

STATE OF CALIFORNIA

HORSE RACING BOARD

In the Matter of: )

)

Regular Meeting )

)

TELECONFERENCE

WEDNESDAY, SEPTEMBER 15, 2021

9:30 A.M.

Reported by:

Martha Nelson

APPEARANCES

BOARD MEMBERS

Gregory Ferraro, Chairman

Oscar Gonzales, Vice Chair

Wendy Mitchell, Commissioner

Dennis Alfieri, Commissioner

Damascus Castellanos, Commissioner

Brenda Washington Davis, Commissioner

STAFF

Scott Chaney, Executive Director

Cynthia Alameda, Assistant Executive Director

Amanda Brown, Staff Counsel

Amanda Drummond, Policy, Regulations, and Administrative  
Hearings Manager

Shawn Loehr, Chief of Licensing and Enforcement

Darrel McHargue, Chief Steward

Zachary Voss, Regulation Analyst

Francisco Gonzales, Audit Supervisor

Jeff Blea, Equine Medical Director

Mike Marten, Associate Analyst

ALSO PRESENT

Jack Liebau, Los Alamitos Racing Association

Eric Sindler, Santa Anita Park

Nate Newby, Santa Anita Park

APPEARANCES

ALSO PRESENT

Patrick Mackey, Pacific Racing Association

Greg Avioli, Thoroughbred Owners of California

Alan Balch, California Thoroughbred Trainers

Gene Chabrier, XpressBet

Mike Machowsky, representing Fasig-Tipton

Jim Morgan, Humboldt County Fair

Larry Swartzlander, California Association of Racing Fairs

Becky Bartling, Sonoma County Fairgrounds

Christopher Schick, Watch and Wager

Troy Tabak, Pari-Mutuel Employees Local 280

Colin Murray, representing CTT

Cliff Goodrich, California Thoroughbred Horsemen's  
Foundation

Jim Morgan, Humboldt County Fair

PUBLIC COMMENT

Martha Sullivan, Kill Racing Not Horses

Wayne Johnson

Oscar de la Torre

Bonnie Croker, Kill Racing Not Horses

Maria Luisa

Kimberly Marrs, Marrs Racing

Pavla Nygaard

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	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	

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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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P R O C E E D I N G S

9:31 A.M.

TELECONFERENCE, WEDNESDAY, SEPTEMBER 15, 2021

CHAIR FERRARO: Good morning everyone. This is the noticed meeting of the California Horse Racing Board conducted by teleconference pursuant to Executive Order N-29-20.

Participating in this meeting are: myself, Dr. Gregory Ferraro, Chair; also, Oscar Gonzales, Vice Chair; Dennis Alfieri, Commissioner; Damascus Castellanos, Commissioner; Brenda Washington Davis, Commissioner; Wendy Mitchell, Commissioner.

We are joined by: Scott Chaney, Executive Director; Cynthia Alameda, Assistant Executive Director; Amanda Brown, Staff Counsel; Amanda Drummond, Manager of Policy and Regulations; Shawn Loehr, Chief of Licensing and Enforcement; Darrel McHargue, Chief Steward; Francisco Gonzales, Audit Supervisor; Zachary Voss, Regulation Analyst; and Dr. Jeff Blea, Equine Medical Director.

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

1 questions. Those wishing to speak must follow the  
2 directions of the operator to have their individual phone  
3 lines opened for comment.

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

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

19           If anyone has comments of a more general nature  
20 that are not specific to earlier agenda items, those  
21 comments must wait until the Public Comments at agenda item  
22 number 1. There will be a 30-minute time limit for the -  
23 for item 15, Public Comment. In order to allow as many  
24 individuals to speak as possible within that half-hour, I  
25 will strictly enforce the two-minute time limit for each

1 unsolicited speaker.

2           And with that, I would ask for a motion to approve  
3 the minutes of the August 18th, 2021 meeting.

4           COMMISSIONER CASTELLANOS: Castellanos' motion.

5           COMMISSIONER DAVIS: Davis moves. Davis seconds.

6           CHAIR FERRARO: Okay. Castellanos moves. Davis  
7 seconds.

8           Commissioner Gonzales?

9           VICE CHAIR GONZALES: Yes.

10          CHAIR FERRARO: Commissioner Alfieri?

11          COMMISSIONER ALFIERI: Yes.

12          CHAIR FERRARO: Commissioner Mitchell?

13          COMMISSIONER MITCHELL: Yes.

14          CHAIR FERRARO: Commissioner Castellanos?

15          COMMISSIONER CASTELLANOS: Yes.

16          CHAIR FERRARO: Commissioner Davis?

17          COMMISSIONER DAVIS: Yes.

18          CHAIR FERRARO: And the Chair votes yes.

19                As a note, items two, six and seven on the agenda  
20 will not be discussed at this meeting. They will be  
21 postponed until the October meeting.

22                And with that, I would call on Commissioner Davis  
23 to speak about an issue with items 8 and 11 that may  
24 preclude our acceptance.

25                Commissioner Davis?

1 COMMISSIONER DAVIS: Thank you, Chair Ferraro.

2 Good morning everyone.

3 At our last Board meeting we approved the L.A.  
4 Turf Club, contingent on receiving all outstanding items.  
5 And we have a similar situation with items -- between items  
6 8 and 11. We're waiting for the race meet agreement, 2021  
7 Race Meet Agreement with California Thoroughbred Trainers.  
8 And I asked the Chair and Members that we delay that  
9 discussion and give the people negotiating that agreement  
10 more time to come to some kind of conclusion so that we can,  
11 hopefully, have them meet that contingency, because we  
12 haven't seen anything as of September 1st when we asked them  
13 to have it done.

14 So we'd like to postpone those two items until it  
15 would be appropriate to hear them and give them more time to  
16 work on the agreement and get it finalized.

17 CHAIR FERRARO: Thank you, Commissioner Davis.

18 So unless there's no objection from the Board, we  
19 will consider items 8 and 11 after item number 13?

20 MR. MARTEN: Eric Sindler is trying to queue in.  
21 He seems to be having trouble.

22 Eric, you press star one if you need to get into  
23 that queue.

24 And I'm not sure what he would be wanting to say  
25 but he texted that he wants to speak and --

1 CHAIR FERRARO: It's a little out of order here.

2 MR. MARTEN: Yeah, I know.

3 CHAIR FERRARO: Well --

4 MR. MARTEN: Okay. I just let you know. When you  
5 -- you decide what you're going to do, you know? I just --

6 CHAIR FERRARO: Well --

7 MR. MARTEN: -- I just need for you to be --

8 CHAIR FERRARO: -- let's move on then.

9 MR. MARTEN: -- aware of what I'm aware of.

10 That's all.

11 CHAIR FERRARO: Yeah. They can -- if they have an  
12 agreement or something to see, let's take it up under those  
13 agenda items 8 and 11.

14 So then I would now like to move to item number  
15 three, allocation of racing dates for the racing year 2022.

16 Vice Chairman Gonzales, would you like to handle  
17 this matter?

18 VICE CHAIR GONZALES: Yes. Thank you very much,  
19 Mr. Chairman.

20 We recently held a Race Dates Committee meeting.  
21 And I thought it was extremely productive in laying the  
22 groundwork for what I was able to work with Staff on, which  
23 we'll be hearing from momentarily.

24 But just to kind of give the spirit of, really,  
25 what we're looking at, one, we still are operating under

1 COVID, under a great degree of uncertainty. We know,  
2 despite limited fan attendance, some other restrictions,  
3 horse racing has more than held its own in delivering  
4 quality racing. But we still have to be vigilant as it  
5 relates to making sure that we are blocking in dates and  
6 really trying to lay out, as Commissioner Mitchell and  
7 Commissioner Castellanos hope to do, eventually, which is to  
8 have the framework, at least looking two, three years down  
9 the line, not, you know, not everything (indiscernible) but  
10 just basic guidance principles with the framework in place.

11 We also stressed the importance of safety for  
12 horses. We do know that we have made incredible strides. I  
13 believe every single racetrack and association has really  
14 stepped up to the challenge, made the right level of  
15 investments, providing the necessary leadership, and overall  
16 commitment to getting us to a place where we can feel good  
17 that racing is back on track.

18 Also, I believe that the associations, management,  
19 and stakeholders, I believe, have done a really good job  
20 about understanding the importance of collaboration,  
21 ultimately, with us at this side, at the Board. But we also  
22 appreciate that there be communication amongst them but,  
23 more importantly, information sharing to us so we can help  
24 make important decisions.

25 Really, what I believe is before us, and you'll be

1 hearing this from Staff, is about the consideration or  
2 importance of a break, a one-week, in some cases, in some  
3 cases slightly more. I believe that there's a discussion as  
4 to why a break is necessary, of which the stakeholders will  
5 be elaborating on. But one of the points that I wanted to  
6 make sure is that if -- that when we do contemplate such  
7 breaks, that we think about the kind of impact that that has  
8 on workers.

9           We know that COVID has put a strain on workers,  
10 income flow, and we just want to make sure that we are  
11 especially sensitive as we take a look. But we also  
12 understanding the importance of the break and what it does  
13 for our horse population and those that are, you know,  
14 typically 24/7 and what that does to them, as well.

15           So I really believe that when Mr. Chaney joined,  
16 and all of the one-on-ones that we did, an extraordinary  
17 amount of time that we've been investing, I believe, has us  
18 in a good place so that when we do approach agenda items  
19 like this, we really are looking at conversations, dialogue  
20 and, more importantly, collaboration.

21           So, Mr. Chairman, if I could now turn it over to  
22 Scott Chaney. He and his team have done an extraordinary  
23 job of laying things out in a manner in which we can absorb.  
24 But again, the goal of today is that we have a calendar that  
25 we can look at for the upcoming year.

1 Scott?

2 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr. --

3 CHAIR FERRARO: Very good. Very good.

4 EXECUTIVE DIRECTOR CHANEY: Thank you, Vice  
5 Chairman Gonzales. Good morning Commissioners. Just a few  
6 comments to follow-up on the Vice Chairman's comments.

7 We did have a Committee meeting in August. And  
8 based on that, and conversations with the three Members of  
9 the Race Dates Committee, came up with a proposed calendar  
10 that's included in the digital packet that closely follows  
11 last year's calendar. I will note, highlight, three items  
12 that should probably be discussed and/or decided on.

13 The first is an error that has to be resolved with  
14 the proposed calendar, and that is the law requires L.A.  
15 County Fair to be three weeks long, and this current  
16 calendar is two. Actually, to be precise, it doesn't allow  
17 thoroughbred racing to race more than 49 weeks which, in  
18 effect, creates a three-week meet for L.A. County Fair.

19 That could be remedied by -- Los Al has three  
20 meets, as you know, one in June and July which is three  
21 weeks next year or proposed next year, two weeks in  
22 September, two weeks in December. A simple proposal would  
23 be moving the L.A. County Fair meet to June, and then have  
24 Los Alamitos thoroughbreds run in September and December.

25 It's a little inconsistent with what the Board

1 suggested last year that, traditionally, L.A. County Fair  
2 has been held in September. But given the fact that Del Mar  
3 is moving a week later because of their fair starting later  
4 in this calendar, I don't see any other easy solution.

5           The second item is -- that could be discussed  
6 further would be a break during Santa Anita's meet. It  
7 seemed fairly popular in the discussion, both with the Race  
8 Dates Committee meeting and at the Committee meeting itself,  
9 that Santa Anita take some sort of break midway through the  
10 long meet, their spring-summer long meet -- or winter-  
11 spring, I should say.

12           Lastly, Northern California auxiliary stabling  
13 reached a bit of a crisis this past year, right before the  
14 fairs were about to begin and, obviously, resulted in some  
15 reallocation of race dates. I think it's fair to say that  
16 the CHRB is hoping to avoid that crisis this year. And I  
17 would be particularly interested to hear from Golden Gate  
18 and CARF about their plans for auxiliary stabling and, in  
19 particular, you know, housing for backstretch workers. I'm  
20 not sure it has to be decided now because I think the law  
21 requires that they just have sufficient auxiliary stabling.

22           But starting the conversation now, I think, is probably  
23 important.

24           So those three items should probably get  
25 highlighted in the discussion today. Other than that, the

1 proposed calendar closely mirrors last year's.

2 And that's all I have.

3 CHAIR FERRARO: Any questions from the  
4 Commissioners for Mr. Chaney or Commissioner Gonzales?

5 Maybe we should hear from participants. Let's s  
6 start with Los Alamitos. Can you comment on the proposed  
7 change to make the fair meet in the spring and your horse  
8 racing meet in the fall?

9 MR. MARTEN: Jack Liebau, press star one, please.

10 MR. LIEBAU: This is Jack.

11 MR. MARTEN: Thank you.

12 CHAIR FERRARO: Go ahead, Jack.

13 MR. LIEBAU: We have no comment. I think that,  
14 you know, the law provides that the thoroughbred racing  
15 associations only get 49 weeks, and the fair then falls in  
16 for the other three weeks of the calendar year, and I think  
17 that the Horse Racing Board decides where those dates are to  
18 be allocated.

19 Thank you.

20 CHAIR FERRARO: Okay. Thanks very much. It looks  
21 like we have acceptance on that one.

22 Can we hear from Santa Anita? We're particularly  
23 interested in the break-week week I'm talking about. Do we  
24 have a representative from Santa Anita?

25 MR. MARTEN: Eric Sindler, please press star one.

1 MR. SINDLER: Yes. Hello. Am I live now?

2 CHAIR FERRARO: Yes, you are.

3 MR. SINDLER: Ah. Thank you. Good morning.

4 As far as the allocation of the dates as proposed  
5 by the CHRB, we have no issue with any of the date  
6 allocations. If Nate Newby is on the line, I think he is,  
7 actually, the better person to speak to.

8 So, Mike Marten, is Nate on the line right now, by  
9 chance? If not, I can address it but I think Nate would be  
10 the most appropriate person.

11 MR. MARTEN: Yes. Nick, please activate Nate  
12 Newby there, towards the bottom?

13 OPERATOR: Mr. Newby's line is now live.

14 MR. NEWBY: Good morning Commissioners.

15 CHAIR FERRARO: Good morning Nate.

16 MR. NEWBY: Good morning Chairman.

17 Yes, as Eric said, we're good with the proposed  
18 calendar. Regarding the break, we're hearing the feedback  
19 from, basically, all the stakeholders and we support that,  
20 as well, you know, not only to give the horses and horsemen  
21 a little bit of a break mid meet during a six-month meet,  
22 reset the horse population, but it also gives us a chance to  
23 do our turf course maintenance which our team really needs  
24 to do.

25 So what we're talking about now is kind of that

1 mid-April week after Santa Anita Derby, April 15th through  
2 17th, taking that off as a set-in-stone one-week break. And  
3 then what we'd ask is that we would provide some certainty  
4 on the break? And then what we'd ask is maybe a flex week  
5 the second week there, just to be dependent on weather and  
6 some of the other things that may happen, you know, take a  
7 look at our condition of our turf course, how much rain  
8 we've received during the meet, and things like that?

9           So that would be our thinking but we have no issue  
10 with scheduling a mid-April break.

11           CHAIR FERRARO: Okay. So you would have an  
12 identified week break that everybody could plan on, and then  
13 you'd have the flex week depending on the weather, is  
14 that -- my understanding is correct?

15           MR. NEWBY: Yeah. Yeah, that second week, so that  
16 would be the April 22nd, 23rd, 24th weekend as a flex week.  
17 And you know, our thought there is if we had a quite a bit  
18 of rain in February or so and had to cancel some days, and  
19 the horse population was built up and the horsemen needed  
20 opportunities to run and we felt the turf course was in good  
21 shape, then we'd look at running there. But if it was a dry  
22 winter/spring, then we'd probably look at taking two  
23 weekends off.

24           CHAIR FERRARO: Okay. Okay. Any questions from  
25 the Board for Mr. Newby?

1 Thank you, Nate.

2 And do we have a representative from Golden Gate  
3 that we could talk to about their plans for summer closure?

4 MR. MARTEN: Patrick Mackey is here from Pacific  
5 Racing.

6 OPERATOR: And, Mr. Mackey, your line is now live.

7 MR. MACKEY: Hi. This is Patrick Mackey from  
8 Pacific Racing Association.

9 We are doing our budgets for next year, so we're  
10 preparing whether or now we will be prepared to be open for  
11 stabling. We are considering putting in a new racing  
12 surface, as everyone on this call is aware of, and we are  
13 discussing that currently. So as Scott mentioned earlier,  
14 the conversations are ongoing with the fairs and they're  
15 starting much earlier this year which is a good thing. And  
16 we're hoping to schedule a meeting next month with all  
17 stakeholders so we can do this earlier this year.

