

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of:)

)

Regular Meeting)

)

CALIFORNIA EXPOSITION AND STATE FAIR GRANDSTAND

1600 EXPOSITION BOULEVARD

SACRAMENTO, CALIFORNIA

THURSDAY, FEBRUARY 20, 2025

9:30 A.M.

Reported by:

Elise Hicks

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chair

Oscar Gonzales, Vice Chair

Dennis Alfieri, Commissioner

Damascus Castellanos, Commissioner

Brenda Washington Davis, Commissioner

STAFF

Scott Chaney, Executive Director

Jeff Blea, Equine Medical Director

ALSO PRESENT

Kelly Jackson, Union Member

Mark Sharwood, Union Representative

Francis O'Leary, Owner & Breeder

Justin Oldfield, Breeder & Trainer

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1.	Approval of the minutes of December 19, 2024	3
2.	Discussion and action by the Board regarding the Delegation of Authority to the Executive Director pursuant to California Business and Professions Code section 19428 for one year.	3
3.	Discussion and action by the Board regarding the request to modify the distribution of market access fees from Advanced Deposit Wagering, which otherwise would have funded purses and commissions, to cover the assessments as allocated to each Signatory Racing Association pursuant to the Horseracing Integrity and Safety Act of 2020 (HISA) for calendar year 2025.	4
4.	Reports	9
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5.	Public Comment: Communications, reports, requests for future actions of the Board.	19
	Note: During the public comment period, a total of 30 minutes will be allowed for public comments via the teleconference line. After 30 minutes,	

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no further comments will be accepted. Each person will be limited to two minutes. 43

Closed Session:

6. 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. 38
- 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

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PAGEClosed Session:

this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).

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

7. Adjournment

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

3 9:31 A.M.

4 THURSDAY, FEBRUARY 20, 2025

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
8 meeting, notice meeting of the California Horse Racing Board
9 on Thursday, February 20th, 2025 at the California
10 Exposition and State Fair Grandstand, 1600 Exposition
11 Boulevard, Sacramento, California.

12 Present at today's meeting are myself, Dr. Gregory
13 Ferraro, Chair. Also Oscar Gonzales, Vice Chair, Dennis
14 Alfieri, Commissioner, Brenda Washington Davis,
15 Commissioner, and Damascus Castellano, Commissioner.
16 Unfortunately, Commissioner Hudnut is unable to attend us
17 due to ill health. Also present are Scott Chaney, Executive
18 Director.

19 Before we go to the business of the meeting, I
20 need to make a few comments, which you've all heard before.

21 The Board invites public comment on the matters
22 appearing on the meeting agenda. Procedurally, the Board
23 will first hear from those directly involved in the agenda
24 item. I will then invite public comment on the agenda item.

25 The Board will not answer questions. This item is for

1 comments only, not questions.

2 Unsolicited speakers are limited to two minutes.
3 During all public comments, a tone will sound to indicate
4 the speaker's time is up. The Board may ask questions of
5 individuals who speak, which may extend their two-minute
6 time limit.

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

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

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

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

8 And with that, we will start the meeting.

9 Can I have a motion to approve the minutes of
10 December 19th, 2024?

11 COMMISSIONER CASTELLANOS: Castellanos' motion.

12 COMMISSIONER DAVIS: Second.

13 CHAIR FERRARO: Brenda, yes or no?

14 COMMISSIONER DAVIS: Yes.

15 VICE CHAIR GONZALES: Yes.

16 COMMISSIONER CASTELLANOS: Yes.

17 COMMISSIONER ALFIERI: Yes.

18 CHAIR FERRARO: And the Chairman votes yes.

19 Moving on to item number two, discussion and
20 action by the Board regarding the Delegation of Authority of
21 the Executive Director pursuant to the California Business
22 and Professions Code section 19428.

23 Mr. Chaney, do you want to address this part?

24 EXECUTIVE DIRECTOR CHANEY: Sure. This is
25 something we started a few years ago. And normally we do it

1 in January for the calendar year. Obviously, we canceled
2 the meeting last month. It's basically asking the Board to
3 delegate your authority to me in order to do certain things
4 that are timely and can't really wait for a Board meeting,
5 like change first post for a race day, add race days that
6 are -- allow for adding race days that are canceled,
7 canceling show and place pools and so on.

8 Staff prepared a declaration, if you will, if the
9 Board sees so fit to delegate that authority to me.

10 CHAIR FERRARO: Any comments or questions from the
11 Board? Do we have none? Do we have a motion?

12 COMMISSIONER ALFIERI: So move.

13 COMMISSIONER CASTELLANOS: Second.

14 CHAIR FERRARO: Okay.

15 Commissioner Davis?

16 COMMISSIONER DAVIS: Yes.

17 CHAIR FERRARO: Commissioner Gonzales?

18 VICE CHAIR GONZALES: Yes.

19 CHAIR FERRARO: Commissioner Damascus?

20 COMMISSIONER CASTELLANOS: Yes.

21 CHAIR FERRARO: Commissioner Alfieri?

22 COMMISSIONER ALFIERI: Yes.

23 CHAIR FERRARO: The Chairman votes yes.

24 Item number three, discussion and action by the
25 Board regarding a request to modify the distribution of

1 market access fees from advanced deposit wagering, which
2 otherwise would have funded purses and commissions to cover
3 the assessments as allocated to each signatory racing
4 association pursuant to Horseracing and Integrity Act of
5 2020, HISA, for calendar year 2025.

6 Mr. Chaney. Sure. As the Board might recall,
7 there's a few interactions we have with HISA/HIWU each year.
8 One is deciding whether to opt in as a state commission,
9 which the Board did, I believe in November. In December,
10 you gave me the authority to sign a voluntary agreement with
11 HISA/HIWU by which we, or through which we perform certain
12 tasks, agree to perform certain tasks like testing is the
13 biggest one at Davis, also research there, as well as sample
14 collection, both in competition and out of competition. We
15 do investigations and some adjudication.

