

# LOUISIANA STATE RACING COMMISSION

## MINUTES – June 13, 2022 Meeting

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

### COMMISSIONERS IN ATTENDANCE

Benjamin J. Guilbeau, Jr., *Chairman*

Louis Reine, *First Vice Chair*

Dr. Patrick Bernard, *Second Vice Chair*

Leslie M. Bouie

Thomas B. Calvert

Lane T. Cortez

Donald "Don" Cravins

Eddie J. Delahoussaye

K. R. "Ron" Finkelstein, O.D.

Mike R. McHalfey

Deano Thornton

### ABSENT

Roy Griggs

Peter J. Hamilton III

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the Chairman on Monday, June 13, 2022 at 9:00 AM in the Riverview Room of the Monteleone Hotel, 214 Royal Street, New Orleans, Louisiana. Roll call was taken; a quorum was present.

## I. LICENSE APPROVAL

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

#### 1. Patrick Fox, Groom/Hotwalker. Convicted felon.

Commissioner Reine motions to approve Mr. Fox for Licensure as Groom/Hotwalker; Commissioner Cravins seconds; motion carries.

## II. ADJUDICATIONS

### A. CARELESS RIDING APPEALS (LA. REV. STAT. 4:154)

#### 1. David A. Alvarez, Jockey.

Ruling#DD24877 of 05/18/22 – Careless Riding.

Appeal Withdrawn. Mr. Alvarez not present for hearing. Commissioner Reine motions to suspend Mr. Alvarez for 7 calendar days from June 22, 2022 through June 28, 2022; if Mr. Alvarez participates in a designated race day not subject to suspension, he shall be required to make up the suspension day on the first race day after the designated day of racing; Commissioner Bernard seconds; motion carries.

#### 2. Ubaldo Luna, Jockey.

Ruling#DD24884 of 05/21/22 – Careless Riding.

Appeal Withdrawn. Mr. Luna not present for hearing. Commissioner Reine motions to suspend Mr. Luna for 7 calendar days from June 22, 2022 through June 28, 2022; if Mr. Luna participates in a designated race day not subject to suspension, he shall be required to make up the suspension day on the first race day after the designated day of racing; Commissioner Bernard seconds; motion carries.

**B. VIOLATION OF LAC 35:I.1743 (Possession of Drugs, Syringes or Needles)**

1. **Teddy L. Guy, Jr., Trainer.** *(Adjudication Referred & Appealed)*  
Ruling#DD24838 of 04/28/22 – *Possession of prohibited drugs, hypodermic needles & syringes*

Mr. Guy not present for hearing. Commissioner Calvert motions to uphold Stewards' ruling, and suspend Mr. Guy for 6 months, effective July 1, 2022 through December 31, 2022, followed by 1 year on probation, effective January 1, 2023 through December 31, 2023; any violations during his probation will require Mr. Guy to appear before the Commission. Mr. Guy will be denied access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioner Reine seconds; motion carries with sole opposition from Commissioner Bernard.

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

1. **Larry D. Keith, Trainer.** *(Adjudications Referred & Appealed)*  
4 Rulings as provided in Meeting Agenda.

Mr. Keith not present for hearing. Cases continued to the August 23, 2022 Commission Meeting.

2. **Jose D. Barron, Trainer.** *(Adjudication Referred & Appealed)*  
Ruling#DD24849 of 05/05/22 – *Zilpaterol (ARCI Category II)*

Mr. Barron not present for hearing. Case continued to the August 23, 2022 Commission Meeting.

3. **Javier N. Contreras, Trainer.** *(Adjudications Referred)*  
2 Rulings as provided in Meeting Agenda.

Mr. Contreras not present for hearing. Commissioner Calvert motions to uphold Stewards' Rulings DD24847 and DD24860, amend Mr. Contreras' suspension from 6 months for each ruling to 5 years suspension total (credit for time served beginning May 1, 2022), effective May 1, 2022 through April 30, 2027, fine him \$5,000 (\$2,500 for each ruling), and redistribute the purses. Mr. Contreras 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 Bernard and Bouie second; motion carries.

**III. 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 Down's 46-day 2022 Quarter Horse Meet started on April 29, 2022. He says that live handle is down 2.6% and bet-in handle is down 6.7%. He states that adding the 15 race days to be transferred from Fair Grounds should bring more bettors as other quarter horse meets end this month. He says that they may adjust post times to start later due to the heat and they have reduced the number of races due to lower purse levels and field sizes this year. He informs that the Tin Lizard, a new upscale bar and grill at Delta Downs, will open at the end of June. He states that Delta Downs will host exotic races, featuring camels and zebras, for the first time ever on June 18, 2022.

