

Washington Horse Racing Commission  
Meeting Minutes  
Zoom Meeting  
July 24, 2020

Present were: Robert Lopez, Chairman; L Everett Macomber, DVM, Commissioner; Claude Ragle, DVM, Commissioner; Representative Joe Schmick, Legislative Ex-Officio Member; Doug Moore, Executive Secretary; Amanda Benton, Deputy Secretary; Patty Brown, Confidential Secretary; Melanie Bowdish, Confidential Secretary.

Members of the Public attending were: Debbie Pabst; Lanna Allen; Anne Sweet; MaryAnn O'Connell; Phil Ziegler; Jack Hodge; Dr. Ron Friedman; Robert Frazier; Ed Comins, Watch and Wager; Gene Chabrier, XpressBet; Garret Cocchiarella; Rachel Jochimsen; Mike Wilson; Rosina Depoe.

Item #1. Approval of the meeting minutes of June 12, 2020.

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

Item #2. Commissioner's report.

Chairman Lopez had nothing to report at this time. Commissioner Macomber said he had reviewed the information on the upcoming Washington Thoroughbred Owners and Breeders Association sale and working on obtaining a brand inspector; following ADW revenues and the OTB sites contributions. Commissioner Ragle stated he had nothing to report at this time.

Item #3. ADW Watch and Wager. License renewal.

Mr. Moore reviewed the Advance Deposit Wagering (ADW) renewal license application for Watch and Wager.com. Mr. Moore said nothing detrimental had been discovered, staff recommended approval.

Mr. Moore introduced Mr. Ed Comins who was present on behalf of Watch and Wager to answer any questions. Mr. Moore noted the contract between Emerald Downs and Watch and Wager.com had been signed and was being sent for the WHRC file.

Chairman Lopez asked Mr. Comins if he could explain why the ADW handle in last year had jumped so high. Mr. Comins said that had a lot to do with the COVID 19 lockdown. With more people having to stay home they are tending to do more wagering over the internet. Commissioner Macomber asked if any changes were planned for marketing. Mr. Comins said they had budgeted for marketing and would be doing much the same as in the past.

Commissioner Macomber moved to approve the renewal license application for Watch and Wager.com as submitted. Commissioner Ragle seconded the motion. Unanimously approved.

Item #4. ADW license renewal – XpressBet (Action Item).

Mr. Moore reviewed the Advance Deposit Wagering (ADW) renewal license application for XpressBet. Finding nothing detrimental, staff recommended approval. Mr. Moore said Mr. Gene Chabrier of XpressBet was present to answer questions.

Commissioner Ragle stated he had no questions. Commissioner Macomber asked about any marketing changes. Mr. Chabrier said they do have a national launch about to begin it is called Firstbet that has been under development for the last two years; hopefully it will attract the younger generation of patrons. Mr. Chabrier said it is a handicapping algorithm that is built into it; it will give you a headstart on wagering.

Commissioner Macomber moved to approve the renewal license application for XpressBet. Commissioner Ragle seconded the motion. Unanimously approved. Mr. Chabrier thanked the Commission and stated working with the WHRC and Emerald Downs and their staff.

Item #5. Industry reports.

- a. Emerald Downs. Phil Ziegler, President, reported on several items that has been occurring at Emerald Downs; restarting the live season on June 24; opening the OTBs for business; while trying to adhere to the Governor's guidelines. He reported they already have some of the banner ads for Firstbet on Emerald Downs webpage. Chairman Lopez asked about how many races are being conducted. Mr. Ziegler said it has been good; last year there were eight, nine and ten races carded most days, but this year there have been ten and some days eleven. Commissioner Ragle had no questions. Commissioner Macomber asked about post time; would it be maintained was there a need to change later on. Mr. Ziegler said right now it's good, but depending on other tracks there may be a need later. With the prospect of change in card room openings being altered and may have to move outside to conduct business, they may be some changes coming. Commissioner Macomber asked if there was any racing in Oregon and Mr. Ziegler said no, not at this time.
- b. WAHBPA. MaryAnn O'Connell, Executive Director, reported on their free meals offerings which have suspended, but they will be continuing with a Chaplaincy meal once a week. She noted that the HBPA had taken over the horsemen's liaison job. Taking reservations for viewing horses during live racing. She said she hopes this will do much better as it goes along. She said that in talking with the trainers and owners, they are grateful to be racing. She said communications between the race office, Emerald Downs administration and the WHRC is much better. Commissioner Ragle had no questions. Commissioner Macomber asked what are some of the questions that come up from owners. Ms. O'Connell said not so much questions, but frustrations. She said the miscommunications on who could attend races; too many spectators; and some who were not owners were attending the races contrary to the protocol. She said she received more comments from trainers; but knowing the pressure trainers are under and their need to take care of their owners while still following the Governor's protocols. Commissioner Macomber asked if there were any COVID 19 cases on the track. Ms. O'Connell said not one. Mr. Ziegler said with the new protocols, the change is they have to be household members to be a guest, we would have to see how that affects us; everyday it changes. Chairman Lopez asked

about viewing races by video or a device. Mr. Ziegler said the live races are always on TVG, and of course now Firstbet or XpressBet and now Roberts RTN has a new streaming service, link on Emerald Downs homepage. The cost is \$5 and really worth it; it is currently free for the month of July. Mr. Moore asked about an unlimited charge. Mr. Ziegler said that for thoroughbred the charge is \$15; Harness/Dog tracks, it would be \$25 per month.

