LOUISIANA STATE RACING COMMISSION MINUTES – June 23, 2023 Emergency Meeting

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

COMMISSIONERS IN ATTENDANCE

Benjamin J. Guilbeau, Jr., Chairman
Louis Reine, First Vice Chair
Thomas B. Calvert
Lane T. Cortez
Eddie J. Delahoussaye
K. R. "Ron" Finkelstein, O.D.
Roy Griggs
Mike R. McHalffey
Deano Thornton

ABSENT

Dr. Patrick Bernard, Second Vice Chair Leslie M. Bouie Donald "Don" Cravins Ravi K. Sangisetty

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the Chairman on Friday, June 23, 2023 at 10:00 AM on the Zoom Conference Call. Roll call was taken; a quorum was present.

Chairman Guilbeau informs that the Louisiana Horsemen's Benevolent and Protective Association (LaHBPA) requested to add an agenda item. Commissioner Reine motions to add to the agenda; Commissioner McHalffey seconds; motion carries. The item is added to the agenda under Section III as Item A.

I. RULES

A. FORMAL ADOPTIONS:

- 1. LAC 35: V Chapter 63 Entries §6335. Owner's Entry of More Than One Horse [amend]
- 2. LAC 35: V Chapter 79 Post to Finish §7907. Horses Disqualified for a Foul [amend]

Commissioner Reine motions to approve §6335 and §7907 for Formal Adoption; Commissioner McHalffey seconds; motion carries.

II. ASSOCIATION REQUEST

A. PURSE TRANSFER

1. Approval of Purse Transfer from Delta Downs to Evangeline Downs for 2023 Quarter Horse Meet.

Chairman Guilbeau requests positions from all involved parties on transferring part of the Fair Grounds designated purse money to the Evangeline Downs quarter horse meet. Mr. Ed Fenasci, LQHBA Executive Director, voices that he and the LaHBPA support the transfer. Mr. Bruce Salard, Executive Director of the Louisiana Quarter Horse Breeders Association (LQHBA), states that they support the purse transfer. Mr. Jason Boulet, Senior Director of Racing at the Fair Grounds, states that Fair Grounds supports the purse transfer. Chairman

Guilbeau asks to hear from Boyd Gaming, which doesn't have a representative present. The Chairman informs that Boyd Gaming supports this based on previous discussions. Commissioner Reine motions to approve; Commissioner McHalffey seconds; motion carries.

III. LAHBPA REQUEST

A. LOUISIANA DOWNS 2023 TB MEET

- 1. Discussion/Approval of the following amendments to Louisiana Downs' 2023 Thoroughbred Meet to mitigate potential overpayment of purses as jointly requested by LAHBPA and Louisiana Downs:
 - a. Reduce the Number of Races per Day to 7.
 - b. Change the Daily 1st Post Time to 3:35PM.
 - c. Adjust the mix of races.

Mr. Fenasci states that Item "a" would mitigate about \$750,000 of the potential overpayment. He states that they are hopeful that trying a later post time would have a positive effect on the handle, which is down 4%. The quality of the racing has improved from last year, but there has been no corresponding effect with the handle. Mr. Fenasci states that they are going to adjust the mix of races to include less allowance races to further prevent the potential purse overpayment. Commissioner Cortez thanks Mr. Fenasci and remarks that he is happy with the steps that are being made to prevent purse overpayment, and that he agrees with the reduction in days, and that Mondays are doing better than the weekend days. Commissioner Cortez suggests that there should be a round table talk rather than a quick fix measure.

Commissioner Reine asks how will they monitor the overpayment issue, to which Mr. Fenasci responds that if the Commission votes to approve this, they will review in three weeks' time to see what effect the amendments are having. Mr. Matt Crawford, Director of Racing at Louisiana Downs states that Louisiana Downs is responsible for the deficit and believes the proposed changes will be a nice fix. Mr. Crawford states that the changes will save about \$34,000 per day. He informs that Louisiana Downs can hold two allowance races on Mondays, one on Saturdays, and one on Sundays. Commissioner Reine questions the schedule that they were previously running, and Mr. Crawford remarks that he is looking forward to discussing the upcoming July race dates.

Commissioner Reine asks about the handle on Tuesdays, and Mr. Crawford responds that Tuesdays and Mondays are usually increased handle days. Chairman Guilbeau says that the Commission will be receptive to a combined effort from the tracks and LaHBPA towards improving the handle and to return once an agreement has been struck. Chairman Guilbeau requests that they report in 8 racing days, and Mr. Crawford and Mr. Fenasci agree, Commissioner Cortez motions to approve the three amendments; Commissioner McHalffey seconds; motion carries.

Commissioner Reine asks about the equine drug testing contract with LSU not being renewed. Mr. Gardiner informs that LSU intended to go up in the price by \$450,000 and that the new LSU dean indicated they wanted to get out of the testing business altogether. He states that LSRC called Industrial Labs from Denver, CO, and were able to come to terms at a savings of \$400,000 per year on the contract. He informs that the Office of State Procurement (OSP) did not approve as a professional service contract

and would only allow an emergency 90-day contract with Industrial Labs. He says that LSU stopped testing on June 9th, and will compensate Industrial Labs for doing the testing through June 30th. He states that the emergency contract takes effect July 1 and is good for 90 days.

Mr. Gardiner informs that he, Commissioner Reine, and Chairman Guilbeau have considered asking OSP to add equine testing labs as an enumerated entity to be considered a professional service, which would prevent the contract from being put out for bid in the future. Mr. Gardiner states that he will orchestrate a Zoom call between the LSRC veterinarians and Industrial Labs, so that the vets can become comfortable with Industrial Labs' logistics.

Commissioner Reine requests that the Acts from the recent Legislative Session dealing with the Racing Commission and its authority be on the August agenda to discuss. Commissioner Reine asks about new appointments to the dates committee. Chairman Guilbeau says that Commissioner McHalffey indicated that Commissioner Thornton wanted to be included in the Racing Days Committee for upcoming meetings and will be officially added.

Commissioner Delahoussaye asks about the turnaround time for the lab to give equine drug testing results. Mr. Gardiner replies that the contract states it is 10 days but that the samples thus far have been returned earlier than LSU's typical turnaround. Commissioner Reine asks if Industrial Labs is also doing the sample testing for the Louisiana Quarter Horse Breeders Association and asks if the turnaround has been satisfactory. Mr. Gardiner replies affirmatively to both questions.

IV. ADJOURNMENT

Commissioner Reine motions to adjourn; Commissioner McHalffey seconds, motion carries.

Charles A. Gardiner III Executive Director