LOUISIANA STATE RACING COMMISSION MINUTES – November 27, 2012 Meeting

As transcribed by Mary E. Lee DiLeo, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Jerry F. Meaux, Chairman Kevin S. Delahoussaye Thomas H. Grimstad, M.D. Benjamin J. Guilbeau, Jr. Richard M. "Dick" Hollier, Jr. Kenneth "Kenu" Romero Judy W. Wagner Dion Young

ABSENT

Keith W. Babb William A. Robinson Bob F. Wright, Second Vice Chairman APPROVED

At the Commission Meeting of

(Date)

Executive Director

anisiana State Racing Commission

The meeting of the Louisiana State Racing Commission was called to order by the Chairman on Tuesday, November 27, 2012 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.

Mr. Romero motions to approve the meeting minutes from the previous meeting; Mr. Guilbeau seconds; motion carries.

Mr. Hollier motions to add the appointment of a new Second Vice Chairman to the Agenda; Mr. Young seconds; motion carries.

Mr. Romero motions to appoint Mr. Dion Young as Second Vice Chairman; Mr. Hollier 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 Delta Downs 2012-2013 Thoroughbred Meet opened on October 19th. He informs the 10th anniversary of the Delta Jackpot was November 17th and was very successful. He informs, so far, the handle is up 4.6%, however, ADW results are mixed due to market saturation. He informs the track surface is in good shape, but more rain would be welcome. He informs they are running tests on the surface with the guidance of Dr. Peterson. He states there will be some minor adjustments to improve the surface, such as changing the silt to clay ratio. Mr. Guilbeau states he attended the Delta Jackpot and it was the best card that he has seen at Delta Downs and the support staff at the track was excellent.

2012-2013 THOROUGHBRED MEET

2. STEWARDS, OFFICIALS & MANAGEMENT

a. Ratification of Galen Boutte as Association Steward, replacing Dr. Jennifer Durenberger.

Mr. Hollier motions to approve; Ms. Wagner seconds; motion carries.

3. WAGERING (LAC 35:XIII.Ch 103-127)

a. Ratification of Pick 5 (50¢ minimum wager) on last five races beginning October 19, 2012 thru March 23, 2013.

Mr. Young motions to approve; Mr. Delahoussaye seconds; motion carries.

2013 QUARTER HORSE MEET

4. WAGERING (LAC 35:XIII.Ch 103-127)

- a. Approval of Amended wagering for 2013 quarter horse meet:
 - 1. \$1 WPS and Exactas on all races
 - 2. .50¢ Trifectas on all races that qualify
 - 3. .10¢ Superfectas on all races that qualify
 - 4. .50¢ Rolling Pick 3 beginning on Race 2
 - 5. .50¢ Pick 4 on first 4 and last 4 races
 - 6. .50¢ Pick 5 on last 5 races
 - 7. \$1 Daily Double on first 2 and last 2 races

Mr. Guilbeau motions to approve; Mr. Young seconds; motion carries.

B. EVANGELINE DOWNS RACETRACK & CASINO

1. PROGRESS REPORT, by Mr. Steve Darbonne. Mr. Darbonne informs Evangeline Downs 2012 Thoroughbred Meet closed on September 8th. He informs the simulcast handle was up 2.87% from 2011 and the on-track handle was up 3.35%. He informs for the 2012 Quarter Horse Meet, so far, the simulcast handle is down 5%, but the on-track handle is up 10.17%. He informs Evangeline Downs ran the first \$1 million dollar quarter horse race in Louisiana on Saturday, November 24, 2012. He informs there was a good turnout and he thanked Mr. Laverne Perry and the Louisiana Quarter Horse Breeders Association (LQHBA) for their support. He informs the track surface is in good shape. He states that similar to Delta Downs, Evangeline Downs is working with Dr. Peterson who is analyzing the track surface. He informs that the horsemen are pleased with the condition of the track. He informs Evangeline Downs purchased a new truck to pull their new horse ambulance. Also, a third water truck was recently purchased for track use.

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

1. PROGRESS REPORT, by Mr. Eric Halstrom. Mr. Halstrom informs Fair Grounds 2012-2013 Thoroughbred Meet opened on November 22nd. He informs the opening was very successful with a very good local handle and an exceptional out-of-state handle. He informs there are some issues with horse population at the Fair Grounds. He informs the Fair Grounds is working closely with Equine Medical Director Dr. Matt Cooley regarding information of horses quarantined at Hawthorne Race Course in Illinois before heading to the Fair Grounds. He informs the Fair Grounds is trying to backfill some stalls and more Churchill Downs horses are beginning to arrive which will help the short field sizes.

