

LOUISIANA STATE RACING COMMISSION
MINUTES – August 29, 2016 Meeting
As transcribed by Barbara McGee, 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

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, August 29, 2016 at 9:30 AM in the Queen Anne Ballroom of the Monteleone Hotel, 214 Royal Street, New Orleans, Louisiana. Roll call was taken; a quorum was present.

Chairman Wright introduces the newly appointed commissioner, Dr. Patrick Bernard.

Chairman Wright motions to approve the meeting minutes from the July 11, 2016 meeting; Commissioner Guilbeau 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' 2016 45-day Quarter Horse Meet ended Saturday, July 9, 2016 and was a successful meet overall. He says that they have been working on the backside in preparation for Delta Downs' 2016-2017 84-day Thoroughbred Meet, which starts on Wednesday, October 19, 2016. He states that their new Trackman Supervisor, Aaron Pelt, has done a great job over the past year and everyone seems happy about the racetrack. Mr. Warren informs that a few new groups are running horses at Delta Downs this year, and the usual contingency of trainers are returning. He states that Jackpot Day will be Saturday, November 19, 2016. He says that Delta Downs hopes to work off of Exaggerator's exposure from its performances at the Triple Crown races this past year. Mr. Warren invites the Commissioners to call him for a tour of Delta Downs.

Commissioner Johnson asks about the current status of Delta Downs' lighting and if they will be replaced. Mr. Warren responds that their local vendor has provided a letter stating the lights are in working order. He says that he doesn't know of any plans to replace the lights.

Discussion occurred here for Section "IV. OTHER - A. SHIP-IN/SHIP-OUT GAPS BETWEEN RACE MEETS" on page 17.

Commissioner Reine says that, before they approve Delta Downs' dates on the Agenda, he wants to know that there is agreement between the racetracks and the horsemen about the move-in and move-out dates. Mr. Benard Chatters, President of the Louisiana Horsemen's Benevolent and Protective Association (LaHBPA), informs that the LaHBPA recommends as an industry standard that all of the racetracks allow move-ins and training on their tracks 30 days prior to the start of their meets and move-outs 15 days after the end of their meets in every circumstance in which that is possible.

Chairman Wright asks if the LaHBPA met with the racing associations to try to agree to a resolution. Mr. John Duvieilh, General Counsel for the LaHBPA, informs that the LaHBPA met with Fair Grounds and agreed to a move-in date for the thoroughbred meet of October 1, 2016 with stall rent charges for the first 16 days. He says that the full racetrack will be open to the horsemen with a full gate crew but, for the first two weeks, will only be open five days for training. He states that the Fair Grounds situation is unique because there is big gap between the end of the Evangeline Downs and Louisiana Downs thoroughbred meets to the start of Fair Grounds thoroughbred meet but that he thinks the October 1st move-in date for Fair Grounds will be supported going forward annually.

Mr. Tim Bryant, President of Fair Grounds, informs that the deal has been made as Mr. Duvieilh stated but the October 1st move-in date may have to change some years due to the extensive backside work needed at Fair Grounds to comply with the Federal Clean Water Act. He says that the rent will be \$8 per stall per day but will discontinue about 30 days prior to the first race day. He states that they have not signed the contract with the LaHBPA for the thoroughbred meet yet but the move-in date terms will be laid out in it. Commissioner Reine asks if the move-in and move-out issue for quarter horses from Delta Downs to Fair Grounds from the previous meeting was resolved. Mr. Duvieilh responds that Fair Grounds worked with the LaHBPA and resolved that issue.

Chairman Wright asks if there has been an agreement between the LaHBPA and the racing associations regarding the move-in and move-out dates. Mr. Chatters responds that the LaHBPA has to repeatedly meet with the racing associations each year about issues with the move-in and move-out dates, so the LaHBPA wants the Commission to give a standing order that both sides can follow to end the dispute.

Chairman Wright requests that the racing associations respond to the LaHBPA's proposed move-in and move-out request for rules. Mr. Trent McIntosh, Director of Operations of Louisiana Downs, responds that Louisiana Downs agrees with it and already complies with that standard. Mr. Steve Kuypers, Vice President and General Manager of Delta Downs, responds that the move-out date was 10 days after Delta Downs' 2016 Quarter Horse meet due to their contract for that meet with the LaHBPA. He says that both Delta Downs and Evangeline Downs will be fine with the LaHBPA's proposed move-in and move-out date request for rules, except when their meets are too close together to fulfill those days, but he hadn't heard the LaHBPA's proposed rule prior to this meeting. Commissioner Wright requests that a formal rule be brought before the Commission at the next meeting.

2016-2017 THOROUGHBRED MEET**2. RACES**

a. **Approval** of first condition book for 2016-2017 thoroughbred meet.

b. **Approval** of designated races for 2016-2017 thoroughbred meet:

10/21/16 My Trusty Cat
 10/22/16 Jean Lafitte
 10/28/16 Magnolia
 10/29/16 Gold Cup
 11/19/16 Delta Downs Princess GIII
 11/19/16 Delta Downs Jackpot GIII
 11/19/16 Delta Mile
 11/19/16 Treasure Chest
 11/19/16 Louisiana Legacy
 11/19/16 Louisiana Jewel
 11/19/16 Orleans
 11/19/16 Sam's Town
 12/16/16 Lookout
 12/17/16 B-Connected
 01/06/17 Azalea
 01/07/17 Pelican
 01/13/17 Eldorado
 01/14/17 Fremont
 02/11/17 LA Bred Premier Night Bon Temps Starter
 02/11/17 LA Bred Premier Night Ragin Cajun Starter
 02/11/17 LA Bred Premier Night Ladies Starter
 02/11/17 LA Bred Premier Night Gentlemen Starter
 02/11/17 LA Bred Premier Night Matron
 02/11/17 LA Bred Premier Night Sprint
 02/11/17 LA Bred Premier Night Starlet
 02/11/17 LA Bred Premier Night Prince
 02/11/17 LA Bred Premier Night Distaff
 02/11/17 LA Bred Premier Night Championship
 03/03/17 Tepin
 03/04/17 Big Drama
 03/11/17 Owners' Appreciation Day
 03/11/17 Owners' Appreciation Day Distaff

3. STEWARDS, OFFICIALS & MANAGEMENT

a. **Approval** of officials for 2016-2017 thoroughbred meet.

