

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of: )

)

Regular Meeting )

)

CALIFORNIA EXPOSITION AND STATE FAIR GRANDSTAND

1600 EXPOSITION BLVD

SACRAMENTO, CALIFORNIA

THURSDAY, APRIL 20, 2023

9:30 A.M.

Reported by:

Elise Hicks

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Damascus Castellanos, Commissioner

Wendy Mitchell, 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

Tony Allevato, NYRabets

Melanie Frank, NYRabets

Christina Macarthur

APPEARANCES

ALSO PRESENT

Bill Nader, TOC

Eric Sindler

## INDEX

PAGEAction Item:

1.	Approval of the minutes of March 16, 2023.	3
2.	Discussion and action by the Board regarding an amendment to the application for Advance Deposit Wagering (ADW) provider NYRAbets, LLC, pursuant to Board Rule 2072(I).	4
3.	Discussion and action by the Board regarding an amendment to the application for Advance Deposit Wagering (ADW) provider Game Play Network, Inc., pursuant to Board Rule 2072(I).	6
4.	Discussion and action by the Board regarding an amendment to the application for Advance Deposit Wagering (ADW) provider XpressBet, LLC,, pursuant to Board Rule 2072(I).	8
5.	Discussion and Action on the amendment to CHRB Rule 1902, Conduct Detrimental to Horse Racing, to penalize licensee involvement in non-recognized match racing.	10
6.	Discussion and action by the Board regarding the proposed amendments of CHRB Rule 1927, Fire Prevention, Rule 1928, Fire Regulations, Rule 2101,	18

## INDEX

PAGEAction Item:

Definitions, and Rule 2103, Habitable Rooms, to modify the requirements for racing associations to make adequate provisions for fire prevention, protection against fires, and fire suppression within CHRB inclosures.

- |    |  |    |
|----|--|----|
| 7. | Discussion and Action on the adoption of a Social Media Policy regarding the CHRB's social media platforms.  | 21 |
| 8. | Discussion and Consideration for Action regarding the Inclement Weather Policy as it relates to surfaces and returning to racing and training.   | 23 |
| 9. | Discussion and action by the Board on the Approval for the distribution from ADW market access fees for wagers placed by California residents on all live and imported races hosted by the Los Angeles Turf Club at Santa Anita for the period April 21, 2023, through June 20, 2023, to be utilized to fund a California co-op marketing program as permitted under Business & Professions Code section 19604(f)(5)(E). | 31 |

## INDEX

PAGEAction Item:

10. Reports 33
- A. Executive Director's Report.
- B. Equine Medical Director's Report
11. Public Comment: Communications, reports, requests --  
for future actions of the Board.
- Note: During the public comment period, a total of 30 minutes will be allowed for public comments via the teleconference line. After 30 minutes, no further comments will be accepted. Each person will be limited to two minutes.
12. Closed Session: For the purpose of receiving --  
advice from counsel, considering pending  
litigation, reaching decisions on administrative  
licensing and disciplinary hearings, and personnel  
matters, as authorized by section 11126 of the  
Government Code.
- A. The Board may convene a Closed Session to  
confer with and receive advice from its  
legal counsel regarding the pending  
litigation described in the attachment  
to this agenda captioned "Pending

## INDEX

PAGEClosed Session:

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).

13. Adjournment

45

1  
2 P R O C E E D I N G S

3 9:36 A.M.

4 THURSDAY, APRIL 20, 2023

5 CHAIR FERRARO: Ladies and gentlemen, this meeting  
6 of the California Horse Racing Board will please come to  
7 order. This is the regular noticed meeting of the  
8 California Horse Racing Board on Thursday, April 20, 2023,  
9 at the California Exposition and State Fair, Grandstand in  
10 Sacramento, California.

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

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

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

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

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

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

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

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

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 agenda item number 11, the Public  
6 Comment period. There will be a 30-minute time limit for  
7 public comment. In order to allow as many individuals to  
8 speak as possible within that half hour, I will strictly  
9 enforce the two-minute time limit for each unsolicited  
10 speaker.

11 And with that, we can begin our agenda, which  
12 begins with approval of the minutes for March 16th, 2022.

13 Are there any comments or motion?

14 COMMISSIONER DAVIS: Chair, I have just a minor  
15 correction on item 7. It says, "Discussion and." We need  
16 to add the word "action" on there.

17 CHAIR FERRARO: Okay. Do we have that recorded,  
18 item number 7, discussion and action, item number 7.

19 EXECUTIVE DIRECTOR CHANEY: Commissioner Davis,  
20 what number is 7? What was the topic or --

21 COMMISSIONER DAVIS: It's regarding the request  
22 for designation of 2023 allocated race dates for the  
23 combined fair horse racing meetings.

24 EXECUTIVE DIRECTOR CHANEY: Got it. I think  
25 that's right, because the Board did vote and approved it.

1 COMMISSIONER DAVIS: So I move approval, Davis.

2 EXECUTIVE DIRECTOR CHANEY: With that amendment?

3 COMMISSIONER DAVIS: Yes, with that amendment.

4 COMMISSIONER HUDNUT: Second.

5 CHAIR FERRARO: Alright.

6 Commissioner Hudnut?

7 COMMISSIONER HUDNUT: Yes.

8 CHAIR FERRARO: Commissioner Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Commissioner Gonzales?

11 VICE CHAIR GONZALES: Yes.

12 CHAIR FERRARO: Commissioner Mitchell?

13 COMMISSIONER MITCHELL: I'm going to abstain. I  
14 was not here.

15 CHAIR FERRARO: Correct.

16 Commissioner Davis?

17 COMMISSIONER DAVIS: Yes.

18 CHAIR FERRARO: And the Chairman votes yes.

19 Item number 2, discussion and action by the Board  
20 regarding amendment to the application for Advance Deposit  
21 Wagering provider NYRabets, LLC, pursuant to Board Rule  
22 2072.

23 EXECUTIVE DIRECTOR CHANEY: He wants you to be  
24 closer to the mic. Yeah.

25 CHAIR FERRARO: Do we have industry? Yeah, we do.

1 Okay.

2 Tony Allevato and Melanie Frank.

3 MR. ALLEVATO: Good morning. Is that better?

4 COMMISSIONER MITCHELL: Good morning.

5 VICE CHAIR GONZALES: Good morning.

6 CHAIR FERRARO: Go ahead. Yeah, we're here to  
7 amend our application to add Caesars, which is operating as  
8 a white label, which means that we will be taking the  
9 wagers, but there's the Caesar brand and marketing that will  
10 be attached to it.

11 We look at this as a great opportunity for  
12 California horse racing as Caesar's has a database of over  
13 10 million people in California that they can reach out to.  
14 And we look at it, as we see what's happening across the  
15 country with sports betting even though there's no sports  
16 betting in California, we do see those companies spending a  
17 lot of money on marketing and reaching out to customers.  
18 And we think it's a good opportunity for racing to reach a  
19 new group of fans and create new fans.

