

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

CALIFORNIA EXPOSITION AND STATE FAIR GRANDSTAND

1600 EXPOSITION BLVD

SACRAMENTO, CALIFORNIA

THURSDAY, MAY 18, 2023

9:30 A.M.

Reported by:

Elise Hicks

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Damascus Castellanos, Commissioner

Brenda Washington Davis, Commissioner

Dennis Alfieri, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Assistant Executive Officer

Robert Brodnik, Chief Counsel

Amanda Brown, Staff Counsel

Amanda Drummond, Policy, Regulations, and Administrative
Hearings Officer

Mark Shaw, Chief of Enforcement

Jeff Blea, Equine Medical Director

Mike Marten

ALSO PRESENT

Josh Rubenstein, Del Mar Thoroughbred Club

Tom Robbins, Del Mar Thoroughbred Club

David Jerkins, Del Mar Thoroughbred Club

Larry Swartzlander, California Authority of Racing Fairs

Jerome Hoban, Alameda County Fair

Orlando Gutierrez, Los Alamitos Race Course

APPEARANCES

ALSO PRESENT (cont.)

Wayne Atwell, Thoroughbred Owners of California

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| 6. | 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 California Authority of Racing Fairs for the period June 14, 2023, through October 17, 2023, to be utilized to fund a California co-op marketing program as permitted under Business & Professions Code section 19604(f) (5) (E) | 23 |
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| 8. | Public Comment: Communications, reports, requests for future actions of the Board.

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9. 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. 29
- A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).
- B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).

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Closed Session:

C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126(a).

10. Adjournment

30

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

3 9:32 A.M.

4 THURSDAY, MAY 18, 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 meeting of the California Horse-
8 Racing Board on Thursday, May 18Tth, 2023 at the California
9 Exposition and State Fair Grandstand in Sacramento,
10 California.

11 Present at today's meeting are: myself, Dr.
12 Gregory Ferraro, Chair; also Oscar Gonzales, Vice Chair;
13 Dennis Alfieri, Commissioner; Damascus Castellanos,
14 Commissioner; Brenda Washington Davis, Commissioner. Scott
15 Chaney, Executive Director, is also with us. Commissioners
16 Wendy Mitchell and Thomas Hudnut are not able 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 the 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 item is for
25 comment 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 will have 30 seconds
4 remaining to conclude their remarks. At two minutes, a
5 second sign will be raised and a tone will sound to indicate
6 the speaker's time is up. The Board may ask questions of
7 individuals who speak, which may extend their two-minute
8 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 the public comment period for
13 matters not on the Board's agenda if it concerns horse-
14 raising in California. Please print your name legibly on
15 all signage.

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 on all those who speak. When your two minutes are
21 up, I'll ask you to return to your seat so that others can
22 hear it.

23 I will insist that all speakers stay strictly on
24 topic for each agenda item. The speaker strays off topic.
25 I will ask to move to the next speaker. If a speaker

1 repeats themselves, I will ask if the speaker has any new
2 comments to make. If there are none, the speaker will be
3 asked to let others make comments to the Board.

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

12 And with that, we can begin our meeting by asking
13 for approval of the minutes.

14 Do we have a motion for that?

15 COMMISSIONER CASTELLANOS: Castellanos' motion.

16 COMMISSIONER DAVIS: Davis seconds.

17 BOARD MEMBER POWELL: Okay.

18 Castellanos?

19 COMMISSIONER CASTELLANOS: Yes.

20 CHAIR FERRARO: Gonzales?

21 VICE CHAIR GONZALES: Yes.

22 CHAIR FERRARO: Washington?

23 COMMISSIONER DAVIS: Yes.

24 CHAIR FERRARO: Excuse me, Brenda.

25 And the Executive Chair vote yes.

1 Item number two, discussion and action by the
2 Board on the Application for License to Conduct a Horse
3 Racing Meeting of the Del Mar Thoroughbred Club at the Del
4 Mar Racetrack, commencing July 12th, 2023, through
5 September 12th.

6 Gentlemen?

7 MR. RUBENSTEIN: Good morning, CHRB Commissioners
8 and staff.

9 Del Mar Thoroughbred Club's license application in
10 front of you is for a 2023 summer race meet from July 12th
11 through September 12th. We are requesting the same amount
12 of race days as 2022, that's 31.

13 We are proud to offer a California record \$870,000
14 a day on average of purses, as well as industry-leading
15 incentives, including our Ship and Win Program. Our
16 Executive Vice President of Racing, Tom Robbins, and Racing
17 Secretary and Vice President, David Jerkins, will run
18 through the racing program shortly.

19 Our 2022 summer season set a very high bar, as
20 average field size was an incredible 9.1 runners per race.
21 Average handle was \$18.7 million for all sources, so again,
22 a very high bar set last year. And most importantly, in
23 2022, Del Mar was once again designated as one of the safest
24 racetracks in the country.

25 Before we get to the racing details, we wanted to

1 make you aware of a new program that we'll be introducing at
2 Del Mar this summer. I think we all can agree that the men
3 and women of the backstretch community are the backbone of
4 the industry. And at Del Mar, and I know, you know, other
5 industry stakeholders, we consistently ask ourselves, how
6 can we make the environment better for the backstretch
7 community?

8 So this summer, we will be introducing, as I said,
9 a new program offering a free dinner every racing day to the
10 men and women of the backstretch community. So we're very
11 excited, and we will report to the Board the feedback, but
12 we think people will be, take us up on the offer. So we've
13 got a lot of meals prepared.

14 CHAIR FERRARO: That's very nice. Well, can the
15 Commissioners get a free meal?

16 MR. RUBENSTEIN: Not eligible. Not eligible.

17 COMMISSIONER ALFIERI: How many people, Josh, is
18 that? Approximately how many people is that?

19 MR. RUBENSTEIN: So it could be up to 1,000 people
20 a day, so it's a pretty substantial number. We are limiting
21 it to people that take care of the horses, grooms, hot
22 walkers, exercise riders, so that's the group we want to
23 take care of. So we're excited about it. I'm not sure we
24 can afford it, but we're going to do our best.

25 With that, I'll turn things over to Tom and David

1 for racing.

2 MR. ROBBINS: Thank you, Josh.

3 As Josh just went through some of the numbers for
4 the 22 summer meet, we took a pretty aggressive approach
5 last summer in our racing program with incentive programs
6 and feeling it was important to do this, to establish
7 ourselves even more, especially when competing against
8 Saratoga. And we ended up with a record field size that, in
9 the 40 years or over 40 years that I've been managing this
10 racing department at Del Mar, we've never hit this magical
11 barrier mark of 9, and to be exact, 9.14 field size average,
12 so it paid off. And obviously, this doesn't happen without
13 the work of our department, along with the owners and
14 trainers that we all work together so closely with.

15 It's significant because at a time like this where
16 racetracks, many of them, are going the opposite direction.
17 They're struggling. Even those tracks that have
18 supplemented purse funds and programs across the country.
19 So we're very proud of it. As Josh said, we set a high bar
20 for 2023 and our goal, of course, is to try to match that.

21 We're looking at 31 days of racing again, starting
22 and mirroring the program last year, starting July 21 and
23 operating all the way through the Sunday following Labor Day
24 Monday. 294 races is what we ran last year and we hope to
25 duplicate this year.

1 Yesterday Josh and I and David and Kim Jacobson,
2 our VP Risk Management, met with CTT, Alan and his Board,
3 and happy to report, I thought we had a very productive
4 meeting. I'm happy to report, too, that we have a signed
5 race meet agreement that we haven't had for the last few
6 years. So with that, we felt that we wanted to get with
7 them and as we normally do but touch upon all the things
8 that they can look forward to hopefully for this summer at
9 Den Mar.

10 Four-day race weeks again, again racing through
11 that Sunday, September 10.

12 Last thing I want to talk about, Josh mentioned,
13 safety. We did have a very safe race meet again last
14 summer. And I don't think we can stress enough that in
15 order to do what we've been doing it takes buy-in by all the
16 constituents and the stakeholders, trainers, owners, tracks,
17 private veterinarians, regulatory veterinarians, you folks,
18 California Horse Racing Board, to accomplish this.

19 The other piece of this that doesn't -- isn't
20 mentioned all that often are the -- and Dr. Blea can
21 certainly talk more eloquently than I can, but the
22 advancements and greater use of diagnostic equipment. And
23 the encouraging thing is that the PET scans and all those
24 things that are available to the horsemen, the encouraging
25 thing is they're being used more and more and I think that's

1 a good thing.

2 So all of these things involved have proven
3 successful and it's a recipe. We're not going to rest on
4 our laurels, of course. We've got to continue advancing and
5 moving forward. But they've all proven to work.

6 And the other thing I think that needs to be noted
7 is that HISA, from a track safety standard, national basis,
8 has adopted many of the California protocols. And we think
9 that's a good thing because I think we can, you know, show
10 the evidence of these things that work.

