

## **THE STATE HORSE RACING COMMISSION MEETING MINUTES**

**December 21, 2016**

*A public business meeting of The State Horse Racing Commission was held at the following date, place and time: The FARMSHOW Complex in the Susquehanna room in Harrisburg, PA, Wednesday, December 21, 2016 at 1:00 P.M.*

*Commissioners in attendance were: Salvatore M. De Bunda, Thomas Jay Ellis, C. Edward Rogers, Michele C. Ruddy, Dr. John Egloff, Darryl Breniser, Russell Jones and Chairman Russell Redding, the Pennsylvania Secretary of Agriculture. Also present were Commission legal counsel Brook Duer and Jorge Augusto.*

*The Chair called the meeting to order. Legal counsel noted that the meeting has been advertised in accordance with the Sunshine Law. Legal counsel noted that executive session was conducted at 10:00 a.m. for discussion of the following topics: Personnel matters; attorney-client privileged communication; litigations; and commission adjudications.*

### **SUMMARY**

Chairman Redding welcomed everyone to the commission meeting and began the Industry Session that started at 11:00 a.m.

Pennsylvania Thoroughbred Breeders Association – Brian Sanfratello, Executive Director provided several key points for the future of racing, including, integrity and the fair treatment of horses; the implementation of “out of competition testing”; the promotion and marketing of Pennsylvania racing; the need for racetracks to attract patrons with community relations and outreach programs and making the racetrack a more family friendly destination; (Mr. Sanfratello distributed a handout for the commissioners)

Standardbred Breeders Association - Joe Thompson of Winbak Farms and Mr. Jim Simpson of Hanover Shoe Farms provided key points for the future of racing, including, having a good reputation, integrity and growing the base of bettors, owners and breeders in Pennsylvania; doing more to prevent “paper trainers” and dealing with owners/trainers who drug their horses; adopt out-of-competition testing; license “training centers” and PDA should hire an outside marketing agency. The Standardbred sale in 2016 had a 15% increase, in which 800 plus yearlings were sold.

Pennsylvania Horsemen’s Benevolent and Protective Association - Todd Mostoller, Executive Director provided several key points for the future of racing, including, having fair and uniform medication rules; adherence to the uniform medication guidelines from ARCI; the creation of a working group to assist the commission in establishing polices; horsemen need to be welcomed into Pennsylvania at racetrack facilities; improve the racing product, pricing and services and marketing of the product; address “take-out rates” in Pennsylvania; ensure legislative stability of the Race Horse Development Fund and ensure the protection of retired race horses.

Chairman Redding thanked everyone for waiting and began the meeting housekeeping matters.

Brook Duer, spoke briefly about one ex parte communication and thanked the industry for refraining from contacting the commissioners directly and working through the Commission office.

Prior meeting minutes of 11/30/16 were approved by motion. There was no general correspondence for the November meeting. Tracee Gotwalt, Bureau of Administrative Services, presented information on the Commission's FY 16-17 financial statements.

*The following licensed racing entity representatives addressed upcoming events and happenings at the tracks:* Eric Johnson, Director of Racing at Penn National; had no report for December. Joe Wilson, Racing Director, Parx; had no report for December. Debbie Howells, Director of Racing, Presque Isle Downs; had no report for December. Kevin Decker, Director of Racing, The Meadows; had no report for December. Barry Brown, Director of Racing, Harrah's Philadelphia; had no report for December. Dale Rapson, Director of Racing at, Mohegan Sun at Pocono Downs, had no report for December.

*The following horsemen's and breeder group representatives addressed the Commission:* Michael Ballezzi, Executive Director, PTHA, was not present and had no report for December. Todd Mostoller, Executive Director, PA HBPA, spoke during the Industry session. Kim Hankins, Executive Director, MSOA, had no report for December. Sam Beegle, President PHHA, had no report for December. Jim Simpson, Standardbred Breeders Association, along with Joe Thompson of Winbak Farms spoke during the industry session.

Brian Sanfratello, Executive Director, PHBA, spoke to the commission about the monthly newsletter sent out and thank the Commission for the marketing money that was used for the Stallion Directory and went on to say how much better Pennsylvania is than the states surrounding it. There just needs to be Legislative stability with no more money being taking from the Racehorse Development Fund.

## **ADJUDICATIONS**

In re: Appeal of Chocktaw Chuck: A motion was made by Commissioner Jones and, seconded by Commissioner DeBunda, and unanimously passed to enter an order: "**AND NOW**, this 21<sup>st</sup> day of December, 2016, upon consideration of the record created in this matter and the accompanying Memorandum, it is hereby **ORDERED** that a default judgment is granted again Appellant pursuant to 58 Pa.Code § 165.183(1), and that the September 18, 2016 ruling of the Presque Isle Downs Racetrack Stewards to disqualify "Chocktaw Chuck" from the 6<sup>th</sup> race on September 18, 2016 is **AFFIRMED**."

In re: Appeal of Fergal Lynch: A motion was made by Commissioner DeBunda and, seconded by Commissioner Jones, and passed with Commissioner Ruddy opposed to enter an order: "**AND NOW**, this 21<sup>st</sup> day of December, 2016, upon agreement of Appellant, a stipulated order is entered as follows: Upon payment of a \$5,000 assessment, a one-year conditional Jockey License shall be issued to Appellant and this matter stayed for a period of one-year from the date hereof. Barring any other grounds for disciplinary action against his license in that one-year period, at the conclusion of that

one-year period, a non-conditional Jockey License shall be issued and the docket in this matter shall be closed and resolved.”

In re: Appeal of Raman Preciado: A motion was made by Commissioner DeBunda and, seconded by Commissioner Jones, and unanimously passed to ender an order: “**AND NOW**, this 21<sup>st</sup> day of December, 2016, upon consideration of the record created in these matters and the Hearing Officer’s Findings of Fact, Conclusions of Law and Recommendation, which are attached, adopted and incorporated herein, it is **ORDERED AND DIRECTED** that (a) Ruling Nos. 16039PP and RULING NO. 16043PP are **AFFIRMED** and (b) Appellant’s Owner and Trainer Licenses are **REVOKED**, effective December 22, 2016, on Ruling Nos. 16033C through 16038C consecutively. All ownership transfers of horses previously raced in Pennsylvania for which Ramon Preciado has been represented as owner shall be made in compliance with any and all Commission regulations and requirements.”

### **BUSINESS - MOTIONS**

A motion was made by Commissioner DeBunda and, seconded by Commissioner Ellis, and unanimously passed to approve item 3(b) 1- 11/30/2016 State Horse Racing Commission meeting minutes.

A motion was made by Commissioner Ellis and, seconded by Commissioner Breniser, and unanimously passed to approve item 3 (b) 2- financial statements for December meeting.

A motion was made by Commissioner DeBunda and, seconded by Commissioner Rogers, and unanimously passed to table item 3 (b) 3- until January the presentation by PHBA-Approval of 2017 PHBA Budget.

A motion was made by Commissioner Egloff and, seconded by Commissioner Breniser, and unanimously passed to approve item 3(b) 4- Commission Confidentiality Policy.

A motion was made by Commissioner Ellis and, seconded by Commissioner Rogers, and unanimously passed to approve item 3(b) 5- the 2017 State Horse Racing Commission meeting dates.

A motion was made by Commissioner Rogers and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(b) 5- simulcast calendars for January 2017 for, Harrah’s Philadelphia, Mohegan Sun at Pocono Downs and The Meadows.

A motion was made by Commissioner Rogers and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(b) 5- the simulcast calendars for January 2017, for Parx, Penn National and Presque Isle Downs.

