

Minutes of the Regular Meeting of the
Indiana Horse Racing Commission

February 22, 2013

Indiana State Library, Room 211
315 W. Ohio Street
Indianapolis, IN 46204

Commission members present: William Diener, Chairman, Steve Schaefer and Greg Schenkel. Also present were Joe Gorajec, Commission Executive Director; Lea Ellingwood, Commission General Counsel; Holly Newell, Commission Deputy General Counsel; Dr. Angela Demaree, Commission Equine Medical Director; Deena Pitman, Commission Assistant Executive Director; Jim Brown, COO Hoosier Park; Brian Elmore, Vice President of Racing for Centaur; John Keeler, General Counsel for Centaur; Roger Young, counsel for ISA; Jack Kieninger, president of the ISA; Mike Gross, Quarter Horse Breed Development Committee; Tom Mosley, QHRAI Director of Industry Relations; Wendy Brown, Chairman of the Indiana Thoroughbred Breed Development Advisory Committee; Scott Snyder, Indiana Standardbred Breed Development Advisory Committee; Dwayne Rhule, Chairman of the Standardbred Advisory Board; Jim Hartman, Indiana Breeder and Owner Protection, Inc.

I. Call to Order

Chairman William Diener called the meeting to order at approximately 9:00 a.m. A quorum was present.

II. Approval of minutes of the December 14, 2012, meeting.

The Commission approved the December 14, 2012 minutes unanimously, but noted that Commissioner Schaefer's name was misspelled in Item 9.

III. Agenda

Note: All items on the agenda were transcribed by a court reporter from Stewart Richardson. Transcripts are available for review upon request.

1. Centaur presentation on progress of purchasing assets from the Bankruptcy Estate of Indianapolis Downs, LLC, and request for approval of alternate plan regarding additional barns.

Jim Brown updated the Commission on Centaur's progress, noting that the transaction to acquire Indiana Downs closed at 4 p.m. February 20, 2013. Mr. Brown advised the Commission of staffing changes at Hoosier Park, Indiana Downs and Centaur. Brian Elmore presented Centaur's request for additional flexibility to ensure one-breed/one-track racing in 2013 by allowing stabling of horses at Turfway Park and shuttling to Indiana Downs. *Commissioner Schaefer moved to accept Centaur's proposal. Commissioner Schenkel seconded. Petition approved 3-0.*

2. Consideration of approval of amendment to Tote contract regarding Fast Bet Mobile.

Mr. Keeler requested Commission authorization to amend its existing tote contract. *Chairman Diener moved to approve the amendment. Commissioner Schaefer seconded. Petition approved 3-0.*

3. Continuation of Hearing on Renewal Application of Indiana Standardbred Association for Approval as a Registered Horsemen's Association Pursuant to 71 IAC 13-1-1 et seq. (pursuant to Notice of Hearing and Pre – Hearing Order issued on or about September 28, 2012).

Roger Young, attorney for ISA, requested leave to amend the application to reduce scholarship expenditures from \$125,000.00 to \$75,000.00. *Chairman Diener moved to approve the ISA's amended registration application and proposed budget for 2013. Commissioner Schenkel seconded. Motion passed 3-0.*

4. Presentation on pending legislation of interest to the IHRC.

General Counsel Lea Ellingwood provided the commissioners information regarding pending legislation that could impact the Horse Racing Commission.

5. Presentation on Governor Pence's Executive Order 13-03 (moratorium on regulations).

Ms. Ellingwood explained the effect of the Governor's Executive Order, and provided guidance on how the IHRC should proceed with respect to rulemaking. Moving forward, the proponent of any rule changes will be required to show that any request for an emergency rule is appropriate pursuant to IHRC policy.

6. Presentation of the 2013 program by Quarter Horse Breed Development Advisory Committee, including consideration of emergency rules.

