



# WHRC Commission Meeting

- Location:** Emerald Downs, 2300 Ron Crockett Drive, Auburn WA 98001, 5<sup>th</sup> Floor Tribal Council Room and Zoom Video Conference
- Date:** March 15, 2024
- Call to Order:** 9:30 am (PT)
- Adjourned:** 10:11 am (PT)
- Attendees:** Chair Robert Lopez, Commissioner Douglas Moore, Commissioner Dr. Claude Ragle (via Zoom), Representative Joe Schmick (via Zoom), Representative Chris Stearns, WHRC Executive Secretary Amanda Benton, Deputy Secretary Ann-Kathrin Zemann, Confidential Secretary Melanie Bowdish

## Agenda items

### 1. Approval of the Meeting Minutes of February 9, 2024

Commissioner Doug Moore moved to approve; Commissioner Dr. Ragle seconded. It was moved and seconded that the commission approved the meeting minutes of February 9, 2024. Motion carried.

### 2. Commissioners' Reports

Chair Robert Lopez attended the National Racing Compact Meeting. The licensing database is almost finished. Tom Sage, the Vice Chair from the Nebraska Racing Commission retired. Judy Mason from New Jersey is also retiring in two months. The NRC selected a new Vice Chair, Mike Hopkins. Chair Lopez also attended the ARCI Meeting in Ohio via Zoom.

Commissioner Doug Moore has been working with the stakeholders on the legislation. They provided money in their budget to fund the Washington Horse Racing Commission, similar to last year. The budget passed both the House and the Senate. The WHRC gets supplemented with \$1,3

million. The intention is not only stabilizing the account of the WHRC, but also helping the industry with paying the HISA assessment fees. Commissioner Moore also attended the ARCI conference with Executive Secretary Amanda Benton in Columbus, Ohio. Commissioner Moore has also been in discussions with Executive Secretary Amanda Benton, Deputy Secretary Ann-Kathrin Zemann and AAG Suzanne Becker on the possible HISA agreement and they are making progress on that.

Commissioner Dr. Ragle had nothing to report.

### **3. ADW License Renewal – Twin Spires**

This is regarding an annual license renewal to conduct advance deposit wagering in the State of Washington, governed by WAC 260-49-040. Twin Spires is a Churchill Downs Technology Initiatives Company (CDTIC), which is a subsidiary of Churchill Downs, Inc. The license period would be from April 12, 2024, through April 11, 2025. Their initial license was issued on April 12, 2007. The process for this renewal started January 24, 2024, and the renewal application, as well as the \$1,000 license fee was received on February 14, 2024. Wagering was up 0.6% from race year 2022, while the source market fee was down 4.1%. The average daily balance of Washington deposits for the calendar year was \$255,680.30. Their \$50,000 bond with Travelers Casualty and Surety Company of America automatically renews each year on April 11<sup>th</sup> and remains in effect until cancelled. Twin Spires currently has a contract in place with Emerald Downs Racing, LLC and there were no changes to officers and directors. Twin Spires also operates multiple websites and mobile apps. There are no pending investigations by any governmental agency.

Commissioner Dr. Ragle made the motion to approve Twin Spires' license renewal. Commissioner Moore seconded. It was moved and seconded to approve the license renewal of Twin Spires. Motion carried.

### **4. ADW License Renewal – Ebet Technologies, Inc.**

This is regarding an annual license renewal to conduct advance deposit wagering in the State of Washington, governed by WAC 260-49-040. EBet Technologies, Inc is a part of BetMakers Technology Group Ltd. The license period would be from March 16, 2024, through March 15, 2025. Their initial license was issued on March 16, 2020. The process for this renewal started January 24, 2024. The renewal application was received on February 22, 2024; the \$1,000 license fee was received on March 11, 2024. Wagering and Source Market Fee were both up from race year 2022 by 46.4%. The average daily balance of Washington deposits for the calendar year was \$7.26. The \$25,000 Financial Guarantee Bond is in effect and will be renewed prior to the September 4, 2024, expiration date. There is a contract in place with Emerald Downs Racing, LLC through December 31, 2024. There were no changes to officers and directors. There were no changes to the Plan of Operation previously approved by the commission. There are no pending investigations by a governmental agency.