20 CHAIR FERRARO: Okay. Any questions from the  
21 Board?

22 Do we have public comment on this? None.

23 Can we have a motion to approve?

24 VICE CHAIR GONZALES: Gonzales moves.

25 CHAIR FERRARO: Second?

1 COMMISSIONER HUDNUT: Hudnut.

2 CHAIR FERRARO: Very good.

3 Commissioner Davis?

4 COMMISSIONER DAVIS: Yes.

5 CHAIR FERRARO: Commissioner Mitchell?

6 COMMISSIONER MITCHELL: Yes.

7 CHAIR FERRARO: Commissioner Gonzales?

8 VICE CHAIR GONZALES: Yes, sir.

9 CHAIR FERRARO: Commissioner Hudnut?

10 COMMISSIONER HUDNUT: Yes.

11 CHAIR FERRARO: Commissioner Castellanos?

12 COMMISSIONER CASTELLANOS: Yes.

13 CHAIR FERRARO: And the Chairman votes yes.

14 Congratulations.

15 MR. ALLEVATO: Thank you very much.

16 CHAIR FERRARO: That was an easy sell, wasn't it?

17 MS. FRANK: Thank you.

18 VICE CHAIR GONZALES: Thank you for being here.

19 MS. FRANK: Have a good day.

20 VICE CHAIR GONZALES: You too.

21 CHAIR FERRARO: Item number three is discussion

22 and action by the Board regarding amendment to the

23 application for Advance Deposit Wagering provider Game Play

24 Network pursuant to Board Rule 2072.

25 Christina MacArthur?

1 MS. MACARTHUR: Good morning.

2 CHAIR FERRARO: Good morning.

3 (Colloquy between Ms. MacArthur and A/V Representative)

4 MS. MACARTHUR: Okay. Good morning, Chairman  
5 Ferraro.

6 (Colloquy between Ms. MacArthur and A/V Representative)

7 MS. MACARTHUR: Good morning, Chairman Ferraro,  
8 Vice Chairman Gonzales, and Commission members. My name is  
9 Christina MacArthur and I'm appearing on behalf of Game Play  
10 Network and its amended ADW operating plan to reflect the  
11 integration of a new player account management system. I am  
12 here to answer any questions you may have on behalf of the  
13 Commission.

14 CHAIR FERRARO: Could you just explain again what  
15 the change is?

16 MS. MACARTHUR: So we will continue to operate in  
17 the same manner, we've just made some simple technology  
18 changes to integrate a third-party platform to operate our  
19 player account management system as opposed to our internal  
20 system.

21 CHAIR FERRARO: Okay. Great.

22 Any questions from the Board?

23 Comments? Public comments? None?

24 Mr. Hudnut?

25 COMMISSIONER HUDNUT: I move approval.

1 CHAIR FERRARO: Second?

2 COMMISSIONER DAVIS: Davis second.

3 CHAIR FERRARO: Okay. Commissioner Davis?

4 COMMISSIONER DAVIS: Yes.

5 CHAIR FERRARO: Commissioner Mitchell?

6 COMMISSIONER MITCHELL: Yes.

7 CHAIR FERRARO: Commissioner Gonzales?

8 VICE CHAIR GONZALES: Yes.

9 CHAIR FERRARO: Commissioner Castellanos?

10 COMMISSIONER CASTELLANOS: Yes.

11 CHAIR FERRARO: Commissioner Hudnut?

12 COMMISSIONER HUDNUT: Yes.

13 CHAIR FERRARO: Congratulations. Chairman votes  
14 yes, too.

15 MS. MACARTHUR: Thank you very much.

16 CHAIR FERRARO: Item number four, discussion and  
17 action by the Board regarding amendment to the application  
18 for Advance Deposit Wagering provider XpressBet pursuant to  
19 Board Rule 2072.

20 Scott, do you want to say anything?

21 EXECUTIVE DIRECTOR CHANEY: Sure. I don't think  
22 they have personnel here, so if the Board's not satisfied  
23 with my answers, you're welcome to push it off to next  
24 month. I did give them a little grace because they're the  
25 first ones to adopt the alternative -- the alternate picks

1 that we've been asking all the ADW companies to allow.

2 So they're asking for two amendments to their  
3 application, one is to add another company to the list of  
4 funding providers, which is pretty straightforward, and also  
5 adding a new wager, this concept of Quick Picks, which  
6 apparently they're using in other states at this time.

7 CHAIR FERRARO: Questions from the Board?

8 COMMISSIONER CASTELLANOS: Yeah.

9 Scott, can you give a little more explanation on  
10 that Quick Picks part? Because I know we discussed it at  
11 one time.

12 EXECUTIVE DIRECTOR CHANEY: Sure. Yeah, it's kind  
13 of an interesting concept. It's known as Quick Picks where  
14 they actually use AI to generate suggestions for their  
15 players for certain wagers. Interesting concept because we  
16 always ride the line of games of chance versus games of  
17 skill. And if it was just completely random and they had no  
18 choice, it would obviously not fall within our purview and  
19 not be allowed.

20 With their twist and the way it kind of works is  
21 that the AI generates the picks based on a number of top  
22 factors, and then the customer is given an opportunity to  
23 either agree with it or not. And so there is that extra  
24 piece of, yes, I agree with it, so go ahead and place the  
25 wager.

1 CHAIR FERRARO: These wagers are involving the  
2 exotic wagers; right?

3 EXECUTIVE DIRECTOR CHANEY: They are.

4 CHAIR FERRARO: Yeah. Any questions?

5 Public comment? None?

6 Can we have a motion?

7 COMMISSIONER DAVIS: Davis moves.

8 COMMISSIONER HUDNUT: Hudnut seconds.

9 CHAIR FERRARO: Okay. Commissioner Davis?

10 COMMISSIONER DAVIS: Yes.

11 CHAIR FERRARO: Commissioner Mitchell?

12 COMMISSIONER MITCHELL: Yes.

13 CHAIR FERRARO: Commissioner Gonzales?

14 VICE CHAIR GONZALES: Yes.

15 CHAIR FERRARO: Commissioner Hudnut?

16 COMMISSIONER HUDNUT: Yes.

17 CHAIR FERRARO: Commissioner Castellanos?

18 COMMISSIONER CASTELLANOS: Yes.

19 CHAIR FERRARO: The Chairman votes yes.

20 Item number five, discussion and action on the  
21 amendment to CHRB Rule 1902, Conduct Detrimental to Horse  
22 Racing, to penalize licensee involvement in non-recognized  
23 match racing.

24 Robert, do you want to start?

25 MR. BRODNIK: Yes. Good morning, Commissioners.

1 Robert Brodnik, California Horse Racing Board.

2 This amendment to Rule 1902 will prohibit the  
3 presence at or participation in any non-recognized race  
4 meet. And the intent of this regulation is to provide a  
5 pathway for prosecution for any licensees engaged in the  
6 conduct of illegal match racing.

7 I'm happy to answer any questions if you have any.

8 CHAIR FERRARO: What are our options for penalties  
9 on this?

10 MR. BRODNIK: So the proposal here would be to  
11 allow the stewards to hear the conduct that violates this  
12 rule, and the stewards are permitted to fine and suspend  
13 licensees. Stewards are also permitted under our  
14 regulations to refer matters that they feel they don't have  
15 a sufficient penalty for to the Board. So in that instance,  
16 commonly we would see that in revocations.

