

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Wendy Mitchell, Commissioner

Dennis Alfieri, Commissioner

Damascus Castellanos, Commissioner

Brenda Washington Davis, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Assistant Executive Director

Robert Brodnik, General Counsel

Sara Smith, Acting Staff Counsel

Amanda Drummond, Policy, Regulations, and Administrative
Hearings Manager

Rick Arthur, Equine Medical Director

Francisco Gonzales

Zachary Voss, Regulation Analyst

Mike Marten, Associate Analyst

ALSO PRESENT

Cliff Goodrich, CTHF

Josh Rubenstein, Del Mar Thoroughbred Club

Greg Avioli, TOC

APPEARANCES

ALSO PRESENT

Heather Wilson

Bonnie Croker

Lori Saldana, Retired State Assembly Member

Wayne Johnson

Martha Sullivan

Marla Zanelli

Kimberly Marrs, Marrs Racing

Andrew Lesser

Patricia Folgar

Christine Sanchez

Mary Johnson

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| 6. | Discussion and action by the Board on the Approval for a distribution from ADW Market Access fees for wagers placed by California residents on all live and imported races hosted by the signatory racing associations for the period April 1 through December 31, 2021, to be utilized to fund a California co-op marketing program as permitted under Business & Professions Code section 19604(f)(5)(E). | 35 |
| 7. | Public Comment: Communications, reports, requests for future actions of the Board. Note: During the public comment period, a total of thirty minutes will be allowed for public comments via the teleconference line. After thirty minutes, no further comments will be accepted. Each person will be limited to two minutes. | 39 |
| 8. | 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 | 59 |

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PAGEClosed Session:

Government Code.

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

Adjournment

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

3 9:32 A.M.

4 TELECONFERENCE, WEDNESDAY, FEBRUARY 17, 2021

5 CHAIR FERRARO: Thank you. Good morning
6 everyone. This is the noticed meeting of the California
7 Horse Racing Board conducted by teleconference pursuant to
8 Executive Order N-9-20.

9 Participating in this meeting are: myself, the
10 Chair; Commissioner Dennis Alfieri; Commissioner Damascus
11 Castellanos; Commissioner Brenda Washington Davis;
12 Commissioner Wendy Mitchell; and Commissioner Alex Solis.
13 Vice Chairman Gonzales will not be in attendance at this
14 meeting.

15 We are also joined by: Scott Chaney, Executive
16 Director; Cynthia Alameda, Assistant Executive Director;
17 Robert Brodnik, Chief Counsel; Sara Smith, Acting Staff
18 Counsel; Amanda Drummond, Manager of Policy and
19 Regulations; and Dr. Rick Arthur, Equine Medical Director.

20 The Board invites comments on matters appearing
21 on this meeting agenda. Procedurally, the Board will first
22 hear from those directly involved in the agenda item. I
23 will then invite public comment on the agenda item. Those
24 wishing to speak must follow the directions of the operator
25 to have their individual phone lines open for comment.

1 Unsolicited speakers are limited to two minutes.

2 During all public comments, a bell will be rung
3 after the first 90 seconds, meaning the speaker will have
4 30 seconds remaining to conclude his or her remarks. At
5 two minutes a more distinctive sound will be heard to
6 indicate the speaker's time is up. The Board may ask
7 questions of individuals who speak which may extend their
8 two-minute limit.

9 I will insist that all speakers stay strictly on
10 topic for each agenda item. If a speaker strays off topic,
11 I will ask the operator to move on to the next caller. If
12 the speaker repeats himself or herself, I will ask if the
13 speaker has any new comments to make. If there are none,
14 the speaker will be asked to let others make comments to
15 the Board.

16 If anyone has comments of a more general nature
17 that are not specific to earlier agenda items, those
18 comments must wait until agenda item number nine [sic],
19 Public Comment. There will be a 30-minute time limit for
20 item -- excuse me, that's item number seven, Public
21 Comment. In order to allow as many individuals to speak as
22 possible within that half-hour, I will strictly enforce the
23 two-minute time limit for each unsolicited speaker.

24 And with that, we can move on to the meeting.
25 The first agenda item is approval of the minutes. Do I

1 have a motion to approve?

2 COMMISSIONER CASTELLANOS: Castellanos. Motion.

3 COMMISSIONER ALFIERI: Second.

4 CHAIR FERRARO: Second?

5 COMMISSIONER ALFIERI: Alfieri. Second.

6 Alfieri.

7 CHAIR FERRARO: Commissioner Alfieri, is that a

8 yes?

9 COMMISSIONER ALFIERI: Yes.

10 CHAIR FERRARO: Commissioner Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: Commissioner Castellanos?

13 COMMISSIONER CASTELLANOS: Yes.

14 CHAIR FERRARO: Commissioner Mitchell?

15 COMMISSIONER MITCHELL: Yes.

16 CHAIR FERRARO: Commissioner Solis?

17 COMMISSIONER SOLIS: Yes.

18 CHAIR FERRARO: And the Chairman votes yes.

19 Minutes are approved.

20 Can we have the Executive Director's Report

21 please?

22 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.

23 Chairman and Commissioners.

24 As I noted in my report last month, Golden Gate

25 Fields began racing about a month ago under strict COVID

1 protocols. Since that time they have also opened a
2 significant part of their parking lot in order to provide
3 space to Alameda County and the Berkeley Department of
4 Public Health for a vaccination center. I should also note
5 that Cal Expo has been operating in this manner for some
6 time as well.

7 Next, I would like to highlight a few changes to
8 the website that have taken place over the last year, and
9 more recent.

10 AS you know, we began reporting equine fatalities
11 a year ago, well ahead of the February deadline. This past
12 January 1st, pursuant to SB 800, Senator Dodd's bill, which
13 listed the B and P Code's confidentiality requirements, we
14 began publishing confirmed medication positives in advance
15 of filing a complaint.

16 Regarding medication complaints, several months
17 ago the CHRB began publishing all medication-related
18 complaints, expanding from the previous limitation of Class
19 1s, 2s and 3s. We have future plans to publish all
20 complaints, in other words, expand the scope to non-
21 medication complaints as well.

22 As I've pointed out a few times, there's now a
23 Racing Reform Recommendation's Chart which memorializes all
24 of the reforms suggested by the Santa Anita report in 2019,
25 with a few more, tracking our progress in each of these

1 areas.

2 The regulation regarding continuing education for
3 trainers and assistant trainers became effective upon
4 filing about ten days ago. And a web page dedicated to
5 eight courses will go live in the next few days. I would
6 like to thank all of the members of Staff who have worked
7 tirelessly on both passing this particular regulation and
8 its implementation.

9 We are also in the process of reorganizing and
10 updating the webpage regarding stewards' decisions, Board
11 decisions, stays, and other legal actions. The CHRB
12 continues its efforts to make our website and all data
13 posted AB 434-compliant and accessible.

14 Also, we continue to follow the Governor's
15 request to post COVID-19 information on our website and
16 social media site.

17 Lastly, we have a few more items which I believe
18 will further transparency and, hopefully, come to fruition
19 as we work through legal and technical issues.

20 For all of this work, I would like to thank Staff
21 for the substantive piece underlying these matters, but
22 particularly our I.T. Department who is able to accomplish
23 all of these excellent advancements seamlessly while also
24 focusing on more comprehensive matters, like CRIS 2
25 (phonetic) and cyber security.

1 And finally, financially, as tracks begin to race
2 on a more consistent basis, overall numbers are in a better
3 place, even compared to January last year. This January,
4 daytime handle is up eight percent on six fewer programs as
5 compared to 2020. Night handle is up 30 percent on one
6 more program as compared to last January. Lastly, overall
7 handle is up 11 percent compared to January 2020.

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

9 CHAIR FERRARO: Thank you very much.

10 Any comments or questions from the Board?

11 If there are none, we'll move on to the Medical
12 Director's Report, and then we'll open for public comment.

13 EQUINE MEDICAL DIRECTOR ARTHUR: Good morning,
14 Commissioners. This is Dr. Rick Arthur, the Equine Medical
15 Director.

16 I'm very pleased that today we'll be appointing
17 Dr. Jeff Blea as the new Equine Medical Director. I've
18 known Dr. Blea since he externed with me in the early '90s
19 when he was still a veterinary student at Colorado State
20 University. Dr. Blea is extremely capable, honest, and a
21 straight talker who understands, horse racing, and the
22 challenges going forward. Dr. Blea is well known and well
23 respected nationally, which can only be to California's
24 benefit. I think he's a very good choice.

