

LOUISIANA STATE RACING COMMISSION
MINUTES – January 22, 2018 Meeting
As transcribed by Mary E. Lee DiLeo, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Bob F. Wright, *Chairman*
Judy W. Wagner, *First Vice Chairperson*
Dr. Patrick Bernard
Donald "Don" Cravins
R. Hamilton "Hammy" Davis
K. R. "Ron" Finkelstein, O.D.
Benjamin J. Guilbeau, Jr.
Eric G. Johnson
Mike R. McHalfey
Louis Reine
Kenneth "Kenu" Romero
Mike Shelton

ABSENT

Thomas B. Calvert

APPROVED

At the Commission Meeting of

4/24/18

(Date)



Executive Director
Louisiana State Pacing Commission

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the Chairman on Monday, January 22, 2018 at 9:00 AM in the Queen Anne Ballroom of the Monteleone Hotel, 214 Royal Street, New Orleans, Louisiana. Roll call was taken; a quorum was present.

Commissioners Romero motions to approve the meeting minutes from the November 20, 2017 meeting; Commissioner Wagner seconds; motion carries.

I. ASSOCIATION REQUESTS

A. BOYD RACING, LLC d/b/a DELTA DOWNS RACETRACK, CASINO & HOTEL

1. **PROGRESS REPORT**, by Mr. Chris Warren, *Director of Racing*. Mr. Warren informs that Delta Downs' 84-day 2017-2018 Thoroughbred Meet started October 18, 2017. He says that handle is up 3%. He says that the newly installed safety rail has proven worthwhile and they added a new bathroom on the backside that has been well received by the horsemen. He states that bad weather over the past week has caused issues, but overall, the meet has gone well. He informs that Premier Night on February 10, 2018 will feature ten stakes races for Louisiana-breds. He says that they finalized an agreement with TVG to cover some of the major races that night and they will have promotions on wagering for Premier Night with both TVG and Twinpires. He states that the meet will conclude on March 10, 2018.

Commissioner Wagner informs that there have been accusations on social media this week about the slaughter of horses from Boyd Gaming race tracks. She says that all of the Louisiana race tracks adopted the anti-slaughter policy several years ago that would ban trainers or owners found to be shipping horses to kill pens from stabling or racing on their properties. She states that there have been social media calls to boycott wagering on Boyd Gaming races and calls from all over the country have bombarded her cell phone. She says that Boyd Gaming issued a statement reaffirming their

commitment to the humane treatment of horses and working with the LSRC in support of that mission.

Commissioner Wagner asks for an explanation of Boyd Gaming's procedure for dealing with reports of horses being sent for slaughter from one of their tracks. Mr. Warren responds that the issue has been going on since he took over at Evangeline Downs where the buyer from a sales company would buy horses, take them to his sell lot, and if the horses couldn't make a profit, would send the horses to a kill pen. He says that Boyd Gaming got involved and did its due diligence. He states that his team investigates by bringing the trainer in and questioning the trainer to find out what took place. He informs that the trainers always say that they sold the horse to a particular person or entity and later on that same horse was sold to a third party which eventually led to the horse ending up in a kill pen.

Mr. Warren says that his team will be working with Michelle Rodriguez's horse humane rescue program to find racehorses a proper home when horsemen want to get rid of them. He states that if they can undeniably prove that a trainer gave his horse to a kill pen, then Boyd Gaming will revoke that trainer's access to stalls. He says that Boyd Gaming is willing to work with and take suggestions from the Commission to try to prevent this issue. Commissioner Wagner says that, while it is a tough situation, horseracing is fragile at best and would have a major problem with further public outcry. She states that the race tracks and the LaHBPA need to work together to curb this issue and not simply place responsibility on the Commission.

Chairman Wright asks how many in-between sellers there are and if there is a common connection or pattern that leads a horse from an initial sale to the kill pens. Mr. Warren says that there are numerous in-between sellers and the process is fairly routine in how often it occurs. Chairman Wright asks if there is a way to determine a culprit or entity that is responsible for the majority of sales to slaughter. Mr. Warren responds that there are individuals who are doing things that cause issues for the race track and the Commission but Boyd Gaming doesn't have the authority to act against them because they are licensed by the State. He says that he can't point to any entity for certain to place blame.

Chairman Wright asks if Mr. Warren can make arrangements to investigate the issue to seek a direct tie-in with one or more individuals. Mr. Steve Kuypers, General Manager and Vice President of Delta Downs, responds that Boyd Gaming sent an email out asking people for proof or evidence to help its investigation. He informs that there are race tracks in other states that hold original sellers responsible for their horse ending up in a kill pen, regardless of how many in-between sellers were involved. He suggests that all of the Louisiana race tracks and the Commission can enforce a similarly strict anti-slaughter policy to punish horsemen that have any connection to horses that end up in kill pens by taking away their stalls and their racing license.

Commissioner Wagner suggests that it may be reasonable to create policy that holds horsemen responsible if a horse that was in their care within 45 or 60 days prior ends up in a kill pen. Chairman Wright asks Ms. Rhea Loney, counsel for the LSRC, if the Commission could assert some responsibility and authority regarding the slaughter issue. Ms. Loney responds that, in the past, the Commission has hesitated in engaging in rule making for this issue because, currently, slaughter is legal in the United States, though it was defunded a few years back which led to the slaughter facilities closing.

She states that she and the State Police have worked together on some investigations of individuals' complaints and in dealing with Federal regulations regarding humane shipment and treatment of horses as they were transported to slaughter facilities in Mexico. She recommends that the Commission survey what the other states across the country are doing and what their rules and regulations are regarding slaughter.

Commissioner Romero asks who Delta Downs consults regarding closing the race track due to freezing and if they have their own staff check. Mr. Warren responds that the LaHBPA and Aaron Pelt, Track Superintendent at Delta Downs, discussed the freezing and decided to cancel the night races on Wednesday, January 17, 2018. He states that Mr. Pelt thought that he could break up the ice to be ready for Thursday night, January 18, 2018. He informs that a few jockeys met out on the race track before the first race that Thursday and agreed that the track was still a little frozen on the inside from the safety rail and some other spots about which they weren't certain. He says that the jockeys agreed to ride the first race but the Jockeys' Guild procedures weren't followed. He states that the race was scheduled for a mile and a 16th length but the stewards agreed to shorten it to one mile because the very back was still frozen. He informs that, after the first race, the leading rider and winner of the race, Diego Saenz, called the stewards to tell them that the jockeys felt the track was unsafe and did not wish to proceed with racing. He says that the jockeys and stewards made the decision to cancel the races without consulting the management or allowing the trackman to work on the track, which they should have done. He states that the Jockeys' Guild committee members, LaHBPA committee members, stewards, and management met on Saturday night to make sure that a similar rush to judgment would not happen again and that all parties would be a part of any future decisions for race cancellations.

Commissioner Romero informs that he was told that three or four prominent jockeys didn't want to ride whereas many other jockeys wanted the races to continue. Mr. Warren responds that if some of the jockeys don't feel safe once all parties decide that the track is safe, then the jockeys are supposed to take a vote to decide if the race will run or not by majority. He says that the jockeys will need to mark by their names to vote for cancelling a race so that their objection is recorded.

Commissioner Romero asks about the latest lighting outage while a race was being run. Mr. Warren responds that the last power outage happened in December when an Entergy transformer went out and caused a power outage for between two to three hours that night. Commissioner McHalfey says that there were two instances when the lights went out, one during a race and the other when the whole city lost power, and that there is still a problem with Delta Downs lights. Mr. Warren informs that the lights have been looked at and any lighting issue has been related to power company issues, not the race track's system.

Chairman Wright asks what caused the power outage. Mr. Warren responds that the power company had a failure, which he believes that an off-property transformer went out. Commissioner McHalfey asks if Delta Downs has a back-up system for the lights when they go out during a race. Mr. Warren responds that they have generator lights that constantly stay on and never went out during the race. He says that there was still enough light during the power outage that the jockeys rode in the race.

Commissioner McHalfey asks Mr. Tom Davis, State Steward at Delta Downs, if the generator lights turned on after the lights went out during the race. Mr. Davis responds

that the lights went out after the jockeys raced between 50 and 60 yards and the emergency lights stayed on during the outage. Commissioner McHalfey asks if the quality of the emergency lights allow jockeys to see or if they are minimalistic to get the jockeys and horses to safety. Mr. Davis responds that the lights are minimal enough to get the horses around safely. He informs that the Stewards called the race a no contest even though the jockeys and horses rode the rest of the race without an issue. He says that the Delta Downs employees that managed the back-up lighting system thought that the power generator went off and, in response, shut off and restarted the generator, which led to the horses pulling up in complete darkness. Commissioner McHalfey asks if there was any danger of any participants getting hurt when the lights went out. Mr. Davis responds that it was possibly dangerous when the jockeys and horses were pulling up but not during the race.

Commissioner McHalfey asks Mr. Kuypers if there is any concern about further lighting outages and the liability of Boyd Gaming in those situations, considering that Mr. Warren didn't remember the night that the outage occurred. Mr. Kuypers responds that they are concerned but the generator worked, which provided security lights for the basic track to get the horses where they need to go safely. Commissioner McHalfey states that Delta Downs has lighting issues every year that the Commission addresses. Mr. Kuypers says that Delta Downs has a company that has come for the past three years before each of their race meets to inspect, repair, and certify with a bill of sale that the lighting system is working properly.

Commissioner McHalfey asks if that company is liable for injuries or horsemen's monetary losses as a result of lighting issues. Mr. Kuypers responds that if the lights go out due to faulty wiring that the company approved, then the company is responsible. He informs that most of Delta Downs' lighting issues stem from the Entergy facility plants in Starks and in Vinton losing power but Delta Downs has the back-up generators and secondary back-up generators to keep emergency lighting for safely transporting the horses off the track. Commissioner McHalfey asks what year the lighting was installed. Mr. Kuypers responds that the lighting system was installed prior to his hiring so he doesn't know the exact date. Commissioner McHalfey states that they were installed in the 1970's.

Commissioner Reine asks if there is adequate lighting from the emergency system past the finish line to provide for safety. Mr. Davis responds that there is adequate lighting from the emergency system with two light bulbs on each pole. He says that the issue was the track operators thought the generators went out and shut them off to restart them, which shut all of the lights off temporarily while the horses were pulling up. Commissioner Reine asks if the whole track went dark while the jockeys and horses were past the finish line. Mr. Davis responds that only the area where the horses were pulling up went completely dark.

Commissioner Reine asks if Boyd Gaming addressed making sure that lighting outage wouldn't happen again. Mr. Kuypers responds that he didn't know about that incident and is going to research it. He says that, if the generator lights go out at night, there is still lighting from the grandstand and paddock but the concern they have is around the turns of the track and the opposite side where there are no lights except for the emergency lights. Commissioner Reine requests that Mr. Kuypers investigate the lighting issue and ensure that emergency lighting failure doesn't happen again.

Commissioner McHalfey informs that the incident happened on the sixth race and the remaining races were cancelled, which means that the lights weren't adequate enough to race. Mr. Kuypers states that was when Entergy lost power over the whole area. Mr. Davis specifies that there were two incidents, the first of which the races after the sixth were cancelled due to Entergy's transformer going out. Commissioner Reine asks if the slot machines went off when the track lights failed. Mr. Kuypers responds that the slot machines worked on generator.

Commissioner Romero asks if the stewards got involved in checking out the race track in determining if the track was frozen last week. Mr. Davis responds that he and Mr. Galen Boutte, Association Steward for Delta Downs, accompanied two jockeys to the race track before the races and saw that the track was frozen about four feet from the inside rail and from the eighth pole to the five-eighths pole. He says that they discussed the situation with the jockeys in the Jock's Room and the jockeys requested to shorten the race due to the race track being frozen in the chute. He states that the stewards granted their request but told the jockeys that they wanted either all races to be run or no races. He informs that the first race scratched down to a five-horse field and Mr. Saenz returned to the stewards after the race to say that the jockeys unanimously wanted to call off the remaining races.

Commissioner Romero says that the situation wasn't fair to the jockeys, owners, and trainers who would've wanted the races to continue considering their expenses. Mr. Davis informs that the protocol they follow is that, before the race meet starts, the jockeys elect guild representatives, who in this case were Mr. Saenz, Mr. Gerard Melancon, and Mr. Kerwin Clark, to discuss issues with the stewards. He says that the jockeys discussed amongst themselves and the representatives related their decision to the stewards. He states that he wouldn't have rode over the race track that night. Chairman Wright says that safety should prevail in these instances and asks if Mr. Davis feels he has latitude to cancel races if he thinks the conditions are unsafe. Mr. Davis says that he feels he does.

Commissioner McHalfey asks Mr. Chatters if the lights at Delta Downs are adequate or not. Mr. Chatters responds that the lights are from 1972 and it is only a matter of time before the lights will go out. Commissioner McHalfey informs that the Commission requested Delta Downs to get estimates on replacing the lights two years ago but never received that. Mr. Chatters says that the LaHBPA has a host of issues that it would like addressed at Delta Downs. Commissioner McHalfey states that his concern is the safety of horses and horsemen when the lights fail.

Chairman Wright asks if there was an effort to obtain an appraisal of the lighting system concerning whether it needs to be replaced or not. Mr. Kuypers responds that there wasn't and he doesn't recall the Commission requesting estimates for replacing the lighting system. He says that procuring the generator and back-up generator for the emergency lighting was in response to prior Commission concerns. He states that the lighting discussion from three years ago led to Delta Downs getting Sulphur Electric Company to evaluate the lighting system yearly and sending their letter of evaluation to the Commission Office. Chairman Wright asks how frequently serious lighting conditions develop. Mr. Kuypers responds that it happens two or three times a year.

Commissioner Shelton requests that Delta Downs get an independent report regarding its existing lighting system, what upgrade is recommended, and what should be standard on the emergency system for the safety of the horses and riders. Mr. Kuypers agrees to the request.

Commissioner Cravins says that, even though Delta Downs has problems with the lights going out on the race track, they don't have lighting issues in the casino. Mr. Kuypers responds that there was an incident a month ago in which half of the casino's lights went out which shut that area down. Commissioner Cravins states that the whole race track was shut down by their lighting issues, which has been an ongoing issue for years. He suggests that the Commission impose a fine on Boyd Gaming to get them to address the lighting issue. Chairman Wright states that the Commission should determine what the problem is and how it can be corrected, whether that solution is imposing a fine due to Boyd Gaming's negligence or trying to get Boyd Gaming to get the proper repair or modification.

Chairman Wright suggests that the Commission should pick the contractor to evaluate Delta Downs' lighting system rather than the Association so that the appraisal will be independent and unquestionably objective. Commissioner Reine informs that the Commission should put its request to Boyd Gaming in writing. Mr. Kuypers responds that they will act on the letter as soon as they receive it. Commissioner Shelton requests that Delta Downs provide names of possible electrical contractors to the Commission.

Commissioner Romero suggests that Delta Downs get Entergy to send confirmation that they are the cause of black outs at the race track. Mr. Kuypers responds that they have asked for that in the past to no avail. Chairman Wright requests that the Commission Office prepare the letter to Delta Downs within a week, circulate it to the involved entities, and give everyone another week or two to implement an appropriate contractor for appraisal to determine what action to take. Commissioner Davis adds that the back-up system should be included in the inspection.

Commissioner Shelton requests a long-term report from Boyd Gaming in regard to its plans for capital expenditures and spending on improvement for its two race tracks so that the Commission can understand the company's vision and business model for the future. Mr. Kuypers responds that they will provide the long-term report. Chairman Wright asks Commissioner McHalfey, Commissioner Cravins, and Commissioner Reine to be the team that will be responsible for keeping up with Boyd Gaming in responding to this issue. The Commissioners agree.

Commissioner Reine requests the LaHBPA to submit their issues with Delta Downs in writing to the Commission. He says that, regarding the slaughter issue, the Commission should be cautious about punishing horsemen who once had ownership in a long chain of ownership transfers of a horse that ends up in a kill pen. Mr. Ed Fenasci, Executive Director of the LaHBPA, informs that the LaHBPA sent a letter to the Commission in October regarding their issues with both Delta Downs and Evangeline Downs and will resend that letter.

Commissioner Wagner recommends forming a task force with the four Louisiana race tracks to gather more information and work together to combat the horse slaughter issue. Chairman Wright asks Commissioner Wagner to take charge of that task force. Commissioner Wagner agrees.

2018 QUARTER HORSE MEET**2. STEWARDS, OFFICIALS & MANAGEMENT**

- a. Approval of Tom Davis to serve as State Steward for 2018 quarter horse meet.

Commissioner Guilbeau motions to approve; Commissioner Wagner seconds; motion carries.

B. THE OLD EVANGELINE DOWNS, LLC**d/b/a EVANGELINE DOWNS RACETRACK & CASINO**

1. **PROGRESS REPORT**, *by Mr. Chris Warren, Director of Racing*. Mr. Warren informs that Evangeline Downs' 46-day 2017 Quarter Horse Meet ended on December 19, 2017 and the handle was up 9% for the meet. He says that the Louisiana Quarter Horse Breeders Association (LQHBA) and Mr. Tony Patterson, Executive Director of LQHBA, do excellent work making quarter horse racing successful at Delta Downs and Evangeline Downs, including the \$1,000,000 Louisiana Futurity on December 16, 2017. He states that Evangeline Downs' 84-day 2018 Thoroughbred Meet starts on April 4, 2018.

Chairman Wright asks for what reason did Evangeline Downs' revenue improve. Mr. Warren responds that new tracks took Evangeline Downs' simulcast signal, Evangeline Downs promoted its simulcast signal as much as possible, and the simulcast betting was better this year than last. He informs that factors like weather, field sizes, and post times can affect how much people bet from one year to the next.

Chairman Wright asks about Mr. Patterson's involvement with the quarter horse meet and why he thinks it has improved. Mr. Patterson thanks Commissioner Reine for attending the Louisiana Million Futurity. He informs that the LQHBA pushed more advertising in the Evangeline Downs area and gave away \$11,000 in scholarships at the Louisiana Million Futurity night after registering 80 young people. He says they had 10 races on December 16, 2017, including multiple stakes races with purses totaling \$1,900,000 that attracted the biggest crowd he has ever seen at Evangeline Downs.

Chairman Wright asks if the promotional efforts are important to improving revenue. Mr. Patterson responds that the LQHBA Board Meetings always involve discussion of the importance of increasing their promotional efforts and that hopefully television will be another avenue that they use. Chairman Wright asks what, if any, support do the associations provide to help LQHBA promotions. Mr. Patterson responds that Evangeline Downs put a billboard on I-49 south of the track that highlights the December 16, 2017 race night but haven't had any other luck in getting cooperation for promotion. Chairman Wright asks what the LQHBA request the associations to do to enhance their support for the quarter horse industry. Mr. Patterson responds that the LQHBA would request that the associations put more money into promotion and help the LQHBA using their contacts in radio, TV, and other venues for promotion. He says that they have to spur the associations for help with promotional efforts and that he doesn't see new efforts from the associations for advertising or promotion.

Commissioner Shelton asks if the LQHBA explored any matching funds program for advertising with the associations. Mr. Patterson responds that there was email communication with Evangeline Downs in September and October but nothing came of it. He says that, in 2013 or 2014, LQHBA worked cooperatively with Evangeline Downs for advertising but haven't had a similar agreement with them since then. He

informs that the LQHBA's Facebook page has grown a lot. Commissioner Shelton suggests that the LQHBA and Evangeline Downs should work together on social media advertising since its costs are low.

Commissioner Shelton asks if Evangeline Downs allocates a certain amount of money on advertising for racing. Mr. Warren responds that Evangeline Downs has billboards, radio spots, direct mail for players with the B-Connected Card, increased simulcasting, and promotions with TVG and TwinSpires. Chairman Wrights asks if increased social media efforts have been a part of Evangeline Downs' handle improvement. Mr. Warren responds that social media has had some influence and the announcers at Delta Downs and Evangeline Downs spend a lot of time promoting the race meets on Facebook and Twitter.

Mr. Kuypers informs that he is part of the Delta Downs committee that decides where to spend their marketing dollars. He states that they use social media to promote racing and also cross-promote racing with casino events. He says that Delta Downs or Evangeline Downs sponsors the show "Down the Stretch" with Dave Johnson every single Saturday. He informs that they are cutting back on newspaper ads in favor of increased social media advertising. Commissioner Shelton requests Boyd Gaming to submit an in-depth report of their allocations for advertising dollars. Mr. Kuypers agrees.

Commissioner Cravins informs that the Commission requested Boyd Gaming's advertising budget information last year and did not receive it. He says that Chairman Wright had put together a task force to create a plan to get cooperative advertising between the horsemen groups and associations, with which he believes the Commission should proceed.

Commissioner Finkelstein asks about the status of Evangeline Downs' turf course. Mr. Warren responds that the turf course is in excellent shape and the Bermuda grass is dormant right now. He informs that Mr. Kyle Ducote, Turf Consultant to Evangeline Downs, and Dr. Ron Strahan, Associate Professor at the School of Plant, Environmental and Soil Sciences at Louisiana State University (LSU), are happy with the progress of the turf. He states that Evangeline Downs is putting in a new irrigation system for over \$80,000 and the course should be in great shape for 2018.

Mr. Warren informs that Evangeline Downs spent a lot of money trying to spur the growth of the grass, which didn't work out last year. He states that Evangeline Downs' 84-day 2018 Thoroughbred Meet starts on April 4, 2018 and Dr. Strahan recommended not using the turf until the end of April to give the turf at least a month to grow with the warm weather. He says that the staff are fixing barns and stalls and doing the dirt work on the backside. He informs that they should have two new barns built before the next meet starts, which will increase Evangeline Downs' count to over 1,000 stalls, excluding the receiving barn.

Commissioner Bernard asks what size are the stalls in the two new barns. Mr. Warren responds that the new stalls are 10 feet by 12 feet. Commissioner Reine asks what size are the stalls in the receiving barn. Mr. Warren responds that the receiving barn stalls are 10 feet by 10 feet. Commissioner Reine says that the receiving barn stalls are not 10 feet by 10 feet and asks what the required minimum stall size is. Mr. Larry Munster, Assistant Executive Director of the LSRC, informs that the stalls are slightly under the

required dimensions and they are rectangular rather than square with larger width than depth. Commissioner Reine states that he measured the stalls to be 9 feet 4 inches by 9 feet 6 inches and asks if the rule was in effect prior to the construction of the barn.

Commissioner Reine asks who was in charge of building the barn. Mr. Warren responds that the contractor. Commissioner Reine states that Boyd Gaming had to give the contractor blueprints with specific measurements. He informs that the Commission grandfathered in the stalls that were built too small at Delta Downs after the hurricane because it was an emergency situation but can't understand why they ignored the Louisiana Rules of Racing with the receiving barn. Mr. Kuypers informs that Boyd Gaming had a contract and paid for 10-foot by 10-foot stalls. He states that he measured one of the stalls that was built to the correct dimensions but he will get the director of facilities to go stall by stall to make sure the dimensions are correct in all of the stalls.

Mr. Kuypers says that he wants to go to Evangeline Downs to assess the situation. Chairman Wright requests that Mr. Kuypers circulate his findings to the Commission. Commissioner Reine asks what Mr. Kuypers intends to do if he finds that the stalls do not meet the minimum requirements. Mr. Kuypers responds that he wants to research the situation and get back to the Commission with recommendations.

Commissioner Romero asks why Boyd Gaming doesn't have an attention-grabbing sign for its Race and Aces OTB parlor. Mr. Kuypers responds that he is not directly in charge of OTBs but he will call the individual who can make that happen.

Commissioner Reine requests that the Evangeline Downs under-sized stalls issue be put on the next Commission Meeting's Agenda to address what the Commission will do about that violation of the rules. Commissioner McHalfey requests a response letter from Evangeline Downs within two weeks. Mr. Kuypers agrees.

2018 THOROUGHBRED MEET

2. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of Brook Hawkins to serve as State Steward for 2018 thoroughbred meet.

Commissioner Wagner motions to approve; Commissioner Reine seconds; motion carries.

**C. CHURCHILL DOWNS LOUISIANA HORSERACING COMPANY, LLC
d/b/a FAIR GROUNDS RACE COURSE & SLOTS**

1. PROGRESS REPORT, by Mr. Jason Boulet, Senior Director of Racing. Mr. Boulet informs that Fair Grounds' 84-day 2017-2018 Thoroughbred Meet just held its 40th race day. He states that all-source handles are up 6%, starters are up 2% at 8.1 starters per race, turf races are up 15% with 124 races run compared to 108 last year, and total number of races is up 1% at 375 races run so far. He says that the Road to the Louisiana Derby started on January 13, 2018 with the Lecomte Stakes, which had a great national response with horses from California and Florida. He informs that two local horses, Gun Runner and Seeking the Soul, will be running in the \$60,000,000 Pegasus on Saturday after training at the Fair Grounds. He says that presence of Gun Runner and his trainer, Steve Asmussen, has generated a lot of buzz and press around the country. Mr. Boulet states that the freezing weather last week caused the cancellation of two mornings of training and one race day due to unsafe conditions.

Chairman Wright asks who decided to cancel the races. Mr. Boulet responds that the stewards ultimately decided on the cancellation after conferring with the Fair Grounds management and track superintendent. He says that the stewards are the governing body and make the final decision.

Mr. Boulet informs that there is an EHV-1 outbreak on the East Coast, including Aqueduct Racetrack and Laurel Park. He requests assurances that all four Louisiana race tracks will follow the same policy on shipping in horses from the affected states. Chairman Wright asks if Fair Grounds has made any efforts to coordinate that. Mr. Boulet responds that they have not but wants to make sure that Louisiana is on top of the situation. Chairman Wright requests that Fair Grounds reach out to the other Louisiana race tracks and decide how to handle the situation. Mr. Boulet agrees.

Mr. Boulet informs that Fair Grounds is expanding to two more OTB networks, one in Destrehan and one in Meraux, which will be adding two more revenue-generating facilities for the bottom lines of the Fair Grounds, the Commission, and the State. He says that they have seen success and growth in their OTB network and are hoping to open the two new facilities in May 2018. Mr. Boulet states that they will have barn repairs done in the summer and that they have taken care of any backside issues in a timely manner to the satisfaction of the horsemen.

Commissioner Reine asks what quarantine protocols has Fair Grounds put in place since the last EHV-1 outbreak. Mr. Boulet responds that fair Grounds presented its quarantine plan at a previous Commission Meeting. He says that the Receiving Barn is only used for ship-ins and they would have that barn prepared and temporary barns in place at the time of a necessary evacuation.

Commissioner Wagner commends the Fair Grounds on its social media press of Gun Runner, who will likely be named Horse of the Year, schooling in the paddock. Mr. Boulet informs that Mr. Doug Shipley, President of Fair Grounds, has pushed social media efforts to get more youth involved in horse racing.

Commissioner Romero asks where Fair Grounds gets its primary source of power and what do they have in place in case of power outages. Mr. Boulet responds that their power comes from Entergy and they have a back-up generator system that is tested by their facilities director every two to three weeks. Commissioners Reine and McHalfey ask if the back-up system would provide adequate lighting to continue the races without cancelling the card. Mr. Boulet responds that he will have to check on that. Chairman Wright requests Mr. Boulet to find out and relay that information to the Commission. Mr. Boulet informs that Fair Grounds typically runs during the day and only uses its lights for racing when there is twilight racing and the last couple of races on the card. Commissioner McHalfey asks if Fair Grounds ever had any trouble with its lights. Mr. Boulet responds that they have not since he has worked there.

- 2. REQUEST FOR OTB APPROVAL (LA. REV. STAT. 4:214 et. seq.)**
 - a. Approval of License Application by Fair Grounds for Off-Track Wagering Facility**
 1. Destrehan Fair Grounds OTB Casino (St. Charles Parish)
121 Ormond Center Ct., Suite "O", Destrehan, Louisiana 70047.

Ms. Loney informs that the OTB application is in order pursuant to the LSRC's rules and regulations. She says that Fair Grounds wasn't able to provide a certified copy of

the approval for the off-track wagering facility for the local governing authority from St. Charles Parish but there is already an OTB in St. Charles Parish from which the LSRC Office has that document.

Chairman Wright asks about the layout of the OTB. Mr. David Waguespack, counsel for Fair Grounds, responds that there is a diagram of the layout in the Commissioners' materials which shows a large space with video poker machines, video screens on the walls that will show the races, and a separate pari-mutuel non-smoking room. He informs that the partition between the pari-mutuel room and video poker room will be glass to try to integrate both sides of the operation.

Commissioner Reine asks if the diagram is correct in showing that the OTB will provide 20 parking places. Mr. Waguespack responds that the OTB will be in a strip mall with shared parking between the attached businesses and they don't anticipate parking being an issue based on hours of operation.

Commissioner Wagner motions to approve; Commissioner Guilbeau seconds; motion carries.

**D. HARRAH'S BOSSIER CITY INVESTMENT COMPANY, LLC
d/b/a HARRAH'S LOUISIANA DOWNS**

1. **PROGRESS REPORT**, by *Mr. Trent McIntosh, Assistant General Manager*. Mr. McIntosh informs that Louisiana Downs responded to the Commission's letter from December 1, 2017. He states that Louisiana Downs communicated with the LaHBPA about security training concerns that the horsemen had relating to check-in and check-out processes and Louisiana Downs submitted written standard operating procedures and put it in place prior to the start of Louisiana Downs' 46-day 2018 Quarter Horse Meet. He informs that they filled 30 potholes. He says that they repaired 470 feet of chain-link fence and added concrete parking barricades to prevent damage from horsemen parking in the area behind the fence. He states that they replaced 8 large entrance gates and repaired the damaged fences, roofs, barns, and gutters in the barn area. Mr. McIntosh informs that the LaHBPA noted a metal protrusion in the barn area, so Louisiana Downs staff removed it. He says that they blew out all of the drainage lines and replaced drain baskets and covers throughout the barn area. He states that they installed clay where necessary in over 1,000 stalls and will finish installing clay in uninhabited stalls prior to the start of Louisiana Downs' 84-day 2018 Thoroughbred Meet. He informs that they have purchased LED light expansions to improve the tote board. He says that they are currently running four quarter horse race days each week.

Chairman Wright asks how much the tote board improvements cost. Mr. McIntosh responds that it cost over \$75,000 but less than they thought. He says that they are planning on getting the tote board installations done at the end of the current meet to be put in place by the start of the thoroughbred meet. He states that they have gotten the necessary approvals from the proper authorities to clear the area around the marquee Louisiana Downs sign and will have it in working order by February 28, 2018.

Mr. McIntosh informs that Louisiana Downs had two extreme weather patterns during the first 8 days of their quarter horse races, which led to one race day cancellation and two lost days of training. He says that Mr. David Heitzmann, Racing Secretary for Louisiana Downs, and Mr. Billy McKeever, Track Superintendent for Louisiana Downs, have worked with the horseman and shifted training hours as needed to allow them to

train their horses. He states that, during the freezing temperatures last week, Louisiana Downs had 26 water lines busted, which the staff repaired over a three-day process. He informs that field size is down from 7.8 last year to 7.3 this year. He says that the Louisiana Downs' horse population is not strong currently with 680 horses in their stalls versus 800 last year. He states that handle is up 1.5%.

Commissioner Guilbeau asks where Louisiana Downs' quarter horse population is and if they are competing with another track for horses. Mr. McIntosh responds that it is currently winter racing and Louisiana Downs' barns typically fill up with two-year-olds when they can race later in the season in March. He says that the horsemen who are there now work with the staff to fill the race cards despite the minimal group of horses.

Commissioner Romero asks if Louisiana Downs' track froze during the cold spell. Mr. McIntosh responds that they had three days of under 30-degree weather. He informs that they had a forecast of 100% chance of rain at midnight on Tuesday January 16, 2018 through the following day, so they consulted the State Steward, Mr. Gardner, and the LaHBPA backside committee and decided to cancel Tuesday's races. He says that the road conditions were the worst he has seen in Bossier in 10 years, so the traveling horses would have had to be scratched. He states that the race track was frozen solid for a day and a half, so there was no training on Tuesday or Wednesday of that week.

Commissioner Romero asks where Louisiana Downs' barn drains go to and what size is the header. Mr. McIntosh responds that he can find out that answer. Commissioner Romero informs that, in the last inspection that he was a part of, the lines appeared to be three inches and the drain filters were full. He says that if the line leading from the wash racks to the header was larger, Louisiana Downs wouldn't have its drainage problems. Mr. McIntosh responds that the pipes are approximately six to seven inches but are probably not as big as they would like. He informs that they spent \$1,200,000 to put that drainage system into place based on the Environmental Protection Agency (EPA) and health requirements. He says that, when there is a drainage issue, they find out quickly and immediately contact their vendor to blow out the lines.

Commissioner McHalfey asks who put the current drainage system in place. Mr. McIntosh responds that they partnered with an outside contractor, who submitted plans that were then sent to the necessary government agencies for approval. Commissioner McHalfey asks if Louisiana Downs has had trouble with the EPA since then. Mr. McIntosh responds that they have not.

2. **Discussion** of Harrah's Louisiana Downs' January 3, 2018 letter responding to issues of concern as mandated by the LSRC at the November 20, 2017 Meeting and LSRC letter of December 1, 2017.

Commissioner McHalfey commends Louisiana Downs on the improvements made but says that the improvements should have been made a long time ago. He states that the pictures Louisiana Downs sent with its response letter to the Commission's letter doesn't show the problem areas that staff need to attend to and maintain. He says that the submitted marketing plan appears to be the same program that they have been using. Mr. Mike Rich, General Manager of Louisiana Downs, responds that they are proud of their marketing efforts, including very active social media, and racing and casino promotions. He says that they use Ms. Martha Clausen on Twitter and other social media outlets to promote racing. He informs that they have been creative with

successful family days with events like exotic animal races. He states that they have spent more money year over year in overall marketing. He says that the LaHBPA's list of maintenance items was fairly minimal because his staff responds to issues as they arise. He informs that his staff walks the bathrooms and groomsmen's rooms to ensure that they are in working order after each meet.

Commissioner McHalfey asks if Mr. Rich has walked the backside himself, particularly the kitchen area. Mr. Rich responds that he has walked the backside but relies on his staff to recommend and implement maintenance and improvements. He says that he has not been in the backside kitchen. Commissioner McHalfey requests that Mr. Rich visit the backside kitchen and let him know if he'd feed his family there.

Commissioner McHalfey asks how many people Louisiana Downs is targeting in the Shreveport/Bossier area in its marketing plan. Mr. Rich responds that every program has got a different target audience. Commissioner McHalfey requests Louisiana Downs to give an average number of people that its marketing targets within the next two weeks. Mr. Rich responds that their target numbers vary by the programs in the marketing calendar provided to the Commission, as some target an external audience around the country. Commissioner McHalfey states that the Commission wants Louisiana Downs to target 300,000 people in the Shreveport/Bossier area to come to the race track. He says that the marketing plan Louisiana Downs turned in was not adequate and the Commission can reject their request for license if they don't present an adequate plan. Mr. Rich responds that Louisiana Downs had the highest growth of the seven properties in Northwest Louisiana's slot revenue market in 2017.

Commissioner McHalfey asks if the windows of the grandstand are a safety hazard considering the incident when one of the windows fell out last year. Mr. Rich responds that they had a brace break on the inside of the window system and they are working with their facilities team to create a cabling system that would hold the braces in case one falls in the future. Commissioner McHalfey requests an engineer's inspection and report about the structural soundness of the windows for safety issues. Mr. Rich responds that they will research getting an independent report and work on it.

Commissioner Shelton asks if Mr. Rich is happy with the way the facility looks. Mr. Rich responds that Louisiana Downs is the smallest revenue producer in the Northwestern Louisiana market, though it had the highest growth in 2017. He says that, in 2008, the market made \$850,000,000 adjusted gross revenues between all seven properties in the market in a year but that number has reduced to \$679,000,000 in 2017. He states that it is a shrinking market because of competition in South Oklahoma and in other facets of the area. He informs that it is a small but very clean property of which they are proud and they have done things in the past year and a half like condensing the floor to make the property feel busier. He says that Louisiana Downs, out of over 40 properties under Caesar's Entertainment, ranks number 3 on overall service in 2017 based on their measurements.

Commissioner Shelton asks if Louisiana Downs is in a reactive instead of proactive state concerning the Capital Expenditures (CapEx) perspective with repairs and maintenance and if the bankruptcy had an effect on that. Mr. Rich responds that Caesar's Entertainment is committed to spending money, including buying \$1,000,000 worth of slot machines over 12 months and spending \$400,000 to \$500,000 in maintenance capital on their racing side of the business. He informs that they make capital decisions

based on their projected return on investment and don't take the bankruptcy or the Real Estate Investment Trust into account.

Commissioner Shelton asks if they have any allocations for CapEx or if the rent allocation changed under the bankruptcy. Mr. Rich responds that the rent allocation falls below the operating line on their Profits and Losses and does not factor into their CapEx decisions.

Commissioner Shelton asks what Louisiana Downs' vision of the future is concerning CapEx expansion not related to advertising, if any. Mr. Rich responds that the additional marketing spending in 2017 was an aggressive move by the company to generate more business. Mr. Shelton says that Louisiana Downs seems complacent in using the declining market as an excuse not to expand into more possible opportunities for horse racing. Mr. Rich responds that they are being aggressive and not complacent in how they are spending on marketing and maintenance.

Commissioner Cravins states that the problem in the market is that two competing properties are owned by the same entity. He says that legislation to expand gambling in Louisiana will likely pass in the next Legislative Session and the racing industry will get left behind if it doesn't get proactive in the Legislature. He states that Fair Grounds' progress report is refreshing with their proactive measures, concern for racing, and success, whereas the other associations are putting off improvements for future fiscal years and their race track activities are declining. Mr. Rich informs that he was excited about the double digit growth in handle that Louisiana Downs had last thoroughbred meet due to creative solutions like moving race days to Mondays and Tuesdays and promotional work with TVG. Commissioner Shelton says that, ultimately, the Commission wants to see efforts that bring people to the race tracks and to make more money for the horsemen so that the industry thrives.

Commissioner Reine asks Mr. Chatters if Louisiana Downs accommodated LaHBPA's concerns adequately based on the corrective actions that the association claimed it made. Mr. Chatters responds that he is going to visit Louisiana Downs within seven days to see where they are. He informs that Fair Grounds is doing great now but it was an ongoing struggle in Commission Meetings and the Legislature to get Fair Grounds to make the necessary repairs and changes. He states that the LaHBPA needs the Commission to persuade the racing associations to promote the racing business to get better crowds at the races. He says that the LQHBA had to promote their own big events for quarter horse racing to be successful but the racinos allow their racing business and facilities to fall apart while their casinos are beautiful and thriving. He informs that Commission Meetings occur too infrequently which allows race track issues to go unresolved as race meets end and then new race meets start during which the issues resurface. He says that it sounds like Louisiana Downs is making an effort to resolve the issues on the Commission's list, even though the issues are ongoing, but he hasn't personally been up to inspect the track since Super Derby Day last year.

Commissioner Cravins asks how attendance at Fair Grounds is compared to the other race tracks. Mr. Chatters responds that attendance at Fair Grounds is better than the other race tracks. Commissioner Cravins asks if Fair Grounds has had better attendance due to new efforts or if it always had better attendance. Mr. Chatters responds that Louisiana Downs used to have great attendance but recently Fair Grounds has had the most robust live racing crowd size in Louisiana. He says that the LaHBPA doesn't have

the money to market horse racing but the race tracks have the finances and resources for marketing that need to be used for racing to be successful.

Commissioner McHalfey asks what would increase attendance at Louisiana Downs. Mr. Chatters responds that association have to have good restaurants, customer service, and advertising on radio, television, newspaper and social media. He says that the Commission has to mandate that the associations create and share budgetary plans to make improvements. Commissioner Shelton suggests that the LaHBPA and Commissioners need to revisit Louisiana Downs along with representatives from the other horsemen’s groups. Mr. Chatters informs that LaHBPA has not been pushing Louisiana Downs hard due to their involvement in bankruptcy and their facility is very important to LaHBPA members. He states that, since they are out of bankruptcy now and their handle is up, their handle must grow exponentially because their numbers have been down for years.

Commissioner Wagner informs that racing attendance has been down all over the country and Louisiana Downs’ change in racing time slot has made a positive difference in overall handle due to increased simulcast revenue. She says that Louisiana’s racing industry must not isolate itself and must take part in the racing world as a whole to progress.

2018 QUARTER HORSE MEET

3. RACES

- a. **Ratification** of first condition book for 2018 quarter horse meet.
- b. **Ratification** of designated races for 2018 quarter horse meet.

01/06/18	Harrah's Dash
01/13/18	Marathon
01/20/18	Billy Montgomery
01/27/18	Swift
01/27/18	Party Girl
02/03/18	Magnolia
02/10/18	Louisiana Downs Maiden Stake
02/24/18	Mr. Jess Perry
03/17/18	Mardi Gras Futurity
03/17/18	Mardi Gras Derby
03/17/18	Streakin La Jolla
03/21/18	Harrah's Futurity

TRIAL DATES

01/20/18	Louisiana Downs Maiden Stakes Trials
02/24/18	Mardi Gras Futurity Trials
02/25/18	Mardi Gras Derby Trials
03/03/18	Harrah's Futurity Trials

Commissioner Reine motions to approve; Commissioner Guilbeau seconds; motion carries.

4. STEWARDS, OFFICIALS & MANAGEMENT

- a. **Ratification** of officials for 2018 quarter horse meet:
 - Trent McIntosh – Assistant General Manager
 - David Heitzmann - Racing Secretary
 - Tammy Peck – Assistant Racing Secretary/Paddock Judge
 - Charles Magee – Association Steward
 - Constantin Rieger – Association Steward

Jimmy Cordell – Starter
Richard Miguez – Clerk of Scales
Arnold Mueller – Custodian
Koleen Karlin – Placing Judge
Trudy Sistrunk – Placing Judge
*Carol Lloyd – Placing Judge
Julie Gipson – Horse Identifier
*Natalie Glyshaw – Program Coordinator/Claims
Betty Fetters – Clocker
Melvin Holland – Clocker
Laura Hollowoa – Outrider
Juan Roman – Outrider
*new official

Commissioner Reine motions to approve; Commissioner Guilbeau seconds; motion carries.

II. BREEDER UPDATES

A. LOUISIANA THOROUGHbred BREEDERS ASSOCIATION (LTBA)

1. **PROGRESS REPORT**, by *Mr. Roger Heitzmann, Secretary-Treasurer*. Mr. Heitzmann informs that the Louisiana breeders' industry has bottomed out and breeders are expecting more foals in upcoming years. He says that the quality of Louisiana thoroughbreds has improved and a Louisiana thoroughbred, Big World, won a Grade I stake at Churchill Downs for the first time ever. He states that the LTBA will end 2017 with profit rather than debt for the first time in about 10 years, which is a product of multiple cuts including cuts to breeders' awards. He informs that Louisiana-breds have had the opportunity to run more often due to smaller field size and less total number of horses running. He says that the breeders are getting more breeders awards because their horses are going to post more often. He states that he attended a meeting with several Commissioners and LaHBPA members to discuss the upcoming gaming legislations. He informs that the LTBA presented the LQHBA with figures and they are in discussions.

Commissioner Davis asks how much money the LTBA has to promote their big racing days. Mr. Heitzmann responds that LTBA promoted Louisiana Champions Day on December 7, 2017 at Fair Grounds quite heavily, including letting members of the military in for free that day. He says that they want to get a fly-over for next year's event, and though they didn't have it this year, they had a band the previous year. He informs that they contribute to the purses for Delta Down's Louisiana Premier Night, Evangeline Down's Louisiana Legends Night, Fair Grounds' Louisiana Champions Day, and Louisiana Downs' Louisiana Cup Day. He states that 90% to 91% of the LTBA's money goes out to breeders and horsemen, so their bottom line for operation is low.

Commissioner Davis asks what LTBA spent on marketing last year. Mr. Heitzmann responds that they spent \$55,000 to \$60,000 in marketing last year and explains that they can only provide so much marketing for racing because their promoting focus is the breeding side of the business.

B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)

1. **PROGRESS REPORT**, by *Mr. Tony Patterson, Executive Director*. Mr. Patterson informs that 2012 was the lowest quarter horse foal crop year and the last five years have increased. He says that Louisiana-bred B And G Fast Dash was named the American Quarter Horse Association (AQHA) 2017 distance champion this past Wednesday. Louisiana-bred Magic Blackjack, who set the 220-yard world record at Delta Downs in July, got an AQHA special recognition reward. Louisiana trainer Mr. Kenny Roberts was named AQHA 2017 Champion Trainer and is number one trainer in the country in number of wins.

Commissioner Davis asks what the LQHBA's budget for marketing is. Mr. Patterson responds that the marketing budget was about \$85,000 and the promotions budget was about \$60,000 in 2017. He says that they may have to lower that this year because they overspent a little bit in 2017. Commissioner Reine asks if they have a count of how many people attended the races the night of the LQHBA Million Futurity. Mr. Patterson responds that they don't because attendance is not taken at Evangeline Downs but the on-track live handle was better than last year so attendance was better. Commissioner Reine commends the LQHBA for the success of that night.

Mr. Patterson introduces Mr. Lyle Guillory, President of the LQHBA. Mr. Guillory informs that, based on a meeting with the casinos about eight years ago, the horsemen set a 10-year plan in motion. He says that they made sure they had stability in racing in Louisiana by passing mandatory racing days. He states that they started holding major events at the race tracks by giving away scholarships and putting on parties to bring in Louisiana legislators and people from across the country. He informs that they made adjustments to their breeding program that produced more horses due to the incentives they give, including breeders award payouts for all the way to fifth place.

Mr. Guillory says that the LQHBA would like to implement three \$1,000,000 races at each race track in Louisiana based on the increasing foal crops, which will require them to adjust their payouts. He states that they are looking into televising the LQHBA Million Futurity in Louisiana next year to create excitement about the quarter horse industry. He informs that they are looking to increase their purse structure with help from legislators in order to make Louisiana the number one quarter horse racing state in the country due to the decline of quarter horse racing industry in other states.

Commissioner Reine asks, if the LQHBA could partner with the associations to provide entertainment at race tracks, would that attract more people to horse racing. Mr. Guillory responds that he thinks that type of venture would be successful.

Commissioner Shelton asks if there has been any cooperative endeavors with the race tracks so far. Mr. Guillory responds that there has not been any substantial cooperation from the associations for promotional events. Commissioner Shelton asks if there are any changes that the LQHBA thinks need to be made to make Louisiana the number one quarter horse state. Mr. Patterson respond that 80% of the money paid for the purses in the Louisiana-bred program goes to Louisiana-bred horses and 20% goes to open breeds from other states, which makes it hard to entice new out-of-state people with open horses to run due to the small purses. Mr. Guillory states that increasing the open breed percentage of funding a little bit would make it more conducive for out-of-state horsemen to run their horses and possibly return for the Louisiana-bred sales.

