

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

**MAY 30, 2023**

*A public business meeting of The State Horse Racing Commission was held at the following date, place, and time: In-Person PDA Room 309 and Via Telephonic Conference Call on Tuesday, May 30, 2023, at 1:00 P.M.*

*Commissioners in attendance: Chairman Redding, Darryl Breniser, Russell Jones, Ed Rogers, Michele Ruddy, Dr. Corinne Sweeney, Thomas Ellis, also joining on Teams were Commissioners Robert Lark, Dr John Egloff and Salvatore DeBunda. Also present was Commission Counsel Jorge Augusto, Standardbred Bureau Director Anthony Salerno, and Thoroughbred Bureau Director Thomas Chuckas.*

### **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. 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.

Chairman Redding welcomed everyone to the meeting.

### **PUBLIC MEETING**

#### **1.) APPROVAL OF THE APRIL 25, 2023 MEETING MINUTES:**

**Motion By:** Commissioner Ellis  
**Second By:** Commissioner Breniser  
**Decision:** Passed by unanimous vote.

### **PRESENTATIONS**

**2.) Racing Fund April Financial Report** – Presented by Jason Dunsavage. Mr. Dunsavage provided a detailed financial analysis of the State Racing Fund. Beginning of April showed a cash balance of \$5.9 million. Revenue was a little over \$2 million, expenditures were \$1.3 million, leaving a cash balance on April 30<sup>th</sup> of \$ 6.65 million. The Commission revenues for the month were \$1.23 million, Personnel Expenditures were \$368,000, and Operating Expenditures were \$88,000 bringing the total expenditures to \$456,850. Revenue for Testing was \$780,000. Operating Costs were \$432,000 and Personnel Costs were \$ 291,000, bringing total expenditures to \$723,000.

The Promotions account showed no revenue for the month and expenditures of \$160,000.

In reviewing the Comparative Year to Year statement, revenue this year is at \$16.9 million. Last year was \$16.8 million. Expenditures total \$16.4 million in April 2023 versus \$14.1 million in April 2022. The Remaining financial statements represent the activities in racing's other 3 Restricted Accounts.

**3.) HISA/HIWU Statuses Report** – Presented by Thoroughbred Bureau Director Tom Chuckas – From an operational perspective, HISA and HIWU relaunched the Anti-Doping and Medication Program and the Lab Services on Monday May 22<sup>nd</sup>. HIWU is back in charge of the ADMC program. HISA remains responsible for oversight of the Racetrack Safety Program.

Director Chuckas provided an update on the contractual agreement with HIWU for the ADMC program. Legal Counsel at PDA and the Secretary have signed off. It was submitted to OGC, OGC has reviewed and signed off. It has now been sent to the Attorney General for Final Approval.

Under the Lab Services Agreement, negotiations are for all intents and purposes, pretty much done. We have one or two small issues left to resolve, and we anticipate in the next 30 days those will be resolved.

The only other outstanding issue is the Litigation. The Texas District Court, Judge Hendrix, has ruled that HISA was Constitutional and did not grant a requested injunction. This decision was expected. The HBPA has now appealed this forward to the Fifth Circuit Court of Appeals. They anticipate a review and decision in the coming months, that will determine the future of HISA.

Mr. Todd Mostoller from the PAHBPA asked if HISA or HIWU has given an updated number on the assessment since there was a delay in the startup of the program. Mr. Chuckas informed him that while the numbers have not yet changed, he anticipates a revision at some point.

Chairman Redding thanked the Director's and their staff for all their efforts in navigating through the months of uncertainty and concern on how the Commission intersects with HISA/HIWU and the functionality of our Commission and the state racing enterprise. Obviously, there's still uncertainty, but given where we were a year ago, we now have some predictability about how it's going to operate in the future and our role and the extent that we've got agreements in place to protect our employees.

**4.) PHBA/Amended 2023 Budget Request (Research Project):** Mr. Brian Sanfratello asked for an amendment to the PHBA 2023 budget. The budget was approved by the Commission back in December. The PHBA would like to fund a research program with a Dublin Ireland based company called "Plusvital" which would be in conjunction with Penn Vet at New Bolton Center. The project is seeking to identify a "soundness" gene in mares that may match with sires in hopes of passing it on to foals. They have already tested 500 mares and stallions in Pennsylvania. The normal cost would have been between \$300 to \$400 per test, but with the PHBA taking part in this project, Plusvital has only charged \$100 per test so the PHBA's contribution to the project would be \$ 50,000. Commissioner DeBunda asked if the funding was available, and Mr. Sanfratello said that it was. Commissioner DeBunda asked if each breeder would be notified of test results. Mr. Sanfratello stated that they would be notified.

Commissioner Jones asked Dr. Robinson what level of comfort she had with the information that Plusvital has done so far in coming to the conclusions they have regarding a soundness gene. Dr. Robinson stated that the data in the manuscript's looked good and that the researcher for Plusvital, Dr. Emmeline Hill is well respected and has issued several papers

on the subject. Attorney Augusto asked if there was a data base and who owned it? Dr. Robinson stated that Penn Vet has not kept a data base but instead is using excel spreadsheets. She assumed that Plusvital was compiling a data base and that they would own that, but Penn Vet and Plustival have a collaborative research agreement in place for all the samples and data that is being collected.