25 As Executive Director mentioned, CHRB Rule

1 1503.5, Continuing Education for Trainers and Assistant
2 Trainers, became effective earlier this month. My first
3 draft of a trainer's continuing education requirement goes
4 back to 2008, so this has been a long effort and one that I
5 believe will have a lasting impact on horse safety and
6 regulatory compliance.

7 We had our first C.E. webinar to explain new CHRB
8 Rule 1842.5, Trainers to Maintain Treatment Records. This
9 wasn't a very exciting topic. And this webinar was meant
10 to be a pilot run for what was expected to be a few dozen
11 trainers. We ended up with 118 participants. Another
12 webinar is scheduled tomorrow on COVID-19 protocols in the
13 workplace that is sponsored by the CTT and the Finish Line
14 Post Time Worker's Compensation Program. Two additional
15 webinars all right scheduled in the next few weeks on MRII
16 and PET diagnostic imaging capabilities to explain to
17 trainers exactly what these new diagnostic imaging
18 techniques can offer their stable management. I expect to
19 have about two more webinars per month, as least through
20 June.

21 Moving on, statewide there were five fatalities
22 in January, one racing, four training, and no non-exercise.

23 There were seven medication violations in January, three
24 were post race, four were working for the official
25 veterinarian, all are Class 4 medications. We are

1 continuing to have violations for commonly prescribed oral
2 medications administered by trainers showing up in horses
3 in the workouts for the official veterinarian under the
4 Veterinarian's List regulation. That regulation
5 specifically states, "A blood and/or urine post-race test
6 shall be taken from the horse and the provisions of this
7 article shall apply to the official workout in the same
8 manner as a scheduled race." To say, the bottom line is
9 that they go through the same testing process as horses
10 that race.

11 This month there were three Dantrolene findings n
12 samples from official vet workers. Dantrolene is a
13 commonly prescribed medication for event (phonetic)
14 exertional rhabdomyolysis or tying up or muscle cramping.
15 No one is trying to get away with anything. Dantrolene
16 would not have a material effect on a soundness evaluation,
17 which is the purpose of the Veterinarian List regulation.
18 These were unforced and costly errors by the trainers. In
19 addition, a positive test automatically fails a horse, so
20 the horse is ineligible to start and required to work
21 again. This is a type of problem we get when trainers
22 really don't understand how the entire process works.

23 Anyway, because we are meeting early this month,
24 I don't have the test sample number tallies for January.
25 In fact, the last samples from January 31st just cleared

1 yesterday.

2 Happy to answer any questions.

3 CHAIR FERRARO: Any questions from the Board? No
4 questions?

5 Do we have public comment, Operator?

6 OPERATOR: Thank you.

7 If you would like to make a comment, please
8 signal by pressing star one on your telephone keypad. If
9 you are using a speaker phone, please make sure that your
10 mute function is turned off to allow your signal to reach
11 our equipment. Again, please press star one to make a
12 comment. We will pause momentarily to allow everyone an
13 opportunity to signal for comments.

14 And we'll take our first comment from Heather
15 Wilson, California resident.

16 CHAIR FERRARO: Go ahead please.

17 MS. WILSON: Yes. Thank you. Good morning, Dr.
18 Ferraro.

19 So my first comment is regarding 2A, Mr. Chaney's
20 report and the public necropsies. There are still over 50
21 from 2020 that I've requested that are still outstanding.
22 I've asked numerous times, via a California Public Records
23 Act request, and I've been told every single time that they
24 will be available online and there's -- I don't see
25 anything, so maybe there's a new link, but I have not seen

1 anything yet. There are still a lot of outstanding
2 reports.

3 Next is 2B, Dr. Arthur's report, as far as
4 enhancing horse safety. We still do not have any
5 definitive actions regarding the illegal match racing. The
6 meeting packet actually has letterhead from the California
7 State Attorney General and the Department of Justice over
8 something so seemingly meaningless as a minisatellite
9 wagering. Yet, when we're talking a major, major issue of
10 illegal match racing, I mean, you clearly have pull with
11 the top officials in our state government.

12 So I really find it hard to believe that this
13 Board cannot get in contact with the top branches of
14 government within our state and do something about this
15 problem because it is not going away. It is actively every
16 single weekend and I am extremely concerned. A jockey was
17 killed in 2018, as you are aware, and we still have not
18 done anything about this. We're still waiting.

19 CHAIR FERRARO: Thank you.

20 Next please.

21 OPERATOR: Our next comment comes from Bonnie
22 Croker, concerned citizen.

23 CHAIR FERRARO: Go ahead please.

24 MS. CROKER: Yes. Good morning. Yes. Hello and
25 good morning. I have a question for the Medical Director,

1 especially as you welcome a new Medical Director.

2 And the question is: Does the Medical Director
3 investigate apparent inconsistencies in medical treatment
4 rendered by track veterinarians for those horses who have
5 sustained the same injury for the same tracks on the same
6 day?

7 For example, there were four horses injured while
8 racing at Santa Anita this past weekend; two of them were
9 bleeding from the nostrils. On 02/15/21 in race four,
10 horses two, C'Mon Jenna, finished the race but was bleeding
11 from the nostrils and vanned off. Less than two hours
12 later, during race seven, horse number one, So Much Happy,
13 faded in the furlong grounds (phonetic), bled, and was
14 walked off. This horse was also listed as finished on the
15 Equibase chart. The inquiries -- or excuse me, the
16 injuries of these two horses were remarkably similar. Why
17 then was one vanned off while the other was walked off?
18 There may be a medical explanation.

19 My question is: Do you investigate these apparent
20 inconsistencies in medical response? I am concerned that
21 Santa Anita did not want to van two horses on the same day.

22 Thank you for your consideration.

23 CHAIR FERRARO: Thank you.

24 Next please.

25 OPERATOR: Our next comment comes from Lori

1 Saldana, retired State Assembly Member.

2 CHAIR FERRARO: Go ahead please.

3 ASSEMBLY MEMBER SALDANA: Thank you. Good
4 morning. Yes.

5 I represented the City of San Diego for six years
6 during the time when we had several serious wildfires. And
7 I recently have been informed that the San Luis Rey
8 racing -- Training Center does not have adequate fire
9 safety features installed.

10 So my question is: Are deaths from fire, of
11 racehorses, considered part of the report that your
12 veterinarian will be responsible for going forward? And
13 what responsibility, if any, does the Horse Racing Board
14 have to prevent injuries and deaths to racehorses that come
15 from fires in training centers that are not equipped with
16 the latest required fire safety equipment?

17 And then on another point, I want to ask, who is
18 responsible for managing your social media and,
19 specifically, your Twitter account? Because for some
20 reason, even though you use it to share public media
21 information, I have been dropped from accessing your social
22 media Twitter account which, as a public agency, I would
23 like to have an understanding, perhaps from your attorney,
24 why you block members of the public from being able to read
25 your public notices?

1 So I'm concerned about the fire safety issues,
2 the health impacts on horses, and if there are any injuries
3 or deaths that are managed by your veterinarian in his
4 reporting? And, also, I'd like the Director or an attorney
5 on staff to respond to the transparency of your social
6 media postings and why you choose to block members of the
7 public?

8 Thank you very much.

9 MR. MARTEN: Excuse me. This is Mike Marten.
10 While I'm not involved in the -- we have somebody else
11 assigned to the CHRB Twitter account, would you please
12 contact me and so we can get to the bottom of that block?
13 I don't understand it either. So if you look on our
14 website and get my contact info, you can give me your
15 contact info.

16 ASSEMBLY MEMBER SALDANA: Yes. Thank you, Mr.
17 Marten. I will do that.

18 CHAIR FERRARO: Thank you.

19 Next please.

20 OPERATOR: Our next comment comes from Wayne
21 Johnson, citizen.

22 CHAIR FERRARO: Go ahead please.

23 MR. JOHNSON: Good morning. Good morning, Dr.
24 Ferraro. Good morning to the Committee [sic].

25 So very commendable comments by Assemblywoman

1 Saldana on both fire safety and, also, the Twitter account.

2 It's also really good to hear Mr. Marten
3 responding. We ask questions all the time which are not
4 rhetorical, we want answer, and she got an answer. And
5 that's new and that's positive.

6 The Medical Director mentioned -- well, first of
7 all, the Executive Director mentioned that the Twitter --
8 excuse me, the handle at the racetrack was up certain
9 percentage points. I believe he said 11 percent. But much
10 more important than the handle is, of course, the lives
11 that Dr. Arthur talked about, the five lives. I wish you
12 would mention their names because they do have names and
13 they did want to live as much as you and I. They didn't
14 want to die for the handle.