Commissioner Calvert asks about the horse breakdown that happened on June 3, 2022 at Delta Downs. Mr. Warren responds that the horse broke both of its front legs and ended up being euthanized. Commissioner Calvert asks what Delta Downs does to investigate a horse breakdown. Mr. Warren responds that the State Vets inspect horses for soundness before a race but Delta Downs does not investigate these events further than the inspections from State Vets and the Stewards review.

Commissioner Reine asks if Delta Downs properly notified the Commission when they cut races recently. Mr. Warren states that he did not notify the Commission and should have, as normal practice is to send a letter notifying the Commission when they change post time, cut races, or modify the racing program. He says that they met with Stewards and horsemen regarding the cut races.

Commissioner Cortez congratulates Delta Downs on trying exotic racing and requests on behalf of the horsemen that they show live racing on televisions at the Tin Lizard.

**2022 QUARTER HORSE MEET**

- 2. REQUEST BY BOYD RACING, LLC TO AMEND RACING DATES APPROVED ON AUGUST 25, 2021 (R.S. 4:158A) TO ADD TRANSFERRED RACE DATES FROM FAIR GROUNDS AS PROVIDED IN AGENDA**

Commissioner Cravins motions to approve; Commissioner Bernard 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' 84-day 2022 Thoroughbred Meet started on April 6, 2022. He says that total handle is down 9% and live handle is down 15%. He states that live handle on Belmont Day was up 19%. He says that the turf course has been doing well since it has been a dry summer and that a consultant recommended buying a specialized device to cut the turf, for which Evangeline Downs will be investing about \$50,000. Commissioner Calvert requests that Mr. Warren send a written notification to the Commission when they receive that machine. Mr. Warren agrees. He informs that they have been upgrading the backside and have been consulting with Dr. Mick Peterson, Executive Director of the Racing Surfaces Testing Laboratory, about keeping their track in good working condition.

Ms. Carol Core, Vice President and General Manager for Evangeline Downs, introduces Mr. Anthony Breaux, Marketing Director for Evangeline Downs. She informs that they have purchased a new replay system for the Stewards. Mr. Breaux states that Evangeline Downs' loyalty program will allow race fans to earn credits that allows them to advance through different tier levels. He says that they have focused on social media for their casino and racetrack advertising and public relations, particularly Facebook, and have used radio ads for specific racing programs, like Legend's Night. He informs that they advertise racing in their monthly mailers and loyalty program email campaigns. He states that their staff capitalizes on media interviews and press releases for racing advertising.

Mr. Breaux informs that they saluted the Miles Perret Cancer Services at the start of Legend's Night, named the first race that night after that charitable group, and donated \$5,000 to their Games Across Acadiana campaign. He states that they have a rolling Pick 7 jackpot raffle that will build through the season and pay at the end of the meet. He says that they are bringing back country music on Friday nights at Mojo's Sports Bar. He informs that Legend's Night festivities included a jockey meet-and-greet, food trucks, a t-shirt giveaway, winner circle celebrations, and an after-racing 1980's dance party. He states that they reopened the clubhouse with a buffet running every race night of the current meet and that 300 people came to the clubhouse on Legend's Night. He says that they have partnered with Southwest Louisiana Zydeco Music Festival for media and events. He informs that they are planning for family nights, weekly handicapping contests, and their Historical Horse Racing (HHR) launch. He states that they have started a groom-of-the-week program with Ms. Lora Pitre's Peach Lane Farms that will be shown on their simulcast.

Commissioner Reine asks if the promotions are expected to increase slot plan and if they advertise outside of the Lafayette area. Mr. Breaux responds that the promotions discussed are focused on the racing side of the business rather than slots. He says that social media is their major advertising focus to promote in and out of Lafayette. Commissioner Reine asks how many OTBs they have. Mr. Breaux responds three OTBs.