16 So we signed a voluntary agreement last month.
17 The last piece is funding our portion of the federal
18 authority. Our total assessment for calendar year 2025 was
19 \$6.9 million and change, a little bit less than last year.
20 It's based on starts and purses. And what's before you
21 today is the industry's proposal with respect to how to pay
22 it.

23 I will say the negotiations went very well.
24 HISA/HIWU was very generous with us. I think our support of
25 them over the last few years has been very helpful in that

1 regard. And kind of the overall picture includes us
2 continuing to do those things for them that I mentioned
3 earlier. Additionally, they're providing some monetary
4 resources to Davis as Davis is doing sample confirmation for
5 them and testing a few other states in addition to
6 California samples.

7 At the end of the day, our stakeholders are on the
8 hook for about \$800,000 in change, which is a lot less than
9 the \$6.9 million assessment and about a half of what they
10 paid last year.

11 One wrinkle I should mention is that, obviously,
12 with sort of the uncertainty with respect to California fair
13 racing, you'll notice on the agreement that there are -- all
14 the fairs are listed with what their assessment would be
15 should they race. Obviously, if they choose to race, they
16 would have to sign the agreement. If they choose not to,
17 the agreement then requires whoever the host would be at
18 that time to cover that portion. So they're choosing to pay
19 it out of market access fees and just need your approval in
20 order to use the money in that way.

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

23 COMMISSIONER CASTELLANOS: Castellanos. Question
24 If this layout changes and these fairs don't run,
25 so the amount doesn't get adjusted?

1 EXECUTIVE DIRECTOR CHANEY: No. Well, it does
2 get -- it does not get adjusted. How they decided to pay
3 for it, unfortunately, this wasn't a big fight like Board
4 support formula was. They agreed that should a fair not
5 race, obviously their percentages and portions are listed,
6 if they don't race, therefore they don't have allocated
7 dates. Obviously, a track in Southern California, Los Al,
8 Santa Anita, or Del Mar would be the host, and so they would
9 have to, they would be responsible.

10 COMMISSIONER CASTELLANOS: I see. They would pick
11 up the dates.

12 EXECUTIVE DIRECTOR CHANEY: Exactly.

13 COMMISSIONER CASTELLANOS: Okay.

14 EXECUTIVE DIRECTOR CHANEY: Correct.

15 COMMISSIONER CASTELLANOS: Understood.

16 CHAIR FERRARO: Anything else? Nothing. Do we
17 have a motion?

18 COMMISSIONER DAVIS: Davis moves.

19 COMMISSIONER CASTELLANOS: Castellanos' second.

20 CHAIR FERRARO: Commissioner Davis?

21 COMMISSIONER DAVIS: Yes.

22 CHAIR FERRARO: Commissioner Gonzales?

23 VICE CHAIR GONZALES: Yes.

24 CHAIR FERRARO: Commissioner Castellanos?

25 COMMISSIONER CASTELLANOS: Yes.

1 CHAIR FERRARO: Commissioner Alfieri?

2 COMMISSIONER CASTELLANOS: I missed one month
3 already.

4 CHAIR FERRARO: And the chairman votes yes. Okay.
5 Okay, we go on to --

6 COMMISSIONER ALFIERI: Yes, by the way.

7 COMMISSIONER CASTELLANOS: You forgot Dennis.

8 COMMISSIONER ALFIERI: You didn't ask me, but
9 that's okay.

10 CHAIR FERRARO: No, I go it. I got it.

11 Okay, we move on to number four, which is
12 Executive Director's report and Equine Medical Director's
13 report.

14 Mr. Chaney?

15 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.
16 Chairman, and good morning, Commissioners. I will begin
17 with the handle report.

18 For the month of January, day racing was down 15
19 percent, night racing was up 3 percent, and total handle was
20 down 15 percent as compared to January 2024. This obviously
21 reflects the cessation of thoroughbred racing in Northern
22 California at the end of December.

23 For calendar year 2024, day racing was down seven
24 percent, night racing was down six percent, and total handle
25 was down seven percent compared to total handle for calendar

1 year 2023.

2 For a raw number context, total all sources handle
3 for 2024 was \$2.8 billion in California compared to \$3
4 billion in 2023.

5 I would be remiss, I'm just kind of doing this on
6 the fly, by not mentioning that the absence of Commissioner
7 Carvelli, he resigned his appointment about 10 days ago,
8 which is why he was not mentioned at the top of the
9 Chairman's notes.

10 Next, I would be remiss in not speaking about
11 Northern California thoroughbred racing. Much has happened
12 since the December Board meeting at which Golden State
13 Racing and CARF withdrew their application for licensure.

14 Since then, Alameda County Fairgrounds, which had
15 planned to stay open as a training center through the summer
16 fair season, has indicated that will close as a training
17 center on March 25th, or 33 days from today, making the
18 prospect of a traditional fair racing season less likely.

19 In order to determine the likelihood of fair
20 racing, Vice Chairman Gonzales, Commissioner Davis, Deputy
21 Executive Director Cynthia Alameda and I met with leadership
22 at each of the racing fairs individually and then
23 collectively. To a fair, they all expressed their desire to
24 race, but acknowledged the hurdles to racing, which included
25 economic headwinds, with the closure of Pleasanton, the

1 prospect of no existing horse population in Northern
2 California, and the logistics of operating a fair meet
3 without the assistance of CARF. It is my impression, based
4 on those conversations and media reporting, that at least
5 one, if not more, fairs are currently considering applying
6 for racing dates.

