

THE STATE HORSE RACING COMMISSION MEETING MINUTES

JULY 28, 2020

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: Via Telephonic Conference Call on Tuesday, July 28, 2020 at 1:00 P.M.

Commissioners in attendance: Chairman Redding, Darryl Breniser, Salvatore DeBunda, Dr. John Egloff, Thomas Ellis, Russell Jones, Robert Lark, C. Edward Rogers, and Michele Ruddy were present via telephonic conference call. Commissioner Dr. Corinne Sweeney was not present. Also present was Commission Counsel Jorge Augusto.

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. The Commission conducted an executive session to engage in a quasi-judicial deliberation to be adjudicated at the public meeting and engaged in attorney client privilege communication.

Chairman Redding welcomed everyone.

PUBLIC MEETING

1.) MINUTES OF THE June 30, 2020 MEETING as emailed to the Commissioners for their review in advance of the meeting.

Motion by: Commissioner DeBunda
Second by: Commissioner Rogers
Decision: Passed by unanimous vote.

PRESENTATIONS

2.) RACING FUND JUNE FINANCIAL REPORT – presented by Tracee Gotwalt.

Motion to approve the FY19/20 Year-End Distribution as indicated below:

- \$1,218,510: This amount is retained from FY 19/20 funds to pay for services rendered in FY19/20 but not yet paid.
- \$1,168,915: This amount will be distributed to the PA Thoroughbred Breeders. This calculation was determined by taking the 25% mandated carry-over percentage (\$1,662,240) and reducing it by (\$ 493,326) – prior years adjustments. The cash basis distribution over the previous 3 years created an over payment to the Breeders of the (\$493,326) listed above.
- \$1,168,915: This amount will be distributed to the Standardbred Sire Stakes program. Explanation is the same as for the PA Thoroughbred Breeders.
- \$3,324,481: This amount will be allocated to the Commission for Testing expenses in FY20/21. This calculation reflects the 50% mandated carryover percentage.

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

ADMINISTRATIVE ACTIONS

Thoroughbred Bureau Director Chuckas advised the Commission that he has been working with Mid-Atlantic regulators, racetracks, veterinarians and horsemen's groups to develop new best practices and refine existing practices. The goal was to create uniformity and consistency in the region. The measures outlined are thoroughbred based. The Director is seeking the Commission to take the following actions.

3.)

- **Motion to adopt Jockey Riding Crop Rule and to utilize the Penalty Matrix as a guideline. This is to be adopted as a Statement of Policy pending final adoption in the regulation.**

Motion By: Commissioner DeBunda
Second By: Commissioner Ellis
Decision: Passed by unanimous vote.
 Commissioner Breniser and Commissioner Egloff abstained.

- **Motion to adopt Veterinarian List Practices to remove a horse from the Veterinarian List. This is to be adopted as a Statement of Policy pending final adoption in the regulation.**

Motion By: Commissioner Rogers
Second By: Commissioner Ruddy
Decision: Passed by unanimous vote
 Commissioner Breniser and Commissioner Egloff abstained.

- **Motion to adopt the utilization of the 150-day Layoff Report as a veterinary tool to assist in pre-race examinations. This is adopted as a Commission Standard Operating Procedure.**

Motion By: Commissioner Lark
Second By: Commissioner Ellis
Decision: Passed by unanimous vote
 Commissioner Breniser and Commissioner Egloff abstained.

- **Motion to adopt a Voluntary Trainer Continuing Education program. This is to be adopted as a Statement of Policy pending final adoption in regulation. The Commission requested best efforts be made by the Bureau and Legal to draft the proposed regulation in 60 days.**

Motion By: Commissioner Jones
Second By: Commissioner DeBunda
Decision: Passed by unanimous vote
 Commissioner Breniser and Commissioner Egloff abstained.

Bureau Director Chuckas informed the Commissioners two additional best practices were being reviewed by staff. The first practice concerns biosecurity measures at the racetracks. This requires a collaborative effort among all parties and will be distributed to the tracks and horsemen for input. The second issue relates to Claimed Horse Health Records which provides veterinarians a comprehensive medical history of claimed horses. Additional internal work is required prior to presenting to the Commission for adoption. This item will be presented at a future meeting.

Bureau Director Chuckas informed the Promotional/Marketing fund for Fy20/21 is \$1,710,935 down approximately \$665,000 or 28% from last year. The Director will be formulating the proposed allocations for FY20/21 and distributing to the Commissioners for their review and approval.