11 So with that, I'm going to pass it on to David,
12 the guy responsible for getting to 9.14, and let him talk in
13 greater detail about this summer's meeting.

14 MR. JERKINS: Thanks, Tom.

15 David Jerkins, Del Mar. Very optimistic on the
16 upcoming meet, especially following the success of last
17 season.

18 Overnight purse levels will be at an all-time
19 California high as we do our best to remain competitive with
20 the rest of the country. Our Stakes' Program will mostly
21 mirror last summer, offering 39 stakes in 31 days,
22 highlighted by the Pacific Classic, which will be on
23 Saturday, September 2nd.

24 Our incentive programs, Ship and Win and Maiden
25 Dirt Bonus Program, will return again and are vital

1 components to the success of our racing program as we will
2 continue to be aggressive in our out-of-state recruitment.
3 Last year, we saw record results with our Ship and Win
4 program, with most horses remaining on the circuit and
5 racing at California tracks throughout the year. This
6 program provides an opportunity for our local owners and
7 trainers to take advantage of as roughly 65 percent of the
8 Ship and Win runners were acquired by California
9 Connections.

10 We're thrilled and excited to welcome our horsemen
11 and women back this summer.

12 And I'll toss back to Josh to discuss marketing.

13 MR. RUBENSTEIN: Yeah, just a couple of points on
14 our marketing plan, which is in your Board package.

15 We have a very aggressive marketing plan, a full
16 slate of lifestyle promotions, such as craft beer events,
17 local food festivals, college days. And we're really
18 doubling down on social and digital media advertising, which
19 offers a very targeted approach to attracting folks to Del
20 Mar.

21 We're extremely fortunate to have a robust
22 database program, the Diamond Club. We have over 335,000
23 opt-in customers, and we didn't buy any lists. These are
24 people that want to hear from us, enjoy coming to Del Mar,
25 so we're able to, through email and text, really efficiently

1 communicate with them throughout the season.

2 On the wagering side, we will be consistent with
3 2022, which, as we've mentioned, the results were terrific,
4 all-sources handle of \$18.7 million.

5 So I think, as you can tell, we are very excited
6 about the upcoming summer meet, and we're happy to answer
7 any questions or comments that you may have.

8 CHAIR FERRARO: Thank you, Josh.

9 Questions from the Board?

10 VICE CHAIR GONZALES: Mr. Chairman, just a couple
11 of points.

12 First, thank you, Team Del Mar, for another great
13 presentation. And congratulations on being awarded the
14 Breeders' Cup site in 2024 and (indiscernible) had an
15 opportunity to do that.

16 Especially encouraged and impressed with what
17 you're doing with the Backstretch community. It really,
18 really means a lot, so thank you there.

19 I also really want to commend the team for what
20 you're doing for not the mega-trainers, but those medium-
21 sized trainers that we know are also the backbone of the
22 industry. I think it was some 75-plus trainers, different
23 trainers, that won at least one race. And that's a big
24 number. That's a huge deal. That gives a trainer, big or
25 small, an opportunity to pay the bills. So whatever you're

1 doing, you're doing it right.

2 I also appreciate how well the Northern California
3 connections did while shipping in. I think a handful of
4 trainers really proved that they can hang with the best of
5 them.

6 So, you know, other than that, I appreciate you
7 stressing safety. I appreciate, you know, really just going
8 above and beyond, and just thanks for your leadership. I
9 know it doesn't come easy. Resources, you know, costs, it's
10 just not an easy thing to do. So I just want to commend you
11 on behalf of the Board.

12 CHAIR FERRARO: Anyone else?

13 COMMISSIONER ALFIERI: I'll just say I commend you
14 also. I mean, terrific. You know, knocking it out of the
15 ballpark. People are excited about it down there. I spend
16 a lot of time in Orange County. A lot of people from all
17 walks of life are always talking about what's going on down
18 there. We're all excited that Del Mar is going to start,
19 you know, kind of thing. So anyway, I think it's terrific.

