

Washington Horse Racing Commission
Meeting Minutes
January 11, 2019
9:30 A.M.

Present were: Dr. Everett Macomber, DVM, Chairman; Jeff Colliton, Commissioner; Robert Lopez, Commissioner; Representative Joe Schmick, Legislative Ex-officio member; Suzanne Becker, Assistant Attorney General; Doug Moore, Executive Secretary; Patty Brown, Confidential Secretary.

Item #1. Approval of the meeting minutes of November 9, 2018.

Commissioner Lopez moved to approve the minutes as submitted. Commissioner Colliton seconded the motion. Unanimously approved.

Item #2. Commissioners' report.

Commissioner Colliton said he had attended the Association of Racing Commissioners International meetings and wanted to speak about the sports betting discussions, but would defer to Doug Moore, Executive Secretary, who would be reporting on this later. Commissioner Lopez also said he had attended and would defer to Mr. Moore's report.

Chairman Macomber said he had attended a legislative meeting.

Item #3. Industry Reports.

- a. Emerald Downs, Phil Ziegler, President, reported they are preparing for the upcoming season and said they are getting ready for the media day. Mr. Ziegler said he had heard that Jeff Metz, trainer, won't be back and this would have a big affect on Emerald Downs' program. He reported that their New Year's celebrations and last week's Seahawk viewing party had gone well. They are staying busy and the promotional schedule is pretty much done and 98% is done on the stakes schedule. He said they will be submitting their official's package next month. Chairman Macomber asked about any changes to the barn area. Mr. Ziegler said none. He said staff was doing a great job back there. Mr. Jack Hodge said they are all ready to go. He said the applications for stalls are coming in, but are not due for approximately a week and are on par with last year. He said he'd heard that Mr. Metz may still send some horses to Emerald Downs. Mr. Hodge said he'd hired Mark Gibson back to be the starter beginning March 1.
- b. WHBPA report. MaryAnn O'Connell, Executive Director reported they are readying for the new season, getting contracts ready and signed. Looking forward to another good year.
- c. WTBOA. Anne Sweet, Editor, WTBOA Magazine, reported about their yearend activities. She said the Stallion season auction at the end of the year was conducted on-line and they had

made almost double from last year, very successful. Chairman Macomber asked about the breeding season. Ms. Sweet said she had talked to Nina Hagen at El Dorado Farm who said they were sending mares to California and said they were busy too. Chairman Macomber asked if they'd had any complaints about microchipping. Ms. Sweet said everyone seems to be adapting. She said going from paper to digital papers will be interesting.

- d. Sun Downs report. Shorty Martin said he's had some personal issues and that he'd taken the winter off and was out of the loop, but said they are scheduled to open for training on February 1, they've gotten two AQHA Challenge Race's approved and they are ready to finalize the contract for another three years with the County. Mr. Moore asked about the fence issue; Mr. Martin said it's a nonissue anymore; the County had lost the funding for the project.

Item #4. Adoption Hearings:

Mr. Moore presented the adoption hearings.

- a. WAC 260-08-074 Public meetings - Members and public meetings (New Section).

Mr. Moore said this new section moves into rule the ability for the commissioners to attend public meetings by telecommunication technology which would eliminate the need for policy statement 2010-02. No public comments were received and staff recommended adoption.

Commissioner Lopez moved to adopt the new section to WAC 260-08-074 and eliminate policy statement 2010-02. Commissioner Colliton seconded the motion. Unanimously approved.

- b. WAC 260-12-010 Definitions – WAC 260-24-520 Racing Secretary - WAC 260-40 Entries, starts, nominations and scratches.

Mr. Moore said in preparing for the Jockey Club move to micro chipping technology, terminating the use of physical tattoos, definitions were added to address what will be considered a "digital tattoo" and adding the term "registration certificate" which allows both hard copies and digital formats. In WAC 260-24-520 the amendments would expand the racing secretary's duties to include confirming that the new digital tattoo has been recorded in the database. In WAC 260-40 the amendment is to add the new electronic registration and digital tattoos confirmation to be part of the entry process. No comments were received and staff recommended adoption. Chairman Macomber asked if there is a lip tattoo, do they still need to be microchipped. Mr. Moore said some will have both; next year's two year olds will only have a chip. Mr. Moore said the American Quarter Horse Association (AQHA) is heading down this road also.

Commissioner Colliton moved to adopt the amendments to WAC 260-12-010, WAC 260-24-520, and WAC 260-40. Commissioner Lopez seconded the motion. Unanimously approved.