4.) OLD BUSINESS

Bureau Director Salerno provided the Commissioners with an update on Standardbred Fair Racing. The original schedule called for 16 dates at Agricultural fairs and five two-day racing events. Due to Covid-19 a Waiver request to the Governor was required to permit Standardbred Racing at the fairs. A waiver was received on July 1st from the Governor and racing ended up with 13 fair dates and 5 two-day event dates. Fortunately, Standardbred racing only lost 3 fair dates. The Director expressed his thanks to the Governor and to all parties whose efforts made this possible.

INDUSTRY REPORTS.

5.) General Reports.

- Dale Rapson, Mohegan Sun at Pocono Downs, advised the Commission that handle is up about 22% compared to last year. The negative is the majority of the handle is derived from the export of the live product which provides a lower Commission takeout rate and thus the revenues are significantly less. Pocono Downs is strictly enforcing the Covid-19 procedures. Several trainers have been fined for not wearing masks and one trainer was suspended for repeated non-compliance.
- Mark Loewe, Meadows, advised the Meadows opened on June 15th. Covid-19 adherence has been good on the backside and with the Horsemen. The Meadows has had issues on the front-side mainly with Casino patrons. Temperatures are being taken daily at the stable gate and only licensed people are allowed entrance. Business has been disappointing. July export has been up but basically handle is flat with last year. This Saturday is our major race day, the Adios Stakes. Unfortunately, no spectators will be permitted.
- Barry Brown, Harrah's Philadelphia opened on June 21st and held three days of qualifiers prior to the reopening. The Casino opened June 26th. Harrah's has experienced a positive in the export handle being up about 15 to 18%. The on-track handle is obviously down significantly. Covid-19 protocols have gone very well. There has been great cooperation with the PHHA, and Sam Beegle and Mike Harant have been very supportive. There have been very few issues with the licensees. The issues have been on the front side with the casino patrons. It has been difficult but is improving.
- Joe Wilson, Parx, racing resumed on June 22nd and Parx is racing Monday, Tuesday and Wednesday. We swapped Saturday for Wednesday. Parx is reflecting an 85 increase over last year. Covid-19 protocols have been going well. The track is

ensuring mask wearing and social distancing. We have elevated our jockey policy placing a jockey who races out of town. The jockey must quarantine for 14 days and provide a negative Covid-19 test. Mr. Wilson informed the Commission that the regular 3-week closure will not occur due to the lost dates due to Covid-19. Mr. Wilson expressed his appreciation to the PTHA and the Commission for their support and cooperation.

- Eric Johnston, Penn National, resumed racing on June 19th and have raced 11 days. The average daily export handle is up on average about 70%. Horsemen have been great through this process. Unfortunately, the patrons have not been as compliant. Patrons refuse to wear masks, refuse social distancing and are rude. Reductions are still in place regarding the casinos and this is a major concern.
- Matt Ennis, Presque Isle Downs, informed the Commission that it started yesterday, so there is little to report regarding the handle. One positive for the meet is previous issues between CID and the Stronach Group have been resolved. Covid-19 procedures have been strictly adhered to temperatures are being taken on the backside. Overall, horsemen support has been positive.
- Sam Beegle, PHHA advised all is well at Pocono and Chester.
- Kim Hankins, MSOA, followed up on Mark Loewe's comments. The MSOA will be broadcasting Adios Day on social media, Facebook and local TV.
- Jim Simpson, SBA, advised that the Standardbred Breeders submitted a Covid-19 compliant application to PDA and the Governor's office to conduct the 2020 Horse Sale at the Farm Show complex. He was seeking the support of Chairman Redding and the Commission for his application.
- Brian Sanfratello, PHBA, informed the Commission that there will be PA Day at the Races on September 7th at Parx. He expressed his appreciation to Mile Ballezzi, Sal DeBunda and Joe Wilson for their support.

ANNOUNCEMENTS

Chairman Redding announced the next meeting will be held on Tuesday, August 25, 2020. The Meeting will be held at the Dept. of Agriculture Building, ROOM 309, 2301 North Cameron St. Harrisburg, PA 17110.

- Executive Session 11:00 A.M.
- Regular Session 1:00 P.M.

ADJOURNMENT

The meeting was adjourned at 1:56 P.M.

NOTES

Respectfully submitted,

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

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing