

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

CALIFORNIA EXPOSITION AND STATE FAIR GRANDSTAND

1600 EXPOSITION BOULEVARD

SACRAMENTO, CALIFORNIA

THURSDAY, NOVEMBER 21, 2024

9:30 A.M.

Reported by:

Elise Hicks

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chair

Oscar Gonzales, Vice Chair

Dennis Alfieri, Commissioner

Brenda Washington Davis, Commissioner

Thomas Hudnut, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Deputy Executive Director

Darrel McHargue, Chief Steward

Jeff Blea, Equine Medical Director

ALSO PRESENT

Hannah Schein, Vice President of Investigations, PETA

Ben Kenney, COO, WatchandWager.com Harness LLC

Christopher Schick, WatchandWager.com Harness, LLC

Orlando Gutierrez, Los Alamitos Racing Association

John Latimer, Los Alamitos Racing Association

Nate Newby, The Stronach Group

Eric Sindler, on behalf of Santa Anita Park, Los Angeles

Turf Club, and Pacific Racing Association

Aiden Butler, 1/ST Technology

Dino Perez, Pacific Coast Quarter Horse Association

APPEARANCES

ALSO PRESENT (cont'd)

Arturo Barajas, ODS Technologies/TVG

Gene Chabrier, Xpressbet

Andrew Silver, on behalf of Churchill Downs Technology
Initiatives Company

Jason King, Lien Games Racing

Antoine Allevato, NYRA Bets

Melanie Sims Frank, NYRA Bets

Russell Fine, Game Play Network

PUBLIC COMMENT

Jim Perez, CHHA

Rick Arthur, Former CHRB Equine Medical Director

Larry Swartzlander, California Authority of Racing Fairs

Dino Perez, Pacific Coast Quarter Horse Association

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no further comments will be accepted. Each person will be limited to two minutes.

19. 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. 94
- 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

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Closed Session:

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).

20. Adjournment

94

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

3 9:32 A.M.

4 THURSDAY, NOVEMBER 21, 2024

5 CHAIR FERRARO: Ladies and gentlemen, this meeting
6 of the California Horse Racing Board will please come to
7 order. Please take your seats. This is the regular noticed
8 meeting of the California Horse Racing Board on Thursday,
9 November 21st, 2024, at the California Exposition and State
10 Fair Grandstand, 1600 Exposition Boulevard, Sacramento,
11 California.

12 Present at today's meeting are: myself, Dr.
13 Gregory Ferraro, Chair; also Oscar Gonzales, Vice Chair;
14 Dennis Alfieri, Commissioner; Thomas Hudnut, Commissioner;
15 Brenda Washington Davis, Commissioner; and Scott Chaney,
16 Executive Director. Commissioners Damascus Castellanos and
17 Commissioner John Caravelli are not able to join us this
18 month.

19 Before we go to the business of the meeting, I
20 need to make a few comments. You've all heard them before.
21 The Board invites public comment on the matters appearing on
22 the meeting agenda.

23 Procedurally, the Board will first hear from those
24 directly involved in the agenda item. I will then invite
25 public comment on the agenda item. The Board will not

1 answer questions. This item is for comment only, not
2 questions.

3 Unsolicited speakers are limited to two minutes.
4 During all public comments, a tone will sound to indicate
5 the speaker's time is up. The Board may ask questions of
6 individuals who speak, which may extend their two-minute
7 time 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's 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 and you
16 come to the podium, introduce yourself by stating your name
17 and your organization. This is necessary for the court
18 reporter to have a clear record of all who speak. When your
19 two minutes are up, I'll ask you to return to your seat so
20 that others can be heard.

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

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

9 And with that, we'll begin the meeting by asking
10 for a motion to approve the minutes of September 19th, 2024.

11 COMMISSIONER HUDNUT: So moved. Hudnut.

12 COMMISSIONER DAVIS: Davis seconds.

13 CHAIR FERRARO: Commissioner Gonzales?

14 VICE CHAIR GONZALES: Yes.

15 CHAIR FERRARO: Commissioner Alfieri?

16 COMMISSIONER ALFIERI: Yes.

17 CHAIR FERRARO: Commissioner Davis?

18 COMMISSIONER DAVIS: Yes.

19 CHAIR FERRARO: Commissioner Hudnut?

20 COMMISSIONER HUDNUT: Yes.

21 CHAIR FERRARO: The Chairman votes yes. Motion is
22 approved.

23 We're fortunate today to be able to have a
24 presentation by Hannah Schein, PETA Vice President of
25 Investigations, on Challenges and solutions to the

1 enforcement of the CHRB rule regarding licensees'
2 involvement in unsanctioned racing.

3 Hannah, carry on. We're going to have to move to
4 see the slides, so don't let the audience be disturbed by
5 that.

6 EXECUTIVE DIRECTOR CHANEY: Yeah, if you don't
7 mind, Mr. Chairman, I can kind of kick things off. You
8 might recall about a year ago, Ms. Schein's colleague, Kathy
9 Guillermo, who we have a fair amount of contact with, gave a
10 presentation regarding unsanctioned racing.

11 In some ways, partly in response to this and
12 partly something we've been working on for some time, we
13 passed a regulation making participation and presence at
14 unsanctioned racing a violation of CHRB rules. There is
15 currently, there's a misdemeanor on the books in California
16 related to participation. It's really centered around the
17 gambling piece, but it's kind of a behavior that I think
18 it's fair to say we've been trying to end for some time.
19 And I think this is a follow-up to that first presentation.

20 MS. SCHEIN: Okay. Yeah, I'm Hannah Schein. I'm
21 Hannah Schein, PETA's Vice President of Investigations and
22 Research. Thank you for giving me the opportunity to speak
23 today.

24 I've been involved in all of PETA's undercover
25 investigations of unsanctioned or bush tracks. Including

1 one in Georgia that led to the arrests of six jockeys for
2 cruelty to animals and a bookie for felony commercial
3 gambling. What we found in Georgia was representative of
4 what you see at every bush track. Horses injected with
5 drugs minutes before racing, jockeys blatantly using shock
6 devices on horses and whipping them without limit, and
7 illegal gambling driving everything.

8 PETA collected 27 syringes on six different dates
9 from a single track. And the racing lab at UC Davis found
10 that they contained cocaine, methamphetamine,
11 methylphenidate, and caffeine, anything trainers thought
12 might give them an edge.

13 After my colleague, Kathy Guillermo, presented our
14 findings to the CHRB, as Scott mentioned, in December 2022,
15 along with evidence that PETA gathered in California, the
16 CHRB passed an important landmark regulation prohibiting its
17 licensees from involvement in these cruel and dangerous
18 races.

19 The California regulation has become the model.
20 Wyoming recently passed a similar provision. The ARCI added
21 it to their model rules. And PENN Gaming incorporated
22 similar language in its policies. And recently, the Texas
23 Racing Commission participated in a raid on a track in
24 Lubbock where 14 people were arrested for organized crime,
25 gambling promotion and cocaine possession.

1 (Whereupon a video is played and not transcribed.)

2 MS. SCHEIN: There's growing momentum among Racing
3 Boards and law enforcement to tackle this issue. However,
4 bush tracks are proliferating. We've identified over 187
5 active bush tracks nationally. And that number grows every
6 month. And you can see on this map, there are tracks from
7 Washington State all the way to Delaware and the far south
8 is the southern part of Texas and the southern part of
9 Florida.

10 Although these tracks are hotbeds of myriad
11 crimes, the most egregious element is the cruelty, something
12 on which PETA and the CHRB agree. The standard practices
13 we've documented at these bush tracks would be unimaginable
14 on regulated tracks.

15 Here are just some of the images we've collected
16 from unsanctioned tracks in California just in 2024. Shock
17 devices. These are also known as batteries, machines,
18 buzzers. All but one of the jockeys you see on this slide
19 is licensed and races at tracks in California, regulated
20 tracks in California.

21 Injections of drug cocktails shortly before race
22 time. Here are some of the major trainers at bush tracks in
23 California. For the people online, these trainers are
24 holding full syringes in their hands in the prep areas at
25 these bush tracks. And pictured here is Rancho Los Alamos

1 in Hesperia, Carrillo El Frenito in Galt, and Carrillo
2 Rancho Cerrillo in Madera. You can often see the results of
3 these kinds of injections as these images from races at the
4 Sacramento Horse Training Facility, Rancho Los Alamos, and
5 Carrillo San Jose in Delano. And it's kind of hard to see,
6 but there's blood pouring from the necks of all three of
7 these horses.

8 Other issues you don't see at regulated tracks,
9 whipping horses continuously, making horses race twice in
10 one day called tecolote, and hitting horses from inside or
11 behind the starting gates as soon as they open.

12 With the illegal drugs and overdriving of horses
13 through shocking and whipping, it's no wonder that horses
14 collapse and die or break down and are shot regularly on
15 bush tracks. It's not uncommon for horses to win their race
16 and then die shortly after, sometimes before they can even
17 reach the winner's circle. And yet, CHRB licensees engage
18 in this cruelty all morning and afternoon at unsanctioned
19 tracks and then race at Los Alamitos at night.

20 As you know, every industry survey, like the
21 McKinsey study, shows the public's biggest concern with
22 racing is horse welfare. Animal cruelty has been a major
23 factor in the resulting negative images and the contraction
24 of the industry and poses a threat to racing's social
25 license to operate.

1 Losing the social license is not the only threat
2 to racing. Another existential threat is equine infectious
3 anemia, which has been exploding due to unregulated racing,
4 but now has killed 22 horses at regulated tracks as well.
5 The gravity of this alarming situation can't be
6 underestimated.

7 Although Rule 1902(d) is now the gold standard in
8 terms of legislative efforts to address unregulated racing,
9 without enforcement, it's useless as a deterrent.

10 As one example, here is the case of California
11 licensed jockey Jose Nicasio, who's also a prolific bush
12 racer. He was the first person against whom the CHRB filed
13 a complaint under 190(d). Jose Nicasio has 13 grade one
14 stakes wins, including the Los Alamitos Invitational
15 Championship just last month aboard Jericho, trained by
16 Heath Taylor.

17 Nicasio is a regular at Los Alamitos. He's also
18 the head jockey for Cuadra Las Juanitas and rides for many
19 other teams at bush tracks. For reasons of time, I'm only
20 going to show you a portion of the evidence that we've
21 collected of Nicasio racing at bush tracks in California
22 just in 2024 since the regulation was passed.

23 When Nicasio started racing after the regulation,
24 he took pains to conceal his identity, removing his
25 personalized helmet covers, covering his face, wearing pants

1 that don't say his name or initials until recently, as
2 you'll see. And he has broadcasters refer to him only by
3 his nickname, Chema or Chamita, and sometimes an alternate
4 last name.

5 So here he is the very first weekend of racing in
6 2024, riding for Cuadra Machomo at Carrillo San Jose in
7 Delano, and this is when he told the stewards that he was
8 only paid to gallop horses at this track and not race, but
9 as you can see, he's in the winner's circle here. And one
10 thing to notice is that the overgirth that was taken off the
11 horse has his nickname written on it, Chema. And you can
12 see this picture from Los Alamitos has the same overgirth
13 with the name "Chema" written on it. He raced again that
14 same day. After racing in Delano, he moved over and raced
15 at Los Alamitos in five races that evening.

16 The next week he raced in Hesperia at Rancho Los
17 Alamos, and unfortunately, one of the horses broke down and
18 was killed on the track.

19 And here is a tribute post that the team posted,
20 and you can see under the quote, it's kind of faint in this
21 light, but it says Jose Nicasio was the jockey.

22 And these are just some images comparing him in
23 that fatal race compared to his images from the year before
24 where you can see it's the same person, same crucifix.

25 And here he is racing in March in Delano. And you

1 can see he's holding an overgirth again that says the word
2 "Chema" on it. And in this photo as well.

3 March 24th, racing again at Rancho Los Alamos in
4 Hesperia. And on that day he was testing his shock device
5 during warm-ups to make sure it was working properly, which
6 you can see in this video.

7 And then on April 17th, racing again in Delano
8 with the overgirth that says "Chema" on it.

9 And for the people online, his face is concealed
10 in all these videos, and the only thing you can see with his
11 identity is the overgirth.

12 Here he is on April 21st riding at Los Alamos.
13 And again, the overgirth has a name on it, but this time it
14 says "JN" for Jose Nicasio instead of his nickname.

15 May 26th, racing in Delano. And a video of an
16 interview of the race after he won. You can see the
17 overgirth clearly labeled "JN." I'll circle that for you
18 here.

19 June 2nd, racing again in Hesperia. And he handed
20 his overgirth to the man in red, and you can see it says
21 "JN" still. And the broadcaster said he thought Chema had
22 won by a nose in one of the Facebook comments. In the prep
23 stall before the race on June 2nd, you can see the "JN"
24 overgirth clearly.

25 June 22nd, rode again for Cuadra Machomo at

1 Carrillo El Frenito in Galt, which is about 30 miles from
2 here.

3 Then there was a big derby race in July 14th at
4 Los Alamos where he was touted as one of the upcoming
5 jockeys who'd been racing one of these famous horses. And
6 you can see in the image of him in the promos it says "JN."
7 This is one of his, you know, regulated racing photos. And
8 at the top it says Chema -- Chemita Venegas is the alternate
9 name that he used in the publicity.

10 Here he is saddling the horse on that day for the
11 derby race called Los Big Boys where he again has an
12 overgirth labeled "JN." And I'd like to point out that the
13 trainer walked in, in that same video, holding a full
14 syringe ready to inject the horse on the track. Here is the
15 post about winning that derby race where I blew up one of
16 the photos so you can see there's a shock device on
17 Nicasio's left wrist. And the stable thanked their jockey
18 Chemita.

19 Here he is racing on July 21st doing another
20 buzzer test on the horse's rump. This is just a still from
21 the video.

22 August 4th racing in Delano again.

23 August 11th racing in Hesperia again.

24 August 25th in Hesperia. And this time he was
25 starting to relax because this is long after he was

1 exonerated by the stewards. And so he actually is wearing
2 pants that say "JN" in a stylized logo.