- a. **71 IAC 14.5-3-5 Open Stakes Bonus – Repealed**
- b. **71 IAC 14.5 -3-4 Purse supplement in open races**
- c. **71 IAC 14.5-3-1 Owner Awards**
- d. **71 IAC 14.5-3-2 Breeder Awards**
- e. **71 IAC 14.5-3-3 Stallion Owner Awards**

Michael Gross, Quarter Horse Breed Development Advisory Committee, presented the Quarter Horse program, which included five emergency rules. *Chairman Diener moved to approve the Quarter Horse Breed Development program for 2013 as amended. Commissioner Schaefer seconded. Motion passed 3-0. Chairman Diener moved to adopt the emergency rules. Motion passed unanimously.*

7. Consideration of emergency rule amendments regarding the Quarter Horse Breed Development program.

- a. **71 IAC 1.5-1-19 "Breeder" defined**
- b. **71 IAC 14.5-1-1 Indiana bred quarter horse**
- c. **71 IAC 14.5-3-2 Breeder awards**

The Commission unanimously passed all three emergency rules.

8. Presentation on the 2013 program by Thoroughbred Breed Development Advisory Committee.

Wendy Brown, Chairman of the Indiana Thoroughbred Breed Development Advisory Committee presented the committee's 2013 program. *Commissioner Schaefer moved to approve the Thoroughbred Advisory Committee budget for 2013. Commissioner Schenkel seconded. Motion passed 3-0.*

9. Presentation on the 2013 program by Standardbred Breed Development Advisory Board.

Scott Snyder, Indiana Standardbred Breed Development Advisory Committee, presented the committee's 2013 program. *Chairman Diener moved to approve the Standardbred Breed Development program for 2013. Commissioner Schaefer seconded. Motion passed 3-0.*

10. Presentation on the 2013 program by Standardbred Advisory Board.

Dwayne Rhule, chairman of the Standardbred Advisory Board, presented the board's 2013 budget. *Chairman Diener moved to approve the Standardbred Breed Development program for 2013. Commissioner Schenkel seconded. Motion passed 3-0.*

11. Consideration of emergency rule 71 IAC 13-1-3, *Information to be submitted with a registration.*

Chairman Diener moved to adopt the rule as an emergency rule. Commissioner Schaefer seconded. Motion passed 3-0.

12. Review of Commission Rulings – October 1, 2012 through January 31, 2013.

Executive Director Joe Gorajec presented the rulings.

13. Consideration of approving Robert “Bo” Hagemier an Administrative Law Judge.

Chairman Diener moved to approve Mr. Hagemier as an ALJ. Commissioner Schaefer seconded. Motion passed 3-0.

14. Consideration of emergency rules re: 71 IAC 8-1-1 and 71 IAC 8.5-1-1, *Medication.*

Mr. Gorajec and Dr. Angela Demaree, Equine Medical Director, presented the rule changes. *Chairman Diener moved to adopt the rule subject to the numbering being consistent with LSA's numbering requirements. Commissioner Schenkel seconded. Motion passed 3-0.*

15. Consideration of IBOP recommendation re: 71 IAC 8.5-3-5 and 71 IAC 8-4-5, Cost of Split Sample Testing.

Jim Hartman, Indiana Breeder and Owner Protection, Inc. presented the proposed rule change. Ms. Ellingwood and Mr. Gorajec also addressed the possible changes. *Chairman Diener and the commission instructed Staff to draft a rule that would have the commission reimburse a trainer in the event that the primary lab's results are not confirmed.*

16. Approval of Hoosier Park 2013 Standardbred racing official list pursuant to 71 IAC 3-1-2.1.

Mr. Gorajec recommended approval. *Commission approved 3-0.*

IV. Old Business
None

V. New Business

A. Next IHRC meeting tentatively set for April 5, 2013.

B. Chairman Diener addressed issues relating to ALJ Kathryn Hostetter, confirming that the Commission received no complaints regarding ALJ Hostetter's performance in the matter *IHRC Staff v. Janey Adams* while the case was pending before her.

VI. Adjournment

With no further business, Chairman Diener adjourned the meeting at 11:28 a.m.

Respectfully submitted,