

**CALIFORNIA HORSE RACING BOARD**

1010 Hurley Way, Suite 300

Sacramento, CA 95825

[www.chrb.ca.gov](http://www.chrb.ca.gov)

(916) 263-6000 Fax (916) 263-6042



## **REGULAR MEETING**

Notice is hereby given that a meeting of the **California Horse Racing Board (CHRB/Board)** will be held on **Thursday, April 21, 2022**, commencing at **9:30 a.m.** at the **Clubhouse at the California Exposition and State Fair Grandstand, 1600 Exposition Boulevard, Sacramento, California**. The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website ([www.chrb.ca.gov](http://www.chrb.ca.gov)) under "Webcasts."

The agenda for the regular meeting will consist of the following matters:

### **AGENDA**

#### **Action Items:**

1. **Approval of the minutes of March 17, 2022.**
2. Update by **Drs. Sue Stover, Francisco Uzal and Carrie Finno on the interdisciplinary investigation of sudden death in racing Thoroughbreds.**
3. Discussion and action by the Board on **whether to elect to collect and remit fees on behalf of the Horseracing Integrity and Safety Authority.**
4. Discussion and action by the Board on the **Application for renewal of License to Operate a Minisatellite Wagering Facility at the OC Tavern, San Clemente**, for a period of up to but not exceeding five years.
5. Discussion and action by the Board on the **Approval for the continuation of a distribution from ADW Market Access fees for wagers placed by California residents on all live and imported races hosted by the signatory racing associations for the period May 1, 2022, through December 31, 2022**, to be utilized to fund a California co-op marketing program as permitted under Business & Professions Code section 19604(f)(5)(E).
6. Reports
  - A. **Executive Director's Report.**
7. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** During the public comment period, a total of thirty minutes will be allowed for public comments. After thirty minutes, no further comments will be accepted. Each person will be limited to two minutes.

8. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
  - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," and as authorized by Government Code section 11126(e).
  - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding pending administrative licensing or disciplinary matters 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).
9. **Adjournment.**

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at [www.chrb.ca.gov](http://www.chrb.ca.gov). \*Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Zachary Voss. Requests will be swiftly resolved by CHRB staff.

**CALIFORNIA HORSE RACING BOARD**

Gregory L. Ferraro, DVM, Chairman  
Oscar Gonzales, Vice Chair  
Dennis Alfieri, Member  
Damascus Castellanos, Member  
Brenda Davis, Member  
Thomas C. Hudnut, Member  
Wendy Mitchell, Member  
Scott Chaney, Executive Director  
Cynthia Alameda, Assistant Executive Director

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## **PENDING ADMINISTRATIVE ADJUDICATIONS APRIL 2022**

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 as authorized by Government Code section 11126(e). This shall include any matters mentioned below and/or permitted by law.

### **CASE**

- A. Proposed Decision of Medication Violation**  
**Trainer Ronald Ellis**  
Case Number: 21SA0078

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## **PENDING LITIGATION APRIL 2022**

### **COURT LITIGATION**

- A. Ruis Racing, LLC v. California Horse Racing Board**  
Superior Court of California, County of Los Angeles
- B. Hollendorfer v. California Horse Racing Board**  
Superior Court of California, County of San Diego
- C. Zvi Kriple v. California Horse Racing Board**  
Superior Court of California, County of San Diego

### **OTHER LITIGATION**

- D. In the Matter of the Accusation Against Jeff Blea;**  
Case No. 4602021001570  
Before the Veterinary Medical Board

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**REGULAR BOARD MEETING MINUTES****Date and Time:** March 17, 2022 at 9:30 a.m.**Location:** Teleconference**Board Members Present:** Gregory Ferraro, Chairman  
Oscar Gonzales, Vice-Chairman  
Dennis Alfieri, Member  
Wendy Mitchell, Member  
Demascus Castellanos, Member  
Brenda Washington Davis, Member  
Thomas C. Hudnut, Member**Staff Members Present:** Scott Chaney, Executive Director  
Cynthia Alameda, Assistant Executive Director  
Robert Brodnik, General Counsel**1. APPROVAL OF THE MINUTES OF JANUARY 20, 2022.****Motion:** To approve the minutes of January 20, 2022.**Motioned/Seconded:** Castellanos/Gonzales**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Castellanos, Davis, Ferraro. **Nay:** None.**Abstain:** Hudnut. **Motion carried.**

Pages 4–7 in the Board transcript.

**2. REPORT FROM THE PARI-MUTUEL AND WAGERING COMMITTEE.**

Pages 7–12 in the Board transcript.

**3. DISCUSSION AND ACTION BY THE BOARD REGARDING AN AMENDMENT TO THE APPLICATION FOR THE ADVANCE DEPOSIT WAGERING (ADW) OF CHURCHILL DOWNS TECHNOLOGY INITIATIVES COMPANY DBA TWINSPIRES AND BETAMERICA, PURSUANT TO BOARD RULE 2072(I).****Motion:** To approve an amendment to the application for the advance deposit wagering of Churchill Downs Technology Initiatives Company dba TwinSpires and BetAmerica, pursuant to Board Rule 2072(I).**Motioned/Seconded:** Davis/Castellanos**Roll call vote: Aye:** Gonzales, Alfieri, Castellanos, Davis, Hudnut, Mitchell, Ferraro. **Nay:** None. **Motion carried.**

Pages 12–15 in the Board transcript.

## Proceedings of the Regular Meeting of March 17, 2022

4. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE DEL MAR THOROUGHBRED CLUB**, COMBINED 2021 RACE MEETINGS, IN THE AMOUNT OF \$218,221, TO NINE BENEFICIARIES.

**Motion:** To approve the distribution of race day charity proceeds of the Del Mar Thoroughbred Club, combined 2021 race meetings, in the amount of \$218,221, to nine beneficiaries.

**Motioned/Seconded:** Castellanos/Hudnut

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 15–19 in the Board transcript.

5. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF PACIFIC RACING ASSOCIATION II AND PACIFIC RACING ASSOCIATION**, COMBINED 2020 RACE MEETINGS, IN THE AMOUNT OF \$2,402, TO EIGHT BENEFICIARIES.

**Motion:** To approve the distribution of race day charity proceeds of the Pacific Racing Association II and Pacific Racing Association, combined 2020 race meetings, in the amount of \$2,402, to eight beneficiaries.

**Motioned/Seconded:** Hudnut/Alfieri

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 19–21 in the Board transcript.

6. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF PACIFIC RACING ASSOCIATION II AND PACIFIC RACING ASSOCIATION**, COMBINED 2021 RACE MEETINGS, IN THE AMOUNT OF \$7,543, TO EIGHT BENEFICIARIES.

**Motion:** To approve the distribution of race day charity proceeds of Pacific Racing Association II and Pacific Racing Association, combined 2021 race meetings, in the amount of \$7,543, to eight beneficiaries.

**Motioned/Seconded:** Davis/Hudnut

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 21–25 in the Board transcript.

7. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE LOS ANGELES TURF CLUB**, INCORPORATED DBA SANTA ANITA PARK 2020–21 WINTER/SPRING RACE MEETING IN THE AMOUNT OF \$39,863 TO TEN BENEFICIARIES.

**Motion:** To approve the distribution of race day charity proceeds of the Los Angeles Turf Club, Incorporated dba Santa Anita Park 2020 to 2021 Winter/Spring race meeting in the amount of \$39,863 to ten beneficiaries.

**Motioned/Seconded:** Castellanos/Hudnut

## Proceedings of the Regular Meeting of March 17, 2022

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 25–29 in the Board transcript.

8. DISCUSSION AND ACTION BY THE BOARD REGARDING THE **DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE LOS ANGELES TURF CLUB II, INCORPORATED DBA SANTA ANITA PARK 2021 FALL RACE MEETING IN THE AMOUNT OF \$17,644 TO TEN BENEFICIARIES.**

**Motion:** To approve the distribution of race day charity proceeds of the Los Angeles Turf Club II, Incorporated dba Santa Anita Park 2021 fall race meeting in the amount of \$17,644 to ten beneficiaries.

**Motioned/Seconded:** Hudnut/Alfieri

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None **Motion carried.**

Pages 29–31 in the Board transcript.

9. PUBLIC HEARING AND ACTION BY THE BOARD REGARDING THE **PROPOSED ADOPTION OF CHRB RULE 1415, PUBLIC PARTICIPATION AT MEETINGS,** TO DEFINE THE RULES REGARDING PUBLIC PARTICIPATION DURING MEETINGS OF THE BOARD.

**Motion:** To approve the proposed adoption of CHRB Rule 1415, Public Participation at Meetings, to define the rules regarding public participation during meetings of the Board.

**Motioned/Seconded:** Castellanos/Davis

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 31–37 in the Board transcript.

10. PRESENTATION FROM THE **CALIFORNIA THOROUGHBRED TRAINERS (CTT) REGARDING A STATUS UPDATE ON THE TASKFORCE REGARDING ANIMAL SAFETY.**

Pages 37–58 in the Board transcript.