3 September 8th riding in Hesperia.

4 September 22nd riding in Hesperia. And you can
5 see the "JN" on the overgirth. It's hard to see in this
6 light.

7 Here he is October 6th racing in Hesperia. And
8 this time he's wearing brand new pants that say "Chema" on
9 them, his nickname. And clearly, he's letting down his
10 guard thinking that there's going to be no consequences for
11 racing at bush tracks like this.

12 October 13th racing in Delano.

13 Again wearing the Chema pants on October 20th at
14 Rancho Los Alamos in Hesperia. And on that day, he also
15 tested his shock device.

16 (Whereupon a video is played and not transcribed.)

17 MS. SCHEIN: And if you noticed in that clip the
18 announcer forgot he was supposed to use an alias and he said
19 "Chemita Nicasio" before correcting himself and saying
20 "Chemita Venegas."

21 Here he is racing October 27th with the "JN"
22 visible on his overgirth.

23 And racing this month November 3rd in Hesperia.
24 And again the stable named him as Chemita in their social
25 media posts.

1 And this week he raced at Rancho Los Alamos in the
2 morning at 11:00 a.m. and then hightailed it over and raced
3 at Los Alamitos at 7:25 p.m., so that was just this Sunday.

4 So when Nicasio was brought before the hearing in
5 February, the majority of the Board of Stewards felt there
6 was not enough hard evidence to proceed. The exception was
7 Steward Dreyer who cast a dissenting vote and felt a penalty
8 should be assessed. Since then there's been an additional
9 mountain of evidence of Nicasio participating in bush track
10 races, some of which I've shown you in these slides, to
11 fully support that dissenting opinion.

12 I also want to point out two critical issues with
13 the Steward's conclusions.

14 First, Nicasio's admission that he was present at
15 unsanctioned races, regardless if the Stewards believed his
16 untruthful assertion that he was not racing, was a clear
17 violation of the carefully crafted regulation. Stewards
18 shouldn't have the discretion to arbitrarily enforce the
19 rules. The regulation is unambiguously written this way to
20 reject any excuses like Nicasio's that he was just
21 innocuously working at the track but not racing.

22 And note the Steward's use of the word
23 "unfortunately" in this middle section here. They wrote,
24 "Unfortunately, the rule reads participation in or presence
25 at exclamation point." These minutes make it clear that the

1 Stewards disagree with the language of the rule. And this
2 bias influenced their decision to let Nicasio off with no
3 penalty, even though he admitted working at this illegal
4 event.

5 Passing this regulation was the first step. But
6 without all stakeholders buying into the goals of this new
7 rule, it will not succeed in deterring licensees from
8 involvement in unsanctioned racing.

9 Second, arguing that there was not enough hard
10 evidence to proceed fails to follow the CHRB's preponderance
11 of evidence standard, which only requires a determination
12 that a finding that a person violated a CHRB rule is more
13 likely than not to be true. This standard applies to both
14 license suspension and revocation proceedings and other
15 disciplinary hearings.

16 In these proceedings, the Board is required to
17 admit all relevant evidence, including social media and
18 other online evidence such as video live streams. And if
19 more evidence was not available to the Stewards, that points
20 to a lack of buy-in from CHRB's investigators, as the
21 evidence is out there, as you've just seen.

22 By not penalizing Jose Nicasio, he now feels
23 emboldened. Nicasio continues to race in the most lucrative
24 bush races, like his win at Rancho Los Alamos' Los Big Boys
25 race. And as we saw, he's now become even more brazen and

1 has relaxed some of his efforts to conceal himself, wearing
2 his nickname on his pants.

3 The Stewards' ruling sent a message to jockeys
4 that they can ride at unsanctioned tracks, where they shock
5 and whip horses with no limit, after they watch every single
6 one of their horses injected in the neck, either just before
7 they mount or while sitting on the horse, with impunity.
8 Nicasio was just one prominent example, and PETA has
9 compiled extensive evidence of over a dozen other CHR-
10 licensed jockeys who have been racing at bush tracks in
11 2024.

12 In this slide, I highlighted the ones in yellow
13 who -- or this is the Los Alamitos standings through
14 November 19th, and you can see that there's a good number of
15 them who race at bush tracks. I'm sure there are more than
16 what I've compiled, but these are the ones that I've
17 discovered.

18 And jockeys are just the tip of the iceberg when
19 it comes to the crossover between regulated and unregulated
20 racing. We've exposed that bush racing, in many ways, has a
21 symbiotic financial relationship with regulated racing.

22 For example, some of the most successful Quarter
23 Horses who made their names on regulated tracks are sold
24 privately or through auctions such as Heritage Place,
25 sometimes for over a million dollars, formerly unheard of

1 for geldings like these. They go on to star in the
2 lucrative black market bush track circuit, where their grade
3 one credentials draw huge crowds.

4 We've documented high-profile horses like Trump My
5 Record, Hotstepper, whose match racing alias was El Perron,
6 and Instigator, whose alias is El Millon, for the \$1.15
7 million he was sold for, who are sold into bush racing,
8 where they're subjected to doping and shocking from day one.

9 Here is an image of Instigator receiving an IV
10 with the caption on this Instagram post, "A little luck for
11 El Millon." in Spanish, and there's a syringe emoji next to
12 the words, so it's clear what this person is talking about.

13 As you might guess, the life expectancy for horses
14 in unregulated racing is short, even for the superstars.
15 Both Trump My Record, age five, and Hotstepper, age seven,
16 died on the same day at the same bush track after racing an
17 hour apart.

18 Similarly, Whiskey Creek, four years old, who won
19 the 2023 All American Derby and has raced in California five
20 times, moved over to bush racing just this fall. In this
21 case, the same owners raced him on both regulated tracks and
22 now at bush tracks, under the same stable name which is
23 licensed in California.

24 The pipeline even flows in the other direction. A
25 very well-known horse in California bush racing, El Jaimito,

1 whose registered name is Apolitical Sins, just had his first
2 race in more than three years back on a regulated track just
3 two days ago on Tuesday. He has run at Carrillo San Jose
4 several times and was one of the horses who competed in the
5 Los Big Boys race that I showed you at Rancho Los Alamos in
6 July. And here you can see his team, called Cuadra RR for
7 Ricardo Ramirez, shaking the syringe that they would use on
8 him shortly. And the still is on the left with it circled,
9 and on the right you'll see it in the video.

10 (Whereupon a video is played and not transcribed.)

11 MS. SCHEIN: His owner and trainer is four-time
12 graded stakes winner Ricardo M. Ramirez, who is licensed in
13 California. Apolitical Sins won this maiden race at Turf
14 Paradise on Tuesday at five-to-two odds, even though he had
15 not raced legally since 2021.

16 When there are this many connections between race
17 and race, between regulated Quarter Horse racing and the
18 spectrum of organized crime on bush tracks, the integrity of
19 regulated racing is compromised. When the same licensees
20 are at bush tracks in the afternoon, deploying buzzers,
21 injecting street drugs, engaging in race fixing and
22 interstate gambling, and then they race at Los Alamitos the
23 same night, bettors can have no confidence that races are
24 being run cleanly or safely.

25 So the purpose of Rule 1902(d) is to eradicate all

1 connections between regulated tracks and bush racing. That
2 is why the presence of a licensee at a bush track is never
3 innocuous. Although the jockeys are just the tip of the
4 iceberg, if the CHRB is serious about enforcement, it has to
5 at least start with the jockeys. If it doesn't penalize the
6 most visible and flagrant of infractions, it's conceding
7 that these rules are just for show. If there's no
8 enforcement, it's as bad as endorsement.

9 Jose Nicasio disrespected the CHRB and lied
10 outright to its officials. And the CHRB has only brought
11 one other complaint that I know of under 1902(d), so Nicasio
12 and other jockeys are feeling emboldened.

13 Bush racing broadcasters apparently find this
14 funny. This post about a major race involving Nicasio had a
15 crying with laughter emoji right next to Nicasio's alias,
16 Chema Venegas.

17 There needs to be unwavering commitment, a buy-in
18 of everyone at CHRB, from investigators to stewards to Board
19 members to enforce Rule 1902(d). CHRB stewards have been
20 vigilant in citing Jose Nicasio for other things like serial
21 whipping violations and even recently disqualified him from
22 a win in a grade one stakes race for interference. But if
23 there's no willingness to penalize and revoke the license of
24 Jose Nicasio for flagrant violations of 1902(d), it's
25 signaling that the CHRB is only concerned with enforcing

1 some rules and not others.

2 PETA is happy to share research and investigation
3 techniques and resources with the CHRB or to help with the
4 enforcement of 1902D in whatever way possible, because it
5 can absolutely be an effective way to reduce the scope of
6 unregulated racing and in that way to reduce horses
7 suffering and death.

8 Thank you.

9 CHAIR FERRARO: Thank you. Thank you very much.
10 Do we have any questions from the Board?

11 VICE CHAIR GONZALES: Mr. Chairman, I have one.

12 Do you know the name of the other stewards that
13 exonerated? You mentioned one that dissented, but the name
14 of the two stewards --

15 MS. SCHEIN: Right.

16 VICE CHAIR GONZALES: -- I'm assuming there were
17 three.

18 MS. SCHEIN: There were three.

19 VICE CHAIR GONZALES: Yeah.

20 MS. SCHEIN: I don't have that in front of me,
21 because I only excerpted that on the slide --

22 VICE CHAIR GONZALES: Yeah.

23 MS. SCHEIN: -- from the ruling, but I --

24 VICE CHAIR GONZALES: Does Executive Director
25 Chaney or Chief McHargue know who those other two stewards

1 were? Yeah, I'd like to know their names, please.

2 CHIEF STEWARD MCHARGUE: (Off mic.) Tom Ward was
3 one.

4 VICE CHAIR GONZALES: Okay.

5 CHIEF STEWARD MCHARGUE: And the other one, I
6 believe, was David Douche (phonetic).

7 VICE CHAIR GONZALES: So David Douche? Okay. It
8 sounds like we've got some work to do with our own stewards,
9 to be quite honest. I think it's a shame. Thank you, as
10 the Chairman said, for this presentation. This should not
11 be tolerated in any way, shape, or form. I believe the
12 stewards should have known what the intent was, not their
13 own loose interpretation or how they were feeling that day.

14 So I think we owe the public an apology for
15 allowing this to happen. And I believe that we should do
16 everything in our power to rectify this, including talking
17 to these stewards who we employ. But you have my personal
18 commitment that we will look into this and make sure when
19 this kind of evidence, overwhelming evidence, is shared,
20 that we take corrective action.

21 And this kind of a gentleman here has no business,
22 in my opinion, in any regulated facility, especially at a
23 place like Los Alamitos, that works very, very hard to
24 protect its image and to make sure that they, as a facility,
25 get re-licensed. So, to say the least, I'm angry by what

1 I've just seen here.

2 Thanks, Mr. Chairman.

3 COMMISSIONER ALFIERI: Mr. Chairman, I would just
4 say, you know, I'm sickened to my stomach. I mean, they're
5 laughing at us.

6 Enough is enough. We need to send a strong
7 message. This guy's a bad actor. You start with him. But
8 this is, I mean, this is uncalled for. This is just very
9 well done. And the evidence is overwhelming. And enough is
10 enough, period.

11 COMMISSIONER HUDNUT: A question. What are our
12 legal prerogatives in this situation? Can we supersede the
13 decision of the stewards?

14 EXECUTIVE DIRECTOR CHANEY: We can't at this
15 point. What we can do, though, is with the evidence that's
16 collected after that hearing, you know, post-hearing
17 behavior, file an additional case, because it's new
18 behavior. So, obviously, a bunch of new violations of the
19 reg, so we can have a brand new case.

20 CHAIR FERRARO: Commissioner Davis?

21 COMMISSIONER HUDNUT: Well, I would like to thank
22 the witness for bringing this to our attention. It's
23 heinous.

24 COMMISSIONER DAVIS: Yes. Along with what
25 Commissioner Hudnut said, we should also be vigilant about

1 the people who are investigating, the investigators on our
2 staff, because there was some mention by Ms. Schein that the
3 investigators didn't seem to present all of the evidence
4 that should have been available to them and that's
5 inexcusable.

6 So, thank you for your report.

7 MS. SCHEIN: Thank you.

8 CHAIR FERRARO: Any more? Thank you very much.

9 MS. SCHEIN: Okay. Thank you.

10 CHAIR FERRARO: Keep us informed, please.

11 Item number three, discussion and action by the
12 Board for the Allocation of Southern California Simulcast
13 Week Dates.

14 Mr. Chaney, do you want to?

15 EXECUTIVE DIRECTOR CHANEY: Oh, sure, I can. Of
16 course, Mr. Chairman, I can kick this one off.

17 As you recall, the Board allocated all of Southern
18 California racing weeks in September, but did not allocate
19 those three traditionally known as dark week. That's not a
20 statutory term. It's just for an allocated race week where
21 the association chooses not to race.

22 There's been some movement in terms of, like, both
23 the legal interpretation and Los Alamitos' withdrawal, so I
24 don't think there's any controversy regarding those three
25 weeks that remain. And so, the recommendation from staff is

1 to award those three weeks in the same manner that they were
2 awarded in 2024.

3 CHAIR FERRARO: Any questions about that?

4 Excellent.

5 Do we have public comment on this?

6 Let's have a motion. Commissioner Alfieri?

7 COMMISSIONER ALFIERI: I'll make the motion to
8 approve.

9 COMMISSIONER DAVIS: Davis seconds.

10 CHAIR FERRARO: Commissioner Hudnut?

11 COMMISSIONER HUDNUT: Yes.

12 CHAIR FERRARO: Commissioner Alfieri?

13 COMMISSIONER ALFIERI: Yes.

14 CHAIR FERRARO: Commissioner Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Commissioner Davis?

17 COMMISSIONER DAVIS: Yes.

18 CHAIR FERRARO: The Chairman votes yes.

19 Item number four, discussion and action by the
20 Board on the Application for a License to Conduct a Horse
21 Racing Meeting of Watch and Wager, LLC, at Cal Expo
22 commencing November 5th, 2024 through May 9th, 2025,
23 inclusive.