Chairman Wright asks if there has been any noticeable change in the pricing of quarter horses in 2017 versus 2016. Mr. Guillory responds that the LQHBA's last sale was the biggest they ever had. Mr. Patterson informs that about \$6,800,000 total was purchased at the 2017 sale whereas the total sales were \$4,500,000 in 2018.

Mr. Patterson states that they need help with setting up cooperative arrangements with Boyd Gaming and Harrah's Louisiana Downs because Fair Grounds approaches the LQHBA to cooperate every year. Commissioner Cravins commends the LQHBA for their positive attitude and enthusiasm. Commissioner Romero asks if the LQHBA has approached Boyd Gaming or Harrah's Louisiana Downs. Mr. Patterson responds that they have reached out to them but haven't had luck getting anything set up.

A ten minute recess is taken.

III. COMMITTEE REPORTS

A. MEDICATION COMMITTEE, by *Committee Chairperson Judy W. Wagner*

Commissioner Wagner requests that Dr. Levent Dirikolu, Director of the Equine Medication Surveillance laboratory at LSU, give a report on the accreditation that the Commission has been seeking. Dr. Dirikolu informs that he received an email on January 19, 2018 from Stephanie Adams, an accreditation officer, which indicates that the lab is A2LA accredited. He says that he is waiting on the official certificate. Commissioner Wagner congratulates Dr. Dirikolu.

B. RULES COMMITTEE, by *Committee Chairman R. Hamilton "Hammy" Davis*

No Report.

C. LEGAL COMMITTEE, by *Committee Chairman Benjamin J. Guilbeau, Jr.*

No Report.

D. SECURITY COMMITTEE, by *Committee Chairman Kenneth "Kenu" Romero*

No Report.

E. RACETRACK/HBPA LIAISON COMMITTEE, by *Committee Chairman Donald "Don" Cravins*

Commissioner Cravins informs that a group of Commissioners met with Louisiana Downs in regard to their issues and two Commissioners and the LaHBPA met in regard to the potential of expansion of gambling in Louisiana. He says that the issue is the contention between the thoroughbred group and the quarter horse group needs to be resolved in order for the horsemen to take part in revenue from the riverboat casino expansion legislation and in sports betting when it comes to Louisiana after the Supreme Court rules on the issue. Chairman Wright asks if sport betting would still require Louisiana legislation. Commissioner Cravins responds that it would and there is no designated entity to receive that tax revenue yet. He says that the riverboat and video poker industries will also vie for that source of revenue. He informs that getting table gaming at the race tracks will be difficult due to strong moral opposition, so the horsemen need to be united and organized to state their case as Louisiana citizens. He states that the riverboat and land-based casinos are

getting ahead of the racing industry because they are introducing legislation without regard for the racing industry.

Commissioner Davis asks if the horsemen have a lobbyist. Commissioner Cravins responds that the horsemen have one or two versus many more from the riverboat interest. Mr. Guillory requests that the Commission set up another meeting between the quarter horse and thoroughbred horsemen to work out negotiations on the upcoming legislation. Commissioner Shelton says that, if the horsemen groups haven't resolved their issues over the legislation, there is no reason for the Commission to step in or take the next step because it would be a debacle.

F. FINANCE COMMITTEE, by Committee Chairman Louis Reine

Commissioner Reine informs that the Finance Committee is continuing to monitor the legislature as it deals with the dedication of taxes for the racing industry. He commends the horsemen who defended the industry during the legislative session last week. He states that the stability of the racing industry would be adversely affected if the money is undedicated and has to be appropriated every year.

IV. LICENSE APPROVAL

A. REQUEST FOR LICENSE APPROVAL (LA. REV. STAT. 4:150(B))

1. Wayne P. Menard, Valet. Convicted felon.

Commissioner Reine motions to approve Mr. Menard for Licensure as a Valet; Commissioner Guilbeau seconds; motion carries.

V. ADJUDICATIONS

A. APPEAL (LA. REV. STAT. 4:154)

1. Santiago Mendez, Jockey.

Ruling#FG22372 of 08/23/17 – *Careless Riding.*

Continued from September 25, 2017 Commission Meeting.

Appeal Withdrawn. Mr. Mendez not present for hearing. Commissioner Reine motions to suspend Mr. Mendez for 7 calendar days from January 24, 2018 through January 30, 2018; if Mr. Mendez participates in a designated race day not subject to suspension; he shall be required to make up the suspension day on the first following race day after the designated day of racing; Commissioner Cravins seconds; motion carries.

B. VIOLATIONS OF LAC 35:I.1797 (Equine Positives)

1. Noe R. Sanchez, Trainer. (Adjudication Referred)

Ruling#ED22469 of 12/06/17 – *Dexamethasone (ARCI Category IV; Gross Violation)*

Commissioner Reine motions to approve the Consent to Adjudication, which upholds the Stewards' ruling, fines Mr. Sanchez an additional \$500 (total fine \$1,500), redistributes the purse, and Mr. Sanchez waives any right to Appeal; Commissioner Guilbeau seconds; motion carries.

2. **Hance Ray Robbins, Trainer.** (*Adjudication Referred*)
Ruling#ED22438 of 11/01/17 – *Dexamethasone (ARCI Category IV; Gross Violation)*

Attorney –
Donald G. Kelly, Esq.

Commissioner Reine motions to approve the Consent to Adjudication, which upholds the Stewards' ruling, fines Mr. Robbins an additional \$500 (total fine \$1,500), redistributes the purse, and Mr. Robbins waives any right to Appeal; Commissioner Guilbeau seconds; motion carries.

3. **Billy G. Sturrock, Trainer.** (*Adjudication Referred*)
Ruling#DD22500 of 12/20/17 – *Triamcinolone Acetonide (ARCI Category IV)*
(*3rd offense of ARCI Cat. IV/V within a 12-month period*)

Commissioner Guilbeau motions to uphold the Stewards' ruling; suspend Mr. Sturrock for 60 days effective January 25, 2018 through March 25, 2018; fine him \$1,000; redistribute the purse. Deny him access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioners Davis and Romero second; motion carries.

4. **Levi Mays, Trainer.** (*Adjudication Referred*)
Ruling#ED22434 of 10/25/17 – *Xylazine (ARCI Category III), Methylprednisolone (ARCI Category IV), & Triamcinolone Acetonide (ARCI Category IV)*
(*2nd and 3rd offense of ARCI Cat. IV/V within a 12-month period*)

Commissioner Romero motions to uphold the Stewards' ruling and suspend Mr. Mays for 6 months.

Commissioner Reine makes a substitute motion to uphold the Stewards' rulings; suspend Mr. Mays for 60 days effective January 23, 2018 through March 23, 2018; fine him an additional \$500 (total fine \$1,500); redistribute the purse. Deny him access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioners Guilbeau and Johnson second; motion carries.

VI. ADJOURNMENT

Commissioners motion to adjourn subject to Executive Session; Commissioners second; Chairman Wright adjourns the meeting.



Charles A. Gardiner III
Executive Director