15 Steph's Choice (phonetic) was a two-year-old
16 filly that died at Santa Anita on the 23rd of January of
17 this year. Staredown was only three years old. I didn't
18 know Staredown but I think Staredown did not want to die at
19 Golden Gate. Natural History was three years old, dead at
20 Santa Anita on the 17th of this month, fractured the left
21 front ankle. Money of Course (phonetic), another death at
22 Golden Gate Fields, was three years old, who wanted to live
23 as much as you and I.

24 Thank you.

25 CHAIR FERRARO: Thank you.

1 Next please.

2 OPERATOR: Our next comment comes from Martha
3 Sullivan, California resident.

4 CHAIR FERRARO: Good morning, Martha.

5 MS. SULLIVAN: Good morning. I would like to
6 speak to horse fatalities that are reported, particularly
7 as you have your next annual report coming out in the next
8 month or two.

9 As you are aware from comments here previously,
10 two horses died last year as a result of racing at CHRB
11 racetracks that were confirmed to have been euthanized at
12 another location, not a CHRB facility, subsequent to those
13 mortal injuries. This was Tap the Wire at Los Alamitos,
14 who was a survivor of the Lilac Fire but didn't survive
15 placing first in a race there and was subsequently
16 euthanized, you know, the San Luis Rey Training Center.

17 And also, Hendavid, who was mortally injured in
18 the Pleasanton races last June and was confirmed by the
19 CHRB as having been euthanized in Utah a month later.

20 These horses need to be included in your official
21 fatalities, as do the 46 horses who died in the Lilac Fire
22 at the San Luis Rey Training Center in early December of
23 2017.

24 The CHRB's response to my Public Records Act
25 request last month confirmed that you did not exempt that

1 facility from your Rule 1927 requirement for automatic fire
2 sprinklers before that fire. So they were required to have
3 fire sprinklers and they did not. Forty-six horses died.
4 They need to be included in your official report of horse
5 deaths. The fact that they aren't is an abomination.

6 CHAIR FERRARO: Thank you.

7 Next please.

8 OPERATOR: At this time there are no further
9 comments -- correction.

10 We will take our next comment from Marla Zanelli,
11 horse owner.

12 CHAIR FERRARO: Go ahead please.

13 MS. ZANELLI: Dr. Arthur, thank you for your
14 service. It's too bad the public, who don't put money into
15 caring for racehorses, take up so much of your time during
16 these meetings.

17 I think it's a wonderful idea for the educational
18 classes for trainers and assistant trainers. Thank you for
19 implementing that program.

20 Thank you.

21 CHAIR FERRARO: Thank you.

22 Is that it, Operator?

23 OPERATOR: At this time there are no further
24 comments in the queue.

25 CHAIR FERRARO: All right, we'll move on to item

1 number three, discussion and action by the Board regarding
2 the distribution of race day charity proceeds of the Del
3 Mar Thoroughbred Club, combined 2020 race meetings, in the
4 amount of \$114,215, to nine beneficiaries.

5 Mr. Francisco Gonzales is going to explain that
6 to us please.

7 MR. GONZALES: Francisco Gonzales, CHRB Staff.
8 Good morning, Chairman, Commissioners.

9 The Del Mar Thoroughbred Club request approval
10 from the Board to distribute its 2020 summer and winter
11 racing charity proceeds in the amount of \$9,157.

12 (Indiscernible) of \$105,058, for a total charity
13 contribution commitment of \$114,215. There is nine
14 beneficiaries of these distributions of which seven are
15 equine-related charity organizations.

16 This item is presented for Board discussion and
17 action.

18 Thank you.

19 CHAIR FERRARO: So just to clarify, the actual
20 amount that was received through the charity proceeds was
21 \$9,000, and then the Del Mar Thoroughbred itself added the
22 \$105,000 to make it the same contribution as last year; is
23 that correct?

24

25 MR. GONZALES: That is correct, Chairman.

1 CHAIR FERRARO: Thank you.

2 Any questions or comments from the Board?

3 COMMISSIONER DAVIS: I have a question. This is
4 Davis.

5 CHAIR FERRARO: Go ahead.

6 COMMISSIONER DAVIS: These distributions, they
7 are added to the budgets of each of these organizations and
8 there's a larger budget, or is this a one-time payoff that
9 gets distributed immediately by the organizations?

10 CHAIR FERRARO: Mr. Chaney, do you want to --

11 EXECUTIVE DIRECTOR CHANEY: Yeah. I mean, I
12 can't speak to how each of the organizations handles the
13 money. But obviously, it's statutorily required that they
14 designate -- or the track designates, you know, a race day
15 charity day. And obviously in this case --

16 COMMISSIONER DAVIS: Um-hmm.

17 EXECUTIVE DIRECTOR CHANEY: -- given that the
18 circumstances under COVID-19, the money generated on those
19 particular days at Del Mar was about \$9000. So Del Mar is
20 adding \$105,000 to make it \$114,000 to give it the same
21 levels as last year. And then --

22 COMMISSIONER DAVIS: Um-hmm.

23 EXECUTIVE DIRECTOR CHANEY: -- if the Board
24 approves that money, based on the breakdown in the Staff's
25 analysis, then Del Mar forwards that money straight to the

1 organizations.

2 And so I think --

3 COMMISSIONER DAVIS: And then it's up to them?

4 EXECUTIVE DIRECTOR CHANEY: -- I think the short
5 answer is for some stability over time. Because most of
6 these organizations, obviously CARMA and Winners
7 Foundation, and organizations like that, that are, you
8 know, horse racing related, receive money from these
9 charity days throughout the year from each track, and so it
10 might vary from year to year.

11 But in general, except for this year, obviously,
12 those amounts are fairly, you know, consistent.

13 COMMISSIONER DAVIS: Okay. Thank you.

14 EQUINE MEDICAL DIRECTOR ARTHUR: Mr. Chairman,
15 this is Dr. Arthur.

16 I will say that all of these recipients are
17 501(c)(3) charitable organizations.

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

20 Operator, let's open up for public comment
21 please.

22 OPERATOR: Thank you.

23 We will take our first comment. This will come
24 from Cliff Goodrich with CTHF.

25 MR. GOODRICH: Good morning, Chairman --

1 CHAIR FERRARO: Go ahead please.

2 MR. GOODRICH: -- and Commissioners.

3 Just to clarify, Commissioner Davis's question,
4 in this case, Del Mar, out of the good of their hearts,
5 donated \$5,000 to the CTHF. And we, of course, represent
6 the healthcare needs of the backstretch workers. That is a
7 voluntary contribution that certainly goes into our income
8 stream that is used to service those workers. But to pull
9 a number out of the air, and it's probably fairly close,
10 Del Mar as a racing association, and Del Mar's horsemen
11 through a deduction in purses, probably contribute
12 somewhere around \$600,000 a year to the CTHF. So this
13 \$5,000 is a small part but, obviously, much appreciated.

14 So just for clarification, the tracks and the
15 horsemen all devote, statutorily, a major sum of money that
16 totals about a million-and-a-half dollars a year, separate
17 and apart from this charity day donation, okay?

18 Thank you.

19 COMMISSIONER DAVIS: Yeah. Thank you.

20 CHAIR FERRARO: Thank you, Cliff.

21 Next please.

22 OPERATOR: Our next comment will come from Martha
23 Sullivan, California resident.

24 CHAIR FERRARO: Go ahead please.

25 MS. SULLIVAN: Yes. As a resident of San Diego

1 County, particularly who also follows the Del Mar
2 Fairgrounds Board meetings which is, as you know, the host
3 of the Del Mar races, I'd like to just point out that that
4 state entity is in extremely dire financial straits. It
5 was in dire financial straits before the pandemic because
6 of Del Mar racing, which has been documented by public
7 recording and mass media. It didn't have reserves.

8 It's been unable to fund or continue to fund
9 local equestrian uses at its horse park, which it has
10 closed now. The only public riding school in San Diego
11 County is closing because Del Mar racing sucked up all the
12 oxygen. They spent \$15 million on water treatment
13 improvements for the Del Mar Racetrack, but they can't do
14 it for a horse park, and that's why they've had to close
15 the horse park. So we now have local equestrian uses being
16 displaced by Del Mar racing.

17 So, once again, anybody who says that state
18 government and local governments don't subsidize racing
19 don't know what they're talking about.

20 We also learned that now the federal government
21 is subsidizing Del Mar racing because they're going to use
22 their forgiven \$2.6 million PPP loan on the bond payments,
23 you know, for the racetrack instead of contributing that to
24 the water quality improvements for the horse park so that
25 the local equestrian uses can continue.