18 CHAIR FERRARO: Okay. So when would you have an  
19 answer for us regarding that, do you think, next month or  
20 when?

21 MR. MACKEY: I would say, very possibly next  
22 month, you know, if we can get everybody together in the  
23 same room and hammer everything out. We're going to try to,  
24 like we said, meet next month and get the answers you  
25 desire. And I think everybody wants to get done early this

1 year, so we're certainly looking at it to try to do this as  
2 soon as possible so everyone can make plans and prepare for  
3 what's to comment next summer.

4 CHAIR FERRARO: Okay. Very, very good. Thank  
5 you.

6 Questions from the Board? There are none? Thank  
7 you.

8 MR. MARTEN: The TOC would like to speak.

9 CHAIR FERRARO: Okay.

10 MR. AVIOLI: Greg Avioli.

11 CHAIR FERRARO: Mr. Avioli?

12 MR. AVIOLI: Mr. Chairman, Greg Avioli, TOC.

13 I want to applaud Vice Chairman Gonzales and  
14 Members of the Committee. They and Scott Chaney have done a  
15 good job with the proposal for this year -- next year, I  
16 should say.

17 Just a couple of points, particularly for some of  
18 your newer Commissioners.

19 You brought up the issue of where we're going to  
20 run the L.A. County weeks. And I think it deserves review,  
21 every now and then that there is no L.A. County Fair racing  
22 anymore. We call it that and we allocate the weeks for that  
23 but the reality is it's not the fair racing as it was  
24 intended in statute. And I believe you could award those  
25 and you could designate any weeks at any track and call them

1 that because it's just a legal fiction. Whether they're run  
2 together, one, two, or three, it's really irrelevant because  
3 it's just not the fair. It hasn't been the fair for many  
4 years.

5           And on a related point, in the north, happy to see  
6 that Santa Rosa and (indiscernible) on the Date's call is  
7 applying for dates. But there has been much concern in the  
8 past of what Santa Rosa is going to do with the condition of  
9 their turf course. Will they be running in the future? And  
10 I'd hate to see us go down the path where Santa Rosa begins  
11 getting awarded two or three weeks every year, even though  
12 they don't run it. So I believe there should be some  
13 consideration going forward from the Dates Committee and the  
14 Board that would allocate dates to these particular fairs  
15 that are run by those particular fairs.

16           Other than that, the only comment I would make on  
17 the stabling is I think it should be -- I would suggest the  
18 Board not firm up the northern dates until after these new  
19 October meetings are finalized. But having been at the TOC  
20 at the center every year of the stabling controversy, to the  
21 extent that the Board is going to award the dates today, I  
22 would suggest that the Board add a condition to that the  
23 CARF will pay the -- agree as part of those dates to agree  
24 to pay the audited stable rate, which is practically \$17,000  
25 a day for Golden Gate in the summer, or reach such other

1 agreement with Golden Gate and TOC that's acceptable.  
2 Because what we've had in this past is this standoff where  
3 we say we have the dates but we don't have any stabling  
4 deal. So at least if you put that condition in you know you  
5 would have the terms of the stabling deal, worst case, going  
6 in.

7 Thank you very much.

8 CHAIR FERRARO: Thank you.

9 Mike, do we have a representative of CTT? Do they  
10 want to comment?

11 MR. MARTEN: Yes. Alan Balch is on.

12 CHAIR FERRARO: Go ahead, Alan.

13 MR. BALCH: Hello?

14 CHAIR FERRARO: Yes. Go ahead.

15 MR. BALCH: Thank you. We have no comments to  
16 add. We're pleased at the direction this is moving and  
17 generally agree with the comments you have already heard.

18 Thank you.

19 CHAIR FERRARO: Thank you.

20 Any comments from the Board?

21 Scott, I have a question on procedure here. Since  
22 this, what's being presented, was worked in the Race Dates  
23 Committee, were the public comments taken there or do we  
24 take them here at this meeting?

25 EXECUTIVE DIRECTOR CHANEY: Thank you, Mr.

1 Chairman. No, I think we need to take public comments here,  
2 too, because obviously the proposed schedule is new and so  
3 we need to listen to public comments on that.

4 CHAIR FERRARO: Okay. Thank you very much.

5 Operator, let's start our public comment queue  
6 then.

7 OPERATOR: Our first comment comes from -- we will  
8 go with Jim Morgan with Humboldt County Fair Association.

9 Please go ahead.

10 MR. MORGAN: Thank you. We'll happily --

11 CHAIR FERRARO: Go ahead please.

12 MR. MORGAN: Can you hear me?

13 CHAIR FERRARO: Yes.

14 MR. MORGAN: This is Jim.

15 CHAIR FERRARO: Go ahead please.

16 MR. MORGAN: All right. Humboldt was happy to  
17 have completed a successful race and race combination, the  
18 first one since 2019. We had an unblemished safety record.  
19 It was well attended and supported by the community. The  
20 sponsorship was rewarded with approximately \$8 million in  
21 additional revenue to the surrounding community which  
22 depends on that. And so we're very appreciative to have had  
23 a week without overlap. In an atmosphere where we're  
24 discussing diminished horse populations and break weeks, it  
25 seems inconsistent to consider any -- making any venue have

1 an overlapped period.

2           This last weekend, I attended Kentucky Downs on  
3 the Nashville-Tennessee border of Kentucky. Churchill  
4 Downs, Keeneland, Turfway, Ellis Park, they all stepped  
5 aside, giving two weeks without overlap. They have a unique  
6 small venue, they had large purses, good fields. And that's  
7 really how I hope the CHRB will view Humboldt County going  
8 forward. We have a unique venue. Most of our horses came  
9 from California. We contributed over a quarter-million  
10 dollars to counter balance the CARF consolidated purse fund  
11 overpayment and we deserve to have our second week without  
12 overlap, particularly in this atmosphere with diminished  
13 horse populations, and we appreciate your consideration for  
14 that.

15           CHAIR FERRARO: Thank you.

16           Next, please.

17           OPERATOR: Thank you.

18           Next, we'll go to Larry Swartzlander with  
19 California Authority of Racing Fairs.

20           Please go ahead.

21           MR. SWARTZLANDER: Good morning Chairman and  
22 Commissioners. Yeah, just a couple of comments after what  
23 Jim Morgan said. And, also, we had a very successful safety  
24 meeting record at Los Alamitos. The horse ambulance never  
25 moved.

1           You know, the fairs are in a position where they  
2 submitted a 35-day calendar. We would like two weeks un-  
3 overlapped at Humboldt. The fairs are here to stay. You  
4 know, we've been around for 150 years. They're part of the  
5 continuum. We have a good, strong agricultural base. We're  
6 pursuing the Calypso Program now to, you know, upgrade our  
7 simulcast architecture to race purses, you know, and we want  
8 to move on. We want to settle this thing in the north. So  
9 that's the 35 days.

10           I agree with Greg that there's no recent agreement  
11 on stabling and we'll move on. And we talked to David  
12 Duggan (phonetic) earlier this week and we're in concert as  
13 to which direction we're moving. We'll get this settled.  
14 And I applaud all the support in the community.

15           Thank you.

16           CHAIR FERRARO: Thank you, Larry.

17           Next, please.

18           OPERATOR: Thank you.

19           Next, we'll got Martha Sullivan with Kill Racing  
20 Not Horses.

21           Please go ahead.

22           MS. SULLIVAN: Yes. Hello. This is Martha  
23 Sullivan from San Diego County and, you know, I note that  
24 Vice Chair Gonzales specifically noted horse safety, you  
25 know, the safety of horses, you know, in regard to this

1 agenda item. And I just want to emphasize that, you know,  
2 what other, quote, "sport" has 49 deaths of its so-called  
3 athletes in just nine months in only six venues -- only five  
4 venues in a single state, as your Board has reported? And  
5 whatever, you know, quote, "sport" has at least 7,500 of its  
6 entire athletes annually sent to slaughterhouses in Mexico  
7 and Canada, as reported by the president of the National  
8 Thoroughbred Racing Association?

9           You know, the whole thing with breaks is a farce.  
10       It has nothing to do with horse safety. And your very own  
11       discussion on this in the last two months confirms that.  
12       It's not about horse safety, it's about the simulcast  
13       revenues during a dark week that build up the purse account.

14           So stop, you know, blowing smoke about this being  
15       about horse safety. This is always about money. It's  
16       always about gambling. And you need to just step up to that  
17       and stop with the nonsense about horse safety.

18           CHAIR FERRARO: Thank you.

19           Next, please.

20           OPERATOR: Thank you.

21           Next, we'll go to Dr. Wayne Johnson, citizen.

22           Please go ahead.

23           MR. JOHNSON: Thank you very much. Wayne Johnson  
24       in Santa Monica, California, a state where the people do not  
25       recall their governor.

1 I'd like to comment on some concern about horse  
2 safety by the Vice Chairman. I appreciate the words but the  
3 devil is in the details here.

4 At the safest track in America, Del Mar, Moonlight  
5 Promise died on the 29th of August, a catastrophic injury to  
6 the hindquarter.

7 Honor Award died on the 6th day of September. He  
8 was injured and vanned off, killed.

9 At the Los Angeles County Fair, Investment  
10 Account, this is at Los Alamitos, of course, Investment  
11 Account was hurt and injured. So much for safety.

12 At Golden Gate, Queen Helene was bleeding  
13 profusely, was covered in blood, collapsed and vanned off on  
14 the 27th of August.

15 Please do not approve these dates.

16 Thank you, Mr. Chairman.

17 CHAIR FERRARO: Thank you.

18 Next, please.

19 OPERATOR: Thank you.

20 And next, we'll go Becky Bartling with Sonoma  
21 County Fairgrounds.

22 Please go ahead.

23 MS. BARTLING: Thank you. Good morning Chairs and  
24 Commissioners. Thank for this time.

25 As I look at the calendar, which is pretty similar

1 to what the calendar was -- would have been for 2021, I just  
2 want to address the concern about Santa Rosa. We ran --  
3 we've run the last two years at Golden Gate due to COVID.  
4 And we are looking at, certainly, running here in 2022 in  
5 wine country racing.

6           The challenge for us is with Alameda going after  
7 the Fourth of July, with those dates, it pushes us into the  
8 school year. We have a very robust youth livestock program  
9 for showing and action, one of the largest in the state, and  
10 that forces us to push all of these youth and their programs  
11 into one week because they go back to school that last week  
12 that -- of the dates that we're being allocated.

13           So I just want to point that out that,  
14 essentially, what's happening is by giving Alameda that week  
15 after the Fourth of July puts a financial and operational  
16 impact onto the Sonoma County Fair. And, really, that  
17 second week where we run in the school year is, certainly,  
18 not as good as if we were not running the school year for  
19 commissions, for purses, and all of those things, so just  
20 wanted to point that out.

21           I understand there's probably not a lot of hope  
22 for changing the dates at this point but would just  
23 appreciate if the Commissioners would understand our  
24 concerns operationally and how this affects us financially  
25 as well.

1 Thank you.

2 CHAIR FERRARO: Thank you.

3 Next, please.

4 OPERATOR: Thank you.

5 And next, we'll go to Eric Sindler with The  
6 Stronach Group.

7 Please go ahead.

8 MR. SINDLER: Yes. Good morning all.

9 When Patrick Mackey was on making comments on  
10 behalf of Golden Gate Fields, I'm not sure if he did  
11 mention, but if he didn't, PRA/Golden Gate Fields absolutely  
12 supports the calendar that is in the Board packet. However,  
13 we do have an issue with Humboldt having two weeks un-  
14 overlapped. Again, we are not disputing the one week un-  
15 overlapped, it's just two weeks that we do have an issue  
16 with and do not think it's in the best interest of  
17 California racing. But we have no issue with one week un-  
18 overlapped.

19 CHAIR FERRARO: Thank you.

20 Next, please.

21 OPERATOR: Thank you.

22 And next, we'll go to Oscar dee la Torre with --  
23 worker advocate.

24 Please go ahead.

25 MR. DE LA TORRE: Yes. Hello. Can you hear me

1 please?

2 CHAIR FERRARO: Yes. Go ahead.

3 MR. DE LA TORRE: Yes. Just, you know, want to  
4 respond to the comments made that are downplaying the  
5 comments and the concern of Vice Chair Gonzales regarding  
6 safety for horses.

7 And I just want to say that, you know, this Board  
8 and the leadership of this Board has taken the reform  
9 seriously. We've seen tremendous progress. We can't  
10 dispute that fact, you know, that we have seen major  
11 improvements in regards to horse safety. We need to  
12 acknowledge the successes that have occurred in this area.

13 I witnessed the good work that the DMTC  
14 implemented in keeping the priority of our horses number  
15 but, also, the safety of our workers with very strict COVID  
16 protocols that have kept our workers and our families safe.  
17 You know, it's also about making sure that our families  
18 continue their employment and that there's stability in  
19 their lives right now as we continue struggling through this  
20 pandemic.

21 So it's just real important for us to acknowledge  
22 the progress that is being made in both areas in keeping  
23 horses safety and, also, workers safe. And I just wanted to  
24 acknowledge the good work of the CHRB and the leadership of  
25 this Board.

1 Thank you.

2 CHAIR FERRARO: Thank you.

3 Next, please.

4 OPERATOR: Thank you.

5 And next, we'll go to Greg Avioli of TOC.

6 Please go ahead.

7 MR. AVIOLI: Well, thank you. Greg Avioli, TOC. I  
8 just wanted to follow up with a comment of Mr. Sindler and  
9 the testimony from Ferndale.

10 Ferndale pointed out that we -- you know, Kentucky  
11 Downs gets two weeks where the whole state supports them.  
12 And the reason, having lived a long time in Kentucky, is  
13 that Kentucky Downs has the highest purses in Kentucky by a  
14 longshot, and they have the fullest fields, et cetera. They  
15 have an extremely quality race product and that's why  
16 (indiscernible) steps aside.

17 Historically, in the six years I've been here, the  
18 Board has rotated overlapped/un-overlapped weeks with  
19 Ferndale. And the reason is that economically for the  
20 industry, for the owners and the trainers in Northern  
21 California, Ferndale has a significant decrease in overall  
22 purse generation than when those weeks are not un-  
23 overlapped.

24 So while the TOC supports last year's calendar --  
25 or this year's calendar with the one overlapped week, and

1 the Committee's recommendation for a one-week un-overlapped  
2 calendar for next year, it would make no economic sense at  
3 all for two weeks. And we also would expect the Board to  
4 revert to its position in the next two years of rotating  
5 this until there's some economic basis for it. Because  
6 right now, again, Northern California's owners and trainers  
7 are economically worse off by a significant amount every  
8 time we have an un-overlapped week in Ferndale.

9 Thank you.

10 CHAIR FERRARO: Thank you.

11 Next, please.

12 OPERATOR: Thank you. We have no additional  
13 comments at this time.

14 CHAIR FERRARO: Do we have questions or comments  
15 from the Board? Do we have a motion to accept these dates?  
16 I think we have some -- you know, I think we'd have to  
17 accept them with some tentative -- as a tentative basis  
18 based on the further information we'll get next month.

19 Commissioner Gonzales, do you want to make that  
20 motion?

21 VICE CHAIR GONZALES: Yes, sir. I move to adopt  
22 the dates as presented.

23 EXECUTIVE DIRECTOR CHANEY: Vice Chairman  
24 Gonzales, can I -- this is Executive Director Scott Chaney.  
25 Would it be possible to make that one change I suggested,

1 making Los Angeles County Fair in June the three-week meet  
2 and putting Los Alamitos thoroughbreds in September?

3 VICE CHAIR GONZALES: Yes, I will make that part  
4 of my motion. Thank you.

5 CHAIR FERRARO: Do we have a second? The Chairman  
6 will second.

7 COMMISSIONER MITCHELL: Second. Commissioner  
8 Mitchell.

9 CHAIR FERRARO: Okay. We take a vote.  
10 Commissioner Gonzales?

11 VICE CHAIR GONZALES: Yes.

12 CHAIR FERRARO: Commissioner Alfieri?

13 COMMISSIONER ALFIERI: Yes.

14 CHAIR FERRARO: Commissioner Mitchell?

15 COMMISSIONER MITCHELL: Yes.

16 CHAIR FERRARO: Commissioner Castellanos?

17 COMMISSIONER CASTELLANOS: Yes.

18 CHAIR FERRARO: Commissioner Davis?

19 COMMISSIONER DAVIS: Yes.

20 CHAIR FERRARO: And the Chairman votes yes.

21 Moving on to item number four which is discussion  
22 and action by the Board regarding an amendment to the  
23 application for the Advance Deposit Wagering provider  
24 XpressBet, LLC, pursuant to Board Rule 2072(i)[sic].