20 BOARD MEMBER POWELL: Any comments? Alright.

21 Do we have a motion?

22 VICE CHAIR GONZALES: Gonzales moves.

23 COMMISSIONER ALFIERI: I'll second.

24 CHAIR FERRARO: Commissioner Davis?

25 COMMISSIONER DAVIS: Yes.

1 CHAIR FERRARO: Commissioner Castellanos?

2 COMMISSIONER CASTELLANOS: Yes.

3 CHAIR FERRARO: Commissioner Alfieri?

4 COMMISSIONER ALFIERI: Yes.

5 CHAIR FERRARO: Commissioner Gonzales?

6 VICE CHAIR GONZALES: Yes.

7 CHAIR FERRARO: And the Chairman votes yes.

8 Thank you, gentlemen.

9 MR. RUBENSTEIN: Thank you.

10 CHAIR FERRARO: Good luck on your meet.

11 Item number three, discussion and action by the
12 Board on the Application for License to Conduct a Horse
13 Racing Meeting of the Alameda County Fair at Pleasanton,
14 commencing June 14th, 2023, and continuing through
15 July 11, 2023, inclusive.

16 MR. SCHWARTZLANDER: Good morning, Chairman, Board
17 Commissioners. Larry Swartzlander. I'm the Director of
18 Racing for the Alameda County Fair, and I'm also the
19 Executive Director of California Authority of Racing
20 Affairs, accompanied here with Jerome Hoban, who's the CEO
21 of the Alameda County Fair. And I'll give you a quick
22 rundown of the purses and stakes program incentives and I'll
23 turn it over to Jerome.

24 The racing program at the Alameda is four weeks,
25 13 racing days. It goes from June 14th to July 11th, which

1 includes the July 4th weekend.

2 All overnight purses will remain the same as they
3 were last year.

4 The stakes program has one major addition. We'll
5 be having a \$150,000 guaranteed Pleasanton Mile on Sunday,
6 July 9th, the end of the meet. This is going to be a
7 special day. The majority of the races will be distance
8 races. TVG or FanDuel, whoever they want to call
9 themselves, will be on site that day and we're looking
10 forward to a great promotion.

11 On the incentive side, you know, we have the
12 incentives that we had last year, which is the trainer
13 incentive at each fair, \$500 for five to nine starts, \$1,000
14 for ten-plus starts. The owner incentive is \$2,000 for
15 five-plus starts. And then this year we've added -- excuse
16 me, we've got the Out-of-State Program, too, that horses
17 coming in and get \$300 for the first start, \$300 for the
18 second start.

19 We're adding a new program this year as a starter
20 fee, which basically is a situation where we know that the
21 cost of the owners and trainers are moving from fair to fair
22 and moving from Golden Gate puts an excessive burden on the
23 owners and trainers. And what will be happening this year
24 is that each thoroughbred that starts will get \$300 every
25 fair.

1 One modification to that is during the Sacramento
2 and Pleasanton Fairs, for example, when we start the meet
3 out at Alameda, every horse that starts at Alameda, they
4 don't have to ship anywhere, so they'll get \$150. Every
5 horse that's at Sacramento that has to ship over to Alameda
6 gets \$450 per start, so it definitely defers their shipping.
7 Then when you go to Sacramento, it reverses. If you're
8 stable at Sacramento, you get \$150, if you ship in from
9 Alameda, you get \$450.

10 Last year, our incentive program peaked over
11 \$156,000. This year, our incentive program will approach
12 \$300,000.

13 Jerome?

14 MR. HOBAN: Good morning, Commissioners. Thank
15 you for having us and listening to our license today.

16 We're very excited about this upcoming fair.
17 Tickets sales are stronger than 2022, so we're off to a
18 very, very good start. We're excited about our Pleasanton
19 mile race that's been added this year.

20 In front of you is a brochure of a summary of all
21 of the marketing components that are happening at the fair
22 this year. Most notably, probably, is the large Brew Fest
23 and Wine Fest that we put on. This attracts an extra 2,000
24 people to the track each year. And then after racing, we're
25 hosting nightly drone shows, so it'll be 200 drones flying

1 over the track. It's exciting. Opening day is a firework
2 show, and then the closing Friday is a firework show as
3 well. So all of these are meant to drive folks to the
4 track, and we're very excited about it.

5 We're also happy to host CHRB in June for their
6 June Board meeting. It will be in the off-track betting
7 facility.

8 Excited about a very safe race meet this year, and
9 continuing on with the tradition, and really just bringing
10 racing back to Pleasanton. So I hope that you can make it.

11 We also have a party in the paddock for all of the
12 backside, as well as the trainers and owners are there that
13 day. That's Friday the 23rd, I believe.

14 And then lastly, on that Pleasanton Mile Day,
15 these will be handouts to everybody that's at the racetrack.
16 These are cooling towels. Everybody knows they can get warm
17 in June and July, so we have these great cooling towels to
18 promote the Pleasanton Mile. So I hope to see you guys out
19 there.