24 Gentlemen.

25 MR. SCHICK: Good morning, Chairman Ferraro, Chris

1 Schick, Watch and Wager, and members of the commission. I'd
2 like to make a few comments about our license application.

3 Obviously, the big news out of this application is
4 that we have applied to reduce our dates from 46 days last
5 year to 39 days. That's obviously a decision that we didn't
6 take lightly. We consulted at length with the horsemen
7 regarding various options that we had. Most of this, as you
8 know, was a function of the new formula for Board support,
9 and also sprinkled in there was the general, you know, the
10 general environment for parimutuel wagering currently.

11 So we had a number of different moving parts or
12 different ways we could go on this, quite frankly, and we
13 chose a route that did not reduce purses at all. That was,
14 in the horseman's mind, a very important thing. And we did
15 not reduce or cut any of our stakes program, which we have
16 heavily invested in over the last five years. We thought
17 that if we did that, then the, kind of the whole fabric of
18 the industry could possibly begin to unravel.

19 So that was our decision. And, obviously, we're
20 going to be starting three weeks later. Historically, we
21 would have started this coming Friday, and we won't be
22 starting under this proposal until the 13th of December. So
23 that's kind of the big news.

24 But not cutting the purses, not cutting the
25 stakes, we thought was imperative. If you look at it, we're

1 actually going to be paying out more purse money per night
2 since we didn't cut any stakes and they're going to be run
3 in a shorter period of time. So, actually, it's going to be
4 a higher payout per night, but there's going to be seven
5 less nights.

6 So the horseman, Ben and I did, we did a lot of
7 consulting with the horseman, rank and file, obviously
8 meeting with the Board. And, you know, we had other options
9 where we could have cut the stakes and not cut so many days,
10 you know, but this was kind of where we landed. And this is
11 kind of where we are.

12 The good news is that we thought that the
13 potential downside from making this decision was that we
14 could potentially lose stables or people may not return from
15 the summer or the fall where they're racing. And I'm happy
16 to report that as of right now, we have not lost a soul. In
17 fact, we have some applications from new stables, mostly out
18 of the Alberta area where obviously, as you know, the
19 dollar's really strong right now and a lot of stables are,
20 you know, some of them are interested in coming down and
21 running for American money.

22 So the report as we get ready to open is not all
23 that bad. And, you know, it's, you know, we didn't want to
24 do it, but we had to we had to kind of make the books
25 balanced.

1 So other than that, I think we -- I also want to
2 mention that we opened the barn area exactly the same time
3 as we do every year, which was like September 22nd. So our
4 horsemen have -- they were able to get in here directly
5 from -- most of them who race in Minnesota were able to come
6 right in from Minnesota when Minnesota ended. And
7 obviously, other people have been coming in. So we've tried
8 to do the right thing here to keep the industry sustainable.

9 Be happy to try to answer any questions that you
10 might have.

11 CHAIR FERRARO: You got anything to add, Ben?

12 MR. KENNEY: No, I think Chris said it all.

13 CHAIR FERRARO: Any questions from the Board?

14 Do we have a public comment on this? I assume
15 that's you.

16 MR. J. PEREZ: Yes. Good morning. Jim Perez,
17 Executive Director of California Harness Horsemen's
18 Association. We support this application. Since day one,
19 when the Board, with all the talk about the support was
20 switching and we have to pay more, Chris and I met on a
21 weekly basis and we talked about it, met with our board.
22 We're talking about a -- sorry about that. (Microphone is
23 turned on.)

24 We're talking about an operator who's -- we've
25 increased purses, I think nine years in a row. No other

1 breed has done that. This year, every year, our horsemen
2 come out. We get more guys from Canada that come out from
3 Minnesota. We get guys from New Jersey and Pennsylvania,
4 which their markets are huge, and they come out. The
5 weather's better here. And the racing's good. So we've
6 increased our horse population. Purses increase.

7 This year, we're adding another incentive program.
8 We have all these incentives to give these. Everybody makes
9 money here, the trainers, the owners, the drivers. Now we
10 have an incentive program. If you bring five more horses
11 out, you're going to get \$5,000 in your pocket for your
12 trainer. So we have a driver's incentive. If you start
13 driving the first of the meat to the end, you get an
14 incentive. Everybody's making money and those don't cut.

15 So us going less days, a big part of it, after me
16 speaking to horsemen, is cutting purses. Nobody wants to
17 cut purses. They'd rather cut days than cut purses, and
18 that's the truth, and I don't blame them. So now, we're
19 going for more money. We've increased purses again. More
20 incentives. And it's just a win-win for us. Although, I
21 mean, we would love to run more days. But in this
22 situation, it wasn't the best way to go.

23 And after speaking with Chris and Ben, and these
24 guys are horsemen, I mean, these guys do what's right by the
25 horsemen, and there's no ifs, ands or buts about it. If I

1 get a complaint, you could bet I call Chris immediately, or
2 Ben, and it's resolved in the horsemen's favor within a
3 couple hours.

4 So we definitely support this application.

5 CHAIR FERRARO: Thank you very much.

6 MR. J. PEREZ: Thank you.

7 CHAIR FERRARO: Thank you very much.

8 VICE CHAIR GONZALES: Mr. Chairman, I just want to
9 just say something. I intend to abstain on this particular
10 application and I'll tell you why. It wasn't that long ago
11 when Northern California horsemen needed to have a
12 conversation with your organization when I, too, wanted to
13 find out the rationale for why not to explore options to
14 coexist with the thoroughbred folks here at this beautiful
15 facility, Cal Expo. And I just wasn't pleased with how all
16 that happened. I just want you to know that.

17 And I know you guys have come up before. And I
18 believe if you are really going to be interested in getting
19 re-licensed, you have to take a look at the entire system of
20 horsemen, particularly in this part of the state.

21 So I haven't forgotten. I just want to let you
22 know. And in no way is this any kind of a get-even. But I
23 just at times question the leadership of the organization.
24 And I will be watching very carefully about how you conduct
25 yourselves in 2025. But I did not like one bit how when it

1 was crunch time, you guys were nowhere to be found. And I
2 was not happy with that one bit.

3 MR. SCHICK: Can I respond to that, please?

4 VICE CHAIR GONZALES: Yes, you may.

5 MR. SCHICK: Commissioner Gonzales, I would say we
6 bent over backwards to try to accommodate the northern
7 thoroughbred horsemen when the issue of Golden Gate closed.
8 Obviously, you don't --

9 VICE CHAIR GONZALES: No.

10 MR. SCHICK: -- see it that way at all. But we
11 went down a very extensive path with them. First of all,
12 they announced that they were coming in and taking over for
13 starters, irrespective of what our agreements were. So
14 obviously, you know, I don't know where that came from, but
15 that was like coming from left field, where they were just
16 going to move us out. So that's what happened initially.

17 Then the idea evolved into the track within a
18 track, which we totally went along with that. I met with
19 the leadership of the Northern California thoroughbred
20 horsemen many, many times during that. They hired staff.
21 They had estimates for a track within a track. And we were
22 going right along with that. Obviously, the number came in
23 at an astronomical number, and it wasn't feasible.

24 So I would just take issue with what you said,
25 that we totally ignored in --

1 VICE CHAIR GONZALES: Yeah.

2 MR. SCHICK: -- that type of situation.

3 VICE CHAIR GONZALES: Well, you also did your
4 share of grandstanding at the Del Mar meeting, rather than
5 handling this internally.

6 So let me just say this, you also showed some
7 level of amateur hour when two horses broke down in the same
8 day, and there was not the right accommodation. So let's
9 just say, you're going to get your license application, but
10 I'm watching you guys carefully, okay?

11 MR. SCHICK: We want to be watched closely.

12 VICE CHAIR GONZALES: Okay. Understood. All
13 right.

14 MR. SCHICK: We're very proud of everything that
15 we do every day.

16 VICE CHAIR GONZALES: All right. Fine.

17 CHAIR FERRARO: Motion?

18 COMMISSIONER HUDNUT: I move approval of the
19 license application.

20 COMMISSIONER ALFIERI: Second.

21 CHAIR FERRARO: Commissioner Davis?

22 COMMISSIONER DAVIS: Yes.

23 CHAIR FERRARO: Commissioner Gonzales?

24 VICE CHAIR GONZALES: I'm abstaining.

25 CHAIR FERRARO: Commissioner Alfieri?

1 COMMISSIONER ALFIERI: Yes.

2 CHAIR FERRARO: Commissioner Hudnut?

3 COMMISSIONER HUDNUT: Yes.

4 CHAIR FERRARO: The Chairman votes yes. Thank you
5 very much.

6 MR. KENNEY: Thank you.

7 CHAIR FERRARO: Good luck with your meet.

8 MR. SCHICK: Thank you.

9 CHAIR FERRARO: Item number five, discussion and
10 action by the Board on the Application for a License to
11 Conduct a Horse Racing Meeting of the Los Alamitos Racing
12 Association at the Los Alamitos Race Course commencing
13 December 4th, 2024 through December 17th, 2024, inclusive.
14 Gentlemen.

15 MR. LATIMER: Mr. Chairman, Commissioners, John
16 Latimer on behalf of Los Alamitos Racing Association. I'm
17 here today in support of the application before you. I
18 wanted to let you know that we have a number of members of
19 our team here in the audience today, including Kathy Allred,
20 to answer any questions you have about the meet.

21 Also, before we do that, I wanted to ask the
22 indulgence of the Commission to hear a little bit from
23 Orlando Gutierrez, our director of marketing about some of
24 the plans we have for the meet this year. We're excited to
25 get started with that.

1 With that, Orlando?

2 MR. GUITIERREZ: Thank you so much. Good morning,
3 honorable Board.

4 Historically, the Los Alamitos winter meet has
5 always been our most high-profile daytime meet during our
6 thoroughbred seasons, mainly because we have four
7 nationally-recognized juvenile stakes races. That will be
8 the case once again this year. We'll be racing two
9 weekends, Friday through Sunday on both weekends, 12:30 p.m.
10 first post. And like I mentioned, the juvenile races will
11 be highlighted by the Starlet on December 7th, the first
12 Saturday of the meet, and the Los Alamitos Futurity during
13 the second Saturday of the meet, December 14th. These races
14 have produced some outstanding winners in the past. Able
15 Tasman went on to win the Kentucky Oaks, Improbable was a
16 champion, and Doorman went on to win the Santa Anita Derby.

17 So we are looking forward to a really good meet.
18 We have some handicapping contests during the second
19 Saturday of the meet. That's an on-track event, so we
20 expect that to be one of our biggest days of the season. It
21 always is.

22 So with that, thank you so much for your time, and
23 again, we respectfully request approval of our application.
24 Thank you.

25 CHAIR FERRARO: Go ahead.

1 MR. LATIMER: Thank you, Mr. Chairman. I believe
2 that's it. We're just simply here again to answer any other
3 questions that the Commission may have, but urge approval of
4 the application before you.

5 CHAIR FERRARO: Well, I have a few comments to
6 make.

7 MR. LATIMER: Sure.

8 CHAIR FERRARO: You know, your injury rate here in
9 the last few months has been excessive, to say the least.
10 The thing is, when that happens at Los Alamitos, it doesn't
11 affect just Los Alamitos, it affects racing in general
12 because the general public doesn't care whether it happens
13 at Los Alamitos or Santa Nina or Del Mar or wherever, a
14 breakdown is a breakdown and a dead horse is a dead horse.

15 And so you guys are endangering the whole industry
16 by the ethics, the accelerated rate that you've had
17 injuries. You started out pretty good this year. As you
18 remember, last year we pressed you pretty hard, threatened
19 to cut your racing dates down, and you came forward, your
20 management came forward with proposals that we felt were
21 adequate, and you did pretty well for a while, but it's
22 falling by the wayside.

23 It will not be allowed to continue next year, I
24 can tell you that for sure. You're going to have to get a
25 hold of your vets and trainers and, you know, put the fear

1 of God into them, whatever you have to do, but we just can't
2 tolerate that. In this day and age, we can't tolerate the
3 rate that your injuries are happening.

4 So I encourage you to express the need for
5 diagnostics rather than treatment amongst your veterinarians
6 and see if you can improve on your situation. I'll have
7 more to say when we get to the Quarter Horses because it's a
8 major factor there too.

9 Any other comments from the Board?

10 Dr. Arthur, do you want to make a comment?

11 DR. ARTHUR: Yes, Dr. Arthur, former Equine
12 Medical Director and safety and integrity consultant to Los
13 Alamitos.

14 Los Alamitos was very much aware of the issues
15 that you brought up. And we organized a meeting with the
16 veterinarians. And I have to say that I want to recognize
17 Dr. Jeff Blea, provided a blunt assessment of the situation
18 and focus for the meeting, and at that meeting came up with
19 some recommendations that we added to what management has
20 already put together. And we took those to the trainers
21 meeting and had another blunt meeting and asked for
22 recommendations for them as well.

23 And from that, Los Alamitos has made a number of
24 policy changes. Those include that only one non-steroidal
25 anti-inflammatory would be used after entry day to race

1 time, no stacking of non-steroidal anti-inflammatories. Dr.
2 Allred will provide a rebate for advanced diagnostic
3 imaging, that's PET scans, MRIs, nuclear scintigraphy of
4 \$250 for those horses that participate in the -- except for
5 the auxiliary training horses, those that actually
6 participate at Los Alamitos.

7 We've encouraged the trainers and veterinarians
8 that intra-articular injections should be based on a
9 veterinary diagnosis, and that the use of Arthramid was
10 discouraged and we would hope that the Board would support
11 us in banning that intra-articular medication if that is
12 warranted.

13 We've started doing fatality reviews within ten
14 days of the fatality. Heretofore, we relied on the CHRB's
15 fatality reviews, but we're addressing those immediately.

16 We're going to hold monthly safety meetings with
17 the trainers and veterinarians. And as we've already
18 decided previously, there will be no horse over ten years
19 old allowed to train or race at Los Alamitos, that's Quarter
20 Horses or thoroughbreds, and no un-started maiden over six
21 years old would be allowed to train or race at Los Alamitos.