17 So if they felt that a matter deserved a  
18 revocation, they could refer it to the Board, and then the  
19 Board would go through our Chapter 5 proceedings through an  
20 ALJ with a proposed decision ultimately being rendered to  
21 you. That process is slower, candidly, but it does provide  
22 for revocation.

23 But no, the stewards, as they presently have under  
24 our regulations, can suspend a licensee up through the term  
25 of their license. They can also fine a licensee by statute,

1 I believe, up to \$100,000. So they carry a pretty  
2 significant bag of penalties, so to speak.

3 CHAIR FERRARO: And violation of Rule 1902  
4 generally carries suspension with it; doesn't it? Does it?

5 MR. BRODNIK: It's been my experience in seeing  
6 licensee cases that conduct detrimental to racing is  
7 typically viewed severely by the stewards. And so I would  
8 say that, generally, those type of cases carry a penalty of  
9 a suspension, the length of which I think is dependent on  
10 the severity of the violation, what it is.

11 CHAIR FERRARO: Correct.

12 MR. BRODNIK: So the idea here would be to amend  
13 that rule to prohibit presence at or participation in  
14 illegal match racing. And I think, you know, the stewards  
15 would be in a position to determine. You know, obviously, a  
16 jockey or a trainer who's found at one of these events is  
17 likely, you know, engaged more intimately in match racing  
18 than perhaps a groom or a spectator that we may find. And  
19 so it would, you know, permit the stewards to adjudicate  
20 that fairly and render a decision that they think is just.

21 CHAIR FERRARO: But the rule new -- the new rule,  
22 excuse me, it just, it could be penalized for just -- you  
23 don't have to participate, you just have to be present; is  
24 that correct?

25 MR. BRODNIK: That's correct. The rule, as

1 drafted, this draft is written quite broadly. And so staff  
2 has felt that, especially in light of the presentations that  
3 have been given, you know, and the Board's comments about  
4 how egregious this conduct is and the Board's stance on  
5 this, we felt that both providing a pathway for presence at  
6 would permit us to prove a case where someone's just  
7 presence, you know, like a groom or someone who was  
8 assisting, or an owner perhaps who may not have an active  
9 role like a jockey but nonetheless is assisting in the  
10 perpetuation of illegal match racing --

11 CHAIR FERRARO: Okay. Yeah.

12 MR. BRODNIK: -- would be someone that we would  
13 want to sanction as well.

14 CHAIR FERRARO: Okay. Any questions from the  
15 Board?

16 COMMISSIONER DAVIS: So I --

17 CHAIR FERRARO: Go ahead. Go ahead.

18 COMMISSIONER DAVIS: So we'll have investigators  
19 at these matches. How will we know, is my first question?

20 And second, presence seems a little harsh. If  
21 you're there because somebody told you have to be there  
22 because you work for them, you don't even want to be there,  
23 how will you account for that? Does that get fleshed out in  
24 the investigation and the discretion that the storage have?

25 MR. BRODNIK: Two great questions.

1           So to the first question, and I think this is  
2 something that the Executive Director and likely the Chief  
3 of Enforcement can speak to, but I don't believe that the  
4 intent is to envision our investigators to go beyond our  
5 inclosure to these locations.

6           I think what we have seen, especially in evidence  
7 that's been submitted to us, is that there's quite a bit of  
8 social media at these locations to include videos and  
9 pictures. And in my experience, prosecuting these types,  
10 prosecuting cases in general, I think that social media and  
11 evidence such as that, pictures, videos, with the proper  
12 foundation can often be sufficient, especially with our  
13 burden of proof in a licensing case.

14           So I don't think that we envision our  
15 investigators being involved in actually going to these  
16 locations, especially with, as we've heard, how dangerous  
17 they could be.

18           And then to the second part, to your point, I  
19 think the rule, to be candid, the rule does not specify  
20 that, so it would be left to the discretion of the stewards.  
21 And I would assume that a licensee who was maybe ordered by  
22 an employer to help, although that would still be a  
23 technical violation of the rule, assuming that they could  
24 present some sort of defense that tries to mitigate that,  
25 then I would assume that the stewards would take that into

1 consideration and issue a penalty that's reflective of that  
2 conduct. But yes, there's no differentiation. It's just  
3 we're strictly prohibiting this conduct.

4 VICE CHAIR GONZALES: Good presentation on an  
5 important issue here, Rob.

6 To give the stewards maximum flexibility, how will  
7 we address, let's just call it, like the second-level  
8 participants, like let's say transportation companies, feed  
9 companies, farriers, veterinarians, others that, you know,  
10 may not be directly involved but they may have some, let's  
11 say, fingerprints on the activity? How will we empower the  
12 stewards to be able to identify them as well?

13 I mean, I could drop, you know, drop a variety of  
14 scenarios. But, you know, just there's others in the  
15 profession that I could probably add to that list. So how  
16 will they be handled, like let's say a transportation  
17 company that does business is dropping off and picking one  
18 up, as just an example? How would we handle that?

19 MR. BRODNIK: I think that's a great question. I  
20 think it will be dependent, frankly, on the type of evidence  
21 that we're able to collect in a situation like that. To the  
22 extent that the transportation company, you know, we have  
23 witnesses or some way to prove that they were engaged in it  
24 and they understood, you know, what they were doing and that  
25 the farm wasn't a farm but rather a location that was

1 engaged in match racing, I think that's all, you know,  
2 frankly, a judgment call that'll be made both at the level  
3 of filing and then again at the steward's level.

4 So I don't know that I have a great answer. I  
5 think it's just going to be fact specific.

6 VICE CHAIR GONZALES: Sure thing. As long as we  
7 can broaden that out, so if you've got a license and you've  
8 got any association, they may, you know, have been just drug  
9 into an environment that they didn't know, but just so long  
10 as we're not giving any kind of escape routes for anybody  
11 that has a license to do business in a CHRB inclosure that  
12 is going out there and being rogue.

13 So, alright. Excellent.

14 CHAIR FERRARO: Anyone else have a comments

15 EXECUTIVE DIRECTOR CHANEY: If I may, Mr.

16 Chairman?

17

18 CHAIR FERRARO: Yes. Go ahead.

19 EXECUTIVE DIRECTOR CHANEY: Thanks, Rob. Staff  
20 worked really hard on putting this together and we went  
21 through a few iterations.

22 I want to thank Los Alamitos. Dr. Allred and  
23 Cathy Monji and Jack Liebau have been really engaged in this  
24 for a number of years, but especially since the PETA  
25 presentation. Jack actually gave some comments on this. I

1 mean, he suggested a little more specific approach. I think  
2 both Rob and I felt that the presence and participation was  
3 purposely broad so we could capture some of those cases  
4 about what you just spoke.

5 But it's a small piece, it's groundbreaking.  
6 Hopefully other states will, as once again, California will  
7 probably be the first one to outlaw or make a violation of  
8 this specific behavior, hopefully other states will follow.  
9 But this is only a piece because we recognize the  
10 evidentiary issues.