- c. WAC 260-28-030 Financial Responsibility.

Mr. Moore said this amendment would move into rule certain services provided by the racing association that could be addressed by the Board of Stewards as connected with the operation as a licensee and eliminate policy statement 2003-01. Mr. Moore said this policy had been in place for fifteen years and there have been no issues. Staff recommends adoption.

Commissioner Lopez moved to adopt the amendments to WAC 260-28-030 and eliminate policy statement 2003-01. Commissioner Colliton seconded the motion. Unanimously approved.

d. WAC 260-36-010 License required.

Mr. Moore said this would move policy statement 2007-06 into rule defining individuals that may have access to the restricted area without obtaining a license, including federal, state, or other governmental agency public service employees. Mr. Moore said this policy has been in place for eleven years with no issues and said staff recommends adoption.

Commissioner Lopez moved to adopt the amendments to WAC 260-36-010 and eliminate policy statement 2007-06. Commissioner Colliton seconded the motion. Unanimously approved.

e. WAC 206-44-010 Equipment changes.

Mr. Moore said this amendment corrects a terminology error in which the old term “whip” is used and replace with current terminology “crop.” Mr. Moore said no comments were received and staff recommends adoption.

Commissioner Colliton moved to adopt the amendment to WAC 260-44-010. Commissioner Lopez seconded the motion. Unanimously approved.

f. WAC 260-44-050 weighing out – WAC 260-52-010 Paddock to post.

Mr. Moore said the amendment to these sections would give the racing association the option to use several different items to assist the stewards in the identification of horses in the event of a photo finish. Head numbers are currently the only identified means to assist but numerous complaints from trainers and other issues arise each year. The changes would add using either numbered helmet covers or the use of an arm band on the jockeys which have been seen on other tracks throughout the country. Mr. Moore said no public comment had been received and staff recommended adoption.

Commissioner Lopez moved to adopt the amendments to WAC 260-44-050 and WAC 260-52-010. Commissioner Colliton seconded the motion. Unanimously approved.

g. WAC 260-44-150. Horseshoes.

Mr. Moore said the amendment would move the language from policy statement 2011-01 into rule allowing a horse to race unshod if an issue occurs in the receiving barn or paddock that cannot be corrected in lieu of scratching the horse. The official veterinarian and trainer must be in agreement prior to the approval. This policy had been in effect for eight years with no issues, staff recommended adoption.

Commissioner Lopez moved to adopt the amendment to WAC 260-44-150 and eliminate policy statement 2011-01. Commissioner Colliton seconded the motion. Unanimously approved.

h. WAC 260-70-630 Threshold levels – WAC 260-70-635 Environmental substances (New Section).

Mr. Moore said the amendments are twofold; when anabolic steroids were prohibited several years ago, the thresholds were only established in urine. Since that time, thresholds have been set in plasma or serum. The changes reflect the ARCI model rules for steroids. There has been one change since the amendments were published, at the December 2018 meeting of the ARCI model rules committee the Racing Medication Testing Consortium (RMTC) requested the level for testosterone in fillies, mares and geldings be increased from 25pg/ml to 100 pg/ml. If approved this change will be noted when filing with the code reviser's office. The HBPA was notified of the change and approved. The second item is removing the environmental substances from the threshold section and create a new section. This distinguishes the accepted therapeutic medications from those that are simply contamination possibilities. Mr. Moore said no comments were received and staff recommended adoption to amendment and create the new section.

Commissioner Lopez moved to adopt the amendment to WAC 260-70-630 and create a new section WAC 260-70-635. Commissioner Colliton seconded the motion. Unanimously approved.

Mr. Hodge asked who to report to when changing from a head number to an arm band. Mr. Moore said in considering whether to use arm band or head number; he said it should be reported to the Paddock Judge when making changes.

Item #5. Repeal of Policies/Interpretive Statements:

- a. Policy statement 2010-02 – Public meetings – Alternative Means to Maximize Member Participation.
- b. Policy statement 2003-01 – Financial Responsibility.
- c. Policy statement 2007-06 – Access to the Grounds – Certain Individuals.
- d. Policy statement 2011-01 – Horseshoes.

Policy statements were repealed during the adoption of the corresponding rules in Item #4.

Item #6. Approval of Split Sample Laboratories.

Mr. Moore reviewed the list of Split Sample Laboratories and said it was identical to last year's with one addition the University of Florida Racing Laboratory and staff recommended approval. Mr. Moore said after approval the list will published in the 2019 Trainer's and Owner's Manual.