Commissioner Bouie commends Evangeline Downs for their promotion efforts. Commissioner Calvert asks if they will incorporate exotic animal racing for family days. Mr. Breaux responds that they aren't currently planning on exotic races but do take it into consideration. Commissioner Cravins asks which community partners do they work with. Mr. Breaux responds that, besides previously mentioned groups, they work with Opelousas Elderly Awareness Seminar, Catholic Charities, Wreaths of Hope, and multiple smaller groups. Commissioner Cravins requests him to provide a list at the next Commission Meeting. Ms. Core states that the community has used Evangeline Downs for COVID-19 testing and vaccinations and that their parking lot has been used by local schools and law enforcement for vehicle training and by charitable groups for food and supplies distribution for hurricanes. She says that they have supported the Stop the Violence Walk for CASA of St. Landry and hosted charity drives for the Rotary Club and the Refinery, a local men's homeless shelter. She informs that they host Boyd Gaming's Superhero Drive that allows employees to support local charities through self-specified paycheck deduction donations.

Commissioner Cravins asks how many employees and job opening they have. Ms. Core responds that they have about 300 employees, up from 200 during the height of the pandemic. She says that their departments mostly only have a couple job opening each and that they use temporary staff as needed. Commissioner Cravins asks about reopening their food venues. Ms. Core responds that the Spotted Horse, the café, and the clubhouse have reopened and they will open a new venue in the former buffet area by December.

Commissioner McHalfey asks for more detail about the rollout of HHR Program for Delta Downs and Evangeline Downs. Ms. Core responds that St. Martinville OTB is scheduled to start HHR around July 28, 2022 and that the Eunice and new Henderson OTBs are scheduled to start offering HHR in the beginning of September.

Commissioner Cortez requests a monthly update from each track regarding their HHR timelines. Chairman Guilbeau responds that he will get Mr. Charles Gardiner III, LSRC Executive Director, to reach out to the associations for monthly HHR updates.

## 2. TURF TRACK

a. **Update** on the current status of Evangeline Downs' turf track.

b. **Discussion** of the long-term plans to update the turf track for consistent use throughout the 2023 Thoroughbred Meet.

Commissioner Reine asks if they Evangeline Downs has discussed a plan to have the turf track ready for opening day of thoroughbred racing next year. Mr. Warren responds that they have met with consultants about it who advised that they would need to over-seed the turf with rye grass for the start and then add certain chemicals to maintain Bermuda grass for the hotter part of the season. Commissioner Reine motions that Evangeline Downs be required to provide the Commission with a written plan by July 15, 2022 regarding having the turf course prepared for the start of their next thoroughbred meet; Commissioner McHalfey 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' 2022-2023 80-day Thoroughbred Meet will start on November 18, 2022. He states that they will have installed the new permanent tote board by the start of the next meet to replace the one destroyed by Hurricane Ida. He says that turf renovations have been on-going since Jazz Fest ended and that the turf will be ready at the start of the next meet. He says that Phase 1 of the Consent Decree requirements with the Environmental Protection Agency (EPA) is running as planned and on-schedule. He states that the two barns destroyed by Hurricane Ida will be replaced during Phase 2 of the Consent Decree following Jazz Fest 2023. He informs that they have four HHR Locations as of today with 118 HHR machines currently operational and that they started running sports betting this week, centrally located between their slot machines and racing areas.

Commissioner Calvert asks about Fair Grounds' plan regarding maintenance of its OTBs, particularly the Kenner OTB. Mr. Doug Shipley, President of Fair Grounds, responds that they have been and will be under renovation of most of their OTBs, investing over \$37,000,000 in capital in preparation of HHR rollouts, and that Kenner has been especially difficult due to Hurricane Ida damage. Commissioner Bouie asks what impact will be caused by the two barns missing until 2023. Mr. Boulet responds that the destroyed barns had 104 stalls combined, which will increase their struggle with filling races. Commissioner Bouie asks if Fair Grounds has been in compliance with the 21 provisos required by the city of New Orleans. Mr. Shipley responds that he or one of his representatives attends every monthly meeting with the community but that they are only struggling with one proviso that requires around-the-clock patrol officers from the New Orleans Police Department (NOPD) in the community, for which they are inquiring if they can bring in an outside source to fulfill that requirement when NOPD can't staff certain shifts. Commissioner Finkelstein asks if they are improving food service. He states that they had COVID restrictions and staffing issues in the recent past but that they plan on re-opening the clubhouse and keeping all bars and snack bars open for the next meet.

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A 15-minute recess is taken.