11. DISCUSSION AND ACTION BY THE BOARD ON THE **REQUEST FROM THE CALIFORNIA AUTHORITY OF RACING FAIRS (CARF) TO DESIGNATE THE FOLLOWING 2022 ALLOCATED RACE DATES AS A COMBINED FAIR HORSE RACING MEETING,** PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19549.1: ALAMEDA COUNTY FAIR AT PLEASANTON, JUNE 15, 2022, THROUGH JULY 12, 2022; CALIFORNIA EXPOSITION AND STATE FAIR, JULY 13, 2022, THROUGH AUGUST 2, 2022; HUMBOLDT COUNTY FAIR AT FERNDAL, AUGUST 17, 2022, THROUGH AUGUST 30, 2022; AND THE BIG FRESNO FAIR, OCTOBER 5, 2022, THROUGH OCTOBER 18, 2022.

**Motion:** To approve the request from the California Authority of Racing Fairs (CARF) to designate the following 2022 allocated race dates as a combined fair horse racing meeting, pursuant to Business and Professions Code Section 19549.1: Alameda County Fair at

## **Proceedings of the Regular Meeting of March 17, 2022**

Pleasanton, June 15, 2022 through July 12, 2022; California Exposition and State Fair, July 13, 2022, Through August 2, 2022; Humboldt County Fair at Ferndale, August 17, 2022, through August 30, 2022; and the Big Fresno Fair, October 5, 2022, through October 18, 2022.

**Motioned/Seconded:** Alfieri/Hudnut

**Roll call vote: Aye:** Gonzales, Alfieri, Mitchell, Hudnut, Castellanos, Davis, Ferraro. **Nay:** None. **Motion carried.**

Pages 58–63 in the Board transcript.

### **12. EXECUTIVE DIRECTOR'S REPORT**

Pages 63–71 in the Board transcript.

### **13. PUBLIC COMMENT.**

Pages 71–79 in the Board transcript.

**MEETING ADJOURNED AT 11:22 A.M.**

**Proceedings of the Regular Meeting of March 17, 2022**

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

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Chairman

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Executive Director

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 2**

### Agenda Item 3

## STAFF ANALYSIS DISCUSSION AND ACTION BY THE BOARD ON WHETHER TO ELECT TO COLLECT AND REMIT FEES ON BEHALF OF THE HORSERACING INTEGRITY AND SAFETY AUTHORITY

Regular Board Meeting

April 21, 2022

### ISSUE:

The Horseracing Integrity and Safety Act of 2020 (15 U.S.C. Sec. 3051, et seq.) (“the Act” of “HISA”) goes into effect on July 1, 2022. According to the Act, state racing commissions have no later than 60 days before the effective date to notify the Horseracing Integrity and Safety Authority (“the Authority”) whether the racing commission elects to collect and remit fees on behalf of the Authority. (15 U.S.C. 3052(f)(2)(A)). The assessments will cover California’s share of the horseracing anti-doping and medication control program and the racetrack safety program. Accordingly, the Board must make its decision by May 1, 2022.

### ANALYSIS:

HISA establishes a funding mechanism whereby the Authority will determine and provide to each State racing commission the estimated amount required from the State to fund its proportionate share of HISA programs and to liquidate the State’s proportionate share of any loan or funding shortfall. (*Id.* at (f)(1)(C)). As described above, it is up to each state racing commission to decide whether it will elect to collect and remit these fees.

Should the Board elect to collect and remit payments on behalf of the Authority, the Act leaves it to each state racing commission on how to determine the method by which the fees are allocated, assessed, and collected. (*Id.* at (f)(2)(D)).

If a state racing commission does not elect to remit fees on behalf of the Authority, the Authority itself will be responsible for collecting fees from those covered under the Act and the state racing commission will be prevented from imposing or collecting from any person a fee or tax related to anti-doping and medication control or a racetrack safety matters for any covered horseraces. (*Id.* at (f)(3)(D)).

Business and Professions Code (BPC) [section 19440](#) provides, in part, that the Board has all powers necessary and proper for the “[a]dministration and enforcement of all laws, rules, and regulations affecting horse racing and parimutuel wagering.” Accordingly, this statutory authority permits the board to determine whether to elect to collect and remit fees consistent with federal statute and associated federal regulations. Additional legislation will be necessary to provide the Board the option to enter into agreements with the Authority or any other entity enforcing provisions of the Act as well as to memorialize the method by which the fees will be allocated, assessed, and collected.

