THE STATE HORSE RACING COMMISSION MEETING MINUTES

July 31, 2018

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: FARMSHOW Complex in the Susquehanna room in Harrisburg, PA, Tuesday, July 31, 2018 at 1:00 P.M.

Commissioners in attendance were: Chairman Russell C. Redding, C. Edward Rogers, Darryl Breniser, Dr. John Egloff, Salvatore DeBunda, Robert Lark, Dr. Corinne Sweeney, Michele Ruddy, Russell Jones and Thomas Jay Ellis. 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 10:30 a.m. to engage in quasi-judicial deliberations regarding the adjudications, attorney-client privilege communication and litigation matters.

Chairman Redding welcomed everyone to Harrisburg.

I. EXECUTIVE SESSION

II. NEW BUSINESS: ADMINISTRATIVE ACTIONS

(A) 2: Minutes of the June 26, 2018, meeting as emailed to the Commissioners for their review in advance of the meeting.

Motion by: Commissioner DeBunda Second by: Commissioner Ellis Passed: Unanimously to accept the June 26, 2018 meeting minutes.

Financials:

(A) 3: Tracee Gotwalt presented the May financial statements.

Motion by: Commissioner DeBunda Second by: Commission Breniser Passed: Unanimously to accept the June financial statements.

Motions:

(B) 1 (A): August 2018 Simulcast calendars for the 3 Standardbred tracks.

(B) 1 (B): August 2018 Simulcast calendars for the 3 Thoroughbred tracks.

(B) 1 (C): Motion to approve Penn National's request to send its simulcast of live races to Arizona Downs, all wagers will be commingled into the Penn National pools Sportech Mid-West Hub for 2018.

(B) 1 (D): Motion to approve Penn Nationals request to offer live racing on Wednesdays, September 12, 19, 26th and October 3, 10, 17, 24, and 31, 2018.

(B) 1 (E): Motion to approve Parx request to send signal to Arizona Downs for 2018.

(B) 1 (F): Motion to approve Presque Isle Downs request to permit a change in wagering structure to add a Super High Five wager in Race 8.

(B) 1 (G): Motion to approve Mohegan Sun at Pocono Downs request for a 15% take-out rate for all races conducted as the track on Breeders Crown day, October 27, 2018.

Motion by: Commissioner Breniser Second by: Commissioner Sweeney Passed: Unanimously to accept items A-B-C-D-E-F-G. See agenda.

New Regulations:

(B) 3 (A): Thoroughbred

Amendment to Ambulance Regulation 58 Pa. Code §163.32 and §165.87 (Temporary Regulation) Administrative Docket 2018-6.

Motion by: Commissioner Sweeney Second by: Commissioner Ellis Passed: Administrative Docket 2018-6 passed by commission with two abstentions from Commissioner Breniser and Commissioner Egloff.

(B) 3 (B): Standardbred

Amendment to Ambulance Regulation 58 Pa. Code §163.147 and §185.148 (Temporary Regulation) Administrative Docket 2018-7

Motion by: Commissioner Rogers Second by: Commissioner Lark Passed: Administrative Docket 2018-7 was passed by commission with two abstentions from Commissioner DeBunda and Commissioner Jones.

(B) 3 (C): Joint

Secondary Pari-Mutuel Organization (SPMO) Electronic Wagering License Application. Administrative Docket 2018-10

Motion by: Commissioner DeBunda Second by: Commissioner Egloff Passed: Unanimously to accept Administrative Docket 2018-10.

C. LICENSING AND ADJUDICATIONS

1. Licensing Matters:

Mr. Augusto gave an update to the Commission about the Receipt of Matters Subject to Intervention.

2. Adjudications:

Mario Serey, JR (Appeal of Ruling No. 18058PP Horse Medication Positive – Clenbuterol, February 24, 2018).

The Board of Stewards decision to fine Mr. Mario Serey, JR \$500.00 suspend him for 15 days and assign him two points under the MMV Point system and to also suspend appellant Mr. Mario Serey, JR for an additional 150 days is AFFIRMED by the Commission.

Motion by: Commissioner Jones Second by: Commissioner Rogers Passed: Unanimously approved to accept the Board of Steward's decision.

3. Pending Appeal Numbers and Status:

Legal Counsel Jorge Augusto provided the Commissioners with an updated report.

D. OLD BUSINESS

1. OOCT Update:

Director Chuckas gave the Commission an update on the Out of Competition Testing.

E. INDUSTRY REPORTS

Brian Sanfratello, Executive Director of the PHBA, reported on the following PHBA activities.

- 1. Monthly newsletter
- 2. PA Day at the Races will be a 1-million-dollar day.
- 3. Invited everyone to the PA Day at the Races on September 1st.
- 4. Looking forward to hosting the 4-H also on September 1st.

Joe Wilson updated the Commission on how the search was going for a new Racing Director at Parx.

Howard Taylor, Lawyer, spoke on behalf of the PHHA to the commission about some concerns about missing positive tests and would like the commission to set up new protocols to have moving forward.

Brian Willhop, Lawyer, Equine Coalition, requested a copy of the PHHA letter and the USTA letter from the commission.

Russell Williams, USTA, gave the commission some positive feedback about how Pennsylvania is doing in comparison with the surrounding states. Pennsylvania has many things to be proud of including the great amount of testing being done, is ranked in the 5 top states concerning their great breeder's programs and all of our officials are accredited.

F. PUBLIC COMMENT

Bryan Langlois, spoke to the commission about the importance of Out of Competition Testing and stated again that chase trucks should follow the horses with a vet in them.

Lou DiTullio, spoke to the commission about his experience with the State Horse Racing Commission over the last year.

Alan Pincus, wanted the Commission to know that he was not their enemy. He just wants to make sure that the Commission stays transparent and continues to lead by example.

G. ANNOUNCEMENTS

Chairman Redding announced the next meeting will be held on Tuesday, August 28, 2018, at the FARMSHOW Complex in the Susquehanna room at 2300 North Cameron Street, Harrisburg, PA 17110.

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

H. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

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

Brett Revington Bureau Director Bureau of Standardbred Horse Racing