1 CHAIR FERRARO: Thank you.

2 Next please.

3 OPERATOR: We will take our next comment. This
4 will come from Marla Zanelli, horse owner.

5 CHAIR FERRARO: Go ahead please.

6 MS. ZANELLI: Martha Sullivan, would you stop
7 your nonsense. Del Mar Racetrack had nothing to do with
8 the horse park closing. And the general horse show people
9 are on top of what's going on there and it has nothing to
10 do with Del Mar Racetrack, so stop your lies.

11 Thank you.

12 CHAIR FERRARO: Thank you.

13 Next please.

14 OPERATOR: Our next comment will come from Lori
15 Saldana, retired State Assembly Member.

16 CHAIR FERRARO: Go ahead please. Go ahead
17 please.

18 ASSEMBLY MEMBER SALDANA: Hi. I'm sorry. I had
19 it on mute. Yes. Thank you.

20 A point of order. Is it proper to call in -- for
21 members of the public to call out others directly during
22 comments, such as just happened? Is that allowed by the
23 Chair if I could ask that question?

24 CHAIR FERRARO: (Indiscernible.)

25 ASSEMBLY MEMBER SALDANA: Okay. Because I have

1 followed the Del Mar Fairgrounds. I've attended some of
2 their board meetings before COVID shut things down. And
3 they are struggling financially. And it is true that they
4 are under a bond obligation to help them finance some
5 improvements to the racing venue. So I think it is
6 completely reasonable to look at, as revenues improve, that
7 some extra help could be provided to the Agricultural
8 District that sponsors the annual fair and other
9 activities.

10 So that's my only comment. Thank you.

11 CHAIR FERRARO: Thank you.

12 Next please.

13 OPERATOR: Our next comment will come from
14 Heather Wilson, California resident.

15 CHAIR FERRARO: Go ahead please.

16 MS. WILSON: Yes. Thank you. I was actually
17 wondering the same thing. That was a violation of Bagley-
18 Keene for a caller to comment on another caller. They are
19 supposed to be addressing the Board and not other people
20 that are calling in, so that if I was to do that, I would
21 have been hung up on.

22 So, yes, regarding state funding and public
23 property and state-funded property, this is the same
24 problem as Cal Expo. Taxpayers are bailing out these
25 fairgrounds. And taxpayers should be the ones deciding

1 what happens to this property.

2 And it does sound like the members of San Diego
3 County are interested and invested in opening a horse park.
4 And (indiscernible) nine beneficiaries, that sounds like a
5 lot of money but it's actually not. This money can be
6 diverted into a horse park that will benefit the community
7 and the people that live there, not just the people that
8 are in this, simply out to make money off (indiscernible).

9 CHAIR FERRARO: Thank you.

10 Next please.

11 OPERATOR: Our next comment will come from Josh
12 with Del Mar.

13 CHAIR FERRARO: Go ahead please.

14 MR. RUBENSTEIN: Hi. I'm not in for public
15 comment, Chairman Ferraro. I'm going to speak on the item.
16 So I don't know if they can hold me over until public
17 comment is done?

18 CHAIR FERRARO: You're going to speak on this
19 charity distribution; is that correct?

20 MR. RUBENSTEIN: Right. That's item three;
21 right? Our --

22 CHAIR FERRARO: Yes.

23 MR. RUBENSTEIN: -- charity distributions. I'm
24 happy to do it now --

25 CHAIR FERRARO: Yeah.

1 MR. RUBENSTEIN: -- or when public comment is
2 over.

3 CHAIR FERRARO: Yeah. Go ahead.

4 MR. RUBENSTEIN: I'll wait.

5 CHAIR FERRARO: Go ahead.

6 MR. RUBENSTEIN: So good morning to --

7 CHAIR FERRARO: Whoever is making all the
8 background noise, please put your phone on mute.

9 CHAIR FERRARO: Go ahead, Josh.

10 MR. RUBENSTEIN: Okay. Good morning, CHRB
11 Commissioners and Staff.

12 In your package for -- under item three is Del
13 Mar Thoroughbred Club's request for our charity days. As
14 our letter references, you know, COVID significantly
15 negatively impacted our charity days. Unfortunately, only
16 \$6,488 was generated in the summer season and \$2,609 was
17 generated in the fall. And that had to do with, as
18 everybody knows, no spectators were allowed onsite.

19 However, as our letter points out, Del Mar
20 Thoroughbred Club has a longstanding commitment to equine
21 charities. So we wanted to go above and beyond what we
22 contributed in 2019. So what's in front of you is our
23 request for equine charities through our 2020 summer and
24 fall meets.

25 Happy to answer any questions.

1 CHAIR FERRARO: Any questions from the Board?

2 Thank you, Josh.

3 Operator, do we have any other public comment?

4 OPERATOR: There are no further comments in the
5 queue at this time.

6 CHAIR FERRARO: Okay. Can I have a motion from
7 the Board regarding this item?

8 COMMISSIONER CASTELLANOS: Castellanos.

9 COMMISSIONER DAVIS: Davis moves it.

10 COMMISSIONER CASTELLANOS: Castellanos. Second.

11 CHAIR FERRARO: Okay. A motion to approve.

12 Commissioner Alfieri?

13 COMMISSIONER ALFIERI: Yes.

14 CHAIR FERRARO: Commissioner Davis?

15 COMMISSIONER DAVIS: Yes.

16 CHAIR FERRARO: Commissioner Castellanos?

17 COMMISSIONER CASTELLANOS: Yes.

18 CHAIR FERRARO: Commissioner Mitchell?

19 COMMISSIONER MITCHELL: Here.

20 CHAIR FERRARO: Commissioner Solis?

21 COMMISSIONER MITCHELL: Sorry. Yes.

22 COMMISSIONER SOLIS: Yes.

23 CHAIR FERRARO: And the Chairman votes yes.

24 Motion approved.

25 Moving on to item number four, discussion and

1 action by the Board regarding the proposed amendment of
2 CHRB Rule 1843.2, Classification of Drug Substances, to
3 update the Alphabetical Substances List to align with the
4 Association of Racing Commissioners International, ACRI,
5 Uniform Classification Guidelines for Foreign Substances.

6 And I believe Mr. Voss is going to address this;
7 is that correct?

8 MR. VOSS: Yes, that's correct. Good morning,
9 Commissioners. This is Zachary Voss, Regulation Analyst
10 with the California Horse Racing Board.

11 Agenda item number four pertains to the proposed
12 amendment to Board Rule 1843.2, Classification of Drug
13 Substances. We believe it is necessary to update the
14 Alphabetical Substances List, it is incorporated by
15 reference in the rule, to align with the Association of
16 Racing Commissioners International's, or ARCI's, most
17 recent Uniform Classification Guidelines.

18 Continuing from last month's discussion, Staff
19 has analyzed the recently-passed Horseracing Integrity and
20 Safety Act of 2020, or HISA. HISA establishes the
21 Horseracing Integrity and Safety Authority and tasks it
22 with implementing an enforcement in a National Uniform
23 Anti-Doping and Medication Control Program. An element of
24 that future program will be classification of drug
25 substances and recommended penalties, similar to the

1 function of Board Rule 1843.2.

2 The Authority's baseline Anti-Doping and
3 Medication Control Program, which is outlined in HISA,
4 Section 6, will apply to all covered horses, persons, and
5 horse races. HISA defines covered horses as any
6 thoroughbred horse or any other horse made subject to the
7 provisions of HISA by election of the applicable state
8 racing commission or the breed governing organization for
9 such a horse. Therefore, HISA automatically covers
10 thoroughbred horses and horse races and can be extended at
11 the election of the Board or the breed's governing
12 organization to cover further breeds of horse.

13 HISA further provides that the Authority shall
14 have independent and exclusive national authority over
15 anti-doping and medication control matters for covered
16 entities. And the rules of the Authority shall preempt any
17 provision of state law or regulation concerning matters in
18 the Authority's jurisdiction. In other words, if the
19 Board's Substance List incorporated into Rule 1843.2
20 conflicts with future penalty classifications recommended
21 by the Authority, the Authority's penalty classification
22 shall supersede those of the Board.

23 Just to indicate that the Authority will either
24 substantially or wholly adopt the Uniform Classification
25 Guidelines published by the ARCI, so the proposed Substance

1 List is largely consistent with the likely future penalty
2 classification guidelines of the Authority, however, there
3 are some exceptions. When these exceptions depart from the
4 Authority's adopted guidelines, those departures will not
5 apply to covered horses, persons and races, only to those
6 breeds not covered by HISA in California.

7 Furthermore, until the Authority implements its
8 Anti-Doping and Medication Control Program in relation to
9 penalty classification guidelines, the Board's current
10 Substance List will be applicable to all entities within
11 the Board's jurisdiction. The current effective Substance
12 List is based on the ARCI 2018 Uniform Classification
13 Guidelines and it's, thus, two years outdated.