7 In the meantime, in order to adequately prepare
8 for the closure of Pleasanton, the transition group created
9 by Vice Chairman Gonzales and led by Deputy E.D. Alameda,
10 originally to address the transition to Pleasanton from
11 Golden Gate Fields, has been restarted to prepare for March
12 25th. The group includes CTHF, Racetrack Chaplaincy,
13 Alameda County Fair, TOC, Winners Foundation, CARMA, CTT,
14 Jockeys' Guild, and probably others that I am failing to
15 mention. The reports are that this group is profoundly
16 dedicated to ensuring that humans and horses are provided
17 the tools for a smooth transition, despite this major
18 disruption in lives and livelihood.

19 One development of note is that Alameda County
20 Fair has extended this trailer subsidy through the end of
21 June in order to allow children to finish the school year
22 that, obviously, currently reside there.

23 While Pleasanton's closure is clearly less than
24 ideal, I am grateful for this dedicated and talented group.

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

1 CHAIR FERRARO: Thank you. Any questions from the
2 Board?

3 COMMISSIONER ALFIERI: A question. So, I'll
4 direct this to the Vice Chairman, Gonzales.

5 How does it look, like how many fairs do you think
6 will do a summer meet?

7 VICE CHAIR GONZALES: Thanks, Commissioner
8 Alfieri, for that question. It's really hard to indicate.
9 What Scott Chaney did extend each of the fairs is up to 90
10 days from the time that they would commence a fair meet,
11 from the time that they request the dates, and then during
12 that 90-day period they would have to submit their
13 application.

14 Again, based off of press reports and some
15 preliminary feedback, Ferndale has expressed interest.
16 They're trying to bring together the different components.
17 Fresno, their Fair Board leadership, who I communicated
18 with, is also considering. But I'd have to say,
19 preliminarily, that the other three fairs, Cal Expo, Santa
20 Rosa, and Pleasanton, are probably going to opt out this
21 year, if not indefinitely.

22 CHAIR FERRARO: Anybody else?

23 COMMISSIONER ALFIERI: Okay. But thank you, also,
24 for the time you all have put in --

25 CHAIR FERRARO: Yes, thanks very much for your

1 efforts.

2 COMMISSIONER ALFIERI: -- because I know it's
3 been, you know, a long haul here. But gosh, I hope we can
4 keep a horse population and we can really get some good
5 summer meet, you know, with our fairs. I just hate to --
6 it's not what we wanted, that's for sure.

7 VICE CHAIR GONZALES: Right. And Commissioner, I
8 think the time will come when this Board is going to have
9 to, as we're on the more immediate end, assessing the impact
10 on our workforce, which is significant, I think that there
11 will come a time when we have to have a conversation about
12 what this Board's role is or is not, as it relates to other
13 areas of impact, because of this significant setback. But I
14 think that there will be time to talk about that.

15 But again, we welcome any public input, whether
16 you're here or not, about the things that this Board should
17 be looking at in terms of the kind of leadership and
18 commitment of resources to just to lessen the blow. And it
19 will be quite significant, in my opinion.

20 CHAIR FERRARO: Thank you, Oscar.

21 Dr. Blea? Good morning.

22 DR. BLEA: Good morning, Chairman, Mr. Vice
23 Chairman, Commissioners, and Executive Director, Mr. Chaney.

24 As you are aware, fires in Southern California
25 have decimated several communities, including areas near and

1 around Santa Anita Racetrack. Many individuals, including
2 some in our racing community, have lost their homes or have
3 been displaced by these fires.

4 One of the things we were focusing on was not only
5 the lives of our friends and colleagues, but the health and
6 welfare of the horses that we look after. Obviously, air
7 quality is a significant concern during these emergency
8 events. And I will tell you that the AQI was closely
9 monitored on a daily, if not an hourly basis. Everyone was
10 rowing the boat in the same direction to make sure both
11 horse and human were safe in all manners and aspects of this
12 crisis.

13 In response to the supply and demand concerns
14 regarding associated with available equine veterinarians to
15 meet the racing industry needs, the Racing Medication and
16 Testing Consortium, RMTC, announced earlier this week that
17 it has awarded 25 racing industry veterinary student
18 externships. This program provides a shared experience for
19 veterinary students with racetrack practitioners and
20 regulatory veterinarians. The externs will spend a week
21 with a regulatory side of practitioners and a week with an
22 attending veterinarian on the backside of the racetrack.

23 In 2025, this program gained significant industry
24 support, with all 25 of these externships for these students
25 being funded by program sponsors. Some of those sponsors

1 included the support from Oak Tree Racing Association, Del
2 Mar Thoroughbred Club, and 1/ST Racing, as well as other
3 industry stakeholders. The award is \$2,000 per student for
4 that two-week period.

5 Moving on to fatalities, in December 2024, there
6 were four musculoskeletal fatalities, one in racing, one in
7 training, and two in stall accidents, one of which included
8 a pony horse. There were seven non-musculoskeletal
9 fatalities, including one sudden death in training, one
10 sudden death post-race, and five gastrointestinal or colic
11 conditions that were all referred to referral hospitals with
12 unsuccessful outcomes. Interesting to note that all five of
13 these horses were identified as individuals with significant
14 colic signs that were all sent to hospitals, but based upon
15 the severity of their disease, those attempts were
16 unsuccessful to save them.

17 In January 2025, there were four musculoskeletal
18 fatalities, two in racing, one in training, and one gate
19 accident. There was one non-musculoskeletal
20 gastrointestinal fatality, a colic again, that was also
21 unsuccessfully sent to a referral hospital.

22 In CHRB testing in the month of December, the
23 Maddy Lab tested 355 primary blood and urine samples,
24 including three work bloods. Additionally, 233 out-of-
25 competition samples were tested for EPO and anabolic

1 steroids. One evidence submission was also tested. There
2 was one finding for a Class 1 drug, Carmoterol.

