

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

CALIFORNIA EXPOSITION AND STATE FAIR GRANDSTAND

1600 EXPOSITION BLVD

SACRAMENTO, CALIFORNIA

THURSDAY, JUNE 29, 2023

9:30 A.M.

Reported by:

Elise Hicks

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Brenda Davis Washington, Commissioner

Dennis Alfieri, Commissioner

STAFF

Scott Chaney, Executive Director

Amanda Brown, Staff Counsel

Jeff Blea, Equine Medical Director

Mike Marten

ALSO PRESENT

David Duggan, Golden Gate Fields

Eric Sindler, Golden Gate Fields

Larry Swartzlander, California Authority of Racing Fairs

Tom Martinez, Cal Expo

Becky Bartling, Sonoma County Fair

Matt Daly, Sonoma County Fair

Dino Perez, Pacific Quarter Horse Racing Association

Rick Baedeker, So Cal Off-Track Wagering

Francisco Ibanez, Tilted Kilt

Justin Oldfield

PUBLIC COMMENT

Allen Aldrich, Alameda County Fair

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| 2. | Discussion and action by the Board on the application for license to conduct a horse racing meeting of the Pacific Racing Association (II) at Golden Gate Fields, commencing August 23, 2023, and continuing through October 3, 2023. | ? |
| 3. | Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the California Exposition and State Fair, Commencing July 12, 2023, through August 1, 2023. | ?? |
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commencing August 2, 2023, and continuing through August 15, 2023.

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 Sonoma Fair at Santa Rosa for the period August 2, 2023, through August 15, 2023, to be utilized to fund a California co-op marketing program as permitted under Business & Professions Code section 19604(f)(5)(E).
7. Discussion and action by the Board on the approval ??
of the fiscal year 2023-24 agreement providing funding for CHRB Board support.
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Alamitos Equine Sale Company's request for authorization of its upcoming horse sale at Los Alamitos Race Course in Cypress, California, pursuant to CHRB Rule 1807, Authorized Horse Sales.

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11. Discussion and action by the Board regarding the proposed amendments and public comment received for CHRB Rule 1846.5, Postmortem Examination, and Rule 1846.6, Postmortem Examination Review.
(Note: This concludes the 45-day public comment period. The Board may adopt the proposal as presented).
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13. 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.
14. Closed Session: For the purpose of receiving 29
advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
- A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).

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PAGEClosed Session:

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).

15. Adjournment

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P R O C E E D I N G S

9:37 A.M.

THURSDAY, JUNE 29, 2023

CHAIR FERRARO: Ladies and gentlemen, this meeting of the California Horse Raising Board will please come to order. Please take your seats. This is the regular noticed meeting of the California Horse Raising Board on Thursday, June 29th, 2023 at the California Exposition and State Fair Grandstand, Sacramento, California.

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

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

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

Unsolicited speakers are limited to two minutes

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

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

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

21 I will insist that all speakers stay strictly on
22 topic for each agenda item. If a speaker strays off topic,
23 I will ask to move to the next speaker. If the speaker
24 repeats themselves, I will ask if the speaker has any new
25 comments to make. If there are none, the speaker will be

1 asked to let others make comments to the Board.

2 If anyone has comments of a more general nature
3 that are not specific to earlier agenda items, those
4 comments must wait until the agenda item number 13, Public
5 Comment. There will be a 30-minute time limit for the
6 public comment period. In order to allow as many
7 individuals to speak as possible within that half hour, I
8 will strictly enforce the two-minute timeline for each
9 unsolicited speaker.

10 And with that, we will begin our meeting by asking
11 for approval of the minutes of May 18th, 2023.

12 Do we have any changes or comments on the minutes?

13 VICE CHAIR GONZALES: No, Doc. I'll move to
14 approve the minutes.

15 CHAIR FERRARO: Do we have a second?

16 COMMISSIONER DAVIS: Davis second.

17 CHAIR FERRARO: Commissioner Alfieri?

18 COMMISSIONER ALFIERI: I'll abstain. I wasn't
19 here.

20 CHAIR FERRARO: Oh; is that right? We don't have
21 a quorum. Yeah, we'll have to push it off by next month.
22 We don't have a quorum for that.

23 COMMISSIONER ALFIERI: Oh, do you want me to?
24 Okay. I'm being honest.

25 CHAIR FERRARO: It's not critical. We'll do it

1 next month.

2 Okay, item number two, discussion and action by
3 the Board on the application for a license to conduct a
4 horse race meeting of the Pacific Racing Association at
5 Golden Gate Fields, commencing August 23rd, 2023, and
6 continuing through October 3rd, 2023.

7 Mr. Sindler? David Duggan?

8 MR. DUGGAN: Morning, Mr. Chairman and
9 Commissioners.

10 Yeah, we are here to seek a license for Golden
11 Gate Fields beginning late August for summer meet. It's an
12 18-day meet. There are two stakes races during that period.
13 And there's one significant change to our normal operating.
14 We're going to race Saturday, Sunday, and Monday.

15 In order to probably give us a little bit more
16 exposure, our company, First Racing, has two major race
17 tracks in California that operate and output three times a
18 week. We feel that's, you know, with two big tracks like
19 that, it would be good to give California more exposure.
20 With that in mind, we'll now be doing -- we'll now be
21 putting four days' output for California racing, so it would
22 be a good highlight for that.

23 Also, the program on a Friday, we have -- I've
24 certainly noticed going back some time, is becoming
25 increasingly more congested, and we're swimming in shallower

1 waters on a Monday, and I feel that it's going to be a
2 positive move forward for us. We've got five Mondays, or
3 six Mondays, I believe, during the meet, so we'll be able to
4 provide a fair comparison between Mondays and last year's
5 Fridays, where we were racing Friday, Saturday, Sunday.

6 So we're very much looking forward to it. We have
7 quite a few events going on at the track at the moment on
8 the lead-up to this meet, which I hope will benefit the meet
9 itself as it's going to be nice weather, as opposed to the
10 difficult spring that we had, and the turf track is coming
11 along great. It looks in great condition. I was there
12 yesterday evening, and we're doing quite a lot on the track
13 itself.

14 So we'd be very obliged if you would grant us a
15 license for that period of time.

16 CHAIR FERRARO: Questions from the Board?

17 VICE CHAIR GONZALES: Yes, Mr. Chairman.

18 Thank you, Mr. Duggan, for that. Just two
19 questions. One pertains to the racing surface. You did
20 mention the turf course. I appreciate you mentioning that,
21 but I am more interested in the status of the Tapeta
22 surface. As you know, Mr. Duggan, a couple of months back,
23 a couple of the Board members, including CHRB staff, met
24 with a group of trainers, continue to hear about progress
25 that's being made, although concerns remain about the Tapeta

1 race track.

2 So I'm just curious to know if there's a plan in
3 place or just any preliminary thinking you could share about
4 what the company plans to do to make sure that the track
5 surface is addressed.

6 MR. DUGGAN: Yeah, no, absolutely. And, of
7 course, it has been a topic of conversation for quite some
8 time.

9 The Tapeta surface at the moment was inspected at
10 the start of the meet by HISA, who came out here to check
11 the validity and the composition of the surface. And the
12 racetrack itself passed with flying honors, well within the
13 parameters we would expect to send horses out on.

14 We had a further inspection by Kaleb Dempsey from
15 Hisa in the third week of April. I believe it was over a
16 three-day period where he did exhaustive tests on the Tapeta
17 itself using ground penetrating radar and another machine
18 that the name escapes me at the moment, but it mimics a hoof
19 print hitting the ground, a pressure, biotechnic type thing,
20 a mechanical hoof tester, pardon me. Once again, the
21 composition of the track and the make of the track way
22 exceeded the required parameters for a horse race meet to go
23 ahead.

24 This summer, as we did last summer, which was the
25 first time we did it in 15 years, we have undergone another

1 complete refurbishment of the track where our excellent
2 track superintendent, Juan Mesa, peels back the track. Any
3 sign of any decontamination within the surface itself is
4 removed. And we're adding several tons of Tapeta to it this
5 year, again, I think it's almost six loads of Tapeta that
6 we're adding in and mixing it in.

7 With regard to the track itself, it's in perfectly
8 good condition. It's consistent throughout. We've had a
9 very safe meet. We've had some excellent results. We
10 haven't had a horse get injured fatally in the morning since
11 November of 2021. We've had three instances this year that
12 resulted in fatalities on the live racing surface itself.
13 We're very satisfied where it is.