11 To PETA's credit and other animal welfare  
12 advocates, they have provided the evidence that they  
13 promised to us in terms of photographs and things like that  
14 from these events. But there are going to be other pieces,  
15 as I described I think last month, including amending the  
16 state statute. And now there's real talk of some sort of  
17 federal legislation.

18 VICE CHAIR GONZALES: Great.

19 MR. BRODNIK: Yeah.

20 VICE CHAIR GONZALES: Great. Good work.

21 CHAIR FERRARO: Anything else? Can I have a  
22 motion?

23 COMMISSIONER DAVIS: Davis moves.

24 CHAIR FERRARO: Second? Motion to approve this  
25 rule; right?

1 COMMISSIONER DAVIS: So moved.

2 COMMISSIONER HUDNUT: Second. Hudnut.

3 CHAIR FERRARO: Commissioner Davis?

4 COMMISSIONER DAVIS: Yes.

5 CHAIR FERRARO: Commissioner Mitchell?

6 COMMISSIONER MITCHELL: Yes.

7 CHAIR FERRARO: Commissioner Gonzales?

8 VICE CHAIR GONZALES: Yes.

9 CHAIR FERRARO: Commissioner Castellanos?

10 COMMISSIONER CASTELLANOS: Yes.

11 CHAIR FERRARO: Commissioner Hudnut?

12 COMMISSIONER HUDNUT: Yes.

13 CHAIR FERRARO: The Chairman votes yes. Motion  
14 approved.

15 Item number six, discussion and action by the  
16 Board regarding proposed amendments to CHRB Rule 1927, Fire  
17 Prevention Rule, 1928, Fire Regulations, Rule 2101,  
18 Definitions, and Rule 2103, Habitable Rooms, to modify the  
19 requirements for racing associations to make adequate  
20 provisions for fire prevention protection against fires and  
21 fire suppression within CHRB inclosures.

22 Amanda, are you going to present anything or are  
23 you going to do it?

24 EXECUTIVE DIRECTOR CHANEY: Yeah, I can kind of  
25 kick things off and I'll get an assist from Amanda, who

1 helped, who is instrumental in creating the language.

2           As this Board knows, our fire regulation is quite  
3 old and, frankly, almost impossible to -- tracks have a  
4 tough time applying it. And as you see from their license  
5 applications, often have to ask for exemptions and  
6 extensions.

7           And so we've been thinking about and wanting to  
8 change it for some time to make it easier to comply with,  
9 but at the same time maintaining the same fire protections.  
10 It became a lot easier when HISA passed their regulation  
11 because they have a rule in this area, so we are technically  
12 preempted. So what we've done is taken the direct language  
13 out of their rule in order to amend ours.

14           Two notes. We do keep the fire clearance  
15 requirement, but we changed it from requiring it 45 days  
16 before a meet starts because it just doesn't -- A, fire  
17 departments can't come out multiple times per year, it  
18 doesn't happen in the real world, and secondly, most of our  
19 tracks operate year round, either for racing and/or  
20 training. So we changed the clearance requirement to be  
21 continuously in place while you have people or horses there.

22           One other note, the first iteration of the Board  
23 packet was amended. We got a comment from The Stronach  
24 Group's attorney, Eric Sindler, who made a comment about  
25 requiring a specific language on the clearance, which has

1 also been burdensome to -- local fire departments just won't  
2 do that. They have a standard clearance at the issue. So  
3 we tweaked the language a little bit, and that was uploaded  
4 to both the public and private -- the confidential packets,  
5 as well as some hard copies today.

6 So I think going off the latest suggested  
7 amendments are what staff is recommending.

8 CHAIR FERRARO: Anything to add, Amanda?

9 MR. BRODNIK: Amanda Brown, Staff Counsel. I  
10 don't.

11 I'll just add that the current language for Rule  
12 1927 is on page 439 in the packet.

13 CHAIR FERRARO: Okay. Questions from the Board?  
14 Public comment? None?

15 Do we have a motion?

16 COMMISSIONER CASTELLANOS: Castellanos. Motion.

17 COMMISSIONER DAVIS: Davis seconds.

18 CHAIR FERRARO: Commissioner Hudnut?

19 COMMISSIONER HUDNUT: Yes.

20 CHAIR FERRARO: Commissioner Castellanos?

21 COMMISSIONER CASTELLANOS: Yes.

22 CHAIR FERRARO: Commissioner Gonzales?

23 VICE CHAIR GONZALES: Yes.

24 CHAIR FERRARO: Commissioner Mitchell?

25 COMMISSIONER MITCHELL: Yes.

1 CHAIR FERRARO: Commissioner Davis?

2 COMMISSIONER DAVIS: Yes.

3 CHAIR FERRARO: The Chairman votes yes. Let's  
4 make it clear that our fire regulations are still stringent,  
5 we're just changing the way they're imposed.

6 Okay, item number seven, discussion and action on  
7 the adoption of a Social Media Policy regarding the CHRB  
8 social media platforms.

9 Robert?

10 MR. BRODNIK: Good morning, again, Commissioners.  
11 Robert Brodnik, California Horse Racing Board.

12 As you may know, the Board utilizes social media  
13 to post content related to the Board's activities, such as  
14 notices, meeting notices. This proposed policy will  
15 establish a standard for the type of conduct -- or excuse  
16 me, content that's allowed to be posted by a commenter, and  
17 the procedure for determining whether the posted content is  
18 permitted and should remain.

19 So proposed is both an internal policy and an  
20 external public-facing document that would indicate the  
21 types of content that would be problematic. And the  
22 proposal would be to adopt this policy where if there was  
23 content that was flagged, there would be a fairly  
24 significant internal review before any such content was  
25 removed.

1 CHAIR FERRARO: And following internal review, who  
2 would make the ultimate decision as to what to do?

3 MR. BRODNIK: The Executive Director. So the  
4 content would be flagged by the IT specialist who monitors  
5 our social media platforms. That content would remain and  
6 not be taken down, it would remain and be flagged and then  
7 reviewed internally by myself and Staff Counsel Brown. And  
8 then, you know, then our recommendation would then go to the  
9 Executive Director who would make the determination.

10 CHAIR FERRARO: Questions from the Board?

11 Comments? No?

12 Do we have a motion?

13 COMMISSIONER CASTELLANOS: Castellanos. Motion.

14 CHAIR FERRARO: Second?

15 COMMISSIONER HUDNUT: Hudnut. Second.

16 CHAIR FERRARO: Commissioner Davis?

17 COMMISSIONER DAVIS: Yes.

18 CHAIR FERRARO: Commissioner Mitchell?

19 COMMISSIONER MITCHELL: Yes.

20 CHAIR FERRARO: Commissioner Gonzales?

21 VICE CHAIR GONZALES: Yes.

22 CHAIR FERRARO: Commissioner Castellanos?

23 COMMISSIONER CASTELLANOS: Yes.

24 CHAIR FERRARO: Commissioner Hudnut?

25 COMMISSIONER HUDNUT: Yes.

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

3 Discussion in action and consideration for action  
4 regarding the Inclement Weather Policy as it relates to  
5 surfaces and returning to racing and training.