25 Amanda, I think you're going to address that for

1 us or is that correct?

2 MS. DRUMMOND: Yes. Yes. Good morning  
3 Commissioners. Amanda Drummond, Policy, Regulations, and  
4 Administrative Hearings Manager with the CHRB.

5 Agenda item four is the amendment of the  
6 application for XpressBet, and ADW provider. XpressBet has  
7 submitted a letter to the Board advising that two officers  
8 had resigned and that effective July 8th two new individuals  
9 have been elected to take their place. And pursuant to  
10 Board Rule 2072(1), changes or amendments to information or  
11 operating procedures contained in an ADW application must be  
12 approved by the Board.

13 The current ADW approval for XpressBet is active  
14 until December 31st, 2022 as it was approved by the Board at  
15 the November 19th, 2020 Board meeting.

16 And then I believe we have Gene from XpressBet  
17 available should the Board have any questions.

18 Thank you.

19 CHAIR FERRARO: So, Amanda, this application is  
20 based on the fact that we have a change in the personnel; is  
21 that correct?

22 MS. DRUMMOND: This is correct. Yes.

23 CHAIR FERRARO: Okay. Questions or comments from  
24 the Board?

25 Does the gentleman from XpressBet wish to make a

1 comment, Operator?

2 OPERATOR: His line is now live.

3 CHAIR FERRARO: Go ahead please.

4 OPERATOR: Mr. Sheppard, your line is live.

5 CHAIR FERRARO: Is he on? You may be on mute.

6 MR. CHABRIER: Can you hear me now?

7 CHAIR FERRARO: Yes.

8 MR. CHABRIER: Hello? Okay.

9 CHAIR FERRARO: Yes.

10 MR. CHABRIER: Sorry about that.

11 CHAIR FERRARO: Go ahead.

12 MR. CHABRIER: Good morning Chairman. I'm Gene

13 Chabrier with XpressBet. Just wanted to make sure that I

14 was available if there were any questions and looking

15 forward to having this resolution passed.

16 CHAIR FERRARO: Great. Thank you.

17 We have a queue on this, Operator?

18 OPERATOR: We have nobody in queue at this time.

19 CHAIR FERRARO: May I have a motion to approve

20 please?

21 COMMISSIONER CASTELLANOS: Castellanos' motion.

22 COMMISSIONER DAVIS: Davis seconds.

23 CHAIR FERRARO: Castellanos' motion, Davis

24 seconds.

25 Commissioner Gonzales?

1 VICE CHAIR GONZALES: Yes.

2 CHAIR FERRARO: Commissioner Alfieri?

3 Commissioner Alfieri?

4 Commissioner Mitchell?

5 We've lost him for a minute.

6 Commissioner Mitchell?

7 COMMISSIONER MITCHELL: Yes.

8 CHAIR FERRARO: Commissioner Castellanos?

9 COMMISSIONER CASTELLANOS: Yes.

10 CHAIR FERRARO: Commissioner Davis?

11 COMMISSIONER DAVIS: Yes.

12 CHAIR FERRARO: Commissioner Alfieri? We lost

13 him.

14 COMMISSIONER ALFIERI: Yes. Sorry.

15 CHAIR FERRARO: And the Chairman --

16 COMMISSIONER ALFIERI: Yes.

17 CHAIR FERRARO: -- votes yes.

18 COMMISSIONER ALFIERI: Yes.

19 CHAIR FERRARO: Oh, thank you, Dennis. Motion is

20 approved.

21 Moving on to --

22 COMMISSIONER ALFIERI: Thank you.

23 CHAIR FERRARO: -- item number five, discussion  
24 and action by the Board regarding Fasig-Tipton's request for  
25 authorization of its upcoming horse sale at Fairplex in

1 Pomona, pursuant to CHRB Rule 1807, Authorized Horse Sales.

2 Amanda -- or, no, excuse me.

3 Francisco Gonzales?

4 MR. GONZALES: Yes. Francisco Gonzales, CHRB  
5 Staff, Chairman.

6 Chairman, Commissioners, Fasig-Tipton requests  
7 authorization from the Board to conduct a horse sale at  
8 Fairplex in Pomona. The sale is scheduled to take place on  
9 September 28th.

10 Mike Machowsky from Seligan Attorneys (phonetic)  
11 in San Francisco is available to answer any questions the  
12 Board may have.

13 Thank you.

14 CHAIR FERRARO: Mr. Mike Machowsky would like to  
15 make a comment. Can we have him queued in, Operator,  
16 please?

17 MR. MACHOWSKY: Good morning. Can you hear me?

18 CHAIR FERRARO: Yes. Go ahead.

19 MR. MACHOWSKY: Good morning Commissioners,  
20 Chairman. Yeah, Mike Machowsky here from Fasig-Tipton.

21 We're having our annual horse auction out of  
22 Fairplex Park this -- later this month. And we have, as of  
23 right now, 272 horses catalogued.

24 CHAIR FERRARO: How many days will the sale go on?

25 MR. MACHOWSKY: Just one-day sales.

1 CHAIR FERRARO: Two days?

2 MR. MACHOWSKY: One day.

3 CHAIR FERRARO: A one-day sale?

4 MR. MACHOWSKY: Yeah. We'll start --

5 CHAIR FERRARO: Okay. Okay.

6 MR. MACHOWSKY: -- at noon on the 28th.

7 CHAIR FERRARO: Okay. Very well.

8 Questions from the Board for Mr. Machowsky?

9 Do we have a queue on this, Operator?

10 OPERATOR: Yes, we have one in queue at the

11 moment.

12 CHAIR FERRARO: Okay. Let's here from them.

13 OPERATOR: Okay. We'll go to Bonnie Croker with

14 Kill Racing Not Horses.

15 MS. CROKER: Yes. Good morning.

16 CHAIR FERRARO: Go ahead please.

17 MS. CROKER: CHRB, please -- thank you so much.

18 Can you hear me?

19 CHAIR FERRARO: Yes. Go ahead.

20 MS. CROKER: Thank you, CHRB.

21 Please done allow more horses to be brought into

22 California for sale. I'm sure you've kept adequate records

23 reflecting the declining number of equine entries in

24 California races that is due to a lack of interest, not a

25 lack of horses all over here in California.

1           Also, the number of horses being purchased in  
2 claiming races was down significantly from typical  
3 scenarios. On September 10th, Los Alamitos held eight  
4 races, six of which were claiming races. Not one horse sold  
5 that day, despite low prices like \$7,000 or \$8,000. On the  
6 same day at Golden Gate Fields, six out of eight races were  
7 claiming races. Only two horses were claimed there that day  
8 despite prices as low as \$5,000.

9           There is a surplus of unwanted racehorses in  
10 California. Owners want to sell but buyers aren't  
11 interested in used horses. That problem is exacerbated  
12 every time the CHRB presents the sale of mutual crops of  
13 stake horses and brood mares. Racehorse breeders are  
14 tantamount to puppy mill breeders pumping the markets full  
15 of new babies while unsold, unclaimed, unwanted racehorses  
16 get dumped out of state or sent to kill pens.

17           CHRB, you need to remedy this tragic problem, not  
18 make it worse by permitting sales, like the one proposed in  
19 this agenda item.

20           Thank you.

21           CHAIR FERRARO: Thank you.

22           Is that all, Operator?

23           OPERATOR: We have not additional comments at this  
24 time.

25           CHAIR FERRARO: All right. Can we have a motion

1 to approve?

2 COMMISSIONER ALFIERI: So moved. Alfieri.

3 CHAIR FERRARO: Second?

4 COMMISSIONER DAVIS: Davis seconds. Davis

5 seconds.

6 CHAIR FERRARO: Commissioner Gonzales?

7 Thank you.

8 Commissioner Gonzales?

9 VICE CHAIR GONZALES: Yes. Yes, sir.

10 CHAIR FERRARO: Commissioner Alfieri?

11 COMMISSIONER ALFIERI: Yes.

12 CHAIR FERRARO: Commissioner Alfieri?

13 Commissioner Mitchell?

14 COMMISSIONER ALFIERI: Yes.

15 COMMISSIONER MITCHELL: Yes.

16 CHAIR FERRARO: Commissioner Castellanos?

17 Commissioner Davis?

18 COMMISSIONER CASTELLANOS: Yes.

19 COMMISSIONER DAVIS: Yes.

20 CHAIR FERRARO: Okay. And the Chairman votes yes.

21 Item six and seven, we're going to address next

22 month. Item eight, we are postponing to the end.

23 So we'll move on to item number nine, discussion

24 and action by the Board on the Application for License to

25 Conduct a Horse Racing Meeting of the Big Fresno Fair at

1 Fresno, commencing October 6th, 2021 through October 19th,  
2 2021, inclusive.

3 Let's see here. Zachary Voss, are you going to  
4 clue us in on this one here?

5 MR. VOSS: Yes. Good morning Commissioners. This  
6 is Zachary Voss, Regulation Analyst for the California Horse  
7 Racing Board.

8 Agenda item nine is the Application for a License  
9 to Conduct a Horse Racing Meeting of the Big Fresno Fair at  
10 Fresno from October 6th through October 19th, 2021. The  
11 outstanding items still needed to complete the application  
12 is only the valid fire clearance for the facility.

13 Then we have Laurie -- oh, sorry, excuse me, Larry  
14 Swartzlander, Executive Director of CARF, available should  
15 the Board have any questions.

16 Thank you.

17 CHAIR FERRARO: Larry, can you give us some more  
18 information? Do we have a fire clearance or an inspection  
19 coming?

20 MR. SWARTZLANDER: Yes, to answer. This is Larry.  
21 Again, this is the second time we've had the inspection  
22 scheduled. It was Tuesday, ongoing, and then we come in  
23 with priorities with the fires out there that they had to  
24 halt the inspection. We expect to have it completed within  
25 the next ten days and move on.

1 CHAIR FERRARO: Okay. Any other comments you want  
2 to make?

3 MR. SWARTZLANDER: No, just that --

4 CHAIR FERRARO: Questions from --

5 MR. SWARTZLANDER: -- you know, the dates, this is  
6 a seven-day race meet. We have the same purses that  
7 Pleasanton had, two stakes races, \$75,000 guaranteed. The  
8 incentives we have in place again, \$2,000 for owners which  
9 have five or more starts. As a trainer, if you have five  
10 starts you get \$500, if you have ten starts you get \$1,000.  
11 Out-of-state launches receive \$400 for the first start, then  
12 \$400 for the second start.

13 If you all had an opportunity to look at the link  
14 for marketing on Fresno, it's a very vibrant fair. They  
15 include the craft food festivals, the wine festivals, a  
16 variety of party packages, in-field party tents, daily  
17 entertainment, dog races, Mexican dancing horses. And don't  
18 miss the fantastic (indiscernible).

19 Thank you.

20 CHAIR FERRARO: And your -- the delay in your fire  
21 clearance is because of they're fighting that forest fire;  
22 is that correct?

23 MR. SWARTZLANDER: Yeah. They had to -- they keep  
24 pulling their people away, yes.

25 CHAIR FERRARO: Yeah. Okay. But you expect to

1 get that within the next ten days?

2 MR. SWARTZLANDER: Yes.

3 CHAIR FERRARO: Questions for Mr. Swartzlander  
4 from the Board?

5 Do we have a queue on this, Operator?

6 OPERATOR: We have one in queue at this time.

7 CHAIR FERRARO: Okay. Let's hear from them.

8 OPERATOR: We'll go to Martha Sullivan with Kill  
9 Racing Not Horses.

10 MS. SULLIVAN: Yes. Hello again.

11 You know, once more, racing is at the bottom of  
12 the priority list because of the wildfires that threaten our  
13 state, and it should be at the bottom of the list,  
14 obviously.

15 I also want to remind people that Fresno County is  
16 covered by our Governor's Emergency Drought Order because of  
17 an, you know, existential threat of drought. And here we  
18 have horse racing which uses prodigious amounts of water  
19 just proceeding, you know, like you know, business as usual.

20 I think it would be helpful for this Board to  
21 start asking about what these racing associations are doing  
22 in response to your Governor's emergency order on drought  
23 and water conservation. You're Government appointees. Act  
24 like them.

25 CHAIR FERRARO: Thank you.

1 Is that it, Operator?

2 OPERATOR: No additional comments at this time.

3 CHAIR FERRARO: Can I have a motion to approve  
4 please?

5 COMMISSIONER CASTELLANOS: Castellanos' motion.

6 VICE CHAIR GONZALES: Gonzales. Oscar seconds.

7 CHAIR FERRARO: Okay. Commissioner Gonzales?

8 VICE CHAIR GONZALES: Yes.

9 CHAIR FERRARO: Commissioner Alfieri?

10 COMMISSIONER ALFIERI: Yes. Yes.

11 CHAIR FERRARO: Commissioner Mitchell?

12 COMMISSIONER MITCHELL: Yes.

13 CHAIR FERRARO: Commissioner Castellanos?

14 COMMISSIONER CASTELLANOS: Yes.

15 CHAIR FERRARO: Commissioner Davis?

16 COMMISSIONER DAVIS: Yes.

17 CHAIR FERRARO: And the Chairman votes yes.

18 Motion is approved.

19 Moving on to item number ten, discussion and  
20 action by the Board regarding approval of an agreement,  
21 pursuant to CHRB Rule 1581, Racing Secretary to Establish  
22 Conditions, between the Pacific Racing Association and the  
23 Thoroughbred Owners of California regarding entry conditions  
24 and specified drug substances or medications to be  
25 implemented by the PRA at its October 20, 2021 through

1 December 21st, 2021 race meeting at the Golden Gate Fields  
2 Racetrack.

3 Zachary, do you want to comment on this for us?

4 MR. VOSS: Yes, thank you, and good morning  
5 Commissioners. This is Zachary Voss again.

6 Item number ten is the discussion and action by  
7 the Board regarding approval of the race day medication  
8 agreement, pursuant to CHRB Rule 1581, Racing Secretary to  
9 Establish Conditions, between the Pacific Racing Association  
10 and the TOC. The agreement pertains to entry conditions and  
11 specified drug substances or medications to be implemented  
12 at the Golden Gate Fields Racetrack.

13 This is the standard agreement but not limited to:  
14 no horse shall be permitted to race in a stake's race with  
15 any race-day medication, including furosemide; and that no  
16 horse shall be permitted to race if it has received an  
17 intra-articular joint injection into any joint other than  
18 any of the fetlock joints within 14 days, or if it has  
19 received an injection into any fetlock joint within 30 days,  
20 no horse shall be permitted to perform a timed workout for  
21 10 days after receiving an injection into any fetlock joint.  
22 And fetlock joints are described as both the  
23 metacarpophalangeal joint and metacarpophalangeal joints.

24 The agreement has been signed by both PRA and the  
25 TOC and it is reflected in the Board package.

1 Thank you.

2 CHAIR FERRARO: Thank you.

3 Unless TOC or CTT or Golden Gate have a comment,  
4 it's our understanding, this is a signed agreement, it's  
5 ready to go; is that correct?

6 MR. MARTEN: Well, Eric Sindler with The Stronach  
7 Group is queued in.

8 CHAIR FERRARO: Okay. Go ahead, Eric.

9 MR. SINDLER: Good morning. I had just queued in  
10 because, historically, the Board wanted to hear from us, but  
11 it is a signed deal, it's no different, and we support it.

12 CHAIR FERRARO: Okay. Thank you.

13 Anybody on the line from TOC? No.

14 Do we have a queue, Operator?

15 OPERATOR: We've got Mr. Avioli on the line.

16 Please go ahead, sir.

17 MR. AVIOLI: Yes. TOC approves this agreement.

18 (Background conversation.)

19 MR. AVIOLI: TOC approves this. Thank you.

20 CHAIR FERRARO: Thank you.

21 Operator, do we have a queue?

22 OPERATOR: Nobody in queue.

23 CHAIR FERRARO: Okay. Do I have a motion to  
24 approve?

25 COMMISSIONER DAVIS: Davis moves.

1 COMMISSIONER ALFIERI: So moved. Alfieri.

2 CHAIR FERRARO: Okay. Davis' motion. Alfieri  
3 seconds.

4 Commissioner Gonzales?

5 VICE CHAIR GONZALES: Yes.

6 CHAIR FERRARO: Commissioner Alfieri?

7 COMMISSIONER ALFIERI: Yes.

8 CHAIR FERRARO: Commissioner Mitchell?

9 COMMISSIONER MITCHELL: Yes.

10 CHAIR FERRARO: Commissioner Castellanos?

11 COMMISSIONER CASTELLANOS: Yes.

12 CHAIR FERRARO: Commissioner Davis?

13 COMMISSIONER DAVIS: Yes.

14 CHAIR FERRARO: And the Chairman votes yes.

15 Item number 11, we're going to discuss at the end.

16 Item number 12, discussion and action by the Board

17 on the Application for License to Conduct a Horse Racing

18 Meeting of Watch and Wager LLC at Cal Expo, commencing

19 October 27, 2021 through December 21st, 2021, inclusive.

20 This is, I think, Mr. Voss again.

21 MR. VOSS: Correct. Yes. Good morning, again,

22 Commissioners. Zachary Voss, Regulation Analyst with the

23 California Horse Racing Board.

24 Agenda item 12 is the Application for License to

25 Conduct a Horse Racing Meeting of Watch and Wager LLC at Cal

1 Expo from October 27, 2021 through December 21st, 2021.

2 Similar to the Fresno meet, the only outstanding  
3 item is a valid fire clearance for Cal Expo. The fire  
4 clearance inspection is currently awaiting scheduling with  
5 the local fire authority.