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**D. LOUISIANA DOWNS INVESTMENT COMPANY, LLC  
d/b/a LOUISIANA DOWNS CASINO & RACETRACK**

**1. PROGRESS REPORT, by Mr. Mitch Dennison, General Manager of Racing.** Mr. Dennison informs that Louisiana Downs has \$765,000 on-track handle, an increase of 30.1%, and \$11,620,000 off-track handle, an increase of 28.3%, for the first 20 race days for an overall handle increase of 28.4%. He says that changing their Pick 4 and Pick 5 to carryover wagers and lowering takeout from 25% to 15% helped the handle. He states that Memorial Day was up 109% in on-track handle and up 17% total handle. He informs that their Mound OTB has been getting renovated and will have 40 HHR machines operational by the first week of July. He says that they are looking for other new OTB locations. He states that they consulted with Mr. Michael DePew, Agronomist of Proturf Environmental & Sports Turf Services, and Mr. Joe Carr, Partner of Equine Risk Management Group, to examine their turf and dirt courses. He informs that they now use a moisture meter to determine if the turf course is safe to use on a race day. He says that they have added organic bark to the dirt course, which is effective at maintaining moisture. He states that 101 new slot machines have been ordered. He informs that they are installing surveillance in every stall, repairing wash racks, and renovating the backside breakroom and offices. He says that they hosted a welcome back horsemen's appreciation lunch and a media day for local press before the meet. He informs that their marketing initiatives include points for members playing both slot machines and tote machines, weekly raffle drawing for losing race and sportsbook wagering tickets, exotic animal racing on Memorial Day, 1:45 PM post time on Saturdays and Sundays to attract attendance, and club buffet available during special events. He states that they updated the kitchen, fixed bathroom sheetrock, replaced all backside dumpsters and manure bins, dug out the drainage ditches on the side of the barns, and worked on EPA's requests.

**2. PURSE ISSUE**

**a. Discussion of Purse Issue between LaHBPA and Harrah's Bossier City Investment Company, LLC.**

Mr. Ed Fenasci, Executive Director of Louisiana Horsemen's Benevolent and Protective Association (LaHBPA), informs that the former owner of Louisiana Downs, Caesars Entertainment, Inc., had swept \$1,970,686.21 out of their slot/thoroughbred purse fund account on November 22, 2022 and kept it rather than turning it over to the new owners, which is not a legal disbursement of those funds. Mr. Dennison informs that Caesars made a statement over Zoom call that they removed the funds and considered them as excess purse funds that they could keep. The Chairman states that the Commission is consulting with the Attorney General on to deal with this issue.

**2022 THOROUGHBRED MEET****3. RACES**

- a. **Ratification** of first condition book for 2022 thoroughbred meet.
- b. **Ratification** of designated races for the 2022 thoroughbred meet as provided in Meeting Agenda

**4. REQUEST BY LOUISIANA DOWNS INVESTMENT COMPANY, LLC TO AMEND WAGERING APPROVED ON AUGUST 25, 2021 (R.S. 4:158A) AS PROVIDED IN AGENDA.**

Commissioner Reine motions to approve Items #3 & #4; Commissioner Bernard seconds; motion carries.

**IV. BREEDER UPDATES****A. LOUISIANA THROUGHbred BREEDERS ASSOCIATION (LTBA)**

1. **PROGRESS REPORT**, by *Mr. Roger Heitzmann, Executive Director*. Mr. Heitzmann informs that they held Legend's Night and LTBA's annual awards banquet at Evangeline Downs and raised money for the Race Track Employee Assistance Program. He says that Louisiana Cup Day is coming up at Louisiana Downs and that LTBA wants purse levels there to be the same as Legends Night, for which LTBA added \$100,000. He states that they had an investigation in cooperation with LSRC Auditors and found that \$406,000 meant for Louisiana-bred races wasn't fully disclosed, which has now been transferred to the new Louisiana Downs owners to properly disburse.

**B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)**

1. **PROGRESS REPORT**, by *Mr. Bruce Salard, Executive Director*. Mr. Salard informs that LQHBA's yearling sale will be held August 5 & 6, 2022 at Coushatta Casino in Kinder, Louisiana. He says that they have 573 horses catalogued for the sale this year compared to 587 horses last year. He states that all yearlings consigned to the sale must be nominated for the 2023 Louisiana Million Futurity at Evangeline Downs and that 76% of horses in the 2022 Louisiana Million Futurity are from last year's sale. He informs that six races for the Firecracker Futurity Trials will be held at Delta Downs on June 17, 2022, for which they are requiring hair testing on June 20, 2022 in cooperation with Boyd Gaming. He states that the Lee Berwick Futurity Trials will be held at Delta Downs on June 24 & 25, 2022, for which they currently have 245 eligible horses. He says that he will discuss LQHBA's hair testing plans for 2023 with Mr. Gardiner and will present to the Commission at a later date. He informs that they are looking into holding a series of races for three-year-old fillies only to be held at each Louisiana racetrack in 2023 in order to retain more high-cost fillies to help the state's race horse population.