14 It's a subject, Mr. Gonzales, of continued
15 discussion within the group. But as things stand at the
16 moment, the track is good.

17 VICE CHAIR GONZALES: Well, we'll continue to
18 monitor it.

19 And, Mr. Chaney, if I can ask you just to engage
20 with the HISA reps? I'm not sure if they brought along any
21 CHRB staff when they did their test, but it really would be
22 really good, or if you want to shed any light on the HISA
23 engagement as it relates to the Tapeta track, you know, feel
24 free to share now.

25 EXECUTIVE DIRECTOR CHANEY: Yeah, I don't have

1 anything on that front, but I will engage HISA, because I
2 think you're right. Having CHRB personnel along with them
3 makes sense to me.

4 VICE CHAIR GONZALES: Yeah. Okay, that would be
5 great.

6 You know, I just continued to read about, you
7 know, your company's investments. I just read at
8 Gulfstream, they're making a pretty hefty investment in the
9 turf course there. At Laurel Racetrack, I know they've had
10 their ups and downs, but there was a \$2 million investment
11 that was made there.

12 And I said this before in the seat that I'm in is,
13 you know, California just deserves to have the best. And so
14 if we're watching other investments being made elsewhere
15 where there's perhaps as equally as important need, just
16 want to make sure that there's consideration for that. But
17 thank you for that.

18 The second question I have is a recent investment
19 that First Racing, Stronach Group made in MyRacehorse.com.
20 I come from the standpoint of pro-partnership, pro-
21 innovation, pro-technology. However, when we see one of the
22 racetracks make an investment to the tune of \$7 million as
23 the MyRacehorse press release said, to buy racehorses, which
24 depending on how you look at it, I just, one, I know we
25 weren't consulted as a regulator. But I just wanted just to

1 get, you know, just any reaction from you as representatives
2 of the company as to the thinking behind the MyRacehorse.com
3 investment.

4 MR. DUGGAN: Sure, Mr. Gonzales. I'm going to
5 defer to our general counsel, Eric Sindler, on that if you
6 don't mind? I wouldn't have been privy to those
7 conversations, but I think Eric has some news for you.

8 VICE CHAIR GONZALES: Okay, thank you.

9 MR. SINDLER: Yes, good morning. So, yes, the
10 MyRacehorse investment, it is a strategic partnership, so
11 obviously the individuals who actually own the horses, so
12 MyRacehorse owns shares in the horses, MyRacehorse itself
13 usually doesn't own any portion of the horse. All the
14 shares have been sold. They only own any shares that
15 haven't been sold, which is usually an infinitesimally small
16 amount. And since we own a small amount of that, any
17 ownership we have directly in a racehorse is almost
18 incalculably small.

19 But these are very passionate horse owners. It's
20 new people who have not been involved in the game, or it's
21 people who have been involved in the game as a fan and now
22 getting even more engaged. And it is largely marketing for
23 us. It's a way to get in touch directly with a very large
24 fan base of very passionate customers and get them to come
25 out to the live attendance, bet on the races, make it a more

1 sociable scene, rebuild the live attendance. It's mostly a
2 marketing play, candidly.

3 VICE CHAIR GONZALES: Understood.

4 From the regulatory standpoint, much in the way
5 that I'm sure you're going to be doing employee training to
6 make sure that there's no conflict or perceived conflicts,
7 because with horses you've got trainers, and when you've got
8 trainers, you've got other dynamics that can come about.
9 There are some trainers that are going to get MyRacehorse
10 stock and some aren't.

11 And from our standpoint, we'll just be monitoring
12 very closely in case there's anything that we need to do,
13 making sure that stewards know that if it's a call between
14 the top two finishers of a race that they're looking at, as
15 they always do, call balls and strikes right up the middle
16 without any consideration that a racetrack has an ownership
17 in, you know, a horse that's under, you know, that's under
18 consideration for, you know, a win or loss.

19 MR. SINDLER: Yeah. We wouldn't expect anything
20 other than that.

21 VICE CHAIR GONZALES: Okay. Okay.

22 CHAIR FERRARO: You won't be involved in the
23 direct management of the horses or the company or the
24 partners or anything, you're just a passive investor; is
25 that correct?

1 MR. SINDLER: We do have one director on the
2 Board, but he's not a -- you know, he's one of many
3 directors.

4 CHAIR FERRARO: Right. Right. Right.

5 MR. SINDLER: So, no, we have no direct
6 management, we're a passive investor, largely.

7 CHAIR FERRARO: But on a day-to-day basis, you're
8 not involved?

9 MR. SINDLER: Right. We're a minority owner.

10 CHAIR FERRARO: Yeah.

11 VICE CHAIR GONZALES: You know, the only other
12 thought I have, I'll just be -- I myself, again, I'm pro-
13 innovation, pro-Silicon Valley, and pro-promotion of the
14 sport. I just want to make sure that things are going to be
15 fair, you know, especially when it comes to the trainers.
16 You know, I think there's some really good trainers out
17 there, probably don't have access as much as others. But I
18 just want to make sure that now that you are in that line of
19 work, that you are being very responsible and conscientious
20 about what is good for all players within the industry.

21 But I'm assuming there will be more to come.
22 Hopefully nothing will ever reach this level, but, you know,
23 we'll just sit tight and see how this plays out.

24 MR. SINDLER: Okay.

25 VICE CHAIR GONZALES: I have no further questions,

1 Chairman.

2 CHAIR FERRARO: Anyone else?

3 COMMISSIONER ALFIERI: This investment with all
4 these, I mean, owning shares is throughout all of the
5 Stronach tracks, or is this not just Golden Gate? Because I
6 didn't read the article or I didn't see that.

7 MR. SINDLER: So, yes, no. It was the corporate
8 entity that has a minority ownership interest. It's not
9 Golden Gate Fields.

10 COMMISSIONER ALFIERI: Okay. So it could be
11 throughout your entire --

12 MR. SINDLER: Exactly.

13 COMMISSIONER ALFIERI: -- empire? Thank you.

14 CHAIR FERRARO: Any public comment on this? No.

15 MR. SWARTZLANDER: Good morning, gentlemen.

16 CHAIR FERRARO: Go ahead, Larry.

17 MR. SWARTZLANDER: Is this working? Is it working
18 now? There we go. This is Larry Swartzlander, Executive
19 Director of CARF.

20 I'd just like to add as a condition to the
21 approval of the license, for last ten years, we've asked the
22 Board that Golden Gate does not run any condition races
23 under \$5,000 claiming so they don't conflict with the
24 Humboldt County Fair's horse population. That has been
25 approved in at least the last nine license applications.

1 MR. SINDLER: I just want to make sure it's clear
2 that that condition is only during the overlap time period.

3 MR. SWARTZLANDER: Yes, just that one week, Eric.

4 MR. SINDLER: Right. Yes. So, yeah, no claimers
5 under \$5,000.

6 CHAIR FERRARO: For the overlap week?

7 MR. SINDLER: Correct. That's how it had been in
8 the last number of years --

9 CHAIR FERRARO: Yeah.

10 MR. SINDLER: -- as Larry has stated.

11 CHAIR FERRARO: Alright, Larry? Satisfied?

12 MR. SWARTZLANDER: Yes. Thank you.

13 CHAIR FERRARO: Okay.

14 Do we have a motion?

15 VICE CHAIR GONZALES: Yes, Mr. Chairman, I'll go
16 ahead and make the motion here with the condition upon no
17 riding a race under \$5,000 during that overlap period.