### RECOMMENDATION:

This item is presented for Board discussion and action. Should the Board elect to collect and remit fees on behalf of the Authority, the action should be conditioned upon the Board securing the appropriate statutory authority to enter into agreements with the Authority and memorialization of the method by which the fees are allocated, assessed, and collected.

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 4**

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD ON THE APPROVAL FOR THE CONTINUATION OF A DISTRIBUTION FROM ADW MARKET ACCESS FEES FOR WAGERS PLACED BY CALIFORNIA RESIDENTS ON ALL LIVE AND IMPORTED RACES HOSTED BY THE SIGNATORY RACING ASSOCIATIONS FOR THE PERIOD MAY 1, 2022, THROUGH DECEMBER 31, 2022, TO BE UTILIZED TO FUND A CALIFORNIA CO-OP MARKETING PROGRAM AS PERMITTED UNDER BUSINESS & PROFESSIONS CODE SECTION 19604(F)(5)(E).

Regular Board Meeting  
April 21, 2022

ISSUE:

The Thoroughbred Owners of California (TOC), Del Mar Thoroughbred Club (DMTC), and the Los Angeles Turf Club (LATC) are seeking an approval of an agreement under Business and Professions Code (BPC) section [19604\(f\)\(5\)\(E\)](#) for the period May 1, 2022 through December 31, 2022, which will continue the previously modified market access fee distributions for advance deposit wagering (ADW) wagers placed in the applicable zone on races hosted by the signatory host tracks. The Co-op Marketing Agreement allows the TOC and the tracks to continue programs that were previously supported by California Marketing Committee (CMC). CMC is no longer operating as BPC section 19605.73 allowing its existence has expired.

ANALYSIS:

The TOC and the tracks (Del Mar and Santa Anita) wish to continue certain CMC programs following the January 1, 2019 sunset of BPC section 19605.73, which authorized the CMC and its programs. The continuing programs include:

- Stakes Recruitment,
- Ship & Win,
- Significant Player Rebates,
- Calracing.com and Calracingcares.com Websites, and a
- TOC Administrative Fee

The cost of these programs will be shared between the TOC and the signatory parties on the Co-op Marketing Agreement.

The share of costs attributed to each of the tracks is based upon a percentage of handle in the applicable California zones that would otherwise be payable as thoroughbred purses and track commissions.

BACKGROUND:

BPC section 19604(f)(5)(E) provides that notwithstanding any provision of this section to the contrary, the distribution of market access fees pursuant to this subparagraph may be altered upon the approval of the Board, in accordance with an agreement signed by all parties whose distributions would be affected.

RECOMMENDATION:

This item is presented for Board discussion and action. Staff recommends the Board hear from the Co-op Marketing Agreement representatives.

**Coop Marketing Funding Agreement**

This Agreement is entered into as of this 31 day of March, 2022 by and between the undersigned racing associations ("the Signatory Racing Associations") the Thoroughbred Owners of California ("TOC").

IT IS HEREBY AGREED AS FOLLOWS:

1. The distribution of Market Access fees from California resident Advanced Deposit Wagering, ("ADW") placed on all live and imported races hosted by the Signatory Racing Associations shall be altered by the creation of an additional deduction for a distribution therefrom, based upon a percentage of handle in the applicable California zones that would otherwise be payable as thoroughbred purses and track commissions. The deduction from ADW market access fees shall be utilized to fund a coop marketing program. The deduction percentage of ADW handle in the applicable zones for each host shall be:

Del Mar Thoroughbred Club race meets	0.320%
Los Angeles Turf Club race meets	0.420%

2. The parties shall immediately file this Agreement with the CHRB for the purposes of securing its approval of the deductions contemplated from market access fees placed on races hosted by the Signatory Racing Associations which is permitted pursuant to Business and Professions Code Section 19604 (f)(5)(E).
3. Subject to the requisite approval of the CHRB, the deduction from ADW set forth in #1 above shall be effective May 1, 2022 through December 31, 2022.
4. In addition to the distributions set forth above, there shall be a distribution from the ADW Deduction in order to pay administrative expenses that would otherwise have been distributed to TOC, CTT, and the Backstretch Workers Pension Plan.

Thoroughbred Owners of California

By: 

Los Angeles Turf Club

By: 

Del Mar Thoroughbred Club

By: 

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 6**

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 7**

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 8**

CALIFORNIA HORSE RACING BOARD

April 21, 2022

REGULAR BOARD MEETING

**There is no board package material for Item 9**