Chris Warren - Director of Racing
 Matthew Crawford - Racing Secretary
 Mohamed Alikhan - Asst. Racing Secretary/Stakes Coordinator
 Steve Ruff and Galen Boutte - Association Stewards
 Duane Domingue - Paddock Judge/Alternate Steward
 Mark Gilbert, Jeff Jerman, & Michael Phillips - Outriders
 Aaron Pelt - Trackman Supervisor
 *Jeremy Courville - Starter
 Michael Bennett - Clerk of Scales
 Oscar Lopez - Head Clocker
 Susan Berard - Horse Identifier
 Tami Meyers - Stall Superintendent
 Mayo Newhouse - Jocks Room Custodian/Assistant Clerk of Scales
 *Melissa Dueitt, Steve Nick, Phillip Walker, & Charles Sonnier - Placing
 Judges/Racing Office Staff
 *new official

- b. Approval of Tom Davis to serve as state steward for 2016-2017 thoroughbred meet.
Commissioner Reine motions to approve Section A - Delta Downs Racetrack, Casino, & Hotel: Items #2 and #3 in globo; Commissioner Cravins seconds; motion carries.

2017 QUARTER HORSE MEET

4. LICENSE APPROVALS

- a. Approval for 2017 quarter horse meet:
1. 10 year license to own and operate a race track, per R.S. 4:158.
 2. 10 year license to own and operate OTB locations, per R.S. 4:211 et seq.
 3. Serve as concessionaire.

5. RACING DATES (R.S. 4:158A), RACES AND POST TIMES

- a. Approval for 2017 quarter horse meet:
1. Quarter horse racing on the flat
 2. 46 quarter horse race dates (4/21/17 through 7/8/17):

April	21,22,26,27,28,29
May	3,4,5,6,10,11,12,13,17,18,19,20,24,25,26,27,31
June	1,2,3,7,8,9,10,14,15,16,17,21,22,23,24,28,29,30
July	1,5,6,7,8
 3. Hold minimum of 9 live quarter horse races daily (Wednesday through Saturday)
 4. Daily post time 6:15 PM

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

- a. Approval for 2017 quarter horse meet wagering:
1. \$1 minimum WPS & Exacta on all races
 2. 50¢ Trifecta on all races with five or more entries
 3. 10¢ Superfecta on all races with six or more entries
 4. 50¢ Rolling Pick 3 beginning on Race 2
 5. 50¢ Pick 4 on first 4 races and on last 4 races
 6. 50¢ Pick 5 on last 5 races
 7. 50¢ Super Hi-Five on designated races
 8. \$1 Rolling Daily Double beginning on Race 1

Commissioner Guilbeau motions to approve Section A - Delta Downs Racetrack, Casino, & Hotel: Items #4, #5, and #6 in globo; Commissioner Reine 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' 2016 84-day Thoroughbred Meet ended on Saturday, August 27, 2016 with a 12 race card including two stakes races. He says that midway through the meet the handle was up 9% but, at the end of the meet, the handle was down 3% due to bad weather, heavy rain, and a shortage of horses in the latter half. He says that the racetrack is fine and the backside is probably one of the best kept up in Louisiana, even with the unfortunate death of their former Stall Superintendent, Ned Goutierrez, Jr., during the meet. He states that Evangeline Downs didn't run races on the turf course for about 44 out of the 84 days of the meet due to persistent rain.

Chairman Wright asks about Evangeline Downs' cleanup after the rain. Mr. Warren responds that they've cleaned the backside, which didn't have much flooding, and no barns were flooded. He says that the turf course drainage couldn't keep up with the huge amount of rain. He informs that their racing community is happy with Evangeline Downs fixing problems on the backside. He states that their handle fell more than they expected and they lost two days of racing due to flooding. Dr. Bernard asks about the air conditioning in Evangeline Downs' John Henry room that he heard wasn't working on the 4th of July weekend and this past weekend. Mr. Warren says that he thought that issue was fixed after the 4th of July weekend and will check on it.

Commissioner Cravins says that there has been very little interest in promoting racing at Evangeline Downs and he hears complaints about their service on a regular basis. He informs that Evangeline Downs had a great partnership with its community in the beginning, but is now on the decline as a racetrack due to Boyd Gaming's lack of interest in racing. Mr. Warren says that the property is clean and service will get better with the new Director of Food and Beverage and other changes throughout the facility. He states that the economy is a big part of the decline in attendance and live handle, which was down double digits. Commissioner Cravins says that there are no promotional efforts being put forth to bring a bigger audience to Evangeline Downs.

Commissioner Cravins informs that the two meetings scheduled for the LaHBPA and Boyd Gaming to discuss the stall issue were cancelled, one due to flooding and the other due to Boyd Gaming representatives not being available. Mr. Vincent Schwartz, Senior Vice President of Boyd Gaming, responds that the rescheduled meeting was never set due to scheduling conflicts but Boyd Gaming has been working with Mr. Charles Gardiner, Executive Director of LSRC, to reschedule the meeting. He says that the new Food and Beverage Director should make an immediate change to the service issues. He informs that Evangeline Downs has a new branding campaign that includes advertising for the property, food options, and racing. He says that there are billboards and Sirius Radio ads out now but the economic downturn in the market is impacting slot volumes, video poker, and racing.

Commissioner Reine asks if there will be additional staff added to the restaurant at the track. Mr. Schwartz responds that Boyd Gaming will be looking at all of Evangeline Downs' operation and is considering bringing back some of the food products that were discontinued. Commissioner Cravins asks if there is any truth to the speculation that Boyd Gaming is trying to sell Evangeline Downs. Mr. Schwartz responds that there is no truth to that. Commissioner Cravins asks if Evangeline Downs has been profitable over the years. Mr. Schwartz responds that it has except for the last year or two. Commissioner Cravins says that when the economy falters, Boyd Gaming should be more aggressive in promoting Evangeline Downs so that people would visit.

Chairman Wright asks how long Mr. Schwartz has been in his current position. Mr. Schwartz responds that he has been responsible for Evangeline Downs since late May 2016. Chairman Wright asks if he was informed or aware of the suggestions that there needs to be substantial improvements in certain areas and if he has begun to make any improvements. Mr. Schwartz responds that he reviewed the transcripts and notes from prior meetings and knows of the opportunities for improvements on the food side of the business. Chairman Wright asks if Mr. Schwartz will make the necessary changes to improve Evangeline Downs from an economic and business standpoint based on this

discussion. Mr. Schwartz responds that he will and hopefully Evangeline Downs will see some recovery soon.

2. STALL EXPANSION

a. Follow up/Discussion of statistical analysis of adequate number of stalls per race track in Louisiana and long-term plan for stall expansion at Evangeline Downs.

Update by LaHBPA Liaison Committee.

Commissioner Johnson asks what Mr. Schwartz's position is about the number of stalls available at Evangeline Downs. Mr. Schwartz says that Boyd Gaming is still in the fact finding stage as they review the data collected and shared by the Commission as well as an independent expert's information on what number of races per stall they should get. He says that some trainers are underperforming in their stalls. He states that Boyd Gaming met with the two nearby training centers' representatives who are concerned that building more stalls at Evangeline Downs would put them out of business.

Commissioner Cravins says that the need for more stalls at Evangeline Downs has been established and a plan should be submitted by Boyd Gaming relative to the construction of the necessary additional stalls. Chairman Wright says that a couple of weeks more should be granted for the parties to try to make an agreement with the effect on private stall owners considered before the Commission makes any construction demands. He asks what timeframe Commissioner Cravins would suggest to give the parties a chance to come to an agreement and if he would take charge of establishing the meeting of the involved parties. Commissioner Cravins says the final decision should happen by the next Commission Meeting and he will oversee a meeting with the involved parties.

Commissioner Reine asks if there are any arrangements being made between the racetrack and training centers. Mr. Schwartz responds that a proposal was prepared by one or both of the nearby training centers, which Boyd Gaming is reviewing.

Mr. Arthur Morrell, Member of the LaHBPA Board of Directors, says that, based on his previous experiences, there will be no agreement reached between Boyd Gaming and the LaHBPA, so they need the Commission to make the final decision about Evangeline Downs' stalls. Chairman Wright asks what Mr. Morrell suggests. Mr. Morrell responds that he wants the Commission to make a decision on its own if Boyd Gaming doesn't come up with a proposal about building more stalls within two weeks. Mr. Duvieilh suggests that Boyd Gaming submits their proposal within two weeks, the LaHBPA would respond to that within the following two weeks, and then the parties have a meeting with the LaHBPA Liaison Committee to submit a final resolution. Mr. Duvieilh says that the LaHBPA will request that the Commission require monthly reports from Boyd Gaming about Evangeline Downs' progress.

Commissioner Johnson asks how long it would take to construct the requested amount of stalls. Mr. Duvieilh responds that it could be done within a year if they mass constructed them. Commissioner Finkelstein asks if Boyd Gaming was supposed to price a second barn besides the promised receiving barn. Mr. Duvieilh responds that Boyd Gaming committed to build the 88-stall receiving barn by the next thoroughbred race meet, but hasn't mentioned a second barn. Mr. Morrell requests that someone at Boyd Gaming who has the authority to authorize the construction of new stalls attend the final meeting with the LaHBPA Liaison Committee. Commissioner Cravins agrees.

Commissioner Reine asks what was the long-standing agreement about building stalls at Evangeline Downs and what is the LaHBPA's target total number of stalls. Mr. Morrell says that the LaHBPA conceded to Boyd Gaming fixing other issues at Evangeline Downs before they would build more stalls and the LaHBPA is looking for 1,300 stalls with some room to negotiate that total. Commissioner Cravins requests that Chairman Wright convenes a Commission Meeting after the proposed negotiations to allow the Commission to act upon the stall issue if necessary. Chairman Wright responds that the Commission will have to act to make the final resolution firm and will probably meet in November.

Mr. Harold Forman, Owner of the Training Center at Copper Crowne, informs that Copper Crowne has 400 stalls available and Evangeline Downs Training Center has about 800 stalls available, all in close proximity to Evangeline Downs. He says that the training centers hired a consultant to do a study, which found that Boyd Gaming would have to invest approximately \$7 million to build the new stalls, which will cost \$825 for each stabled horse. He states that adding one horse per each race increases the handle 12% to 13%. He suggests instituting a pay to play system in which horses that run will get their stall fees paid for by the racetrack at sanctioned training centers, which must adhere to all of the Commission's guidelines. He says that building more stalls at Evangeline Downs will hurt the training centers tremendously and, without the training centers, the horses will have nowhere to go during the five months of each year that Evangeline Downs is closed.

Chairman Wright says that the training centers should participate in the LaHBPA Liaison Committee's meeting to discuss a resolution for stalls expansion at Evangeline Downs. Commissioner Cravins asks if the training centers have a preliminary agreement with Boyd Gaming. Mr. Forman responds that the training centers have met with Boyd Gaming twice and have met with LaHBPA members to try to come up with a plan. He says that horses that run at the racetrack should have their training facility and stall rent paid by the racetrack in lieu of the horsemen's out-of-pocket expense.

Chairman Wright says that the training centers should work with Boyd Gaming to try to come to an accord and the Commission doesn't want to arbitrarily excise the training centers' operations from the industry. Chairman Wright informs that there is concern that the training centers may close in the future, which would run the risk of Evangeline Downs not having enough stalls available. Mr. Forman says that Copper Crowne has the capacity to increase size.

Mr. A.J. Credeur, General Manager of the Evangeline Training Center, informs that Evangeline Downs, from 1966 until it moved to St. Landry Parish, only housed 960 horses and yet advertised throughout the years that it was home of the largest fields. He says that those field sizes have dropped in the last two years and the foal count dropped from 3,350 mares bred in 2010 to 1,500 mares bred in 2015. He states that horsemen from the northern states leave the training centers in the Spring to go back up north, making Summer their slowest time of year. He says that the training centers discussed with Boyd Gaming about trying to keep the northern horsemen to fill Evangeline Downs' races. He informs that Mr. Carrol Castille, owner of Evangeline Training Center, stated that the training center will be shut down if more stalls are built at Evangeline Downs because it can't survive \$100,000 expenses per month with less horses than it has now.

Dr. Bernard asks how much overflow of horses do the training centers get at the beginning of Evangeline Downs' meet versus horses that are stabled at the training centers year-round and how many would apply for stalls if they could get them at the track. Mr. Credeur responds that if Evangeline Downs expands by 300 stalls, Evangeline Training Center will lose 50% of its clients. He says that, four and five weeks ago, he averaged 62 horses a week that left Evangeline Training Center to go run at Evangeline Downs. He says that he goes from 300 horses in Summer up to 700 horses in Winter due to traffic from Fair Grounds and Delta Downs. Mr. Forman says that the same circumstances go for Copper Crowne and that Copper Crowne has invested \$15 million in the horseracing industry and employ 160 people.

Commissioner Romero asks how many stalls each training track has. Mr. Credeur responds that Evangeline Training Center has 820 stalls. Mr. Forman responds that the Training Center at Copper Crowne has 386 stalls. Commissioner Romero says that it doesn't seem like expanding Evangeline Downs' stalls would put training centers out of business. Mr. Forman says that the problem is that they are 60% occupied now and will go down to 20% for five to six months out of the year due to the free stalls available at Evangeline Downs during its meets.