18 And thanks for bringing that to our attention,
19 Larry.

20 So, yes, I do move.

21 CHAIR FERRARO: Second?

22 COMMISSIONER DAVIS: Davis --

23 COMMISSIONER ALFIERI: Second.

24 COMMISSIONER DAVIS: -- seconds.

25 COMMISSIONER ALFIERI: Yeah.

1 CHAIR FERRARO: I didn't hear you. You missed.

2 COMMISSIONER ALFIERI: Go ahead. No. No worries.

3 CHAIR FERRARO: She's quicker than you.

4 COMMISSIONER ALFIERI: Quick at the gun.

5 CHAIR FERRARO: Alright. I'll let you vote
6 though.

7 COMMISSIONER ALFIERI: Aye. Yes.

8 CHAIR FERRARO: Commissioner Gonzales?

9 VICE CHAIR GONZALES: Yes.

10 CHAIR FERRARO: Commissioner Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: And the Chairman votes yes.

13 Have a good meet. I hope Monday works out for
14 you. We'll be anxious to see how that goes.

15 MR. DUGGAN: We certainly do as well.

16 Would you oblige me for one moment? I just
17 want -- I had one thing that I'd like to say if at all
18 possible.

19 We had a very difficult spring during our winter-
20 spring meet. And I'd like to extend my sincere thanks to
21 Dr. Jeff Blea, the Director of Veterinary Medicine for the
22 CHRB, who gave us untold assistance in very, very early
23 mornings in January and February with the wet weather. He
24 was an enormous help to us.

25 But on a more somber tone, on the 11th of June,

1 the final day of our meet, we received news on the Sunday
2 morning of the passing of Will Meyers. Mr. Meyers was a
3 wonderful steward of the CHRB. He was the greatest
4 custodian of the rulebook and we were terribly deflated when
5 we heard the news of his passing.

6 So on behalf of my office and my staff, I'd like
7 to extend our sincere sympathies to the Meyers' family on
8 Will's passing. And it just won't be quite the same without
9 him when we do come back in August.

10 Thank you.

11 CHAIR FERRARO: That's great. Good. Well said.
12 Thank you, gentlemen.

13 MR. SINDLER: Thank you very much.

14 CHAIR FERRARO: Our next item is discussion and
15 action by the Board on the application for a license to
16 conduct a horse race meeting of the California Exposition
17 and State Fair commencing July 12th through August 1st,
18 2023.

19 MR. SWARTZLANDER: Good morning again. Larry
20 Swartzlander, Executive Director of CARF, also the Director
21 of Racing at Cal Expo. I'd like to just quickly run over
22 the Cal Expo racing site and turn it over to Mr. Martinez
23 here, the CEO, to talk a bit about marketing.

24 Again, we have the same incentives that we have at
25 Pleasanton for Cal Expo. Nothing's changed there. We have

1 a \$75,000 guaranteed stakes race. The Governor's Handicap
2 purses are the same as they were last year.

3 The track is open right now. You can see we have
4 350 horses on the backside and from the racing side of it,
5 we expect to have a great meet.

6 One change of significance is that the post time
7 will be at 3:45 every day. It's a twilight post. I feel
8 there's a lot of pluses to this. Number one, there's
9 dovetailing with Del Mar. Del Mar runs at four o'clock on
10 Fridays, and they also have two o'clock posts on Thursdays,
11 Sundays, and Saturdays, so that's a big plus there.

12 And the other one is that we run a little bit like
13 5:00, 6:00, 7:00 in the afternoon when it's a little bit
14 cooler. And we know that the heat is always a consideration
15 in the north at Sacramento.

16 Mr. Martinez?

17 MR. MARTINEZ: Thank you. I think you captured
18 what I wanted to illustrate. We took your input, your
19 comments from prior meetings, and we've made some
20 adjustments and changes. We look forward to seeing what
21 those changes bring forward.

22 In addition to that, we've upgraded our State Fair
23 in many different ways outside of just the marketing. If
24 you look in the bag, you'll see a number of little under \$10
25 gifts, way under \$10, Mr. Chaney. In addition, that is

1 our --

2 MR. SWARTZLANDER: I didn't get one.

3 MR. MARTINEZ: -- concert lineup and a number of
4 other attractions that we hope to bring in a different
5 variety of people, cultures, and start some new traditions
6 here at the California State Fair.

7 I'm here if you have any questions.

8 CHAIR FERRARO: Questions from the Board?

9 VICE CHAIR GONZALES: No, Mr. Chairman, other than
10 just commending the team here and appreciating the
11 adjustment in terms of when the first race will go off. I
12 think that adjustment will be good for the horsemen,
13 definitely good for the horses.

14 And also, just more broadly, I was at Pleasanton
15 this past weekend and I just want to just say thanks and
16 really recognize the leadership of CARF and the Pleasanton
17 community. The stands were packed. Racing was safe. It
18 was nice and cool. Family. It was just incredible to see.
19 And I remain a big proponent of fair racing. And especially
20 when fair racing makes the kind of adjustments that I feel
21 are important for the industry of horsemen and horses.

22 So Larry, Mr. Martinez, thank you both.

23 CHAIR FERRARO: Any other comments from the Board?

24 COMMISSIONER ALFIERI: (Off mic.) I have the keys
25 to (indiscernible).

1 EXECUTIVE DIRECTOR CHANEY: Larry and Tom, just a
2 quick question. It looks like on the application where it
3 says, "daily post time," for the first race, it says 1:45,
4 that's --

5 MR. SWARTZLANDER: You got the wrong copy then.
6 It should be 3:45.

7 EXECUTIVE DIRECTOR CHANEY: Got it. I just want
8 to make sure when the Board -- like if it approves your
9 application, that 3:45 would be.

10 MR. SWARTZLANDER: There was a little snafu. We
11 got the -- the master copy got kind of -- it happens
12 sometimes.

13 EXECUTIVE DIRECTOR CHANEY: Yeah, I know, and I'm
14 not beating you up for it.

15 MR. SWARTZLANDER: Yeah.

16 EXECUTIVE DIRECTOR CHANEY: I know moving the
17 Board meeting times around has wreaked havoc with the
18 license app, so I appreciate your being flexible. But just
19 wanted to make sure it's clear for the record.

20 MR. SWARTZLANDER: It's 3:45 every day, yes.

21 CHAIR FERRARO: Do we have public comment on this?
22 None?

23 May I have a motion from the Board?

24 VICE CHAIR GONZALES: Gonzales moves.

25 COMMISSIONER ALFIERI: Second. Alfieri.

1 CHAIR FERRARO: Alright. Commissioner Davis?

2 COMMISSIONER DAVIS: Yes.

3 CHAIR FERRARO: Commissioner Gonzales?

4 VICE CHAIR GONZALES: Yes.

5 CHAIR FERRARO: Commissioner -- what was your name
6 again, Alfieri? Yeah.

7 COMMISSIONER ALFIERI: Giuseppe.

8 Alfieri, yes.

9 CHAIR FERRARO: And the Chairman.

10 Hope you have a good meet.

11 MR. MARTINEZ: Thank you.

12 MR. SWARTZLANDER: Thank you.

13 CHAIR FERRARO: Alright, item number four.

14 Discussion and action by the Board on the application for a
15 license to :se race meeting of the Humboldt County Fair at
16 Ferndale, commencing August 16th, 2023, through August 29th,
17 2023.

18 MR. SWARTZLANDER: Again, Larry?

19 MR. SWARTZLANDER: Again, Larry Swartzlander, the
20 Director of Racing for the Humboldt County Fair.

21 I guess we'll get right to the heart right now.
22 You've all heard that there is a situation where the county
23 said that the grandstand was not safe to conduct racing in
24 the August meet.

25 What has occurred since then, you know, the

1 position of Humboldt and CARF is very clear, we will race.
2 The Board, I've talked to the president and the Vice Chair,
3 and at this point, and I talked to him again this morning,
4 we've already identified a contractor that will do the work.
5 And they're having a meeting later today with the county to
6 put the details together and it will be completed by 1
7 August.

8 Obviously, contingencies. I've got the -- I'm
9 president of the NOTWINC Board. I've already got my staff
10 working on a contingency that if it would happen that we
11 could not use the grandstand, what would we do to
12 accommodate the racing at Humboldt County Fair?

13 You know, years ago, when satellite wagering first
14 came to California, we did a lot of wagering in tents.
15 There's always ways to do things. The Humboldt County Fair,
16 the track is in great condition. The backside's fine. TV
17 production is handled in a truck outside the grandstand.
18 Everything in the grandstand can be moved to another
19 location, so I don't see that as a concern.

20 Humboldt County Fair again is a six-day meet. The
21 overnight purses are the same. We have a \$25,000 Humboldt
22 Marathon, which is a mile and five-eighths. One of the
23 great days is the Hat Day if you want to come up there. And
24 I think if you want to go to a fish fry, you need to come to
25 the Humboldt County Fair because it's one of the best.