6 And we have Chris Schick from Watch and Wager  
7 available should the Board have any questions.

8 Thank you.

9 CHAIR FERRARO: Operator, can you queue Mr.  
10 Schick, please, for his comments?

11 OPERATOR: And Mr. Schick's line is now live.

12 MR. SCHICK: Good morning --

13 CHAIR FERRARO: Good morning --

14 MR. SCHICK: -- Chairman Ferraro and Members of  
15 the Commission. Chris Schick, Watch and Wager.

16 Watch and Wager is really proud to have before you  
17 our application for our proposed tenth season of operation  
18 here at Cal Expo. And we're also very happy that the purses  
19 are now 70 percent above our first met when we took over in  
20 October 2012.

21 The application that we're looking at now is for  
22 the first nine meets of what we hope to be a total of 46  
23 race days.

24 A few highlights of the application is that we've  
25 announced, this summer, a 5 percent increase in overnight

1 purses, and a 25 percent increase in overnight stake races.

2 Plus, we've added an additional overnight stake race for  
3 this fall meet. We have a much larger stake program that  
4 has been five years in the making that I'll be happy to tell  
5 you about at our November meeting when part two of this  
6 application is up for review.

7 One of the other notes on this application is  
8 we're proposing to race Friday and Sunday, which is a change  
9 from our previous schedule. Last year, we moved off of  
10 Friday and we went to Sunday, Saturday-Sunday, and Sunday  
11 was very successful for us, obviously, during COVID with the  
12 California market being shut down. But we've examined it  
13 and we think Sunday is a good day to stay with and we plan  
14 on staying there.

15 The move back to Friday and off of Saturday was  
16 kind of a result of Los Alamitos vacating Friday for the  
17 time being. And we took a hard look at it and under the  
18 legislation currently, we can bring in more imports, and we  
19 can go at our own pace instead of having to go in between  
20 Los Alamitos. And we anticipate getting a little more  
21 coverage on TVG. So we're proposing a Friday-Sunday  
22 schedule before you and we're going to see how that goes.

23 Regarding the fire clearance, that's the  
24 outstanding item, I'm happy to report that we reached out to  
25 CAL FIRE going back to the end of July, trying to get an

1 inspection. But as Larry pointed out on the Fresno app,  
2 they've been, obviously, very, very busy, you know, trying  
3 to save our state.

4 But nonetheless, we did have an inspection on  
5 Monday, and there's going to be a second part of that  
6 because they do the entire grounds. They did inspect the  
7 backstretch and they'll be back this Saturday. So our  
8 permit is currently valid through October 8th. We don't  
9 anticipate any type of -- we expect to have a fire clearance  
10 in place before October 8th.

11 So the wheels are in motion on that, Mr. Chairman.

12 CHAIR FERRARO: Thank you.

13 Any questions from the Board for Mr. Schick?

14 Do we have a queue on this, Operator?

15 OPERATOR: We do have a queue in queue at this  
16 time.

17 CHAIR FERRARO: Well, let's just do that now.

18 OPERATOR: All right. We'll go to Troy Tabak,  
19 first, with Local 280.

20 Please go ahead, sir.

21 MR. TABAK: Thank you, Commissioners. This is  
22 Troy Tabak, President of Local 280. And I would like to  
23 support this move to the Friday night racing for Watch and  
24 Wager.

25 Due to the temporary suspension of the Quarter

1 Horse racing on Friday nights, this will give an additional  
2 night of racing to increase the labor so that they will be  
3 working three nights a week again. So I do support the move  
4 to Friday nights. I hope that Los Alamitos will come back  
5 but, until they do, this will help the labor force.

6 Thank you very much.

7 CHAIR FERRARO: Thank you.

8 Next, please.

9 OPERATOR: And next we'll go to Martha Sullivan  
10 with Kill Racing Not Horses.

11 Please go ahead.

12 MS. SULLIVAN: Yes. Hello. Martha Sullivan  
13 again.

14 You know, Cal Expo, as you know, is a state  
15 facility, owned and operated by the state. So the  
16 Governor's Emergency Drought Order should be particularly  
17 relevant to this facility in Sacramento County, which is  
18 also covered by the order. And, yet, we don't hear one word  
19 about this, despite horse racing using tons of water in the  
20 midst of a wildfire, you know, season that's raging.

21 So I think, you know, as you added last year, as  
22 the result of public comment, you added items to race  
23 license conditions relevant to inclement weather conditions  
24 and air quality, you need to do the same for water use. You  
25 know, this is part of your charge as state officials,

1 helping to guide the state through these crises, following  
2 our Governor's leadership.

3 CHAIR FERRARO: Thank you.

4 Next, please.

5 OPERATOR: And we have no additional comments at  
6 this time.

7 CHAIR FERRARO: Can we have a motion?

8 COMMISSIONER CASTELLANOS: Castellanos' motion.

9 CHAIR FERRARO: Second?

10 COMMISSIONER DAVIS: Davis seconds.

11 CHAIR FERRARO: Commissioner Gonzales?

12 VICE CHAIR GONZALES: Yes.

13 CHAIR FERRARO: Commissioner Alfieri?

14 COMMISSIONER ALFIERI: Yes.

15 CHAIR FERRARO: Commissioner Mitchell?

16 COMMISSIONER MITCHELL: Yes.

17 CHAIR FERRARO: Commissioner Castellanos?

18 COMMISSIONER CASTELLANOS: Yes.

19 CHAIR FERRARO: Commissioner Davis?

20 COMMISSIONER DAVIS: Yes.

21 CHAIR FERRARO: And the Chairman votes yes.

22 Moving on to item number 13, this is discussion  
23 and action by the Board regarding the proposed amendment of  
24 CHRB Rule 1652, Prohibited Actions with Respect to Claims,  
25 regarding decreasing the permitted claims by stipulating

1 that a licensee cannot deposit more than one claim for a  
2 single horse.

3 Amanda, do you want to talk about this?

4 MS. DRUMMOND: Yes. Good morning, again,  
5 Commissioners. Amanda Drummond here.

6 So agenda item 13 is the discussion and action by  
7 the Board regarding the proposed amendment to Board Rule  
8 1652, Prohibited Actions with Respect to Claims. This rule  
9 was originally developed to specify the actions one can and  
10 cannot take when claiming a horse during a claim's race,  
11 while subsection (g) was developed with the intent of a  
12 trainer having two different owners who want the same horse  
13 in a claiming race.

14 However, this rule has created an unintended  
15 loophole. Specifically, subsection (g) is problematic in  
16 that if an owner wanted to submit a claim for a specific  
17 horse during a race they could submit multiple claims for  
18 the same horse, one under the owner name, and an additional  
19 claim under a partnership with an owner and a trainer.  
20 After 30 days the trainer can then transfer his or her  
21 interest of the horse to the owner. And as a result, this  
22 rule has allowed for owners to double their chances at  
23 claiming a horse in a claim's race, which provides an unfair  
24 advantage to larger, more wealthy owners who can afford to  
25 submit multiple claims as each claim requires that the

1 ownership have the claiming price, plus tax, in their  
2 account with the paymaster.

3 To resolve this issue, Board Staff proposed to  
4 amend subsection (g) to clarify that only one claim per  
5 owner or authorized representative shall be submitted for a  
6 particular horse. Language is attached for reference.

7 And if you have any questions, myself or Scott are  
8 available to answer any questions.

9 CHAIR FERRARO: This item number -- item came  
10 forward as a result of my participation on the backside and  
11 during the Del Mar meet, being present for the meet.  
12 Multiple trainers, smaller trainers, complained that it  
13 was -- they were unable to have a fair shot at claiming a  
14 horse because the larger stable with more money were able to  
15 put in two claims. And so they requested that we follow New  
16 York which -- on the same thing they used to have ability to  
17 put two claims in for the same horse but to cut it down to  
18 one so that everybody had the same ability or the same  
19 chances of a successful claim.

20 So that's where this came from, it came directly  
21 from complaints from the trainers at Del Mar, if it helps  
22 anybody.

23 What do we have? Do we have anybody from CTT or  
24 TOC who wants to speak on this?

25 OPERATOR: We've got Alan Balch on the line.

1 CHAIR FERRARO: No?

2 MR. BALCH: Yes.

3 CHAIR FERRARO: Go ahead, Alan.

4 MR. BALCH: Chairman Ferraro, thank you very much  
5 for having your ear to the ground on the backstretch.  
6 Everything you said is accurate. And the CTT is very  
7 appreciative of your taking this step and getting this in  
8 motion. I assume this is going to go through the normal  
9 rule change process?

10 CHAIR FERRARO: That's correct, so it's going to  
11 be several months, unfortunately, before it gets corrected,  
12 but we'll pursue it as best we can.

13 Do we have a queue on this, Operator?

14 OPERATOR: We've got one in queue. We'll go back  
15 to Martha Sullivan.

16 Please go ahead.

17 MS. SULLIVAN: Yes. Hello. While the Board is  
18 looking out for the interest of owners, I would like to  
19 reference you to the Jockey Club's Equine Injury Database  
20 which has demonstrated that a horse's risk of fatal injuries  
21 is elevated after it changes barns and remains elevated for  
22 a considerable period of time after the change. This could  
23 be due to a variety of factors, including a lack of  
24 background knowledge each trainer has about the medical  
25 history, management, and training preferences the horse had

1 in its last place.

2 This is from a Trade Press article last year  
3 talking about the (indiscernible) proposal to, basically, do  
4 away with claiming races in the United States. He's the --  
5 he was the president and general manager of the Maryland  
6 Jockey Club and a former racing secretary. And he said that  
7 the claiming system is broken because it puts the welfare of  
8 the horse in jeopardy and, also, discourages new owners.

9 So you know, while -- rather than just kind of  
10 moving the deck chairs around on what really is the Titanic,  
11 again, if you're really concerned about horse safety, you  
12 can make changes, such as limiting the number of times a  
13 horse can be claimed or limiting how soon a horse can be  
14 claimed. But down this elevated risk of fatal injury  
15 related to changing barns. Please do something substantive  
16 for the horses.

17 CHAIR FERRARO: Thank you. I will just comment  
18 that in California, we have a voided claim rule which says  
19 if the horse is unsound following the race the claim is  
20 voided to avoid --

21 MS. SULLIVAN: That doesn't address this point.

22 CHAIR FERRARO: -- transferring.

23 MS. SULLIVAN: That doesn't address this point.

24 CHAIR FERRARO: Excuse me.

25 MS. SULLIVAN: Just saying that the --

1 CHAIR FERRARO: Excuse me. Your time is up,  
2 Martha. Excuse me.

3 Secondly, in California, the medical records are  
4 transferred with the horse to the new trainer which allows  
5 them to have a medical history on the horse and to better  
6 care for him.

7 Do I have any comments or questions from the Board  
8 on this? Do I have a motion to approve?

9 VICE CHAIR GONZALES: Gonzales moves.

10 COMMISSIONER DAVIS: Davis moves.

11 CHAIR FERRARO: Davis seconds. Okay.

12 Commissioner Gonzales?

13 VICE CHAIR GONZALES: Yes.

14 CHAIR FERRARO: Commissioner Alfieri?

15 COMMISSIONER ALFIERI: Yes.

16 CHAIR FERRARO: Commissioner Mitchell?

17 COMMISSIONER MITCHELL: Yes.

18 CHAIR FERRARO: Commissioner Castellanos?

19 COMMISSIONER CASTELLANOS: Yes.

20 CHAIR FERRARO: Commissioner Davis?

21 COMMISSIONER DAVIS: Yes.

22 CHAIR FERRARO: And then, obviously, the Chairman  
23 votes yes.

24 So we need now to go back to consideration of  
25 items 8 first and 11 second.

1           So let's see here, Amanda, can you -- can we start  
2 with number eight and you can fill us in on it?

3           MS. DRUMMOND: Yeah. So good morning, again,  
4 Commissioners. Amanda Drummond here.

5           So agenda item eight is the Application for  
6 License to Conduct a Horse Race Meeting for the Los Angeles  
7 Turf Club at Santa Anita. The race meet would run September  
8 29th, 2021 through November 2nd, 2021, with live racing  
9 starting on October 1st. This item was continued from the  
10 August Board meeting to allow time for additional  
11 outstanding items to be completed.

12           Since the last meeting several items have been  
13 received and all that is currently outstanding is the CTT  
14 agreement.

15           And we have representatives from Santa Anita  
16 available should the Board have any questions.

17           Thank you.

18           CHAIR FERRARO: Commissioner Davis and Mitchell, I  
19 should let you handle this as far as the queue and the  
20 discussion since you are involved in this. Is that  
21 acceptable to you, Commissioner Davis and Mitchell?

22           COMMISSIONER DAVIS: Yes.

23           CHAIR FERRARO: Well, then, proceed.

24           COMMISSIONER DAVIS: Well, the central question,  
25 just for clarification, Amanda, so under the part where you

1 say specific information is still needed to complete this  
2 application, the only items remaining are five and six,  
3 signed 2020 race meet agreement with TOC and CTT?

4 MS. DRUMMOND: Yeah. So we actually received the  
5 TOC agreement. So those items that listed they were  
6 outstanding, what we did is, instead of redoing all of that  
7 Staff analysis and the application and everything is we just  
8 used the same items from the August meeting, just because it  
9 does take a lot of Staff time to do that, and I was just  
10 going to provide a verbal update. So we've received all the  
11 outstanding items. At the last meeting, I believe it was  
12 the TOC agreement, the fire clearance, the NYRA ADW  
13 agreement, and we have received all of that. So all we are  
14 waiting on is the CTT agreement.

15 COMMISSIONER DAVIS: So we're on a roll? It is my  
16 understanding --

17 MS. DRUMMOND: Yes, we're on a roll.

18 COMMISSIONER DAVIS: -- it is my understanding  
19 from interim reports that the negotiations have been ongoing  
20 and are very close, if not already done. So all we're  
21 looking for is closure, just getting to 2021 with the CTT?  
22 So do we have people ready to speak to that?

23 EXECUTIVE DIRECTOR CHANEY: Commissioner Davis,  
24 Scott Chaney, Executive Director.

25 On the line should be Eric Sindler and, possibly,

1 Colin Murray, who is the attorney for the CTT. I know Mr.  
2 Murray did send out kind of an update on the discussions  
3 early this morning. And I believe, I hope, based on the  
4 Commissioners' request, hopefully the two of them have been  
5 discharging further.

6 I do know -- they have been giving me fairly  
7 regular updates on the status of negotiation. It seems to  
8 me as if they're making progress but I think it's fair to  
9 say that there's no agreement. So you know, progress is  
10 great until -- I mean, it's not that great until we actually  
11 have an agreement.

12 But I think either Mr. Murray or Mr. Sindler can  
13 speak to the status of the progress.

14 MR. MARTEN: Nick, can you identify, on the guest  
15 board bottom there?

16 OPERATOR: Working on it.

17 MR. MARTEN: That might --

18 OPERATOR: We're working on that right now. And  
19 Mr. Sindler's line is currently open too.

20 MR. SINDLER: Yes. Hello. Good morning. Can you  
21 guys hear me all right?

22 CHAIR FERRARO: Yes. Go ahead.

23 Thank you. Good morning. As Ms. Drummond just  
24 mentioned, the only thing that has not been submitted is an  
25 agreement with the CTT.

1           And to, I guess, answer Mr. Chaney's question,  
2 yes, Mr. Murray and myself have been talking since the Race  
3 Dates item. We actually just hung up a few seconds while  
4 you were -- a few seconds ago when you were introducing this  
5 item. And since the Board directed the parties to negotiate  
6 back in July, both parties have worked diligently to try to  
7 get an agreement in place. Unfortunately, we were not able  
8 to do so. It was certainly not for lack of effort. Both  
9 sides put a lot of time and energy into these negotiations.

