

LOUISIANA STATE RACING COMMISSION
MINUTES – January 30, 2017 Meeting
As transcribed by Mary E. Lee DiLeo, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Bob F. Wright, *Chairman*
Dr. Patrick Bernard
Thomas B. Calvert
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

Judy W. Wagner, *First Vice Chairperson*

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the Chairman on Monday, January 30, 2017 at 9:15 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 and McHalfey motion to approve the meeting minutes from the November 21, 2016 meeting; Commissioner Davis 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*. Mr. Warren informs that Delta Downs is 60 days into its 84-day 2016-2017 Thoroughbred Meet. He says that Delta Downs is down about 10% in handle, in part due to the equine herpes virus outbreak at Fair Grounds. He states that Delta Downs had a good weekend with a handle of \$1,800,000 on Friday night. He says that John Simon has returned as Racing Secretary for Delta Downs and that the horsemen seem to be happy with the racetrack.

Mr. Warren informs that corporate approved constructing a new safety rail at Delta Downs to be completed before the thoroughbred meet starts next fall. He says that Delta Downs is getting a new PA system that the vendors will begin installing next week and two new 20-by-25 bathrooms will be constructed in the next three weeks. He informs that Louisiana Premier Night, Delta Downs' big Louisiana-bred race night, will occur on February 11, 2017, which is the weekend after the Superbowl.

2016-2017 THOROUGHBRED MEET**2. STEWARDS, OFFICIALS & MANAGEMENT****a. Ratification of officials for 2016-2017 thoroughbred meet:**

John Simon - Racing Secretary (replacing Matt Crawford)

*Beverly McNeely – Programs Coordinator/Racing Staff (replacing Melissa Dueitt)

Melissa Dueitt - Horse Identifier (replacing Nathan Sinclair)

*Guy Smith – Custodian of Jocks Room (replacing Mayo Newhouse)

**new official*

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

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

1. **PROGRESS REPORT**, by *Mr. Chris Warren*. Mr. Warren informs that Evangeline Downs ended its 45-day 2016 Quarter Horse Meet on December 17, 2016. He says that the backside crew refurbished the barn area by stripping down the stalls, putting new dirt, and cleaning up the tack rooms. He states that Evangeline Downs has hired Kyle Ducote, Superintendent of Farm d'Allie Golf Club, as the new turf course consultant. He says that they are making some changes with fertilizing, drainage system, sprinkler system, and managing rye grass versus bermuda grass. Mr. Warren shows pictures of the newly constructed 70-stall receiving barn and informs that the ground-breaking for it took place in January 2017. He says that they will have a lot of room for parking and trailers by the receiving barn, so it will be very accessible. Mr. Chatters informs that this is the first time he has seen pictures of the receiving barn and thanks the LSRC, the HBPA Liaison Committee, and Boyd Gaming for working together to get it built. Commissioner Cravins thanks Boyd Gaming for keeping its commitment.

Commissioner Cravins says that he doesn't see much effort being put forth by Boyd Gaming to promote Louisiana racing and that, going forward, there should be a more concerted effort put into racing promotion. Mr. Warren informs that Evangeline Downs is getting ready to make a commitment to get new material for the track. He states that the track men for both Delta Downs and Evangeline Downs will work together to resolve track issues and will try different ideas this summer to address the track surface issues caused by heat and moisture.

Dr. Finkelstein says that Evangeline Downs' turf course was brown and looked horrible when he was last there. Mr. Warren responds that the issue is that they didn't plant rye grass, just bermuda grass. Dr. Finkelstein says that Evangeline Downs should get a consultant to discuss the surface of the dirt track being too deep. Mr. Warren responds that the dirt track was praised in May of 2016 but they are solving for the summer issues as he already stated. He says that Evangeline Downs is open to discuss how to make the track better. Dr. Finkelstein says that they should discuss the turf track maintenance and surface with Fair Grounds. Mr. Warren says that the turf course looks great every year in April due to the growth of rye grass from the winter, but the turf course condition declines in the summer when the weather kills the rye grass.

Commissioner Romero asks if the freeze in New Iberia and Opelousas affect the grass on the turf at Evangeline Downs. Mr. Warren responds that, this year, they only planted Bermuda grass, which goes dormant in the winter until April, but they are doing a lot of top dressing and aeration to get the root system back to where it should be.