1 That's all I have at this point.

2 CHAIR FERRARO: So you're telling us that the
3 contractors have told you that they can have the
4 grandstand --

5 MR. SWARTZLANDER: That was my conversation this
6 morning at seven o'clock, yes.

7 CHAIR FERRARO: And what about the county
8 oversight in terms of earthquake proof and everything? Is
9 that going to be clear?

10 MR. SWARTZLANDER: We'll have a meeting this
11 afternoon, Dr. Ferraro.

12 CHAIR FERRARO: Okay.

13 VICE CHAIR GONZALES: The only question I have,
14 Larry -- and it's been great to have been up there now twice
15 in the last few months, I do. If things stay on schedule,
16 I'll be there for the second week. And in seeing the
17 location, I do know you guys can improvise. So if the
18 grandstands are not able to be used, I did observe other
19 areas of the premises that patrons can be at in a safe
20 manner. But, you know, we have to, you know, really rely on
21 the county's expertise. And we always put safety first of
22 horses, of horsemen, and then, of course, of the patrons.

23 So just please keep us in the loop, Larry. I read
24 the article that you're referring to. I remain a supporter
25 of Humboldt racing. So we'll be looking forward to getting

1 the all-clear sign, if that's the case, and if not, the
2 plans that will be made to ensure that people are safe.

3 MR. SWARTZLANDER: Yeah, I totally understand. As
4 soon as I heard about it, I immediately informed Scott
5 Chaney that we had a situation there.

6 VICE CHAIR GONZALES: Okay.

7 CHAIR FERRARO: Any other questions from the
8 Board?

9 Scott, do you have something?

10 Allen Aldrich?

11 MR. ALDRICH: Yes, sir. Good morning,
12 Commissioner Ferraro -- and Chairman Ferraro. Appreciate
13 the time to talk today.

14 Over the last ten years, Humboldt has been asked
15 to do a lot of things. And they've done them all with no
16 problem. And I'm sure this little hiccup they have here
17 will be fixed before racing time.

18 I just want to go over a timeline. Ten years ago,
19 they were asked to redo the jockeys' room, the stewards'
20 room, and they built a brand new facility there for them.
21 Eight years ago, they were asked to put in a new rail on the
22 inside. The horsemen and some of the local ranchers had a
23 truck in Los Angeles. That's where the rail was. The rail
24 came up and within a month or so the new rail was installed.
25 Then seven years ago, they replaced the entire outside rail

1 of Humboldt County Fair. And this is all done by the
2 support of the local community, which is very resilient and
3 tenacious when it comes to the Humboldt County Fair.

4 Five years ago, they replaced all the roofs on the
5 barns that have stood for many, many years. And I would
6 hope you would support their race dates for this year.

7 Thank you.

8 CHAIR FERRARO: Thank you for the input. Sounds
9 like Franklin Delano Roosevelt is running Humboldt County
10 Fair.

11 Do you have anything to comment? No?

12 Do we have a motion?

13 VICE CHAIR GONZALES: Gonzales moves.

14 COMMISSIONER DAVIS: Davis seconds.

15 CHAIR FERRARO: Commissioner Alfieri?

16 COMMISSIONER ALFIERI: Yes.

17 CHAIR FERRARO: Commissioner Gonzales?

18 VICE CHAIR GONZALES: Yes.

19 CHAIR FERRARO: Commissioner Davis?

20 COMMISSIONER DAVIS: Yes.

21 CHAIR FERRARO: And the Chairman votes yes.

22 Good luck. I hope you get your grandstand fixed
23 up.

24 Let's see, where are we? Item number five,
25 discussion and action by the Board on the application for a

1 license to e race meeting at the Sonoma County Fair at Santa
2 Rosa, commencing August 2nd, continuing through August 15th,
3 2023.

4 MS. BARTLING: Good morning, Chair.

5 CHAIR FERRARO: Good morning.

6 MS. BARTLING: And are there any questions?

7 CHAIR FERRARO: Identify yourself, please.

8 MS. BARTLING: Got it. Becky Bartling, CEO,
9 Sonoma County Fairgrounds. And with me today is Michael
10 Margetts, who is our CFO, and Matt Daly, who is our COO, and
11 Stacey Lapham, who is our Director of Racing. So we thought
12 we'd bring the whole team today.

13 VICE CHAIR GONZALES: Thank you.

14 CHAIR FERRARO: Yes

15 VICE CHAIR GONZALES: Thank you for being here.

16 MS. BARTLING: A couple things. We're super
17 excited about our race meet this year. Our sales for our
18 grandstand seats are up about 50 percent over last year, so
19 we're very excited about that.

20 Our marketing logo actually promotes horse racing.

21 We have a really awesome theme this year, it's called
22 Jurassic Jubilee. We will have ten robotic life-size
23 dinosaurs in our Hall of Flowers. And I invite you all to
24 come visit us if you haven't seen the Hall of Flowers. It's
25 absolutely fabulous. And this is super fun. So our theme

1 is very successful.

2 A couple of things. We have seven days of racing,
3 August 3 through 13, Thursday, Friday, Saturday, and Sunday.
4 The second week, we are Friday, Saturday, and Sunday; 1:45
5 post times, Fridays are at 2:15.

6 Our purse levels are the same as 2022 and match
7 what CARF is doing for the summer fairs. Also same as 2022,
8 we have two stakes races at \$75,000 each, hosting one each
9 weekend.

10 Our turf course is in great shape. You know,
11 Mother Nature helped us out a lot. We were able to save a
12 lot of water this last year. As you all know, it was a very
13 wet year, which was terrific for us, as well, but it is in
14 great shape. Our safety rail we put in last year. It will
15 be the second year of the rail, so we're excited about that.

16 We continue our program dinners in the park once
17 each week for our horsemen, hosted by our board of
18 directors, very fun. Stacey puts that together.

19 We have great promotions. I'm going to tell you a
20 little bit and then I want Matt to talk about some really
21 neat social media things that we're doing, new and unique.

22 In addition to our popular daily racing seminars,
23 we have many contests throughout each day, Our Win, Place
24 and Show, a t-shirt toss, second-chance promotions that are
25 all very popular, derby dog races on Sundays, and if you

1 haven't seen that, it's super fun. And we are actually
2 having all of our Board members dress in a blowup dinosaur
3 costume for a dinosaur race. And all but one have
4 volunteered to do that. So I again invite you to come out
5 and join us if you'd like. It's going to be very fun the
6 first Friday.

7 We also have an educational area always to teach
8 new racing fans how to wager using the Tote machines with an
9 incentive with a \$2.00 voucher. We have other promotions
10 that team members help us out with throughout the grandstand
11 to assist patrons at all of our machines.

12 And I want to take a minute and let Matt talk
13 about our social media, which is overcoming any of our
14 traditional media, print, and radio, and is highly
15 successful.

16 So, Matt, take it away.

17 MR. DALY: Okay, so we've decided to look at a
18 different approach to get more people in our meet. And one
19 of the things we're doing is using digital marketing to
20 target OTB folks that watch it or stream it on their devices
21 at home. It's been really instrumental. We get a lot of
22 information back on it. We know who these people are. When
23 they click on it and take a look at it, we get some
24 demographics. And we are able to track that click right
25 back through to our sales.

1 So as Becky had mentioned, we're seeing a really
2 nice advanced sale for our meet this year. And we're hoping
3 to gain a lot of traction with that. We're able to target
4 people very specifically to the demographic of racing, which
5 is really unique.

6 We also fold in all of our marketing campaigns to
7 include racing, which, again, is paying off this year. So
8 we're seeing a lot of great returns on it. And we're hoping
9 to get a lot of information that we can use next year and
10 years to come to also target the right folks to come to our
11 meet.

12 CHAIR FERRARO: That sounds like a very good idea.

13 MS. BARTLING: We started with the program last
14 year through an organization and it was successful. And
15 this year, we actually budgeted quite a bit more to work
16 with them. And if you notice on your phone, if you're
17 looking at something, all of a sudden, you might see an ad
18 pop up for something that's similar and you're like, how did
19 that happen? Well, it's all through this new digital system
20 that tracks through IP addresses. And whatever you're
21 looking at, it comes and finds you. It's a little freaky,
22 but it's the way of the future. And it's allowed us to
23 really be more successful in our marketing.