20 Thank you.

21 CHAIR FERRARO: Alright. Thank you.

22 Questions from the Board?

23 VICE CHAIR GONZALES: Mr. Chairman, just a quick
24 thank you for this team working with our CHRB vets. I do
25 know that on occasion a horse will arrive that may not be

1 meeting the standards, and it's a tough thing to, you know,
2 to scratch a horse or to have them wait until the following.
3 So I just really appreciate you being there in support.

4 And then also the stabling issue, you know, the
5 prospects of Golden Gate Fields closing down for the summer.
6 I think the logistics, the communication, went pretty well.
7 But is there anything that this Board should know about as
8 Golden Gate closes for the summer? And really, everyone
9 goes to your shop, so anything we should know?

10 MR. SCHWARTZLANDER: I'd just like to have more
11 horses start this year. No, everything's fine. You know,
12 the trial run last year went very well. And we're already
13 in motion and everything's set.

14 VICE CHAIR GONZALES: Okay. And finally, I just
15 want to say thanks to Allen Aldrich, a major supporter of
16 Pleasanton. I had a chance to be with Allen this past
17 weekend up in Ferndale to support the community as they get
18 ready for their race dates. And Larry, it was good to see
19 you there as well.

20 So nothing from me, Mr. Chairman.

21 CHAIR FERRARO: Do we have a motion?

22 COMMISSIONER CASTELLANOS: Castellanos' motion.

23 COMMISSIONER DAVIS: Davis seconds.

24 CHAIR FERRARO: Commissioner Alfieri?

25 COMMISSIONER ALFIERI: Yes.

1 CHAIR FERRARO: Commissioner Gonzales?

2 VICE CHAIR GONZALES: Yes.

3 CHAIR FERRARO: Commissioner Davis?

4 COMMISSIONER DAVIS: Yes.

5 CHAIR FERRARO: Commissioner Castellanos?

6 COMMISSIONER CASTELLANOS: Yes.

7 CHAIR FERRARO: And the Chairman votes yes.

8 Congratulations, gentlemen.

9 MR. SCHWARTZLANDER: Thank you.

10 MR. HOBAN: Thank you, everybody. Appreciate it.

11 CHAIR FERRARO: Item number four, discussion and
12 action by the Board on the Application for License to
13 Conduct a Horse Racing Meeting of the Los Angeles County
14 Fair at Los Alamitos, commencing June 21st, 2023, and
15 continuing through July 11th, 2023, inclusive.

16 MR. GUTIERREZ: Good morning, Commissioners and
17 members of the Board. My name is Orlando Gutierrez. I'm
18 the Marketing Director at Los Alamitos Racecourse. And I'm
19 here to present to you the application for racing for the
20 Los Angeles County Fair that will commence on opening day
21 June 23rd through July the 9th.

22 This year commemorates the 10th year of Southern
23 California thoroughbred racing being at Los Alamitos and
24 we're very excited about that. It dates back to 2014 when
25 the great Shared Belief won the Los Alamitos Derby, and a

1 lot of excitement at Los Alamitos as we housed California
2 Chrome in his entire run through some outstanding races.

3 We're very excited about this year. You'll see
4 the 10th-year anniversary being commemorated through our
5 advertising plan on radio, TV, our racing programs, and
6 signage, so we're very excited about that.

7 And, again, we'll be hosting a four-day week of
8 racing during Fourth of July week, running Saturday, Sunday,
9 Monday, and concluding on Tuesday, July the 4th, with the
10 running of the grade two Great Lady M.

11 Some highlights on track for our Los Alamitos
12 Racecourse. We recently did some upgrades on Burgart's
13 Sports Bar. We're very, very proud of that room. We
14 showcased it on Kentucky Derby Day to a full crowd. We've
15 added new television screens there, large HDTV screens, some
16 replay kiosks, improved sound system. So we're very proud
17 to showcase that room, as well, to our daytime crowd.

18 So I respectfully request the approval of our plan
19 for the upcoming meet here at Los Alamitos.

20 CHAIR FERRARO: Questions from the Board? Do we
21 have a motion?

22 COMMISSIONER DAVIS: Davis moves.

23 COMMISSIONER CASTELLANOS: Castellanos seconds.

24 CHAIR FERRARO: Commissioner Gonzalez?

25 VICE CHAIR GONZALES: Yes.

1 CHAIR FERRARO: Commissioner Alfieri?

2 COMMISSIONER ALFIERI: Yes.

3 CHAIR FERRARO: Commissioner Castellanos?

4 COMMISSIONER CASTELLANOS: Yes.

5 CHAIR FERRARO: Commissioner Davis?

6 COMMISSIONER DAVIS: Yes.

7 CHAIR FERRARO: And the Chair votes yes.

8 MR. GUTIERREZ: Thank you so much.

9 CHAIR FERRARO: Have a good meet.

10 MR. GUTIERREZ: Thank you.

11 CHAIR FERRARO: Item number five, discussion and
12 action by the Board regarding the proposed amendment of CHRB
13 Rule 1875, Firearms, to prohibit the possession of weapons
14 and ammunition within the CHRB enclosure.

15 Amanda?

16 MR. BRODNIK: Good morning, Commissioners. Amanda
17 Brown, Staff Counsel.

18 So at the request of the CHRB Enforcement Team,
19 staff drafted proposed amendments to existing Rule CHRB 1875
20 to restrict specific weapons on the grounds of a facility
21 under Board control. The current language only applies to
22 firearms and has been in place for about 30 years, since
23 1994, but the original rule goes back even further.

24 The amended language before you today would add
25 ammunition to the restrictions. It would add restrictions

1 to projectile devices, like BB guns, pellet guns. It would
2 add restrictions for non-powder devices, like an airsoft gun
3 or a paintball gun or a taser. And it would rename the rule
4 to better reflect what's covered.

5 So with that, I'll defer to CHRB's Chief of
6 Enforcement, Mark Shaw, for additional context on what
7 investigators have been seeing to kind of prompt this rule.

8 MR. SHAW: Thanks, Amanda.

9 Good morning, Commissioners. Mark Shaw, Chief of
10 Enforcement. So just a couple things that brought this
11 about.

12 One of them is that during searches, we've come
13 across some weapons, usually pellet guns, BB guns, that the
14 claim from the folks that had those, mostly grooms, was that
15 they used those for rodent control to get rid of the pigeon
16 population and whatnot. And although it would seem that
17 that would be a firearm, by the legal definition of a
18 firearm, it requires explosion or other form of combustion,
19 which technically BB guns and pellet guns do not have. So
20 this kind of came about as almost like cleanup language to
21 make sure that we're covered in the way that we enforce
22 that.

23 We have had opportunities to use -- some of the
24 inclosures, for example Golden Gate, they have an
25 association rule that covers pellet guns, so we can refer

1 back to 1437 for the conditions of the race meet and still
2 enforce it. So there's been different ways to deal with it,
3 but this would be some consistency all the way across the
4 board, just to make sure that we can keep those weapons out.

5 Our biggest concern would be, you know, that a
6 pellet gun gets fired, we end up with a ricochet that
7 strikes an individual, that strikes an animal, certainly
8 could spook the animals. So just kind of a good business
9 practice for us to tie up loose ends here and move forward.

10 CHAIR FERRARO: Questions from the Board?

11 COMMISSIONER CASTELLANOS: I have a question, Mr.
12 Chairman. Excuse me.

13 Recognizing what the language reads and how old
14 the language is, I just want to clarify that we have a lot
15 of our live racing facilities and our satellites that have
16 armed security guards, just to make sure that that's not
17 going to take anything away from them.

18 MR. SHAW: Correct. There is a carveout there
19 where if somebody is licensed or authorized by state or
20 federal law, so for example, a security guard would possess
21 a guard card issued by Consumer Affairs, they would be in
22 compliance and able to still carry a weapon there.

23 COMMISSIONER CASTELLANOS: Thank you.

24 CHAIR FERRARO: Any more questions?

25 COMMISSIONER DAVIS: Yes, just a quick question.

1 So the guns that you're adding, that are part of
2 your focus because they've been coming up in the back
3 stretch, do they have other ways of addressing the pest
4 control that are more benign?

5 EXECUTIVE DIRECTOR CHANEY: Commissioner Davis, I
6 can probably answer that, I think, and maybe Dr. Blea could
7 as well.

8 I don't know of any fancier ones. I mean,
9 obviously, they are traps. They do use rodenticide on the
10 backside. Unfortunately, it's a chemical and not certainly
11 ideal. Cats work pretty well with respect to mice and
12 pigeons because, as you can imagine, there's fee, you know,
13 on the backside, so rodent control is an issue that every
14 track has to address.

15 But I think the short answer to your question is
16 there's no perfect solution.

17 CHAIR FERRARO: Any comments? No. A motion?

18 COMMISSIONER CASTELLANOS: Castellanos' motion.

19 CHAIR FERRARO: Chairman seconds.

20 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. Thank
4 you very much.