10           Since these are private negotiations, I don't  
11 think it's appropriate to discuss in detail the negotiations  
12 that have taken place in a public forum such as this. But  
13 at a high level, I can say, on the positive side, we do  
14 agree to about 99 percent of the terms in the racing  
15 agreement. And those terms are the terms that promote the  
16 continuity of racing, it's just the one issue that the CTT  
17 insists on being in the agreement that is outstanding and is  
18 actually an issue that does not deal with the actual conduct  
19 of racing, but the CTT insists on it being in the race meet  
20 agreement. And since we, unfortunately, have not been able  
21 to resolve that issue, there is no agreement in place.

22           Again, it's definitely not for a lack of effort.  
23 Both myself and Colin and Chris Jaczko from Del Mar have  
24 been working tirelessly on this. And I would hope Mr.  
25 Murray would agree that we have definitely been working in

1 good faith and, you know, diligently. And it's just,  
2 unfortunately, they're -- we have not gotten there yet.

3 MR. MARTEN: Both Mr. Murray and Balch are active  
4 here.

5 MR. MURRAY: Can you hear Colin Murray? This is  
6 Colin.

7 CHAIR FERRARO: Yes, we can hear you.

8 MR. MURRAY: Okay. Great. Yeah. No, I agree  
9 with Eric's characterization of the negotiations. I think  
10 both sides have been negotiating in good faith. And both  
11 sides have made concessions.

12 I think I can say at a high level without  
13 sacrificing any privacy concerns that, at least with respect  
14 to the legal standard and the exclusion process, there's  
15 general agreement that there are a couple of threshold  
16 issues that Eric and I continue to work on. We are not  
17 there yet. It's hard to say whether we will be. But as  
18 Eric indicated, and I agree with him, it's not for lack of  
19 trying.

20 CHAIR FERRARO: Do we have CTT that wanted to  
21 comment?

22 MR. BALCH: This is Alan Balch. Colin Murray  
23 represents us in this matter. He's a third-generation owner  
24 and racing fan going way, way back and is very accomplished  
25 in this field, and we're relying on his smarts and his

1 leadership.

2 COMMISSIONER DAVIS: So this is Commissioner  
3 Davis.

4 I'm getting the sense that that last -- it's like  
5 losing the last five pounds when you're trying to lose  
6 weight, it just never seems to come off. Is that where we  
7 are?

8 COMMISSIONER MITCHELL: I love that analogy.

9 MR. MURRAY: You know, it's funny you say that.  
10 My chief financial officer lost a bunch of weight and I  
11 said, "What did you do to do that?" And he said, "I'm  
12 eating less." So that, I guess, is the secret.

13 But look, I mean, I think that may be a fair  
14 analogy. There are a couple of key issues that we are  
15 working hard on. It's just hard to say. I mean, I think it  
16 is, as is the case in any difficult negotiation where  
17 parties have very different views of issues, each side, I  
18 think, would need to move to the middle to try to get to a  
19 final agreement. And whether we can do that or not, I don't  
20 know. As I said before, it's not for lack of trying. And  
21 we are aware of the time, as you can see.

22 MR. SINDLER: Yes. And I would generally support  
23 what Mr. Murray has been saying. There are, as he says,  
24 some key issues that are still outstanding. We definitely  
25 have made progress.

1           And not to harp on it but, you know, I don't think  
2 it should be lost that on, you know, 98, 99 percent of the  
3 actual race meet agreement, we agree on it. It is just this  
4 one outstanding issue we haven't been able to resolve. And  
5 you know, since the CHRB mandated, we've been working on it,  
6 we definitely have been. And like Mr. Murray, I don't know  
7 if we can get there. I'm not saying we can't. But you  
8 know, we have been working very hard on this for the last,  
9 approximately, what, five, six weeks now. And there are  
10 still some fundamental issues that have to be resolved. And  
11 we're not sure that holding up a race meet is necessarily  
12 the appropriate course of action considering that everything  
13 that deals with racing, we agree on.

14           And I don't want to make a big point of this but,  
15 you know, there are adequate laws that, you know, protect  
16 folks from exclusion. And again, I don't really want to go  
17 down a path of arguing over the law but there are laws out  
18 there that get us there.

19           So I'm not sure we really -- I'd argue that it's  
20 not appropriate to hold up a race meet when we agree on  
21 everything that actually deals with racing.

22           COMMISSIONER MITCHELL: Why am I not surprised  
23 about -- by that position?

24           MR. SINDLER: I'm not shocked that you're not  
25 surprised. And again, to be clear, and Mr. Murray said

1 this, it's definitely not for lack of trying, and both sides  
2 have given. The associations have definitely given a lot  
3 but we're just not there yet.

4 COMMISSIONER MITCHELL: This is Commissioner  
5 Mitchell, obviously.

6 But if we don't get there, then everything just  
7 goes through a long drawn out legal process if a trainer is  
8 kicked off a track, so that's what we're trying to avoid by  
9 having an agreement, so -- and I think that benefits both  
10 sides, certainly I would argue, probably the trainers more  
11 so because they have less resources, generally, to deal with  
12 those protracted legal battles.

13 So I just, I mean, you know, I'm interested to  
14 hear what other Commissioners have to say because this is  
15 something, obviously, that we've been harping on and really  
16 want to get resolved, not we're almost there.

17 MR. SINDLER: Right. And just real quick, not to  
18 interrupt, we completely understand that not all trainers  
19 are multimillionaires that can afford lawyers and  
20 litigation. And that's a real problem with American  
21 jurisprudence systemically. I'm not sure that this is  
22 necessarily --

23 COMMISSIONER MITCHELL: Agreed.

24 MR. SINDLER: -- the forum to resolve such a  
25 systemic issue. I mean, it is a horrible fact of life and

1 not one that we are underselling but I think that's more of  
2 a systemic issue than a CTT contract issue.

3 COMMISSIONER MITCHELL: Yes. But if we had an  
4 agreement, we would not -- they wouldn't -- there would be a  
5 process by which they could go through that and not just go  
6 to the Board, so --

7 MR. MURRAY: Yeah. This is Mr. Murray.

8 COMMISSIONER MITCHELL: -- (indiscernible). Yeah.

9 MR. MURRAY: That's exactly what we're trying,  
10 Commissioner, what we're trying to achieve because Mr.  
11 Sindler is right, I mean, there's -- a handful of trainers  
12 could withstand financially going into court, asking for a  
13 restraining order, getting into full-blown litigation with  
14 discovery. And so having a process with a neutral that is  
15 efficient, quick, and fair is something that we think  
16 benefits all sides, and that's what we're trying to achieve.

17 COMMISSIONER MITCHELL: Go ahead.

18 COMMISSIONER DAVIS: So do you need another 15  
19 minutes? This is Commissioner Davis.

20 COMMISSIONER CASTELLANOS: I have a question.  
21 This is Castellanos.

22 So for both parties, I mean, you know, the  
23 mentioning of trying to get the last five pounds came up,  
24 but what I need to ask is: Are you guys at an impasse?  
25 Where are we at? I mean, is it impasse or what? So I kind

1 of want to know that.

2 MR. MURRAY: Well, it's -- the threshold issue  
3 that we're struggling with, I think we are at an impasse.  
4 But that having been said, Mr. Sindler and I were just  
5 having a conversation a few minutes ago about whether there  
6 was some sort of middle ground between our parties'  
7 positions. Obviously, we both need to speak with our  
8 clients. Mr. Jaczko would need to speak with Del Mar. But  
9 we were really sort of brainstorming just a few insurance  
10 ago about what we could do to bridge that impasse. And I  
11 can't speculate, Commissioner, whether or not we'll bridge  
12 it.

13 COMMISSIONER CASTELLANOS: So my next question of  
14 mine is for --

15 COMMISSIONER DAVIS: Oh, go ahead.

16 COMMISSIONER CASTELLANOS: -- is for Scott.

17 Hey, Scott, so if they reach impasse, you know,  
18 hypothetically, a thought here, if they reach impasse, what  
19 is the Board's position or what is our authoritative move  
20 that we can do, hypothetically speaking --

21 EXECUTIVE DIRECTOR CHANEY: Yeah.

22 COMMISSIONER CASTELLANOS: -- speaking, of course?

23 EXECUTIVE DIRECTOR CHANEY: Yes, Commissioner  
24 Castellanos, so we have a regulation in place that -- where  
25 the Board can assign a hearing officer who can listen to

1 legal arguments and then assign, basically, assign the race  
2 meet agreements. To be honest, I don't know how it plays  
3 out each time after that because then they assign,  
4 obviously, the race meet agreement for that particular race  
5 meet and then it's a bit circular; right? Because when  
6 another application comes up again for The Stronach Group,  
7 then they still wouldn't have an agreement, right, because  
8 neither party would -- or would agree to the terms, and so  
9 we'd probably be back in the same position where we'd be  
10 assigning the one that the hearing officer came up with,  
11 so -- which is a possibility and maybe a little bit more  
12 neutral.

13 But, obviously, the best solution is if the two  
14 parties could come to some kind of an agreement and we  
15 wouldn't have to talk about it every month, like we're doing  
16 now.

17 COMMISSIONER CASTELLANOS: Of course. No. No, of  
18 course. Okay. I was just curious. I'm sorry Ms. Davis.

19 COMMISSIONER ALFIERI: Mr. Chairman, Dennis  
20 Alfieri.

21 I think it's fair to the rest of the Commission to  
22 understand exactly what are the -- what is the sticking  
23 point and not on -- in this public hearing. But I would  
24 like to understand further where we are here, maybe this  
25 comes up in executive session, but this is crazy, I mean,

1 you know? And this continues to go on and off. I mean, it  
2 just -- there's got to be a solution there. So I'd like to  
3 know what these points are. I don't -- I'm totally in the  
4 dark.

5 VICE CHAIR GONZALES: Commissioner Davis, can I  
6 bring a point? This is Commissioner Gonzales.

7 COMMISSIONER DAVIS: Sure.

8 VICE CHAIR GONZALES: I, you know, prior to you  
9 and Commissioner Mitchell being involved, and I appreciated  
10 participating in a couple of the more recent calls, but what  
11 I believe is really at stake here is there's litigation  
12 going on. We all know prior to just about all of us getting  
13 here there was a trainer that was expelled. It didn't  
14 appear to be a lot of process involved. It appeared that  
15 the race meet agreement that has been around for ten-plus  
16 years, it's been in place the last two years since I've  
17 gotten here, I've seen management and CTT coordinate on the  
18 trainer that they felt needed, you know, needed a talking  
19 to, let's say.

20 But I feel that the litigation that's going on,  
21 and I don't know all of the details, but I have a feeling  
22 that this racing agreement is an instrument that is going to  
23 be closely looked at because, if you look at the race meet  
24 agreement, there should have been a process that was  
25 followed. So I believe that if we change or alter it, or

1 even if -- I can see why management, or even the CTT,  
2 wouldn't want to budge because I believe there's a lot that  
3 is -- let's just say there's a lot that's connected to the  
4 race meet agreement that meets the eye, I will say.

5           And so I just feel that, one, choosing that we  
6 either give them just a little bit more time to work this  
7 out, or we let the existing race meet agreement stand in  
8 place until the litigation is resolved. Now, I do know this  
9 Board is sought in other circumstances to let -- how did we  
10 describe it? -- let the courts -- let things work out in the  
11 courts. And I just feel if we're going to be consistent  
12 along those lines and, you know, we let that court case work  
13 out -- because this here, this race meet agreement, is  
14 relevant.

15           So I just said -- what I'm trying to do is just  
16 really boil this down to what is the real hang-up? Because  
17 I think any other circumstance, they would meet in the  
18 middle, they'd get some signatures on it, and we'd have a  
19 race meet agreement. So it's pretty clear that there's way  
20 more involved than we realize.

21           So I just thought I would go out on a limb and  
22 state what I just really deduced is a sticking point or,  
23 yeah, just a sticking point out there.

24           COMMISSIONER DAVIS: Thank you, Commissioner  
25 Gonzales.

1           COMMISSIONER ALFIERI: Doing (indiscernible).  
2 Doing a favor of keeping us away, just let it stay as we've  
3 been doing, allowing it?

4           VICE CHAIR GONZALES: I mean, it's -- think about  
5 it. Commissioner Alfieri, to answer your question, it's  
6 been in place since we've been here. And I will tell you, I  
7 do know of at least two instances where management and CTT  
8 communicated and coordinated. And a more recent one, there  
9 was a trainer at Golden Gate that didn't want to wear his  
10 mask. And let's just say that trainer ended up wearing his  
11 mask because of what management and CTT agreed was going to  
12 be a very stiff handling of his stubbornness.

13           So I think there's also been one or two. There  
14 was another Golden Gate character that was caught running  
15 afoul of the law. They collaborated, coordinated, and that  
16 trainer is no longer around.

17           So I just think it is an instrument that's in  
18 place. And I just feel that if the two sides can't come  
19 together, perhaps we just let that sit.

20           But again, I will say one thing, in that agreement  
21 there is a role for the CHRB in it. And part of what  
22 happened the last time is CHRB did not fulfill its end of  
23 the bargain. We are written into that agreement where we  
24 have to, in a very quick manner, the CHRB has to intervene,  
25 we have to do our role.

1           So I just want to make sure that if we do let that  
2 RMA stand, the race meet agreement stand, the CHRB has to  
3 understand its role and adhere to it, unlike the previous  
4 Board that did not adhere to what it was supposed to do.  
5 I'm being very candid here.

6           COMMISSIONER ALFIERI: Well, maybe --

7           COMMISSIONER DAVIS: Well --

8           COMMISSIONER ALFIERI: -- that's the answer.

9 Maybe that's the answer, obviously.

10          CHAIR FERRARO: Well, the other --

11          COMMISSIONER ALFIERI: We'd be --

12          CHAIR FERRARO: -- option, obviously, is that we  
13 don't award the race meet application until we get the CTT  
14 agreement. That may be the nuclear option but this has been  
15 going on for years. And you know, the only leverage we have  
16 is whether or not they get a license to operate. So I'm not  
17 sure that's the proper way to go. I would defer, probably,  
18 to Commissioner Davis and Commissioner Mitchell on something  
19 like that but is an option that we should consider I think.

20          COMMISSIONER DAVIS: Thank you, Chair Ferraro.

21 It's certainly an option I'm willing to consider. We hate  
22 to go nuclear but at some point, if we're requiring these  
23 agreements, they need to be completed and updated and we're  
24 just trying to incentivize that, not to in any way punish  
25 anybody or get crosswise with them but to incentivize

1 getting these things done.

2 CHAIR FERRARO: Mr. Chaney, what would be the  
3 repercussions if we took that option?

4 EXECUTIVE DIRECTOR CHANEY: Well, right now  
5 they're --

6 CHAIR FERRARO: Could we set a --

7 EXECUTIVE DIRECTOR CHANEY: Yeah. Right now --  
8 sorry.

9 CHAIR FERRARO: Oh, I was just going to say, if we  
10 set a date that they -- that say a week before the September  
11 29th opening date, or gave them ten more days, to settle it  
12 or there's no license to operate, can we do that?

13 EXECUTIVE DIRECTOR CHANEY: Yeah, you -- our regs  
14 give you specific power to set conditions of a race meet. I  
15 would kind -- I would caution the Board a little bit. I  
16 mean, the standard and what we're -- what we have to receive  
17 would have to be well spelled out. I'm jut not comfortable  
18 with putting Staff in the position then of deciding whether,  
19 you know, Santa Anita is going to run or not, for example,  
20 or Golden Gate is going to run or not. Obviously, Golden  
21 Gate is in the same position, so you're considering two race  
22 applications right now.

23 So if we wanted the Board to consider this again  
24 before Santa Anita opens, I mean, they open in 14 days,  
25 obviously, we have a 10-day notice requirement, so we're

1 kind of up against it in terms of time, I think, is what I'm  
2 trying to say.

3 VICE CHAIR GONZALES: If I could say -- again,  
4 Commissioner Gonzales here -- I feel any discussion of  
5 interfering with racing dates should just be off the table.  
6 I mean, for heaven sake, Santa Anita is finally bringing  
7 back the six-and-a-half furlongs off the hill and that -- me  
8 and a lot of other fans want to see that. So I think racing  
9 is sacred, it's important, it's getting safer. I just  
10 really feel putting a marker out there, making the two sides  
11 get together, perhaps there's something else we can impose.  
12 But I just think it's unbecoming of us to even go down that  
13 road this month, just my personal thought.

14 CHAIR FERRARO: I do not entirely disagree with  
15 you, Oscar. I just want to look at it from all sides.  
16 That's all.