24 A couple other things. We have our co-op
25 marketing Program again, incentive program. Owners will see

1 \$450 per start when shipping horses from Golden Gate within
2 48 hours of running and returning within 24 hours
3 afterwards. And five-and-dime bonus, owners with five-plus
4 starts will receive an additional \$1,000.

5 And if you have any questions for us Questions
6 from the Board? No. Alright, I think you answered them
7 all.

8 Public comment? No?

9 Do we have a motion to approve?

10 VICE CHAIR GONZALES: Yeah. Gonzales moves.

11 Thank you. Great presentation. Thanks.

12 COMMISSIONER DAVIS: Davis seconds.

13 CHAIR FERRARO: Commissioner Alfieri?

14 COMMISSIONER ALFIERI: Yes.

15 CHAIR FERRARO: Commissioner Gonzales?

16 VICE CHAIR GONZALES: Yes.

17 CHAIR FERRARO: Commissioner Davis?

18 COMMISSIONER DAVIS: Yes.

19 CHAIR FERRARO: The Chairman votes yes.

20 Have a good meet.

21 MS. BARTLING: Thank you. Hopefully you'll all
22 take a moment and come up and visit us.

23 VICE CHAIR GONZALES: Yep, be there.

24 EXECUTIVE DIRECTOR CHANEY: Thanks, Becky.

25 How do I get in on the race?

1 CHAIR FERRARO: I'm not wearing any dinosaur suit,
2 so --

3 EXECUTIVE DIRECTOR CHANEY: Yeah, I was hoping to
4 get in on that race if I could somehow.

5 MS. BARTLING: You absolutely can.

6 COMMISSIONER ALFIERI: Why don't we put the --

7 MS. BARTLING: We would love to have you.

8 COMMISSIONER ALFIERI: Why don't we nominate the
9 Chairman to join?

10 MR. DALY: We've got an extra outfit for anyone
11 that's interested.

12 CHAIR FERRARO: Alright, item number six is
13 discussion and action by the Board on the approval for the
14 distribution of ADW market access fees for wagers placed by
15 California residents on all live and imported races hosted
16 by the Sonoma Fair at Santa Rosa for the period of August
17 2nd, 2023 through August 15th, 2023, to be utilized to fund
18 a California co-op marketing program as permitted under the
19 Business and Professions Code, section 19604.

20 Go ahead.

21 MS. BARTLING: Becky Bartling again, and Michael
22 Margetts here from Sonoma County Fairgrounds, Wine Country
23 Racing.

24 This is the same application that you approved
25 last year, and just hoping to have it approved again this

1 year.

2 MS. BARTLING: Any questions on the Board? It's
3 pretty standard.

4 Public comments? None.

5 Let's have a motion. Chairman will move.

6 COMMISSIONER ALFIERI: I'll second it.

7 CHAIR FERRARO: Commissioner Davis?

8 COMMISSIONER DAVIS: Yes.

9 CHAIR FERRARO: Commissioner Gonzales?

10 VICE CHAIR GONZALES: Yes.

11 CHAIR FERRARO: Commissioner Alfieri?

12 COMMISSIONER ALFIERI: Yes.

13 CHAIR FERRARO: The Chairman votes yes.

14 MS. BARTLING: Thank you.

15 CHAIR FERRARO: Carry on.

16 MR. DALY: Thank you.

17 VICE CHAIR GONZALES: Thank you.

18 CHAIR FERRARO: Item number seven -- that's the
19 most important thing on the agenda today -- discussion and
20 action by the Board on the approval of the fiscal year 2023
21 to 2024 agreement providing funding for the CHRB Board
22 support.

23 Mr. Chaney?

24 EXECUTIVE DIRECTOR CHANEY: I agree with you.

25 Thank you, Mr. Chairman. We need money for next fiscal

1 year.

2 In approving this item, the Board would be doing
3 two things, allowing for this use of market access fees. I
4 always say that it's, you know, it's the industry's money.
5 They just need approval with how to spend it. And I highly
6 approve of this way of spending it.

7 And then secondly, you're approving the formula
8 that Bernie and her team came up with in order to fund the
9 Board's budget each year.

10 Questions from the Board?

11 Public comment? None.

12 Motion to approve?

13 COMMISSIONER DAVIS: Davis votes.

14 CHAIR FERRARO: Second?

15 COMMISSIONER ALFIERI: I'll second.

16 CHAIR FERRARO: Commissioner Davis?

17 COMMISSIONER DAVIS: Yes.

18 CHAIR FERRARO: Commissioner Gonzales?

19 VICE CHAIR GONZALES: Yes.

20 CHAIR FERRARO: Commissioner Alfieri?

21 COMMISSIONER ALFIERI: Yes.

22 CHAIR FERRARO: And the Chairman votes yes.

23 Item number eight, discussion and action by the
24 Board regarding Los Alamitos Equine Sales Company's request
25 for authorization of its upcoming horse sale of Los Alamitos

1 Racecourse in Cypress, California pursuant to CHRB Rule
2 1807, Authorized Horse Sales.

3 MR. PEREZ: Good morning. Dino Perez with Pacific
4 Coast Quarter Horse Racing Association. I'm here on behalf
5 of Dr. Allred and Dr. Burns for our annual quarter horse
6 yearling and mixed stock sale. This year will be September
7 30 and October 1.

8 They're at the facility at the racetrack. We're
9 still taking entries. So currently, we have about 145
10 horses. And hopefully, we'll get to about 250 by the time
11 it's done. It will be a two-day sale.

12 I'm here for any questions that you might have.

13 CHAIR FERRARO: Question from the Board? None.

14 Public comment, Mike? No?

15 Do we have a motion to approve?

16 VICE CHAIR GONZALES: Yeah, Gonzales moves. Yeah.

17 COMMISSIONER ALFIERI: I'll second.

18 CHAIR FERRARO: Commissioner Davis?

19 COMMISSIONER DAVIS: Yes.

20 CHAIR FERRARO: Commissioner Gonzales?

21 VICE CHAIR GONZALES: Yes.

22 CHAIR FERRARO: Commissioner Alfieri?

23 COMMISSIONER ALFIERI: Yes.

24 CHAIR FERRARO: And the Chairman votes yes.

25 MR. PEREZ: Thank you.

1 CHAIR FERRARO: Good luck on your sale.

2 MR. PEREZ: Thank you.

3 CHAIR FERRARO: Discussion and action by the Board
4 on the renewal application for a license to operate a mini-
5 satellite wagering facility at Chilfruits Incorporated, DBA,
6 Tilted Kilt, in Thousand Oaks.

7 Mr. Baedeker? How are you, Rick?

8 MR. BAEDEKER: I'm good, Mr. Chairman. How are
9 you?

10 CHAIR FERRARO: I'm fine. Thank you.

11 MR. BAEDEKER: Commissioners, it's a pleasure to
12 see you this morning, Director Chaney and CHRB staff.

13 I'm here with Frank Ibanez. Frank is the owner of
14 the Tilted Kilt Restaurant in Thousand Oaks. Tilted Kilt
15 has had mini-satellite wagering for ten years and is before
16 you seeking approval of a license for an additional five
17 years.

18 We're happy to answer any questions or address any
19 comments that you might have.

20 CHAIR FERRARO: Questions or comments from the
21 Board?

22 Mr. Chaney?

23 EXECUTIVE DIRECTOR CHANEY: I have none. I just
24 thank the Tilted Kilt for their cooperation. The license
25 application is complete, and so the staff is fine with it.

1 CHAIR FERRARO: Alright.

2 VICE CHAIR GONZALES: The only question I have is
3 just related to security. I know the union typically will
4 bring up some security at not your facility in particular,
5 but at others, but just anything that we should know in
6 terms of how the customers are being taken care of,
7 protected?

8 MR. IBANEZ: okay. We do have security at the
9 premises all the time. Every time that we're having
10 wagering, we do have a security present.

11 Also, we've been increasing, somehow, the security
12 with alarm company that we have. We have security bottoms
13 that they can call the security company and they will call
14 the police in case of any altercation.

15 So we try to be very alert and try to prevent any
16 disturbances in the restaurant.

17 VICE CHAIR GONZALES: Okay.

18 MR. BAEDEKER: Commissioner, I might add that we
19 have -- it's a unique situation here because we are putting
20 basically a wagering module inside somebody else's business.
21 So per the application that you have in front of you, it
22 does ask who at the restaurant is responsible for security
23 and what the security plan is. And one of the things that
24 we've learned is that a restaurant is very reluctant to have
25 any kind of armed security.