Commissioner Reine asks what is the plan to ensure that drug tests are cleared in time for entries for stakes races. Mr. John Simon, Racing Secretary at Delta Downs, responds that they pushed the entry dates forward to four days prior to the races for the Firecracker Futurity Trials and Lee Berwick Futurity Trials. Mr. Gardiner informs that the current three-week period between trials and finals does not allot enough time to handle the issues of having blood, urine, and LQHBA-required hair testing and an inordinate number of positive tests. He suggests that a four-week period would be more appropriate. Mr. Kenneth Roberts, LSRC-licensed Trainer, informs that the top ten trials horses and the ten potential substitute horses will all be hair-tested and prepared to race in the finals, even with the shorter four-day entries.

Commissioner Delahoussaye suggests that the LQHBA and tracks should require that claimed quarter horses need to remain at the claiming racetrack until the end of the meet. Mr. Roberts states that the claimed horses are not allowed to run anywhere else until the end of the current meet but they can't require claiming horsemen not to take their claimed horses away from the racetrack if they stall and train off-track. Mr. Warren says that they can't stop the claiming horsemen from taking those claimed horses to race at unsanctioned bush tracks or match races, as that would need Commission rules and action. Mr. Benard Chatters, President of LaHBPA, says that rulemaking and action that would prevent horsemen from claiming horses and taking them off-track would be too restrictive, especially for Louisiana horsemen who claim at racetracks that are not near their private farms or training centers.

Mr. Warren suggests that the Commission implement requirements for licensed owners to start their horses at the racetrack on which they get licensed, which may help to curb the issue. Commissioner Cortez asks how many horses are claimed and don't come back to enter in races. Mr. Warrens responds about 60% of claimed horses.

## **V. COMMITTEE REPORTS**

**A. MEDICATION COMMITTEE, by Committee Chair Patrick Bernard**

No Report.

**B. RULES COMMITTEE, by Committee Chair Lane T. Cortez**

No Report.

**C. LEGAL COMMITTEE, by Committee Chair Thomas B. Calvert**

No Report.

**D. SECURITY COMMITTEE, by Committee Chair Louis Reine**

Commissioner Reine informs that they plan to schedule a Security Committee meeting in to discuss budget and training of security and state police on the backside.

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

Commissioner Cravins informs that the passing of House Bill 1055 will help the Commission to make progress for the racing industry.

**F. FINANCE COMMITTEE, by Committee Chair Leslie Bouie**

Commissioner Bouie informs that the Finance Committee held a meeting with LSRC Office staff and found the budget for Fiscal Year 2022 was found to be in order.

**G. RACING DAYS COMMITTEE, by Committee Chair Mike R. McHalfey**

Commissioner McHalfey informs that the Racing Days Committee met yesterday and will have answers to when race days will occur at the different racetracks throughout the year.



## VI. OTHER

### A. HISA

#### 1. Update/Discussion of the current status of the Horseracing Integrity and Safety Authority (HISA).

The Chairman welcomes Mr. John Roach, General Counsel for HISA, and Mr. Jeff Landry, Louisiana Attorney General, to present their perspectives on and discuss HISA.

Mr. Roach informs that Lisa Lazarus, CEO of HISA, is going to Evangeline Downs on Tuesday night for information and registration outreach. He states that all racing jurisdictions must cooperatively promote the safety of racehorses and jockeys in order for the industry to survive. He says that, as part of accreditation requirements, HISA will mandate racetracks to get samples of soil and turf composition tested and to order necropsies for all instances of catastrophic horse injury and death on the racetrack. He informs that seven of HISA's safety rules go into effect on July 1, 2022 and that they are asking the Commission, just as they've asked other state jurisdictions, to enter into a voluntary agreement with HISA to cooperatively enforce HISA's rules using LSRC's Stewards to enforce the safety rules and LSRC Veterinarians to work under HISA's regulatory requirements. He states that the racing associations will have to bear the burden of paying for extra steward and vet positions to enforce HISA rules if LSRC does not enter into the voluntary agreement. He says that all appeals to Stewards' rulings and medication infractions involving thoroughbreds will go to HISA's lawyers, which is then appealable to the Federal Trade Commission (FTC), and ultimately appealable to Federal Court, rather than to Commission. He clarifies that HISA will have regulatory authority over thoroughbred races but not over quarter horse races. He informs that the enacting federal statute requires HISA to register covered persons by July 1, 2022.

