

THE STATE HORSE RACING COMMISSION MEETING MINUTES

MAY 26, 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, May 26, 2020 at 1:00 P.M.

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

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.

Chairmen Redding welcomed everyone.

PUBLIC MEETING

1.) MINUTES OF THE April 28, 2020 MEETING as emailed to the Commissioners for their review in advance of the meeting.

Motion by: Commissioner Breniser
Second by: Commissioner Sweeney
Decision: Passed by unanimous vote.

PRESENTATIONS

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

- Discussion of Racing Fund Year-End Distribution.
- Discussion of Cash based accounting versus Accrual based accounting.

ADMINISTRATIVE ACTIONS

3.) None

OLD BUSINESS

4.) Equine Racing Group-March/April meeting cancelled-no report.

RACING RESUMPTION & RECOVERY: RESPONSE TO PUBLIC QUESTIONS.

- Director Chuckas provided an update regarding Commission staff and Industry activities:
 - The Commission sent a letter to the Governor requesting consideration for the resumption of racing. The Governor responded that he understood the Commission's and the racing industry's position.
 - Currently, three backstretch facilities are open for stabling and training, Parx (1200 horses), Penn National (800 horses) and the Meadows (700 horses). Covid-19 and PPE protocols and procedures have been implemented. At this time, there are no reports of Covid-19 on any of the backsides.
 - The Commission, Racetracks and Horsemen have been working diligently to craft a Racing Resumption Plan. The plan is a collaborative effort to bring uniformity and consistency to the six racetracks taking into consideration the individual track nuances and the breed differences. The plan closely adheres to the Governor's, Department of Health and CDC guidelines with no spectators. A great amount of effort and work has been expended to ensure that the Industry is prepared to resume racing when the Governor allows racing to return. The industry is prepared.
- A Commission discussion ensued regarding House Bill 2544 (resumption of racing). The Commissioners expressed their support for the bill as it mirrors prior letters and resolutions in support of racing.

Motion to support House Bill 2544 in its present form.

Motion by: Commissioner Ellis
 Second By: Commissioner Egloff & Commissioner DeBunda
 Decision: Passed by unanimous vote.

- Bureau Director Salerno reported that the Commission received five written questions from MS. Mindy Coleman a representative of the Jockey Guild. The questions concerned Covid-19 safety protocols and procedures regarding the jockeys. The Bureau, in conjunction with Legal provided a written response. There were no additional written questions.

INDUSTRY REPORTS.

5.) General Reports.

- Chris McErlean, representing Penn National and the Meadows, advised the Commission that he has engaged in discussions with the HBPA and the MSOA. The discussions have not only centered on safety protocols and procedures but the ability to resume racing in a fiscally responsible manner.
- Todd Mostoller advised the Commission that his organization had serious concerns regarding financial issues in the new fiscal year budget proposed by the legislature.

Mr. Mostoller's concern is that based on the limited number of operating Casinos and the required statutory transfers, there would insufficient funds to support racing. He advised the Commission that industry lobbyists are in discussion with the House and Senate to delay the transfers until all participating-contributing Casinos are up and running. Mr. Mostoller would appreciate Commission support of the Industry's position.

Motion to support the coalition's advocacy for the delay of the statutory mandated transfers until all Category 1 Casinos are up and operational.

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

- Mr. Sanfratello advised the Commission that he was withdrawing his original Commission request to utilize \$100,000 of Breeding fund to assist Breeders in financial need. He expressed his appreciation for the Commission's understanding and support of those breeders with financial issues, but his organization has determined an alternative funding source. Members of the Pennsylvania Horse Breeders' Association have stepped forward to make generous donations to assist breeders in financial straits.

ANNOUNCEMENTS

Chairman Redding announced the next meeting will be held on Tuesday, June 30, 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 1:40 P.M.

NOTES

Respectfully submitted,

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

Anthony Salerno
 Bureau Director
 Bureau of Standardbred Racing