

THE STATE HORSE RACING COMMISSION MEETING MINUTES

February 28, 2023

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: In-Person PDA Room 309 and Via Telephonic Conference Call on Tuesday, February 28, 2023 at 1:00 P.M.

Commissioners in attendance: Chairman Redding, Darryl Breniser, Salvatore DeBunda, Dr. John Egloff, Thomas Ellis, Russell Jones, C. Edward Rogers, Dr. Corinne Sweeney, and Robert Lark. Commissioner Ruddy was not in attendance, also present was Commission Counsel Jorge Augusto, Standardbred Bureau Director Anthony Salerno, and Thoroughbred Bureau Director Thomas Chuckas.

ANNOUNCEMENTS

A quorum of the Commission being present, Chairman Redding called the meeting to order. Chairman Redding noted that the meeting was properly advertised in accordance with the Sunshine Law. By way of notice, the Commission conducted an executive session to engage in quasi-judicial deliberation to be adjudicated at the public meeting and engaged in attorney client privilege communication.

Chairman Redding welcomed everyone to the meeting.

PUBLIC MEETING

1.) MINUTES OF THE JANUARY 31, Meeting:

Motion By: Commissioner Ellis
Second By: Commissioner Sweeney
Decision: Passed by unanimous vote.

PRESENTATIONS

2.) Racing Fund January Financial Report – Presented by Jason Dunsavage. Mr. Dunsavage provided a detailed financial analysis of the State Racing Fund, Commission and Testing Revenues and Expenses, Promotional Expenditures, a Comparative to FY 20/21 and an overview of the Breed-specific funds for the month of December. Mr. Dunsavage noted that on a comparison of the Commission and Testing Revenue stayed basically the same at \$11.7 million while Expenditures for the same period were up approximately \$210,000. Chairman Redding asked about the significant difference and Bureau Director Chuckas explained that it's mostly timing, there was a late bill from last year that's in this number, as well as several pieces of equipment for the Lab that were purchased in 2021 and 2022.

3.) PHHA Marketing Report – Presented by PHHA Executive Director Mike Harrant and PHHA Marketing Director Rachel Olszewski, Ms. Olszewski explained that the largest expenditure of the Marketing money is for the cable show PA Harness Week, which is currently in its 15th year, which has shown a marked increase in viewership coming out of Covid. Last year, the PHHA took the show on the road and visited 2 Fairs, York and Silver Spring. They hope to visit more Fairs this year.

The second biggest expenditure is always TrackMaster and the distribution of free Past Performances. Last year there was a 35 % increase at Harrah's in year-over-year growth for downloads, and Pocono was at 31 %.

The third largest expenditure is Community Involvement. We have Inside the Industry, which would include the Harness Horse Youth Foundation, Marley's Mission Equines for Freedom as well as other after care groups. The PHHA also has our Outside the Industry programs which includes community activities around Chester as well as around the Poconos. Those groups include local YMCA's as well as Court Appointed Special Advocates and Leadership Northeast.

Commissioner Rodgers asked if the PHHA was Planning on doing a HHYF summer Camp this year, Mr. Harrant said that due to Covid the camp was discontinued but that they hope to get the program back up this summer. Commissioner Breniser asked if there were any special Plans for the Fair Finals, which will be held at Pocono this year? Ms. Olszewski said they are currently developing those plans.

4.) Presque Isle Downs 2023 Live Racing dates Modification Request – Mr. Matt Ennis representing Presque Isle asked the Commission to modify the previously approved 100-day live Race Meet to 80 days. The goal is to try and keep the Purse Structure competitive with surrounding Racetracks. Mr. Todd Mostoller Executive Director of the PA HBPA stated that although they would like to race 100 days, he agreed with Mr. Ennis that it is not financially feasible, and the PA HBPA supports the reduction in days to 80.

5.) DMVA & Penn National Veteran's Services Support Program – Brigadier General Maureen Weigel, Deputy Adjutant General for the Department of Military and Veterans Affairs addressed the Commission on the different outreach and support programs that her agency provides to Veterans. She complemented Penn National for its continued support for Veterans and invited the other Racetracks and Casinos as well as Horsemen's Organizations to join with Penn National to expand the support for the Veterans and these critical support programs.

Director Chuckas asked the General to forward any information to him and he would be sure to get it out the Racetracks.

Eric Johnson Director of Racing for Penn National commented on some of the programs that Penn National is involved in with the Veterans groups, one of those programs "My Hero's" entitles Veterans and first Responders to a special players card that has special perks, including different discounts, free slot play and other perks and events.

We also have a couple of Concerts each year specifically designated for the Veterans. All proceeds from those concerts go towards Veterans programs. Also, there is a program where Penn National employees designate a deduction weekly from their paychecks to support the veterans' programs, as well as drop box's where patrons put uncashed vouchers in to benefit the Veterans.

ADMINISTRATIVE ACTIONS

6.) Motion to approve Simulcast Calendars for March 2023, for Harrah's Philadelphia, Mohegan Sun at Pocono Downs, and the Meadows.

Motion By: Commissioner Breniser
Second By: Commissioner Rogers
Decision: Passed by unanimous vote

7.) Motion to approve the Simulcast Calendars for February 2023 for PARX, Penn National and Presque Isle Downs.

Motion By: Commissioner Sweeney
Second By: Commissioner Ellis
Decision: Passed by unanimous vote.

8.) Motion to approve Presque Isle Downs 2023 Live Race Dates Modification request.

Motion By: Commissioner Sweeney
Second By: Commissioner Ellis
Decision: Passed by unanimous vote

9.) Motion to approve Lasix Administrative Guidance Policy SHRC 2023-1 (Standardbred Only) – Removal from Bleeder's List.

Motion By: Commissioner Breniser
Second By: Commissioner Rogers
Decision: Motion passed. Commissioners DeBunda and Jones abstained.

INDUSTRY REPORTS

10.) General Reports

Director Chuckas gave an update on the status of the HISA/HIWU negotiations, while much progress has been made, there is still significant questions and concerns to be worked out. The implementation date for the HISA Drug Program is March 27, 2023. The Commission will be scheduling a Special Meeting some time before the implementation deadline to determine the status of negotiations.

Commissioner Sweeney complement the staff for its efforts during these negotiations. The Chairman also thanked the staff for the manner in which they have conducted these negotiations, keeping in mind what is best for racing in Pennsylvania.

Director Salerno recognized the following Industry participants:

- Scott Lishia, Director of Racing at the Meadows, reported that the month of February has been extremely positive from a wagering point of view, compared to last year. The Meadows showed a 30% increase in the number of races that they have programed, and the total handle is up nearly 70%. Mr. Lischia thanked the horsemen for their strong support as well. On another note, Mr. Lischia wanted to mention a Social Media project that the Track Photographer Chris Gooden and Kevin Hanley our Entertainment Manager have taken on. It started out with them just putting up some pictures and

videos of races, drivers, and horses. on Tik Tok. They now have over 113,000 followers, their channel has over 50 million views, with ten plus videos with over a million views each. In the last 60 days, the channel has 15 million views and picked up 62,000 followers. Facebook has 19,000 followers with several videos with over a million views. The Meadows Instagram account has over 36,000 followers averaging about 2.5 million views a month, which are impressive numbers.

- Mike Zullinger, Director of Racing Mohegan Sun Pocono Downs, informed the Commission that Pocono has 4 days under their belt and so far, the weather has been great, and our handle is up about 15% from last year. In March, they will expand to 3 days a week and are looking forward to a great season.
- Barry Brown, Director of Racing Harrah's Philadelphia, stated that they have our first qualifying race scheduled for March 24, and we are anxious to get under way on April 2nd.
- David Osojnak, Director of Racing for Parx, advised that Parx took entries today for March 6th, which is their first day of Parx Madness. They have seven stakes combined for Monday and Tuesday. We have four three-year-old stakes on Monday and three stakes for older horses on Tuesday.
- Eric Johnston, Director of Racing Penn National had no report.
- Mike Harant, Executive Director PHHA, just want to say, Pocono started two weeks ago. They have four days in the book. Entries have been very strong, and handle has been up, and Chester is right around the corner, so we'll be in full swing pretty soon.
- Jeff Matty, Executive Director PTHA, provided a brief update concurring with David Osojnak. They have Parx Madness next week which Bruce Cassella and Mr. Matty pitched to the Commissioners last month about Stable Duels, which is like fantasy football of sorts. Their Executive team will be on campus all three days next week. At next month's meeting, he'll have a little more to report about StableDuels and our ongoing partnership.
- Kim Hankins, Executive Director of MSOA, spoke about the recently conducted HHI Meeting's in Florida and thanked his director's that attended. He welcomed the new President of HHI Ron Batoni. Kim wanted to recognize that Senator Kim Ward, State Senate Protemp was awarded the HHI Appreciation Award. She has been a Champion for horse racing for many years and pledged to continue working towards benefiting horse racing here in the Commonwealth.
- Matt Ennis, Director of Racing, Presque Isle, very excited to get his staff back toward the end of March and get the Track in order for arrival of the horses in Mid-April and beginning our season on May 15.
- Brian Sanfratello, Executive Director PHBA reported that the deposits to the Breeding Fund through January were up \$132,000. We have 29 stakes scheduled for this year, starting in April at Parx. This includes the Expansion of the 2023 PA Stallion Series for two – year old's, six races, with approximately \$1 million in Purses.
- Mike Simpson, Standardbred Breeders, had no report.

PUBLIC COMMENT

There was no public comment.

ANNOUNCEMENTS

Chairman Redding announced that the next meeting will be held on Tuesday March 28, 2023, at 1:00 pm. The Meeting location will be Room 309 and on Teams.

- Executive Session 11:00 a.m.
- Regular Session 1:00 P.M.

ADJOURNMENT

MOTION BY: Commissioner Ellis

SECOND BY: Commissioner Sweeney

DECISION: Passed by Unanimous vote

The meeting was adjourned at 1:50 P.M.

Respectfully submitted,

Thomas F. Chuckas Jr.
Bureau Director
Bureau of Thoroughbred Horse Racing

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing