

## THE STATE HORSE RACING COMMISSION MEETING MINUTES

**APRIL 27, 2021**

*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, April 27, 2021 at 1:00 P.M.*

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

### **ANNOUNCEMENTS**

A quorum of the Commission being present, Chairperson Cook called the meeting to order. Chairperson Cook 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.

Chairperson Cook welcomed everyone.

### **PUBLIC MEETING**

**1.) MINUTES OF THE March 30, 2021 Meeting** as emailed to the Commissioners for their review in advance of the meeting.

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

### **PRESENTATIONS**

**2.) RACING FUND MARCH FINANCIAL REPORT** – presented by Tracee Gotwalt. Ms. Gotwalt provided a detailed financial analysis of the State Racing Fund, Commission and Testing Revenues and Expenses, Promotional Expenditures, a Comparative to FY 19/20 and an overview of the Breed-specific funds for the month of March 2021.

**3.) PHRA Presentation** – presented by Ashley Eisenbeil with contributions from Darby Hughes and Christine Bender representing Pavone. Ms. Eisenbeil provided a status report on the state-wide branding campaign and the results of the PHRA's two-year customer research report. The branding campaign is showing positive trends but there is still work to do. The two-year report reflects the following:

- Awareness of PA Horse Racing and PA tracks is climbing.
- Shows lifts in beliefs about horse racing's momentum and perception in PA. However, the lifts are largely driven by the core audience which may be considered both positive and negative.
- The current creative has increased interest in the sport by 12%.

- The study has provided some new baseline measures for betting/interest in new wagering behaviors.

**4.) Discussion-Lasix Policy** – presented by Thomas Chuckas. Director Chuckas provide a brief overview of the proposed Lasix policy eliminating the use of Lasix in 2-year-old thoroughbred horses and in thoroughbred Graded Stakes Races conducted in Pennsylvania commencing June 1, 2021. On the national level, the Director outlined the current status of the use of Lasix in multiple jurisdictions. Upon conclusion of the briefing, the floor was open for comment from the stakeholders and the public. Todd Mostoller (PA HBPA) inquired as to the process the Commission would utilize to implement the Lasix ban. Legal Counsel addressed his question. Mr. Mostoller stated he believed Lasix is in the best interest of the horse and as such opposed the proposed policy. Mr. Ballezzi (PTHA) opposed the measure and wanted any action to be delayed for one year. His organization would like to see the effect of Lasix bans in surrounding states. Mr. Beegle (PHHA) stated that he was unclear as to the reason for the action. He believed the use of Lasix is in the best interest of the horses. Mr. Hankins (MSOA) supported Mr. Mostoller’s position. Mr. Hankins raised a series of questions as to the need for this proposal. He believes the proposal should be delayed until further evidence and events take place. Mr. Williams (SBA) raised a number of issues relating to HISA and the legality of the legislation. Based on the issues raised, Mr. Williams opposes the policy and believes the process should be slowed down. Mr. Wilson (Parx) believes based on the Graded Stakes requirements and the Commission previous publication that Parx is left without a choice in the matter. Eric Johnston (Penn National) concurred with Mr. Wilson’s position. Mr. Ennis (Presque Isle Downs) had no comment on the matter and would abide by all PA regulations. Mr. Brown (Harrah’s) stated Harrah’s would abide by all PA regulations but supported the horsemen’s position. Mr. Zullinger (Pocono) and Mr. Lishia (Meadows) had no comment on the matter. Dr. Papp (Veterinarian) spoke in support of the measure and believed from a global perspective the importance of the proposed guidelines. In addition, she questioned the need for starting horses on Lasix early in their careers.

**5.) Standardbred Fair Dates 2021** – presented by Anthony Salerno. Director Salerno provide a status report for the 2021 Standardbred Fair schedule. There are 19 events. There are 14 agriculture fairs that will conduct racing. In addition, there will be five two-day racing events. The first fair will be June 29<sup>th</sup> at Butler and the final fair will be at Bloomsburg on September 25<sup>th</sup>. The purse distribution will be relatively close to the 2020 level. The Director outlined the specific guidelines for the fairs to access the promotional fund. In addition, he provided guidelines for reimbursement for track expenses up to the \$12,500 limit. Mr. Salerno thanked a number of people for their support in moving fair racing forward.