Commissioner Romero says that while the free stalls take away from the training center's bottom line, the stall costs take away from the horsemen's bottom line. Commissioner Cravins says that horses that race should be stabled at the track because transporting horses has to affect their racing performance and the training tracks haven't made any more progress with Boyd Gaming than the LaHBPA has. Mr. Credeur says that the postponed meetings delayed their ability to speak to the issue. Commissioner Cravins says that the best way to resolve the issue is in a Committee Meeting and then return to the Commission.

Mr. Chatters says that having private business interests and racetrack interests in the negotiations will muddy the waters. Chairman Wright responds that the training centers have enough investment and involvement to participate in the discussion and deserve to have due process.

Mr. Ed Fenasci, Director of the LaHBPA, says that Mr. Forman's \$7 million estimate to build a barn is inflated because it includes financing of the actual cost of \$1.4 million from 16 acres of land at \$87,500 per acre. Mr. Forman states that the land is selling for \$7 million according to the independent study commissioned by the training tracks.

Commissioner Johnson asks if the 88-stall receiving barn is in process now. Mr. Schwartz says that it is in process as promised in their letter but Boyd Gaming also requested to evaluate the effect of the barn over two meets before spending additional money on barns. Commissioner Cravins asks if Boyd Gaming will finish its factfinding in the next two weeks. Mr. Schwartz responds that the postponed meeting was supposed to be a part of it, but he has received a lot of information from a Boyd Gaming researcher, the training centers, and the statistical data report to try to solve the issue.

Commissioner McHalfey motions that Boyd Gaming submit a proposal to the LaHBPA about new stall construction at Evangeline Downs by September 15, 2016, the LaHBPA submit a response to that proposal by October 1, 2016, and the LaHBPA Liaison Committee meet with Boyd Gaming and the LaHBPA within two weeks after that to discuss the matter; Commissioner Reine seconds; motion carries.

3. EXOTIC WAGERING TAKEOUT (LA. REV. STAT. 4:166.7)

- a. Update on the effect on the handle from the reduced Pick 4 wagering takeout percentage from 25% to 12% approved at the July 11, 2016 Meeting.

Mr. Warren informs that the reduced Pick 4 takeout started on July 20, 2016 and Evangeline Downs' handle was up over 60% for that first week. He says that the handle was flat at the end of the meet, likely due to bad weather, horse field sizes, and two cancelled race days. He states that TVG helped promote the reduced takeout on the first week. He says that he is not sure if it was a failure or success due to the extenuating circumstances.

Mr. Warren requests that the Commission approve lowering the Pick 4 wagering takeout from 25% to 12% for Delta Downs' upcoming thoroughbred meet starting on October 19, 2016. Commissioner Guilbeau motions to amend the agenda and add the request from Boyd Gaming to lower the Pick 4 wagering takeout; Dr. Bernard seconds; motion carries.

Mr. Fenasci supports Boyd Gaming's request but urges them to promote the reduced takeout in order to succeed.

Commissioner Guilbeau motions to approve lowering the takeout percentage of Pick 4 wagering from 25% to 12% for Delta Downs' 2016-2017 84-day Thoroughbred Meet starting October 19, 2016; Commissioner Johnson seconds; motion carries.

2017 THOROUGHBRED MEET

4. LICENSE APPROVALS

- a. Approval for 2017 thoroughbred meet:
 - 1. 10 year license to own and operate a race track, per R.S. 4:158.
 - 2. 10 year license to own and operate OTB locations, per R.S. 4:211 et seq.
 - 3. Serve as concessionaire.
 - 4. Operate as official training facility for 2017 during off-season.

5. RACING DATES (R.S. 4:158A), RACES AND POST TIMES

- a. Approval for 2017 thoroughbred meet:
 - 1. Thoroughbred racing on the flat
 - 2. 84 thoroughbred race dates (4/12/17 through 9/2/17):

April	12,13,14,15,19,20,21,22,26,27,28,29
May	3,4,5,6,10,11,12,13,17,18,19,20,24,25,26,27,31
June	1,2,3,7,8,9,10,14,15,16,17,21,22,23,24,28,29,30
July	1,5,6,7,8,12,13,14,15,19,20,21,22,26,27,28,29
August	2,3,4,5,9,10,11,12,16,17,18,19,23,24,25,26,30,31
September	1,2
 - 3. Hold minimum of 9 live thoroughbred races daily (Wednesday through Saturday)
 - 4. Daily post time 5:40 PM

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

- a. Approval for 2017 thoroughbred meet wagering
 1. WPS & Exacta on all races
 2. Daily Double on all races
 3. Trifecta on all races complying with the *Rules of Racing*
 4. Rolling pick 3 beginning with Race 2
 5. Pick 4 on first 4 races and on last 4 races
 6. Pick 5 on the last 5 races
 7. Super Hi-Five on Races 5, 7, and last race on the card
 8. Superfecta on all races complying with the *Rules of Racing*

Commissioner Guilbeau motions to approve Section B - Evangeline Downs Racetrack & Casino: Items #4, #5, and #6 in globo; Commissioners second; motion carries.

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

1. **PROGRESS REPORT**, by Mr. Tim Bryant. Mr. Bryant informs that the handle is flat in the first seven days of Fair Grounds' 2016 10-day Quarter Horse Meet. He says that they held the exotic animal races with zerbos and ostriches on Saturday, August 27, 2016 which drew a huge crowd and exposed children to quarter horse racing. He states that Fair Grounds, in partnership with First American Bankcard, Inc. and Anthony Rabito, made a donation of \$27,847 to the United Way to help flood victims of south Louisiana. He says that they will probably keep a flat handle over the last three days of the meet. He informs that Fair Grounds has stall applications for its 2016-2017 81-day Thoroughbred Meet and will continue accepting applications until October 5, 2016.

Commissioner Guilbeau asks if Fair Grounds submitted a parlay wager request. Mr. Bryant responds that Fair Grounds withdrew that request because it would be limited to on-track live betting, which they believe wouldn't be beneficial. Mr. Bryant informs that Fair Grounds wants to offer single-6 wagering, which will require a rule change. He says that it has been a very successful wager at Churchill Downs racetrack and Fair Grounds will share that information with the Commission to promote and support the rule change.