1 But what we came up with is what Mr. Ibanez
2 alluded to, and that is panic buttons on the belts of
3 servers. And so if they see anything that concerns them,
4 they can simply hit the button, which, you know, exists in a
5 restaurant anyhow, like in the management area or the bar
6 area or anything like that. And so we think it's a pretty
7 safe coordination of the effort between the restaurant owner
8 and SCOTWINC.

9 And while I have the opportunity, I'd just like to
10 point out that these mini satellites are really an important
11 contributor to the racing industry. And most people think
12 of purses and commissions when they look at the
13 contributions from Handle. But I just would like to take
14 the opportunity to point out that, in addition, the
15 distributions are made to the Stabling and Vanning Fund, to
16 CHRB support, breeders and owners premiums, the Workers Comp
17 Fund, Equine Research Fund, and CHRIMS, so we're lucky to
18 have them.

19 And I might point out that we're looking at
20 another restaurant that Mr. Ibanez and his partner's own in
21 the San Fernando Valley, which is a big opportunity for us.
22 It's tremendous demographics out there, lots of horse racing
23 interest, we know that from the amount of account wagering
24 that comes from the Valley, and yet, we don't have a mini
25 satellite out there. So we look forward to coming back

1 before the Board with an application for that site.

2 VICE CHAIR GONZALES: Great. Good update, Rick.
3 Thank you for that. Appreciate your leadership, sir, on the
4 security front. Thank you.

5 MR. IBANEZ: Thank you.

6 COMMISSIONER ALFIERI: Let me ask, traditionally,
7 though, with security, going back to security, are these
8 officers or security officers, they're identified, they're
9 uniformed, or are they just floating?

10 MR. IBANEZ: Well, in this case, he wears a
11 security shirt that identifies him as a security. And he's
12 all the time where the wagering is happening. But at the
13 same time, they help, you know, the people there. They're
14 very friendly. They don't carry any guns but they are
15 licensed by the State of California.

16 COMMISSIONER ALFIERI: Okay. I just think the
17 more we concern our -- I mean, it's the world we live in
18 today, but in all of our satellite facilities, I think we've
19 got to be very aware of, you know, and really stay on
20 that --

21 MR. IBANEZ: Absolutely.

22 COMMISSIONER ALFIERI: -- just to make people feel
23 comfortable, too, and be your customer. Thank you.

24 MR. IBANEZ: Thank you.

25 CHAIR FERRARO: Any other comments? Can I have a

1 motion?

2 COMMISSIONER DAVIS: Davis move.

3 COMMISSIONER ALFIERI: I'll second.

4 CHAIR FERRARO: Commissioner Gonzales?

5 VICE CHAIR GONZALES: Yes.

6 CHAIR FERRARO: Commissioner Alfieri?

7 COMMISSIONER ALFIERI: Yes.

8 CHAIR FERRARO: Commissioner Davis?

9 COMMISSIONER DAVIS: Yes.

10 CHAIR FERRARO: The Chairman votes yes.

11 Carry on.

12 MR. IBANEZ: Thank you.

13 CHAIR FERRARO: Good job.

14 MR. BAEDEKER: Thank you.

15 CHAIR FERRARO: Item number 10, discussion and
16 action by the Board regarding the CTBA Sale Company's
17 request for authorization of its upcoming horse sale at
18 Alameda County Fairgrounds in Pleasanton, California,
19 pursuant to CHRB Rule 1807, Authorized Horse Sales.

20 Go ahead.

21 MR. OLDFIELD: Thank you, Mr. Chairman. Justin
22 Oldfield. I'm a Board member of CTBA here on their behalf
23 today, as well as a farm owner and breeder, here to
24 respectfully request CHRB grant permission to conduct this
25 sale. We've got a great book with over 180 horses consigned

1 and we believe it will be successful.

2 Thank you very much.

3 CHAIR FERRARO: Questions from the Board?

4 Public comment, Mike? None?

5 Can we have a motion to approve?

6 VICE CHAIR GONZALES: Yeah. Gonzales moves.

7 COMMISSIONER DAVIS: Davis seconds.

8 CHAIR FERRARO: Commissioner Alfieri?

9 COMMISSIONER ALFIERI: Yes.

10 CHAIR FERRARO: Commissioner Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: Commissioner Gonzales?

13 VICE CHAIR GONZALES: Yes.

14 CHAIR FERRARO: The Chairman votes yes.

15 MR. OLDFIELD: Thank you very much, sir.

16 CHAIR FERRARO: Item number 11, discussion and
17 action by the Board regarding the proposed amendments and
18 public comments received for CHRB Rule 1846.5, Postmortem
19 Examination, and Rule 1846.6, Postmortem Examination Review.
20 This concludes the 45-day public comment period. The Board
21 may adopt the proposal as presented, although we do have a
22 recommendation possibly for an addition to the rule.

23 Amanda?

24 MS. BROWN: Yeah. Good morning, Commissioners.

25 Amanda Brown, Staff Counsel.

1 So during the 45-day public comment period for
2 this rule, we received one comment on behalf of Santa Anita
3 Park and Golden Gate Fields, and that comment is included in
4 your packet. But it requested the Board also include
5 amendments in these rules that would ensure a racing
6 association or training facility is able to obtain an
7 original copy of the necropsy and postmortem reports that
8 our Board mandated.

9 And currently, we do not expressly allow original
10 copies to be released via our rules. We redact certain
11 information consistent with the Veterinary Medical Practice
12 Act, which includes the name of the horse, identifications
13 of the horse, like the colorings, the sex, the tattoo
14 number. And we also redact the client name and client
15 contact information. But everything else is released to the
16 public or anyone who requests it, including the results of
17 the necropsy, where the breakdown occurred, the date. So
18 it's really just the contact information and the horse
19 information that's redacted.

20 And so we think it would be more efficient if we
21 had a rule that would allow us to directly share these
22 reports with the racing associations instead of forcing them
23 to go through the veterinarians, which can be a cumbersome
24 process, so that's what the amendments in your packet would
25 provide. Subsection (g) would be amended to say that,

1 "Once the report is filed with the listed designees,
2 the Board may release a copy to the racing association
3 or training facility where the horse last resided."

4 So that's what we're trying to accomplish by
5 accepting their comment.

6 CHAIR FERRARO: Is it legal to do that? I mean,
7 if it's unredacted and goes to the racing association,
8 basically, you could say you're releasing it to the general
9 public. Is that legal in terms of the Veterinary Act?

10 MS. BROWN: Yes, it is because the racing
11 associations are currently allowed under Business and
12 Professions Code 4857, subsection (a)(6). So they're
13 specifically listed as a party that can obtain medical
14 records of a horse. But currently, they have to go through
15 the veterinarian. And we're a third party and, arguably, we
16 could currently provide this to them unredacted. But for
17 our protection, we'd like a rule in place that would
18 explicitly allow us to provide it to them.

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

21 COMMISSIONER DAVIS: Yeah.

22 Amanda, I noticed that the language says, "may
23 release," so there are other criteria for uniformity and
24 consistency?

25 MS. BROWN: So, I mean, that was the question is,

1 do we make it shall or may? And I think just for our
2 protection, it would be better to have it be may, but we
3 could make it shall. It just gives the Board discretion.

4 CHAIR FERRARO: So if we accept this as amended,
5 it goes back out for 15 days; right?

6 MS. BROWN: That's correct. So it would go out
7 for another 15-day comment period where, you know, anyone
8 can make further comments only on the additional amendments,
9 not on the rule as a whole.

10 CHAIR FERRARO: Okay.

11 Do you have any comments?

12 EXECUTIVE DIRECTOR CHANEY: I don't, really. I'm
13 always aware of the health concerns with respect to the
14 horses. At the same time, kind of our reluctance to share
15 this information is based on AG guidance, which is -- it's
16 good guidance, but it's also a little bit -- it's a little
17 ironic because we release, I mean, we do release these
18 documents and they're redacted just for the name and, you
19 know, horse identifying information.

20 But anybody with half a brain can figure out what
21 horse it is because, frankly, our numbers are so low right
22 now. If you know what the track was and the date, you can
23 put that information together yourself. So I think in some
24 ways, you know, its -- we're, yeah, we're not really hiding
25 anything, so I don't think we're giving up a lot at the end

1 of the day.