14 For further information about the specific
15 language of the modified Substance List or the ARCI's
16 Uniform Classification Guidelines, Dr. Arthur is available
17 to answer questions.

18 Thank you.

19 CHAIR FERRARO: I have a question for you. The
20 implementation of HISA is not going to become effective
21 until, what, July of 2022?

22 EXECUTIVE DIRECTOR CHANEY: Chairman, this is
23 Scott Chaney, Executive Director.

24 Yeah, I think that's right. I mean, there's --
25 there -- it's unclear at this point but all indications are

1 that it will become effective, probably, July 1st, 2022, so
2 about a year-and-a-half from now.

3 CHAIR FERRARO: Okay.

4 EXECUTIVE DIRECTOR CHANEY: And in speaking with
5 the folks who are, you know, sort of tasked or tasked
6 themselves with implementing HISA, their classifications
7 are going to be largely based on the ARCI classification
8 system, as well.

9 And for what it's worth, they do allow specific
10 states from departing from the ARCI recommendations if they
11 are stricter. So even if it does go into effect a year-
12 and-a-half from now, we have the option to, you know, apply
13 for departures where we (indiscernible) yielded more
14 strictly. What it won't allow, of course, is regulating
15 more in a looser fashion.

16 CHAIR FERRARO: Very good.

17 Any questions from the Board?

18 Dr. Arthur, do you have a comment to make?

19 EQUINE MEDICAL DIRECTOR ARTHUR: No. I think
20 this was well explained by Zach. And the departures are
21 fairly clear and are consistent with how we've handled
22 these drugs previously.

23 CHAIR FERRARO: Okay. Operator, do we have a
24 public comment list here?

25 OPERATOR: We can take our first comment. This

1 will come from Martha Sullivan, California resident.

2 CHAIR FERRARO: Go ahead, Martha.

3 MS. SULLIVAN: Yes. Hello again.

4 I would like to know what the -- I see that there
5 are exceptions that this Board is making from the ARCI
6 list. And I'd like to ask, given a recent trade industry
7 news report, that the Kentucky Equine Drug Research Council
8 is recommending removing withdrawal guidelines for
9 fluphenazine, which is an anti-psychotic drug that has been
10 used in horses as a long-term tranquilizer. I'd just like
11 to know if the Board has considered any exceptions for this
12 drug, given this recent news report?

13 CHAIR FERRARO: Thank you.

14 Next please.

15 OPERATOR: There are no further comments in the
16 queue at this time.

17 CHAIR FERRARO: Well, can I have a motion from
18 the Board?

19 COMMISSIONER CASTELLANOS: Castellanos. Motion.

20 CHAIR FERRARO: Second?

21 COMMISSIONER SOLIS: I second.

22 CHAIR FERRARO: Okay. Motion to approve.

23 Commissioner Alfieri?

24 COMMISSIONER ALFIERI: Yes.

25 CHAIR FERRARO: Commissioner Davis?

1 COMMISSIONER DAVIS: Yes.

2 CHAIR FERRARO: Commissioner Castellanos?

3 COMMISSIONER CASTELLANOS: Yes.

4 CHAIR FERRARO: Commissioner Mitchell?

5 COMMISSIONER MITCHELL: Yes.

6 CHAIR FERRARO: Commissioner Solis?

7 COMMISSIONER SOLIS: Yes.

8 CHAIR FERRARO: And the Chairman votes yes.

9 All right, we'll move on to item number five.

10 This is discussion and action by the Board on the Renewal
11 Application for License to Operate a Minisatellite Wagering
12 Facility at the Sahara Dunes Casino dba Lake Elsinore Hotel
13 and Casino in Lake Elsinore, California.

14 Mr. Voss, can you address this for us please?

15 MR. VOSS: Yeah. Good morning again,
16 Commissioners. This is Zachary Voss, Regulation Analyst
17 with the California Horse Racing Board.

18 The Sahara Dunes Casino dba Lake Elsinore Hotel
19 and Casino filed an Application for Renewal of License to
20 Operate a Minisatellite Wagering site. The minisatellite
21 application proposes to begin operations April 25th, 2021
22 and continue through April 25th, 2026 for a period of five
23 years. The Board previously approved a minisatellite
24 application for Sahara Dunes Casino at the March 24th, 2016
25 regular Board meeting. That prior license commenced March

1 24th, 2016 and expires March 24th, 2021.

2 At present the application still requires fire
3 clearance from the fire authority having jurisdiction. And
4 Mr. Ted Kingston, General Partner at Lake Elsinore Hotel
5 and Casino, indicated that the fire authority having
6 jurisdiction has been unable to complete the inspection due
7 to COVID-19 restrictions and increased demand on the fire
8 authority's staff, but that they will schedule an
9 inspection as soon as the authority has the resources
10 available.

11 Additionally, Mr. Kingston is required to submit
12 a full disclosure statement for review by the Board's
13 enforcement staff. The enforcement staff require up to
14 three weeks to fully review the document and conduct the
15 background check. The Board received the document on
16 Tuesday, February 16th, 2021 and is currently under review.
17 And it is, at this point, missing a signature page and a
18 notarized signature page.

19 Staff recommends that the action regarding the
20 approval of the application of renewal be postponed until
21 the March 17th, 2021 Board meeting to give the enforcement
22 staff time to review the full disclosure statement and
23 fully conduct the background check.

24 Shawn Loehr, Chief of Licensing and Enforcement,
25 is available to answer any questions about the full

1 disclosure statement and the background check procedure.

2 Thank you.

3 CHAIR FERRARO: Shawn, can you explain the
4 background? And it's my understanding that you need quite
5 a bit of time to complete this; is that correct?

6 MR. LOEHR: Yes. Dr. Ferraro, Shawn Loehr, Chief
7 of Enforcement and Licensing, CHRB.

8 I do. And right now we're missing the signature
9 page, and the notarized page as well. I'll need that in
10 order to begin the investigation. And it's probably a two
11 to three week minimum. So by pushing it out until the next
12 meeting, it will probably give me the appropriate time if
13 he submits those missing documents within the next week.

14 CHAIR FERRARO: Okay. Thank you.

15 Any questions from the Board?

16 Operator, do we have a queue on this?

17 OPERATOR: At this time there are no comments in
18 the queue.

19 CHAIR FERRARO: Okay. The Chairman will make a
20 motion that we table this item until the March meeting,
21 pending receipt of the necessary documents and information
22 within the next seven days, meaning that all submitted
23 items must be present by the 25th of February.

24 Can I have a second for that motion?

25 COMMISSIONER ALFIERI: I'll second.

1 COMMISSIONER DAVIS: I'll second.

2 COMMISSIONER CASTELLANOS: Castellanos seconds.

3 CHAIR FERRARO: Question? Is there a question
4 from the Board? I have a second.

5 COMMISSIONER CASTELLANOS: No. I think all three
6 of us have seconded.

7 CHAIR FERRARO: Okay. All right. This is
8 approval of the motion.

9 Commissioner Alfieri?

10 COMMISSIONER ALFIERI: Yes.

11 CHAIR FERRARO: Commissioner Davis?

12 COMMISSIONER DAVIS: Yes.

13 CHAIR FERRARO: Commissioner Castellanos?

14 COMMISSIONER CASTELLANOS: Yes.

15 CHAIR FERRARO: Commissioner Mitchell?

16 COMMISSIONER MITCHELL: Yes.

17 CHAIR FERRARO: Commissioner Solis?

18 COMMISSIONER SOLIS: Yes.

19 CHAIR FERRARO: And the Chairman votes yes.

20 And moving on to item number six. This is
21 discussion and action by the Board on the Approval for a
22 distribution from ADW Market Access fees for wagers placed
23 by California residents on all live and imported races
24 hosted by the signatory racing associations for the period
25 April 1 through December 31, 2021, to be utilized to fund a

1 California co-op marketing program as permitted under
2 Business & Professions Code section 19604(f)(5)(E).

3 I think we have a representative. Mr. Avioli is
4 probably online to address this for the Board.

5 Operator, can you queue Mr. Avioli's line please?

6 OPERATOR: We will take Greg Avioli with TOC.

7 MR. AVIOLI: Good morning. This is Greg --

8 CHAIR FERRARO: Go ahead please.

9 MR. AVIOLI: -- Greg Avioli, TOC. Can you all
10 hear me?

11 CHAIR FERRARO: Yes. Go ahead.

12 MR. AVIOLI: So this is a problem that used to be
13 statutory, known as the California Marketing Committee,
14 where a percentage of money was deducted from satellite
15 wagering each year to support joint marketing efforts of
16 the tracks and the horsemen. That statute sunset at end of
17 2018. But the TOC, in working with The Stronach Group and
18 Del Mar, have voluntarily continued that program the last
19 two years, primarily focused on three programs which is
20 horse recruitment, player rewards, and the Cal Racing Cares
21 Program.

