to
14 them.

15 The horses breaking through the gate is an ongoing
16 problem. Two weekends ago at Los Al, five horses, a total
17 of five horses broke through the gate; only one was
18 scratched and the horse's name, very appropriately, Space
19 Flight. So this horse took off running, nobody could catch
20 him or her, so that horse was scratched. The other four
21 horses were not scratched.

22 And as I brought up at, I believe, the last
23 meeting, I attended the fiasco with Modern Games when you
24 thought he broke through the gate at the Breeders' Cup and
25 this horse was scratched. And then Dr. Blea explained that

1 there could be humeral stress fractures or shoulder
2 fractures due to popping through or forcing through a metal
3 gate and that is why he was scratched. But these horses
4 that break through all the time at Los Alamos are never
5 scratched. It's only when they can't be caught.

6 It happened at Santa Anita as well, although it
7 happens more at Los Al. Good Vibes only fully broke through
8 the gate and he took off, didn't get very far, and was just
9 reloaded. There was no discussion. There was no -- I mean,
10 I was watching. Not a single person laid their hands on
11 this animal to examine the shoulders, the arms, to see if
12 anything was wrong, so that's definitely a problem.

13 The sudden deaths. We heard a lot about Medina
14 Spirit. There are plenty of other horses that are
15 collapsing and dying from sudden death. Is there going to
16 be a big to do for Cailin Diana, who just collapsed and died
17 at Los Alamitos? Probably not, because her name was not
18 Medina Spirit and she did not have a famous or, I should
19 say, infamous trainer.

20 Thank you.

21 CHAIR FERRARO: Thank you.

22 Wayne Johnson.

23 MR. JOHNSON: You know, Dr. Ferraro, the most you
24 can do is offer a good apology, and I thank you very much
25 for offering that apology.

1 You and Dr. Blea took an oath a few years back to
2 preserve the health and welfare of animals.

3 Dr. Blea, whether it matters to you or not, I'm
4 happy to have you back. That's a positive, to have you
5 back. Welcome back. But please, when you're talking about
6 horses, please give their names. These horses died. They
7 have names, they have feelings.

8 Cailin Diana, Heza Valentine, Big Laugh, Big
9 Talker, Miakaza (phonetic), Cerulean, Actuator, Emma's
10 Dance, Tap Union, that's the names. We care about these
11 animals as I'm sure you do too. They have names. They
12 wanted to live as much as you and I.

13 CHAIR FERRARO: Thank you.

14 Do we have a list for --

15 EXECUTIVE DIRECTOR CHANEY: Number 12?

16 CHAIR FERRARO: -- number 12, Public Comment
17 period?

18 Ellen Ericksen.

19 MS. ERICKSEN: Ellen Ericksen.

20 Much is being made of California's lower kill
21 numbers. One of the things that the industry, led by The
22 Stronach Group, is supposedly doing more surgical repairs.
23 But history says that equine post-surgery survival rate is
24 low. The problem is the injured end up being euthanized.
25 With or without surgery, offsite will not as a rule show up

1 in public records. They are the lost dead.

2 There were over 70 injured on California tracks
3 since January 2020 to 2022 who have not been heard from
4 since. It fails this Board to tell us where the horses are.
5 Since you won't give me extra time to read over 70 names of
6 missing horses, I will provide you with a three-page list of
7 these horses' names.

8 The California Horsing Board is supposed to
9 protect horses and follow the rules set forth by the State
10 of California. Instead of protecting horses, you only
11 promote a cruel industry of racing, including gambling, drug
12 use at the tracks, alcohol consumption at the tracks,
13 prostitution at the tracks, doping of horses, and racing
14 them to death for profit.

15 One thing we never hear from any of you sitting on
16 the Board is the horses' names. You never discuss the
17 horses. They are just a commodity to the industry.

18 So I have a suggestion to rename this Board to the
19 CRB, California Racing Board, and take Horse out because you
20 act like horses aren't even part of this.