5 Item number six, discussion and action by the
6 Board on the approval for the distribution of ADW market
7 access fees for wagers placed by California residents on all
8 live and imported races hosted by the California Authority
9 of Racing Fairs for the period June 24th, 2023 through
10 October 17th, 2023, to be utilized to fund the California
11 co-op marketing program as permitted under the Business and
12 Professions Code Section 19604(f)(5)(E).

13 Gentlemen?

14 MR. SCHWARTZLANDER: Good morning again. Larry
15 Swartzlander, Executive Director of CARF. I'm here with
16 Wayne Atwell, who's the Northern California TOC rep.

17 This program is designed to provide the funding
18 for the programs that we have for incentives, both programs.
19 One is for the \$2,000 per owner and also the \$300 per start.
20 It's a basic -- last year we had it for just the \$2,000, but
21 now we've added the cost for the \$300, which raises the
22 takeout to 1.32 -- Wayne, is it, I guess? -- 1.32 percent.
23 And it all comes out of only ADW.

24 MR. ATWELL: Good morning, Commissioners. My name
25 is Wayne Atwell. I'm the Northern California Operations

1 Director for the TOC.

2 What we're asking is for the CHRB approval of the
3 funding agreement, which has been included in your packet,
4 and there's a similar agreement that the CHRB Board approved
5 last month between TOC and Santa Anita. This is also a
6 similar funding agreement, which was approved last year
7 between CARF and TOC.

8 These programs are designed to provide incentives
9 for owners to participate and race at the fairs, and we hope
10 that the increased participation will also increase the
11 yield size for the fair meets this summer.

12 CHAIR FERRARO: Alright. Thank you.

13 Questions from the Board? Any other comments?
14 No? Do we have a motion?

15 COMMISSIONER CASTELLANOS: Castellanos' motion.

16 COMMISSIONER ALFIERI: Second. Alfieri seconds.

17 CHAIR FERRARO: Commissioner Davis?

18 COMMISSIONER DAVIS: Yes.

19 CHAIR FERRARO: Commissioner Gonzalez?

20 VICE CHAIR GONZALES: Yes.

21 CHAIR FERRARO: Commissioner Castellanos?

22 COMMISSIONER CASTELLANOS: Yes.

23 CHAIR FERRARO: Commissioner Alfieri?

24 COMMISSIONER ALFIERI: Yes.

25 CHAIR FERRARO: And the Chairman votes yes.

1 Gentlemen --

2 MR. ATWELL: Thank you.

3 CHAIR FERRARO: -- carry on.

4 Item number seven, Executive Director's Report and
5 Equine Medical Director's Report.

6 Can we start with you, Scott?

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

9 I will begin with the handle report. For the
10 month of April, day racing handle is up two percent, night
11 racing handle is down six percent, and total handle is up
12 one percent as compared to April 2022. Year to date, day
13 racing is down six percent, night racing is down nine
14 percent, and total handle is down six percent as compared to
15 the first four months of 2022. Given the number of race day
16 cancellations due to weather and the fact that April handle
17 is actually higher than last year, future handle seems
18 brighter than it did earlier this year.

19 Regarding HISA, the Anti-Doping Medication Control
20 Program administered by HIWU, the Horseracing Integrity &
21 Welfare Unit, is set to go into effect this coming Monday,
22 May 22nd.

23 As you may recall, before it was halted through a
24 legal stay at the end of March, California participated in
25 testing three race cards, two at Santa Anita and one at

1 Golden Gate Field, as well as some out-of-competition
2 testing, OOCT, mostly for removal from the veterinarians
3 list. After five days, the program was temporarily enjoined
4 by a court in Texas. And I believe we are prepared to begin
5 the program anew this coming Monday.

6 Next, I would like to thank Francisco Gonzalez,
7 who's sitting here in the front row, who is retiring in
8 early June after nearly 27 years of state service. Almost
9 16 of those years have been with the CHRB. Francisco began
10 his career in August of 1993 with the Department of
11 Transportation, serving in accounting and auditing roles
12 before coming to work at this department. He joined the
13 CHRB in November of 2007 as an Associate Auditor and was
14 promoted less than a year later to Senior Management
15 Auditor.

16 Francisco has a wealth of knowledge and has
17 consistently and generously shared his experience with all
18 who have passed through the CHRB during his tenure here to
19 the benefit of the racing industry. We are very grateful
20 for his service, and we wish him the very best in his well-
21 deserved retirement.