Commissioner Reine thanks Delta Downs for their attention to the safety rail issue. He asks if any trainers who are assigned stalls during the meet are allowed to stall any of their horses in the receiving barn on a regular basis. Mr. Warren says that horses are not supposed to be stalled in the receiving barn if they have stalls on the grounds, unless there is a special circumstance. Commissioner Reine says that he is concerned that the horses that ship in and ship out could be exposed to outbreaks like the one at Fair Grounds if they are not stalled separately from the horses that stay on the grounds. He asks if Delta Downs or Evangeline Downs have plans in case they need to quarantine infected horses in the future. Mr. Warren responds that his teams were discussing that issue since the outbreak at Fair Grounds occurred and they locked the gate at Delta Downs for two weeks. He says that Evangeline Downs and Delta Downs both have an isolated holding barn area that they would use and are considering other ideas about quarantine facilities.

Mr. Chatters requests that the Commission promulgate a rule that prohibits any horse from being allowed to stable in a receiving barn on a regular basis in order to avoid future health risks. Chairman Wright asks if that is an on-going practice that the horsemen experience problems with now. Mr. Chatters responds that the Fair Grounds outbreak involved the quarantine of the receiving barn, which could lead to a further spread of the virus. Mr. Gardiner suggests the staff recommendation that this issue be put on the next Meeting Agenda and the Commission partner with the racetracks to develop a preliminary draft plan for the next meeting.

Commissioner Reine motions that the Rules Committee investigate and report any recommendations to the Commission regarding rules that would regulate horsemen from stabling their horses in receiving barns at the race tracks; Commissioner Davis seconds; motion carries.

Mr. John Beech, Regional Manager of the Jockey's Guild, thanks the Commission, the LaHBPA, and Boyd Gaming for resolving the safety rail issue at Delta Downs.

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

- 1. PROGRESS REPORT**, *by Mr. Jason Boulet, Mr. Carey Loshbaugh, and Mr. Brad Bryant.*
Mr. Jason Boulet, Senior Director of Racing at Fair Grounds, informs that the Fair Grounds' practice of using the receiving barn for extra horses was originally done in order to help trainers that were right on the borderline for getting stalls. He says that Fair Grounds will cooperate in any way the Commission sees fit and will have a quarantine plan moving forward. He states that Fair Grounds will no longer allow horses to stable in the receiving barn and the receiving barn will remain empty in case of a situation like this. He says that the trainer with the infected horse in the receiving barn will be moved in the next couple of days.

Mr. Boulet informs that Tim Bryant has served as President of the Fair Grounds for the last six years but will be missed by the staff as he moves on to new opportunities in California. He introduces Mr. Brad Bryant, Senior Director of Operations, and Mr. Carey Loshbaugh, Financial Director. He thanks the Fair Grounds' maintenance staff, Chairman Wright, and Mr. Gardiner for their support through the difficult process of dealing with the outbreak. He says that Fair Grounds is in the process of testing out of the virus, in part thanks to Chairman Wright helping to change the quarantine protocols. He informs that the original protocol involved every horse in a quarantined

barn had to be tested out from the virus, whether or not they showed any signs of sickness. He says that out of the over 100 horses in the original three quarantined barns, 30 horses tested positive for the wild strain of the Equine Herpes Virus (EHV-1) and the original infected horse had the neurological strain.

Mr. Boulet informs that the protocol was changed so that healthy horses were not tested, but instead had to wait a certain amount of time until no new cases showed in the barn to test out. He states that two barns tested out last week, and the Fair Grounds should finish clearing its quarantined barns on February 6, 2017. He states that the 30 horses in the isolation area are going through the testing process. He says that there has been a lot of tension, financial hardship, and mental strain for the trainers involved but the Department of Agriculture has been fair. He informs that there are still unresolved issues with other states allowing horses that have been at the Fair Grounds to go into their jurisdictions. He says that, in Kentucky, horses coming from Louisiana are not allowed to go on any racetrack or training center and must get nasal swabbed and tested for the virus to go to a farm or private facility. He states that Fair Grounds is looking for no further virus issues over the next two months and a relaxing of the out-of-state restrictions by April. Chairman Wright and Mr. Gardiner commend Mr. Boulet on his leadership.

Commissioner Romero asks if Fair Grounds has a safety procedure to sanitize the quarantined barns to kill the virus completely. Mr. Boulet responds that they completely sterilized the receiving barn, following the State's biosecurity guidelines, and will follow those guidelines going forward.

Mr. Loshbaugh informs that the handle and starters per race were up for the first 24 days of Fair Grounds' 81-day 2016-2017 Thoroughbred Meet. He says that handle and starters per race were down for the following 3 weeks. He states that in the most recent few weeks, handle has gone up, starters per race are above 8 again, and the turf is in great shape with 80% of Fair Grounds' races run on turf with more rain.

Mr. Bryant informs that Fair Grounds has stressed customer service. He says that they held Starlight Races on January 13, 2017 and had a huge crowd, despite the field sizes being down. He states that they held Twilight Races on January 28, 2017, which had a huge crowd and a handle that was competitive year over year with a normal Saturday race day. He informs that they will hold more Starlight Races on February 10, 2017 and will feature Weiner Dog Racing on March 4, 2017, which has garnered over 6,000 likes on Fair Grounds' Facebook page. He states that their last Starlight Races event will be on Friday, March 10, 2017. He says that they started a Racing Club at Fair Grounds, which currently has approximately 90 members. He states that one of the club's horses placed second in a race last week and another horse placed second prior to that.

Commissioner Reine asks what a Racing Club is. Mr. Bryant responds that the Racing Club is a nonprofit for anybody that wants to purchase a share for \$500, which introduces people to horse racing and ownership. He says that they are looking for about 100 members to join and members get the perk of having horse owner experiences, including coming into the winner's circle if the horse wins and access to the paddock before the race starts. He informs that the Fair Grounds and Churchill Downs have had good responses to their Racing Clubs, and there were between 50 and 60 members in attendance for the last club horse's race last Thursday.

Commissioner Davis asks what Fair Grounds is doing with the money. Mr. Bryant responds that they are donating any winnings to Children's Hospital in California due to an agreement they made with Spendthrift to help with the club's horses.

Mr. Bryant informs that Doug Shipley is the new General Manager and President of Fair Grounds and is unable to attend today due to tying up loose ends to move here. He says that Mr. Shipley comes from Maryland Live and will be ready to hit the ground running.

2. EQUINE HERPES

a. Update by the Department of Agriculture on EHV-1 outbreak and containment at Fair Grounds.

Mr. John Walther, Assistant Commissioner of the Louisiana Department of Agriculture and Forestry, informs that the cooperation from Fair Grounds and the assistance from LSRC and its Equine Director, Dr. Cooley allowed for the progress they have made with the EHV-1 containment. He says that their primary focus is on animal health but they also take the other factors, including business continuity and other trading partners, into consideration. He explains that what they dealt with was myeloencephalopathy, which is a neurological disease that attacks the brain and spinal cord of a horse. He says that the disease is dangerous to the whole horse population. He states that there is a single mutation that can change EHV-1, known as the wild strain, at any moment into the neurological strain, which can be detected through observing a single allele in a laboratory.

Mr. Walther informs that EHV-1 has been an issue at Keeneland, Turfway Park, New Mexico, and California along with other race courses and training facilities in the country. He explains that the disease is difficult to contain because it is endemic, so the virus can stay latent in horses for a long time without causing any problems. He says that stress or other conditions can activate the virus, which can be tested by blood and nasal swab. He states that they started containing the EHV-1 through quarantining barns that had known positive cases, which led to finding that the receiving barn had horses that tested positive. He says that they traced out 65 horses that had come in and out during the time that the infected horses were in the receiving barn. He states that they found the tracked horses, notified the owners, placed them under observation, and imposed 14 days with testing or 21 days without testing before releasing them as ongoing protocol.

Mr. Walther informs that after receiving indications from testing, getting a handle on biosecurity at the barn, and assessing the information they put together, the Department of Agriculture issued an addendum to the plan that categorized high risk, low risk, and minimal risk. He says that Fair Grounds' Barns 14 and 36 were categorized as high risk because they had neurological cases so they performed entire-barn testing in those barns, which showed high numbers of positive horses. He states that there are horses in isolation that are in the process of testing out now. He says that, as part of their virus reduction plan, they moved horses that were actively shedding the virus, isolated them away from other horses, and observed the exposed horses until they were cleared.

Mr. Walther informs that a State Police detail was assigned to Fair Grounds to enforce the biosecurity measures, such as using different sponges for different horses and

wearing protective clothing, on the nearly 2,000 horses and was very effective. He clarifies that the 14-day quarantine with testing required two negative tests no less than 72 hours apart. He says that the Department of Agriculture continues to have mandatory temperature monitoring twice a day, of which any temperatures above 101.5 °F need to be reported so the attending veterinarian can determine any clinical signs and need for testing.

Mr. Walther informs that they released the overall quarantine on Fair Grounds on January 21, 2017 and horses were allowed to come back to the track on January 26, 2017. He states that they released the quarantine on the receiving barn this past week. He says that, pending no new clinical cases or symptoms, Barns 30 and 47 will be released on February 3, 2017 and then Barn 45 would be the last barn. He states that the first round of testing on the 38 isolated horses occurred last Monday and only five are still positive. He says that those five horses were moved to a separate isolation and will have to remain there through another 14-day period with two negative tests or 7 days with another test if they had one prior negative test. Mr. Walther informs that the Department of Agriculture is working with Kentucky State Veterinarian's Office in attempt to decrease the restrictions that they have placed on Fair Grounds horses. He says that biosecurity needs to be an ongoing practice at all racetracks to avoid similar outbreaks and quarantine plans for all racetracks should be created going forward.

Commissioner Romero asks if there is a test required of horses coming to Fair Grounds that were at different places in Louisiana. Mr. Walther responds that there is no entry test for Fair Grounds but tending veterinarians will have to notify the Department of Agriculture if any horses have symptoms. Commissioner Reine asks if ship-in horses are required to be vaccinated and how effective the vaccination is. Mr. Walther responds that vaccination is a racetrack and LSRC requirement, not a State requirement, and the vaccine is not 100% effective, though a specific percentage is not known.

Dr. Bernard says that the vaccine does not protect against the neuropathogenic mutant virus. Dr. Bernard asks if any of the positive horses have shown the neuropathic virus since the very first ones. Mr. Walther responds that there were only the original two confirmed neuropathic cases and one suspected neuropathic case but the rest have been the wild strain. Dr. Bernard asks if Mr. Walther thinks that any barn in the Fair Grounds could be checked and find a positive horse. Mr. Walther responds that it is possible. Dr. Bernard asks why the Department of Agriculture was checking asymptomatic horses, which seems to have caused a continuation of the quarantine. Mr. Walther responds that asymptomatic horses were only checked in the barns that had neurological cases but other barns for quarantine were identified by the clinical signs.

Commissioner Calvert asks if there will be a liaison contact established with the Department of Agriculture to handle questions from the racing industry. Mr. Walther responds that he will field any questions. Chairman Wright says that Mr. Gardiner and Mr. Boulet will be contacts for EHV-1 issues and extends his thanks to Department of Agriculture Commissioner Mike Strain. Commissioner Davis asks who developed the original protocol. Mr. Walther responds that the guidelines were established by a committee of the U.S. Animal House Association, which included seven or eight State veterinarians, some industry people, and other experts in the field. He says that they also consulted with the Federal USDA Veterinary Service through their national expert, Dr. Angela Pelzel, and Dr. Nathan Slovis from Kentucky. He states that after the Department of Agriculture got a handle on the disease, they met with a subgroup of

the LSRC to evaluate the situation further which led to the addendum to the original protocol.

Commissioner Davis asks if the Department of Agriculture is educating personnel other than veterinarians on bioremediation. Mr. Walther responds that, during most of this incident, the Department of Agriculture had three to four people on the grounds every day working directly with trainers, grooms, veterinarians, and the State Police details. He says they made some signage and posted in the barns as well.

Mr. Gardiner informs that isolation, which involves moving the horses at least 30 feet away from each other in separate facilities, was probably the greatest challenge in this process. He says that isolation facilities will have to be considered along with quarantine facilities in the racetracks' plans to battle similar future outbreaks.

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

1. **PROGRESS REPORT**, by Mr. Trent McIntosh. Mr. McIntosh informs that Louisiana Downs is 15 days into its 46-day 2017 Quarter Horse Meet and has had a strong start with warm weather that has prevented cancelled races so far. He says that Hialeah has not been running its quarter horse meet this year, which has pulled a few new horses into the Louisiana horse population that has led to increased field sizes and increased handle. He states that they are up in handle 14% over last year's first 15 days. He says that the Mardi Gras Futurity and Derby will kick off 2-year-old quarter horse racing in late February. He states that, on February 3 and 10, 2017, they will host special days of schooling races, in which they will run 5-horse fields down the track all day with a couple hundred 2-year-old horses that haven't raced previously.

Mr. McIntosh informs that, from October 15, 2016 through when the quarter horse horsemen moved in, Louisiana Downs stripped 800 stalls per their move-in agreement with the horsemen from their prior thoroughbred meet. He says that Louisiana Downs made barn repairs, including replacing walls, replacing cracked boards, and repairing and replacing all of the electrical outlets during their offseason. He states that, prior to the start of the current quarter horse meet, they replaced all of the baskets and drains and blew out the drainage system. Mr. McIntosh informs that he has held two backside committee meetings with the horsemen's group at Louisiana Downs to open a line of communication that will allow him to resolve issues and deter standing issues that would frustrate the horsemen. He says that the horsemen's group haven't had any concerns since he's started the committee meetings.

Commissioner McHalfey asks if Louisiana Downs has opened its gates for ship-in horses. Mr. McIntosh responds that the quarter horse population currently at Louisiana Downs has no signs of EHV-1. He says that Louisiana Downs will open its barn area when Fair Grounds has cleared its quarantined barns, tentatively on February 6, 2017, and Louisiana Down's barn restriction is not affecting its current meet. He states that they have paid Benton Training Center to start opening its track on Saturdays for workouts on the next couple weeks to accommodate the thoroughbred horsemen who want to work out their horses.

Mr. Paul West, Outside Louisiana Regulatory Counsel for Caesar's Entertainment Company (CEOC), informs that the plan of reorganization was confirmed on January 17, 2017 and the next step is to go to each State in which CEOC has properties to get

the reorganization approved. He says that they will meet with the Louisiana State Police (LSP), the Attorney General’s Office, and the Chairman of the Control Board tomorrow morning to explain the process.

Mr. West states that there will be no changes in management or day-to day operations of Louisiana Downs. He says that the whole process will probably take up to six months to get through the 17 jurisdictions from which CEOC needs approval. He offers to make an in-depth explanation of how the reorganization works to the Legal Committee if the LSRC wants and says that he will be back next month with another update.

2017 QUARTER HORSE MEET

2. RACES

a. Ratification of first condition book for 2017 quarter horse meet.

Commissioner Davis motions to approve; Commissioner McHalfey seconds; motion carries.

b. Ratification of designated races for 2017 quarter horse meet.

- 01/07/17 Harrah's Dash
- 01/07/17 Marathon
- 01/14/17 Billy Montgomery
- 01/28/17 Swift
- 01/28/17 Party Girl
- 02/04/17 Magnolia
- 02/11/17 Louisiana Downs Maiden Stake
- 02/25/17 Mr. Jess Perry
- 03/18/17 Mardi Gras Futurity
- 03/18/17 Mardi Gras Derby
- 03/18/17 Streakin La Jolla
- 03/22/17 Harrah's Futurity

TRIAL DATES

- 01/21/17 Louisiana Downs Maiden Stakes Trials
- 02/25/17 Mardi Gras Futurity Trials
- 02/26/17 Mardi Gras Derby Trials
- 03/04/17 Harrah's Futurity Trials

Commissioner Davis motions to approve; Commissioner Calvert seconds; motion carries.

3. STEWARDS, OFFICIALS & MANAGEMENT

a. Ratification of officials for 2017 quarter horse meet:

- Trent McIntosh – Assistant General Manager
- Charles Magee – Association Steward
- Constantin Rieger – Association Steward
- David Heitzmann - Racing Secretary
- Tammy Peck – Assistant Racing Secretary/Paddock Judge
- Trudy Sistrunk – Placing Judge
- Maranda Quebedeaux– Placing Judge
- Mariah Quebedeaux – Placing Judge
- Koleen Karlin – Identifier
- Jennifer Sokol – Program Coordinator/Claims
- Jimmy Cordell – Starter
- Richard Miguez – Clerk of Scales
- Charles Mueller – Custodian

Laura Hollowo – Outrider
Juan Roman – Outrider
Betty Fetters – Clocker
Melvin Holland – Clocker

Commissioner Calvert motions to approve; Commissioner Davis seconds; motion carries.

II. BREEDER UPDATES

A. LOUISIANA THROUGHbred BREEDERS ASSOCIATION (LTBA)

1. **PROGRESS REPORT**, by *Mr. Roger Heitzmann, Secretary-Treasurer of the LTBA*. Mr. Heitzmann informs that they have a board meeting in about two weeks. He commends Mr. Boulet, Commissioner Mike Strain, and two veterinarians, Dr. David McCoy and Dr. Frank Andrews, for their efforts in the EHV-1 outbreak. He says that, if EHV-1 had an outbreak in the Folsom, Lafayette, Lake Charles, or Coushatta areas, it could be devastating to the breeders because the disease can cause abortions in mares.

B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)

1. **PROGRESS REPORT**, by *Mr. Tony Patterson, Executive Director of the LQHBA*. Mr. Patterson informs that they have a board meeting in about three weeks. He says that it appears that 2012 will be the organization's lowest year of accredited births with 2016 falling in line with the upswing in births since then. He states that the Mardi Gras Futurity trials will occur at Louisiana Downs on February 25, 2017 and the finals will be on March 18, 2017. He says that they will invite Commissioners and local representatives to the finals and hold three scholarship drawings.

Mr. Patterson informs that he has been working with Mr. Larry Munster, LSRC Assistant Executive Director, on the wording of the LQHBA rules so that, if a qualifying horse tests positive before entry time of an LQHBA futurity or derby, the next fastest horse will be able to replace the disqualified horse. He says that their stallion auction raised over \$45,000 in net proceeds, which will go to their scholarship program to be given away at highlight events at all racetracks.

Commissioner Reine informs that a foal from Zoomin For Spuds, a Louisiana stallion, won one of the premier quarter horse races, the Champion of Champions, this year.

III. COMMITTEE REPORTS

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

Chairperson Wagner is absent. No Report.

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

Commissioner Davis informs that the Rules Committee with LSRC Executive Director, Charles Gardiner, and LSRC's Counsel, Rhea Loney, have reviewed the recommendations made by the Louisiana Legislative Auditor (LLA) from its 2015 performance audit and sent recommendations to all Commissioners on how to add to and amend the current rules accordingly. He says that the Rules Committee will meet with the LaHBPA and the racing associations about the proposed ship-in and ship-out rule and the rules based on LLA's recommendations prior to the next Commission Meeting. He states that they will present those rules for the full Commission's consideration at the next meeting.

Commissioner Davis informs that the Rules Committee will start gathering information on a possible quarantine plan per the Commission's motion and will get the individual racing associations to develop their own plans prior to the next Commission Meeting.

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

No Report.

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

Commissioner Romero compliments the LSP on its involvement in assisting the Fair Grounds with the herpes virus outbreak.

Captain Terry Chustz, Commander of Central Operations of the LSP, informs that, on January 13, 2017, Mr. Gardiner requested the LSP to increase its patrols and get more involved in the effort to prevent further spread of the herpes virus. He says that the LSP brought in troopers for the morning workouts and training sessions for approximately two weeks. He states that the USDA Veterinarian and State Veterinarians met with the troopers at the beginning of their shifts to train them in the biosecurity measures that were being put in place. He says that the troopers monitored the security outside of the quarantined barns and scaled back either on January 26 or 27, 2017.

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

Commissioner Cravins informs that he has discussed the issue of promoting and branding racing in Louisiana with concerned interests and wants to convene a meeting of the Racetrack/HBPA Liaison Committee to explore the issue further. He says they should meet early this year since they may need to go to the legislature to request changes in the law in order to generate enough resources to reasonably support the promotion of racing. Chairman Wright states that he intends to work with Commissioner Cravins on the racing promotion issue and will try to meet about the subject in the next 30 days.

Commissioner Cravins informs that he had a discussion with some fellow Commissioners regarding moving the Commission Meetings around the State and thinks it would be a good idea. Chairman Wright says that he agrees and is open for suggestions of where to go for the next meeting. Ms. Loney and Mr. Gardiner inform that the next meeting will occur on either April 17th, April 24th, or May 1st of 2017. Commissioner Cravins asks which tracks would be open around that time. Mr. Warren responds that Evangeline Downs will start its 2017 84-day Thoroughbred Meet on April 12, 2017. Mr. McIntosh responds that Louisiana Downs will start for its 2017 84-day Thoroughbred Meet on May 6, 2017.

Chairman Wright states that the next meeting will be scheduled to be at Evangeline Downs. Commissioner Cravins says that the Commission should publicize the meeting so that people in the area can plan to attend. Commissioner Reine asks Mr. Warren if Evangeline Downs will be able to accommodate a Commission Meeting at Evangeline Downs. Mr. Warren responds that he just needs a date and Evangeline Downs' event center would work.

F. FINANCE COMMITTEE, by Committee Chairman Louis Reine

Commissioner Reine informs that the Finance Committee will monitor the upcoming special session of the Louisiana Legislature and any budget cuts that they may make to the Racing Commission.

IV. RULES

The motion to formally adopt the amendment to the License Information Rule occurred here. See Section "IV. RULES – B. FORMAL ADOPTION on page 5 for the motion.

A. REQUEST BY LAHBPA

1. Discussion of amending the Claiming Rule.

Mr. Ed Fenasci, Executive Director of the LaHBPA, informs that, at a recent meeting, the board of directors discussed the Claiming Rule and the issues that have arisen with the return of the rule to its original state. He says that the LaHBPA requests that the Commission consider adopting a portion of the Arkansas Claiming Rule, in which the horses would have the same conditions for the first 21 days but would be able to run at the same price at which they were claimed for days 21 through 30. He states that the proposed change would fit with the condition book cycle and would eliminate some of the challenges reported by members of finding the exact 25% increase race.

Mr. Gardiner explains that the LSRC's Claiming Rule has gone through many changes over the years. He says that the foundation rule that is in place in most jurisdictions is that, upon a claim, a horse has to race on a 25% raise of its price for the following 30 days. He states that the rule was modified many years ago to completely remove jail time from it, which spurred a lot of claiming but caused a lot of churn, which was not good for the racing industry. He says that the LaHBPA requested the LSRC to return the rule to its original form in 2015, which was promulgated, but now the LaHBPA is requesting to modify the tail end of the 30-day jail period in the rule, which would modify the last 9 days of the 30-day jail period for horses to run at their original claimed price.

Commissioner Reine asks if the purpose of the claiming rule is to level the competition and if requiring a horse to move up to a higher price dilutes that purpose. Mr. Gardiner responds that the claiming rule originated from the auction races and its purpose is to allow someone to buy a horse immediately after a claiming race at any given claiming price. He explains that the raise portion of the Claiming Rule has always been a caveat emptor provision that there has to be some risk to the horse buyer, in this case 30 days racing the horse at the 25% raise. He says that the provision act promotes horsemanship in the confidence to pay the price to claim a horse, in part as a horse welfare issue.

Commissioner Reine says that there is a lot of risk involved, such as if a horse breaks its leg between the gates and the finish line, then the purchaser bought a horse with a broken leg. Mr. Gardiner explains that, when the jail provision was taken out of the LSRC Claiming Rule, buyers came from out of state, claimed horses, took them out of Louisiana, and raced them the next week at a reduced rate. He says that it didn't help the odds and the churn kind of skewed the competition.

Mr. Fenasci says that the initial purpose would still be intact in that, if the owner has a horse actually worth many times more than what the claiming price is, the rule would deter the owner financially from putting a horse at risk of a lower price. Commissioner McHalfey asks what the 10-day change would accomplish for the LaHBPA's interest. Mr. Fenasci responds that horsemen are running into the issue of not being able to find a race 25% more along the different levels of purses for the claimed horses, so the change would reduce the burden of not being able to race their horses by 10 days.

Dr. Finklestein suggests making the LaHBPA's proposed change to the rule. Chairman Wright suggests deferring this issue until the next meeting to let everyone evaluate it unless enough people have made up their minds. Mr. Gardiner states that the rule amendment could not take effect until at least six months due to the rule-making process.

Commissioner Cravins asks if the LaHBPA has any additional comments. Mr. Chatters says that the points on both sides were addressed well and he has no additional comments. Chairman Wright says that the issue will be put on the next agenda. Mr. Chatters asks if the LaHBPA should bring anything to the next meeting on this discussion. Commissioner Calvert responds that the LaHBPA should address correspondence to the head of the Rules Committee listing the pros and cons of making the rule change two weeks prior to the next meeting. Commissioner McHalfey requests trainer feedback on the rule change.

B. FORMAL ADOPTION:

1. License Information for Training Tracks

LAC 46: XLI Chapter 19 – Training Tracks

§1903. License Information [amend]

Commissioner Reine motions to formally adopt the amendment to the License Information Rule; Commissioner McHalfey seconds; motion carries.

A five minute recess is taken.

V. ADJUDICATIONS

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

1. Luis A. Negrón, Jockey.

Ruling#DD21983 of 11/25/16 – *Careless Riding*.

Appeal withdrawn. Not present for hearing. Commissioner Reine motions to suspend Mr. Negrón for 7 calendar days from February 12, 2017 through February 18, 2017. If Mr. Negrón 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 Davis seconds; motion carries.

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

1. Shelton J. Zenon, Sr., Trainer. *(Adjudication Referred)*

Ruling#DD22004 of 12/9/16 – *Phenylbutazone (ARCI Category IV)*

(3rd offense of ARCI Cat. IV/V within a 12-month period)

Consent to Adjudication. Waiver of right to Appeal. Commissioner Guilbeau motions to uphold the Stewards' rulings; suspend Mr. Zenon for 60 days effective February 5, 2017 through April 5, 2017; fine him \$1,000; purse redistributed. Mr. Zenon will be denied access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission. Commissioners Calvert and Romero second; motion carries.

- 2. **Donald Balthazar, Trainer.** *(Adjudication Referred)*
 Ruling#ED21989 of 11/30/16 – *Phenylbutazone & Flunixin*
(ARCI Category IV; Extraordinary Violation)
(2nd offense of ARCI Cat. IV/V within a 12-month period)

Consent to Adjudication. Waiver of right to Appeal. Commissioner Reine motions to uphold the Stewards' rulings; fine Mr. Balthazar an additional \$500 (total fine \$1,500); purse redistributed. Commissioner Guilbeau seconds; motion carries.

- 3. **Eliseo G. Celestino, Trainer.** *(Adjudication Referred)*
 Ruling#ED21991 of 11/30/16 – *Flunixin (ARCI Category IV; Gross Violation)*

Commissioner Reine motions to uphold the Stewards' rulings; fine Mr. Celestino an additional \$500 (total fine \$1,500); purse redistributed. Commissioner Cravins seconds; motion carries.

- 4. **Charles P. Hukill, Trainer.** *(Adjudication Referred)*
 Ruling#DD21972 of 11/17/16 – *Dexamethasone (ARCI Category IV; Gross Violation)*
(2nd offense of ARCI Cat. IV/V within a 12-month period)

Commissioner Reine motions to uphold the Stewards' rulings; fine Mr. Hukill an additional \$500 (total fine \$1,500); purse redistributed. Commissioner Johnson seconds; motion carries.

- 5. **Ricky D. Long, Trainer.** *(Adjudication Referred)*
 Ruling#LD22040 of 1/7/17 – *Caffeine (ARCI Category II)*

Commissioner Reine motions to uphold the Stewards' rulings; fine Mr. Long \$1,000; purse redistributed. Commissioner Johnson seconds; motion carries.

- 6. **Sarah E. Delany, Trainer.** *(Adjudication Referred)*
 Ruling#LD21920 of 9/15/16 – *Phenylbutazone & Flunixin (ARCI Category IV)*
(3rd offense of ARCI Cat. IV/V within a 12-month period)

Attorney –
 William S. Marshall, Jr., Esq.

Case continued to next Commission Meeting.

VI. ADJOURNMENT

Commissioner Davis motions to adjourn; Commissioner Romero seconds; Chairman Wright adjourns the meeting.

Charles A. Gardiner III
 Executive Director