6 Scott, do you want to start?

7 EXECUTIVE DIRECTOR CHANEY: Sure. I think Dr.  
8 Blea will have some comments as well.

9 As the Board remembers, we talked about the  
10 inclement weather policy last month. Dr. Blea made some  
11 suggestions with respect to amending it. Just to kind of  
12 refresh the Board's memory, we established it about two  
13 years ago for the first time. HISA clearly liked it and  
14 used the -- and also, when they went into effect last July,  
15 requires each state and/or track, if that's the route the  
16 states go, to establish their own inclement weather policy.

17 After both, you know, two years of experience and,  
18 frankly, the inordinate amount of rain we've had over the  
19 last three or four months, we found some areas that we think  
20 can be improved and actually made stricter. Based on Dr.  
21 Blea's comments last month, staff made suggestions with  
22 respect to amendments to -- and this will be the first time  
23 that the Inclement Weather Policy has been amended since you  
24 passed it two years ago.

25 One additional note. Tracks agreed to adopt it as

1 part, and follow it, as part of their licensure process. So  
2 that's how -- it's not a regulation, rather a procedure that  
3 they adopt when they're licensed.

4 EQUINE MEDICAL DIRECTOR BLEA: Good morning. Dr.  
5 Jeff Blea, Equine Medical Director.

6 As it's written in your packet is the new amended  
7 language to the Inclement Weather Policy. As Scott  
8 indicated, we reviewed this year due to the tremendous  
9 amount of rainfall we had, especially in Southern California  
10 on the dirt surfaces. Essentially this is for both training  
11 and main track, but it pertains to training specifically.

12 So regarding training, after a sealed event on a  
13 racetrack the recommendation is the first 24 hours after  
14 that sealed track has been opened or harrowed, exercise will  
15 be limited to jogging only. The second 24 to 48 hours will  
16 be based upon or at the discretion of the track  
17 superintendent based upon the amount of rainfall, predicted  
18 weather, and the condition of the track, with the emphasis  
19 being on the safety of the resources for training.

20 There is some discussion regarding this policy.  
21 As we all know, weather is unpredictable. A couple of items  
22 that have been raised recently with the Breeders' Cup coming  
23 to Santa Anita this fall, what happens if we get a rain  
24 event and the track is sealed? Again, this policy will only  
25 affect training, it will not affect racing. That condition

1 on racing is based upon the recommendation of the track  
2 superintendent that it's a safe surface. So this policy is  
3 referring to training primarily.

4           Secondly, there's a concern or a point was brought  
5 up that what if the track was sealed and the rain never  
6 came? Well, in some instances, that's a good thing.  
7 However, for example, if the track is sealed today,  
8 expecting rain throughout the day and we don't experience a  
9 rain event, the track is evaluated at midnight and cut down  
10 to normal depth, can those horses breeze the following day  
11 following a sealed event? I understand the sentiment,  
12 however, the fact of the matter remains that they would be  
13 breezing or high-speed exercises following a sealed event.

14           So I think our policy is consistent. We can't  
15 predict the weather, but I think it's the best solution and  
16 resolution as far as the safety issue is concerned.

17           So I'm happy to answer any questions that you may  
18 have.

19           CHAIR FERRARO: Well, there's no doubt that the  
20 Inclement Weather Policy has contributed significantly to  
21 the safety of horses as it stands; correct? I mean, we've  
22 had -- it's made a big difference compared to 2019.

23           EQUINE MEDICAL DIRECTOR BLEA: I think it's made a  
24 tremendous difference. And I think there's been quite of an  
25 adaptive effort on horsemen's part to evaluate that surface

1 more carefully rather than just to plan on breezing on a  
2 particular day. So the fact that they have to jog the first  
3 day, I think, has been pretty impactful, and I think that's  
4 been pretty evident, especially this year in Southern  
5 California.

6           There's some concern that there's a lot of loose  
7 horses. Horses, you know, they walk a day because the track  
8 is sealed, they come on the next day, they jog. They may  
9 not be able to be trained under sedatives because there's a  
10 race coming up. I recognize that. I will say that,  
11 speaking to several horsemen, if you jog those horses in the  
12 same direction, you tend to have fewer problems as far as  
13 safety goes.

14           CHAIR FERRARO: Correct. And regarding the no-  
15 rain event, in spite of the fact that the track has been  
16 harrowed, I wouldn't consider the day after a sealed track  
17 to be back to a normal track, would you?

18           EQUINE MEDICAL DIRECTOR BLEA: No, I would not.

19           CHAIR FERRARO: So, I mean, the worst-case  
20 scenario is no rain, they miss a day of -- or miss a breeze  
21 and have to put it off a day. That's the worst that could  
22 happen to them; correct?

23           EQUINE MEDICAL DIRECTOR BLEA: Correct. Worst-  
24 case scenario is they jog one day and they would have to  
25 delay that breeze or high-speed exercise a 24-hour period.

1 CHAIR FERRARO: Correct.

2 Any questions from the Board?

3 COMMISSIONER HUDNUT: I just have one question,  
4 Doctor. Have you had much pushback from trainers on this?

5 EQUINE MEDICAL DIRECTOR BLEA: You know, any  
6 change comes with pushback. The fact that they can only  
7 jog, there's been quite a bit of not so much pushback, but  
8 they've adapted quite well.

9 COMMISSIONER HUDNUT: Grudging compliance.

10 EQUINE MEDICAL DIRECTOR BLEA: Well, I don't say  
11 grudging. You know, I understand the position they're in,  
12 and they're on a schedule. But at the end of the day, we  
13 race year-round, we want to continue to race year-round, so  
14 they've been very adaptive, in my opinion.

15 COMMISSIONER HUDNUT: Good. Thank you.

16 CHAIR FERRARO: Any other questions?

17 VICE CHAIR GONZALES: Yeah, Doc, not so much a  
18 question, just really a big thanks to everyone who's been  
19 involved with this. This has been ongoing.

20 You know, I just envision horsemen, in  
21 anticipation of bad weather, just that push to try to get  
22 their horses' works in. And I'm pretty confident that the  
23 vet community and everybody else will just make sure that  
24 they're being especially vigilant, because I know if I had a  
25 horse that might not be able to work, I would try to, I

1 guess, accelerate, you know, or get ahead of, you know, the  
2 program, so to speak.

3 So I'm confident that, you know, all the  
4 professionals know that, you know, everybody knows when bad  
5 weather's coming, so they're going to try to frontload, I  
6 guess that's what I'm looking for, kind of frontload the  
7 workouts, so that's one.

8 Then the other thing is just, I know when we think  
9 of inclement weather, we're thinking primarily of rain, but  
10 as we have discussed here, just about the heat, you know,  
11 and what we do there. I do know that the CARF and the Cal  
12 Expo community are going to be taking a look at when, you  
13 know, racing happens here. I'm still hoping that they can  
14 come up with a good approach so that when it gets to, you  
15 know, being hot around here, that we're taking care of the  
16 horses.

17 So other than that, Doc, just great job on this.  
18 And it's good to know that you've been engaged in the  
19 horsemen. I fully support it.

20 EXECUTIVE DIRECTOR CHANEY: Just to kind of add to  
21 what Dr. Blea said, and to answer Commissioner Hudnut's  
22 question, we did two town halls with trainers. And thanks  
23 for the CTT for organizing it. The Chairman, Vice Chairman,  
24 Dr. Blea, myself, and Daryl McHargue was there.

25 And kind of the two things we heard from trainers

1 in this area was, one, they want more flexibility in the  
2 protocol, which is a little bit difficult. And we sort of  
3 found that if there's flexibility, you know, the track, the  
4 association itself and the trackman or track person get a  
5 lot of pressure from the trainers. And so sometimes it's  
6 good to have a set policy that they can hide behind, and the  
7 CHRB doesn't mind being that person.

8           But the other interesting thing, I thought, we  
9 heard from one trainer was they kind of like the strictness  
10 of the policy, because if some trainers decide to work on  
11 what might not be the best track, they also feel pressure to  
12 work as well, even if they think it's the wrong thing. So  
13 in some ways, having like a set policy this way protects  
14 kind of both trainers, if you will.

15           CHAIR FERRARO: The other thing I would comment on  
16 is I think it's natural, you know, when we came into this in  
17 2019, after that disastrous year in terms of injuries, and  
18 we started making policies, people went along with them and  
19 realized that they needed to do something.

20           Now it's two or three days -- two or three years  
21 later and things are going well and, you know, so the  
22 tendency is that, well, you know, maybe we don't need to  
23 have such a strict policy regarding inclement weather, or  
24 maybe we don't need to have such a strict policy regarding  
25 medication. But I think memory is short, you know? You

1 don't remember where we were and how far we've come.

2           So I think it's important to maintain our position  
3 in terms of what we're doing for the health and welfare of  
4 horses and not to forget that mission.

5           EQUINE MEDICAL DIRECTOR BLEA: I will add to your  
6 comment briefly is, you know, this winter has been a good  
7 example of that, and we haven't had these issues in several  
8 years. But I can confidently say, the modifications the  
9 trainers and the horsemen have made and the patience of the  
10 owners has made a difference. And I think this policy  
11 continues that and helps them to feel better with their  
12 modifications as far as their programs go.

13           CHAIR FERRARO: Commissioner Hudnut?

14           COMMISSIONER HUDNUT: No questions. I would be  
15 willing to make a motion.

16           CHAIR FERRARO: Go ahead.

17           COMMISSIONER HUDNUT: I move approval of the item.

18           COMMISSIONER CASTELLANOS: Castellanos. Second.

19           CHAIR FERRARO: Commissioner Davis?

20           COMMISSIONER DAVIS: Yes.

21           CHAIR FERRARO: Commissioner Mitchell?

22           COMMISSIONER MITCHELL: Yes.

23           CHAIR FERRARO: Commissioner Gonzales?

24           VICE CHAIR GONZALES: Yes.

25           CHAIR FERRARO: Commissioner Castellanos?

1 COMMISSIONER CASTELLANOS: Yes.

2 CHAIR FERRARO: Commissioner Hudnut?

3 COMMISSIONER HUDNUT: Yes.

4 CHAIR FERRARO: And the Chairman votes yes  
5 enthusiastically.

6 Item number nine, discussion and action by the  
7 Board on the approval for the distribution from ADW market  
8 access fees for wagers placed by California residents on all  
9 live and imported races hosted by the LATC at Santa Anita  
10 for the period April 21st, 2023 through June 20th, 2023 to  
11 be utilized to fund a California co-op marketing program as  
12 permitted under Business and Professions Code  
13 19604(f)(5)(E).

14 Gentlemen?

15 MR. NADER: Good morning, Chairman, Commissioners.  
16 Bill Nader with the TOC, and to my right, Eric Sindler from  
17 Santa Anita.

18 This request is for an increase in the deduction  
19 which funds the co-op marketing agreement or the co-op  
20 marketing program which has been in place for a number of  
21 years. The request is based on return on investment as the  
22 business justification to propose the increase. The program  
23 has been successful in stimulating handle and, also,  
24 increasing field size. And so that's a given cause for the  
25 recommendation to increase the rate.

1 CHAIR FERRARO: Eric?

2 MR. SINDLER: I got nothing to add. I think you  
3 did perfect.

4 CHAIR FERRARO: Come on, Eric.

5 MR. SINDLER: I guess I did fly up here, so --  
6 but, no, it's nice to be here, that we have to ask for more  
7 money because everything is going so well, as opposed to the  
8 other way where we could be saying things aren't going well.  
9 So it is nice to see these programs are working so well we  
10 need more money for them.

11 CHAIR FERRARO: Good. Very good.

12 Questions from the Board?

13 Public comment? None?

14 A motion?

15 COMMISSIONER DAVIS: Davis moves.

16 COMMISSIONER MITCHELL: Second.

17 CHAIR FERRARO: Commissioner Hudnut?

18 COMMISSIONER HUDNUT: Yes.

19 CHAIR FERRARO: Commissioner Castellanos?

20 COMMISSIONER CASTELLANOS: Yes.

21 CHAIR FERRARO: Commissioner Gonzales?

22 VICE CHAIR GONZALES: Yes.

23 CHAIR FERRARO: Commissioner Mitchell?

24 COMMISSIONER MITCHELL: Yes.

25 CHAIR FERRARO: Commissioner Davis?

1 COMMISSIONER DAVIS: Yes.

2 CHAIR FERRARO: And the Chairman votes yes. Carry  
3 on, gentlemen.

4 MR. NADER: Thank you.

5 CHAIR FERRARO: You're doing good work.

6 We move on to our Executive Director and Equine  
7 Medical Directors' Reports.

8 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.  
9 Chairman, and good morning, Commissioners.

10 I will begin with the handle report for the month  
11 of March. Day racing is down one percent, night racing  
12 handle is down one percent, and total handle is down one  
13 percent as compared to March 2022. Year to date, day racing  
14 is down eight percent, night racing is down ten percent, and  
15 total handle is down eight percent as compared to the first  
16 quarter of 2022. Obviously, with the inordinate amount of  
17 rain and numerous race day cancellations, the eight percent  
18 decrease for the year to date could have been much worse.

19 Regarding HISA, the Anti-Doping and Medication  
20 Control Program administered by HIWU went into effect on  
21 March 27th. California participated in testing three race  
22 cards, two at Santa Anita and one at Golden Gate Fields, as  
23 well as some out-of-competition testing, mostly for removal  
24 from the vet's list. After five days, the program was  
25 temporarily enjoined by a court in Texas. The

1 implementation was stayed for 30 days, meaning the program  
2 is now set to resume on May 1st.

3 Frankly, it was an interesting experiment of  
4 sorts. And I believe that both HIWU and the CHRB learned a  
5 few lessons with respect to how the process could be  
6 handled -- or improved, rather.

7 Continuing our practice, we started at the last  
8 meeting, I'd like to recognize a few CHRB personnel who have  
9 attended this meeting, Sacramento Area Investigators Hunter  
10 Bartholomew and Jose Flores, who was just sworn in this  
11 morning over at headquarters -- oh, sure, if you guys could  
12 stand up, that would be great -- are here today, because I  
13 sort of want to encourage them to introduce themselves to  
14 Commissioners and so on.