Mr. Halstrom asks the Racing Commission to add an item to the Agenda relating to Fair Grounds 2013 race days. Mr. Young motions to add the item to the Agenda; Mr. Guilbeau seconds; motion carries.

Mr. Halstrom informs there is an opportunity to host the 2013 American Quarter Horse Challenge Championship at the Fair Grounds. He suggests adding 2 days, Friday, November 15th and Saturday, November 16th of 2013 to host a mix of quarter horse and thoroughbred racing. (The thoroughbred races would be geared towards preparation for horses competing on Champions Day.) He informs Mr. Darrell Hare from the American Quarter Horse Association (AQHA) has been working with him to plan a grand evening weekend card which has been very popular in the past. Mr. Halstrom informs he has also been working with Mr. Stanley Seelig, President of the Louisiana Horsemen's Benevolent and Protective Association (HBPA), to make this event happen. Mr. Halstrom asks the Racing Commission to commit their support for this event. Mr. Halstrom states there are some issues that need to be worked out, such as purse funding and statutory requirements as far as when purses are paid.

Mr. Laverne Perry, Director of the LQHBA thanks the AQHA for co-sponsoring the webcast with Tom Dawson and Chris Furtulack for their million dollar race held at Evangeline Downs. He informs the LQHBA board voted to support the challenge races at the Fair Grounds, but did not want to use the purse money.

Mr. Darrell Hare, Director of the Racing Challenge for the AQHA, states the 2010 Quarter Horse Challenge Championship held at the Fair Grounds was very successful. He informs the AQHA Challenge Program will fund \$900,000 of the purse money and the host facility will fund \$250,000 for 12 races, 6 championship races and 6 under card races. He mentions the AQHA likes New Orleans and currently the membership stands at 260,000 members worldwide with their convention being held in New Orleans in March 2014. He states the mixed format would be a great opportunity that will open a lot of doors with competitive fields and good payoffs which race fans love. Mr. Meaux thanks Mr. Hare for the AQHA stance on the recent Dermorphin positive cases. Mr. Hare states the AQHA is serious about the matter and they support the RCI and the model rules.

Mr. Seelig states the HBPA has been working with Mr. Halstrom on hosting this event. He states he is excited about the event, but there are some financial concerns that need to be resolved first. He states the HBPA is working on raising other funds, such as working with the New Orleans Sports Foundation and the horsemen for contributions. He mentions he is confident the financial issues should be resolved by the next Racing Commission meeting.

Mr. Romero motions to approve 2 days of mixed format racing on November 15 and November 16 of 2013; Mr. Hollier seconds; motion carries.

2012/2013 THOROUGHBRED MEET

2. RACES

a. Ratification of designated races for the 2012/2013 thoroughbred meet:

11/22/12 Thanksgiving Handicap 11/23/12 Woodchopper Stakes 11/24/12 Pago Hop Stakes

12/8/12 Champions Day QH Juvenile

Champions Day QH Derby
Champions Day QH Classic
Champions Day Starter Handicap
Champions Day Juvenile
Champions Day Lassie
Champions Day Sprint
Champions Day Sprint Champions Day Ladies Sprint
Champions Day Turf
Champions Day Ladies
Champions Day Classic
Tenacious Handicap
Blushing K.D. Handicap
Bonapaw Stakes
Buddy Diliberto Memorial
Louisiana Futurity (2YO F)
Louisiana Futurity (2YO C&G) Pan Zareta Stakes
Louisiana Handicap
Silverbulletday Stakes
Marie G. Krantz Memorial
Col. E.R. Bradley Handicap
Lecomte Stakes TBA
F.W. Gaudin Memorial TBA
Tiffany Lass Stakes
S. Miss. Owners/Breeders Stakes
Mardi Gras Handicap
Gentilly Stakes
Bayou Handicap
Fair Grounds Handicap
Mineshaft Handicap
Rachael Alexandra Stakes Risen Star Stakes
Black Gold Stakes
Allen Lacombe Memorial
Duncan F. Kenner Stakes
New Orleans Ladies
Colonel Power Stakes
Happy Ticket Stakes
Costa Rising Stakes
Crescent City Oaks
Crescent City Derby
Mervin H. Muniz Jr. Memorial
New Orleans Handicap
Fair Grounds Oaks Louisiana Derby

Mr. Delahoussaye motions to approve; Mr. Romero seconds; motion carries.

3. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of racing officials for the 2012/2013 thoroughbred meet:

Jason Boulet - Racing Secretary

Roy Wood – State Steward

Peter Kosiba, Jr. and David Hooper - Association Stewards

Harvey Lourd, III - Assistant Racing Secretary

Frank Comberrel, Jr. - Starter

Scott Jones - Stakes Coordinator

Barbara Comberrel - Program Director

Ramon Muniz - Paddock Judge

Gary Palmisano, Sr. - Paddock Judge/Clocker

Joe Peluso, Amber Fontenot, George Graham, *Anthony Morgan and *Timothy Hanisch – Placing Judge/Entry Clerk

Kerry Dubuc, Mike Diliberto, Billy Pettingill - Clockers

Nelson Menard - Clerk of Scales

*Larry Fontenot - Horse Identifier

Mario Torres - Stall Superintendent

Craig Daligian - Jockey Room Custodian

Natalie Brocklebank - Claims Clerk/Entry Clerk

Robert Mayer, Darren Cain and Alan Love, Jr., Scott Cole (Alternate) - Outriders

Sean Worsley – Silks Coordinator

*new official

Mr. Romero motions to approve; Mr. Hollier 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. Mr. McIntosh informs Louisiana Downs 2013 Quarter Horse Meet will open on January 12th. He informs stall applications are due in the first week of December. He states the 2012 overall handle was flat. He informs Louisiana Downs is updating their graphics package for 2013. He informs of Louisiana Downs' marketing efforts regarding their Total Rewards card and equalization of slots/racing credits. November was the first full month the revamped Total Rewards card was implemented for racing guests. He states it has been very successful and racing customers have provided positive feedback on the program. He mentions a monthly mail-out will be used for the upcoming 2013 quarter horse meet which will offer wagering incentives to 13,000 racing customers and 40,000 casino customers. He informs the monthly mailer will include a full page dedicated to racing. He informs with the assistance of the LQHBA, Louisiana Downs added a \$20,000 maiden stake race to the schedule. Mr. Romero asks Mr. McIntosh to report on their backside improvement commitments. Mr. McIntosh states they are not tearing down or building any barns at this time, however, they are continuing to repair existing stalls and barns.

2013 QUARTER HORSE MEET

- 2. STEWARDS, OFFICIALS & MANAGEMENT
 - a. Approval of Noble Hay, Jr. to serve as state steward for 2013 quarter horse meet.

Dr. Grimstad motions to approve; Mr. Young seconds; motion carries.

II. OTHER

A. Training Tracks:

1. Discussion of security and licensing issues.

Mr. Gardiner informs there are currently four licensed training track facilities in the State of Louisiana. He states there are issues and questions regarding whether or not the licensing of a training track requires security. Another issue is having security to prevent unlicensed individuals and people in bad standing from being at these training facilities. He informs the rule was previously modified to impose certain obligations for

the licensed training centers. He informs the Evangeline Training Center has plans to discontinue their security.

Ms. Rhea Loney, Assistant Attorney General informs the current rules do not require security at the training tracks; however, she states the Racing Commission's training track application (with annual renewal) does ask if security will be provided. Ms. Loney informs of the two previous major changes in the rules governing training tracks. One being any person that derives any economic benefit from the licensed training track is required to be licensed. The other change is any individual that is excluded by the Racing Commission, ejected or otherwise not in good standing is not allowed on the grounds of the licensed training track in any capacity.

Commissioners ask representatives from each licensed training center to provide information regarding their facility.

Mr. A. J. Credeur, General Manager of the Evangeline Training Center in Carencro informs his faculty had 24/7 security until they were hit by the poor economy. He informs the number of horses at his facility has dropped from 1,000 head to around 650 head. He states they were losing money so they had to make cuts in security to about 12 hours per day. He states there isn't a level playing field when you compare the security levels at the other training facilities, but he believes security is necessary and is asking the Racing Commission to assist in a solution for this problem. Mr. Credeur states everyone should be on the same playing field, having the same rules for every training center. Mr. Romero states it appears to be a monetary issue with not enough horses to be able to provide security 24-hours a day.

Ms. Dorsey Thibodeaux from the Benton Training Center informs as far as security is concerned, their facility is different from the other training tracks due to their location, individuals living in the area and small size. She states there is only one entrance to this facility. The individuals at this facility own their own barns. Mr. Meaux asks Ms. Thibodeaux if they have an outrider and an ambulance. She responds they do not have an outrider, but they do have an ambulance for published workouts from 8:00 am to 10:00 am on the first Saturday of every month.