3 In CHRB testing in January, the Maddy Lab tested
4 462 primary blood and urine samples, including 19 official
5 work bloods. Additionally, 328 out-of-competition samples
6 were tested for EPO and anabolic steroids. There was one
7 finding for a Class 2 drug and four Class 4 violation -- or
8 four Class 4 findings, rather.

9 In the industry press recently, there's been quite
10 a bit of news regarding multiple drug positives for a drug
11 called Carmoterol in several states, including California.
12 Carmoterol is an experimental ultra-long-acting beta-2
13 adrenoreceptor agonist with high potency. In other words,
14 it's a very potent bronchodilator.

15 This drug was withdrawn from clinical trials
16 around 2010. The primary focus of the clinical trials were
17 investigations of a new once-daily dosing of a long-acting
18 beta-2 agonist either used alone or in combination with
19 corticosteroids or anti-muscarinic agents to treat chronic
20 obstructive pulmonary disease, also known as COPD, or asthma
21 in humans. Salmeterol and Formoterol are examples of FDA-
22 approved long-acting beta-2 agonists. Carmoterol has no
23 accepted medical use and does not have FDA approval for any
24 use in any species. It is therefore classified a 1A.

25 This concludes my report, and I'm happy to answer

1 any questions.

2 CHAIR FERRARO: Questions from the Board?

3 EXECUTIVE DIRECTOR CHANEY: If I might --

4 CHAIR FERRARO: Go ahead.

5 EXECUTIVE DIRECTOR CHANEY: -- Mr. Chairman, I
6 just wanted to kind of echo some of the comments that Dr.
7 Blea had with respect to the fires in L.A. We both live in
8 the San Gabriel Valley, and it's like obviously impacted
9 that area in a significant way.

10 But the racetracks were super impressive. And a
11 lot of the advocacy groups, like in the face of such
12 devastation, Santa Anita obviously, despite the fact that it
13 could have raced based on air quality, canceled three days
14 of racing the first week after the fires, but also opened
15 its parking lot to a major donation center, which provided
16 food and clothing and toiletries and so on to thousands of
17 displaced folks. They also have an area in their parking
18 lot for the electric company as they try to restore power.
19 And then even such small things as like Idaho firemen and
20 firewomen using the jocks room for taking naps during shifts
21 and using their showers to clean up.

22 And then another fire, the Lilac Fire 2, I
23 suppose, threatened San Luis Rey Downs, and their action was
24 immediate. They moved 275 horses completely off the
25 grounds, every horse, in a matter of hours. Most went to

1 Del Mar, which opened their doors immediately. Others went
2 to Santa Anita. Fortunately, after two days, that threat
3 was over, and the horses were able to move back.

4 But it was just a really impressive display of
5 community and support by the stakeholders, and I wanted to
6 thank them for that.

7 DR. BLEA: If I may add to that, being boots on
8 the ground, like you and I were both there, to the Lilac
9 Fire, I talked to Del Mar early, early that morning. They
10 were already mobilizing horses. Del Mar took them in
11 without batting an eye. What do we need to do? Let's get
12 the track -- get ready. How do we get the track opened up?
13 Doc, what do we need to be doing? Tom Robbins, Josh
14 Rubenstein were phenomenal as far as just getting things
15 mobilized.

16 But on the backside of that, you know, Nate Newby
17 and his crew, they were already all over it. Since that
18 time, we've discussed -- (clears throat) excuse me -- an
19 emergency evacuation plan for different types of fire events
20 so Santa Anita has a draft, a working draft. I was involved
21 in those conversations. A lot of credit to the proactivity
22 of the racing organizations down south for doing that.

23 But in addition to what Mr. Chaney stated, Santa
24 Anita also opened up their catering business to feed people,
25 to do whatever needed to be done for those people,

1 especially that Tuesday night and into that week. There's
2 still ongoing activities as far as for service personnel,
3 donations, so forth and so on.

4 And I actually had it in my report, but it was a
5 clear demonstration of Santa Anita and the racing
6 community's effort to demonstrate their social license to
7 operate. And living in that community, everyone in that
8 community, Sierra Madre, Arcadia, Monrovia, Duarte, it was
9 similar to the old days where Santa Anita was very well
10 appreciated again.

11 So it was a clear demonstration of their social
12 license to operate. And I also thank them for it.

13 VICE CHAIR GONZALES: Very good.

14 COMMISSIONER ALFIERI: I'd like to tag along one other
15 comment. I was out there as well, and there were literally
16 thousands of people that had lost their homes that came down
17 to Santa Anita because we had to move from the Rose Bowl,
18 which is where I live. I was mandatorily evacuated as well
19 for four days. But beside that, these other people lost
20 their homes, some 8,000 up in Altadena.

21 And I went out to Santa Anita and, literally, it
22 was just a sea of people and mobilizing with Santa Anita and
23 everyone else, volunteers, everything from food to clothing
24 to whatever you needed. And I'm walking through there and I
25 see Aaron Gryder, Hall of Fame jockey Aaron Gryder, out

1 there handing out food, helping people, helping little
2 babies and families. And I said, Aaron, this is
3 unbelievable.
4 And it truly was amazing to see everybody's, you know, full-
5 on volunteerism and support. And so hats off to Santa Anita
6 for that as well. So anyway --

7 CHAIR FERRARO: Very well.

8 Do we have a public comment on this? No?

9 Thank you, Dr. Blea.

10 We move on to item number five, which is our
11 public comment period. Do we have a list of people? Thank
12 you.

13 Kelly Jackson?

14 MS. JACKSON: Here.

15 EXECUTIVE DIRECTOR CHANEY: That's fine. Just
16 make sure that the green light is on. You might have to
17 bush that button.