21 Thank you.

22 CHAIR FERRARO: Thank you.

23 Martha.

24 MS. SULLIVAN: I'm just going to give them my full
25 name, at least once during the meeting. I'm Martha

1 Sullivan.

2 CHAIR FERRARO: Martha Sullivan.

3 MS. SULLIVAN: I'm from San Diego County.

4 Sitting through this meeting, it was interesting.
5 I've been coming to these meetings for about three years now
6 and there are at least two issues that I and other of my
7 fellow activists and advocates have raised here that are now
8 being taken up in the industry.

9 One is aftercare for horses and what happens to
10 them when they can't race anymore. We started talking about
11 this three years ago, and we were marginalized and dismissed
12 and told it's not your responsibility to care what happens
13 to the horses after they can't race anymore. And now we
14 read about it all the time, about how this is a priority for
15 the industry because it's understood to be survival for the
16 industry because people care what happens to these horses
17 after they can't race anymore.

18 The other thing is the match racing, the illegal
19 match racing, which, again, we've been talking about before
20 this Board for I would say at least three years that I can
21 recall. So it's good to finally see that you are going
22 forward with some legislation. You're going to have a rule
23 coming forward.

24 So I guess the point I would like to make, and I
25 hope that you have seen it, I know we're an irritant. I

1 know we antagonize. I know you don't want to hear from us,
2 and you've made it very clear by not allowing remote
3 participation in your meeting, but we have had a positive
4 impact on this industry.

5 Thank you.

6 CHAIR FERRARO: Thank you.

7 Lori Saldaña.

8 MS. SALDAÑA: I have to agree with what Martha
9 Sullivan just said, that this public testimony does have an
10 impact on public perception, certainly, and that's how it
11 should be. Because the number one listed priority for this
12 Board or your responsibility is to take action in the
13 public's interest, not in the industry's interest, but in
14 the public's interest.

15 And that's a big reason why when you go into
16 closed session, you're going to see my name once again as a
17 settlement on a public -- a matter of public interest, which
18 is your lack of a social media policy and the fact that you
19 were using social media to promote the activities of this
20 Board, but then you were blocking people like myself and
21 others from accessing that.

22 And I say you collectively, because when we met
23 with the federal magistrate to work on the settlement that
24 you're going to be reviewing today, there was no policy.
25 Nothing was presented to us at the first meeting. And we

1 had to adjourn that meeting and request that the
2 representative from the State Attorney General's Office come
3 back and actually give us something of substance.

4 As I mentioned, I taught business information
5 technology for many years. I was on the early frontiers of
6 the Internet. And it was always funded with public dollars
7 to create it from the very beginning with DARPANET and here
8 we are now using it for public agencies. And yet the Horse
9 Racing Board violated our constitutional rights for
10 expression on your social media website.

11 So I'm stating that now in public comment before
12 you go into closed session, knowing that it won't be made
13 public until a future meeting. And that's one of the terms
14 of our settlement. I would like to have this discussed in
15 the same way that other limits on public participation have
16 been discussed. And I would like you to save some of the
17 state's money by having us be allowed to testify remotely,
18 which it might be the next lawsuit that you see coming your
19 way to force you to open up remote testimony.

20 So I wish you success in the closed session
21 meeting. And you'll probably be hearing more from me.

22 Thank you.

23 CHAIR FERRARO: Thank you.

24 Wendy Lemke. Is that correct? Did I pronounce it
25 correctly?

1 MS. LEMKE: Yes. Lucky. Thank you. I appreciate
2 this opportunity to speak this morning. Thank you to the
3 whole Board for having us here, me.

4 I represent a group of fans who are wondering and
5 researching what's become of our Swaps statue. Of all the
6 thoroughbreds to compete in California during the 1950s, no
7 one was more memorable than Swaps. With his beautiful
8 chestnut coat, his superb talent, he proceeded to become
9 arguably the greatest Cal-Bred of all time. Swaps won 19 of
10 25 starts, took no less than 15 stakes, was victorious at
11 five different tracks across the country, but his biggest
12 accomplishment was in 1955 when he became the second Cal-
13 Bred to win the Kentucky Derby. And he did so after winning
14 the Santa Anita Derby, making him one of the very finest
15 horses to sweep that unique double.