22 So I want to thank Dr. Blea for his assistance in
23 this. And we recognize the issue and have not been sitting
24 on past success that we had, recognizing what you brought
25 up.

1 CHAIR FERRARO: Any questions from the Board?

2 COMMISSIONER HUDNUT: A question.

3 CHAIR FERRARO: Go ahead.

4 COMMISSIONER HUDNUT: Dr. Arthur, may we assume
5 that all the steps you've mentioned apply with equal vigor
6 to Quarter Horses as to thoroughbreds?

7 DR. ARTHUR: They are really focused on Quarter
8 Horses.

9 COMMISSIONER HUDNUT: Okay. Thank you.

10 DR. ARTHUR: Yeah.

11 VICE CHAIR GONZALES: Hi Dr. Arthur. A question
12 for you about the role that jockeys can play potentially in
13 helping to identify horses that may be having problems on
14 the track. I know at Santa Anita last year there was a
15 situation involving a horse coming off the hill and folks
16 thought that Joe Bravo could have probably done something to
17 detect a horse that was a little bit gimpy.

18 In your assessment, how important are jockeys to
19 being able to give a subtle or overt signal to personnel
20 that something's wrong here?

21 DR. ARTHUR: We worked very hard when I was Equine
22 Medical Director and encouraged jockeys to let us know the
23 track veterinarian when there's a problem. There's a little
24 bit of a political issue where they don't want to be caught
25 putting a finger on a horse, so we tried to improve -- to

1 encourage a positive relationship between the track
2 veterinarian and the jockeys. So that's certainly part of
3 any safety program.

4 VICE CHAIR GONZALES: Thank you, Dr. Arthur. So
5 when you see what we saw from perhaps one jockey who seems
6 to not be above Board, is that cause for concern that maybe
7 that kind of a jockey is not giving an indication that a
8 horse could be off, just (indiscernible)?

9 DR. ARTHUR: It's certainly worrisome that
10 somebody is using a machine at an unsanctioned racing and
11 then the same day is coming back to Los Alamitos. I mean,
12 obviously, the CHRB keeps a close eye on the use of
13 electrical shocking devices, but, you know, it's a very
14 unfortunate and worrisome relationship.

15 But having dealt, when I was Equine Medical
16 Director, dealing with this unsanctioned racing, in reality,
17 we need the legislature to make it illegal.

18 VICE CHAIR GONZALES: Thank you, Dr. Arthur.
19 Great to see you, and thanks for your leadership of Los
20 Alamitos.

21 DR. ARTHUR: Thank you. Thank you.

22 CHAIR FERRARO: Any other questions from the
23 Board?

24 Any further public comment?

25 Can we have a motion?

1 COMMISSIONER HUDNUT: I move approval.

2 VICE CHAIR GONZALES: I'll second it. Gonzales
3 seconds it.

4 CHAIR FERRARO: Commissioner Davis?

5 COMMISSIONER DAVIS: Yes.

6 CHAIR FERRARO: Commissioner Gonzales?

7 VICE CHAIR GONZALES: Yes.

8 CHAIR FERRARO: Commissioner Alfieri?

9 COMMISSIONER ALFIERI: Yes.

10 CHAIR FERRARO: Commissioner Hudnut?

11 COMMISSIONER HUDNUT: Yes.

12 CHAIR FERRARO: The Chairman votes yes. Good
13 luck, gentlemen.

14 MR. LATIMER: Thank you.

15 Discussion and action by the Board on the
16 Application for a License to Conduct a Horse Race Meeting of
17 the Los Angeles Turf Club, LATC, at Santa Anita, commencing
18 December 18th through June 17th, 2025, inclusive.

19 Gentlemen.

20 MR. SINDLER: Good morning. Eric Sindler here,
21 along with General Manager of Santa Anita, Nate Newby.

22 We have submitted our License Application to
23 Conduct a Race Meet at Santa Anita from December 18th, 2024
24 through June 17th, 2025. All materials have been submitted.
25 And we're happy to answer any questions you have, but

1 beforehand, Nate's going to have a brief overview of the
2 meet.

3 CHAIR FERRARO: Nate.

4 MR. NEWBY: Good morning. We're looking forward
5 to the meet. As always, it will start on the day after
6 Christmas, our traditional opening day. It's always one of
7 the biggest days in the country, but this year, it might be
8 even more special. You know, it's the traditional wall
9 calendar giveaway.

10 We have six graded stakes, so great racing, but
11 we're going to add, we're going to honor a legend this year,
12 which the press release just went out, I don't know if you
13 saw it. We are renaming the San Antonio for Lafitt Pincay,
14 Jr., so we'll build the day around him, as well, which will
15 make an opening day even more special, so looking forward to
16 that. That will kick off our meet.

17 Of course, we'll have events and promotions every
18 weekend throughout the meet, as we always do. The stakes
19 calendar is robust. We have 79 stakes during the season,
20 worth almost \$12.1 million, and so it's a busy season.
21 We're looking forward to it. And we're happy to answer any
22 questions.

23 CHAIR FERRARO: Questions from the Board?

24 Mr. Butler, do you have some comments you wanted
25 to add to this?

1 MR. BUTLER: Yes, please. I think there was only
2 two chairs up there, Nate, so I didn't want to throw you
3 out.

4 Good to see you all, Commissioners. Thank you, as
5 always, for the work. Just a quick comment on the earlier
6 stuff.

7 Really appreciate how you all reacted to seeing
8 the stuff with the unsanctioned racing. Pretty
9 heartbreaking. Let me know if there's anything I can do.
10 Happy to trespass anybody who's found. God knows, they're
11 not going to be racing, probably, in thoroughbreds, but
12 happy to do anything at any training center I control or am
13 associated with across the country, and racetrack.

14 Back to the application. This has been pretty
15 tough, and I've never done this before, and most of you have
16 known me a while. I've never come at you with really an
17 idea in open forum. Seems like all of us are in a little
18 bit of an untenable position. A couple of statements.

19 No one, and I made this statement over six months
20 ago, I was trying to go through the transcripts to find out
21 when exactly I said it, no one wanted the northern horsemen,
22 the northern horses, or anyone up there to be in any
23 distress. A horse in the north, a horseman in the north, is
24 just as valuable as any horseman or horse in the south,
25 regardless of the price.

1 We looked at it. I made a statement when I had
2 to, unfortunately, announce Golden Gate Fields closure, that
3 I would do my best to card races down in the south. You can
4 probably all remember that. I said, look, I'm sure we can
5 easily hit the Golden Gate Fields purses. We will do what
6 we can for stabling. Didn't push ahead. Golden Gate Racing
7 had a shot to run a meet, and we stayed out of the way.
8 Sure, there will be -- it seems like I've inherited the
9 title of being, I guess, Darth Vader in the evil empire, but
10 for what it's worth, that was never the intent to put extra
11 pressure on the north or the horsemen or horses.

12 So we find ourselves in a strange position now
13 where everybody's failing, every one of us. There is no
14 great story coming out of this. And I can sit here, if
15 anybody wants me to, and of which I'm more than prepared to
16 bring it in or send a presentation, data point versus data
17 point, this thing's a disaster. And I don't worry about it
18 from the company's standpoint. I'm sure that's going to
19 hurt my Christmas bonus. I worry about it from the
20 thousands of employees who I look at every morning, stare
21 out in the face, knowing that they know this is no good. So
22 let's level set that.

23 And, please, we'll answer any questions after.

24 There are a couple of things we can do here. \$20
25 million is being sucked up into the north. The betting is a

1 mitigated disaster. There is no metric that works bar one.
2 They're still betting in the north the same as they always
3 did on the south. That is not going the other way around.
4 No one in the south really cares for the product,
5 unfortunately. It doesn't mean no one tried. It doesn't
6 mean they pulled out every stop to have a successful meet.

7 So we're left in a really strange position here.
8 What can we do? So racking brains, all of us. I sat there
9 and I said, okay, we have the ability to card races for the
10 northern races, northern horsemen and horses. Point one, no
11 one wants to relocate. Don't blame you. I don't want to
12 relocate either, but let's just look at the facts. So if
13 they don't want to relocate, an option is, well, to cover
14 all transportation costs.

15 Second option, sorry, is point two, that's great,
16 but then if you pull all the horses out of the north, you
17 ruin the summer meet, which is the fair meet, which all of
18 us, including myself, have made statements multiple times,
19 the state needs.

20 So we're in this very delicate situation, but
21 there is a fix, and that is stabling and vanning from the
22 south, and I implore you to speak to the TOC, Del Mar,
23 whoever you like, stabling and vanning could sustain and pay
24 for Pleasanton to stay open. The rest of the southern
25 ecosystem could pay for horses to ship. Santa Anita could

1 write races. Far improved, vastly improved purses than they
2 are now, akin to what they used to be at Golden Gate. And
3 then in the summer, there's a home in the north. This is
4 all down to being negotiated and had a conversation about.

5 I'm speaking to you purely from the heart here.
6 There is an opportunity to build a plan that works, and this
7 has really no bearing on the race meet, as you're all aware.
8 The race meet is the race meet. I've always had the
9 ability, you know, I always very kindly send emails, we can
10 add extra days. The intent always was to add extra days.
11 We can add lower priced races. That's all part of the
12 racing game. It will be suicide if we compete. No one will
13 win. No one's winning now.

14 So I would ask, obviously, kindly to grant the
15 license, but more importantly, if the CHRB could speak with
16 the powers that be in the north, bring everybody to the
17 table in short order, this doesn't have a lot of time, and
18 see if there is something to be worked out. Because my
19 intent, come the 26th, is not to continue this madness, and
20 just to go forward with what I believe is best for my
21 employees, my horsemen, and California racing.

22 So that's -- sorry to be a little long-winded. I
23 promise I will be chipper. In fact, ironically, when I read
24 all my past comments, they seemed I used to be really quite
25 friendly and happy in my past days at these presentations.

1 I don't know what happened. Maybe it's just the racing
2 game. But any questions, happy to answer.

3 CHAIR FERRARO: Any questions from the Board?

4 COMMISSIONER ALFIERI: I would just say that, you
5 know, I'm liking what I'm hearing with ideas like this.
6 You're thinking out of the box. We are very concerned about
7 the north. None of us want, the whole industry, we don't
8 want to see the north fail, and with the horsemen here, the
9 people that have given their lives here, this is their
10 livelihood. But we also have to look at the reality and
11 face the facts.

12 And so, I mean, I just -- you know, we think about
13 this every day, a lot of us, so -- but I welcome what you're
14 saying. I think it's terrific, and maybe there's something,
15 a collaboration --

16 MR. BUTLER: Well, I think it's definitely worth a
17 conversation.

18 COMMISSIONER ALFIERI: Absolutely, and at least
19 you've gotten to the bottom --

20 MR. BUTLER: I've made -- sorry, Commissioner,
21 I've made this statement. If Santa never even -- sorry. If
22 Santa Anita ever goes away, there will be scratch marks of
23 mine down the parking lot as they drag me out. I'm not
24 prepared not to fight at this point. It deserves it. The
25 game in this state deserves it. The game countrywide

1 deserves it.

2 I think all of us, if we just stop looking at
3 what's going on today, and for the next meet, and look at
4 the future, we're really in trouble. And that knock-on will
5 paralyze a lot of other racing in this country as well.

6 COMMISSIONER ALFIERI: To be continued, so thank
7 you.

8 MR. BUTLER: Yeah.

9 COMMISSIONER ALFIERI: Thank you.

10 MR. BUTLER: Thank you.

11 CHAIR FERRARO: Anyone else?

12 VICE CHAIR GONZALES: Thanks, Aiden, and for your
13 colleagues for being here. Mr. Chairman, thanks for a
14 couple minutes here.

15 I would welcome to be part of the conversation
16 with the powers that be in the north. As you know, Aiden,
17 I'm, you know, among their bigger proponents. I actually
18 believe, given all things, they are off to a decent start.
19 I think that there is room for improvement, always.

20 I also believe that there is -- could be interest
21 on the part of Southern California bettors for the north,
22 when even the most basic things are done, like having
23 television sets that are showing live racing. I know Del
24 Mar has room to improve in that regard. I was there on
25 Breeders' Cup and saw a Northern California horseman walking

1 around looking for a television set to bet on Breeders' Cup.
2 And I'll be there on opening day, hoping that you improve
3 upon what Del Mar does, because I would have to say it's a
4 low grade in terms of promoting racing.

5 But I'd have no problem. In fact, the Northern
6 California horseman that I spoke to in the last day or so,
7 one, nobody's really heard about this.

8 MR. BUTLER: It was a very new idea. It was kind
9 of, I've had enough of looking --

10 VICE CHAIR GONZALES: Sure.

11 MR. BUTLER: -- looking at the abyss, so that's
12 why.

13 VICE CHAIR GONZALES: Right. And I have found
14 them to be accessible, responsive, willing to collaborate.
15 And I believe that all options should be on the table. And
16 I really appreciate even Dr. Ferraro from the get-go saying
17 that we should be thinking about a one circuit, but a one
18 circuit should not just mean a fair meet. If there's going
19 to be any conversation along these lines, it has to be with
20 some racing beyond just the summers for Northern California.

21 Again, I'm not speaking for them, but I would
22 welcome the opportunity to be part of that conversation.
23 And I think that unity is so important from one end of the
24 state to the next. So Aiden, I do appreciate you being
25 here --

1 MR. BUTLER: Thank you.

2 VICE CHAIR GONZALES: -- and for you floating an
3 idea that may have merit, it may not.

4 MR. BUTLER: It may have not.

5 VICE CHAIR GONZALES: But I think that it is
6 definitely a conversation starter that I believe that the
7 Northern California horseman should react to. So you name
8 the place and time and I will be there to assist in any
9 conversation.

10 MR. BUTLER: Well, I think as the holidays are all
11 upon us and, you know, the North application is coming up
12 in, you know, in December, this needs to move quite quickly.