18 MS. JACKSON: Okay, it's on.

19 EXECUTIVE DIRECTOR CHANEY: Perfect.

20 MS. JACKSON: Is it working?

21 CHAIR FERRARO: Yeah.

22 EXECUTIVE DIRECTOR CHANEY: Okay.

23 MS. JACKSON: Okay. My name is Kelly Jackson.

24 EXECUTIVE DIRECTOR CHANEY: Push the button the
25 mic.

1 MS. JACKSON: Okay.

2 EXECUTIVE DIRECTOR CHANEY: There you go.

3 CHAIR FERRARO: There you go.

4 MS. JACKSON: My name is Kelly Jackson, and I work
5 in the test barn at Golden Gate Fields and on the fairs and
6 at Golden State Racing. And when Golden Gate Fields said
7 they were closing down, they negotiated with us on our
8 health and welfare, and that was all good. Then we started
9 with Golden State, and they just told us on the 15th that
10 the 18th was our last day. That was that.

11 So there's like six of us, I believe, that have
12 worked enough days for our coverage. And we were told by
13 Linda Gillespie that we had coverage, the people that had
14 worked enough days had coverage for the rest of the year.
15 Our coverage is from February to January. So they told us
16 '25 to January '26 we would have coverage if we worked
17 enough days. And so we all got our prescriptions, our
18 medical, I have to go to the dentist today. And then she
19 called back and said, oh, mistake, it's only good till
20 February 31st and then you're cut off.

21 We didn't have time to negotiate, we didn't have
22 time to do anything, and I just, it doesn't -- it's not
23 fair. We've all worked, put our time in. I worked there
24 for 30 years-some.

25 You know, help me a little bit. That's all I ask,

1 you know. So I just wanted to bring that to your attention
2 and see if we could get some medical coverage. Thank you
3 for hearing me.

4 EXECUTIVE DIRECTOR CHANEY: Just a quick question.
5 Is that through Golden State Racing or Golden Gate Fields or
6 is it through the federal federation?

7 MS. JACKSON: I'm not sure who, or if it's both
8 maybe.

9 COMMISSIONER CASTELLANOS: I could give a little
10 background.

11 EXECUTIVE DIRECTOR CHANEY: Okay.

12 COMMISSIONER CASTELLANOS: I could go ahead and
13 give a little background.

14 MS. JACKSON: Okay.

15 COMMISSIONER CASTELLANOS: You may not know me,
16 Ms. Jackson. My name is Damascus Castellanos. I'm also
17 the Secretary, Treasurer, a Principal Officer of Teamsters
18 495.

19 So those contracts, a lot of those contracts have
20 language that you qualify for the year, let's say you
21 qualify in '24 for medical for '25. What happened in this
22 instance is that we had a situation -- we have a situation
23 where Golden Gate Fields closed, Golden State Racing
24 started. There was stuff that was negotiated, but the
25 medical goes through 2025. Pacific Racing Associations, we

1 understand is out of business, they no longer exist.

2 But when Golden State Racing, it started, then
3 what they did -- with what I understand, and I don't want to
4 speak for anybody on SEIU side -- is that they went and paid
5 January and then they retroactively took it back because
6 they felt that it wasn't proper.

7 So again, a lot of those contracts you qualify for
8 the year before to be covered for the year after that.

9 MS. JACKSON: Yeah, we worked -- I worked one year
10 without being covered, so it seems like if I work one year
11 at the end of my career, they should cover me. No? I don't
12 know.

13 EXECUTIVE DIRECTOR CHANEY: Okay.

14 CHAIR FERRARO: Thank you.

15 MS. JACKSON: Okay, thank you.

16 CHAIR FERRARO: Thank you.

17 VICE CHAIR GONZALES: Just a recommendation there,
18 Scott. With the group that Cynthia has reconvened that is
19 meeting to talk about the impact of workers, maybe this is
20 something that, you know, we could take up or maybe delegate
21 a CHRB staffer to look into because it sounds to me like --
22 and thank you very much, Commissioner Castellano, for the
23 background there. But maybe we can figure out, you know,
24 who would be the ultimate authority to get some leniency on
25 that.

1 EXECUTIVE DIRECTOR CHANEY: Okay, of course.

2 CHAIR FERRARO: Mark Sharwood.

3 MR. SHARWOOD: Good morning. Mark Sharwood, SEIU,
4 United Service Workers West. We represent Kelly Jackson,
5 who just spoke, as well as the other racing agreement
6 employees throughout the state, as well as other racetrack
7 employees. So thank you for giving us the time.

8 I just want to expand on Ms. Jackson's comments.

9 As you all know, when Golden Gate Fields closed last year,
10 we did have negotiations with 1st.com or Pacific Racing over
11 a severance package. Commissioner Gonzales was very helpful
12 in getting that done. I appreciate that. Wanted to
13 recognize you for that.

14 We apparently have a difference of opinion
15 about -- regarding that. 1st.com is taking the position
16 that we waived any medical coverage for 2025, even though
17 people had worked the qualifying days in 2024. That is not
18 our position. We're in a dispute resolution about that
19 right now. But that is the reason why what Ms. Jackson
20 mentioned has occurred.

21 Apparently, also, since half of the days that our
22 racing agreement members worked during 2024 were at the
23 fairs, 1st.com seems to be saying that they have the right
24 to make a decision for CARF as well, which we think is
25 really inappropriate.

1 And then just to reference the last item that
2 Damascus mentioned, Damascus and I, we've known each other
3 for a little while down in the Disney world. They did pay
4 for coverage, based upon Linda Gillespie and the
5 federation's initial assessment of who was qualified, they
6 did pay for February coverage. So our members were using
7 the coverage in February. And then it's actually not even
8 the end of February. They then wrote back to our trust fund
9 that handles the health care saying, oh, we made a mistake.
10 We need you to retroactively cancel that coverage.

11 We think that's really inappropriate. You know,
12 our members probably already used the benefits. What were
13 they supposed to do? Pay the doctor back?