A motion was made by Commissioner DeBunda and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(b) 5- Operational Approvals for Penn National for 2017, 194 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner DeBunda and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(b) 5-

Operational Approvals for Parx for 2017, 170 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner DeBunda and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(b) 5-Operational Approvals for Presque Isle Downs for 2017, 100 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner Egloff and, seconded by Commissioner Breniser, and unanimously passed to approve item 3(b) 5-Operational Approvals for The Meadows for 2017, 195 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner Egloff and, seconded by Commissioner Breniser, and unanimously passed to approve item 3(b) 5-Operational Approvals for Mohegan Sun at Pocono Downs for 2017, 134 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner Breniser and, seconded by Commissioner Egloff, and unanimously passed to approve item 3(b) 5-Operational Approvals for Harrah's Philadelphia for 2017, 150 Live Race Days, Officials, Take Out Rates, Wagering Format, Simulcast-In and Simulcast Out.

A motion was made by Commissioner Egloff and, seconded by Commissioner Rogers, and passed with two abstentions from Commissioner DeBunda and Commissioner Jones to approve item 3(c) 1- Interim Approval of Entity Application and Electronic Wagering Petition for The Meadows as written.

A motion was made by Commissioner Breniser and, seconded by Commissioner Rogers, and passed with two abstentions from Commissioner DeBunda and Commissioner Jones to approve item 3(c) 1- Interim Approval of Entity Application and Electronic Wagering Petition for Harrah's Philadelphia as written.

A motion was made by Commissioner Egloff and, seconded by Commissioner Rogers, and passed with two abstentions from Commissioner DeBunda and Commissioner Jones to approve item 3(c) 1- Interim Approval of Entity Application and Electronic Wagering Petition for Mohegan Sun at Pocono Downs as written.

A motion was made by Commissioner Jones and, seconded by Commissioner DeBunda, and passed with two abstentions from Commissioner Egloff and Commissioner Breniser to approve item 3(c) 1- Interim Approval of Entity Application and Electronic Wagering Petition for Parx as written.

A motion was made by Commissioner Jones and, seconded by Commissioner DeBunda, and passed with two abstentions from Commissioner Egloff and Commissioner Breniser to approve item 3(c) 1- Interim Approval of Entity Application and Electronic Wagering Petition for Penn National as written.

A motion was made by Commissioner Jones and, seconded by Commissioner DeBunda, and passed with two abstentions from Commissioner Egloff and Commissioner Breniser to approve item 3(c) 1- Interim Approval of

Entity Application and Electronic Wagering Petition for Presque Isle Downs as written.

A motion was made by Commissioner Ellis and, seconded by Commissioner Jones, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- United Tote (Docket No. 2016-4) as written.

A motion was made by Commissioner Rogers and, seconded by Commissioner Breniser, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- Sportech (Docket No. 2016-6) as written.

A motion was made by Commissioner Ellis and, seconded by Commissioner Egloff, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- Am Tote (Docket 2016-7) as written.

A motion was made by Commissioner Breniser and, seconded by Commissioner Ruddy, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- International Sound Corp (Docket 2016-3) as written.

A motion was made by Commissioner Ruddy and, seconded by Commissioner Rogers, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- Xpressbet (Docket 2016-5) as written.

A motion was made by Commissioner Rogers and, seconded by Commissioner Breniser, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License-GLPI (Docket 2016-8) as written.

A motion was made by Commissioner Egloff and, seconded by Commissioner DeBunda, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- ODS Tech-DBA TVG (Docket 2016-9) as written.

A motion was made by Commissioner Rogers and, seconded by Commissioner DeBunda, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License-Teletimer (Docket 2016-10) as written.

A motion was made by Commissioner DeBunda and, seconded by Commissioner Egloff, and unanimously passed to approve item 3(c) 2-Approval of Totalisator License- eBet Technology (Docket 2016-11) as written.

## **ANNOUNCEMENTS**

Mr. Langlois and Mr. Sullivan addressed the commission during the public comment section.

Chairman Redding announced the next meeting will be held on January 26, 2017, at the Department of Agriculture, in room 309, in Harrisburg, PA.

- Executive Session 10:30 A.M.
- Industry Session 11:15 A.M.
- Regular Session 1:00 P.M.

**ADJOURNMENT**

Chairman Redding adjourned the meeting.

Respectfully submitted,

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

Brett Revington  
Bureau Director  
Bureau of Standardbred Horse Racing