13 VICE CHAIR GONZALES: Yeah.

14 MR. BUTLER: Me and the team, if you all concur
15 that this is the right approach, and this has being done
16 with full respect of the Board, I'm trying to, you know,
17 move this --

18 VICE CHAIR GONZALES: I understand.

19 MR. BUTLER: -- move this along, we can put a
20 presentation together pretty quickly, circulate it, and then
21 let's just get all on Zoom calls and let's just start to
22 have a conversation if there is a reality here. Because if
23 there is, I think it saves us all a lot of gray hair and
24 maybe makes Christmas a lot more fun for the people who are
25 genuinely worried about this, you know?

1 CHAIR FERRARO: And it needs to be said that our
2 efforts to sustain some sort of racing in Northern
3 California, if that effort fails, we could very well take
4 down the whole state of racing.

5 MR. BUTLER: Yeah.

6 CHAIR FERRARO: And so to try to come up with an
7 alternative plan that has a better chance of being
8 successful, I think it's in everyone's interest. We have a
9 big enough problem with our purse structure as it is --

10 MR. BUTLER: Yeah.

11 CHAIR FERRARO: -- let alone trying to compete
12 against each other. So if you can make this work, all the
13 more power to you.

14 MR. BUTLER: Well, we'll give it a go.

15 CHAIR FERRARO: It gives the Board another option
16 to pursue.

17 MR. BUTLER: Yeah.

18 CHAIR FERRARO: Thank you.

19 MR. BUTLER: Thank you.

20 CHAIR FERRARO: Anybody else?

21 COMMISSIONER HUDNUT: Yes. I would echo the
22 thanks of my colleagues and say that ours is an industry
23 that historically has been bereft of much imagination and
24 much out of the box thinking. And I appreciate Santa Anita,
25 and I believe TOC, for taking the initiative in this. I

1 think it's a very interesting proposal and look forward to
2 its being more fully fleshed out in the months ahead because
3 I think it has a lot of merit on the face of it.

4 MR. BUTLER: Thank you, Commissioner.

5 COMMISSIONER HUDNUT: Thank you.

6 CHAIR FERRARO: Commissioner Davis?

7 COMMISSIONER DAVIS: Yes, I want to express
8 appreciation for putting this idea out on the table. And I
9 would just caution that don't get too wedded to doing it one
10 way because the north may have some other ideas.

11 MR. BUTLER: Of course.

12 COMMISSIONER DAVIS: And hopefully it will be a
13 collaboration. But I'm really appreciating --

14 MR. BUTLER: Thank you, Commissioner.

15 COMMISSIONER DAVIS: -- the fact that you put it
16 forward.

17 VICE CHAIR GONZALES: Thank you for that,
18 Commissioner Davis.

19 And just one other thing. I didn't know TOC was
20 involved. I've been questioning and critical of them of
21 late about how they communicate and who really is speaking,
22 so --

23 MR. BUTLER: Yeah. Like I will say this and this
24 will probably go backfire on me, but every conversation with
25 the TOC, they understand how important their northern

1 horsemen and their northern members are, and it never
2 translates. And I guess that's why I'm being a little more
3 plainly spoken to you all than I normally would. And I hope
4 I'm giving you the respect that it deserves. I'm not trying
5 to be --

6 VICE CHAIR GONZALES: Right.

7 MR. BUTLER: -- bullish over here, but everybody's
8 so worried about this. And nobody, the statement I made
9 earlier, nobody believes we have a God-given right in the
10 north. That's not the case.

11 VICE CHAIR GONZALES: Right.

12 MR. BUTLER: We're all fighting for our survival
13 at the moment and it's a tough position.

14 VICE CHAIR GONZALES: I understand, Aiden. You
15 know, my point is just really about the TOC and which TOC
16 decides to show up and what messenger and who's saying what.
17 And they're all over the place, to be quite honest.

18 MR. BUTLER: Okay.

19 VICE CHAIR GONZALES: With you, I know we're
20 speaking with the decision maker here.

21 MR. BUTLER: Yeah.

22 VICE CHAIR GONZALES: And I really respect that
23 when you show up, we are speaking to 1/ST Racing/Stronach
24 Group. Again, with the TOC, it depends --

25 MR. BUTLER: Right.

1 VICE CHAIR GONZALES: -- on the time of the day.

2 MR. BUTLER: Okay.

3 VICE CHAIR GONZALES: I don't know what their
4 message is or who their messenger is, so, yeah.

5 CHAIR FERRARO: Thank you. Do we have any public
6 comment on this? Yes. Who? Who? Ah, the famous Larry
7 Swartzlander.

8 MR. SWARTZLANDER: Good morning, Chairman,
9 Commissioners. Larry Swartzlander, Executive Director of
10 CARF. Aiden and I spoke last night. You know, I'm
11 certainly not going to dampen to say that we certainly want
12 to discuss it with him.

13 To give you a perspective on the meet at this
14 point, we're entering our sixth week. We're 30 percent down
15 on commissions. We expected ten percent. It's
16 unacceptable. We have the horses. Our horse counts per
17 start are 6.51. Golden Gate for the entire year of 2024 was
18 6.50.

19 The horsemen are totally behind the situation,
20 racing in the north. They're happy. Everybody's relocated
21 to the Pleasanton area. The backside, the grooms have RVs.
22 It's a very joyous background. Everybody's positive.

23 The unfortunate side, as Aiden pointed out, we're
24 all losing money. You know, the handle is not there.
25 Something has to be done. He did mention the historical

1 racing machines or, you know, I've talked to you before
2 about Calypso Fantasy Sports. We need to pursue
3 supplemental sources for purses.

4 Is there a way to reorganize within the state of
5 California, north and south? Sure. (Indiscernible) we race
6 too much in the north. I'm sorry, we do. I'm not going to
7 speak for the south. Is there a plan that we could come to
8 that it's not a total separation of racing to the south but
9 a partial so that we can both work together? We're
10 certainly open to that.

11 You know, the CARF board will meet on December
12 10th with our, you know, looking at our position. And I
13 would welcome that the CHRB host a racing committee meeting
14 that we discuss basically where CARF's at and where Santa
15 Anita's at. And, you know, my door's open with Aiden and
16 Eric and Nate to certainly discuss this offline before we
17 come to the CHRB.

18 I'm positive. You know, we're pursuing a license
19 for 2025. Money can be found, and that's my position.

20 VICE CHAIR GONZALES: Thanks, Larry. Appreciate
21 your leadership.

22 CHAIR FERRARO: Anybody else? No?

23 Okay, let's get back to the nature of the problem
24 at hand. Do we have a motion to accept the application of
25 the LATC?

1 COMMISSIONER ALFIERI: So moved.

2 COMMISSIONER DAVIS: Davis seconds.

3 CHAIR FERRARO: Commissioner Hudnut?

4 COMMISSIONER HUDNUT: Yes.

5 CHAIR FERRARO: Commissioner Alfieri?

6 COMMISSIONER ALFIERI: Yes.

7 CHAIR FERRARO: Commissioner Gonzales?

8 VICE CHAIR GONZALES: I'm abstaining, sir.

9 CHAIR FERRARO: Commissioner Davis?

10 COMMISSIONER DAVIS: Yes.

11 CHAIR FERRARO: And the Chairman votes yes. Good
12 luck, gentlemen.

13 MR. NEWBY: Thank you very much.

14 MR. SINDLER: Thank you.

15 CHAIR FERRARO: Number seven, discussion and
16 action by the Board on the Application for a License to
17 Conduct a Horse Racing Meeting of the Los Alamitos Quarter
18 Horse Racing Association at the Los Alamitos Race Course
19 commencing December 25th, 2024 through December 23rd, 2025,
20 inclusive.

21 Gentlemen.

22 MR. LATIMER: Mr. Chairman, Commissioners, John
23 Latimer on behalf of the Los Alamitos Quarter Horse Racing
24 Association, here in support of the application before you.
25 As I said earlier, in the earlier application, we have folks

1 from our team here to answer questions that you may have. I
2 know we had a little bit of conversation with Dr. Arthur.
3 He's prepared to continue the conversation, Chairman, if you
4 have any other questions.

5 But before we get to that, I'd like to again have
6 Orlando speak a little bit about some of our plans for 2025.

7 CHAIR FERRARO: Go ahead, Orlando.

8 MR. GUITIERREZ: Good morning once again. Again,
9 Los Alamitos has submitted a completed application for the
10 Los Alamitos Quarter Horse Racing Association meet beginning
11 on December 28th, 2024 and continuing through Sunday,
12 December 21st, 2025.

13 Some of the highlights of the meet, we will have
14 around 50 stakes races during the course of the season.
15 California Breeders' Champions Night, which is the marquee
16 event for California-breds will be a one night event for the
17 second year in a row. That will be on Saturday, July the
18 26th.

19 One of the things that we're very proud of at Los
20 Alamitos is that we have the nation's top filly and mare
21 program with over 12 top events for the fillies and mares.
22 Fillies and mares from all over the country come to race at
23 Los Alamitos.

24 And, of course, our marquee race is the Champion
25 of Champions. That will be towards the end of the year on

1 December 13th, Saturday, December 13th.

2 On the marketing side, we have several family
3 nights planned. Usually we coordinate these with some of
4 the local businesses, community partners. These are always
5 some of our biggest attended nights of the year. We have a
6 big one in the summer, and also a Halloween carnival in
7 autumn.

8 We continue to have promotions to engage our
9 players nationally. We are working with some of our
10 partners to create some online handicapping contests to
11 continue to outreach to the national players.

12 For our horse care professionals working at Los
13 Alamitos in the barn area, we will continue all of the
14 programs that are very successful right now. We'll continue
15 them throughout the year in 2025. That includes weekly
16 dinners with the Los Alamitos RTCA handling those, and bi-
17 weekly fellowship dinners held in the track kitchen. These
18 are very popular. They're held every other Thursday.

19 We also take our employees that work in the barn
20 area to social events like sports outings. We are planning
21 one now to take them to the LA Clippers and their new
22 stadium, the Intuit Dome. We're hoping to do that in
23 January. And we'll continue our soccer league, our
24 recreational soccer league, and it's made up of mostly
25 people that work in the barn area.

1 So all those programs will continue in 2025. And
2 these programs are sponsored by Los Alamitos Racecourse, the
3 PCQHRA, and the Quarter Horse Benevolent Foundation.

4 So again, thank you for your time. And again,
5 respectfully request approval of the application. Thank
6 you.

7 CHAIR FERRARO: John, Eric, more to add?

8 MR. LATIMER: Mr. Chairman, I think we may have
9 somebody from the Quarter Horsemen's Association in support
10 of the application, as well. Other than that, we're again
11 prepared to answer any questions that you may have or bring
12 Dr. Arthur back up if we want to continue the earlier
13 conversation.

14 MR. D. PEREZ: Hi, good morning, Dino Perez with
15 Pacific Coast Quarter Horse Racing Association.

16 I just come before the Board and just ask for your
17 approval of this license. The horsemen are fully behind.
18 Dr. Allred, Dr. Arthur has spoken about the meetings that
19 we've had. We take it very serious. And we're here for any
20 questions and we're 100 percent committed to the safety and
21 welfare of the animal. So we'd just asked that you'd
22 approve the license.

23 CHAIR FERRARO: Well, as Chairman of this Board, I
24 find it particularly egregious at the injury rate that's
25 occurring amongst the Quarter Horses at Los Alamitos this

1 year. As you recall, last year there was some talk of
2 limiting the length of your meet until it was demonstrated
3 that safety measures were involved. Well, I wasn't in favor
4 of that and the Board eventually overcame that and gave you
5 a full license here, and I expect they will do that this
6 year.

7 As Chairman of this Board, I'm going to tell you
8 for sure that if the injury rate continues at the level that
9 it's at now, I will call an emergency meeting of this Board
10 to shut you down. We can do it and we will do it unless you
11 do something specifically to shape up in terms of your
12 injury rate.

13 You need to get those veterinarians to stop
14 injecting these joints all the time. You need to get them
15 to do diagnostic procedures. You need them to work by the
16 rules, do their pre-race and pre-work exams as dictated by
17 this Board. Otherwise, it's going to be -- this is your
18 warning, this is big-time trouble here coming --

19 MR. LATIMER: Understood.

20 CHAIR FERRARO: -- because we can't allow this to
21 damage the reputation of racing in general for the sake of
22 the Quarter Horse meat. Is that understood?

23 MR. LATIMER: Understood.

24 CHAIR FERRARO: Go ahead.

25 COMMISSIONER HUDNUT: While Chairman Ferraro is

1 appropriately interested in the quadrupeds at Los Alamitos,
2 I'm interested in the bipeds. And you were essentially put
3 on notice this morning that there are no fewer than nine and
4 probably more regular riders at Los Alamitos who participate
5 in illegal events around the state, which is against the
6 regulations and against the licenses that these riders hold.
7 And I would expect that the same degree of vigilance and
8 action be taken on those riders as we are going to take, as
9 you were going to take on the horses.

10 So through the veterinarians, who will deal with
11 the horses, through security, and through the stewards, I
12 expect you to deal with the riders who participate in
13 illegally sanctioned events.

14 MR. LATIMER: That's understood, Commissioner. I
15 do think it's an effort that we have to work on together
16 with the stewards, as well, to be sure when action has been
17 taken by the Board, we certainly will follow that action and
18 support and endorse it.

19 COMMISSIONER HUDNUT: Well, I think we will take
20 the appropriate action when presented with it by the
21 stewards.

22 MR. LATIMER: Understood.

23 CHAIR FERRARO: Anyone else?

24 Public comment? No?

25 Do we have a motion?

1 EXECUTIVE DIRECTOR CHANEY: Mr. Chairman, if I
2 could really quickly, this is going to seem super mundane,
3 but I need to support my staff. All four race meet
4 applications, the Quarter Horses, L.A. being the worst
5 offender, but all four that were presented this morning have
6 soon-to-be-expired licenses or expired licenses for their
7 directors and/or commissioners or whatever their title is at
8 those particular tracks. Our reg just says that they don't
9 have to have licenses until opening day, the first day of
10 the meet.

11 So please, please, please, all of you work with
12 staff. I know they've been bugging you for about two or
13 three weeks now and just get a license. It's not that hard.

