

KENTUCKY HORSE RACING COMMISSION
MINUTES OF THE MEETING

Date: December 8, 2020 at 1:30 PM

Place: Via video conference from Kentucky Horse Racing Commission, Conference Room, 4063 Iron Works Parkway, Building B, Kentucky Horse Park, Lexington, Kentucky

Members Present: Chairman Jonathan Rabinowitz; Vice-Chairman Frank Jones, Jr.; Commissioner J. Gatewood Bell, Jr.; Commissioner Kerry T. Cauthen; Commissioner Naveed Chowhan, M.D.; Commissioner Douglas A. Hendrickson; Commissioner Kenneth A. Jackson; Commissioner Franklin S. Kling, Jr.; Commissioner Alan J. Leavitt; Commissioner Foster Northrop, DVM; Commissioner Charles O’Connor; Commissioner Tom Riddle, DVM; Commissioner Mark Simendinger; and Commissioner James Edwin Worley

Ex-officio Members Present: Secretary Kerry B. Harvey, Public Protection Cabinet; Charles Rowland, Executive Legal Advisor, on behalf of Interim Secretary Larry Hayes, Cabinet for Economic Development

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; Jennifer Wolsing, General Counsel; Chad Thompson, Deputy General Counsel; Bruce Howard, DVM, Equine Medical Director; Nicholas Smith, DVM, Chief Racing Veterinarian; Barbara Borden, Chief State Steward; Waqas Ahmed, Director, Pari-mutuel Wagering and Compliance; Susan Nash, Executive Administrative Secretary

Others Participating: Mr. Richard Riedel, Executive Director, Kentucky Racing Health & Welfare Fund

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
I. Call to Order and Roll Call	4 – 5	Chairman Rabinowitz called the meeting of the Kentucky Horse Racing Commission (KHRC) to order and performed the roll call. A quorum was recognized.	No action taken.
II. New Business Tab 1 Minutes from October 20, 2020	5 – 45 5 – 7	Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the proposed minutes of the KHRC meeting of October 20, 2020. Motion by Commissioner Bell. Second by Commissioner Northrop.	Chairman Rabinowitz called for a vote to approve the proposed minutes of the October 20, 2020 KHRC meeting

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		<p>Ms. Eads presented the proposed minutes as set out in the agenda materials. Commissioner Simendinger noted incorrect references to the “Race Dates” Committee in Tab 8 and requested the proposed minutes be amended to correctly reference the “Rules” Committee.</p> <p>Approval of the proposed minutes, as amended, was recommended by KHRC staff.</p>	<p>as amended as referenced by Commissioner Simendinger. Motion carried with no abstentions or objections.</p>
<p>Tab 2 2021 Meeting Schedule and Calendar</p>	<p>7 – 8</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the proposed KHRC meeting dates and calendar for 2021. Motion by Vice-Chairman Jones. Second by Commissioner O’Connor.</p> <p>Ms. Nash presented the KHRC staff’s request as outlined in the agenda materials.</p> <p>Approval of the 2021 meeting schedule and calendar was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the KHRC meeting dates for 2021 as presented. Motion carried with no objections or abstentions.</p>
<p>Tab 3 2021 Kentucky Sire Stakes Purse Distributions, Stallion Bonus Program and Race Dates</p>	<p>8 – 11</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request of the Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders Incentive Fund Advisory Panel (Advisory Panel) to approve the proposed 2021 Kentucky Sire Stakes and Kentucky County Fair’s distribution, stallion bonus program, and related market expenditures. Motion by Commissioner Worley. Second by Commissioner Leavitt.</p> <p>Ms. Eads presented the Advisory Panel’s request as outlined in the agenda materials. At its September 23, 2020 meeting, the Advisory Panel approved the proposed recommendation as presented.</p> <p>Approval of the Advisory Panel’s recommendation was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendations of the Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders Incentive Fund advisory panel’s proposed 2021 Kentucky Sire Stakes and the Kentucky County Fair’s purse distribution, stallion bonus program</p>