14 So anyway, we think this is very unfair. We know
15 that, you know, Kelly asked for -- (timer buzzes) I guess
16 I'm done -- but Kelly asked for help. We're not sure if you
17 are in a position to take action, but we wanted to let you
18 know that we really think this is inappropriate the way this
19 is being handled.

20 So thank you very much for your time.

21 EXECUTIVE DIRECTOR CHANEY: Just a quick question.

22 MR. SHARWOOD: Yes, sir.

23 EXECUTIVE DIRECTOR CHANEY: She mentioned -- Ms.
24 Jackson mentioned six people, test firing.

25 MR. SHARWOOD: I believe that six people roughly,

1 according to the initial report from Linda Gillespie, had
2 qualified for 2025.

3 EXECUTIVE DIRECTOR CHANEY: Okay.

4 MR. SHARWOOD: Receiving barn or jockey valets,
5 they're both, you know, both groups are covered under our
6 contract.

7 EXECUTIVE DIRECTOR CHANEY: Okay.

8 MR. SHARWOOD: Thank you.

9 EXECUTIVE DIRECTOR CHANEY: Thank you.

10 VICE CHAIR GONZALES: And if I could boil, just
11 boil this down --

12 MR. SHARWOOD: Yeah.

13 VICE CHAIR GONZALES: -- as I'm hearing it, is
14 this a 1/ST Racing or just a CARF? Who's going to make the
15 call here?

16 MR. SHARWOOD: Well, you know, I mean, I don't
17 handle the payments. Normally, you know, during a normal
18 year, our members in Northern California up until now have
19 worked both at, you know, some of the days at Golden Gate
20 Fields, some of the days at the fairs. So we assume, I'm
21 not sure how it works, but I assume that in previous years,
22 those two entities would -- you know, and of course, the
23 fairs are individual, but covered under CARF, they would
24 somehow share that cost. I assume that's the way it's
25 worked.

1 Does that answer your question?

2 VICE CHAIR GONZALES: Yeah, except --

3 MR. SHARWOOD: Yeah.

4 VICE CHAIR GONZALES: -- we have to dig in on this
5 one here. I think we're more effective when we know, you
6 know? And if you don't know, that's okay. We can look into
7 it.

8 MR. SHARWOOD: Yeah. Well, we can find out too.
9 You know, I mean, again, we're in a dispute resolution about
10 this now and we have a difference of opinion.

11 VICE CHAIR GONZALES: Right.

12 MR. SHARWOOD: But, I mean, if half the days were
13 at Golden Gate Fields and half the days were at the fairs --

14 VICE CHAIR GONZALES: Right.

15 MR. SHARWOOD: -- then it seems like the cost
16 would be split equally between --

17 VICE CHAIR GONZALES: Yeah, well --

18 MR. SHARWOOD: -- CARF and Pacific Racing, we
19 assume; right?

20 VICE CHAIR GONZALES: Yeah.

21 COMMISSIONER CASTELLANOS: If I could --

22 VICE CHAIR GONZALES: Yeah.

23 COMMISSIONER CASTELLANOS: -- Commissioner
24 Gonzales, they keep on -- they mentioned Linda Gillespie.
25 Linda Gillespie, she handles the billing for the Federation.

1 So many years ago, there was actually about a handful of
2 people that worked in the Racing Federation and she did all
3 the billing. She would bill those tracks accordingly.
4 She'd get the bill --

5 MR. SHARWOOD: Right. Exactly.

6 COMMISSIONER CASTELLANOS: -- from the trust --

7 MR. SHARWOOD: Yeah.

8 COMMISSIONER CASTELLANOS: -- all the trust,
9 whether it'd be SEIU, Teamsters, whatever --

10 MR. SHARWOOD: Yeah.

11 COMMISSIONER CASTELLANOS: -- get the bill, and
12 then she'd send that out to all the tracks, including the
13 fairs, of what they owed.

14 MR. SHARWOOD: Right.

15 COMMISSIONER CASTELLANOS: And that's how she
16 would keep track of that stuff.

17 MR. SHARWOOD: Thank you. Yeah.

18 COMMISSIONER CASTELLANOS: It would go through one
19 person, basically, Linda.

20 MR. SHARWOOD: Got it. Thank you. And the costs
21 were shared. I think that's correct. All right. Okay.

22 Any other questions?

23 VICE CHAIR GONZALES: Yeah, the trust. Yeah.

24 MR. SHARWOOD: So thank you for your time. We
25 appreciate it. We hope that we get it resolved and any help

1 that you all can give would be much appreciated.

2 CHAIR FERRARO: Thank you for the information.
3 Thanks very much.

4 Anything else? Nobody else?

5 VICE CHAIR GONZALES: You know, Dr. Ferraro, I
6 think there may be a couple people that didn't sign up. I
7 know there's people who probably didn't know the process.
8 Is there anyone who wants to say -- speak up? Because
9 there's a process to sign up. I think you may have showed
10 up late.

11 How many people want to speak, that way we can
12 manage time, that didn't get a chance to sign up? Please
13 raise your hand. So we only got two people. Mr. Chairman,
14 is that okay?

15 CHAIR FERRARO: Yeah.

16 VICE CHAIR GONZALES: Looks like maybe a couple of
17 owners/breeders here.

18 MR. O'LEARY: We can speak here, right?

19 EXECUTIVE DIRECTOR CHANEY: That's great.

20 MR. O'LEARY: Good morning, Commissioners. My
21 name is Francis O'Leary and I'm an owner/breeder here in
22 northern California. Can you hear me okay?

23 So back in December at your last meeting, Aiden
24 Butler and his supporters or his staff were here in
25 conjunction with the TOC and you came to an agreement for to

1 "save racing in California," quote, unquote. At that
2 meeting, a member of the public asked what was our guarantee
3 that Pleasanton would stay open until June and that Santa
4 Anita would take care of us, provide races for our horses
5 and so on.