17 VICE CHAIR GONZALES: Yeah, I understand. You're  
18 right to.

19 COMMISSIONER ALFIERI: I agree. I agree with  
20 Commissioner Gonzales. I think we need to live up to our  
21 obligations and our rules and regs and take a bigger role in  
22 them. So immediately, when there's an impasse and issues  
23 with -- regarding -- or not an impasse, but if there's an  
24 issue with a trainer and the track property owner and the  
25 trainer cannot -- you know, is being penalized and cannot

1 figure it out, we need to do -- we need to live up to what  
2 we need to do. We're the ones that give the licenses out;  
3 right? So let's play a bigger role, live up to our  
4 obligations and regulatory matter, and get involved in it  
5 immediately, don't postpone it. And maybe that's the way we  
6 do. We're the judge and jury before it goes to litigation.

7 CHAIR FERRARO: Well, Commissioner Davis, do you  
8 think it would -- and we can ask the parties, as well --  
9 would it be useful for you and Commissioner Mitchell to be  
10 an arbitrator in these negotiations so we could get,  
11 finally, get it done? Would that help, do you think?

12 COMMISSIONER ALFIERI: I thought that's what they  
13 were doing.

14 COMMISSIONER DAVIS: Yeah. Right. And I think it  
15 goes back to -- one of the Commissioner asked earlier, when  
16 you're saying "impasse" are you really just eking out the  
17 last two specific words or are you really waiting and  
18 nervous about the litigation? And either party can answer  
19 that.

20 CHAIR FERRARO: Yeah.

21 MR. SINDLER: This is Eric Sindler. Is my line  
22 still live?

23 CHAIR FERRARO: Yeah, we hear you.

24 MR. SINDLER: There, as Commissioner Gonzales  
25 said, there is ongoing litigation. And I cannot comment on

1 the ongoing litigation. It's just not appropriate. But I  
2 can say that it's not just one word we're trying to resolve.  
3 There are more, I think Colin used the word, threshold  
4 issues. So it is -- there are threshold issues that we have  
5 not reached agreement on.

6 CHAIR FERRARO: Okay. I think let's do this --

7 EXECUTIVE DIRECTOR CHANEY: Mr. Chairman?

8 CHAIR FERRARO: Yeah, go ahead, Scott.

9 EXECUTIVE DIRECTOR CHANEY: Mr. Chairman, yeah, I  
10 was -- just an idea. I wonder. Now, we haven't had the big  
11 group meeting for some time, Commissioner -- Vice Chairman  
12 Gonzales, Commissioners Mitchell and Davis. I'm wondering  
13 if there's some wisdom to -- for these two race meet  
14 applications assigning the CTT agreement as we always have  
15 with the idea that we would plan another group meeting, so  
16 at least the three Commissioners who are working on this  
17 issue can really understand exactly what the sticking points  
18 are and maybe make a better judgment with respect to whether  
19 there's some hope we can actually come to, you know, an  
20 agreement or there's not? Because it seems like that's kind  
21 of a threshold question that we really need answered.  
22 Because if we're not going to be able to come to an  
23 agreement, then, you know, at least we know like what sort  
24 of direction we'll should -- we'll be proceeding in.

25 I will say, next month, we'll consider Del Mar's

1 license for November which has the same problem, so this  
2 issue isn't going away. So to the extent that the heat will  
3 continue, it will, certainly, continue next month.

4 CHAIR FERRARO: Does that sound reasonable to you,  
5 Commissioner Davis and Commissioner Mitchell, that approach?

6 COMMISSIONER DAVIS: So, basically, what we're  
7 talking about is going back -- this is Davis talking --  
8 going -- defaulting to that 2019 agreement and scheduling  
9 another negotiation session?

10 CHAIR FERRARO: That's my understanding.

11 EXECUTIVE DIRECTOR CHANEY: That was just my  
12 suggestion. That was just my suggestion.

13 COMMISSIONER DAVIS: I'm fine with that.

14 CHAIR FERRARO: Well --

15 COMMISSIONER DAVIS: (Indiscernible.)

16 CHAIR FERRARO: -- let's do this, let's do this  
17 before we make a decision here, because I'm sure we have a  
18 queue on this, let's get this out of the way.

19 Operator, do we have a queue on it?

20 OPERATOR: Yes, we have several lined up.

21 CHAIR FERRARO: Okay. Let's listen to the queue.  
22 And then I'll turn it back to you, Commissioner Davis, and  
23 we can seek a motion.

24 COMMISSIONER DAVIS: Okay.

25 CHAIR FERRARO: Go ahead please.

1 OPERATOR: And first we will go to Oscar lee la  
2 Torre with -- worker advocate.

3 Please go ahead.

4 MR. DE LA TORRE: Yes. Thank you very much for  
5 giving me the opportunity to address this item.

6 You know, I support the race dates for Santa Anita  
7 because anytime that we approve these race dates it's about  
8 supporting jobs and supporting workers and their families,  
9 people who are vulnerable, people who are mostly immigrants,  
10 people who are hardworking people who don't want welfare,  
11 who don't want any other type of subsidy. They just want an  
12 opportunity to feed their families. They want an  
13 opportunity to do the work, to do their profession, what  
14 they've chosen to do. And I think they deserve an  
15 opportunity to continue to do that here in the state of  
16 California.

17 It's also important to say that when we approve  
18 these race dates, it's about supporting businesses, small  
19 businesses that benefit from the economic activity that is  
20 provided by live racing, and not just the businesses within  
21 the racetrack but, also, the businesses outside of the  
22 racetrack and many other professions that are supported by  
23 these race dates and live racing.

24 So I want to just encourage you all and urge you  
25 to approve these race dates for Santa Anita. There are many

1 hardworking individuals/families that are being supported by  
2 live racing. And you know, we are all proud of all the  
3 great work that these workers have done to ensure that the  
4 reforms provide the type of safety for horses that is the  
5 priority. And we also support all the track operators that  
6 have kept our workers safe and their families safe from  
7 COVID by following very strict protocols in consultation  
8 with the County Public Health Department.

9 We look forward to working together, to supporting  
10 the workers, to supporting small businesses that benefit  
11 from these race dates.

12 Thank you very much.

13 CHAIR FERRARO: Thank you.

14 Next, please.

15 OPERATOR: Thank you.

16 And next, we'll go back to Martha Sullivan with  
17 Kill Racing Not Horses.

18 Please go ahead.

19 MS. SULLIVAN: Hello again. I was very  
20 disheartened to hear Commissioner Gonzales, you know,  
21 cheering on the return of the downhill turf course after  
22 being suspended for the last two years after the huge spike  
23 in horse deaths at Santa Anita. I mean, it was suspended  
24 because it's a dangerous -- it's a more dangerous course for  
25 horses. Running downhill is more dangerous for horses and

1 for people. Fourteen of the 49 horse fatalities reported by  
2 this Board for the 2021 racing season has been at Santa  
3 Anita.

4           So once more, you know, when you talk about horse  
5 safety, it's very clear that it's just words. If you're  
6 heralding the return of a downhill race course that was  
7 suspended because of the fears of it being even more  
8 dangerous, you know, right after you've been touting the  
9 reduction of horse fatalities, this Board is completely  
10 disappointing. And it's just, it's really, truly a farce.

11           CHAIR FERRARO: Thank you.

12           Next, please.

13           OPERATOR: Thank you.

14           And next, we'll go to Maria Luisa, backstretch  
15 worker advocate.

16           Please go ahead.

17           MS. LUISA: Yes. Hi. Can you hear me?

18           CHAIR FERRARO: Yes. Go ahead.

19           MS. LUISA: Hello? Okay. Good.

20           CHAIR FERRARO: Yes. Go ahead.

21           MS. LUISA: Good morning. Good morning Board  
22 Members. My name is Maria Luisa. My mother worked in the  
23 backstretch for 15 years. And I have many family members  
24 who work in horse racing. I'm calling to express my  
25 appreciation for the opportunity that my family has received

1 by working in this industry. The continuation of live  
2 racing has allowed my family to move forward during the  
3 pandemic.

4 I'm calling to urge you to support item eight, to  
5 approve race dates at Santa Anita where many loved ones  
6 work.

7 I also have many family members who have lost  
8 their jobs due to the government shutdown of the businesses.  
9 This has been very hard and stressful not knowing how rent  
10 will be paid or where money will come to, to purchase food  
11 and other essentials.

12 I'm thankful for your work in keeping my family  
13 members employed. I understand that some people want to ban  
14 horse racing. But I ask these people to reflect on the  
15 hundreds of workers and their families that would suffer  
16 during the middle of the pandemic and rising costs of  
17 housing. If things are improving for horses and horse  
18 safety, why would we want to hurt the workers who are partly  
19 responsible for making these improvements?

20 I hope that people who oppose our jobs and our  
21 livelihoods reflect on their position and show some  
22 compassion for us.

23 Thank you.

24 CHAIR FERRARO: Thank you.

25 Next, please.

1 OPERATOR: Thank you.

2 And next, we'll go to Cliff Goodrich with CTHF.

3 Please go ahead.

4 MR. GOODRICH: Good morning Commissioners.

5 First of all, we support the license application  
6 when Commissioners start talking about shutting down a race  
7 meet or not issuing a license that obviously will directly  
8 impact, negatively, the backstretch workers.

9 And if I can, I would like to take my CTHF hat off  
10 for a minute, provide some history that may be outdated, and  
11 if it is, I apologize, but when I was around, in the license  
12 app, it may have been in statute, it may have been in the  
13 rules, it may have been in several of them, when we got into  
14 these situations with agreements there used to be language  
15 that said the Board should enforce or demand agreements  
16 necessary to conduct the race meeting. I'll give you an  
17 example: You better have a photo-finish operator. Other  
18 than that, you can count on one hand those agreements  
19 necessary to conduct the race meeting.

20 In this case, in my opinion, the agreement you  
21 folks are talking about is not necessary to conduct the race  
22 meeting. And probably most every other agreement the Board  
23 tends to enforce is not necessary to conduct the race  
24 meeting.

25 The Board clearly has the plenary authority to

1 broaden it and get deeply into all of these agreements. And  
2 I don't know if the language still exists. But as you look  
3 for a way out to award this license and other licenses,  
4 whether or not the verbiage still stands, at least when I  
5 was around it was not a bad way to proceed because the  
6 parties inevitably worked out their situation without the  
7 cessation of racing.

8           So I'm here saying what I do to, A, I want to  
9 protect our backstretch workers, but B, trying to provide a  
10 suggestion that might help cool things down for awhile.

11           Thank you.

12           CHAIR FERRARO: Thank you.

13           Next, please. Next, please, Operator.

14           OPERATOR: Oh, I'm sorry. We'll go to Greg Avioli  
15 with TOC.

16           Please go ahead.

17           CHAIR FERRARO: Go ahead, Greg.

18           MR. AVIOLI: I want to echo Cliff. Greg Avioli. I  
19 want to echo Cliff Goodrich's comments. And I hesitate to  
20 speak on the issue regarding the trainers and the track,  
21 except for the fact that it's been discussed to some sort of  
22 cessation of racing while this gets worked out.

23           This particular issue that is holding up this  
24 contract dates now back to two years. And it comes down in  
25 its essence, as far as I understand it, to what are the

1 provisions going to be if the track decides to rule off a  
2 trainer and not accept its horses? This would be an  
3 extraordinarily rare thing to occur. And no matter what  
4 provision is in a contract with the CTT and the racetracks,  
5 this provision, it's enforcement or lack of enforcement is  
6 going to come before the CHRB and it's going to come before  
7 the courts. It's guaranteed. No one is just going to point  
8 to that contract and say, oh, I guess we agree to it.

9           So a very simple solution here is to take whatever  
10 language is at issue and substitute the language that will  
11 be decided under current California Law and CHRB  
12 regulations. That's what it's going to come down to anyway.

13           Thank you very much.

14           CHAIR FERRARO: Thank you.

15           Next, please.

16           OPERATOR: Thank you.

17           And next, we'll go to Dr. Wayne Johnson, citizen.

18           Please go ahead.

19           MR. JOHNSON: Some Members of the Board suggested  
20 that perhaps the nuclear option would be a possibility, very  
21 gently brought that up.

22           Commissioner Gonzales wants to see horses run off  
23 the hill. That's why he's against the nuclear option. Is  
24 there any greater example of the fact that this Board has  
25 sold its soul to the industry, that this Board is in bed

1 with the industry, that this Board is hardly neutral or  
2 impartial or willing to enforce the rules that it's bound by  
3 law to enforce?

4 Thank you.

5 CHAIR FERRARO: Thank you.

6 Next, please.

7 OPERATOR: Thank you.

8 And next, we'll go to Kimberly Marrs with KTM.

9 Please go ahead.

10 MS. MARRS: Hello. Good morning Board and thank  
11 you for being there today.

12 I just wanted to say I really hope that you give  
13 the race dates to Santa Anita. This is the industry I work  
14 in and I do make my living in and I want to work. I don't  
15 want to be given free money. I want to work for what I do  
16 and this industry provides me that and all the backstretch  
17 workers. And I'm sure that this issue can be ironed out.  
18 It seems like it's not that big of a deal, it just needs to  
19 be agreed upon. I just think all parties need to get down  
20 to business and get it done and this needs to come up but we  
21 need to have our race dates and be running. So I think it  
22 can worked out while we are and you know, and running races  
23 and everything, so hopefully that's what will happen.

24 Thank you.

25 CHAIR FERRARO: Thank you.

1 Next, please.

2 OPERATOR: Thank you.

3 And, finally, we'll go to Pavla Nygaard, owner and  
4 breeder.

5 Please go ahead.

6 (Background talking.)

7 MS. NYGAARD: Hello. Can you hear me?

8 CHAIR FERRARO: Go ahead. Yes. Go ahead.

9 MS. NYGAARD: Okay. I'm an owner and breeder.

10 And I -- we own a facility with boarders up until recently  
11 when we sold it. And, also, I had a side view of some of  
12 the circumstances that are related to the trainers exclusion  
13 clauses.

14 I believe that what is very important in the  
15 agreements is to take away the arbitrariness to appears to  
16 be related to when a trainer can be ruled off. I believe  
17 that at this point in time that is a national issue when  
18 that is being -- that is coming up with NYRA and Churchill  
19 Downs, as well, where I believe it is important to have an  
20 understanding as to when it is appropriate for a trainer to  
21 be excluded to have -- agree to circumstances that would  
22 warrant that somehow spelled out so that it is not seen as  
23 arbitrary by the public, by the training -- by the trainers,  
24 by the owners that get effected by such circumstances. And  
25 I do believe that these circumstances do need to be worked

1 out.

2           As far as the CHRB being involved, I do believe  
3 that some leverage to incentivize the resolution of these  
4 matters is important. While going to a nuclear option of  
5 actually not allowing a license may be far too severe, I  
6 would believe that some option of bringing the CHRB  
7 Commissioners to the table to attempt to mediate or  
8 arbitrate the situation would be helpful with some deadlines  
9 being applied. I believe that resolving the arbitrariness  
10 would be in the best interests of horse racing, of the  
11 trainers, as well as at the racetracks, in knowing when they  
12 can exclude a trainer without them facing the possibility of  
13 a lawsuit and, on the other hand, for the trainers to know  
14 what conduct is expected such that they stay within the  
15 proper boundaries.

16           Thank you.

17           CHAIR FERRARO: Thank you very much. Your two  
18 minutes are up. Thank you.

19           Next, please.

20           OPERATOR: And we have no additional comments at  
21 this time.

22           CHAIR FERRARO: Okay.

23           COMMISSIONER CASTELLANOS: Mr. Chairman?

24           CHAIR FERRARO: Commissioner Davis -- yes?

25           COMMISSIONER MITCHELL: Someone needs to mute

1 their phone, Mr. Chairman, because their comments that are  
2 inappropriate keep coming through.

3 CHAIR FERRARO: Oh, whoever that is, please mute  
4 your phone.

5 Can we have either Commissioner Davis and/or  
6 Commissioner Mitchell give us a motion?

7 COMMISSIONER DAVIS: Sure, but I thought there  
8 was -- did I hear Dennis? Were you getting ready to  
9 comment?

10 COMMISSIONER ALFIERI: Well, I would just like to  
11 say we rely over, you know, past historical information,  
12 background, wise advice from many of the stakeholders. And  
13 I think what -- the comments from Cliff Goodrich, he's spot  
14 on. I think I personally would like to move forward with  
15 the licenses and then we will continue to, you know, work  
16 this out and monitor that, whether it's you, Commissioner  
17 Davis or Mitchell, become arbitrators in that, continue with  
18 that, that would be great. However, I think we also need to  
19 take a look, a hard look at the role that the CHRB plays in  
20 further matters when it comes to a major -- you know, an  
21 issue between the track and the trainer.