### **ADMINISTRATIVE ACTIONS**

#### **5.) Motion to approve Simulcast Calendars for June 2023, for Harrah's Philadelphia, Mohegan Sun at Pocono Downs, and the Meadows.**

**Motion By:** Commissioner Breniser  
**Second By:** Commissioner Ruddy  
**Decision:** Passed by unanimous vote

#### **6.) Motion to approve the Simulcast Calendars for June 2023 for PARX, Penn National and Presque Isle Downs.**

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

#### **7.) Motion to approve the PHBA 2023 amended Budget Request**

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

### **ADJUDICATION**

#### **8.) Ronald Burke, Appeal of Ruling No. 22024M Docket No. RACINGME-2022-M-9**

Attorney Augusto detailed the underlying facts of the case and read the following order and stated that this could be done in the form of a motion:

And now this 30th day of May 2023, upon consideration of the Testimony and exhibits of record, it is hereby ordered that Ruling Number 22024M, issued by the Meadows Board of Judges, dated February 25<sup>th</sup>, 2022, imposing sanctions upon Appellant Ronald J. Burke is affirmed in part and reversed in part.

The imposed \$1500.00 fine and loss of purse is affirmed. The 15-day suspension is vacated. This could be done as amotion.

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

### **INDUSTRY REPORTS**

#### **9.) General Reports**

Director Salerno acknowledged that the 2023 Fair book was available and thanked Ryan Kell for all his hard work and dedication to getting the 2023 Fair book published.

Director Salerno recognized the following Industry participants:

- Scott Lishia, Director of Racing at the Meadows, reported that the Meadows has started their Friday evening programs in conjunction with the Food Truck Festival, as well as "wiener dog" races, which were very well received. The Friday 5:10 post will continue through out the summer along with some food and beverage specials. Two-year-olds are starting to qualify, a sure sign that summer is here.
- Mike Zullinger, Director of Racing Mohegan Sun Pocono Downs reported that Derby Day was a successful day overall. We are looking forward to promotions that are coming up this summer, including for the first time Ostrich and Camel races, along with food trucks and welcoming veterans' groups to the track. We are also looking forward to our Baby races starting in June.
- Barry Brown, Director of Racing Harrah's Philadelphia reported a very busy month of May. Harrah's started with the KY Derby, followed by Mother's Day with Elvis Presley (impersonator) making an appearance on our Grandstand Patio and entertaining the crowd all afternoon. That was followed by our Harrah's Invitational Sunday over Memorial Day weekend. We had a great 15 race card that produced two world records and several track records. Barry thanked the PHHA for all their great assistance as well as the PHRA and Ashley Eisenbeil for helping with the marketing and promotions. Director Salerno also complimented the Track Crew and Harrah's staff for a very exciting day of racing.
- David Osojnak, Director of Racing for Parx, had no report this month.
- Eric Johnston, Director of Racing Penn National reported that they had a great May with both the Derby and Preakness setting up some nice numbers for the track. Mr. Johnston reminded everyone about the Penn Mile to be held on June 2<sup>nd</sup>, an eleven-race card with multiple activities including Food Trucks, DJ's playing and of course great racing, with trainers like Todd Pletcher, Chad Brown, Jack Siston and Arnaud Delacour sending several horses. Last year Penn set a track record for handle with just over \$4 million wagered. The way this card is shaping up, we hope to do that again this year.
- Mike Harant, Executive Director PHHA, had no report this month.
- Jeff Matty, Executive Director PTHA reported that the PTHA is proud to host the Owners Appreciation Day again this year, which will take place on Father's Day June 18. He also reported that Turf racing had resumed last week, and they are hoping that the weather will continue to cooperate.
- Kim Hankins, Executive Director of MSOA, had no report this month.
- Matt Ennis, Director of Racing, Presque Isle, reported that they had a very successful Derby Day. We are seven days into our season and our export number is up 14 percent, which is very encouraging. PID did an overhaul of our track in cooperation with the PAHBPA., We added an additional 100-plus

tons of surface before the horsemen arrived and we are getting many compliments on the track condition. Our first Stake race kicks off June 5<sup>th</sup> and we are looking forward to a great summer of racing.

- Todd Mostoller, Executive Director of HBPA reaffirmed what Matt Ennis stated earlier about the Racetrack surface. Every year the HBPA and Management partner to refurbish the racetrack and it has been very beneficial to everyone.
- Mike Simpson, Standardbred Breeders, had no report this month.
- Brian Sanfratello, President PHBA reported that slot revenue through April was down a little under \$123,000. He also reported that they held their awards banquet and thanked Commissioner Jones for attending. The PHBA honored Mark McDermott, who has been the Executive Secretary for over 35 years with a Lifetime achievement award.

### **PUBLIC COMMENT**

There was no public comment.

### **ANNOUNCEMENTS**

Chairperson Redding announced that the next meeting will be held on Tuesday, June 27, 2023, at 1:00 pm. The Meeting location will be Room 309 and on Teams.

- Executive Session      11:00 a.m.
- Regular Session        1:00 P.M.

### **ADJOURNMENT**

**MOTION BY:** Commissioner Sweeney

**SECOND BY:** Commissioner Lark

**DECISION:** Passed by Unanimous vote

The meeting was adjourned at 1:52 P.M.

Respectfully submitted,

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

Anthony Salerno  
Bureau Director  
Bureau of Standardbred Racing