2 CHAIR FERRARO: Okay. So then the motion to
3 approve would include that we would add the additional
4 language recommended by the racing institutions?

5 MS. BROWN: Correct.

6 CHAIR FERRARO: Do I have a second for that
7 motion?

8 COMMISSIONER DAVIS: Davis seconds.

9 Dr. Blea?

10 DR. BLEA: Dr. Blea, Equine Medical Director.

11 One thing I would point out is the necropsy, the
12 CHRB necropsy, is a medical record. So in order for it to
13 be released, it requires owner permission because it is part
14 of the medical record.

15 CHAIR FERRARO: Amanda?

16 MS. BROWN: So I disagree with that, respectfully.
17 So Business and Professions Code 4857 says that,

18 "A veterinarian licensed for this chapter shall not
19 disclose any information concerning an animal receiving
20 veterinary services, the client responsible for the
21 animal receiving veterinary services, or the veterinary
22 care provided to the animal except under any of the
23 following circumstances," so one of them is. "as may be
24 required to ensure compliance with any federal, state,
25 county, city law regulation." The other is, "If the

1 care or service was for a horse that has participated
2 in the previous year or is intended to participate in a
3 licensed horse race," so in these situations, "the
4 entire medical record can be made available to anyone
5 responsible for the direct medical care of the horse,
6 including owner, trainer, vet, California Horse Racing
7 Board, state, local government, entity, and the Racing
8 Association are fair conducting the licensed horse
9 race."

10 DR. BLEA: I would agree with the 4857 BPC because
11 I've reviewed it. However, according to the Veterinary
12 Medical Board, it does require release by the owner for
13 those records to be submitted to the racetracks.

14 CHAIR FERRARO: So basically what you're saying is
15 we have a conflict between our rule and the Medical Board
16 rule?

17 DR. BLEA: No, there's not a conflict, it just
18 requires owner consent for the veterinarian to release those
19 records. Having had records subpoenaed in order to provide
20 those records to a racing association, it did require a
21 letter to the owner that the owner provided consent to
22 release those records.

23 MS. BROWN: Well, if there is a concern, we can
24 definitely just get clarification from that Med Board that
25 they agree with our position. I mean --

1 DR. BLEA: I think in your rule, I would just
2 suggest that, to include owner consent in order to release
3 this information to the racetracks.

4 MS. BROWN: We currently, though -- owner consent
5 is already in the Business and Professions Code, which is
6 like cumbersome, why we don't do it. Like for Medina
7 Spirit, we are able to get owner consent. But we can't do
8 that for every horse. It's just impossible.

9 CHAIR FERRARO: Well, I think in the interest of
10 time and safety, maybe we should postpone this until we get
11 clarification from the Vet Med Board with their positions.
12 So let's table it, unless we have an objection, until the
13 next meeting. Can we do that? No objection?

14 VICE CHAIR GONZALES: You withdraw the motion?

15 CHAIR FERRARO: I withdraw the motion and we'll
16 table the item until the next meeting when we can get
17 clarification on that.

18 Thank you, Amanda.

19 Alright, we're up for the Executive Directors
20 Report.

21 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.
22 Chairman, and good morning, Commissioners.

23 I will begin with the handle report for the month
24 of May. Day racing handle is down 10 percent, night racing
25 handle is down 13 percent, and total handle is down 10

1 percent as compared to May 2022. Year to date, day racing
2 is down seven percent, night racing is down ten percent, and
3 total handle is down seven percent as compared to the first
4 five months of 2022.

5 Regarding HISA, the Anti-Doping and Medication
6 Control Program administered by HIWU, Horse Racing Integrity
7 and Welfare Unit, went into effect on Monday, May 22nd. As
8 you may recall, before it was halted through a legal stay at
9 the end of March, California participated in three race
10 cards, two at Santa Anita, one at Golden Gate Fields, as
11 well as some out of competition testing, mostly for the
12 removal of horses from the vets list.

13 This time, it has been operational for over a
14 month. It seems to be going fairly well. Obviously, there
15 are some -- a few hiccups here and there. Now is around the
16 time we would expect adverse analytical findings to be
17 reported from the first few weeks and the resulting
18 adjudications.

19 I'd like to recognize Deputy ED Cynthia Alameda
20 and EMD Dr. Jeff Blea, who have been doing excellent work
21 toward getting this program underway.

22 As we are one day away from the close of the
23 fiscal year, I'd like to mention the racing reform
24 recommendations chart, which can be found on our website,
25 about which I haven't spoken for some time. The chart

1 outlines 63 safety recommendations from the Santa Anita
2 report in 2019, combined with additional recommendations and
3 a letter from the CHRB to the governor around that same
4 time.

5 Of the 63 recommendations, we have completed 56 of
6 them, leaving seven remaining recommendations. Obviously,
7 these are the most difficult, the ones we don't have
8 complete control over, or ones that can be logistically
9 challenging.

10 The seven remaining are: number one, making track
11 data and maintenance information consistent and available to
12 licensees and the public; number two, monitoring speed of
13 races and adjusting track surface accordingly; number three,
14 using weather-based algorithms for track maintenance and
15 closure; number four, consider installation of synthetic
16 surfaces; number five, use a computer-based model to write
17 races based on current populations; six, explore creating
18 small paddocks or turnout possibilities on track grounds;
19 and number seven, expand video surveillance at all tracks,
20 including stable areas.

21 I won't go into depth on each one, but suffice it
22 to say that stakeholders are encouraged to seek to
23 accomplish these in advance of CHRB creating regulatory
24 requirements.

25 Next, I'd like to echo David's comments from

1 earlier in acknowledging the passing of Will Meyers a little
2 over two weeks ago. Will was a steward in California for 40
3 years and greatly admired by his colleagues. I had the
4 pleasure of working with Will at the beginning of my steward
5 career and at the end of my steward career, both on the fair
6 circuit. I always appreciated his knowledge, his good humor
7 and his integrity, as well as his lemon bars if you happen
8 to know Will. He will be missed.

9 Lastly, a reminder that there is no Board meeting
10 in July. The next Board meeting will be August 17th at Del
11 Mar. The day before on the 16th, we will hold a race dates
12 committee meeting, also in Del Mar. Next week, I will reach
13 out to the stakeholders in order to solicit their requested
14 race dates in advance of the committee meeting on the 16th.

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

16 CHAIR FERRARO: Thank you,

17 Dr. Blea?

18 DR. BLEA: Good morning, Chairman Ferraro, Vice
19 Chairman Oscar Gonzales, Mr. Chaney, and Commissioners.

20 Regarding HISA and HIWU, I wanted to give you a
21 LASIX update. HISA recently announced the members of an
22 advisory committee to oversee a three-year period on the use
23 of furosemide, also known as LASIX, on horses during the 48-
24 hour period before the start of a covered horse race. The
25 committee will include the effects on equine health and the

1 integrity of competition.

2 The Anti-Doping and Medication Control Committee
3 selected the Advisory Committee members based on their
4 relative expertise. The Advisory Committee will oversee the
5 process of issuing a request for proposal to conduct the
6 research, review grant applications from academic
7 researchers, and allocate grant funding for the study. When
8 the independent scientific research has been completed and
9 published, it will be presented to the Advisory Committee
10 who will then relay their findings and recommendations to
11 the HISA Board of directors.

12 Vesicular stomatitis is in California. It's a
13 viral disease of horses, donkeys, mules, cattle, swine, and
14 camels that occurs in the Western Hemisphere. It is endemic
15 in parts of Mexico. Infection results in vesicular lesions,
16 ulcerative stomatitis, and crusting dermatitis of the muzzle
17 and nose of the animals. Vesicular stomatitis, also known
18 as VSV, is considered to be an arbor virus because it uses
19 insects as vectors, insects such as black flies, sand flies,
20 and culicoides-type species. Other insect species may be
21 biological and mechanical vectors of VSV.

22 The 2023 California vesicular stomatitis outbreak
23 began on May 17th, 2023, when the National Veterinary
24 Services Laboratory in Ames, Iowa confirmed the first VS-
25 positive in San Diego, California. An interesting note is

1 it was not far from San Luis Rey Downs.

