

Memorandum of the Regular Meeting of the
Indiana Horse Racing Commission

March 1, 2022

Harrah's Hoosier Park Racing & Casino
Clubhouse
4500 Dan Patch Circle
Anderson, IN

Commission members present: Philip C. Borst, Chairman; William McCarty (via telephone), member; Gus Levensgood, member; and Bill Estes (via telephone), member.

Commission Staff members present: Deena Pitman, IHRC Executive Director; Jessica Barnes, IHRC Director of Racing & Breed Development; Tom Linkmeyer, IHRC Assistant Executive Director; and Dale Lee Pennycuff, IHRC Counsel.

Speakers from the audience: Tom Mosley, President of the Indiana Thoroughbred Owners and Breeders Association; Rick Moore, VP and GM of Racing Harrah's Hoosier Park; and Eric Halstrom, VP and GM of Racing Horseshoe Indianapolis.

I. Call to Order

Chairman Borst called the meeting to order at approximately 10:30 a.m. A quorum was present.

New Commission member, Gus Levensgood, was introduced by Chairman Borst.

II. Approval of memorandum from the December 6, 2021 public meeting and approval of memorandum from the December 6 executive session.

Commission Staff requested that the meeting memorandum for December 6, 2021 Commission meeting and Executive Session memorandum for December 6, 2021 be approved.

IHRC Counsel Dale Pennycuff ("Mr. Pennycuff") brought one item to the Commission's attention. On page 8 of the memorandum for December 6, 2021, regarding the approval of SPMO's, the end date was listed as December 30, 2021, when it should have been listed as December 31, 2021.

Chairman Borst asked for a motion to amend the memorandum. Commissioner Levensgood seconded. Commissioner Estes moved for approval. The vote, by roll call, was unanimous, 4-0, in favor of amending the memorandum.

Commissioner McCarty then made a motion for approval of the memorandum of the December 6th public meeting and the memorandum of December 6th Executive Session meeting as amended. Commissioner Estes seconded.

Chairman Borst then declared a roll call vote. The vote was unanimous, 4-0, in favor of approval of the memorandum from the December 6, 2021 public meeting and approval of the memorandum from the December 6, 2021 Executive Session.

III. Agenda

Note: All items on the agenda were transcribed by a court reporter from Stewart Richardson. Transcripts are available at www.in.gov/hrc.

1. Consideration of the following proposed emergency rule changes:

Standardbred

- a) 71 IAC 5-1-21 Conflict of Interest

- b) 71 IAC 6-1-2 Prohibitions on claims
- c) 71 IAC 8-1-2.1 Thyroxine restricted

Thoroughbred and Quarter Horse

- d) 71 IAC 5.5-1-21 Conflict of interest
- e) 71 IAC 5.5-1-30 Review of horse transfers
- f) 71 IAC 5.5-3-3 Other responsibilities
- g) 71 IAC 6.5-1-1 General provisions
- h) 71 IAC 6.5-1-2 Claiming of horses
- i) 71 IAC 7.5-1-4 Coupled entries
- j) 71 IAC 7.5-2-2 Scratches
- k) 71 IAC 7.5-5-1 Horses ineligible
- l) 71 IAC 8.5-1-2.5 Thyroxine restricted
- m) 71 IAC 8.5-1-5 Furosemide as a permitted foreign substance
- n) 71 IAC 14.5-3-1 Owner award (Quarter Horse)
- o) 71 IAC 14.5-3-2 Breeder award (Quarter Horse)
- p) 71 IAC 14.5-3-3 Stallion owner award (Quarter Horse)

Mr. Pennycuff explained to the Commission that this agenda item covered the proposed emergency rules concerning harness racing and flat racing.

No public comments were made on the rules. However, a language change was made after the rules were sent to stakeholders. That change was made to 71 IAC 5-1-21(d) in which the assistant trainer was added to make the rule cover the same licensees as the flat racing rule, 71 IAC 5-1-21. Other housekeeping language changes proposed by LSA were made as well. Mr. Pennycuff informed the Commission that the current version of the proposed rules had been posted to the IHRC website.

Chairman Borst then asked if anyone would like to comment on the proposed rule changes, or if any Commission members had any questions on the proposed rule changes. No one commented or had any questions.

Commissioner Estes then moved to accept the proposed rule changes, all at once. Commissioner McCarty seconded.