22 So this is the same process that we filed with
23 the CMC in the last two years where the horsemen and the
24 tracks identify how much money they're thinking to go
25 towards these programs each year. And then we propose a

1 voluntary deduction from the ADW handle that is allowed
2 under Business and Professions Code 19604 that we expect
3 will be sufficient to cover the cost of these programs.

4 For the programs this year, we would be looking
5 at approximately \$1 million for horse recruitment, \$440,000
6 for player rewards, and another \$400,000 for Cal Racing
7 Cares, which would be a little under \$1.8 million to be
8 split equally from the purse account and the track racing
9 commissions. And those are the numbers that back in to the
10 percentages that you have in your packet.

11 Happy to answer questions.

12 CHAIR FERRARO: So who are the racetracks? What
13 racetracks or organizations are signatories to this,
14 besides TOC and The Stronach Group?

15 MR. AVIOLI: Just Del Mar and The Stronach Group.

16 CHAIR FERRARO: Okay. Questions from the Board?

17 MR. AVIOLI: You know, we are open to doing a
18 comparable program with CARF or Los Alamitos. They just
19 haven't proposed to us. But we'd be open to that.

20 CHAIR FERRARO: Okay. Any questions from the
21 Board? No questions?

22 Thanks Greg.

23 Operator --

24 MR. AVIOLI: Yes, sir.

25 CHAIR FERRARO: -- let's take public comment on

1 this if you have any?

2 OPERATOR: We can take our first comment. This
3 will come from Martha Sullivan, California resident.

4 CHAIR FERRARO: Go ahead please.

5 MS. SULLIVAN: Yes. Hello again.

6 Once more, I -- you know, it really strikes me
7 how a state-owned and operated facility which hosts the Del
8 Mar races, you know, has been devastated over the last
9 several years financially because of racing, and over the
10 last year, you know, it's been in no position to really
11 survive this pandemic, and yet we don't see the racing
12 industry coming to its assistance beyond what it's
13 contractually obligated to do. And I think that this is
14 really, really disturbing.

15 You know, once again in a public-private
16 partnership the public, you know, is left holding the bag.
17 And it's profoundly, profoundly disturbing that this
18 industry profits because of this public resource and is
19 doing nothing to save it and to restore programs for San
20 Diegans that are being closed down.

21 CHAIR FERRARO: Thank you.

22 Next please.

23 OPERATOR: There are no further comments in the
24 queue at this time.

25 CHAIR FERRARO: Can I entertain a motion from

1 Members of the Board?

2 COMMISSIONER SOLIS: I move.

3 CHAIR FERRARO: Second?

4 COMMISSIONER ALFIERI: I'll second.

5 CHAIR FERRARO: Okay. Commissioner Alfieri?

6 COMMISSIONER ALFIERI: Yes.

7 CHAIR FERRARO: Commissioner Davis?

8 COMMISSIONER DAVIS: Yes.

9 CHAIR FERRARO: Commissioner Castellanos?

10 COMMISSIONER CASTELLANOS: Yes.

11 CHAIR FERRARO: Commissioner Mitchell?

12 COMMISSIONER MITCHELL: Yes.

13 CHAIR FERRARO: Commissioner Solis?

14 COMMISSIONER SOLIS: Yes.

15 CHAIR FERRARO: And the Chairman votes yes.

16 Motion approved.

17 That moves us to item number six which is -- item
18 number seven, excuse me, Public Comment, communications,
19 reports, requests for future actions of the Board.

20 Please note that during the Public Comment period
21 a total of 30 minutes will be allowed for public comments
22 (indiscernible). After the maximum of 30 minutes, no
23 further comments will be accepted. Each person will be
24 limited to two minutes.

25 Operator, if you want to start the queue for

1 public comments, please go ahead.

2 OPERATOR: Thank you.

3 Our first comment will come from Kimberly Marrs
4 with Marrs Racing.

5 CHAIR FERRARO: Go ahead please.

6 MR. MARRS: Hi. Can you hear me?

7 CHAIR FERRARO: Yes. Go ahead.

8 MR. MARRS: Hello? Oh, okay. Sorry.

9 I just wanted to say, thank you for all of your
10 time to the Board. You guys are doing a great job. And as
11 I always say, pretty much every month, the reforms are
12 working. I see it working every day. And I'm just really,
13 really happy that you guys are really making inroads into
14 getting the horses to stay healthier and happier and
15 allowing us to, basically, have jobs in this industry.

16 I don't know what I would do if I didn't have
17 this industry to -- as a livelihood, basically. I really
18 don't know what I'd do. And I know there's a lot of people
19 that feel the same way. We really want to make this a good
20 sport. We want to take care of these animals. So
21 everything that's going positive, we want to keep moving
22 forward. And thank you for your time and your commitment
23 an keeping our sport alive.

24 Thank you.

25 CHAIR FERRARO: Thank you very much.

1 Next please.

2 OPERATOR: Our next comment comes from Heather
3 Wilson, California resident.

4 CHAIR FERRARO: Go ahead please.

5 MS. WILSON: Yes. Good morning. Thank you
6 again.

7 So I'm going to talk about Golden Gate Fields,
8 which is getting a lot of attention lately and none of it
9 is very good.

10 First, the racetrack becomes an epicenter of
11 COVID-19 with over 300 cases, even claiming the life of a
12 trainer.

13 Then in October, just a few months ago, the Mayor
14 of Berkeley and the Berkeley City Council has taken notice
15 of all the dead horses and they expressed their concerns in
16 a letter.

17 Calendar Year 2020, we had 98 horse deaths in
18 California that we know of; 27 of those are from Golden
19 Gate. And 27 is actually a good year for this track. The
20 field sizes are smaller. Less horses are being raced
21 overall. But, still, this track averages 45 fatalities
22 every year per the CHRB data. And if you look at previous
23 years, 2008 to '09, 61 fatalities at Golden Gate. 2009 to
24 '10 fiscal year, we had 72. That was not a good year. And
25 then 2010 to 2011, 55. Of course, the response from the

1 racetrack was hardly sincere because the bodies continue to
2 pile up.

3 Then we have two horses killed in as many weeks,
4 Staredown and Money. And these poor horses will be more
5 famous in death than they ever would have been in life.
6 And it's just absolutely tragic and completely unnecessary.

7 And then looking at the Vet's List, in just six
8 weeks, the year has just begun, Golden Gate already has 42
9 horses on the Vet List, most of these being reported as
10 injured and unsound. We also have sick (indiscernible)
11 horses, poor condition and colic.

12 So nothing is changing. The bodies will continue
13 to pile up. It is time to phase out this blood sport. It
14 isn't something the community needs.

15 CHAIR FERRARO: Thank you.

16 Next please.

17 OPERATOR: Our next comment will come from
18 citizen Wayne Johnson.

19 CHAIR FERRARO: Go ahead please.

20 MR. JOHNSON: Not only is the public left holding
21 the bag here, the President of the United States, less than
22 24 hours ago, pointed out that racehorse owners are getting
23 a tax deduction. That's not something that's generally
24 known by the public. Is that what we want to do? Do we
25 want to be subsidizing racehorse owners in this economy or

1 in any economy?

2 Natural History was three years old when he died
3 at Santa Anita for a fracture of the left front ankle
4 during training. Whether you die during training or
5 whether you die on the racetrack during an actual race
6 matters nothing to the horse that dies.

7 Thank you.

8 CHAIR FERRARO: Thank you.

9 Next please.

10 OPERATOR: Our next comment will come from Martha
11 Sullivan, California resident.

12 CHAIR FERRARO: Go ahead please.

13 MS. SULLIVAN: Yeah. I would like to suggest
14 that this Board seriously consider moving the Del Mar races
15 to Los Alamitos and/or Santa Anita in 2021 to make way for
16 the local equestrian uses that have been displaced at the
17 Del Mar Fairgrounds as a result of that state entity being
18 unable to finance the water treatment improvements required
19 at the horse park after spending \$15 million for the
20 racetrack. The local equestrian uses don't have any other
21 options. You know, there won't be local uses if they leave
22 San Diego County.

23 As we saw last year with the County Fair races
24 that were moved to Golden Gate Fields because the county
25 fairs, you know, were canceled due to COVID, horse race can

1 move. There's no onsite wagering happening so you're still
2 going to get the, you know, the ADW, all the wagering. So
3 this seems like, to me, a very viable solution to provide
4 for San Diego County equestrian uses, including the only
5 public riding school in the county, including, you know,
6 horse shows that don't have any place else to go. This
7 is --

8 CHAIR FERRARO: Thank you.

9 MS. SULLIVAN: -- (indiscernible). We saw it
10 happen last year. You really need to seriously consider
11 this and do right by San Diego County residents.