15 Executive Assistant Rita Baker is here, head of  
16 HR, Sarah Hostetter. I'm going to butcher, probably, your  
17 titles, but HR personnel, Jennifer Schmall, head of Policy,  
18 Regs, and Hearings, Amanda Drummond, another new employee in  
19 Contracts and Procurement, Tyler Evans. I thought Francisco  
20 Gonzales was coming but I don't see him. And of course, you  
21 know Rob and Amanda, as well as Cynthia and Mark.

22 Anyway, as always, I'd like to thank all CHRB  
23 staff and contractors for the work and dedication.

24 Lastly, the next Board meeting will be held on  
25 Thursday, April 18th, here in Sacramento.

1 CHAIR FERRARO: May 18th. May 18th.

2 EXECUTIVE DIRECTOR CHANEY: May 18th. Thank you.

3 My mistake was I didn't send this to Rita to edit for me  
4 the day before. Yeah, that's what I get.

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

6 CHAIR FERRARO: Thank you.

7 Dr. Blea?

8 EQUINE MEDICAL DIRECTOR BLEA: Good morning again,  
9 Mr. Chairman, Mr. Vice Chairman, and Commissioners. I'll  
10 begin my report with the HIWU, Horse Racing Integrity  
11 Welfare Unit, training.

12 The HIWU training for all CHRB sampling and  
13 testing personnel was completed recently in March. Kudos,  
14 and I mean kudos, go out to Cynthia Alameda and the tracks,  
15 all the racetracks, Los Alamitos, San Luis Rey, Golden Gate  
16 Fields, and Santa Anita, of course, for scheduling this  
17 training and accommodating this training. This was not an  
18 easy accomplishment. The training was difficult to  
19 coordinate, and we were pushing pretty hard to get this  
20 completed prior to the initiation of the program on March  
21 27th.

22 As such, we were able to operate under the new  
23 program for a few days, as Scott mentioned. And I have to  
24 say that I was quite impressed with the commitment of all  
25 CHRB personnel to engage in the training and adapt to the

1 new systems extremely efficiently. Moving forward to May 1,  
2 the implementation of HIWU, once again, I'm very confident  
3 that our teams are prepared to handle the tasks.

4 The Inclement Weather Policy we've discussed, so I  
5 won't even -- I won't bore you with that.

6 Recently, with the advent of -- or the  
7 implementation of HIWU, there's a lot of consternation among  
8 horsemen regarding the rules, medication, withdrawal times,  
9 guidelines, vet list programs, rules that CHRB has that are  
10 in the same space as HIWU, so there's quite a bit of  
11 confusion.

12 So with the help of Alan Balch and the CTT, we  
13 have put together a trainer resource guide that we will make  
14 available to horsemen prior to the anticipated onset of HIWU  
15 on May 1st. This will provide horsemen a document that they  
16 can keep in their office in a folder that they can refer to  
17 regarding medication withdrawal times, detection times, vet  
18 list requirements, and other rules that are often somewhat  
19 confusing to the horsemen. So it's a way -- it's basically  
20 a two-sided one-pager that horsemen can have available to  
21 refer to in order to assist them in navigating some of these  
22 changes under HIWU.

23 Regarding Maddy Lab, several Commissioners were up  
24 at the Maddy Lab yesterday and were hosted to a tour, which  
25 included the treadmill tour of a horse on the treadmill,

1 which is always exciting, a little bit breathtaking for  
2 some.

3           In March, the Maddy Lab tested 1,476 post-race  
4 samples in blood and urine, including 27 work bloods.  
5 Furthermore, there were 966 out-of-competition samples  
6 tested by the Maddie Lab for substances such as EPO,  
7 anabolic steroids, post-mortem samples, hair, and evidence  
8 samples. All samples accounted for adverse findings,  
9 including phenylbutazone, methocarbamol, flunixin,  
10 ketoprofen, detomidine, and TORBUGESIC. In all these  
11 findings in March, there were two positives, one was a post-  
12 race phenylbutazone violation, and one vet-less worker  
13 violation for methocarbamol. Both of these violations are  
14 4C classifications.

15           In California, in March, there were four  
16 fatalities, two musculoskeletal in racing, one sudden death  
17 in training, and one medical fatality that was referred to  
18 UC Davis and was euthanized at the hospital.

19           This concludes my report, and I'm happy to answer  
20 any questions you may have.

21           CHAIR FERRARO: Questions?

22           COMMISSIONER HUDNUT: Mr. Chairman, yes.

23           Dr. Blea, when the state regulations are more  
24 stringent than HISA's regulations, will we continue to  
25 enforce the state regulations?

1 EQUINE MEDICAL DIRECTOR BLEA: If we have a  
2 regulation in the same space that HISA has a regulation,  
3 their regulation preempts our regulation. So for example,  
4 we have a 30-day withdrawal time for intraarticular  
5 injections of corticosteroids to race in fetlocks. That  
6 will now go to 14 days because of the HISA or HIWU  
7 regulation.

8 Same thing, another example, is intraarticular  
9 injections of corticosteroids, we have a ten-day stand-down  
10 time before high-speed workouts, that will be moved down to  
11 seven days.

12 So for the benefits, California are looking  
13 forward to, there are some detriments that their rules  
14 aren't as strict as ours in some spaces.

15 BOARD MEMBER POWELL: Perhaps the Executive  
16 Director can use some of his powers of suasion to bring the  
17 rest of the racing world in line with us.

18 EXECUTIVE DIRECTOR CHANEY: I don't know if I have  
19 those powers, but I'm doing my best. We've already started.  
20 And the Authority has been pretty open to being stricter in  
21 the future. Another example is our crop rule, which  
22 obviously regressed when the rules went into effect July  
23 1st.

24 You know, no question, we did sacrifice some  
25 strictness in the name of uniformity. Just yesterday, the

1 Chairman and the EMD and I were talking about ways to sort  
2 of shore up the IA rule, kind of independent of what HISA is  
3 doing. HISA has been pretty good in the sense that they  
4 only have preempted those specific areas and aren't trying  
5 to do -- you know, to have their authority go beyond the  
6 whole area, if you will, in safety and ADMC, and are still  
7 allowing us to fill in the gaps where we can. So we're  
8 trying to come up with some ideas.

9           Also, I know Congress is interested in allowing  
10 state racing commissions or tracks to apply, amending the  
11 original legislation, to allow us to apply to be stricter.  
12 They haven't moved on that yet. Frankly, I think they're  
13 waiting for all of these lawsuits and everything to be  
14 settled before they try to amend the legislation again. So  
15 I'm hopeful there will be some opportunity to be stricter.  
16 Uniformity seems to be the, you know, tenet right now.

17           COMMISSIONER HUDNUT: Okay. Thank you.

18           CHAIR FERRARO: This rule that we passed recently  
19 hasn't gone into effect yet regarding no more than three  
20 interarticular injections in the same joint. Is HISA going  
21 to affect that rule?

22           EXECUTIVE DIRECTOR CHANEY: No, they have not  
23 regulated in the multiple injection space.

24           CHAIR FERRARO: Good.

25           EXECUTIVE DIRECTOR CHANEY: So it's our feeling

1 that we can do what we think is right there until told  
2 otherwise. So I know that's in the regulatory process. I'm  
3 guessing maybe July 1st, but don't hold me to that because  
4 it's in, you know, it's in the process.