2016 QUARTER HORSE MEET**2. STEWARDS, OFFICIALS & MANAGEMENT**

- a. Ratification of officials for the 2016 quarter horse meet:
 - Jason M. Boulet – Sr. Director of Racing/Racing Secretary
 - Scott L. Jones – Assistant Racing Secretary/Claims Clerk
 - Barbara Comberrel – Program Coordinator
 - Stacy O'Neill – Placing Judge/ Entry Clerk
 - Gary Palmisano, Sr. – Paddock Judge/Entry Clerk
 - Laura Aime – Placing Judge/Entry Clerk
 - *Audrey Mager – Identifier
 - David Wedlake – Association Steward
 - George Graham – Association Steward
 - *John Chisum Ewing - Outrider
 - Darrin Cain – Outrider
 - Nelson Menard – Clerk of Scales
 - Mario Torres – Stall Superintendent
 - Kerry Dubuc – Clocker
 - Mike Diliberto – Clocker/Track Handicapper

Glen Miller – Starter
Pedro Zavala – Track Superintendent
Garrett Broussard – Custodian
*new official

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

2016-2017 THOROUGHBRED MEET

3. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of Roy Wood to serve as state steward for 2016-2017 thoroughbred meet.

Commissioner McHalfey motions to approve; Commissioner Reine 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 that Louisiana Downs is 67 days into its 2016 84-day Thoroughbred Meet and knew coming into the season that they were going to have about an 8% decline in purses from purse money carried over from previous years. He says that, in 2016, Louisiana Downs focused on its largest contributors to its handle including TVG, Twinpires, and a couple of the larger Advance-Deposit Wagerings (ADWs). He states that they charged a higher rate to those groups to try to grow their purses and business. Mr. McIntosh informs that Louisiana Downs' promotions with Twinpires include Wednesday 20 times multiplier, rolling double bonuses, and 1 million point days on some key dates throughout the season. He says that Louisiana Downs paid a daily race fee and has an agreement to get 100% coverage of its Wednesday and Thursday races on TVG and 100% coverage of its Friday and Saturday races between TVG and TVG2. He states that Louisiana Downs is up 37% to date with Twinpires wagering and up 18% to date with TVG wagering. He says the handle is down 5% with 4% less races but their purse earnings have increased thanks to their handle growth with ADWs, Twinpires, and TVG.

Mr. McIntosh informs that Super Derby Day will be September 10, 2016. He says that Louisiana Cup Day had the best race card in 8 years from a wagering standpoint and a horseman's standpoint. He states that Super Derby Prelude had a really nice field that combined their best local talent and horses shipped in from across the country. He informs that the Triple Crown contender, Mo Tom, has committed to participate in the Super Derby and Kellyn Gorder, Dallas Stewart, and Al Stall have committed to ship horses in for the Super Derby. He says that the 19 suites, the Sky Room, and the sports suites are all reserved two weeks out for Super Derby Day with only very few reserved seats left in the Harrah's Club. He states that Louisiana Downs has increased exposure in the community and local news channels through holding a golf tournament, a bowling tournament, and a scavenger hunt. He informs that Saturday track attendance has been fantastic throughout the season and they made a successful change to their third-level dining from being menu-based to a buffet and day at the races for \$19.99.

Commissioner Guilbeau requests that, for the Louisiana Downs end-of-meet report at the next Commission Meeting, someone from corporate come to give an update on Harrah's bankruptcy situation and that Mr. McIntosh give a full-blown report on the backside and frontside issues that the Commissioners have heard about, especially from the 4th of July race day. Mr. McIntosh responds that he will comply and the 4th of July

exotic animal races drew an unexpected crowd of 7,500 guests that overwhelmed their full staff. Commissioner McHalfey asks what Louisiana Downs would do differently since the customer service that day was terrible. Mr. McIntosh responds that they would have pulled in more temporary staff since the full-time staff was overwhelmed.

Commissioner McHalfey says that he met with Mr. McIntosh in May about needed improvements and still has people complaining that those issues aren't getting fixed. Mr. McIntosh responds that Louisiana Downs has an HBPA barn area committee that met in May with Commissioner McHalfey, Mr. Chatters, and an HBPA employee who created a follow-up list. He says that they have identified issues and have been fixing them, including the air-conditioning units in dorm rooms, speaker repairs in the barn area, and multiple drainage issues. He informs that Louisiana Downs spent \$2.3 million to put in a drainage system that was approved by the EPA and everyone involved but there is an ongoing pipe-clogging issue with people putting vet wraps down the pipes which Louisiana Downs must pay to get unclogged.

Mr. McIntosh states that Louisiana Downs purchased a \$160,000 loader to resolve the manure pickup issue and purchased starting gate blankets per the horsemen's request. He says that they fill potholes in the old barn area road when they are identified. He informs that he discussed with Commissioner McHalfey that the tote board not having every pool total was a conscious change made by Louisiana Downs and they have accommodated live guests through showing all of the odds on their TVs. He says that he has been transparent and continues to meet with the horsemen to be proactive about issues of which they inform him.

Commissioner McHalfey requests a monthly report from Louisiana Downs to the Commission. Mr. McIntosh responds that he has no issue with that request and mentions that the only item on his follow-up list that has not been fixed yet are the gutters, which has been paid to get fixed on September 12, 2016.

Commissioner Reine asks how well has Louisiana Downs been doing in filling the race fields. Mr. McIntosh responds that they are flat on field sizes despite having fewer horses in the barn area and racing off the turf a lot in August. Commissioner McHalfey asks if there is a safety check to ensure that no more windows will fall from the grandstand. Mr. McIntosh responds that Louisiana Downs had a windstorm on a Saturday afternoon and one of the panes came out of the window between then and Sunday morning, which they are in the process of getting replaced. He says that the part won't come in until after the meet and they haven't gone through the building to do a full inspection on the rest of the glass yet. Commissioner McHalfey asks if they will have extra workers for the tote windows, concession stands, and restaurant buffet. Mr. McIntosh responds that they will get all of the tellers from within Louisiana and from Arkansas that they can.

(The following motion, discussion, and withdrawal of motion occurred chronologically on page 15)

Commissioner McHalfey motions to approve a 12-month probationary license contingent upon the LaHBPA Liaison Committee inspecting Louisiana Downs' maintenance and improvements; Commissioner Finkelstein seconds; Commissioner Cravins amends the motion to also grant Evangeline Downs a 12-month probationary

license contingent upon the LaHBPA Liaison Committee inspecting Evangeline Downs' maintenance and improvements; Commissioner Romero seconds; Commissioner Guilbeau states that Evangeline Downs does not have a request for licensure on the agenda for this meeting. Commissioner Cravins withdraws his amendment.