The Chairman asks where does HISA's Lasix opt-out provision stand in terms of enforcement, deadlines, and requirements. Mr. Roach responds that they will have a form and process for that opt-out, which will be due by January 1, 2023.

Commissioner Calvert asks what regulatory authority will the Commission be left with after July 1, 2022. Mr. Roach responds that any of LSRC's racetrack safety rules that HISA has not preempted are in the Commission's authority. Commissioner Calvert asks what mechanism is in place for HISA to ensure that racing associations are meeting its accreditation requirements at all times and not just at initial approval. Mr. Roach responds that each racetrack will get either one-year or three-year provisional or intermittent accreditation that they will have to retain. Commissioner Calvert states that it is problematic if the Commission tries to act on racetrack issues locally but is preempted by HISA's jurisdiction, which can lead to actions against the Commission. Mr. Roach says that that authority issue is why the Commission should enter into the voluntary agreement with HISA to navigate the implementation of their rules in coordination with the Commission's authority.

Commissioner Reine asks, if the goal of HISA is to fix horse racing, why is thoroughbred racing the only racing under its authority. Mr. Roach responds that HISA must follow the law as Congress passed and Former President Donald Trump signed. He states that they will consider taking on other racing after they successfully get thoroughbred racing under their control but will have to find funding mechanisms to do so. Commissioner Reine asks what the difference will be between LSRC licensing and HISA registration for individuals.

Mr. Roach responds that HISA is not interfering with LSRC's licensing, including LSRC's rules regarding backside access, but that HISA's registration involves getting individual contact information and agreements with HISA's rules. Commissioner Reine asks what would happen to racing participants who do not register. Mr. Roach responds that non-registered participants will have a red flag to let officials warn them of the registration requirement and that HISA can take enforcement action against non-compliant individuals who violate its rules after FTC approves HISA's registration rules.

Commissioner Cravins states that HISA charging fees to the horsemen will be unworkable and asks why must HISA's rules be implemented so quickly. Mr. Roach responds that it is the deadline set by law and that HISA disseminated the safety rules last fall, submitted to the FTC in December, and have been discussing with state racing commissions since April. Commissioner Bouie asks if HISA engaged with racing stake holders and beneficiaries about its rules before they become effective. Mr. Roach responds that HISA has held multiple Zoom calls and went to the Association of Racing Commissioners International conference in December to address its disseminated draft rules and have been taking input from all parties into consideration since then. Commissioner Delahoussaye asks if HISA has a list of its starter fees. Mr. Roach responds that the fees will depend on HISA's assessment for each racetrack to see what percentage the association will pay and what percentage the covered persons will pay.

Mr. Landry introduces Ms. Liz Murrill, Solicitor General for Louisiana. He states that HISA is an attempt to federalize horse racing, which has been under states control for over a century. He informs that HISA, which was hidden and created in a big omnibus bill for COVID-19, was passed into law without stake holders having an opportunity to be involved in its creation and that the legislation is unclear and inconsistent. He says that HISA cannot scratch a horse by Supreme Court precedent, though they can pull a racetrack's interstate simulcast feed. He states that the HISA legislation absolutely conflicts with state law and that the best solution is for HISA to voluntarily agree to a stay, which would pause the implementation of the HISA law and regulations. He requests that the Commission allow his office to litigate in order to pressure HISA to agree to a stay.

Ms. Murrill informs that the federal law delegates power to HISA, which is a private organization, to control all aspects of horse racing. She says that joining the voluntary agreement would take away the Commission's and State's authority to regulate horse racing, since HISA can change its rules after jurisdictions commit to the voluntary agreement. She states that HISA can delay the deadlines and change its rules under the Administrative Procedures Act to address any state jurisdiction's issues prior to implementation.