16 Swaps also became a legend of Hollywood Park in
17 1956 by winning five of six races, equaling or settling
18 multiple track records and world records, and taking the
19 prestigious races, like the American Handicap, the Hollywood
20 Gold Cup. No other horse has ever put together a meeting
21 like Swaps did that year.

22 During 1958, a statue of him with regular rider
23 Bill Shoemaker was found on display at the now-shuttered
24 Hollywood Park, the track of lake and flowers. Unveiled
25 less than a couple years after Swaps was retired, it debuted

1 to much fanfare and stood as a monument to this horse. For
2 nearly ten years, Swaps' statue has been in storage
3 somewhere. But the time has come to return it to the public
4 eye, and to do so would give fans a glimpse of his
5 greatness.

6 Swaps is synonymous with California racing and is
7 without question one of the best thoroughbreds to hail from
8 the Golden State. He possessed a level of power that went
9 unmatched forever in the hearts of fans everywhere.

10 Therefore, my group advocates that the statue of
11 Swaps respectfully asks -- we respectfully ask some sort of
12 initiative or some kind of attention to this symbol to bring
13 back from the shadows and into the eyes of the fans for
14 generations to come. With his success, Swaps and California
15 ties, Swaps deserves this tribute to be remembered. There's
16 been no other one like him. So any attention to bringing
17 the Swaps back in the public eye would be great. He's
18 somewhere at SoFi Stadium, apparently supposed to be
19 presented there, but it's been a long time. We'd love to
20 see him somewhere.

21 CHAIR FERRARO: Thank you.

22 MS. LEMKE: Thank you.

23 CHAIR FERRARO: Bonnie Croker.

24 MS. CROKER: A recent article published 03/10/23
25 on NationalGeographic.com was titled, How U.S. Race Horses

1 End Up On Your Dinner Plates.

2 "Although most Americans don't intentionally eat horse
3 meat, it was noted that the global horse meat pipeline
4 begins at poorly regulated U.S. auctions. Therefore,
5 the horrific suffering of horses destined for
6 slaughterhouses can be directly blamed on the United
7 States. About 20,000 U.S. horses, including race
8 horses, work horses, show animals, discarded pets, and
9 even wild horses are sold to slaughterhouses in Mexico
10 and Canada every year."

11 Here are some scenes described by witnesses in
12 National Geographic's article. I warn you, they are a far
13 cry from a sunny day at the racetrack.

14 "At a feedlot in Alberta, Canada, horses await their
15 death. In the winter, when temperatures can drop to
16 minus 30 degrees Fahrenheit, the snow-covered equines
17 huddle together for warmth. Only a handful of
18 employees are around to check on the animals.

19 Scavenger birds have picked over neglected carcasses.
20 A dead newborn foal is found frozen to the ground.

21 "The auction to slaughter pipeline remains notorious
22 for its suffering. Investigators of auctions, holding
23 pens, transport, and slaughterhouses have found horses
24 injured and starving. Witnesses have seen downed and
25 disabled horses dragged from trailers, beaten by their

1 handlers, and trampled by other horses.

2 "Retirement homes, like CARMA, for a few lucky
3 racehorses are a sweet idea, but the U.S. horse
4 industry breeds tens of thousands of surplus
5 thoroughbreds every year, then sells thousands of them
6 to breeding facilities in Japan."

7 America, stop breeding animals. Stop exploiting
8 animals. Kill racing, not horses.

9 Thank you.

10 CHAIR FERRARO: Thank you.

11 Heather Wilson.

12 MS. WILSON: What You Don't Know was a bay gelding
13 born in California, February 20th, 2012. He had many
14 clocked workouts at Santa Anita between 2014 and 2015, and
15 he was ready for his first start. What You Don't Know was
16 entered twice to run in California, once at Los Alamitos and
17 once at Santa Anita, but he was scratched both times.

18 Two months later, he popped up in Arizona. He
19 raced at Turf Paradise, then Arapahoe in Colorado, and then
20 back to Arizona but this at Rillito. For reasons that are
21 still not clear, When You Don't Know went six years in
22 between races. He was then entered to run at Rillito as an
23 11-year-old maiden.

24 When You Don't Know surprised everyone. He won
25 the race. The underdog came out on top, breaking his maiden

1 after all these years. Less than one month later he is
2 entered to run again at Rillito. This time, he was not so
3 lucky.