14 Thanks.

15 CHAIR FERRARO: Okay. Thank you.

16 So do we have a motion?

17 COMMISSIONER HUDNUT: I move approve. Hudnut.

18 COMMISSIONER ALFIERI: I'll second.

19 CHAIR FERRARO: Commissioner Davis?

20 COMMISSIONER DAVIS: Yes.

21 CHAIR FERRARO: Commissioner Gonzales?

22 VICE CHAIR GONZALES: I'm going to abstain on this
23 application, too, sir.

24 CHAIR FERRARO: Commissioner Alfieri?

25 COMMISSIONER ALFIERI: Yes.

1 CHAIR FERRARO: Commissioner Hudnut?

2 COMMISSIONER HUDNUT: Yes.

3 CHAIR FERRARO: And the Chairman votes yes. Good
4 luck, gentlemen.

5 MR. LATIMER: Thank you.

6 CHAIR FERRARO: Heed our warnings though. Don't
7 take it lightly.

8 Discussion and action by the Board on the
9 application for approval to conduct advanced deposit
10 wagering of ODS Technologies, L.P. dba TVG Network, and out-
11 of-state multi-jurisdictional wagering hub, from January 1,
12 2025 through December 31st, 2026.

13 MR. BARAJAS: Good morning, Mr. Chair and Board
14 members. My name's Arturo Barajas, Senior Manager of
15 Government Affairs here on behalf of ODS Technologies/TVG,
16 seeking license renewal for a two-year period. Happy to
17 answer any questions the Board might have.

18 CHAIR FERRARO: Any question from the Board?

19 EXECUTIVE DIRECTOR CHANEY: If I may? Their
20 license is complete. Thank you for that. Actually,
21 everybody's license is complete today. Otherwise, it
22 wouldn't have been heard.

23 The Board might recall two years ago when we
24 renewed ADW licenses in the wake of the Modern Games
25 incident at Del Mar with a purse-only designation by the

1 stewards down there that you made, let's call it, a strong
2 recommendation to the ADW companies that they create the
3 functionality for alternate wagers in, you know, multi-race
4 wagers. That wouldn't have fixed the issue with Modern
5 Games. That would have certainly given the wagering public
6 more of an option. Those options are currently available
7 on-track, it's just that the ADW companies did not have the
8 technology to offer that.

9 I'm happy to report that most, I think five of the
10 eight or four of the seven, ADW applications that you'll
11 hear today have created that technology, and it's currently
12 available to their wagering public. Three have not,
13 including yours, Arturo. TVG is one of them.

14 So I just want to make the Board aware of that. I
15 don't think it should be an impediment to the license.
16 Frankly, we need the ADW companies in order to stay alive in
17 California. But any kind of push by the Board or update
18 from Arturo would be great in terms of when, if and when
19 that functionality will occur.

20 MR. BARAJAS: Yeah, thank you for that, Scott, and
21 happy to give an update.

22 We are working with our tote provider and they're
23 working on making sure that that capability's available to
24 us. At the same time, our product team is working on the
25 technology to make that available, so it is something that

1 we're aiming to have available next year.

2 EXECUTIVE DIRECTOR CHANEY: Any kind of timeline
3 on that? I know, you know, it has been two years, to be
4 fair.

5 MR. BARAJAS: Right. Yeah, the first quarter of
6 next year is when our team is aiming.

7 EXECUTIVE DIRECTOR CHANEY: Thank you.

8 CHAIR FERRARO: Do we have any public comment on
9 this? None?

10 Motion from the Board?

11 VICE CHAIR GONZALES: I'll move. Gonzales moves.

12 COMMISSIONER HUDNUT: Second. Hudnut.

13 CHAIR FERRARO: Commissioner Davis?

14 COMMISSIONER DAVIS: Yes.

15 CHAIR FERRARO: Commissioner Gonzales?

16 VICE CHAIR GONZALES: Yes.

17 CHAIR FERRARO: Commissioner Hudnut?

18 COMMISSIONER HUDNUT: Yes.

19 CHAIR FERRARO: And we lost Commissioner Alfieri.

20 The Chairman votes yes.

21 COMMISSIONER HUDNUT: Well, it's a quorum.

22 EXECUTIVE DIRECTOR CHANEY: You only need four --

23 CHAIR FERRARO: Yeah, so we go it --

24 EXECUTIVE DIRECTOR CHANEY: -- Mr. Chairmen, so
25 you're okay.

1 CHAIR FERRARO: So we got it done.

2 Okay, where are we now? Eight, are we on? No,
3 next one, number nine.

4 EXECUTIVE DIRECTOR CHANEY: Number nine, yeah.

5 CHAIR FERRARO: Discussion and action by the Board
6 on the application for approval to conduct advanced deposit
7 wagering of Xpressbet LLC, an out-of-state multi-
8 jurisdictional wagering hub, from January 1, 2025 to
9 December 31st, 2026.

10 Sir?

11 EXECUTIVE DIRECTOR CHANEY: And just for the
12 Board's edification, I think Xpressbet, I'd like your credit
13 to do, I think the first out of the box with respect to the
14 alternate, that was done like a year and a half ago or
15 something, so I appreciate that.

16 CHAIR FERRARO: Go ahead, Gene.

17 MR. CHABRIER: I was going to bring that up.

18 EXECUTIVE DIRECTOR CHANEY: Oh, sorry to steal
19 your thunder.

20 CHAIR FERRARO: Go ahead.

21 MR. CHABRIER: Hi. Good morning. Gene Chabrier,
22 Vice President of Regulatory Affairs and Business
23 Development for Xpressbet and 1/ST Technology. I'm here,
24 you know, to get my renewal for the next two years and I'd
25 be happy to answer any questions you may have about our

1 operation.

2 CHAIR FERRARO: Questions from the Board?

3 Do we have any public comment on this one? No?

4 Do we have a motion?

5 COMMISSIONER HUDNUT: I move approval. Hudnut.

6 COMMISSIONER DAVIS: Davis seconds.

7 CHAIR FERRARO: Commissioner Davis?

8 COMMISSIONER DAVIS: Yes.

9 CHAIR FERRARO: Commissioner Gonzales?

10 VICE CHAIR GONZALES: Yes.

11 CHAIR FERRARO: Commissioner Hudnut?

12 COMMISSIONER HUDNUT: Yes.

13 COMMISSIONER ALFIERI: Commissioner Alfieri?

14 COMMISSIONER ALFIERI: Yes.

15 CHAIR FERRARO: And the Chairman votes yes. Good

16 luck.

17 MR. CHABRIER: Thank you very much.

18 Item number ten, discussion and action by the
19 Board on the application for approval to conduct advanced
20 deposit wagering of Churchill Downs Technology Initiatives
21 Company, DBA Twin Spires and DBA BetAmerica and out-of-state
22 multi-jurisdictional wagering hub, from January 1, 2025
23 through December 31st, 2026.

24 Mr. Silver.

25 MR. SILVER: Good morning, Mr. Chairman. Good

1 morning, Commissioners, Executive Director and staff, Andrew
2 Silver, I'm a corporate counsel speaking on behalf of
3 Churchill Downs Technology Initiatives Company. We're here
4 seeking a two-year license renewal. Happy to answer any
5 questions from --

6 CHAIR FERRARO: Do you have the alternate?

7 EXECUTIVE DIRECTOR CHANEY: I got one.

8 CHAIR FERRARO: Yeah, go ahead.

9 EXECUTIVE DIRECTOR CHANEY: I don't believe you
10 currently have it, but it sounds like it's imminent.

11 MR. SILVER: That's correct. I almost preempted
12 the question with offering that up by myself.

13 What we reported in our application was that we
14 were targeting the end of the year. The tote side of the
15 work is done. The development team with the TwinSpires is
16 hard at work. I think we said we were targeting the end of
17 the year. I think there's a possibility that Q1 may be more
18 realistic, so very similar timetable to my colleague, but
19 we're happy to provide the Board with an update as soon as
20 that's ready.

21 EXECUTIVE DIRECTOR CHANEY: Thank you. And it's
22 just not us being dogmatic. It would be a nice thing for
23 us, but I think it's a fantastic thing for the wagering
24 public, which is often neglected, I think, in all of these
25 high-minded conversations.

1 MR. SILVER: No, absolutely. And we've had plenty
2 of internal conversations about it, and I got an update from
3 the team by email yesterday. It's top of mind.

4 EXECUTIVE DIRECTOR CHANEY: Thank you.

5 CHAIR FERRARO: Do we have public comment on this?
6 No?

7 Motion?

8 COMMISSIONER DAVIS: Davis moves.

9 CHAIR FERRARO: Chairman seconds.

10 COMMISSIONER ALFIERI: Second.

11 Commissioner Hudnut?

12 COMMISSIONER HUDNUT: Yes.

13 CHAIR FERRARO: Commissioner Alfiero?

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. Good
20 luck.

21 MR. SILVER: Thank you.

22 Number 11, discussion and action by the Board on
23 the application for approval to conduct advanced deposit
24 wagering at WatchandWager.com, LLC, an out-of-state multi-
25 jurisdictional wagering hub, from January 1, 2025, through

1 December 31st, 2026.

2 Gentlemen?

3 MR. SCHICK: Good morning again, Chairman Ferraro,
4 members of the Commission, Chris Schick, Watch and Wager.
5 Ben and I are sitting in for Ed Cummings, our president, who
6 had a family emergency today and regretfully couldn't be
7 here. But I think he's got everything in on his license
8 application, and we're asking for your approval.

9 CHAIR FERRARO: Do they have the alternate?

10 EXECUTIVE DIRECTOR CHANEY: They do.

11 CHAIR FERRARO: Yeah.

12 EXECUTIVE DIRECTOR CHANEY: They do get a pass on
13 this one because they offer alternate wagers, yes.

14 CHAIR FERRARO: Any questions from the Board?

15 Public comment? No?

16 Motion?

17 COMMISSIONER DAVIS: Davis moves.

18 COMMISSIONER ALFIERI: I'll second.

19 CHAIR FERRARO: Commissioner -- he disappeared.

20 Commissioner Hudnut?

21 COMMISSIONER HUDNUT: Yes.

22 CHAIR FERRARO: Commissioner Davis?

23 COMMISSIONER DAVIS: Yes.

24 CHAIR FERRARO: Commissioner Gonzales?

25 VICE CHAIR GONZALES: Abstain.

1 CHAIR FERRARO: Commissioner Alfieri?

2 COMMISSIONER ALFIERI: Yes.

3 CHAIR FERRARO: And the Chairman votes yes. Good
4 luck, gentlemen.

5 MR. SCHICK: Thank you.

6 CHAIR FERRARO: Let's see, we are on to number 12,
7 discussion and action by the Board on the application for
8 approval to conduct advanced deposit wagering of Lian Games
9 Racing, LLC, an out-of-state multi-jurisdictional wagering
10 hub, out-of-state wagering hub, from January 1, 2025 through
11 December 31st, 2026.

12 MR. KING: Hello, Mr. Chairman, Commissioners,
13 staff, Jason King on behalf of Lean Games Racing. We're
14 seeking the two-year license renewal for Lian Games.

15 We have made the necessary changes for the
16 alternate selections, that was done back in February, and
17 have taken wagers from all tracks in California with
18 alternate selections since that time.

19 CHAIR FERRARO: Questions from the Board?

20 EXECUTIVE DIRECTOR CHANEY: Gold star.

21 MR. KING: Thank you.

22 CHAIR FERRARO: No questions? No?

23 COMMISSIONER HUDNUT: I move.

24 CHAIR FERRARO: Can I have a motion?

25 COMMISSIONER HUDNUT: I move approval.

1 CHAIR FERRARO: The Chairman seconds.
2 Commissioner Davis?
3 COMMISSIONER DAVIS: Yes.
4 CHAIR FERRARO: Commissioner Gonzales?
5 VICE CHAIR GONZALES: Yes.
6 CHAIR FERRARO: Commissioner Alfieri?
7 COMMISSIONER ALFIERI: Yes.
8 CHAIR FERRARO: Commissioner Hudnut?
9 COMMISSIONER HUDNUT: Yes.
10 CHAIR FERRARO: Okay, moving on --
11 MR. KING: Thank you.
12 CHAIR FERRARO: -- to item number 13, discussion
13 and action by the Board on the application for approval to
14 conduct advanced deposit wagering, NYRA Bets, LLC, an out-
15 of-state multi-jurisdictional wagering hub, from January 1,
16 2025 to December 31st, 2026.
17 Welcome.
18 MS. FRANK: Well, thank you. Good morning,
19 Commissioner, Chairman, and everyone on the Board. We are
20 just here. I'm Melanie Frank representing NYRA Bets, along
21 with Tony Allevato, President of NYRA Bets, just to
22 respectfully request approval of our application.
23 EXECUTIVE DIRECTOR CHANEY: I mean, you don't want
24 me to ask the question.
25 MR. ALLEVATO: Q1. Q1.

1 EXECUTIVE DIRECTOR CHANEY: June 1?

2 MR. ALLEVATO: Q1.

3 EXECUTIVE DIRECTOR CHANEY: Q1? Okay.

4 MS. FRANK: No. Yeah, yeah, your question is when
5 we're going to have alternate wages, yes.

6 EXECUTIVE DIRECTOR CHANEY: I think what you
7 forwarded to the staff --

8 MS. FRANK: Yes.

9 EXECUTIVE DIRECTOR CHANEY: -- was January or
10 February, but you think that's when?

11 MS. FRANK: Yeah, we're working out some tote
12 issues.

13 EXECUTIVE DIRECTOR CHANEY: Obviously, NYRA Bets
14 is the third one that hasn't offered the functionality yet,
15 but will in the first quarter?

16 MS. FRANK: Q1 of next year.

17 EXECUTIVE DIRECTOR CHANEY: Thank you.

18 CHAIR FERRARO: Questions from the Board?

19 VICE CHAIR GONZALES: Mr. Chairman, just a quick
20 thank you to the NYRA team for your support of California
21 racing. I've had the opportunity to learn a lot in the last
22 month or so. The flexibility that you extend to Southern
23 California and also, of late, Northern California really
24 means a lot.