Commissioner Reine asks if Louisiana Downs is already running on a ten year license previously granted by the Commission. Commissioner Guilbeau responds that Louisiana Downs is running on a previous ten year license. Commissioner Reine asks how the Commission can grant a one year probational license if Louisiana Downs is running on a previous license with nine years left on it. Ms. Rhea Loney, Assistant Attorney General representing the LSRC, responds that the Commission has the statutorily-given duty to meet and either approve or don't approve certain licenses. She says that the Commission can discuss having a hearing on withdrawing any of the previously issued licenses if certain conditions are not met by the association. She states that Commissioner McHalfey's motion for a one year probationary license is consistent with what the Commission has done in the past in dealing with the Fair Grounds' turf issue.

Commissioner Reine asks if the Commission is just delaying the renewal of the full ten year licensing period with a one year probationary license. Ms. Loney responds that the probationary license would place conditions upon Louisiana Downs that their prior licenses do not have, which would be an appropriate vehicle to further discuss the issues presented. Commissioner Cravins asks what recourse the Commission has to effect prior licenses if certain conditions are not being met. Ms. Loney responds that the Commission would have to hold a hearing set for withdrawing an association's license and allow the association to respond at the hearing. Commissioner Reine asks if that hearing would be for suspension, revocation, or both. Ms. Loney responds that it could be either or both. Commissioner Davis asks if the hearing has to take place at a certain time. Ms. Loney says that it can be set for any time but would have to be in a manner that affords the association due process. She says that the Commission should hear from the association and the bankruptcy attorneys to cover how this process might affect the bankruptcy proceedings.

Mr. McIntosh says that, from an operator's standpoint, there has been no documentation in place to prove incompetency on the part of Louisiana Downs to rectify any issues described by the Commission leading up to this motion for a probationary license. He says that Louisiana Downs has an HBPA Committee that he communicates with regarding their concerns which he has shown the ability to address. Commissioner McHalfey says that he will bring these issues back up at the next meeting. Mr. McIntosh responds that he would love the opportunity to work with the Commission on its concerns further. Commissioner McHalfey withdraws his motion.

2017 QUARTER HORSE MEET

2. LICENSE APPROVALS

a. Approval for 2017 quarter horse meet:

1. 10 year license to own and operate a race track, per R.S. 4:158.
2. 10 year license to own and operate OTB locations, per R.S. 4:211 et seq.
3. Serve as concessionaire.

3. RACING DATES (R.S. 4:158A), RACES AND POST TIMES

a. Approval for 2017 quarter horse meet:

1. Quarter horse racing on the flat
2. 46 quarter horse race dates (1/7/17 through 3/22/17):
 - January 7,8,9,10,14,15,16,17,21,22,23,24,28,29,30,31
 - February 4,5,6,7,11,12,13,14,18,19,20,21,25,26,27,28
 - March 4,5,6,7,11,12,13,14,15,18,19,20,21,22
3. Hold minimum of 7 live quarter horse races daily
4. Weekend post time 12:30 PM

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

a. Approval for 2017 quarter horse meet wagering:

1. WPS & Exacta on all races
2. Rolling Daily Double beginning with Race 1
3. Rolling Pick 3 beginning with Race 1
4. Trifecta on all races complying with the *Rules of Racing*
5. Superfecta on all races complying with the *Rules of Racing*
6. Pick 4 on last 4 races

5. STEWARDS, OFFICIALS & MANAGEMENT

a. Approval of Noble Hay to serve as state steward for 2017 quarter horse meet.

Commissioner Davis motions to approve Section D – Harrah's Louisiana Downs: Items #2, #3, #4, and #5 in globo; Commissioner Guilbeau seconds; motion carries.

Mr. Harry Bruns, Manager of Fionn MacCumhal Racing Stable, informs that Louisiana horseracing has declined in every major statistic in the last 10 years, including crop size, starters, and handle. Mr. Bruns hands out documents to the Commissioners and LSRC staff. He says that, according to the Jockey Club's report in 2011, one of the major factors of the decline is overlapping race days. He suggests that overlapping race days should be discussed in an ongoing basis as another issue to resolve.

Commissioner Cravins asks if Mr. Bruns is proposing to reduce the number of racing days. Mr. Bruns responds that he is not proposing to reduce the number of race days, which would require a legislative action. He says that, within the last 10 years, the number of race days that overlapped in Louisiana thoroughbred meets has gone from 58% to 71% now. He states that overlapping race days will continue to put pressure on field sizes, especially considering the decreasing foal population.

2017 THOROUGHBRED MEET

6. LICENSE APPROVALS

a. Approval for 2017 thoroughbred meet:

1. 10 year license to own and operate a race track, per R.S. 4:158.
2. 10 year license to own and operate OTB locations, per R.S. 4:211 et seq.
3. Serve as concessionaire.

7. RACING DATES (R.S. 4:158A), RACES AND POST TIMES

a. Approval for 2017 thoroughbred meet:

1. Thoroughbred racing on the flat
2. 84 thoroughbred race dates (5/6/17 through 9/27/17):

May	6,8,9,10,13,15,16,17,20,22,23,24,27,29,30,31
June	3,5,6,7,10,12,13,14,17,19,20,21,24,26,27,28
July	1,3,4,5,8,10,11,12,15,17,18,19,22,24,25,26,29,31
August	1,2,5,7,8,9,12,14,15,16,19,21,22,23,26,28,29,30
September	2,4,5,6,9,11,12,13,16,18,19,20,23,25,26,27
3. Hold minimum of 7 live thoroughbred races daily
4. Weekend post time TBD

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

a. Approval for 2017 thoroughbred meet wagering:

1. WPS & Exacta on all races
2. Rolling Daily Double beginning with Race 1
3. Rolling Pick 3 beginning with Race 1
4. Trifecta on all races complying with the *Rules of Racing*
5. Superfecta on all races complying with the *Rules of Racing*
6. Pick 4 on last 4 races
7. Pick 5 on last 5 races

See Commissioner McHalfey's motion for conditional license, discussion, and withdrawal of motion on pages 12 & 13.

Commissioner Guilbeau motions to approve Section D – Harrah's Louisiana Downs: Items #6, #7, and #8 in globo; Commissioners second; 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 he provided statistics on how foal crops are doing nationally in comparison to foal crops in Louisiana to the Commission Office. He says that foal crops, handle, and the racing industry are all down. Commissioner Davis asks if Mr. Heitzmann has any solutions or if the overall industry is doing something that's harming the breeding industry. Mr. Heitzmann responds that the current crop of horses are being bred by the best to the best, which is helping the upper echelon of racing but the lower echelon of horses aren't being bred because the breeders can't afford to be in the business right now. He says that the gap is widening from the best to the worst racing horses, which is decreasing the number of middle race categories and forcing horses to compete in lower or higher categories to fill the race fields. He states that he thinks people are investing and spending less in horseracing due to the current economy in the United States and in Louisiana, especially the oil and gas industries.