2 As of the last situation update last week,
3 California has identified 103 affected premises, 35 which
4 are confirmed, 68 are suspect, in six different counties,
5 Los Angeles County, Orange County, Riverside, San
6 Bernardino, San Diego, and Ventura County. Texas has
7 identified one affected county close to the border. Of the
8 104 total VS-affected premises, 35 have completed the 14-day
9 -- oh, excuse me, the quarantine period with no clinical
10 cases and have been released from quarantine; 69 premises
11 remain quarantined. All interstate travel to CHRB
12 facilities requires a health certificate or a statement of
13 veterinary examination of each horse within 72 hours.

14 This virus is very contagious, difficult to
15 control, and we're being very vigilant, much to the
16 inconvenience of horse haulers, racetracks, trainers, but
17 everyone has been onboard. The horse show industry requires
18 much stricter regulations for the horse shows in order for
19 their continuity of business. However, based upon the
20 implementation of our health certificate requirements and
21 the involvement of all stakeholders, we've been able to
22 remain unaffected.

23 On July 1st, several new CHRB rules will go into
24 effect. This information has been sent out to all
25 stakeholders earlier this month and will be sent out again

1 following this meeting.

2 A couple of rules to note, 1867.2 is the
3 administration of multiple intraarticular injections within
4 a 60-day period. The definition of a regulatory
5 veterinarian has been modified as defined by 1560 and 1561,
6 so it will be now referred to as the "veterinarian
7 responsible for monitoring during morning training."

8 Racing Soundness Exam and Veterinary Record
9 Shipping into the Racing Enclosure, 1846, 1846.1, have been
10 modified.

11 1846.2 is the Training Soundness Examination, this
12 is, for every horse that has not had a recorded work or race
13 within 90 days will be subjected to a veterinary examination
14 for training soundness and health prior to beginning
15 training. The examination will be performed by the
16 regulatory veterinarian and the training veterinarian and
17 referred to as the training soundness examination. All two-
18 year-old horses who have never raced or had a recorded work
19 will be exempt. Six shoulder fractures occurred in training
20 in fiscal year '22 to '23. And the goal of this rule is to
21 identify those at-risk horses before they become
22 catastrophic failures, thereby helping to reduce fatalities
23 in racing and training.

24 Regarding fatalities, in May, there was one
25 musculoskeletal fatality in racing and three fatalities

1 related to colic or gastrointestinal disease. In June,
2 there were two musculoskeletal fatalities, one in racing,
3 one in training, and six other fatalities, with three of
4 those being related to medical illnesses, one accident, one
5 neurologic condition, and one that occurred yesterday with a
6 cause yet to be determined.

7 Fiscal year '21-22, there were 66 fatalities in
8 California racing. Fiscal year '22-23, there have been 69
9 fatalities. Our musculoskeletal fatalities in '21-22 were
10 39. In '22-23 fiscal year, they were down to 21. It is an
11 indication that the safety rules put together by this
12 regulatory body, all of you, have been very impactful in
13 reducing our musculoskeletal fatalities from '21-22 to '22-
14 23.

15 Moving on to the Maddy Lab, in May, there were
16 five CHRB adverse findings in blood and urine with two
17 violations, one Class IV C, methocarbamol and one Class IV
18 C, phenylbutazone. In all CHRB routine testing in May,
19 there were 948 post-race blood and urine samples, including
20 40 work bloods. 624 out-of-competition samples in blood,
21 hair, and urine were also tested.

22 Just to note, these numbers are much different
23 than the April numbers, they're much more reduced, and the
24 reason for that is covered horses -- covered thoroughbreds
25 and testing and enforcement transition to HIWU on May 22nd.

1 As of May 22nd, we are not -- we don't have access to the
2 number of samples tested by the Maddy Lab that are tested by
3 the MATI lab that are pertinent to covered thoroughbreds,
4 only Quarter Horses and Standardbreds. This
5 concludes my report, and I'm happy to answer any questions.

6

7 CHAIR FERRARO: Questions from the Board?

8 VICE CHAIR GONZALES: Mr. Chairman, not so much a
9 question, but just a thank you to Dr. Blea and Mr. Chaney
10 for making themselves available to other jurisdictions. The
11 Triple Crown, there's, you know, there's some turbulence,
12 definitely some challenges as it relates to keeping horses
13 safe. And, you know, based on news reports and just some of
14 the words of thanks that I get toward the CHRB, but
15 specifically Dr. Blea and Mr. Chaney and interacting with
16 their counterparts about the things that we're doing here in
17 California that seem to be working.

18 You know, we have a lot more progress to make, but
19 other jurisdictions and the public seems to be taking notice
20 that California is doing everything they possibly can to
21 keep horses safe. So, gentlemen, thank you very much.

22 Any public comment, Mike? None.

23 Do we need a motion to approve?

24 EXECUTIVE DIRECTOR CHANEY: No.

25 CHAIR FERRARO: Alright. Thank you.

1 DR. BLEA: Thank you.

2 CHAIR FERRARO: That leaves the number 13, Public
3 Comment period.

4 Do we have any public comments, Michael?

5 MR. ALDRICH: Chairman Ferraro, you're going to
6 get another Roosevelt.

7 CHAIR FERRARO: Welcome back.

8 MR. ALDRICH: Thank you very much. Allen Aldrich,
9 Chair of the Racing Committee of the Alameda County Fair.

10 We're halfway through our meet at Pleasant and I
11 just wanted to update you. Our attendance is up 17 percent.
12 Our on-track handle is up eight percent. Our out-of-state
13 handle is up 15 percent.

14 We've been blessed with some very good weather.
15 I've been racing as an owner for 46 years. I've never seen
16 the Alameda County Fair -- I've been blessed to live very
17 close to it -- look as good as it does this year.

18 Thank you, Mr. Gonzales, for coming and giving out
19 the blanket for the She's the Tiger Stake that we had last
20 Saturday, a horse that I was fortunate enough to be 25
21 percent owner of.

22 We have two stakes added this year that are still
23 coming up. On July 2nd, we have the Mary Claire Schmitt
24 race, named after a prominent owner from Pleasant. And on
25 July 9th, we're going to have the Pleasant Mile. It's going

1 to be the richest race ever in the Northern California
2 Fairs. It's going to be \$150,000, and we're looking for a
3 huge crowd that day.

4 Earlier we talked about MyRacing.com. We had a
5 magic moment last Saturday. Richard Mandela sent a horse up
6 that was owned by MyRacing.com. We do a seminar every day.
7 And one of the gentlemen came up, he had driven over from
8 Vallejo, from his home, and asked if he could take a picture
9 of the horse. And we got him, and we put him in the paddock
10 and said, "This is your horse."

11 And fortunately enough, the horse won, and he
12 didn't know where to go. We grabbed him, we put him in the
13 winter circle. He wanted to stand behind. We grabbed him,
14 we put him right next to the horse. We gave him the trophy,
15 as we do for all of our owners. And he was just so, so
16 happy that day. And a half hour later, I saw him in the
17 grandstand, and he was taking pictures of the trophy, took a
18 picture of me with the trophy. It was just a magic moment
19 that we had.

20 And I know you have the tedious assignment of
21 giving out race dates next year. I would hope it would be
22 an easier task to embrace all the fairs, because the fairs
23 are what we need to grow this sport. And on August 19th, at
24 Humboldt County Fair, the TOC is going to be putting on an
25 owner's seminar to attract new owners.

1 And I thank you for your time today. I appreciate
2 it.

3 CHAIR FERRARO: Thank you very much.

4 Alright, the Board has to go into closed session
5 now, so I would ask everyone to vacate, please. If you're
6 interested, you can come back and watch the adjournment one
7 more time.

8 The Board adjourned into closed session from
9 10:46 a.m. until 11:27 a.m.)

10 CHAIR FERRARO: Can I have a motion to adjourn the
11 meeting on the CHRB, please?

12 COMMISSIONER ALFIERI: So move.

13 COMMISSIONER DAVIS: Davis seconds.

14 CHAIR FERRARO: Commissioner Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Commissioner Alfieri?

17 COMMISSIONER ALFIERI: Yes.

18 CHAIR FERRARO: Commissioner Davis?

19 COMMISSIONER DAVIS: Yes.

20 CHAIR FERRARO: Chairman votes yes. Meeting is
21 adjourned. Thank you all very much.

22 (The regular meeting of the California Horse Racing Board
23 adjourned at 11:27 a.m.)

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 10th day of July, 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

July 10, 2023