25 You know, obviously, the only, you know, request

1 that I would have is that when people like me go to New York
2 and bet on New York racing, it would be great to see at
3 least one or two TV sets showing California racing, if
4 there's ever a way to explore that, particularly at places
5 like Saratoga. A couple months ago, I told a story when I
6 was there, and I just by chance ran across a couple
7 California owners who were at Saratoga wanting to watch
8 races here. They weren't able to do so.

9 But again, I just want to just say that your
10 assistance and support for California racing is definitely
11 appreciated. And if anything could be done on, you know,
12 having one or two TV sets, I think it would go a long way,
13 because I believe Saratoga and Del Mar during the summertime
14 really carry their weight for the entire industry. So, you
15 know, any reaction to that, more than welcome to hear it.

16 MR. ALLEVATO: Thank you and we appreciate that.
17 And we do want to support California racing. As a
18 California resident and someone who grew up working in horse
19 racing in California, obviously want to see it succeed.

20 We did open a new bar at the racetrack, we put a
21 lot of money into it, and it stays open even at the
22 conclusion of racing at Saratoga to showcase Del Mar and
23 other California racing during that time.

24 VICE CHAIR GONZALES: Thank you for that. It
25 means a lot. I really, really mean that. Thank you very

1 much.

2 CHAIR FERRARO: Any public comment? None?

3 Do we have a motion?

4 COMMISSIONER HUDNUT: I move approval.

5 VICE CHAIR GONZALES: I'll second.

6 CHAIR FERRARO: Commissioner Davis?

7 COMMISSIONER DAVIS: Yes.

8 CHAIR FERRARO: Commissioner Gonzales?

9 VICE CHAIR GONZALES: Yes.

10 CHAIR FERRARO: Commissioner Alfieri?

11 COMMISSIONER ALFIERI: Yes.

12 CHAIR FERRARO: Commissioner Hudnut?

13 COMMISSIONER HUDNUT: Yes.

14 CHAIR FERRARO: The Chairman votes yes. Good

15 luck.

16 MR. ALLEVATO: Thank you.

17 MS. FRANK: Thank you.

18 COMMISSIONER HUDNUT: Thank you for coming out.

19 CHAIR FERRARO: Number 14, discussion and action
20 by the Board on the application for approval to conduct an
21 advanced deposit wagering of Game Play Network, Inc., an-
22 out-of-state multi-jurisdictional wagering hub, from January
23 1, 2025 through December 31st, 2026.

24 Mr. Fine?

25 MR. FINE: Good morning, my name is Russell Fine.

1 I'm the president of Game Play Network. We've been an ADW
2 licensed in California for ten years. We're small, but
3 we're growing, and I respectfully request that we are
4 renewed for the next two years. And I will take any
5 questions.

6 EXECUTIVE DIRECTOR CHANEY: They're good.

7 CHAIR FERRARO: They're good?

8 EXECUTIVE DIRECTOR CHANEY: Yeah, yeah, yeah.

9 They get a check mark.

10 COMMISSIONER HUDNUT: They're good.

11 CHAIR FERRARO: Public comment on this? No.

12 Motion?

13 COMMISSIONER DAVIS: Davis moves.

14 COMMISSIONER HUDNUT: Hudnut seconds.

15 CHAIR FERRARO: Commissioner Hudnut?

16 COMMISSIONER HUDNUT: Yes.

17 CHAIR FERRARO: Commissioner Alfieri?

18 COMMISSIONER ALFIERI: Yes.

19 CHAIR FERRARO: Commissioner Gonzales?

20 VICE CHAIR GONZALES: Yes.

21 CHAIR FERRARO: Commissioner Davis?

22 COMMISSIONER DAVIS: Yes.

23 CHAIR FERRARO: The Chairman votes yes. Good

24 luck.

25 MR. FINE: Thank you, Directors.

1 CHAIR FERRARO: Let's see, where are we? Number
2 15, discussion and action by the Board regarding the
3 distribution of race day charity proceeds of the Los Angeles
4 Turf Club, LATC, from its 2023 to 2024 winter/spring race
5 meet.

6 MR. SINDLER: Yes, good morning again. Eric
7 Sindler on behalf of the Los Angeles Turf Club. We are here
8 to request approval of our statutory charity distributions.
9 Again, this is just a small portion of all charity that
10 we -- charitable distributions that The Stronach Group
11 makes. These are just the portions that are statutorily
12 required for CHRB approval.

13 CHAIR FERRARO: Your distribution is basically the
14 same as previous years; is that correct?

15 MR. SINDLER: It's similar, yes.

16 CHAIR FERRARO: Yeah.

17 MR. SINDLER: It's statutorily calculated.

18 CHAIR FERRARO: Yeah. Any questions? No?

19 Motion?

20 COMMISSIONER ALFIERI: I make a motion. Alfieri.

21 COMMISSIONER DAVIS: Davis seconds.

22 CHAIR FERRARO: Commissioner Hudnut?

23 COMMISSIONER HUDNUT: Yes.

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: The Chairman votes yes.

6 MR. SINDLER: Thank you.

7 CHAIR FERRARO: You're welcome.

8 Discussion and action by the Board regarding the
9 distribution of race day charity proceeds of the Pacific
10 Racing Association from 2023 to 2024 winter/spring race
11 meeting.

12 MR. SINDLER: Good morning again. Eric Sindler on
13 behalf of Pacific Racing Association, here to request our
14 charitable distribution distributions.

15 CHAIR FERRARO: Questions? None? Motion?

16 COMMISSIONER ALFIERI: I'll make a motion.

17 COMMISSIONER HUDNUT: 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: Commissioner Hudnut?

25 COMMISSIONER HUDNUT: Yes.

1 CHAIR FERRARO: The Chairman votes yes.

2 MR. SINDLER: Thank you very much.

3 CHAIR FERRARO: Okay, Eric.

4 Here we are in the reports. Exciting part of the
5 meeting here. Executive Director's Report first.

6 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.
7 Chairman and, once again, good morning, Commissioners.

8 I will begin with the handle report. As we did
9 not meet in October, I will report on handle for the last
10 two months. For the month of September, day racing was down
11 18 percent, night racing was down 11 percent, and total
12 handle was down 17 percent as compared to September 2003,
13 2023, sorry. For the month of October, day racing handle
14 was down ten percent, night racing handle was down 16
15 percent, and total handle was down 11 percent as compared to
16 October 2023. Year to date, day racing down six percent,
17 night racing down four percent, and total handle down six
18 percent as compared to the first ten months of 2023.

19 As the Board knows, the 41st Breeders' Cup World
20 Championships was held at Del Mar a few weeks ago. It was
21 truly a world championship event with horses from North
22 America, Europe, 19 from Japan, and for the first time,
23 horses from South Africa and South America. The total all-
24 sources handle was \$179 million, which is the third highest
25 in event history.

1 It was a very safe event, save one sudden death
2 after the running of the Breeders' Cup Turf, most likely
3 cardiac related. This incident highlights the need to
4 better understand this phenomenon in horse racing and human
5 sport.

6 At the risk of forgetting a few folks, I want to
7 acknowledge the work of Dr. Blea, Doctors Blea and Grande,
8 and all of the regulatory veterinarians in California.
9 Theirs are thankless jobs and they do it with
10 professionalism and grace.

11 Additionally, the stewards and safety stewards
12 work diligently to ensure a safe and fair weekend as they do
13 day in and day out in California.

14 Next, the enforcement team. CHRB investigators
15 and licensing technicians go above and beyond their everyday
16 work to ensure that the event runs smoothly. In fact,
17 enforcement issued 663 occupational licenses related to the
18 Breeders' Cup this year. That included owners, trainers,
19 jockeys, stable workers, and exercise riders, but also
20 vendors, parimutuel clerks, graded stakes security, and so
21 on.

22 Lastly, a big thanks to CHRB headquarters staff
23 for their support work, as well as Deputy E.D. Cynthia
24 Alameda, Enforcement Chief Marc Shaw, Chief Steward Darrel
25 McHargue, Comms Point Person Mike Marten, and Rita Baker for

1 making my life easier on site at Del Mar.

2 It is always gratifying to work with CHRB,
3 Breeders' Cup, Del Mar, and HISA/HIWU, groups that are
4 completely dedicated to safety and integrity in horse
5 racing.

6 Next, I'm going to have Deputy Executive Director
7 Cynthia Alameda report to the Board regarding her attendance
8 at the Women in Racing Conference in September.

9 MS. ALAMEDA: Good morning -- is it still
10 morning? -- Commissioners. Cynthia Alameda, Deputy
11 Executive Director.

12 I once again had the privilege of representing
13 CHRB while attending the third annual Horse Racing Women's
14 Summit held in a venue adjacent to San Anita Park in
15 Arcadia, September 25th through the 27th.

16 Catherine Iste, Chief Administrative Officer for
17 the Los Angeles Chargers, opened the event with a direct and
18 inspired call to grow professionally and act on
19 opportunities to contribute meaningfully and add value. She
20 candidly called BS on some day, simply saying there is no
21 invitation to the table, just go.

22 Two panel discussions were held. The first, Peak
23 Performance, featured media and journalism leaders, an
24 executive from National Collegiate Athletics, and an award-
25 winning jockey. The discussion focused on overcoming

1 challenges, resilience, and the value of support systems.
2 Each panelist emphasized the importance of self-reflection
3 and supportive circles to enhance professional growth and
4 the need to develop the confidence to turn the page and move
5 forward when facing adversity.

6 The second panel, Women at the Helm, featured
7 women in key industry roles, including development,
8 management, sales, and critical consulting roles, including
9 safety and veterinary medicine practices and regulatory
10 improvement. The balance of technology and intentional
11 relationship building within the various partners in
12 racings, including fans, horsemen and women, racetrack
13 operators, advocacy groups, and regulatory entities to
14 achieve success. Each panelist provided a unique
15 perspective on the significance of research, data, and
16 advocating for the horse, combined with a continued need to
17 innovate and evolve the sport of horse racing.

18 Katie Goodman, an award-winning comedian, author,
19 and international speaker, led the group of attendees
20 through several improv-based exercises designed to push
21 personal boundaries and to increase creativity and recall
22 the act of learning through play. And I can say that
23 Executive Assistant extraordinaire, Rita Baker, has an
24 incredible Canadian accent. She's a master at it. It was
25 great. I've officially embarrassed her. Job done.

1 Let's see. It was a great experience. We often
2 overlook the benefits of play when the simplicity of it can
3 develop sophistication in self-awareness and communication.

4 Goodman astutely shared, you build trust by being
5 authentic.

6 The Jane Goldstein Exemplary Leadership Award was
7 presented to Georganne Hale, Maryland Jockey Club's Vice
8 President of Racing Development and an unfaltering and
9 dedicated contributor to Maryland's racing industry.

10 On Friday, attendees visited Santa Anita Park for
11 a behind-the-scenes experience during morning training
12 hours, followed by afternoon at the races, with many
13 returning the next day for the California Crown racecard.

14 An additional event was held on October 31st in
15 Del Mar, featuring a day of racing and a handicapping
16 contest that benefited their Pay It Forward program.

17 As in years past, a luncheon was held to honor the
18 contributions of the backstretch community, with 65 women
19 attending an event supported by the Jockey Club's Safety Net
20 Foundation, the Women's Summit, Santa Anita, the Grayson
21 Foundation, and the Oak Tree Charitable Foundation.

22 Additionally, the Winners Foundation and staff at
23 the San Luis Rey Training Center followed suit by planning a
24 luncheon for 25 women at that location as well.

25 My biggest takeaways were twofold. The first was

1 the perspective shared by Vicky Leonard, based in Sydney.
2 She leads Kick Collective, specializing in perception,
3 marketing, and strategy for community-focused programs aimed
4 to ensure a sustainable future for the industry. She
5 shared, "Everyone has a megaphone in their pocket and we
6 need to use it," in reference to our cell phones. She
7 emphasized the need to stop the spread of misinformation by
8 empowering the racing community with timely data-driven,
9 science-backed statistics that can be used at boots-on-the-
10 ground level to counter negative publicity.

11 I later had the opportunity to talk with her
12 directly about the challenge of engaging openly as
13 regulators and the, often, futility of changing fixed minds.
14 She shared that the movable middle is the target and worth
15 the courage to engage. I appreciated the perspective given
16 the full extent of our mission to support the viability of
17 the industry, in addition to implementing a robust equine
18 and jockey safety-focused regulatory program.

19 She also candidly stated that the significance of
20 asking really awkward questions in order to force our
21 leaders to be better was important. Time again, we hear
22 that we need to get comfortable being uncomfortable in order
23 to thrive. I felt this was true for our own roles and as
24 advocates for the industry.

25 The second takeaway is the incredible value of the

1 Horse Racing Women's Summit executive and extended community
2 and the work they do for the racing industry, providing
3 these national events throughout the year. The community's
4 reach represents all facets of the industry. They are
5 striving to support meaningful and beneficial connections,
6 in addition to supporting mentor programs, research, and
7 scholarship to further expand participation.

8 As a side story, after the women's event during
9 the Breeders' Cup event, I found myself in a crowded
10 restaurant gathered around a shared table just due to space.
11 And on one side were several women I'd connected with over
12 the years at the summit events, and on my right were a group
13 of six fans from out of state dressed to the nines.

14 I found myself sharing with the newly introduced
15 women fans the incredible opportunity of attending the
16 summit and what a wonderful fan experience and wonderful
17 expanded view of the industry it provides. Their core, I
18 was thinking at the same time about their core pillars,
19 which are to engage individuals to create successful
20 alliances and opportunities, elevate and inspire action,
21 invest in women who have the potential to create exponential
22 impact, and focusing their efforts, they are creating an
23 express way for collaboration and innovation to the
24 betterment of the industry.

25 I have benefited immeasurably and been able to

1 acclimate, collaborate, and act at a far greater pace and
2 effectiveness due to the community they are creating. But
3 as I noticed after sharing that night with the out-of-state
4 fans and new friends, something equally beneficial, they are
5 creating on ramps to the industry as well.