- c. WTOBA. Anne Sweet, Editor, spoke on behalf of the Washington Thoroughbred Owners and Breeders Association. She said they are going ahead as planned, Tuesday, August 18<sup>th</sup> for the sale; she said with great assistance from Mr. Moore and Commissioner Macomber by assisting with reaching out to the Department of Agriculture; located a brand inspector to be present at the sale, which is a requirement; most of whom are not working on anything other than animals that go directly for food; she was very appreciative. They are on-track so far to have the sale go forward.

#### Item #6. Test Barn Protocols (Possible Action Item).

Mr. Moore gave an overview of the procedures and practices which covers test barn oversight, security and access, personnel, for claimed horses, sample collection, horse identification, urine, blood and hair samples, documenting sample procedures, split samples and medications. Dr. Ron Friedman also included a report discussing the sample collection timing. Chairman Lopez asked for questions from the Commissioners. Commissioner Ragle had no questions at this time. Commissioner Macomber had one concern he expressed specifically using the left vein only for lasix administration; it should be open to use either vein and so recognized in the document. Dr. Friedman had nothing further to say about the protocols. Ms. O'Connell wanted to thank everyone for getting this done. One concern to her was that it's hard to know what to expect when you don't know the procedure. This protects everybody by having protocols in place. With the change in Veterinarians; they need to have some expectation. She said this should be a work in progress, as new science is discovered this is a step in right direction. Mr. Moore in response to Commissioner Macomber's question on location of vein, he would work with Dr. Friedman on language. Ms. O'Connell said Furosimide (Lasix) is not a huge problem for us, it's the blood draw that is a concern with the possibility of small amounts of medications left under the skin which may be picked up when inserting another needle during blood draw. By instructing the vets of the location, they can give injections on the off side. Debbie Pabst commented she had a scenario where a horse had worked and the sample was not sent to be tested for two weeks; she was unable to enter the horse waiting for a result. Dr. Friedman said in his recollection that he knew of no conditional entry being denied. Ms. Pabst said she felt it was too clumsy of a procedure. Mr. Moore said this was informational for the Commissioners and that no action was necessary.

#### Item #7. 2021 Legislation update.

Mr. Moore said he was amending the legislation filed last year to be resubmitted asking for assistance to fund the WHRC equine health and safety testing and supplies program. He said an additional decision package would also be submitted to assist the WHRC with our represented employee's salaries. Mr. Moore said Representative Jenkins of Walla Walla was also pursuing legislation to support something similar to the Texas sales tax model in which a rebate from equine sales would go to support the horse industry. There were no questions from Commissioners. Representative Schmick said not to get your hopes up with this legislation. Due to the COVID 19 situation, there may not be any other money given out due to severe losses in the tax base. He said it was still a good idea to pursue this, but don't count on it.

Item #8. Executive Secretary's report.

a. Wagering Recap (June 2020).

Mr. Moore reviewed the wagering for June 2020.

b. Monthly Financial Statement (May/June 2020).

Mr. Moore reviewed the revenues and expenditures. The ending fund balance is \$521,135.

Mr. Moore said the WHRC is still are not paying Central Service costs but are hoping to get caught up. He said we are a little over \$40,000 in arrears.

Mr. Moore also reported he has filed language to open the source market fee language; currently the WHRC is receiving ten percent and 2.5 percent goes into the owners bonus account. In discussing this with Mr. Ziegler his thought was that he could pay the ten percent of which the WHRC would retain and pay the 2.5 percent to the owners/breeders directly to the WHRC. Mr. Ziegler said that changing would create a problem with their contractors. Mr. Moore said this would be temporary change only and return to the former percentages once we get back to some normal live racing. Mr. Moore said this wouldn't go into effect until November, he is sending this out for comment to Commissioners and stakeholders when it is received back from Order Typing Service.

Commissioner Macomber asked if the impact to the funds could be included with that. Mr. Moore said yes.

Chairman Lopez said he was looking back at our fund balance and we are now at \$520,000, pre-COVID; it is remarkable we are as close as we are. We can't sustain this much longer though. Keep doing what we can to keep alive.

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

Hearing none, Chairman Lopez adjourned the Zoom meeting. (10:45 A.M.)

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Doug Moore, Executive Secretary