Commissioner McHalfey asks if the foals started to drop prior to the downturn in the oil and gas industry. Mr. Heitzmann responds that there were 2,600 foals registered in Louisiana in 2008 but there were 1,741 Louisiana foals in 2013. Commissioner Davis says that the overall expense of breeding hasn't seemed to increase in the last 15 years and asks what is the big cost or issue in breeding that is not attracting more people to it. Mr. Heitzmann responds that the attraction to horseracing is not what it used to be and children weren't allowed at racetracks for a time due to gambling laws, which caused a

generational gap in fans who were drawn to other sports.

Commissioner Reine asks if breeder's awards on thoroughbreds are paid on horses that run in Louisiana only. Mr. Heitzmann responds that the LTBA Board of Directors have separate pools to pay breeder's awards for horses that run in state and those that run out of state, even worldwide. He says that they want to promote the sale of Louisiana-bred horses to people around the country. He states that the LTBA has paid more breeder's awards to out-of-state stakes races winners this past quarter of the year than in the past 12 years due to Louisiana-breds winning nationally recognized stakes.

Commissioner Reine asks if that reduces the amount of breeder's awards available to pay for those who run their horses in Louisiana. Mr. Heitzmann responds that they have cut in-state breeder's awards from 20% to 18% but the purpose is to promote the sale of Louisiana-bred horses regardless of where the horses will compete. He says that the Breeder's Sales Company, a subsidiary of the LTBA, just partnered with a local company in-state to sell yearlings in one super sale, which will happen September 7, 2016 at the Equine Sales Company in Lafayette.

B. LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION (LQHBA)

- 1. PROGRESS REPORT**, by Mr. Tony Patterson, Executive Director of the LQHBA. Mr. Patterson introduces Butch Stevens, President of the LQHBA who was elected at their April meeting. Mr. Patterson informs that the packet given to the Commissioners includes an update on their association and their annual membership meeting and rules of the LQHBA for accreditation. He says that they sent this to the Louisiana Senators and Representatives back in June. He states that they print English and Spanish versions of their rules for accreditation pamphlet to cater to their Hispanic membership and yearling sale buyers, which have been growing dramatically over the last few years.

Chairman Wright asks what is the cause for the substantial increase in Hispanic owners. Mr. Patterson says that he is not certain but the Hispanic owners and trainers bring their families to the racetrack, which helps with attendance and generating interest for the industry in youth.

Mr. Patterson states that there were over 1,400 foals in 2008 but decreased to its lowest amount in 2015. He says that there are currently 1,023 foals, which at the end of the year will likely end up being between 1,050 and 1,060 foals total for 2016. He informs that they already have 995 applications for accreditation of Louisiana-breds in 2016, which may rival the 2013 and 2014 accreditation numbers at over 1,200.

Mr. Patterson says that in-state mares owned by in-state people usually end up being about the same as the number of mares owned by out-of-state individuals. He states that an out-of-state mare must be domiciled in Louisiana from the time she is bred until the time that the foal is born and accredited to become an accredited Louisiana-bred quarter horse foal. He informs that the LQHBA has accredited 619 out-of-state mares this year, which bodes well for next year's foal crop.

Mr. Patterson says that Louisiana stallion population has gone down from about 120 in 2007 and 2008 to 86 stallions in 2016. Commissioner Reine asks if those stallion numbers are quarter horse only or all stallions. Mr. Patterson responds that only two or three of those are throughbred stallions. He says the stallions' quality has dramatically increased, but not many stay in Louisiana. He states that breeders and stallion awards

paid has gone up every year from \$3.9 million in 2008 to over \$5 million in 2015. He says that the LQHBA has increased its stallion awards from \$344,000 before 2015 to \$500,000 in 2015, in large part due to adding breeders awards for fourth and fifth place.

Mr. Patterson informs that the LQHBA held its annual yearling sale at Coushatta Casino in Kinder two weeks ago. He says that average yearling sales have increased from \$7,800 in 2008 to \$11,200 in 2016. Commissioner Reine asks if the breeder's awards are for horses competing in Louisiana only and if it encourages horses to stay in Louisiana. Mr. Patterson responds that the awards are only for horses that race in state and the LQHBA Board of Directors voted in June to pay breeder's awards for first through tenth place in their Louisiana-bred futurities and derbies so that breeders are assured 25% of what their horses make. He says that only paying awards in-state does encourage horses to stay. He states that a Louisiana-bred quarter horse qualified for the \$3 Million All American Futurity but passed away in the test barn spit box test after the race.

Mr. Patterson informs that the LQHBA youth scholarships, which was the idea of Leverne Perry and Judge Jim Mitchell in 2001, have funded \$430,000 in new scholarships from donations since its inception. He says that the LQHBA had an ad in Track Magazine for its yearling sale topper, Cant Catcha Corona, that went for \$105,000.

Commissioner Romero asks what the LQHBA is doing to promote attendance at the racetrack for quarter horse races. Mr. Patterson responds that the drawings for scholarships are promotions that bring young people, which they will do again on November 19, 2016 at the \$1 million LQHBA Breeders Futurity at Evangeline Downs. He says that they partnered with Fair Grounds to advertise their current meet with exotic racing and other promotions, which increased attendance but only mildly increased the handle.

A fifteen minute recess is taken.

III. COMMITTEE REPORTS

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

Commissioner Wagner not present. Commissioner Guilbeau informs that, when the Commission adopted certain medication rules, one of the issues was related to the use of Flunixin, Ketoprofen, and Phenylbutazone as to when their use was considered stacking in correlation to primary and secondary thresholds. He states that the LSU Equine Medication Surveillance Laboratory (EMSL) found a number of positives for the three Non-Steroidal Anti-Inflammatory Drugs (NSAIDs) in the same horse and a detection of those NSAIDs at a certain level. He says that the rule needs clarification based on the direction of Dr. Levent Dirikolu, Director of the LSU EMSL, and consulting with the racing jurisdictions of Kentucky, Illinois, Maryland, and California.

