LOUISIANA STATE RACING COMMISSION MINUTES – July 22, 2019 Meeting

As transcribed by Julia D. Harper, Certified Court Reporter

COMMISSIONERS IN ATTENDANCE

Bob F. Wright, Chairman
Dr. Patrick Bernard
Donald "Don" Cravins
R. Hamilton "Hammy" Davis
Louis Reine
Kenneth "Kenu" Romero
Mike Shelton

ABSENT

Judy W. Wagner, First Vice Chairperson
Thomas B. Calvert
K. R. "Ron" Finkelstein, O.D.
Benjamin J. Guilbeau, Jr.
Eric G. Johnson
Mike R. McHalffey

APPROVED

At the Commission Meeting of

(Date)

Executive Director

Louisiana State Racing Commission

The meeting of the Louisiana State Racing Commission (LSRC) was called to order by the Chairman on Monday, July 22, 2019 at 10:10 AM in the Conference Room of the Louisiana State Racing Commission, 320 North Carrollton Avenue, Suite 2-B, New Orleans, Louisiana. Roll call was taken; a quorum was present.

I. REQUEST

- A. Petition for Rule to Show Cause Filed by Plaintiffs in lawsuit entitled Soileau et al v. Churchill Downs Louisiana Horseracing Co., LLC, and Churchill Downs Louisiana Video Poker Co., LLC.
 - 1. Commission grants expedited hearing in matter as follows:
 - a. Rule To Show Cause why the Fair Grounds should not be enjoined from requiring applicants in 2019 and afterwards to release or waive their legal claims in order to obtain a stall at Fair Grounds, pursuant to Paragraph 2 of the 2019 Fair Grounds Quarter Horse Stall Application.
 - i. All interested parties are requested to comment.

Mr. William Townsend, Attorney for the plaintiffs in John Soileau v. Churchill Downs Louisiana Horseracing Company, submits arguments and introduces evidence into the record that the Commission should determine that the conduct of the Fair Grounds constitutes a denial of access to and denial of full racing privileges at its facility and is illegal; that the Commission should order Fair Grounds to give the licensed owners and trainers access to its stalls and full racing privileges at its facility; and that the Commission declare any releases which have been executed or signed between Fair Grounds and individual horsemen that released any and all claims that the horsemen would have in this lawsuit are unenforceable. He takes testimony from Mr. Bruce Salard, Executive Director of the Louisiana Quarter Horse Breeders Association (LQHBA).

Mr. David Waguespack, Attorney for Fair Grounds, submits arguments and introduces evidence into the record that the Commission does not have the authority to issue an injunction on this matter or to render a ruling on the enforceability of a contract provision of the 2019 Fair Grounds Quarter Horse Stall Application and that Fair Grounds has not denied the racing privileges of any horseman at its facility. He takes testimony from Mr. Jason Boulet, Senior Director of Racing at Fair Grounds.

Mr. John Duvieilh, Attorney for Louisiana Horsemen's Benevolent & Protective Association (LaHBPA), informs that the LaHBPA arranged a meeting between representatives of Fair Grounds and the horsemen to discuss the issue and requested Fair Grounds to remove from the stall application any reference to litigation from Soileau et al v. Churchill Downs Louisiana Horseracing Co., LLC, and Churchill Downs Louisiana Video Poker Co., LLC. He states that, once the negotiations were at a standstill, LaHBPA searched for available stalls for the affected quarter horses and made arrangements with Louisiana Downs for limited-time rent-free stalls.

The following individuals requested to speak on the matter:

Mr. Arnold Trahan, LSRC-licensed Owner, states that horses that are shipped-in on race days as opposed to housed in stalls at the racetrack are competitively disadvantaged in races.

Mr. Kenneth Roberts, LSRC-licensed Trainer and Board Member of LaHBPA, states that Fair Grounds unfairly discriminated against his horses from getting approved for stalls at the racetrack, which creates a hardship for him in shipping-in his horses.

Mr. Lyle Guillory, LSRC-licensed Owner, states that he is facing the hardship of having to find a new trainer for the Fair Grounds quarter horse meet since his long-time trainer, who is listed in the lawsuit, won't sign the stall application or ship-in horses for him on race days.

Mr. Ryan Robicheaux, LSRC-licensed Owner and President of LQHBA, states that Owners from around the country who have made futurity payments after buying Louisiana-bred yearlings don't know if their horses can get on Fair Grounds racetrack due to the stall application issue. He says that the issue could discourage Owners from buying Louisiana-bred horses at this year's LQHBA Yearling Sale.

Mr. J. E. Jumonville, Jr., Former Louisiana State Senator, states that the Commission has the authority to interpret and enforce the slot-machine purse money statute, so the Commission should settle this lawsuit by ordering that the disputed slot-machine purse funds should go to the Fair Grounds quarter horse meet.

Commissioner Shelton motions to go into Executive Session for the purpose of discussing legal concerns/prospective litigation; Commissioner Cravins seconds; motion carries. The Commissioners go into Executive Session.

Commissioner Cravins motions that the Commission order the release language relating to the Soileau et. al. v. Churchill Downs Louisiana Horseracing Co., LLC, and Churchill Downs Louisiana Video Poker Co., LLC, lawsuit be stricken and removed from the 2019 Fair Grounds Quarter Horse Stall Application; Commissioner Davis seconds; motion carries.

II. ADJOURNMENT

Commissioner Reine motions to adjourn; Commissioner Shelton seconds; Chairman Wright adjourns the meeting.

Charles A. Gardiner III

Executive Director