6 Any questions for me?

7 CHAIR FERRARO: Questions or comments from the
8 Board?

9 COMMISSIONER HUDNUT: Thank you, Cynthia.

10 CHAIR FERRARO: Thank you, Cynthia.

11 MS. ALAMEDA: You're welcome.

12 EXECUTIVE DIRECTOR CHANEY: Sorry, I'll be brief.

13 I'm going to do this off the cuff, but in the past I've
14 welcomed CHRB employees, and I see two new ones in the
15 audience today, Executive Affairs Specialist, Chris Garmire,
16 and also brand new head of IT, Andrew Reardon. They're both
17 here. Welcome aboard. Gentlemen, hopefully we haven't
18 scared you off from today's meeting.

19 Lastly, on October 30th, the Board issued an
20 advisory regarding deadlines and other conduct with respect
21 to Board meetings. For stakeholders and licensees and
22 anybody in the room and listening, please familiarize
23 yourself with the contents of this advisory. Notably,
24 documents and written public comments received after the
25 deadline on the CHRB website will not be included in the

1 Board packet. Additionally, the Board will not entertain
2 applications of any type of licensure that are incomplete.

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

4 CHAIR FERRARO: Thank you very much.

5 And now for the famous Dr. Blea.

6 DR. BLEA: Good morning, Chairman Ferraro, Vice
7 Chairman Gonzales, Commissioners, and Mr. Chaney.

8 RMTc update. In response to the request of
9 industry stakeholders on September 30th, 2024, RMTc released
10 updated withdrawal guidance advisory of HISA's Anti-Doping
11 and Medication Control Program regarding detection times for
12 DMSO, pentosan, and dantrolene. Those recommendations are
13 available to horsemen and veterinarians on the RMTc website.

14 On November 4th, 2024, HISA's board of directors
15 announced a policy change effective immediately regarding
16 the Anti-Doping and Medication Control Program and the
17 imposition of provisional suspensions of covered persons.
18 The HISA board has requested that the Horse Racing Integrity
19 and Welfare Unit limit the circumstances under which they
20 exercise their discretion to impose a provisional suspension
21 on covered persons.

22 The HISA board requests that HIWU impose
23 provisional suspensions only under circumstances where a
24 covered person has more than one horse test positive for the
25 same banned substance, a barn search leads to the discovery

1 of the same banned substance for which the covered person is
2 being charged under the ADMC program and/or the alleged
3 violation presents a substantial risk to the integrity of
4 racing and/or the welfare of horses.

5 Moving on to the equine infectious update. The
6 EIA quarantine of all horses at Los Alamitos Race Course was
7 lifted by the California Department of Food and Agriculture
8 on November 15th, 2024.

9 Equine infectious anemia is a potentially fatal
10 blood-borne infectious viral disease. There is no vaccine,
11 there is no treatment, and there is no cure. Horses that
12 are confirmed positive may be quarantined for the rest of
13 their life but are usually euthanized as they can shed that
14 virus for the duration of their lifetime.

15 To date, associated with this outbreak, there have
16 been 24 confirmed positives in three states. 23 of those
17 horses have been euthanized. 12 of the 24 affected Quarter
18 Horses who traveled to Los Alamitos in August and September
19 eventually tested positive for EIA. One horse was
20 euthanized in September and 11 horses were euthanized in
21 October at Los Alamitos as a result of testing positive for
22 equine infectious anemia. The investigation is currently
23 ongoing to determine the source.

24 The description of the meetings that occurred at
25 Los Alamitos were discussed earlier so I won't go into any

1 detail. I will tell the Board that in early to mid-October,
2 Los Alamitos management reached out to me because they were
3 aware of the fatalities that were occurring at Los Alamitos
4 and they asked me for some advice on what could be done
5 proactively. From that came the meeting with veterinarians
6 and Los Alamitos management, followed by the meeting with
7 trainers and Los Alamitos management that Dr. Arthur
8 detailed. I will tell you they were very open, very direct
9 meetings with good conversation. And the horsemen, not only
10 trainers but veterinarians embraced all the policy changes
11 that were recommended that came out of those two meetings.

12 Regarding Breeders' Cup, as Mr. Chaney indicated,
13 it was a very successful week, barring one sudden death
14 incident. All tests were reported clear on November 13th,
15 2024. That includes out-of-competition tests the week of,
16 as well as all post-race tests both Friday and Saturday of
17 the Breeders' Cup championship event.

18 This year, Breeders' Cup and Del Mar collectively
19 requested and sponsored the UC Davis P-E-T, or PET, machine
20 on site prior to Breeders' Cup. Del Mar is very proactive
21 in acquiring permission to have that unit on hand. They
22 made numerous adjustments not only to the barn area but
23 dealing with OSHA and regulations that are necessary to
24 operate that equipment.

25 Dr. Spriet and his team transported the unit from

1 UC Davis and the team from UC Davis was on hand to perform
2 imaging prior to the championship event. Five horses were
3 imaged during the week of Breeders' Cup at the request of
4 the veterinary team following multiple examinations. Three
5 of the five horses were scratched following advanced PET
6 imaging and two horses continued to race in the championship
7 event.

8 Moving on to fatalities. In October, there were
9 12 musculoskeletal fatalities: 6 occurred in racing; 4
10 occurred in training; and 2 were related to accidents.
11 There were also three fatalities related to colic or
12 gastrointestinal disease.

13 In September, there were four musculoskeletal
14 fatalities with three occurring in racing and one in
15 training. There were four fatalities associated with
16 medical conditions including a colic in a pony, one case of
17 septicemia, one pneumonia, and one sudden death.

18 Moving on to the Maddy Lab. In CHRb testing in
19 October, the Maddy Lab tested 323 primary blood and urine
20 samples including 14 work bloods. Additionally, 232 out-of-
21 competition samples were tested for EPO, beta agonists, and
22 anabolic steroids. Two evidence sample submissions were
23 also tested. There were five findings by the Lab for Class
24 I, II, and class IV drugs.

25 In CHRb testing in September, the Maddy lab tested

1 265 primary blood and urine samples including four work
2 bloods. Additionally, 174 out-of-competition samples were
3 tested for EPO, beta agonists, and anabolic steroids. There
4 were three Class IV findings.

5 This concludes my report and I'm happy to answer
6 any questions.

7 CHAIR FERRARO: Questions from the Board?

8 COMMISSIONER HUDNUT: A question.

9 Yes, Doctor, would you review for us, please, the
10 interface among private stable vets who come in for
11 Breeders' Cup, HISA vets and our own track vets? Who
12 decides what? You just referred to three scratches. Who
13 made those decisions? And tell us how these all three work
14 together, will you please?

15 DR. BLEA: So it's a village, so to speak, and
16 part of that village is the veterinary team. And that
17 veterinary team is comprised of three sectors. There's Del
18 Mar track veterinarians, there are CHRB veterinarians, and
19 then there's the Breeders' Cup veterinary team. The three
20 segments all work together as one.

21 When a determination that a horse should be
22 scratched is made after multiple examinations and multiple
23 discussions, the recommendation to scratch is made to the
24 stewards. That recommendation is only made by a CHRB
25 licensed veterinarian -- or excuse me, a CHRB official

1 veterinarian. They are all licensed to practice, but a CHR
2 official veterinarian is the only one that can recommend a
3 scratch to the Board of stewards.

4 COMMISSIONER HUDNUT: Thank you. Apart from the
5 Breeders' Cup, do you keep records of vet scratches at post-
6 time?

7 DR. BLEA: We do. Dr. Benson provided some of
8 that data recently, and we're continuing to keep records on
9 that.

10 COMMISSIONER HUDNUT: I mean, I ask it, I'm
11 interested simply because I heard a complaint from an East
12 Coast trainer that coming to the West Coast and being
13 arbitrarily scratched at the gate was something that they
14 really feared and militated against their sending horses.

15 DR. BLEA: I've heard that fear as well. And my
16 recommendation to those individuals were if your horse has
17 an issue, diagnose what the problem is, bring that
18 information. We had several of those instances this year at
19 Breeders' Cup where people were proactive as far as bringing
20 imaging, history. That went a long way in reducing those
21 horses as at-risk horses.

22 COMMISSIONER HUDNUT: I can imagine.

23 DR. BLEA: To your other question, there's some
24 preliminary data that Santa Anita has produced. HISA is
25 also looking into data relative to vet scratches, time to

1 return to first work, time to return to race. The data's
2 not all in yet, but the preliminary data I've seen, the
3 scratches that are made either on race day or by regulatory
4 vets are substantiated, very well substantiated.

5 COMMISSIONER HUDNUT: Not surprised. Thank you
6 very much.

7 COMMISSIONER DAVIS: Dr. Blead --

8 DR. BLEA: Yes, ma'am?

9 COMMISSIONER DAVIS: -- of the three scratches,
10 were they all for the same reason or were there various
11 reasons?

12 DR. BLEA: They were for various reasons. They
13 were horses that had been looked at multiple times. There
14 were some issues, and that led to the request for advanced
15 imaging. Advanced imaging isn't a diagnosis, so it's part
16 of the whole pie, so to speak. You put the imaging with the
17 clinical picture, with the history, and it was determined
18 that those three horses, based on all of those factors, were
19 high-risk or at-risk individuals.

20 VICE CHAIR GONZALES: Thanks for your great
21 presentation, Dr. Blea.

22 Cynthia, I just want to say thank you for your
23 report out, really meaningful. It means a lot to us that
24 you were there.

25 I just wanted just a couple acknowledgments to

1 you, Dr. Blea, and to Scott Chaney, great work.

2 Scott, I had the opportunity to sit in on the
3 safety briefing. It had a lot of media coverage, a lot of
4 the responsible parties, leadership at the table. I believe
5 you just did an exceptional job. You were well-prepared.
6 You handled all the questions and made yourself available
7 throughout to help answer any questions.

8 I also want to thank all the other veterinarians.

9 As you mentioned, Commissioner Hudnut, there are different
10 layers upon layers of veterinarians, but it really is the
11 on-the-ground, year-round veterinarians of California that I
12 believe really are the anchor. So I want to say thank you
13 to those folks.

14 Also to our investigators, Marc and his team, for
15 collaborating with all the other law enforcement arms for
16 keeping the event safe. Really means a lot.

17 And I also want to thank Josh and Joe Harper from
18 Del Mar for really rolling out the red carpet. A top-
19 drawer, class act, a set of folks at Del Mar to put on such
20 a great performance and great event.

21 Also for all the workers at Del Mar, union and
22 non-union, big thanks to you all, and also the backstretch
23 workers who do a job so exceptionally well.

24 I had the chance to attend two events, the
25 chaplaincy event. It was the national leadership along with

1 the chaplains locally based. Did a great job in awarding
2 some fine individuals. Also I attended the Turf Riders
3 Association event there at the Brigantine, which was also a
4 great event. So congrats to the awardees and for that
5 organization for putting on a good event.

6 And also the Keeneland sale, they came before us
7 to ask for a license. I thought that they put on a good
8 show as well, and hopefully they'll be back for round two
9 next year.

10 And two stories that I want to point out related
11 to horse welfare. One is the Chosen Vron. The connections
12 there at the time didn't seem too happy about the fact that
13 they were being scratched some 13, 14 days out. But after
14 further analysis, I'm really appreciative of the
15 connections, recognizing that there were some problems with
16 that standout California-based horse. I know a lot of
17 people maybe second-guessed the veterinarians but I believe
18 that in the end it was the right decision. So I want to
19 also commend the trainer, Mr. Kruljac, for coming back
20 around and recognizing that that horse needed some time.

21 And another California-based horse, a Johannes,
22 who ran second in the Breeders' Cup Mile, that's on the
23 grass, the connections, Debbie and Joe McCloskey, I've never
24 met them before, but between them and their trainer, Tim
25 Yakteen, they took all the time in the world to get this

1 horse fit and healthy with stories on two or three instances
2 where they had to back off on this horse.

3 And that horse, if you watch any horse race on the
4 replay during Breeders' Cup, please watch that one because
5 that horse just got nabbed at the wire by, I believe it was
6 an East Coast horse. But I think that there's a lot in
7 there and I think the McCloskeys are good for racing and
8 their recommendation, as far as saying they believe that
9 after every five or six times a horse races, there should be
10 a complete scan and making sure that there are no injuries.

11 But I believe it was just a great, great Breeders'
12 Cup. So I also want to thank the Commissioners who were
13 also there. Mr. Chairman, your leadership continues to be
14 strong, both here in California and abroad. And I know you
15 make yourself available for good feedback and ideas and
16 suggestions. So Mr. Chairman, I just want to say thank you
17 very much for kind of keeping things on track and making
18 sure you're there when necessary.

19 But again, a big thumbs up to everybody involved
20 with pulling off and hosting a great Breeders' Cup.

21 CHAIR FERRARO: Thank you, Oscar.

22 Do we have public comment on these two gentlemen?
23 No? You're so impressive, nobody wants to challenge you.

24 Okay, this is our public comment period. Do we
25 have anything? No.

1 Then I will ask everybody to vacate the room as
2 we're going into closed session. We will go back into open
3 session to conclude the meeting at a later time.

4 (The California Horse Racing Board convened closed
5 session from 11:28 a.m. until 11:48 a.m.)

6 CHAIR FERRARO: May I have a motion to adjourn,
7 please?

8 COMMISSIONER DAVIS: So moved.

9 COMMISSIONER HUDNUT: Second.

10 CHAIR FERRARO: Commissioner Hudnut?

11 COMMISSIONER HUDNUT: Yes.

12 CHAIR FERRARO: Commissioner Alfieri?

13 COMMISSIONER ALFIERI: Yes.

14 CHAIR FERRARO: Commissioner Gonzales?

15 VICE CHAIR GONZALES: Yes.

16 CHAIR FERRARO: Commissioner Davis?

17 COMMISSIONER DAVIS: Yes.

18 CHAIR FERRARO: The Chairman votes yes.
19 Thank you, everyone.

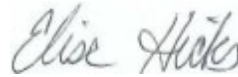
20 (The Board adjourned at 11:48 a.m.)
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22
23
24
25

CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 2nd day of December, 2024.



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

December 2, 2024