

**KENTUCKY HORSE RACING COMMISSION**  
**MINUTES OF THE SPECIAL MEETING**

Date: September 25, 2018 at 1:30 PM

Place: United States Dressage Federation, 4051 Iron Works Parkway, Kentucky Horse Park, Lexington, KY 40511

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kerry Cauthen; Commissioner Kiki Courtelis; Commissioner Patrick A. Day; Commissioner Douglas A. Hendrickson; Commissioner Lesley Ann May Howard; Commissioner Kenneth Jackson; Commissioner Brereton Jones, Jr.; Commissioner Foster Northrop, DVM; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Leigh Powers, by proxy and on behalf of Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Jessica Burke, by proxy and on behalf of Secretary Terry Gill, Cabinet for Economic Development (arrived after Roll Call performed); and Acting Secretary K. Gail Russell, Public Protection Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel; Steve May, Director of Pari-Mutuel Wagering and Compliance; Mary Scollay, DVM, Equine Medical Director; and Barbara Borden, Chief State Steward

Others Participating: Tony Cotto, Executive Advisor, Public Protection Cabinet; Duncan Bell, Executive Assistant, Public Protection Cabinet; and Marty Maline, Executive Director, Kentucky Horseman’s Benevolent and Protective Association

| <i>AGENDA ITEM</i>                                                                                  | <i>TRANSCRIPT PAGE NUMBER(S)</i> | <i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>                                                                                                                                                                                                                                                                                    | <i>ACTION TAKEN</i>                                                                                               |
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| <b>I. Call to Order and Roll Call</b>                                                               | 4 – 5                            | Special Meeting called to order. Roll call was performed by Chairman Kling. A quorum was recognized.                                                                                                                                                                                                                                 | No action taken.                                                                                                  |
| <b>II. New Business<br/>Consider and vote upon regulation changes:<br/><br/>Tab 2 CH. 2 General</b> | 5 – 61<br><br>5 – 60             | Chairman Kling recommended, absent any objection, to combine KAR Title 810 Chapters 2 through 9 into one motion and requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed KAR 810 Chapters 2 through 9 to be filed as new regulations to replace the majority of the current | Chairman Kling called for a vote to approve the request as presented and with the amendments as discussed. Motion |

| AGENDA ITEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | TRANSCRIPT PAGE NUMBER(S) | DISCUSSION / CONCLUSIONS / RECOMMENDATIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | ACTION TAKEN                                      |
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| <p>a. 810 KAR 2-010 – Racing Commission and Administrative Staff</p> <p>b. 810 KAR 2-010 – Thoroughbred and Flat Racing Officials</p> <p>c. 810 KAR 2:030 – Chemical Dependency</p> <p>d. 810 KAR 2-040 – Stewards</p> <p>e. 810 KAR 2:050 – Judges and Standardbred Racing Officials</p> <p>f. 810 KAR 2:060 – Authorized Agents and Jockey Agents</p> <p>g. 810 KAR 2:070 – Thoroughbred and Other Flat Racing Associatinos</p> <p>h. 810 KAR 2:080 – Standardbred Racing Associations</p> <p>Tab 3 CH. 3 Licensing</p> <p>i. 810 KAR 3-010 – Licensing of Racing Associations</p> <p>j. 810 KAR 3-020 – Licensing of Racing Participants</p> <p>k. 810 KAR 3-030 – Licensing of Totalizator Companies</p> | <p>9</p> <p>52 – 54</p>   | <p>regulatory scheme. Motion by Commissioner Richardson. Second by Commissioner Northrop.</p> <p>Mr. Forgy presented the KHRC staff’s request as outlined in the agenda materials. Mr. Forgy noted that as part of Governor Bevin’s red tape reduction initiative, KHRC legal staff, KHRC division directors, stewards and judges conducted a comprehensive review of the regulations in their particular purview to determine which provisions could be improved, made clearer, were no longer necessary, or could be updated. In conjunction with Public Protection Cabinet (PPC) staff, the KHRC designed a new regulatory scheme that included repealing current regulations and creating new chapters organized by subject all under the existing KAR Title 810.</p> <p><b>Chairman Kling noted the arrival of Secretary Gill’s proxy, Jessica Burke.</b></p> <p>There was a lengthy discussion period, during which Mr. Forgy addressed questions.</p> <p>Prior to calling for a vote, Chairman Kling and Vice-Chairman Simendinger commended and thanked the KHRC and PPC staff for their hard work on the lengthy and complicated process of restructuring the KHRC’s regulatory scheme.</p> | <p>carried with no objections or abstentions.</p> |

| <i>AGENDA ITEM</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <i>TRANSCRIPT PAGE NUMBER(S)</i> | <i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i> | <i>ACTION TAKEN</i> |
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| <p><b>I. 810 KAR 3-040 – Advance Deposit Account Wagering</b></p> <p><b>m. 810 KAR 3-050 – Simulcast Facilities</b></p> <p><b>Tab 4 CH. 4 Flat and Steeplechase Racing</b></p> <p><b>n. 810 KAR 4:010 – Horses</b></p> <p><b>o. 810 KAR 4-020 – Weights</b></p> <p><b>p. 810 KAR 4-030 – Entries, Subscriptions, and Declarations</b></p> <p><b>q. 810 KAR 4-040 – Running of the Race</b></p> <p><b>r. 810 KAR 4-050 – Claiming Races</b></p> <p><b>s. 810 KAR 4-060 – Objections and Complaints</b></p> <p><b>t. 810 KAR 4-070 – Jockeys and Apprentices</b></p> <p><b>u. 810 KAR 4-080 – Steeplechase Racing</b></p> <p><b>v. 810 KAR 4-090 – Owners</b></p> <p><b>w. 810 KAR 4-100 – Trainers</b></p> |                                  |                                                   |                     |