12 CHAIR FERRARO: Thank you.

13 Next please.

14 OPERATOR: Our next comment will come from Bonnie
15 Croker, concerned citizen.

16 CHAIR FERRARO: Go ahead please.

17 MS. CROKER: Yes. Good morning. Thank you so
18 much and good morning again.

19 I appreciate an occurrence that took place during
20 last month's teleconference. Some members of the horse
21 racing community used part of their allotted speaking time
22 to share their knowledge, specifically regarding horses who
23 sustained injuries at CHRB-sanctioned tracks and were
24 vanned off, thereafter disappearing from public record. I
25 and many other concerned citizens refer to such horses as

1 MIA, missing in action. I want to thank those members of
2 the horse racing community who called in and volunteered to
3 give the whereabouts of some of the MIAs in question last
4 month.

5 I also want to thank the CHRB for recently
6 addressing the MIA issue during teleconference time. It is
7 understood that current laws consider racehorses to be the
8 property of their owner. In contrast, the public dictated,
9 owns and enforces animal cruelty legislation. The CHRB is
10 a publicly-ordained Commission and trusted with, among
11 other things, the duty to regulate and reduce the cruel
12 suffering of all horses used in the California racing
13 industry. But you can't regulate what you allow racetracks
14 to hide. You can't reduce the suffering of all those you
15 are accountable for if you can't account for them all
16 because the racetracks are hiding them.

17 With that in mind, I firmly believe the CHRB
18 should demand that licensed California tracks publicly
19 report the date, health status, destination, reason for,
20 and point of departure of every injured horse leaving their
21 facility. Racetracks are quite adept at keeping track of
22 millions of dollars every year. The Internal Revenue
23 Service demands that and (indiscernible) missing dollars.
24 Therefore, keeping track of merely hundreds of injured
25 horses would involve considerably much less effort. The

1 CHRB should demand that tracks do that and then seek to
2 find any of the missing injured.

3 If anyone listening knows the whereabouts of the
4 following horses, please share your knowledge. Looking for
5 Gabriel, a colt born 04/28/2016, injured racing at Golden
6 Gate Fields on 08/30/2019. He was eased up and vanned off.
7 Where is Gabriel?

8 Looking for Clubhouse Soda, a filly born
9 03/18/2017, injured at Golden Gate Fields on 01/16/2020.
10 She was pulled up by the rider and vanned off. Where is
11 Clubhouse Soda?

12 When horses are commodified and used for profit,
13 the worth of their individual lives is often reduced to
14 their option value or less. The number of fortunate
15 retired racehorses who are sent to homes or sanctuaries is
16 minuscule compared to the thousands every year who end up
17 lame in kill pens. The CHRB should be scrupulously
18 tracking and publicly disclosing the accurate number for
19 the various outcomes and final destinations for all horses
20 used by the industry.

21 Thank you.

22 CHAIR FERRARO: Thank you.

23 Next please.

24 OPERATOR: Our next comment will come from Andrew
25 Lesser, individual.

1 MR. LESSER: Yes.

2 CHAIR FERRARO: Go ahead please.

3 MR. LESSER: Can you hear me now? Can you hear
4 me now okay?

5 CHAIR FERRARO: Yes.

6 MR. LESSER: Hi.

7 CHAIR FERRARO: Go ahead.

8 MR. LESSER: Yeah. Andrew Lesser. I'm a
9 resident in Redondo Beach. I come from a horse racing
10 family. We owned many harness horses back in the 1950s and
11 1960s. And I'm deeply troubled by certain terminology now
12 being used in the horse racing industry that I don't recall
13 was used in past decades. Number one is calling horses
14 equine athletes. That is anthropomorphic and deceptive.
15 It leads to inappropriately attributing human behaviors to
16 horses. Human athletes have free will whether to
17 participate in an activity. Horses do not.

18 The other terminology or the other term is
19 breakdown. Horses do not break down. Breakdowns objective
20 horses. Breakdowns are what happens to machinery and often
21 can be repaired. Horses are animals. They break legs and,
22 as result, are killed. I take real umbrage and offense at
23 the term breakdown.

24 And as a previous caller asked that certain races
25 at Del Mar be moved to Santa Anita or Los Alamitos,

1 personally, I would like to see the races of Del Mar, Santa
2 Anita, Los Alamitos and Golden Gate move to oblivion.

3 Thank you very much for your time. And I wish
4 this animal cruelty would stop. Thank you, Members.

5 CHAIR FERRARO: Thank you. Thank you.

6 Next please.

7 OPERATOR: Our next comment will come from Lori
8 Saldana, retired State Assembly Member.

9 CHAIR FERRARO: Go ahead please.

10 ASSEMBLY MEMBER SALDANA: Thank you. Yes. I
11 just wanted to continue my concerns about stable management
12 issues at San Luis Rey Downs and its lack of fire
13 suppression equipment.

14 It may have been built at a time when there were
15 not homes nearby. It is adjacent to open space and a
16 watershed which, unfortunately, is where a lot of wildfires
17 tend to travel. But currently there are million-dollar
18 homes not far from this facility.

19 So even if the Horse Racing Board doesn't have or
20 the operators may not have concerns over the safety of
21 horses and people working there, I would hate to see the
22 State of California open itself up to liability concerns
23 from homeowners nearby if any fire came through there
24 (indiscernible) the stables was not properly suppressed, or
25 worse, if a fire started at the stables and was not

1 extinguished and spread to nearby homes and other private
2 property. There are people who would look for deep
3 pockets. And that could be the State of California.

4 So I want to ask this Board to please investigate
5 the lack of proper fire safety equipment at San Luis Rey
6 racing -- Training Center.

7 And finally, this is really a supply chain issue.
8 We're seeing a lot of disruption in supply chains. So for
9 this industry to treat, frankly, a supply chain of training
10 centers so cavalierly is a concern, not only for the future
11 of the industry but the liability of California.

12 Thank you.

13 CHAIR FERRARO: Thank you.

14 Next please.

15 OPERATOR: Our next comment will come from
16 Patricia Folgar, independent.

17 CHAIR FERRARO: Go ahead please.

18 MS. FOLGAR: Good morning. Not long ago an older
19 gentleman approached me to ask why I was against horse
20 racing. My first thought was he is in the industry but he
21 was wrong. He supports you financially as a better. We
22 started talking and at first he was on the defense. But as
23 we spoke, the walls came down.

24 We talked about his grandchildren. And I asked
25 him if he wanted to teach them compassion towards life?

1 His eyes filled with tears as he nodded. He tried more to
2 defend you by telling me he has never lost in 40 years of
3 playing. I knew that was a lie, so I asked him to think
4 about what he could have, what he could leave his
5 grandchildren if he didn't lose so much playing the horses,
6 and he nodded in agreement. His face filled with shame.
7 He mumbled that he played his Social Security checks.

8 My heart went out to him as his money is lining
9 your pockets, supporting your fancy Rolls Royces, your
10 lavish homes, your luxuries, while he is in need of
11 repairing his roof. We should hands and he walked away
12 saying he hoped all racing would be shut down, including
13 simulcast racing, because all of this is a temptation to
14 him.

15 Shame on you for taking money from people that
16 have an addiction that you created.

17 I'd like to finish by quoting an article that was
18 written in The Atlantic. "There is no excuse for horses
19 suffering on any level. The owners are to blame for
20 permitting their trainers and veterinarians to give drugs
21 to their horses on such a scale. The trainers are to blame
22 for putting their financial interests above the interests
23 of their horses' welfare. The veterinarians are to blame
24 for allowing themselves to be used as instruments of the
25 horses' destruction. Track officials are to blame for not

1 taking seriously their obligations to ensure the safety of
2 the horses. And regulators are to blame for not punishing
3 even the obvious offenders.”

4 None of these medications for these beautiful
5 horses would be needed if they weren't forced to run.
6 Killing horses is unacceptable and will end because we will
7 never stop fighting to end it. However, a decent act would
8 be for you to end it because it is --

9 CHAIR FERRARO: Time is up.

10 MS. FOLGAR: -- human thing to do and, perhaps --

11 CHAIR FERRARO: Your time is up.

12 MS. FOLGAR: -- (indiscernible) --

13 CHAIR FERRARO: Operator --

14 MS. FOLGAR: -- (indiscernible).

15 CHAIR FERRARO: -- move on to the next person.

16 OPERATOR: We will take our next comment. This
17 will come from Marla Zanelli, horse owner.

18 CHAIR FERRARO: Go ahead please.

19 MS. ZANELLI: (Indiscernible.)

20 CHAIR FERRARO: Marla, please don't slander
21 Martha.

22 MS. ZANELLI: I won't. No, I won't. It's really
23 hard but I won't.

24 I was grateful to be able to work with the
25 racehorses this past summer. And I look forward to them

1 coming back to Del Mar, very much so.