Chairman Borst then initiated a roll call vote. The vote passed unanimously, 4-0. All of the proposed rule changes were accepted by the Commission. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

2. Review of commission rulings – November 29, 2021 through February 22, 2022.

Chairman Borst introduced this item and stated that there was to be no vote on it. He asked if there were any questions about the Commission rulings. There were none. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

3. Approval of RMTC certified split sample laboratories for 2022 and beyond pursuant to 71 IAC 8-4-3 and 8.5-3-3.

Mr. Pennycuff explained that, pursuant to the administrative rules, the Commission must approve the list of laboratories that are used as split laboratories. Mr. Pennycuff then explained the term “split laboratories.”

Mr. Pennycuff, on behalf of the Commission Staff, requested; (1) Approval of all RMTTC accredited laboratories to be approved as split laboratories, except for the primary laboratory, Industrial Laboratory; (2) Approval of the University of Kentucky Veterinary Diagnostic Lab as the primary cobalt laboratory; (3) Waiver for the 2022 cobalt laboratories pursuant to 71 IAC 8-4-3 and 8.5-3-3; and (4) Approval of the University of California-Davis California Animal Health & Food Safety Laboratory as the cobalt split laboratory.

Chairman Borst asked if the Commission members had any questions. There were none.

Commissioner Estes then moved to accept the laboratories. Commissioner McCarty seconded the motion.

Chairman Borst then initiated a roll call vote. The vote passed unanimously, 4-0. The laboratories were accepted by the Commission. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

4. Presentation of the 2022 Thoroughbred Breed Development Advisory Committee Program.

Chairman Borst introduced this agenda item. Then Jessica Barnes (“Ms. Barnes”), Director of Racing and Breed Development, presented the agenda item.

Ms. Barnes reiterated to the Commission that at the December meeting she asked for the Commission to be able to delegate to the Executive Director the ability to approve the Thoroughbred and the Quarter Horse proposal. She explained that the Executive Director, Ms. Pitman, had already approved the proposal, but that this was something she wanted the Commission to look at.

Ms. Barnes explained that last year, 2021, was a great year for the Thoroughbred program, with over \$20 million going out to program participants.

Ms. Barnes noted how the Thoroughbred program has changed over the years and explained that there has been increasing reliance placed on Indiana-bred races, in part because of availability from other racetracks and the open program. Ms. Barnes stated that this had led to modifications in how Racing and Breed Development operates. Specifically, Ms. Barnes explained that her program now has greater flexibility in being able to add more Indiana-bred races than were originally approved. Ms. Barnes mentioned that this new capacity is served by adjusting the base purse that the track sets per Indiana-bred race, which goes into the Thoroughbred program. She explained that this method gives the racetrack flexibility to be able to card the races that they need and her program the ability to budget appropriately.

Ms. Barnes stated that for this year’s Thoroughbred program, she has written into it the ability to adjust the base purse that the track sets per Indiana-bred race.

Ms. Barnes also described a mechanism to allocate the money that her program receives that is beyond what her program has budgeted for. Ms. Barnes explained that this mechanism would help her program avoid having to decide how to spend left-over money in reserves in the future. She contended that this would help with the efficiency of

the Thoroughbred program.

Chairman Borst expressed his appreciation for the advantages the program offers. He then asked if any members of the public or Commission members had any questions about the program. There were none.

Commissioner Estes moved to approve the program. Commissioner McCarty seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

5. Presentation of the 2022 Quarter Horse Breed Development Advisory Committee Program.

Ms. Barnes presented the 2022 Quarter Horse Breed Development Advisory Committee Program. Ms. Barnes explained that she had not asked Ms. Pitman for approval of the program beforehand. Ms. Barnes explained that the program itself was similar to last year's program. Ms. Barnes also mentioned that her proposal includes awards on trial races, which the program had not paid in the past. She then explained that the new program begins with the same purse structure that the last meet ended with, contains about the same number of races, and the same award structure.

Ms. Barnes then notified the Commission that there had been some adjustments made to the overnight program. Specifically, she mentioned that a handicap race had been added.

Ms. Barnes then voiced her advocacy for the program, calling it a great program for the Quarter Horse participants.

Chairman Borst then asked if there were any questions from either the public or the Commissioners. There were none.

Commissioner McCarty moved for approval of the Quarter Horse Breed Development Advisory Committee Program. Commissioner Estes seconded the motion.

Chairman Borst initiated a roll call vote. The vote was 4-0 and passed unanimously. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

6. Approval of Harrah's Hoosier Park's 2022 Standardbred racing official list pursuant to 71 IAC 3-1-2.1.

Chairman Borst introduced this agenda item. Then Rick Moore ("Mr. Moore"), Vice-President General Manager of Horse Racing at Harrah's Hoosier Park Racing & Casino, presented the agenda item.

Mr. Moore explained to the Commission that all of the racing officials on the list had been previously licensed by the IHRC. Mr. Moore also mentioned that there were some back-up positions included in the list, which would make it easier to substitute one racing official who cannot make their shift for another official who can.

Mr. Moore then respectfully requested the Commission to approve the list of racing

officials.

Chairman Borst asked the Commissioners if there were any questions. There were none.

Commissioner McCarty then moved for approval of the official list for Hoosier Park. Commissioner Estes seconded the motion.

Chairman Borst initiated a roll call vote. The vote was 4-0 and passed unanimously. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

7. Approval of Indiana Grand's 2022 Thoroughbred & Quarter Horse racing official list pursuant to 71 IAC 3.5-1-3.

Chairman Borst introduced this agenda item. Then Eric Halstrom ("Mr. Halstrom"), Vice-President General Manager of Horseshoe Indianapolis, presented the agenda item.

Mr. Halstrom explained to the Commission that the racing official list essentially included the same group of racing officials from last year.

Mr. Halstrom then acknowledged the passing of three critical members of his racing staff: Bill Wise, Angela Dudley, and Frank Chambers. Mr. Halstrom then mentioned how much appreciation he had for them, and for their years of service.

Mr. Halstrom then expressed to the Commission how pleased he was with the list of racing officials.

Chairman Borst asked the Commissioners if there were any questions. There were none.

Mr. Pennycuff interjected with concerns that the motion should include the authority to give the Executive Director Deena Pitman ("Director Pitman"), the ability to approve the final list when complete, considering that the jock's room facility was still an unfilled position. Mr. Pennycuff explained that this maneuver could be accomplished in the same motion.

Chairman Borst asked the Commissioners if one of them would like to make a motion to approve the racing official list while giving the Executive Director the ability to approve the jockey room custodian when announced. Commissioner Estes moved. Commissioner McCarty seconded the motion.

Chairman Borst then initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

8. Consideration of Horseshoe Indianapolis's request to remove Monday, November 7, 2022 race date previously approved at the Commission's regularly scheduled December 6, 2021 commission meeting and add Veteran's Day, November 11, 2022.

Mr. Halstrom explained his excitement about adding Veteran's Day as a race date. He mentioned that Veteran's Day in 2021 was a great event and that he would like racing on Veteran's Day at Horseshoe Indianapolis to become a tradition. On Veteran's Day of 2021, the track was able to raise \$8400 for Homeless Veterans and Families.

Mr. Halstrom mentioned that Veteran's Day this year falls on a Friday. He explained that the issue was that when race day requests were put out for 2022, his track assumed that they would run the typical Monday through Thursday schedule. Thus, the issue was that Veteran's Day of this year didn't fall on a normally scheduled race day.

Mr. Halstrom summed up the request by stating that it was simply about moving the Monday, November 7th race date to Friday, November 11th (Veteran's Day). He also brought up the prospect of benefitting various charities like the Homeless Veterans and Family group through the event on Veteran's Day, if it were to be approved by the Commission.

Chairman Borst expressed his appreciation for the proposal. He asked if the Commissioners had any questions. There were none.

Commissioner McCarty then moved to approve the removal of November 7 from the race date and add Veteran's Day, November 11 at Horseshoe Indianapolis. Commissioner Estes seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. See IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

9. Consideration of the advance deposit wagering (ADW) allocation request from the Thoroughbred Owners and Breeders Association of Indiana (ITOBA).

Tom Mosley ("Mr. Mosley"), President of the Indiana Thoroughbred Owners and Breeders Association, introduced himself to the Commission.

Mr. Mosley explained the request. The \$66,000 figure was an amount to help fund two different stake races, each one being \$100,00. Mr. Mosley explained that this was the same amount approved for last year for the same stake races.