6 And Mr. Chairman, you said that the Board would be
7 our guarantee. And you also, a couple of Commissioners
8 also, said that you basically would have our backs. So my
9 question to you is, do you still have our backs?

10 Because what's going on in Santa Anita is they're
11 not providing us with enough races to run our horses,
12 especially for the cheaper horses. For instance, this
13 weekend, there's 29 races carded. There's only four races
14 for northern horses. Last Friday, they had an eight-race
15 card. There was two five-horse fields. Bought them for
16 southern California horses.

17 I can't understand why they couldn't run a ninth
18 race and have it for the northern horses. I'm sure we would
19 have been able to provide more than five horses, probably
20 more like ten horses.

21 Secondly, just to talk to the breeding side of
22 things, the breeding in California is going to take a major
23 hit this year. It probably will even drop as much as 50
24 percent. I myself, personally, over the last three years
25 have bred like an average of 17 mares a year. And for the

1 four or five years prior to that, I used to breed anywhere
2 from 10 to 13 mares on average. This year, I'm only
3 breeding one mare. And I'm even questioning, why am I
4 breeding one mare?

5 This, the way I see it going forward, if something
6 isn't done about it, by the year 2030, there will be no
7 thoroughbreds period in California.

8 Is there a solution out there? Yes, there is.
9 The solution is HHR machines. There was a very good article
10 in the Paulick Report last week. I'm sure a lot of you have
11 read this. It was regarding how they turned things around
12 in Oaklawn Park. And that same solution is out there for
13 us.

14 So I plead with your Commissioners, if you
15 anything within your power, to write a letter, send an
16 email, make a phone call to get these things up and running
17 so that we can save racing in California. Because there's
18 an old saying, there's no point in closing the stable door
19 when the horse has already gone out.

20 Thank you for your time.

21 CHAIR FERRARO: Thank you.

22 VICE CHAIR GONZALES: Thank you. And in terms of
23 follow-up, Commissioner --

24 (Applause)

25 VICE CHAIR GONZALES: Thank you for that.

1 Commissioner Alfieri and I will meet with the Santa Anita
2 officials about the lack of or, you know, the lack of
3 Northern California races. Because you're right, they did
4 commit to at least one day, which would be nine, what it
5 sounds like to me, and if you're saying of the number of
6 races, only a few.

7 And I have seen situations where there's been
8 eight to ten horse fields of Northern California, but they
9 don't run that race, they opt for a four or five horse
10 field. And that's kind of counterproductive because they
11 would make more money economically if they run the Northern
12 Cal race with multiple horses instead of a race.

13 So there's some things that just don't seem to be
14 adding up that I think Commissioner Alfieri and I can speak
15 with Santa Anita leadership about, you know, what is the
16 basis of what's not adding up here.

17 MR. O'LEARY: Yes, I would appreciate that. Like
18 for instance, we have been meeting privately with Santa
19 Anita, a small group of us. And they had promised us that
20 if we would fill a race with six horses, that they would
21 card the race. But we have done that on several different
22 occasions and they haven't, still, used the race. And they
23 made promises to you guys that they would have a fourth day
24 of racing. That hasn't happened.

25 So right now, it's not going the way that they

1 promised.

2 VICE CHAIR GONZALES: Understood, sir. Well, we
3 appreciate your leadership. You showing up here, we know
4 it's not an easy thing to do, and we'll look at your
5 comments as an official complaint and record for what sounds
6 to me like a reneging of an arrangement that they had
7 conveyed to us, which we know is not appropriate. So thank
8 you, sir.

9 MR. O'LEARY: Thank you. Appreciate that.

10 COMMISSIONER ALFIERI: Quick question. So you're
11 saying that this coming weekend, there were four races?

12 MR. O'LEARY: Yes.

13 COMMISSIONER ALFIERI: Is that over in one day or
14 is that over the three days?

15 MR. O'LEARY: No, there's -- on Friday, there's
16 two for the northern horses, and on Saturday, there's one,
17 and Sunday, there's one, so a total of four.

18 COMMISSIONER CASTELLANOS: One more.

19 CHAIR FERRARO: All right.

20 COMMISSIONER CASTELLANOS: I'm sorry. One more
21 question. So they're not doing, and I know it's obvious on
22 paper, but they're not doing -- have they talked to you
23 about Thursdays, doing a Thursday, Friday, Saturday, Sunday?

24 MR. O'LEARY: They're saying right now that they
25 don't have enough horses. They're losing horses. Like, for

1 instance, I had a horse that I wanted to run down there.
2 And the race was in the book on Friday. And we entered on a
3 Friday. And they had six horses. They still didn't use it.
4 Then they brought it back for Saturday, and they brought it
5 back again for Sunday, and they didn't use it. And they
6 couldn't even guarantee us that they would use it the
7 following Friday.

8 So I took my horse to Arizona. That horse has now
9 gone to Arizona, and it's going to stay down there for the
10 rest of the season. All my horses, horses that I bred
11 myself, they're all Cal-breds. I want to race here in
12 California so that I can support my breeding program. And
13 right now, we're not getting that opportunity.

14 Thank you very much.

15 CHAIR FERRARO: Thank you.

16 (Applause)

17 MR. OLDFIELD: May I speak, sir?

18 CHAIR FERRARO: Yeah, good morning.

19 MR. OLDFIELD: Good morning. How are you? Yeah,
20 yeah. Justin Oldfield, speaking just on behalf of myself
21 and my wife as farm owners, breeders, horse owners.

22 So, you know, there's been a lot of change, and
23 the industry's undergoing a lot of issues at the moment, and
24 understand that, you know, certainly there's challenges
25 across the landscape. I just want to be sure some of the

1 things that I've read, you know, whether it be in the press
2 or by other stakeholders, that there's a sort of complacency
3 about what's going on in terms of, you know, seeing a
4 consolidation of one circuit, seeing increase in purses in
5 the south. And I'm not suggesting anyone here or any one
6 specific person is coming from that mindset.