2 If all you haters only really knew anything about
3 what we do to keep those horses, keep them sound, teach
4 them, train them, love them, and the hard work that goes
5 into it, you would -- it would open your eyes. Because a
6 lot of the things you naysayers say are wrong. And I've
7 been in the industry for over 40 years.

8 And my other comment is, isn't it time to open
9 racing to the public? The grandstand is huge. Social
10 distancing should not be a problem. It will put people
11 back to work, from the valets, to the ticket takers, to the
12 food shops, to the mutuel workers, all who have spent their
13 lives working in the world of horse racing. It's time to
14 open, just like our restaurants are opening.

15 Thank you very much.

16 CHAIR FERRARO: Thank you.

17 Next please.

18 OPERATOR: Our next comment will come from
19 Christine Sanchez, breeder and owner.

20 CHAIR FERRARO: Go ahead please.

21 MS. SANCHEZ: Good morning. Thank you everybody
22 for this opportunity to share our information.

23 I just want to let everybody -- you know, just
24 remind, because I know that it was a couple years ago that
25 this -- the year it was published, but \$96.8 million, which

1 was an economic bonanza for San Diego, and this money came
2 from the Breeders' Cup. So this was a two-day event that
3 brought \$96.8 million to the San Diego community. Del Mar
4 racing, prior to COVID, creates \$600 million to San Diego's
5 economic.

6 So this is -- these are dollars that translate to
7 workers, to homes, to feed their families, to, you know,
8 provide jobs for people. This is, you know, pre.

9 So I'm looking forward to Breeders' Cup in Del
10 Mar this year. And I'm hoping that it will bring, you
11 know, \$100 million, \$100 million-plus in two days to San
12 Diego because I do think that they really need it.

13 And I thank you for your time. And I look
14 forward to, you know, 2021 and making a big difference and
15 helping horses, keeping them happy and healthy.

16 Thank you.

17 CHAIR FERRARO: Thank you.

18 Next please.

19 OPERATOR: Our next comment will come from Pavla
20 Nygaard, owner and breeder.

21 CHAIR FERRARO: Go ahead please.

22 MS. NYGAARD: Can you hear me?

23 CHAIR FERRARO: Yes. Go ahead.

24 MS. NYGAARD: Okay. Yes. I just -- am I a
25 resident. So this I Pavla Nygaard, owner and breeder. And

1 I'm also a resident of San Diego County. My daughter rides
2 and shows at the circuit and has been. So as a result, as
3 a family, we have been affected and understand a little bit
4 of the situation being discussed regarding the Del Mar
5 Showpark. And by the way, my daughter also shows two of
6 our retired thoroughbreds that we had raced ourselves, just
7 to put that in.

8 In any case, at present the Del Mar Fairgrounds
9 are absorbing the show dates that Showpark has lost. That
10 is number one.

11 Number two, Showpark, while it has been closed at
12 this point in time, there are a number of local horse
13 organizers and other people coming together to put together
14 financing to work on solving the water management cost
15 issues which number in millions of dollars and which is the
16 reason why the Showpark has been closed. So it has not --
17 it has nothing to do with racing putting Showpark out of
18 business. It has been issues with water management that
19 had predated even the Showpark's existence.

20 So I just wanted to correct that on record to
21 make sure that the two issues are not being confused with
22 one another. Del Mar racing has absolutely nothing to do
23 with what has happened with Showpark. And, in fact, Del
24 Mar Fairgrounds has been able to absorb the Showpark show
25 dates until and unless Showpark can be put back together

1 again.

2 Thank you.

3 CHAIR FERRARO: Thank you.

4 MS. SANCHEZ: And thank you for all you do.

5 CHAIR FERRARO: Next please.

6 OPERATOR: Our next comment will come from --

7 CHAIR FERRARO: Next please.

8 OPERATOR: Our next comment will come from

9 Kimberly Marrs with Marrs Racing.

10 CHAIR FERRARO: Go ahead please.

11 MR. MARRS: Hello there. I just wanted to make
12 another comment after I listened to a few people. I'm
13 actually in my office here at San Luis Rey and I'm looking
14 at one of the fire sprinkler horses. These barns have fire
15 suppression.

16 And just so that people understand, I live about
17 a half a mile away from San Luis Rey. My house has been
18 here for over 21 years. Wildfires happen and it's just a
19 part of our life here in Southern California.

20 But speaking about the fire suppression and the
21 fire safety rules, I went through that fire all day, all
22 night. We're pretty up to speed. I'm also looking at an
23 evac situation, emergency exit, right in my barn right now.
24 We are fully equipped to handle if another fire comes
25 through.

1 Regarding the retired horses, I would like to
2 suggest that maybe some of these people go and look at
3 this -- there's a website, the Retired Racehorse Project.
4 It's a very, very big industry rehabbing an retiring and
5 rehoming the retired racehorses, and they compete for a lot
6 of money on the show circuit.

7 I, myself, personally have retired all my horses
8 to other homes. They've gone on to do other things. And
9 that's the way I train. I train that if they won't make it
10 at the races, they're going to find a good home doing
11 something else, and I really focus on that. And there are
12 a lot of trainers in our industry that do do that.

13 And I don't want to be lumped in a bad light. I
14 think that, you know, there's a lot of good people in this
15 industry. And they're trying hard and we've got to keep
16 this thing going.

17 So thanks for your time.

18 CHAIR FERRARO: Thank you very much.

19 Next please, Operator.

20 OPERATOR: Our next comment will come from Mary
21 Johnson, horse advocate.

22 MS. JOHNSON: Yes.

23 CHAIR FERRARO: Thank you.

24 MS. JOHNSON: Thank you. Thank you so much. Can
25 you hear me?

1 CHAIR FERRARO: Yes. Go ahead.

2 MS. JOHNSON: Okay. Great. This is my first
3 time participating by teleconference in these meetings.
4 But I want everyone to know that I've been involved with
5 horses since the early '60s, so I have approximately six
6 decades of experience. I'm an old gal. And I was a little
7 bit taken aback by someone a couple commenters ago who
8 called us haters. And I'm offended. If I hated the horses
9 in the industry I certainly wouldn't speak out.

10 I am not a hater. I love the horses. I got my
11 first off-track thoroughbred in 1963. And I've had
12 thoroughbreds off and on for years. I had two, Cactus Café
13 and Canookie (phonetic), that were actually sent to
14 Winterloo (phonetic) by a loving owner/trainer here in
15 Ohio. So I am not a hater.

16 I speak out against the racing industry because
17 it cripples, mames, and kills daily. But no one is going
18 to call me a hater moving forward.

19 I walked the backstretch of Beulah Park
20 (phonetic) for eight years picking up the broken bodies.
21 And I'm so sick of people saying, oh, these trainers and
22 owners, they love their horses. Horses are herd animals.
23 Why are they locked up in their stalls 23 hours a day? Why
24 are they given Lasix?

25 So just to be clear, I am not a hater. I'm a

1 lover of the thoroughbreds.

2 Thank you.

3 CHAIR FERRARO: Thank you.

4 Operator, I believe that's all; is that correct?

5 OPERATOR: Yes. At this time there are no

6 further comments. We do have Lori --

7 MR. MARTEN: I think --

8 CHAIR FERRARO: Okay. That's all. We'll move

9 on.

10 The Board will now go into executive session. At
11 it's conclusion, we will reconvene the public meeting for
12 the sole procedural purpose of adjourning the meeting, the
13 public meeting without further comment. Anyone wishing to
14 hear that meeting adjournment can use the link to audio
15 webcasts on the CHRB website.

16 Now before we go, one last thing. Items that are
17 discussed in the -- in our closed session are generally
18 noticed, ten-day notice. We had an issue that's come up
19 overnight that we need consider, so the Board will also
20 consider the pending litigation of Churchill Downs
21 Technology Initiative Company versus Thoroughbred Owners of
22 California, which is pending in the United States District
23 Court, Central District of California, Western Division, in
24 closed session.

25 We will now move to closed session. Thank you.

1 (The California Horse Racing Board recessed into closed
2 session at 10:49 a.m. and was later adjourned.)

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CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of February, 2021.



MARTHA L. NELSON, CERT**367

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

February, 2021