Commissioner Guilbeau informs that the Medication Committee recommends the Commission to vote on a directive specifying that a positive will only be called for Phenylbutazone when it is found at 0.3 micrograms per milliliter of plasma or serum, for Flunixin when it is found at 3 nanograms per milliliter of plasma or serum, and for

Ketoprofen when it is found at 1 nanogram per milliliter of plasma or serum. He says that the Commission should also retroactively withdraw the fines that stewards imposed on horsemen for approximately 13 positives called for the three NSAIDs that fall below the newly specified thresholds.

Commissioner Reine motions to adopt the Medication Committee’s recommendations per Commissioner Guilbeau and vote on the stated directive; Commissioner Romero seconds; motion carries. The Commissioners vote unanimously in favor of adopting the directive to clarify the medication rules and to retroactively withdraw the related fines imposed on the horsemen.

B. RULES COMMITTEE, by Committee Chairman R. Hamilton “Hammy” Davis

Commissioner Davis informs that, per past Commission Meeting discussions, the Rules Committee has written an amendment to Section 1903 of Title 46 involving license information requirements to add that training tracks must have an insurance policy for not less than \$1 million and proof that the Commission is listed as a notified party on the policy so that the Commission will receive notice of all renewals and any lapses in coverage.

See “V. RULE – A. DISCUSSION/NOTICE OF INTENT – 1. Associations’ Duties and Obligations” on page 18 for referenced rule.

Commissioner Davis motions to approve the Notice of Intent; Commissioner Cravins seconds; motion carries.

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

No Report.

D. SECURITY COMMITTEE, by Committee Chairman Kenneth “Kenu” Romero

No Report.

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

No Report.

F. FINANCE COMMITTEE, by Committee Chairman Louis Reine

No Report.

IV. OTHER

A. SHIP-IN/SHIP-OUT GAPS BETWEEN RACE MEETS

- 1. Update of discussion between LaHBPA and racing associations about move in/out dates for horses at each track.

(See Section “I. ASSOCIATION REQUESTS – A. DELTA DOWNS RACETRACK, CASINO & HOTEL – 1. PROGRESS REPORT” on page 2 for full discussion of ship-in/ship-out gaps between race meets.)

V. RULE

A. DISCUSSION/NOTICE OF INTENT:

1. Associations' Duties and Obligations

LAC 46: XLI Chapter 19 – Training Tracks

§1903. License Information [amend]

- Procedure to confirm that training tracks retain continuous insurance coverage throughout the year.

(See Section "III. COMMITTEE REPORTS – B. RULES COMMITTEE" on page 17 for full discussion and motion for Notice of Intent.)

VI. LICENSE APPROVALS

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

1. Lyndell Wayne Keller, Trainer. Convicted felon.

Commissioner Cravins motions to approve Mr. Keller for licensure; Commissioner Johnson seconds; motion carries.

2. Gerald J. Cole, Groom/Hotwalker. Convicted felon.

Continued from July 11, 2016 Commission Meeting.

Not Present at Meeting. No action taken.

B. REINSTATEMENT REQUESTS

1. John E. Bernard, Trainer. Seeking reduction of suspension/reinstatement of license.

Commissioner McHalfey motions to restore Mr. Bernard to Good Standing; motion does not carry.

Commissioner Calvert makes a substitute motion to restore Mr. Bernard to Good Standing as of 8/29/16 conditioned upon any future positive drug test resulting in lifetime license revocation.; Commissioner Guilbeau seconds; motion carries.

2. Kevin L. Melancon, Jockey. Seeking reduction of suspension/reinstatement of license.

Commissioner Guilbeau motions to approve Mr. Melancon for a Jockey's license conditioned upon submission of a negative drug test at his own expense from an LSRC approved drug testing facility; Commissioner Romero amends the motion to specify the submission of a negative hair drug test; Commissioners McHalfey and Cravins second; motion carries.

VII. ADJUDICATIONS

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

- 1. **Juan Carlos Garcia, Jockey.** Ruling#DD21744 of 6/25/16 – *Careless Riding.*

Not Present at Meeting. Commissioner Cravins motions to uphold the Stewards’ ruling and suspend Mr. Garcia for 7 calendar days from 9/28/16 through 10/4/16. If Mr. Garcia 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 Guilbeau seconds; motion carries.

- 2. **Donald R. Watson, Jockey.** Ruling#DD21746 of 6/29/16 – *Careless Riding.*

Case continued to next Commission Meeting.

- 3. **Mark D. Breen, Owner.** Appeal of Stewards’ decision to disqualify *Jessica’s Star* from 2nd place to 5th place in the 2016 New Orleans Handicap, the 7th race on 3/26/16 at Fair Grounds.

Attorneys –
 David Royce, Esq.
 Maria B. Glorioso, Esq.

 A ten minute recess is taken.

Testimony taken. Evidence introduced.

Chairman Wright calls for a poll vote in which yea means to uphold the Stewards’ disqualification and nay means to overturn the Stewards’ disqualification. Commissioners motion to vote; Commissioners second; motion carries. Poll Vote: 9-yea; 1-nay; the Stewards’ disqualification is upheld.

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

- 1. **Paul H. Johnson, Trainer.** *(Adjudication Referred)*
 Ruling#ED21810 of 7/29/16 – *Methocarbamol (ARCI Category IV)*
(3rd offense of ARCI Cat. IV/V within a 12-month period)
- 2. **Paul H. Johnson, Trainer.** *(Adjudication Referred)*
 Ruling#ED21811 of 7/29/16 – *Methocarbamol (ARCI Category IV)*
(4th offense of ARCI Cat. IV/V within a 12-month period)

Cases consolidated for purposes of the Commission Meeting. Evidence and testimony taken in consolidation. Commissioner Davis motions to uphold the Stewards’ rulings, suspend Mr. Johnson for 60 days, fine him \$2,000 total, redistribute the purse, and deny him access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioner Guilbeau seconds; motion carries.

- 3. Martin A. Gallegos, Trainer.** *(Adjudication Referred)*
Ruling#DD21757 of 7/1/16 – 3-OH-Lidocaine *(ARCI Category II)*

Commissioner Reine motions to uphold the Stewards' ruling, amend Mr. Gallegos' suspension from 6 months to 90 days, effective 7/3/16 through 9/30/16 (with credit for time served beginning 7/3/16), fine him \$500 total, redistribute the purse, and deny him access to all racetracks, off-track wagering facilities and recognized training tracks under the jurisdiction of the Louisiana State Racing Commission; Commissioner Guilbeau seconds; motion carries.

VIII. ADJOURNMENT

Commissioners motion to adjourn; Commissioners second; Chairman Wright adjourns the meeting.



Charles A. Gardiner III
Executive Director