4 In the stretch, When You Don't Know is running
5 neck and neck with a horse approximately one-third his age,
6 a horse named Double the Gold. When You Don't Know doesn't
7 know it, but he is about to die. He just knows that he is
8 supposed to keep running. When You Don't Know then breaks
9 his right shoulder, collapsing in the dirt.

10 He was a California-Bred racehorse who worked out
11 at Santa Anita many times, never ranking very high, then
12 entered to run twice in California. Since he obviously
13 could not cut it here, he was dumped out of state.

14 When You Don't Know suffered unspeakably, dying a
15 horrific death.

16 When You Don't Know matters. It doesn't matter
17 that he maybe didn't win a whole bunch of races, that he
18 wasn't a stakes runner, that he wasn't some high-profile
19 horse. This was a horse who mattered.

20 Every single horse has a story. Most are never
21 told.

22 CHAIR FERRARO: Thank you.

23 Elvia Saldano -- Sedano, excuse me.

24 MS. SEDANO: Is the Executive and the Equine
25 Medical Director looking at the safety improvement suggested

1 by The Stronach Group in 2019?

2 After Decorated My Life sustained a leg injury
3 when the field crossed over the dirt track, Decorated My
4 Life was euthanized, according to track stewards, as
5 reported by *Daily Racing Form* on February 11th.

6 As reported in *BloodHorse* on July 18th, 2019
7 during the meeting of this Board, that date,

8 “In the long term, Ritvo said The Stronach Group is
9 even considering moving the turf course outside the
10 dirt track. The complete overhaul would eliminate the
11 need for the crossover in six-and-a-half furlong
12 races.”

13 Decorated My Life died in such a race on February
14 11th on the downhill turf course at Santa Anita.

15 Every race day at Santa Anita, we read of horses
16 stumbling over the dirt crossing in the Equibase race
17 charts. It is long past time for this safety improvement to
18 be made for the Santa Anita Race Track.

19 Thank you.

20 CHAIR FERRARO: Thank you.

21 Wayne.

22 MR. JOHNSON: Yeah. Thank you, Dr. Ferraro.

23 I'm all for a monument to Swaps. Let's do it.
24 But let's have a monument to In My Heart, Big Future, Al
25 Salam, Press On, Feeling Well, Party Game, 21 Texas

1 (phonetic), Merit Song, Decorated My Life, and Ultimate
2 Diva.

3 Thank you.

4 CHAIR FERRARO: Thank you, Wayne.

5 That concludes our Public Comments section.

6 The Board will now go into executive session. At
7 it's conclusion we will reconvene the public meeting for the
8 sole procedural purpose of adjourning the public meeting
9 without further comment. Anyone wishing to hear the meeting
10 adjournment can use the link to the audio webcast on the
11 CHRB website or return to the meeting room after the Board
12 concludes the closed session for adjournment. We ask
13 everybody to vacate the room, please.

14 (The Board adjourned into closed session from 12:45
15 a.m. until 1:11 p.m.)

16 CHAIR FERRARO: Motion to adjourn?

17 COMMISSIONER HUDNUT: So moved.

18 COMMISSIONER DAVIS: Davis seconds.

19 CHAIR FERRARO: Castellanos?

20 COMMISSIONER CASTELLANOS: Yes.

21 CHAIR FERRARO: Alfieri?

22 COMMISSIONER ALFIERI: Yes.

23 CHAIR FERRARO: Gonzales?

24 VICE CHAIR GONZALES: Yes.

25 CHAIR FERRARO: Davis?

1 COMMISSIONER DAVIS: Yes.

2 CHAIR FERRARO: Hudnut?

3 COMMISSIONER HUDNUT: Yes.

4 CHAIR FERRARO: Chairman votes yes. The meeting
5 is adjourned. Thank you all.

6 (The regular meeting of the California Horse Racing Board
7 adjourned at 1:12 p.m.)

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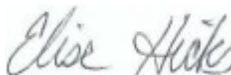
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CERTIFICATE OF REPORTER

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 28th day of March, 2023.



ELISE HICKS, IAPRT CERT**2176

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 28, 2023