**Motion By:** Commissioner Lark  
**Second By:** Commissioner Jones  
**Decision:** Passed by unanimous vote.

## **ADMINISTRATIVE ACTIONS**

**6.) Motion to approve the Simulcast Calendars for May 2021 for Harrah’s Philadelphia, Mohegan Sun at Pocono Downs and The Meadows.**

**Motion By:** Commissioner Rogers  
**Second By:** Commissioner Ellis

**Decision:** Passed by unanimous vote.

**7.) Motion to approve the Simulcast Calendars for May 2021 for Parx, Penn National and Presque Isle Downs.**

**Motion By:** Commissioner Lark  
**Second By:** Commissioner Jones  
**Decision:** Passed by unanimous vote.

**8.) Motion to approve the** elimination of the use of Lasix in 2-year-old thoroughbred horses and in Graded Stakes Races conducted in Pennsylvania commencing June 1,2021.

**Motion By:** Commissioner Jones  
**Second By:** Commissioner Ellis

**Discussion:** Commissioner Breniser stated even though he would not be voting on the issue, he would recommend that if a decision was to be made today that it be delayed and tabled until the next meeting. Commissioner Rogers stated this has been a difficult decision but will support the motion based on the need for uniformity. He believes this is in the best interest of the industry. Commissioner Jones supports the motion based on the fact that the industry is trending in this direction and the need for uniformity. Commissioner Jones also stated that Pennsylvania should be leaders and not followers. Commissioner DeBunda stated he will abstain due to the fact that the two issues were not handled separately.

**Decision:** Roll-call Vote: Commissioner Ellis-yes, Commissioner Jones-yes, Commissioner Lark-yes, Commissioner Rogers-yes, Commissioner Sweeney-yes.

Abstained: Commissioner DeBunda, Commissioner Breniser, Commissioner Egloff.

**Motion passed.**

**9.) Motion to ratify the approval to permit the Meadows Racetrack and Casino to eliminate 2 live Race Days of July 17, 2021 and August 21, 2021.**

**Motion By:** Commissioner Lark  
**Second By:** Commissioner Rogers  
**Decision:** Passed by unanimous vote.

**10.) Motion to ratify the approval to permit Parx to offer a "Pick 5" wager on its racing program. The wager would require a single winning ticket to collect the wagering pool and carryover jackpot. In the event of no single winning ticket, there is a 70% daily payout and a 30% carryover.**

**Motion By:** Commissioner DeBunda  
**Second By:** Commissioner Ellis  
**Decision:** Passed by unanimous vote,

## **INDUSTRY REPORTS**

**11.) General Reports.** Director Chuckas advised that effective at the May meeting, the monthly Commission meeting will be conducted on "Microsoft Teams" and not on Skype. This will be the new platform until in-person meetings are permitted.

Director Salerno recognized the following Industry participants for their reports:

- Eric Johnston, Penn National, advised the Commission that Penn National was preparing for the Kentucky Derby. In addition, he reminded everyone the Penn Mile will be run on May 28<sup>th</sup>.
- Matt Ennis, Presque Isle Downs, stated that PID was focusing on Derby preparations. He also raised his concern with the labor shortage at PID and specifically the Veterinarian shortage. Veterinarians have indicated that they are requesting three to four times what was paid in the past. He asked if anyone was seeking employment let him know.
- Joe Wilson, Parx advised the Commission that Parx was preparing for Derby weekend. One of the trainers at Parx, Danny Velasquez has a horse, Brooklyn Strong racing in the Derby.
- Barry Brown, Harrah's Philadelphia, advised the Commission that the opening of the meet went well and the handle has been strong. Harrah's is looking forward to the Derby even though there are still restrictions in place.
- Mike Zullinger, Pocono Downs, advised that their focus was preparing for Derby weekend.
- Scott Lishia, Meadows, introduced himself to the Commission and stated he looked forward to working with all parties. Scott spoke about having the track redone and receiving positive reviews.
- Todd Mostoller, HBPA, raised the issue of uncoupled entries and requested a motion and vote. Todd requested the issue be placed on the May agenda for action.
- Russell Williams, SBA, predicted that this year's numbers will beat the 2019 numbers for all registrations, mares bred and new stallions.
- Kim Hankins, MSOA welcomed Scott Lishia to the team at the Meadows. He believes Scott will be a positive addition to the team.
- Mr. Ballezzi, PTHA supports Mr. Mostoller's request.

## **PUBLIC COMMENT**

Dr. Langlois commented on the Presque Isle report regarding their inability to pay Veterinarians what they are worth to do their job. Dr. Langlois is disturbed that Churchill Downs, owner of PID, with a billion-dollar net profit will not pay a fair wage.

**ANNOUNCEMENTS**

Chairman Cook announced that the next meeting will be held on Tuesday, May 25, 2021. The Meeting location is to be determined.

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

**ADJOURNMENT**

The meeting was adjourned at 2:35 P.M.

Respectfully submitted,

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

Anthony Salerno  
Bureau Director  
Bureau of Standardbred Racing