Mr. Gardiner states the Folsom Training Center is similar to the Benton Training Center because there are different individuals who own barns and property on the location. Mr. Marechal with the Folsom Training Center states the Folsom Police come in and out 3 or 4 times a day to patrol the area. Mr. Meaux asks Mr. Marechal when they have official workouts and if they have an outrider and ambulance. Mr. Marechal informs they do not have an outrider and workouts are conducted on the first Saturday of each month with an ambulance present.

Mr. Gardiner provides background on the history of the training centers and how it has evolved. He informs the Racing Commission requires each applicant to furnish a \$1 million dollar liability policy.

Mr. David Tillson with the Copper Crowne Training Center in Opelousas, informs they do not have 24/7 security. He informs their operation is pretty small, so they are able to check licenses more frequently. He informs they hold official workouts twice a month, every other Friday and on those days there is an ambulance and a professional clocker.

Mr. Hollier asks Mr. Tillson if they keep a record of their license checks. Mr. Tillson responds no. Mr. Meaux asks Mr. Tillson if they keep records of horses going in and out of the facility. Mr. Tillson responds by informing they maintain health papers and copies of all registrations, but it is not checked on a daily basis. Mr. Romero asks Mr. Tillson if their 6 barns are owned by Copper Crowne. Mr. Tillson responds yes, each stall is leased on a per diem basis. Mr. Romero and Mr. Tillson discuss passing on the security costs to the owners as a fee.

Mr. Meaux asks Ms. Loney of the standing of each facility. Ms. Loney states that based on the applications submitted for April, all four training centers are currently in good standing. Ms. Loney provides information regarding the training tracks rule and the Racing Commission's authority and jurisdiction over the training tracks.

Mr. Seelig states he understands each training facility has a different situation, but he agrees with any measure which would keep the horses and owners safe and the liability risks low.

Mr. Hollier motions to refer the matter to the Legal Committee; Ms. Wagner seconds; motion carries.

Mr. Romero gives the ramifications of an unchecked diseased horse entering a training track. Mr. Delahoussaye motions that a representative from each training track appear at the next Racing Commission meeting for further discussion; commissioners second; motion carries.

III. COMMITTEE REPORTS

A. MEDICATION COMMITTEE, by Committee Chairman Thomas H. Grimstad, M.D.

Dr. Grimstad states the Medication Committee, after a lengthy discussion, voted unanimously to add Listed Races to Graded Stakes Races. The Medication Committee recommended to the full commission that the Racing Commission adopt the 2 micrograms per milliliter limit of phenylbutazone in a post-race blood sample regardless of the time of administration of the drug for listed races only. He informs this will satisfy the Thoroughbred Owners and Breeders Association's (TOBA) 2013 requirements. He informs as of August 15, 2012 California, Delaware, Florida, Kentucky, Maryland, Indiana, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Texas and Virginia have adopted the 2 micrograms per milliliter for all races. For Graded and Listed Stakes only there are 3 states, Arkansas, Illinois and West Virginia and for Graded Stakes only Iowa, Louisiana and Washington.

B. RULES COMMITTEE, by Committee Chairman Keith W. Babb

Mr. Babb is absent. Mr. Gardiner asks the Commission to address the rules listed on the Agenda. He states Dr. Grimstad in his Medication Committee Report provided a summary and proposed changes to LAC 35:I:§1505. Nonsteroidal and/or Anti-Inflammatory Medication in regard to listed races.

Mr. Hollier motions to approve LAC 35:I:§1505. Nonsteroidal and/or Anti-Inflammatory Medication as a Notice of Intent; Mr. Guilbeau seconds; motion carries.

Dr. Grimstad asks Mr. Halstrom to comment on Churchill Downs' Graded Stakes status. Mr. Halstrom informs Churchill Downs is very active regarding this issue and hopes one day to become a part of the Graded Stakes Committee. He states there are a few of their races that deserve to be graded.

Dr. Grimstad states he would like to see at least one Grade I Race in Louisiana and has seen more than a few that would qualify. He asks Mr. Halstrom to continue to make a push towards that goal.

Mr. Gardiner explains Rule LAC 35:IX. §9105. Disputed Race. He states for clarification purposes, this rule was rewritten to ensure that the first and second place horses must run as winners until that race is finally adjudicated and the purse is redistributed.

Dr. Grimstad motions to approve LAC 35:IX. §9105. Disputed Race as a Notice of Intent; Mr. Guilbeau seconds; motion carries.

Mr. Seelig discusses his concerns with the second place finisher being penalized for someone else's actions. Mr. Gardiner states this rule is universal throughout all racing jurisdictions. He states that this rule change is being made so our stewards and our people who interpret this rule are clear and follow proper regulations.