22 And so this is going to continue on. I think it  
23 will, ultimately, and I agree with Greg Avioli's comment, it  
24 will go to the courts. It will go to the courts anyway if  
25 it's a major issue, so -- with whatever we do.

1           So let's just move forward. I don't think it's  
2 reasonable to continue to hold up the licenses right now. So  
3 my vote is to move forward with what we have in place.

4           COMMISSIONER CASTELLANOS: This is Commissioner  
5 Castellanos.

6           So just to, basically, reiterate to what was --  
7 just has been said by everybody is that, yes, we should be  
8 moving forward but yet, CHRB should maybe moderate, mediate  
9 with the groups and try to get something done, but we should  
10 move forward with this license. That's my suggestion.

11          CHAIR FERRARO: All right, Commissioner Davis --

12          COMMISSIONER DAVIS: (Indiscernible.)

13          CHAIR FERRARO: -- do you want to make a motion  
14 then?

15          COMMISSIONER DAVIS: Yes. Just a quick question  
16 for Scott.

17          Again, if we are moving forward to approve the  
18 license, we are out of time for any contingency, other than  
19 mediating a further discussion, but the race meet will --

20          EXECUTIVE DIRECTOR CHANEY: Yes. I mean, I  
21 believe so, simply because the Santa Anita racing starts on  
22 September 29th. And any further action --

23          COMMISSIONER DAVIS: Right.

24          EXECUTIVE DIRECTOR CHANEY: -- by the Board  
25 requires ten-day notice unless it's an emergency provision.

1 I don't see this as qualifying as any of the emergency  
2 variables.

3 COMMISSIONER DAVIS: Right.

4 EXECUTIVE DIRECTOR CHANEY: So unless we -- yeah,  
5 we would have to notice the meeting ten days out. So I  
6 mean, unless something is going to happen in the next day or  
7 two, I don't -- we are out of time, yes. Sorry to  
8 equivocate.

9 CHAIR FERRARO: Scott, can we make a motion and  
10 approve or deny both of these, number 8 and number 11, at  
11 the same time with one vote?

12 EXECUTIVE DIRECTOR CHANEY: I wish we could.  
13 Sadly, we're only talking about number 8, and we've taken  
14 public comment for that, and then we have to move on to  
15 number 11.

16 CHAIR FERRARO: Okay. Okay.

17 COMMISSIONER DAVIS: Okay.

18 COMMISSIONER MITCHELL: Brenda, before you go on,  
19 I'm fine, just to register my disappoint in the fact that  
20 the groups could not come together, even though we spent a  
21 lot of time on it. And I appreciate, you know, everyone's  
22 input and lectures. And I'm fine with moving forward at  
23 this point with the old race meet agreement, so that's --

24 COMMISSIONER DAVIS: Okay.

25 COMMISSIONER MITCHELL: -- going to be my position

1 there.

2 COMMISSIONER DAVIS: All right. So, Chair  
3 Ferraro, I will move that we approve item eight with the  
4 2019 race meet agreement in place and ongoing mediation  
5 among the parties to try to see if we can help them reach  
6 agreement before the next time we have to approve a license  
7 in hopes that we will have agreements for future licenses by  
8 whatever is coming up after today.

9 CHAIR FERRARO: Thank you. Chairman seconds the  
10 motion.

11 Mr. Gonzales?

12 VICE CHAIR GONZALES: Yes.

13 CHAIR FERRARO: Mr. Alfieri?

14 COMMISSIONER ALFIERI: Yes.

15 CHAIR FERRARO: Ms. Mitchell?

16 COMMISSIONER MITCHELL: Yes.

17 CHAIR FERRARO: Castellanos?

18 COMMISSIONER CASTELLANOS: Yes.

19 CHAIR FERRARO: Ms. Davis?

20 COMMISSIONER DAVIS: Yes.

21 CHAIR FERRARO: And the Chairman votes yes.

22 Now we can move on to item number 11.

23 Commissioner Davis, would you like to handle this  
24 one?

25 Do we have a queue on this, by the way?

1 EXECUTIVE DIRECTOR CHANEY: Mr. Chairman? Mr.  
2 Chairman? Scott Chaney, Executive Director.

3 Zachary Voss can introduce the item and let you  
4 know about any --

5 COMMISSIONER DAVIS: Right.

6 EXECUTIVE DIRECTOR CHANEY: -- outstanding items  
7 if you would like?

8 CHAIR FERRARO: Yeah. Yeah. Yeah. We'll leave  
9 that to Commissioner Davis to handle.

10 Go ahead --

11 COMMISSIONER DAVIS: Okay.

12 CHAIR FERRARO: -- Brenda.

13 COMMISSIONER DAVIS: All right. I'm looking at  
14 item -- we're at item 11. And it appears that we have --  
15 sorry, I'm just getting to it -- it appears that we are  
16 still needing a signed race agreement with CTT. Do we have  
17 the other items at this point regarding the TOC race meet  
18 agreement and the ADW agreement with NYRA Bets?

19 MR. VOSS: Yes, Commissioner Davis. This is Zach  
20 Voss, again, Regulation Analyst with the Board. We're  
21 received all other outstanding items, other than the CTT  
22 agreement. And the PRA has submitted a letter explaining all  
23 the missing items which is attached in the Board package.

24 And then we have Eric Sindler and David Duggan  
25 available for comment.

1 Thank you.

2 COMMISSIONER DAVIS: Okay. Good. So we're ready  
3 for comment, if you have nothing more, Zach?

4 EXECUTIVE DIRECTOR CHANEY: No, that's --  
5 Commissioner Davis, Scott Chaney. Yeah, that's all we have  
6 from Staff.

7 Just a reminder, this is a little different  
8 posture than the Santa Anita license application which was,  
9 you know, coming back after approval with that one item.  
10 For Golden Gate Fields, this is the first time that the  
11 Board is deciding upon this one.

12 COMMISSIONER DAVIS: Right. Understood.

13 So do we have anyone in the queue?

14 OPERATOR: We have one member.

15 COMMISSIONER DAVIS: Any of the --

16 OPERATOR: We have one member queued up for  
17 comment. And this will come from Martha Sullivan with Kill  
18 Racing Not Horses.

19 Please go ahead.

20 MS. SULLIVAN: I want to remind the Board Members  
21 that August 7th, this Board reported the 49th horse fatality  
22 of this 2021 racing season. Esperada (phonetic) was a two-  
23 year-old un-raced filly who is shown with a workout at  
24 Golden Gate Fields on August 5th when she died. And this  
25 workout was listed as handly (phonetic), even though she

1 died. Esperada is the 18th horse supported by the Board to  
2 die at Golden Gate Fields.

3 I want to, once more, emphasize to you, what other  
4 sport has 18 of its athletes die at one venue in just nine  
5 months, not to mention 49 of its athletes die in the same  
6 period at five venues in a single state?

7 You know, calling this industry a sport, again, is  
8 a farce. It's an industry where horses are commodities and  
9 trying to treat them, you know, as loved, you know, members  
10 of the family is a joke. Don't, you know, don't keep  
11 perpetuating it.

12 CHAIR FERRARO: Thank you.

13 Next, please.

14 OPERATOR: Thank you. We have no additional  
15 comments at this time.

16 CHAIR FERRARO: Commissioner Davis, do you wish to  
17 make a motion?

18 COMMISSIONER DAVIS: I do. And just so I'm clear,  
19 the date of the Golden Gate Fields race meeting begins  
20 October 20th, Scott?

21 EXECUTIVE DIRECTOR CHANEY: Yes, that's correct.

22 COMMISSIONER DAVIS: So on this one, it would be  
23 appropriate to move approval contingent upon them reaching  
24 an agreement within the time allotted to put it back on the  
25 agenda if necessary?

1 EXECUTIVE DIRECTOR CHANEY: Yeah. I think our  
2 Board meeting is the same day as their opening day, so that  
3 would be problematic --

4 COMMISSIONER DAVIS: Oh, okay.

5 EXECUTIVE DIRECTOR CHANEY: -- if I'm not  
6 mistaken.

7 COMMISSIONER DAVIS: So, essentially, we would  
8 need to move approval subject to the 2019 agreement, but  
9 also with the request and urging that they try to reach an  
10 agreement to replace the 2019, if it can be done, by the  
11 time of the next Board meeting?

12 EXECUTIVE DIRECTOR CHANEY: That's correct,  
13 Commissioner Davis.

14 CHAIR FERRARO: The Chairman seconds --

15 COMMISSIONER DAVIS: Okay. So that would be --

16 CHAIR FERRARO: -- the motion. Commissioner  
17 Davis, is that all right?

18 COMMISSIONER DAVIS: Yes. Absolutely.

19 CHAIR FERRARO: Okay. Commissioner Gonzales?

20 VICE CHAIR GONZALES: Yes.

21 CHAIR FERRARO: Commissioner Alfieri?

22 COMMISSIONER ALFIERI: Yes.

23 CHAIR FERRARO: Commissioner Mitchell?

24 COMMISSIONER MITCHELL: Yes.

25 CHAIR FERRARO: Commissioner Castellanos?

1 COMMISSIONER CASTELLANOS: Yes.

2 CHAIR FERRARO: Commissioner Davis?

3 COMMISSIONER DAVIS: Yes.

4 CHAIR FERRARO: And the Chairman votes yes.

5 Motion approved.

6 Moving on to item 14, the Executive Director's  
7 Report and Equine Medical Director's Report.

8 Mr. Chaney, do you want to bring?

9 EXECUTIVE DIRECTOR CHANEY: Yes. Thank you, Mr.  
10 Chairman, and good morning Commissioners.

11 Regarding handle for September, day racing was up  
12 13 percent on one more program, night racing is down 9  
13 percent on five less programs as Los Alamitos Quarter Horse  
14 racing converted to two nights per week, and overall handle  
15 is up 11 percent, all compared to September of 2020. Year  
16 to date, as compared to the same period last year, handle  
17 for day racing is up 22 percent, night racing is down 6  
18 percent, and total handle is up 18 percent.

19 Next, a comment regarding tracking racing-related  
20 injuries, racing- and training-related injuries, that has  
21 been a topic at recent Board meetings. The CHRB takes all  
22 such allegations very seriously. The CHRB assigns a fourth  
23 steward to racetracks. In addition to the three-member  
24 panel that oversees operations at each track, we assign a  
25 safety steward to, more specifically, ensure the protection

1 of horses and licensees. One of the safety steward's  
2 responsibilities is to follow up on all horses that are  
3 vanned off or injured on the track. If those horses leave  
4 the track shortly after the injuries, CHRB investigators  
5 follow up, along within the safety steward.

6           There have been a few cases where the CHRB  
7 suspected that connections were trying to avoid the count,  
8 so our team followed up, either with ranch visits or  
9 requiring live pictures of the horses. The suspicions thus  
10 far have proven to be unfounded. Should we uncover evidence  
11 that injured horses are removed from racing or training  
12 facilities the CHRB would prosecute such behavior to the  
13 fullest extent possible. If stakeholders or members of the  
14 public have actual evidence that any injured horse has been  
15 removed from a regulated facility to escape scrutiny, please  
16 contact the CHRB directly or through our tip line.

17           Finally, I'd like to make a comment regarding  
18 submission of documents for Board meetings. This is pretty  
19 in the weeds but important to us, Staff. While stakeholders  
20 have made great progress in the area of Board meeting  
21 submissions, we will have some way to go. Documents are due  
22 seven days before the Board meeting. This is true for two  
23 reasons. It takes some Staff -- it takes time for Staff to  
24 remediate documents to make them AB 434 web accessible and  
25 compliant, and to include them in the digital Board packet.

1 If one misses the deadline, the next opportunity for  
2 submission is live testimony at the Board meeting itself.

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

4 CHAIR FERRARO: Thank you very much.

5 Dr. Blea?

6 EXECUTIVE MEDICAL DIRECTOR BLEA: Dr. Jeff Blea,  
7 Equine Medical Director. Good morning Chairman and  
8 Commissioners.

9 I had the opportunity yesterday to visit the CHRB  
10 headquarters and interact with some of the staff. I was  
11 incredibly impressed with their dedication, interest, and  
12 work ethic. It is quite evident to me that their commitment  
13 to safety and welfare in racing in California is remarkable  
14 and I commend them for their efforts, great folks.

15 A HISA update, because we're getting closer and  
16 closer to July 1st, 2022. Work is progressing with the  
17 intent of HISA to start sharing Committee information with  
18 stakeholders to review and provide comments. The work of  
19 the Committee is a tremendous undertaking and there are many  
20 moving parts, however, progress is being made.

21 Dr. Sue Stover, a UC Davis Professor, Board  
22 Member, and Comment Chair for the HISA Racing Safety Comment  
23 visited Del Mar a few weeks ago. I spent the day with her.  
24 She spent the day reviewing a lot of the processes that go  
25 on as far as testing, medication, the procedures that are

1 required for official vets and the work that's required for  
2 official vets. She sat in on a Stewards hearing to  
3 understand how the process works for adjudication of cases.

4 She got a real ground-level view of horse racing in  
5 California and how it might relate to part of her program at  
6 the HISA Board.

7           There's a lab survey coming out from HISA which  
8 will be sent to all the laboratories that do drug testing in  
9 horse racing. It's currently in process. Our lab will see  
10 that soon. As you -- so if you saw it, it can determine how  
11 to move forward with testing, and where the Maddy Lab put in  
12 on a testing platform, as well as a research program, both  
13 of which, we are leaders in the industry. The labby mad  
14 is -- the Maddy Lab, as a point of fact, is the only IFHA-  
15 accredited lab in the United States.

16           Moving to the Maddy Lab, yesterday, as well,  
17 Commissioner Alfieri, Davis, Gonzales, Executive Director  
18 Mr. Chaney, and Assistant Executive Director Cynthia Alameda  
19 were in attendance at the Maddy Lab for a guided tour by Dr.  
20 Heather Knych of Pharmacology, Dr. Ben Moeller of the Drug  
21 Testing Program, and Dr. Ashley Hill, the Director of CAHFS.  
22 It is truly a pleasure to have them on site and interact  
23 with them onsite and interact with them and having met them  
24 for the first time face to face. The faculty was genuinely  
25 impressed with the interest and the questions and the

1 discussions that we had. The tour consisted of a treadmill  
2 demonstration, followed by a comprehensive tour of the labs,  
3 processes and equipment, and excellent dialogue.

4           Regarding the Maddy Lab in August, there were a  
5 total of 1,568 post-race samples from 879 individual horses,  
6 793 samples were in blood, 689 were in urine, and 86  
7 official vet work bloods were also analyzed. Of the 1,568  
8 samples analyzed, seven medication violations were reported  
9 in 6 horses in August, 1 non steroidal, 1 non steroidal with  
10 a corticosteroid, 2 corticosteroid overages, 1 methocarbamol  
11 overage, and 1 scopolamine in the official workout blood.  
12 Out-of-competition testing at the Maddy Lab consisted of  
13 1,249 samples analyzed and tested with no positives found.  
14 All horses at the recent Del Mar meeting were subject to  
15 TCO2 testing.

16           Fatalities in August of 2021, there were zero  
17 fatalities in racing in August of 2021. Statewide, there  
18 were four fatalities, one musculoskeletal fat occurred in  
19 training, one pony suffered a cardiac sudden death, and two  
20 accidents occurred, one of which one horse fractured a leg  
21 after kicking a stall wall.

22           This concludes my report.

23           CHAIR FERRARO: Dr. Blea, the positive medication  
24 tests, those were for overages of permitted medication; is  
25 that correct?

1 EXECUTIVE MEDICAL DIRECTOR BLEA: All positives  
2 were overages of permitted medications on the CTS medication  
3 list, so they're permitted medications but they were  
4 overages over the threshold --

5 CHAIR FERRARO: Okay. Great. Thank you.

6 EXECUTIVE MEDICAL DIRECTOR BLEA: -- all of which  
7 were --

8 CHAIR FERRARO: Questions?

9 EXECUTIVE MEDICAL DIRECTOR BLEA: -- all of which  
10 were Class 4.

11 CHAIR FERRARO: Right. Right. Very good.

12 Any questions from the Board for Dr. Blea or Mr.  
13 Chaney?

14 VICE CHAIR GONZALES: I do --

15 COMMISSIONER DAVIS: Chairman?

16 VICE CHAIR GONZALES: -- Chairman. I do have one  
17 item that I would like to raise.

18 We have one meeting, one CHRB meeting, between now  
19 and the next Breeders' Cup, which I know a lot of us are  
20 excited about, a lot of anticipation to be successful.