Commissioner Colliton moved to approve the 2019 Split Sample Laboratories list. Commissioner Lopez seconded the motion. Unanimously approved.

Item #7. Class C purse fund update.

Mr. Moore said the calculation for the Class C purse fund is \$74,284.94 for distribution in 2019. Mr. Moore said Mr. Martin will have the Sun Downs grant request at the next meeting. Chairman Macomber asked Mr. Martin if he had any update on fund raising activities. Mr. Martin said he will have an update at the next meeting.

Item #8. Executive Secretary's report.

Mr. Moore said staff has been updating WHRC forms to be downloadable and fillable and also placing them on the WHRC webpage. He said staff has also been looking into accepting credit and debit cards for payment but this won't be available at least until 2020. He noted that this could not be done without a fee involved, but in this day and age, the need is there. He noted that the Labor and Industries rates had gone down slightly for the second year. The track would be opening on February 4 and the WHRC office will open on February 1.

Mr. Moore gave a report on his attendance at the ARCI Model Rules meeting and the University of Arizona Racing Symposium. He said it was heavily centered on sports betting. His comments were made a part of the record.

Ms. O'Connell asked if there was any discussion regarding Fentanyl, she said this can be inhaled and the HBPA is working on this for contamination levels.

Chairman Macomber asked Mr. Moore for copy of his comments.

a. Wagering Recap (November/December 2018).

Mr. Moore reviewed the wagering for November/December 2018 by month and for the year reporting November to be up 2.23 and December up 2.21; for the year down 3.63 overall. Mr. Moore reviewed the revenue summary for October and November 2018.

b. Monthly Financial Statement.

Mr. Moore reviewed the revenues and expenditures; with the fund balance at the end of November to be \$626,828.

Mr. Moore reviewed a Gambling Commission pie chart showing horse racing down to .68% for 2018 net gambling receipts comparisons.

Commissioner Lopez asked Mr. Moore if he could report on the Washington State Patrol audit of the WHRC fingerprint system. Mr. Moore said we had an audit conducted on physical printing process, but a site inspection is scheduled in February which will conclude that audit; and another audit of the process of receiving results is to be held on January 10th. At this time the WHRC needs to comply with a few details, but are in very good shape.

Item #9. Travel - April ARCI General Membership Conference.

Mr. Moore said there are a couple of options regarding attendance at the ARCI April meeting. He said on who should go; possibly approve one or two and more to attend if expenses were held to a minimum. Mr. Moore said it was his recommendation that no more than two attend, but depending on expenses, possibly more may be able to go. Mr. Moore's felt that with the other cuts taking place, there is a need to set an example.

Commissioner Colliton said the meeting to be held April 2-5, 2019 moved to approve travel for and the membership registration for one or more to attend the general meeting. Commissioner Lopez seconded the motion, but wanted some discussion.

Commissioner Lopez said before the final decision, in taking a look at the numbers, in light of some of the other cuts across the board, he would consider the possibility of attending by phone.

Unanimously approved.

Item #10. Discussion items – Commissioners.

Chairman Macomber introduced Mike Lydon from Touchet, WA, who is working on a committee in Dayton where they are trying to get racing started again. He said they've held a couple of meetings, talking about fund raising, maybe something for next year. He knows it's a long road. He was here investigating possibilities. Chairman Macomber said that his State Legislator is very active in support of this.

Chairman Macomber announced that Dr. Claude Ragle, DVM, has been appointed to replace Commissioner Colliton whose last meeting is in April. Mr. Moore said he had found out yesterday and was looking forward to him coming on-board.

Item #11. Any other business that may be properly brought before the Commission.

Commissioner Lopez asked if there were any other entities dropping legislation on sports wagering. Mr. Moore said the Gambling Commission expects several. Mr. Moore said he been asked to present to committee an overview of the Commission next week.

Ms. O'Connell asked if there was any advancement on the written protocols on testing procedures. Mr. Moore said he will schedule a meeting on this soon.

Mr. Hodge announced that the head of stable security is stepping down, Mr. Hank Seibert. He has one candidate and he will be shadowing Mr. Seibert. Mr. Hodge asked about alcohol consumption on the backside; can they only test when licensees are performing their duties. Mr. Moore said there are several rules in place that WHRC Investigators can utilize to help support each other.

Ms. O'Connell said as far as grooms are concerned, L&I considers them to be covered 24/7 when living on the backside.

Hearing nothing more, the meeting was adjourned at 10:46 A.M.

Doug Moore, Executive Secretary