Commissioner Dr. Ragle made the motion to approve eBet Technologies, Inc. license renewal. Commissioner Moore seconded. It was moved and seconded to approve the license renewal of eBet Technologies. Motion carried.

### **5. Industry Reports**

#### **a) Emerald Downs**

Phil Ziegler gave the industry report for Emerald Downs. The horse population is similar to last year's horse population around the same time. February handle was up from last year. Emerald

Downs is adding two loft suites to their accommodation options, for groups up to twenty people. Another new offer from Emerald Downs is that people can purchase parking passes online to guarantee a parking spot.

**b) WHBPA**

WHBPA Executive Director MaryAnn O’Connell gave the industry report for the WHBPA.

MaryAnn O’Connell is rewriting the database for the horse population. In doing so, she found that a lot of the horses that are currently at Emerald Downs were also there last year. It is also very uncertain if the dental trailer might ever open again. The dental trailer was operated by dentists and hygienists under guidance from the WHBPA. The costs were approximately \$60,000 per year. The dental trailer was open three days a week and helped grooms and other personnel with their dental hygiene for a low price on the Emerald Downs’ barn area.

MaryAnn O’Connell also attended the RTCA conference in Oklahoma.

**c) WTBOA**

Nothing to report.

**6. Premier Turf Club LLC – PointsBet Racing ADW**

On February 28, 2024 David Trueman, Manager of PointsBet, sent an email to the WHRC informing the commission that PointsBet will be closing operations.

**7. HISA/HIWU Voluntary Agreement**

The staff of the WHRC is still in the process of finalizing the HISA/HIWU Voluntary Agreement. Executive Secretary Amanda Benton, Deputy Secretary Ann-Kathrin Zemann and Commissioner Doug Moore met with AAG Suzanne Becker to go over HISA/HIWU redlines. The WHRC sent their proposed redlines to HISA/HIWU. There will be a meeting with HISA/HIWU to go over the changes next week. One of the major points of contention was the confidentiality of records. Suzanne Becker will reach out to HISA/HIWU attorney John Roach to set up a meeting as soon as possible.

**8. Executive Secretary’s Report**

**a. Wagering Recap (February 2024); and**

There was a slight increase in the total wagers, with handle going up 2.5% from last year, however the average daily receipts dropped from 112,849.81 to 111,747.32. The ADW for January increased almost 10%.

**b. Monthly Financial Statement (January 2024)**

The revenue came in as \$42,270.00, which was about \$34,530,000 less than budgeted. Expenses were \$82,007.00, which was \$7,692 less than budgeted. The operating loss for January was \$35,110.00. The fund balance at the end of January was \$1,318,454. The projected fund balance for the end of the biennium is now \$537,442.

**9. Discussion Items – Commissioners**

Commissioner Dr. Ragle had nothing to report.

Commissioner Moore assumes that the WHRC will have a special meeting regarding the HISA/HIWU Voluntary agreement.

**10. Any other business that may be properly brought before the Commission**

Investigator Darrell Farwell reported on his attendance at the Organization of Racing Investigators.

Moreover, Farwell is concerned about the safety of horses and riders. Semi-truck drivers have been changing tires in the parking lot, across the barn area. It makes horses spook and rear.

Furthermore, MaryAnn O'Connell inquired about potentially holding the next Nation HBPA meeting on Emerald Downs' grounds.

The next meeting of the Washington Horse Racing Commission will be held on April 12, 2024, at 9:30 am at Emerald Downs and via Zoom.



Amanda Benton, Executive Secretary