Commissioner Reine asks what actions can the Commission take. Mr. Landry responds that the Commission can join the voluntary agreement but that he advises the Commission not to agree so that his office can litigate. Commissioner Calvert asks for further explanation of HISA's ability to extend deadlines per the Administrative Procedures Act. Ms. Murrill responds that HISA can do a temporary 60-day or 90-day administrative delay or it can implement a rule that puts a lengthier delay in place for its regulatory structure. Commissioner Calvert asks if racing associations will lose the right to transmit signals, and have a subsequent loss of revenue, if the Commission does not join HISA's voluntary agreement. Mr. Landry responds that the only real enforcement mechanism that the Federal Government would have is pulling a racetrack's outbound feed signal but not necessarily the inbound feed signal from other racetracks.

The Chairman thanks Mr. Roach, Mr. Landry, and Ms. Murrill for attending and providing information.

**B. STATE LEGISLATION**

**1. Discussion of House Bill 1055 of the 2022 Regular Louisiana Legislative Session.**

The Chairman informs that House Bill 1055 and Senate Bill 272 gives the Commission the mandate and the authority to look at all aspects of the racing industry and to improve the promotion of the racing. He states that the Commission will form a new committee led by Commissioner Reine that will be fleshed out by the August 2022 Commission Meeting. He invites all racing participants and constituents to bring their related requests and ideas to the Commission.

**C. LAHBPA REQUESTS**

**1. Discussion of LaHBPA’s request to end LSRC’s piroplasmosis testing.**

The Chairman states that the current position of Dr. Cooley, LSRC’s Equine Medical Director, and the Louisiana Department of Agriculture is that suspending piroplasmosis testing requirement for thoroughbreds while maintaining the requirement for quarter horses would be acceptable, with the caveat that the Commission can discuss reinstatement in the case of an uptick in piroplasmosis positives.

Commissioner Cravins motions to suspend the requirement of piroplasmosis testing for thoroughbreds; Commissioner Bernard seconds; motion carries.

**2. Discussion of LaHBPA’s request to require an independent track surface expert’s evaluation prior to the start of race meets.**

Mr. John Duvieilh, Counsel for LaHBPA, suggests that, rather than hiring an independent expert for this role, the Track Superintendents from each of the four racetracks should work together and report to the Commission on the conditions of the racing surfaces and recommendations for improvement.

The Chairman states that he will get Mr. Gardiner to request each racetrack to report within 30 days on their ideas and ability to work together on racetrack surface maintenance and improvements and discuss it as policy by the August 2022 Commission Meeting.

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Mr. Denison states that Louisiana Downs has been requested to allow HISA to implement a flagging system to monitor for owners, trainers, jockeys, and horses unregistered with HISA in their Encompass database. He asks what should the associations do and what should they tell their horsemen regarding HISA. The Chairman responds that each association will have to consult with their legal teams to make a determination of what action to take. He states that the Commission did not opt-in to HISA as part of the policy for the State, which is driven by the Governor’s and Attorney General’s Offices, but that the Commission cannot make a policy for others on this issue.

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- 3. **Discussion** of LaHBPA’s request for additional stalls at Delta Downs, Evangeline Downs, and Fair Grounds.

The Chairman states that, based on committee discussions yesterday, he wants a presentation on the data from the LaHBPA and the Racing Associations on the number of stall applications and current number of existing stalls at the racetracks from last year and this year. He says that the Commission will determine further action under the provisions of House Bill 1055 after that data is presented.

- 4. **Discussion** of LaHBPA’s request to hear Mr. Thomas Sam’s case.

Mr. Brett Bonin, Attorney for LSRC, states that the Commission will take up this matter at the August 2022 Commission Meeting and that he has notified Mr. Sam’s Attorney, Mr. Arthur Morell, of this.

### VII. RULES

#### A. FORMAL ADOPTION:

- 1. LAC 35:XVII Chapter 131 – “Wagering on Historical Horse Racing” as provided in Agenda

Commissioner Reine motions to approve for Formal Adoption; Commissioner McHaffey seconds; motion carries.

#### B. DISCUSSION/NOTICE OF INTENT:

- 1. LAC 35:V Chapter 63 – Entries  
*§6333. Invalid Entries [amend]*

Commissioner Cortez informs that Commissioner Bernard has been discussing this rule with the State Vets to get their strong recommendation on changing the current draft language prior to bringing to the Commission for a vote.

### VIII. ADJOURNMENT

Commissioner Reine motions to adjourn; Commissioner Bernard seconds; motion carries.



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Charles A. Gardiner III  
Executive Director