21 One of the improvements that I believe that we can  
22 make, and I would really like for you, Mr. Chairman, Dr.  
23 Blea, and Executive Director Chaney to consider is the panel  
24 of -- the panel that is responsible for scratching horses.  
25 It's been called a few different things, but let's just say,

1 for all practical purposes, the panel, and to see what it  
2 would take to expand the panel by at least two, perhaps a  
3 veterinarian from outside of California, and maybe even an  
4 international representative, just to make sure that the  
5 panel has all of the information it needs with a broad  
6 perspective and insight on horses that are coming in,  
7 insight on horses when -- that are coming in.

8 I believe that there is the flexibility that  
9 exists on the composition. But I just believe having more  
10 eyes on those two very important days would really, really,  
11 really enhance our oversight.

12 Mr. Chairman, I mean, you know, I know this is  
13 more of a suggestion of mine but I don't know if you have  
14 any reaction to that? You know, you have a month before it  
15 could come back, and any other improvements, for that  
16 matter, on what we could do to make the upcoming Breeders'  
17 Cup successful.

18 CHAIR FERRARO: Dr. Blea and doctor -- and Mr.  
19 Chaney, do you want to comment on that suggestion?

20 EXECUTIVE MEDICAL DIRECTOR BLEA: Dr. Blea.  
21 Chairman Gonzales, I'd be happy to comment.

22 I met with the Breeders' Cup folks several weeks  
23 ago. The panel that currently exists has two veterinarians  
24 and one steward. We've decided for Breeders' Cup week that  
25 that panel will be expanded as you wished. And there will

1 be two additional Breeders' Cup members on the panel for the  
2 entire week, including one of the Breeders' Cup  
3 veterinarians. So we have looked at that. It's already in  
4 place. We've agreed up on it. And that will -- that's  
5 going to add an additional layer of oversight, especially  
6 for all the horses coming in, not only internationally but  
7 from across the country.

8           To add to that, we are already conducting out-of-  
9 competition testing for all Breeders' Cup horses that are  
10 not only nominated but are eligible based on Ship and Win.  
11 So weekly, that is being done. Horses in California are  
12 done at the Maddy Lab. Some horses out of California are  
13 sent to the Maddy Lab. All those horses are currently being  
14 sampled. And Dr. Farmer with the Breeders' Cup and I  
15 already get all the results. I get all the results of  
16 horses that are tested in California. So that's another  
17 process that's already in place.

18           Further, to that, the medication restrictions in  
19 California in the last two years have changed since the last  
20 Breeders' Cup folks, Dora Delgado in particular, to  
21 highlight those changes, including changes to the  
22 clenbuterol regulations, bisphosphonate regulations, or  
23 intra-articular regulations, including fetlocks, of course,  
24 for steroids. All that has been shared with them. It has  
25 now been adopted into their horsemen's guide.

1 Dr. Farmer, who is the Breeders' Cup veterinarian,  
2 and I are working on a presentation to provide the horsemen  
3 about safety and medication in California, so we can give  
4 them as much information to prevent medication overages or  
5 violations and to promote safety, so we're in the process of  
6 doing that. We're going to try and get that out to all  
7 Breeders' Cup participants and stakeholders well in advance  
8 of the 30-day time.

9 VICE CHAIR GONZALES: Great to hear, Dr. Blea.  
10 Really appreciate the fast start that you're off to. You  
11 have the support of this Board to, you know, incorporate any  
12 good ideas and suggestions. You know, we pride ourselves in  
13 having stepped up to the challenge to do better, to look out  
14 after our horses, put our personnel safety first. And so we  
15 just appreciate, you know, you being a great and tremendous  
16 addition to this team.

17 So thank you for a great report and thank you,  
18 Scott Chaney, for your great report.

19 CHAIR FERRARO: Any other questions or comments  
20 from the Board?

21 COMMISSIONER DAVIS: Chairman Ferraro, this is  
22 Commissioner Davis. I just wanted to commend the staff for  
23 arranging that tour of the Maddy Lab and to say how much it  
24 helped my understanding of not only what the Board does with  
25 respect to monitoring the horses but, also, all of the

1 people who work so hard at the Maddy Lab to make sure that  
2 everything that we learn about these horses is sound and  
3 reliable information.

4           COMMISSIONER ALFIERI: I, as well -- Commissioner  
5 Alfieri -- I, as well, would like to echo that comment. I  
6 just think it's very impressive, state of the art. The  
7 staff is on top of their game and really highly  
8 professional, passionate about what they do, there every day  
9 doing the great work that we do so -- at the CHRB. And as  
10 we learned yesterday, one of only six labs in the world that  
11 have the stature and credibility that they do there, so  
12 highly regarded internationally, and so it's very  
13 impressive. We're very lucky we have them here in  
14 California. And Ken Maddy had the vision and we're seeing  
15 it through, so it's phenomenal. Thank you, again, to the  
16 staff.

17           And thank you, Mr. Chaney, for setting all of that  
18 up.

19           COMMISSIONER MITCHELL: And Mr. Chairman?

20           CHAIR FERRARO: Yes?

21           COMMISSIONER MITCHELL: Commissioner Mitchell. I  
22 wasn't able to go on the tour but I did last year and it was  
23 very impressive, so echoing everything that was said.

24           I just wanted to address the comments in the  
25 Executive Director's Report about getting agreements into

1 the staff in a timely manner. I know there have been --  
2 there has been improvement in getting these agreements in  
3 before the Board meeting. But there is still a lack of  
4 timeliness in getting them in order for them to be part of  
5 the record that goes out ten days in advance.

6 So I just wanted to echo Executive Director  
7 Chaney's comments and to say, obviously, we take these  
8 agreements seriously because of the -- you know, reference  
9 our prior conversation about the (indiscernible), so to new  
10 world order and a new Board. And I'm very impressed with  
11 all the work that we've done and all the progress that we've  
12 made, so let's keep it moving.

13 CHAIR FERRARO: Thank you, Commissioner Mitchell.

14 I would echo the comments about the Maddy Lab. I  
15 have been associated with them for 17 years. I know the  
16 quality of their work and the people involved. It's a real  
17 unique situation and much to the benefit of California  
18 racing.

19 If the Board has no further comments, I think  
20 we'll go the public queue if we have one, Operator. Do we  
21 have a queue on the Executive Director's Report?

22 OPERATOR: Yes we have several in queue.

23 First we can go to --

24 CHAIR FERRARO: Okay.

25 OPERATOR: -- Martha Sullivan with Kill Racing Not

1 Horses.

2 CHAIR FERRARO: Okay. Let's go.

3 MS. SULLIVAN: Yes. Hello. I want to share a  
4 report by the ABC affiliate in San Diego just this week that  
5 noted that in California the handle has dropped 18-and-a-  
6 half percent over the last ten years to roughly \$2.8 billion  
7 in the Fiscal Year 2019-'20, you know, according to this  
8 Board. So you know, people are noticing. And when we talk  
9 about increases in the handle, it's a decrease on a dropped  
10 level to begin with.

11 I also want to note Mr. Chaney's reference to  
12 people trying to evade detection by moving horses out of  
13 regulated facilities. How can intent be proved? And we  
14 know of people with horses that this happened to last year.

15 Tap the Wire and Hendavid, who both died, you know, after  
16 injuring, fatally injuring themselves on the racetrack.  
17 Hendavid wound up in Utah. And Tap the Wire was in a non-  
18 CHRB facility when he was euthanized. So how do you  
19 determine intent?

20 And finally, I just want to remind everybody that  
21 Mongolian Groom is documented to have had several rounds of  
22 multiple veterinarian reviews prior to the Breeders' Cup in  
23 which he died. So it really doesn't matter how many  
24 veterinarians you have on the Review Panel. It doesn't  
25 matter how many levels of review you do before the race.

1 Racing kills horses. And Mongolian Groom is a prime example  
2 of that, as is cited in the New York (indiscernible)  
3 recently.

4 CHAIR FERRARO: Thank you.

5 Next, please.

6 OPERATOR: And next, we'll go to Dr. Wayne  
7 Johnson, citizen.

8 Please go ahead.

9 MR. JOHNSON: So Dr. Blea, these horses that died  
10 in training have names.

11 Midnight Promise was a three-year-old filly, died  
12 on August 28th at the alleged safest track in America, Del  
13 Mar. Moonlight Promise died on -- I'm sorry -- Honor Award  
14 died on September 6th, Shesgotattitude (phonetic) died on  
15 August 6th, Del Mar, where horses are flipping at the  
16 starting gate.

17 Two years ago, Dr. Blea, you said, quote, "I  
18 solemnly swear to use my scientific knowledge and skills for  
19 the benefit of society through the protection of animal  
20 health and welfare and the prevention and relief of animals  
21 suffering." You said that, Dr. Blea.

22 Just man to man, let me ask you to take a look at  
23 the video of Queen Helene bleeding and collapsing and vanned  
24 off, covered in blood, at Golden Gate Fields. Let me ask  
25 you to take a look at that video on YouTube or anywhere else

1 you can access it and you tell me if that doesn't fit the  
2 prevention of animals suffering, the oath that you took as a  
3 veterinarian?

4 Thank you.

5 CHAIR FERRARO: Thank you.

6 Next, please.

7 OPERATOR: Next, we'll go to Cliff Goodrich with  
8 CTHF.

9 Please go ahead.

10 MR. GOODRICH: Hello again. I have two separate  
11 comments.

12 First of all, I'd like to clear my record. Since  
13 my comments, I looked at the rules in the law. And in the  
14 case of the CTT agreement it is mandated by law and rules.  
15 And so while my comments may stand in general on this  
16 particular item, it looks like there must be an agreement at  
17 some point.

18 What I really called about is another lengthy  
19 meeting. The advocates for Kill Racing Not Horses continue  
20 to try or suggest to a racing commission that is charged to  
21 properly regulate racing and to ensure the safety and  
22 welfare of horses how to conduct their business. I  
23 personally find it ironic that the Board has to afford so  
24 much time to a group of individuals committed to shut down  
25 the sport instead of being committed to make it safer.

1           While I believe the public meeting law allows for  
2 appropriate public comment, the Kill Racing Not Horses  
3 supporters' comments should be taken, in my opinion, with  
4 their objective at top of mind.

5           Thank you.

6           CHAIR FERRARO: Thank you.

7           Next, please.

8           OPERATOR: Thank you. We have no additional  
9 comments at this time.

10          CHAIR FERRARO: Thank you.

11          Well, that leaves us for the Public Comment  
12 session.

13          Do we have a queue on that, Operator?

14          OPERATOR: We have several coming through here.  
15 We'll go back to Dr. Wayne Johnson.

16          Please go ahead.

17          CHAIR FERRARO: Okay.

18          MR. JOHNSON: Thank you very much.

19          Forty-nine horses have died in the state of  
20 California this year. Forty-nine horses who wanted to live  
21 as much as you and I. And that is what we're concerned  
22 about.

23          Mr. Goodrich would rather we didn't even talk. He  
24 doesn't think we fit under the purpose of the Open Meetings  
25 Act and Bagley-Keene. We're going to continue to talk

1 because we are citizens of the great state of California.

2 And we believe that horses should live, not die.

3 Thank you.

4 CHAIR FERRARO: Thank you.

5 Next, please.

6 OPERATOR: Next, we'll go back to Bonnie Croker  
7 with Kill Racing Not Horses.

8 Please go ahead.

9 MS. CROKER: Thank you. I'm using this public  
10 comment time to ask questions directed at the CHRB and any  
11 racing industry officials, workers, or fans who are  
12 listening. What, if anything, goes through your mind when  
13 you watch live or videotaped clips of racehorses sustaining  
14 severe injuries while being forced to perform in your money  
15 game? Are you even watching when terrorized horses rear up  
16 and then fall in the starting gate, breaking their necks and  
17 backs? Maybe you are too busy selling hot dogs or sipping a  
18 mint julep?

19 Animal rights activists are watching and  
20 recording.

21 Are you watching when several running horses  
22 collide with one another, dumping riders, breaking legs,  
23 skulls, spines, et cetera?

24 Animal rights activists are watching and  
25 recording.

1           Perhaps, you were watching race eight at Los  
2 Alamitos on 09/10/21. Horse two had a name but I'll  
3 withhold for a moment to make a point. This three-year-old  
4 gelding at 11 starts at California tracks. He was severely  
5 injured in the upper stretch. Film clearly reveals that his  
6 right front leg was broken and dangling on the knee joint.  
7 He was vanned off.

8           What goes through the minds of animal rights  
9 activists when we see these tragedies is that horse racing  
10 is a cruel, barbaric blood sport that must be stopped. What  
11 goes through your mind CHRB --

12           CHAIR FERRARO: Your time is up.

13           MS. CROKER: -- when you see the carnage -- when  
14 you see the carnage?

15           CHAIR FERRARO: thank you.

16           Next, please.

17           OPERATOR: Thank you.

18           Next, we'll go to Martha Sullivan with Kill Racing  
19 Not Horses.

20           Please go ahead.

21           MS. SULLIVAN: California has been a leader,  
22 particularly in the past two years, to ban cruel industries,  
23 such as the manufacture and sale of fur products, the retail  
24 sale of dogs, cats and rabbits, the use of wild species in  
25 circuses, and animal testing of cosmetic and personal care

1 items. These industries all have employees, yet  
2 Californians have acted to end them in our state due to the  
3 cruelty to animals inherent in these industries. The  
4 employees, contractors, and vendors in these industries will  
5 migrate to other industries, just as those in past, in some  
6 industries, have.

7           As California considers amending our Constitution  
8 to allow wagering on human sports, it is time to recognize  
9 that we no longer need to exploit horses for revenue and  
10 profit. While we are amending our Constitution to allow  
11 wagering on human sports, we can also amend it to relieve  
12 horses of the abuse and death documented in the horse racing  
13 industry.

14           I will remind you, again, what other sport has 49  
15 deaths of its athletes in just nine months in only five  
16 venues in a single state, as reported by this Board? And  
17 what other sport has at least 7,500 of its retired athletes  
18 annually sent to slaughterhouses in Mexico and Canada, as  
19 reported by the president of the National Thoroughbred  
20 Racing Association?

21           Yes, I stand for killing races, not horses. I'm  
22 proud to stand for that. And I have every right to advocate  
23 that position under California State Law. Anybody who wants  
24 to suppress that right is acting illegally.

25           CHAIR FERRARO: Thank you, Martha Sullivan. Your

1 time is up.

2 Next, please.

3 OPERATOR: Thank you. And next, we will go to  
4 Kimberly Marrs with KTM.

5 Please go ahead.

6 MS. MARRS: Hello Board. Good morning. My name  
7 is Kim Marrs, as you know, and I have been a trainer for  
8 well over 20 years, probably closer to 40, and I love this  
9 sport. I love my job. And I just want to see this industry  
10 thrive.

11 The work that you're doing is absolutely amazing.  
12 And we really need to just stay on the path of horse  
13 welfare. We're really doing -- the inroads we're making are  
14 amazing.

15 And I just want people to know, especially for me,  
16 as a personal person, that's a trainer, my personal stance  
17 on this whole thing is I became a trainer for the one  
18 reason, because I did see a horse break down. And I vowed,  
19 even as a very young kid, that I wanted to be a trainer.  
20 And I wanted to train in such a way that I could not have  
21 that happen, that I could help horses, and that's the path  
22 I've taken. I do a lot of equine therapy work. And I do --  
23 I'm studying constantly every day different ways to help  
24 prevent injuries. I think that a lot more trainers are  
25 going to be getting involved with doing the same thing. And

1 it's the right path for us to be on.

2           And I think that this sport can thrive. It's not  
3 ever going to be 100 percent perfect, we know that, nothing  
4 in life is, but we are giving it a hell of a shot. And we're  
5 going all the right things. And that's just the direction  
6 we need to keep going, and we need to stay the course, and  
7 we need to understand that, you know, we're in this for  
8 horse welfare, not -- the animal rights are for animal  
9 rights. It's a totally different thing from animal welfare.  
10 And everybody needs to understand the differences between  
11 those two.

12           But keep doing the good job that you're doing.  
13 It's working. And I'm glad to be a part of it.

14           Thank you.

15           CHAIR FERRARO: Thank you.

16           Next, please.

17           OPERATOR: We have no additional comments at this  
18 time.

19           CHAIR FERRARO: All right. That concludes the  
20 public comment period.

21           This Board will now go into executive session. At  
22 its conclusion we will reconvene the public meeting for the  
23 sole procedurally purpose of adjourning the public meeting  
24 without further comment. Anyone wishing to hear that  
25 meeting adjournment can use the link to audio webcasts on

1 the CHRB website.

2           And with that, I thank you all, and we will now go  
3 into executive session.

4           (The California Horse Racing Board recessed into closed  
5 session at 12:04 p.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 21st day of September, 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

September 21, 2021