

**THE STATE HORSE RACING COMMISSION
MEETING MINUTES**

June 28, 2017

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: Department of Agriculture in room 309 in Harrisburg, PA, Wednesday, June 28, 2017 at 1:00 P.M.

Commissioners in attendance were: Thomas Jay Ellis, C. Edward Rogers, Michele C. Ruddy, Darryl Breniser, Russell Jones, Dr. Corinne Sweeney, Salvatore DeBunda, Dr. John Egloff, Robert Lark and Acting Chairman Cheryl Cook. 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. for discussion of the following topics: Personnel matters; attorney-client privileged communication; litigation; commission adjudications.

Chairman Cook welcomed everyone to Harrisburg and the commission meeting and began with the housekeeping matters.

I. OLD BUSINESS

IFO Report:

Matt Knittel spoke to the commission about the Independent Fiscal Office analysis for the JSGC to do study on various aspects of Pennsylvania's horse racing industry.

Marketing:

Ms. Eisenbeil reported on advisory committee updates and notified the Commission that the next meeting will be July 12, 2017. Ms. Eisenbeil also informed the commission about the many social media outlets and stories that are being posted including a press release sent about the Out of Competition Testing currently being conducted by the commission.

Out of Competition Testing:

Director Chuckas informed the commission that on May 8th the Out of Competition Testing program started in Pennsylvania. There have been about 100 tests conducted so far with all the tracks hit and now reaching out to the farms in the state. Mr. Chuckas thanked everyone for being very helpful and cooperative.

IT Streaming Update:

Director Revington informed the Commission about steps that are being taken to see if the commission meetings can be streamed.

II. NEW BUSINESS: ADMINISTRATIVE ACTIONS

Minutes of the May 25, 2017, meeting were emailed to the Commissioners for their review in advance of the meeting.

Motion by: Commissioner DeBunda
Second by: Commissioner Ellis
Passed: Unanimously with a correction to for the name and place of the May meeting to the meeting minutes.

Financials:

Director Chuckas presented the May financial statements.

Motion by: Commissioner Rogers
Second by: Commission DeBunda
Passed: Unanimously to accept the May financial statements.

Motions:

- 3 (1) A:** July 2017 Simulcast calendars for the 3 Standardbred tracks.
- 3 (1) B:** July 2017 Simulcast calendars for the 3 Thoroughbred tracks.
- 3 (1) C:** Penn National request to begin offering a revised wagering format on July 1st.
- 3 (1) D:** Pocono Downs request to add a day of live racing to the 2017 schedule for Monday, September 18th.

Motion by: Commissioner Sweeney
Second by: Commissioner Dr. Egloff
Passed: Unanimously to accept items A-D the various tracks requests for May. See attached agenda.

- 4 (1):** PA HBPA request for 150,000
- 4 (2):** PHHA request for 150,000.

Motion by: Commissioner DeBunda
Second by: Commissioner Lark
Passed: Unanimously to accept the recommendation of the Marketing Advisory Committee to award funds to PA HBPA and PHHA for marketing.

III. LICENSING AND ADJUDICATIONS

Licensing Matter:

Mr. Jorge Augusto, Legal Counsel, advised the commission about the Harness Racetrack License Application and what the potential options for the next steps available. Dr. Egloff informed Mr. Augusto that the commission would like to open the application back up starting on August 1st for 120 days.

Motion by: Commissioner Lark
Second by: Commissioner Egloff
Passed: To accept the opening of 120 days for anyone to apply for the last harness license in Pennsylvania. Commissioners DeBunda and Jones abstained.

Adjudications:

James M. Borke: Appeal of Ruling No. 16137CD.

Ruling No. 16137CD of the Board of Judges dated October 16, 2016 is AFFIRMED.

Motion by: Commissioner Sweeney
Second by: Commissioner Egloff
Passed: Unanimously approved by the Commissioners that James M. Borke shall be suspended for a term of 1,825 days and fined \$5,000.

Marc G. Mosher: Appeal of Notice of Ejection from of Denial of Admission to The Meadows Racetrack.

The Ejection by The Meadows is REVERSED by the commission.

Motion by: Commissioner Sweeney
Second by: Commissioner Jones
Passed: Unanimously approved by the Commissioners that the Ejection/Denial of Admission from The Meadows to Marc G. Mosher is reversed.

Monte N. Sims: Appeal of Ruling No. 16411PN

The Suspension by Penn National is AFFIRMED by the commission.

Motion by: Commissioner DeBunda
Second by: Commissioner Jones
Passed: Unanimously approved by the Commissioners that Monte N. Sims is suspended from Penn National for 30 days commencing on January 1st to January 30, 2017.

Anthony R. DeFrancesco III: Appeal of Ruling Nos. 17002CD and 17003CD.

Ruling No. 17002CD to suspend for 365 days and be fined \$10,000 for (Synthetic Cannabis) at Harrah's Philadelphia on November 2, 2016 is AFFIRMED.

Ruling No. 17003CD to suspend for 1,095 days and fined \$10,000 for (Synthetic Cannabis) at Harrah's Philadelphia on November 11, 2016 is AFFIRMED in part and AMENDED in part. The days suspended will now be for 730 days.

Motion by: Commissioner DeBunda
Second by: Commissioner Jones
Passed: Unanimously approved Ruling No. 17002CD. Unanimously approved Ruling No. 17003CD which is affirmed in part and amended in part.

Pending Appeal Numbers and Status:

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

IV. INDUSTRY REPORTS

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

1. Monthly newsletter
2. The June 9th banquet was a great success.
3. Parx' day at the races will be on Saturday, September 2nd starting at 12:00 with five \$100,000 PA Stakes Races.
4. Mr. Sanfratello also thanked the horsemen's groups for helping to fund these programs.

V. PUBLIC COMMENT

Mr. Brian Langlois addressed the Commission regarding IT streaming and thanked Parx for the new house rule that is great on the integrity end. Mr. Langlois also asked the commission why the Parx Oaks was decided the way it was.

Patrick Kane, also spoke to the commission about the Parx Oaks problem. The bettors and the industry deserve to know how the decision was made and why it was made.

Alan Pincus, Attorney, questioned the commission's administrative hearing process.

VI. ANNOUNCEMENTS

Chairman Cook announced the next meeting will be held on Wednesday, July 26, 2017, at the FARMSHOW Complex at 2300 North Cameron Street, Harrisburg, PA 17110.

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

VII. 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