22 And personally, I just wanted to thank Francisco
23 for his work in shepherding a new inexperienced executive
24 director over the last three years.

25 Lastly, the next Board meeting is scheduled to be

1 held on Thursday, June 15th in Pleasanton. Please be aware
2 that the time and or date may change. If that happens, we
3 will issue an advisory and update the website.

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

5 CHAIR FERRARO: Thank you.

6 Any questions from the Board?

7 Dr. Blea?

8 DR. BLEA: Good morning, Chairman Ferraro, Vice
9 Chairman Gonzales.

10 EXECUTIVE DIRECTOR CHANEY: Can you move your
11 mouth to the mic closer, please?

12 DR. BLEA: -- how about now, if I hit the button,
13 there we go -- and fellow Board members and Mr. Cheney.

14 As Scott mentioned, HISA, which has been on again,
15 off again, the full implementation of HISA will go into
16 effect Monday, March 22nd, which is the scheduled start date
17 for the Anti-Doping Controlled Medication Program to be
18 administered under the Horse Racing Integrity Unit of Drug-
19 Free Sports. All drug testing and enforcement for covered
20 thoroughbreds will be under this program beginning May 22nd.

21 All Quarter Horses and Standardbreds will continue
22 to remain under the jurisdiction of the CHRB regarding drug
23 testing and enforcement. This will include mixed-breed
24 races at Los Alamitos with both quarter horses and
25 thoroughbreds participating.

1 On May 9th, Dr. Francisco Uzal, Dr. Sue Stover,
2 several pathologists, and myself participated in a workshop
3 titled Examination of the Musculoskeletal System of Race
4 Horses and the CHRB Necropsy Program that was hosted by the
5 CAHPS (phonetic) Department for Pathologists, Staff, and
6 Technicians at the lab in San Bernardino. It was very
7 educational and, once again, demonstrated the unique
8 expertise of this program and the information that they
9 provide for CHRB throughout the entire necropsy program.

10 They asked me to give a talk on the benefits and
11 the impact of the program to the CHRB. And frankly, the
12 time they gave me, I wasn't able to describe all the
13 benefits that the CHRB received from that program.

14 Regarding fatalities, in April there were four
15 fatalities in California horse racing, one musculoskeletal
16 in racing, one sudden death in racing, one post-operative
17 cardiac arrest following an arthroscopic surgery, and one
18 systemic medical disorder.

19 The Maddy Lab at UC Davis, in April there were
20 five adverse findings in blood and urine resulting in three
21 violations. Two Class 4C methocarbamol positives and one
22 Class 3B minoxidil positives. In all testing in April,
23 there was 1,636 post-race blood and urine samples including
24 99 work bloods. 1,177 out of competition samples in blood,
25 hair, and urine were also tested.

1 And group, this concludes my report. I'm happy to
2 answer any questions.

3 CHAIR FERRARO: Questions from the Board? No.

4 Public comment? No.

5 Do we need a motion to approve these two?

6 EXECUTIVE DIRECTOR CHANEY: No.

7 CHAIR FERRARO: Okay. Thank you, Dr. Blea.

8 Item number eight is the Public Comment period.

9 Do we have anyone signed up? No public comments?

10 With that, the Board will have to go into closed
11 session, so I thank you all for coming. I request that you
12 exit the facility. You're welcome to come back for the
13 adjournment if you want to hang around.

14 (The Board adjourned into Closed Session
15 from 10:11 a.m. until 10:38 a.m.)

16 CHAIR FERRARO: Can I have a motion to adjourn,
17 please?

18 COMMISSIONER DAVIS: Davis moves.

19 COMMISSIONER CASTELLANOS: Castellanos seconds.

20 CHAIR FERRARO: Commissioner Gonzalez?

21 VICE CHAIR GONZALES: Yes.

22 CHAIR FERRARO: Commissioner Alfieri?

23 COMMISSIONER ALFIERI: Yes.

24 CHAIR FERRARO: Commissioner Castellanos?

25 COMMISSIONER CASTELLANOS: Yes.

1 CHAIR FERRARO: Commissioner Davis?

2 COMMISSIONER DAVIS: Yes.

3 CHAIR FERRARO: And the Chairman votes yes.

4 Meeting is adjourned.

5 (The regular meeting of the California Horse Racing Board
6 adjourned at 10:39 a.m.)

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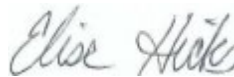
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CERTIFICATE OF REPORTER

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 26th 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 26, 2023