Mr. Gardiner states LAC 35:V. §6335. Owner's Entry of More Than One Horse is in proper posture for Formal Adoption. He provides a brief overview of the rule.

Mr. Hollier motions to formally adopt LAC 35:V. §6335. Owner's Entry of More Than One Horse; Ms. Wagner seconds; motion carries. Mr. Gardiner informs the rule will be effective beginning on December 20, 2012.

C. LEGAL COMMITTEE, by Committee Chairman Bob F. Wright

Mr. Wright is absent. Ms. Loney briefly provides an update of litigation on the Dermorphin cases heard on September 27-28, 2012 by the Racing Commission.

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

No report was made by Mr. Romero. Captain Bobby Osborne of the Louisiana State Police, informs the Racing Commission that the State Police has been providing security at the race tracks for one year. He informs the State Police have achieved all of the goals the Racing Commission has set forth for them. He mentions the troopers enjoy the work and he has a good working relationship with Charlie Gardiner and Larry Munster.

E. RACETRACK/HBPA LIAISON COMMITTEE, by Committee Chairman Kevin Delahoussaye

No report was made by Mr. Delahoussaye.

F. COMPLIANCE COMMITTEE

Mr. Gardiner informs the Compliance Committee is now defunct and has been merged into the HBPA Liaison Committee.

IV. RULES

(See Rules Committee Report on pages 7-8)

A. Notice of Intent:

1. LAC 35:IX. Chapter 91 – Weight Penalties and Allowances §9105. Disputed Race

B. Notice of Intent and/or Discussion:

 LAC 35: I. Chapter 15 – Permitted Medication §1505. Nonsteroidal and/or Anti-Inflammatory Medication

C. Formal Adoption:

 LAC 35:V. Chapter 63 - Entries §6335. Owner's Entry of More Than One Horse

A 15 minute recess was taken.

V. ADJUDICATIONS

(In order presented)

A. ADJUDICATIONS REFERRED (La. R. S. 4:172)

- 1. Anireal Chavira, Trainer. Ruling#ED19741 of 10/5/12 Ketoprofen (ARCI Category IV, severity level III). Dr. Grimstad motions to uphold the Stewards' ruling and redistribute the purse. Mr. Young seconds; motion carries.
- 2. Anthony J. Lovato, Jockey. Ruling#LD19653 of 8/17/12 Human Drug Test 3rd offense. (Not present). Confirmation of receipt of Notice of Hearing. Ms. Wagner motions to uphold the Stewards' ruling; suspend Mr. Lovato's license indefinitely and he is denied access to all race tracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Mr. Hollier seconds; motion carries.

B. APPEALS/REFERRED (La. R. S. 4:154, 4:172)

1. Thomas M. Amoss, Trainer. Ruling#LD19729 of 9/22/12 – Resale, movement of Claimed Horse. Attorney – William S. Marshall, Jr., Esq.

Dr. Grimstad and Ms. Wagner recuse themselves from Mr. Amoss' case.

Mr. Young motions to uphold the Stewards' ruling; fine an additional \$500.00(\$1,500.00 total). Mr. Amoss waived his right to appeal the matter further; Mr. Guilbeau seconds; motion carries.

2. Joseph Randy Hebert, Owner/Trainer.

- a. Ruling#DD19538 of 7/14/12 Benzonatate (ARCI Category II)
- b. Ruling#DD19540 of 7/14/12 Benzonatate (ARCI Category II)
- c. Ruling#DD19542 of 7/14/12 Benzonatate (ARCI Category II)
- d. Ruling#DD19543 of 7/14/12 Benzonatate (ARCI Category II)
- e. Ruling#DD19550 of 7/14/12 Benzonatate (ARCI Category II)
- f. Ruling#DD19555 of 7/18/12 Benzonatate (ARCI Category II)
- g. Ruling#DD19556 of 7/18/12 Benzonatate (ARCI Category II)
- h. Ruling#DD19557 of 7/18/12 Benzonatate (ARCI Category II)

Rulings are consolidated for purposes of hearing. Mr. Guilbeau motions to uphold the Stewards' rulings; suspend Mr. Hebert a total of 3 years from 12/2/12 through 12/1/15 and redistribute all purses. Denied access to all race tracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Mr. Romero seconds; motion carries.

VI. ADJOURNMENT

Mr. Young motions to adjourn; Mr. Delahoussaye and Ms. Wagner second; Mr. Meaux adjourns the meeting.

Charles A. Gardiner III Executive Director