| <b>AGENDA ITEM</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>TRANSCRIPT<br/>PAGE<br/>NUMBER(S)</b> | <b>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</b> | <b>ACTION TAKEN</b> |
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| <p><b>Tab 5 CH. 5</b><br/> <b>Standardbred Racing</b><br/>           <b>x. 810 KAR 5:010 –</b><br/> <b>Registration and Identification</b><br/> <b>of Horses</b><br/>           <b>y. 810 KAR 5:020 –</b><br/> <b>Eligibility and Classification</b><br/>           <b>z. 810 KAR 5-030 –</b><br/> <b>Claiming Races</b><br/>           <b>aa. 810 KAR 5-040 –</b><br/> <b>Farm, Corporate, or Stable</b><br/> <b>Name</b><br/>           <b>bb. 810 KAR 5-050 –</b><br/> <b>Stakes and Futurities</b><br/>           <b>cc. 810 KAR 5-060 –</b><br/> <b>Entries and Starters</b><br/>           <b>dd. 810 KAR 5-070 –</b><br/> <b>Running of the Race</b><br/>           <b>ee. 810 KAR 5-080 –</b><br/> <b>Harness Racing at County Fairs</b></p> <p><b>Tab 6 CH. 6 Pari-Mutuel</b><br/> <b>Wagering</b><br/>           <b>ff. 810 KAR 6-020 –</b><br/> <b>Calculation of Payouts and</b><br/> <b>Distribution of Pools</b></p> <p><b>Tab 7 – CH. 7 Incentive and</b><br/> <b>Development Funds</b><br/>           <b>gg. 810 KAR 7-010 –</b><br/> <b>Backside Improvement Fund</b></p> |                                          |                                                   |                     |

| <b>AGENDA ITEM</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>TRANSCRIPT<br/>PAGE<br/>NUMBER(S)</b> | <b>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</b> | <b>ACTION TAKEN</b> |
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| <p>hh. 810 KAR 7-020 –<br/>Kentucky Thoroughbred<br/>Breeders’ Incentive Fund</p> <p>ii. 810 KAR 7-030 –<br/>Kentucky Thoroughbred<br/>Development Fund</p> <p>jj. 810 KAR 7-040 –<br/>Kentucky Standardbred<br/>Development Fund and<br/>Kentucky Standardbred<br/>Breeders’ Incentive Fund</p> <p>kk. 810 KAR 7-060 –<br/>Kentucky Quarter Horse, Paint<br/>Horse, Appaloosa and Arabian<br/>Development Fund</p> <p>ll. 810 KAR 7-070 –<br/>Violations, Discipline, Disputes<br/>and Investigations</p> <p>Tab 8 CH. 8 Medication<br/>Guidelines</p> <p>nn. 810 KAR 8-010 –<br/>Medication; Testing Procedures;<br/>Prohibited Practices</p> <p>oo. 810 KAR 8-020 –<br/>Drug, Medication and<br/>Substance Classification<br/>Schedule and Withdrawal<br/>Guidelines</p> |                                          |                                                   |                     |

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| <p>pp. 810 KAR 8-030 –<br/>Disciplinary Measures and Penalties</p> <p>qq. 810 KAR 8-040 –<br/>Out of Competition Testing</p> <p>rr. 810 KAR 8-050 –<br/>International Medication Protocol as a Condition of a Race</p> <p>ss. 810 KAR 8-060 –<br/>Post-Race Sampling and Testing Procedures</p> <p>Tab 9 Hearing and Appeals</p> <p>tt. 810 KAR 9-010 –<br/>Hearings, Reviews and Appeals</p> <p>Tab 10<br/>Definitions</p> <p>Forms and other<br/>Materials Incorporated by<br/>Reference</p> <p>Repealers</p> |                                  |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                       |
| <p><b>III. Adjournment</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>60 – 61</p>                   | <p>Prior to requesting a motion to adjourn, Chairman Kling read a prepared statement announcing that the KHRC is entertaining new and renewal association licenses for 2019. Chairman Kling stated that the deadline for filing applications at the KHRC offices is October 1, 2018 as posted on the KHRC's website. Because multiple initial applications are anticipated, Chairman Kling assigned the Race</p> | <p>Chairman Kling called for a vote to adjourn. Motion carried with no objections or abstentions.</p> |

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|                    | 61 – 62                          | <p>Dates Committee to initiate a comprehensive review of all initial applications in order for the Commission to determine which, if any, of the applicants would best promote, develop, and improve the horse racing industry in Kentucky.</p> <p>With no other business to be presented, Chairman Kling requested a motion to adjourn the special meeting. Motion by Commissioner Cauthen. Second by Commissioner Jackson. Meeting adjourned.</p> |                     |

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.