7 But I just want to reinforce the fact that there
8 is, the industry is still in a very tenuous situation. I
9 think you all know that. We are going through probably the
10 most significant change, at least in my operation, that
11 we've ever had to go through. We'll see breeding
12 significantly drop. I think you're going to see that across
13 the state, not just in the north.

14 But I just want to remind folks that there's still
15 a lot of work to be done. You know, I know that there's a
16 sense of relief in terms of seeing additional purse cuts in
17 the south. I get that. I'm not saying that seeing purse
18 increases is a bad thing. I'm certainly not arguing that at
19 all. But what I am saying is there's still a need to
20 address these longstanding problems.

21 I know that, you know, from a stakeholder being in
22 the north, I have every intention of seeing racing at some
23 point in the future coming back, whether it's during the
24 fairs or outside of that traditional fair window. And so,
25 you know, we still need to address those challenges, and

1 that's going to be an outside source of income for purses.

2 And I guess when I reference complacency, not to
3 say that we're being complacent about the problems, but
4 we're about, maybe potentially about addressing these
5 solutions head on. Those are still timely things that need
6 to happen. Regardless of what happens in the north this
7 year, we need to continue to work together as stakeholders
8 to bring in things that will make the whole industry whole,
9 not just, you know, continuing to live off of what we're
10 seeing to be a declining handle.

11 So thank you very much.

12 CHAIR FERRARO: Thank you.

13 VICE CHAIR GONZALES: Yeah, Justin, I got a quick
14 question here for you. And thank you, Justin, for your
15 commitment and leadership, that of your family and the
16 different groups that you're part of. And I know you're
17 here on your own, not with any affiliation, but the previous
18 gentleman spoke about declining breeding opportunities.

19 And can you just share with us, when your average
20 person in California hears that there will be a reduction of
21 breeding, the image in my mind are brood mares. I believe
22 the last number, whether it was 2023 or 2022 numbers was,
23 you know, between 1,300 and 1,500 foals, which in my mind is
24 a minimum of 1,300 to 1,500 brood mares, not to mention the
25 stallions. But what kind of impact should the state of

1 California be prepared for when we start to hear that?

2 MR. OLDFIELD: Well, I think when we look at the
3 economics of the horse industry, generally speaking, we talk
4 about the economics and the support that's given from the
5 racetracks. And I don't mean the racetracks just
6 themselves, I mean, all the, you know, the folks that work
7 there that then provide jobs -- or, you know, their jobs
8 turns into spending in the local economies, to the trainers,
9 to the horse owners.

10 But, you know, from a breeder's perspective, and
11 certainly from a farm owner's perspective, there's a
12 substantial economic impact from what's going to happen in
13 our rural communities for those agricultural pieces of this
14 industry that support getting horses to the track. You
15 know, it's not just the farms, but it's the feed bills. I
16 mean, I spend close to \$10,000 a month in grain, you know,
17 just with one source. I mean, that's real dollars to a
18 company that if our numbers decrease substantially, that's
19 not just a hit on my business, that's a hit on their
20 business too.

21 So I think everybody understands how the supply
22 chain works. But I mean, this is going to have a long term
23 effect, not just to our business, but to all the other
24 businesses that support this industry.

25 I mean, I'll be honest with you all, you know, my

1 wife and I, since we took this business, we've been on the
2 ranch for years, but since we took this business over, we've
3 not taken anything out of the business. Everything that we
4 get from it, we put back into it. Being the next
5 generation, we want to see our business thrive. I kind of
6 feel like it was our responsibilities to be the younger
7 folks in the industry to help carry this on. And now that's
8 in jeopardy.

9 And I lose sleep about our employees. We've had
10 guys that have worked for us for 30 years, okay, people that
11 don't want to stop working for us, people that we've
12 purchased houses for, people that we support their kids. I
13 mean, we just bought an FFA animal for one of our employees
14 because she wanted to show an animal and her parents didn't
15 want to spend the money on it. Those are the people I worry
16 about.

17 And whether or not we can, I mean, I can't go
18 broke trying to keep these people employed. And so we're
19 going to do everything we can to make sure that happens.
20 But, I mean, that's the real impact of what we're talking
21 about here.

22 VICE CHAIR GONZALES: Thank you. Thank you,
23 Justin.

24 MR. OLDFIELD: Thanks.

25 (Applause)

1 CHAIR FERRARO: We have no one else? We have to
2 have a closed session now. So I have to ask you all to
3 vacate so we can have our closed session. And then we'll
4 reopen just for adjournment. You're welcome to come back
5 and hear that or listen to it on our hookup.

6 So thank you all for coming. I know this wasn't
7 much of an agenda this time, but we'll do better.

8 (The Board convened closed session from 10:18 a.m.
9 until 10:39 a.m.)

10 CHAIR FERRARO: Can I have a motion to adjourn,
11 please?

12 COMMISSIONER CASTELLANOS: Motion.

13 COMMISSIONER ALFIERI: Second.

14 CHAIR FERRARO: Commissioner Davis?

15 COMMISSIONER DAVIS: Yes.

16 CHAIR FERRARO: Commissioner Gonzales?

17 VICE CHAIR GONZALES: Yes.

18 CHAIR FERRARO: Commissioner Castellanos?

19 COMMISSIONER CASTELLANOS: Yes, sir.

20 CHAIR FERRARO: Commissioner Alfieri?

21 COMMISSIONER ALFIERI: Yes.

22 CHAIR FERRARO: And the Chairman votes yes.

23 Meeting is adjourned. Thank you all.

24 (The Board adjourned at 10:39 a.m.)

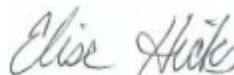
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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under 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 25th day of February, 2025.



ELISE HICKS, IAPRT CERT**2176

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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

February 25, 2025