Mr. Mosley then explained the two stakes. One was a \$100,000 ITOBA stake for fillies. The other was a \$100,000 stake for colts and geldings.

Mr. Mosley mentioned that the \$100,000 figure was an exciting number. Mr. Mosley declared that he wanted the \$100,000 deposited into the open purse account. He contended that this would enable a series of stakes that would be some of the most prestigious in the country.

Mr. Mosley explained that there would be two, \$200,000 stakes for Indiana bred horses: one stake for Indiana bred fillies, and the other for Indiana sired fillies and three-year olds.

Mr. Mosley also mentioned that there would be two \$250,000 stakes races: one for Indiana bred three-year olds; the other for three-year-old Indiana sired colts and geldings.

Mr. Mosley again reiterated to the Commission the high level of racing these races would produce, mentioning that this series of stakes would be some of the best state bred program races in the country.

Mr. Mosley summed up the request by asking the Commission for the \$166,000 to be

transferred from his association's ADW account into the open purse account at Indiana Horseshoe.

Chairman Borst asked the public and the Commissioners if there were any questions. There were none.

Commissioner Estes made a motion to approve the ADW allocation request from the ITOBA. Commissioner McCarty seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

10. Consideration of Horseshoe Indianapolis' request to amend the expected 2022 Capital Expenditure Equipment Plan and substitute with alternate 2022 purchases (replace gators with harrows).

Mr. Halstrom mentioned, specifically to Commissioner Levensgood, that Horseshoe Indianapolis is in year five of a fifteen-year approved maintenance capital plan. He also mentioned that every year there is a plan to replace equipment.

In 2022 the plan was to replace sixteen gators. However, Mr. Halstrom explained that there was simply no need to replace all of the gators.

Mr. Halstrom then expressed concern for regular track equipment which was becoming worn down due to wintertime training. He identified this as a problem area to pay attention to in the future.

Mr. Halstrom summed up the request by asking for two harrows instead of the four gators (out of the sixteen) that were in the original plan. Mr. Halstrom then mentioned that he still expected the other twelve gators to be replaced.

Chairman Borst expressed appreciation for the request. He then asked the Commission members if there were any questions. There were none.

Commissioner McCarty then moved to approve the request to amend the capital expenditure plan and substitute alternate purchases. Commissioner Estes seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

11. Review and consideration of additional expenditures to the already approved December 6, 2021 RCFAC budgeted expenses. On December 28, 2021 an 'overage' expense for LED lights was approved by RCFAC (Racing Capital Fund Appropriation Committee) and conditional IHRC executive director approval.

Mr. Moore stated the price for the LED lighting had gone from \$1.3 million to \$1.485 million. Mr. Moore expressed his excitement for the prospect of having Harrah's Hoosier Park racetrack lit up with new LED lighting.

Chairman Borst asked the Commissioners if there were any questions. There were none.

Commissioner Estes then moved to approve the increased amount of additional expenditures. Commissioner McCarty seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

12. Request the Indiana Horse Racing Commission delegate authority to approve any 2022 race matters prior to next commission meeting to Executive Director pursuant to 71 IAC 2-2-1.

Chairman Borst mentioned that this agenda item was a housekeeping procedure more than anything else, meant to keep the Commission nimble, so that if a problem arose during the racing season, the problem could be solved without having to wait for the next Commission meeting.

Chairman Borst asked if the Commissioners had any questions. There were none.

Commissioner McCarty moved for the Commission to approve delegation of authority to approve 2022 race matters prior to next commission meeting to the Executive Director pursuant to 71 IAC 2-2-1. Commissioner Estes seconded the motion.

Chairman Borst initiated a roll call vote. The vote passed unanimously, 4-0. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

IV. Old Business

There was no old business.

V. New Business

Director Pitman thanked Mr. Pennycuff for stepping in as counsel in the absence of Noah Jackson (“Mr. Jackson”). She mentioned to the Commissioners that if they had anything that they would normally request of Mr. Jackson, or if they had anything they needed to give to Mr. Jackson, it should go to her and Mr. Pennycuff. *See* IHRC Transcript 3/1/2022 at <https://www.in.gov/hrc/files/IHRC-Transcript-3-1-2022.pdf>

VI. Adjournment

The meeting was adjourned at approximately 11:13 a.m.