5 CHAIR FERRARO: Commissioner Gonzales?

6 VICE CHAIR GONZALES: Yes, Mr. Chairman.

7 A separate item that wasn't included in either of  
8 the reports involved a situation at Santa Anita on Santa  
9 Anita Derby Day. I had a chance to be there and spent some  
10 time with Chief McHargue, and the situation involves races  
11 being taken off the turf, which in the opinion of some in  
12 the public and in the media, described as somewhat of a  
13 mysterious call. It was very clear with, especially with  
14 the horse going down at the top of the stretch where Jockey  
15 Ken Desormeaux went down. And it just seems as if it was  
16 more of a general statement on the part of Santa Anita.

17 And I just think that we ought to -- just because  
18 there's so much involved, especially with the bedding  
19 public, if the horse is scratched, it'll throw off their  
20 wagers, if there are people who went to go root their horses  
21 on, owners, family members, and then suddenly their horse  
22 is, because the horse was suited to run on the turf, but  
23 because of that, you know, they scratched instead of running  
24 on the dirt.

25 But can either our Executive Director or our

1 Equine Medical Director, in fact, I think we even have a few  
2 members of the audience here who have ties to the situation,  
3 but I do know the stewards did a good job. Jockeys were  
4 engaged. Trainers were engaged. But it just seems as if,  
5 you know, why the surface was as moist or wet as it was  
6 still has not been addressed. It was, you know, a few days  
7 out from any kind of rain, so I think it just remains a  
8 mystery in the minds of a lot of people.

9           So, you know, Scott, Dr. Blea, I don't know if  
10 either of you have been apprised, if there's anything that  
11 can be shared, but I think we ought to try to hold any  
12 racetrack a little bit more responsible for offering a  
13 better explanation.

14           EXECUTIVE DIRECTOR CHANEY: I can start off, and  
15 you can probably give more of a technical explanation.

16           Yeah, it was clearly not ideal to take major races  
17 off the grass on such a big day. It was the right call at  
18 the time. They did have a few horses slip, I think, the day  
19 before. And then, obviously, the horse fell. The horse is  
20 perfectly fine and the rider rode later in the card, but  
21 less than ideal, and frankly, Santa Anita, you know, lost a  
22 fair amount of money because of it.

23           From what I understand, and I'll do my best to  
24 explain it, I think Dr. Blea can probably do a better job, I  
25 know that they -- we've been fully engaged to find out

1 exactly what happened. Sort of the current explanation is  
2 that it was wet and therefore slippery, that water was not  
3 draining well enough through the turf course. My  
4 understanding is that that's partly because they've changed  
5 the composition because of the inordinate amount of rain, so  
6 with the -- so it can take more rain, but it doesn't drain  
7 quite as well. So I think watering it a day or two before  
8 caused what was a dangerous condition. So completely the  
9 right call.

10 I know they were obviously off this past weekend.  
11 They resume racing this week. We've been getting, both Dr.  
12 Blea and I, daily reports from our safety steward, who's on  
13 the ground there, about sort of the measures they've taken  
14 in terms of aeration, and there's some sort of substance  
15 they can put on that promotes drainage on a turf course.

16 And then I know they worked three horses yesterday  
17 morning on the turf course itself, three jockeys, because  
18 they wanted kind of their opinion, three different trainers,  
19 and everybody seemed happy with how that was supposed to go.

20 Now, whether they should be held accountable in  
21 terms of some sort of violation, I think, is a separate  
22 question, one worth asking. I'm just not sure that we have,  
23 you know, from a regulatory standpoint, if we have a rule  
24 that we can say that rule was violated and then file a  
25 complaint based on that. I think, certainly, asking the

1 questions and, you know, following up on why it happened,  
2 because it certainly wasn't a good look for them, and it was  
3 bad for the wagering public and, frankly, the bottom line at  
4 the end of the day.

5 EQUINE MEDICAL DIRECTOR BLEA: Yeah, I don't have  
6 much more to add. I think Scott summarized it well. You  
7 know, it's frustrating for those owners, it's frustrating  
8 for the betting public, and those trainers, as well, and I  
9 heard a lot of those frustrations. But as Scott said, there  
10 was some issues with horses slipping on one area of the  
11 racetrack around that turn. The stewards decided, and I  
12 think they made a good decision, for the safety of horses  
13 and riders to take it off the turf. I know Santa Anita was  
14 affected paramountly with loss of wagering because it was a  
15 tremendous day and a great day.

16 But as Scott said, they've gone through, they've  
17 evaluated it, they've looked into what the problem was, they  
18 brought in people as experts and consultants, they've  
19 aerated it. They had horses work on it yesterday and the  
20 reports were all good, that the turf was back to normal and  
21 safe.

22 VICE CHAIR GONZALES: Thank you. Thank you both.  
23 That answers my question. And just, you know, just given,  
24 you know, also what the industry went through with the Del  
25 Mar Breeders' Cup and that kind of -- the situation that

1 happened at the gate, I mean, I think we are generating  
2 goodwill with the public. I think this Board approaches  
3 things differently because we're just overly transparent.  
4 We're just putting the story out there, putting the  
5 situation out there. And if there are some mistakes or if  
6 there's some things that have been done differently, we move  
7 on. I think we have a pretty forgiving industry and a  
8 pretty forgiving fan base.

9 But I'm glad you both are on top of it. I think  
10 that, you know, goes towards, you know, also reinforcing the  
11 stewards and others that are part of the decision making.  
12 So long as they have the info, I think we're good, so  
13 appreciate you both on that.

14 CHAIR FERRARO: Any further comments from the  
15 Board?

16 Do we have public comment? None? This is public  
17 comment period, but we have nothing signed up; correct?

18 So do we have a motion to adjourn?

19 COMMISSIONER DAVIS: Davis moves.

20 CHAIR FERRARO: Don't everybody rush to the --

21 COMMISSIONER CASTELLANOS: Second. Castellanos  
22 seconds.

23 EXECUTIVE DIRECTOR CHANEY: Yeah, so number 12 is  
24 closed session, but there's no closed session.

25 CHAIR FERRARO: There's no closed session.

1 VICE CHAIR GONZALES: Hey, wow, this was fast.

2 CHAIR FERRARO: Commissioner Davis?

3 COMMISSIONER DAVIS: Yes.

4 CHAIR FERRARO: Commissioner Mitchell?

5 COMMISSIONER MITCHELL: Yes.

6 CHAIR FERRARO: Commissioner Gonzales?

7 VICE CHAIR GONZALES: Yes, sir.

8 CHAIR FERRARO: Commissioner Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Commissioner Hudnut?

11 COMMISSIONER HUDNUT: Yeah.

12 CHAIR FERRARO: The Chairman votes yes.

13 Did we set the record today? Yeah, I think we  
14 did.

15 (The regular meeting of the California Horse Racing Board  
16 adjourned at 10:30 a.m.)

17

18

19

20

21

22

23

24

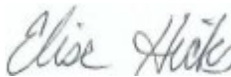
25

## CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of May, 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

May 3, 2023