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			and related marketing expenditures up to \$150,000, all as presented. Motion carried with no objections or abstentions.
<p>Tab 4 Kentucky County Fairs: Release of Uncashed Ticket Money for Purse Distributions</p>	11 – 12	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the KHRC staff to approve the transfer of the fiscal year 2020 standardbred unclaimed pari-mutuel ticket fund to the Kentucky County Fairs for distribution as 2021 harness racing purses. Motion by Commissioner Hendrickson. Second by Commissioner Northrop.</p> <p>Ms. Eads presented the KHRC staff’s recommendation as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the transfer of approximately \$50,000 from the 2020 standardbred unclaimed pari-mutuel ticket fund to the Kentucky county fairs for distribution as 2021 harness racing purses as required by KRS 230.398. Motion carried with no objections or abstentions.</p>
<p>Tab 5 Transfer of Funds to the Kentucky Racing Health & Welfare Fund</p>	13 – 16	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Kentucky Racing Health & Welfare Fund (KRHWF) to approve transfer of fiscal year 2020 thoroughbred unclaimed pari-mutuel ticket fund to the KRHWF. Motion by Vice-Chairman Jones. Second by Commissioner Northrop.</p> <p>Ms. Eads presented the KRHWF’s request dated October 26, 2020 as outlined in the agenda materials.</p>	<p>Chairman Rabinowitz called for a vote to approve the transfer of approximately \$1,968,447, less any claims in advertising from the fiscal 2020 thoroughbred unclaimed pari-mutuel ticket fund</p>

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	14 – 15	<p>Mr. Riedel addressed the Commission members.</p> <p>Approval of the KRHWF’s request was recommended by KHRC staff.</p>	<p>to the KRHWF as required by KRS 230.374. Motion carried with no objections or abstentions.</p>
<p>Tab 6 Requested Approval of Advance Deposit Account Wagering Licenses for 2021</p>	16 – 18	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the 2021 Renewal License Applications to Conduct Advance Deposit Account Wagering. Motion by Commissioner Simendinger. Second by Commissioner O’Connor.</p> <p>Mr. Ahmed presented the KHRC staff’s request as outlined in the agenda materials.</p> <p>Approval of all the ADW license applications for calendar year 2021 was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve 2021 Renewal License Applications to Conduct Advance Deposit Account Wagering submitted by AmWest Entertainment, LLC, eBet Technologies, Inc., Lien Games Racing, LLC, NYRA Bets, LLC, ODS Technologies LP d/b/a TVG Network, Churchill Downs Technology Initiatives Company d/b/a Twin Spires, WatchandWager.com, LLC, and Xpressbet, LLC as presented. Motion carried with no objections or abstentions.</p>
<p>Tab 7 Requested Approval of Totalizator Licenses for 2021</p>	18 – 20	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the 2021 Renewal License Applications to Provide Totalizator Services.</p>	<p>Chairman Rabinowitz called for a vote to approve the 2021 Renewal License</p>

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		<p>Motion by Commissioner Kling. Second by Commissioner Simendinger.</p> <p>Mr. Ahmed presented KHRC staff's request as outlined in the agenda materials.</p> <p>Approval of all three (3) totalizator license applications for calendar year 2021 was recommended by KHRC staff.</p>	<p>Applications to Provide Totalizator Services submitted by AmTote International, Inc., Sportech Racing, LLC, and United Tote Company as presented. Motion carried with no objections or abstentions.</p>
<p>Tab 8 Ratification of Executive Director Approval of Oak Grove's Revised 2020 Race Dates</p>	<p>20 – 24</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address ratification of the Executive Director's conditional approval of the request submitted by WKY Development, LLC, to amend section R of its 2020 Application for License to Conduct Live Horse Racing, Simulcasting and Pari-mutuel Wagering. Motion by Vice-Chairman Jones. Second by Commissioner O'Connor.</p> <p>Ms. Wolsing presented the request by WKY Development, LLC dated October 22, 2020 as outlined in the agenda materials.</p> <p>Ratification of the Executive Director's conditional approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to ratify the Executive Director's conditional approval of WKY Development LLC d/b/a Oak Grove Racing, Gaming and Hotel to amend section R of its 2020 License Application to Conduct Live Horse Racing, Simulcasting and Pari-mutuel Wagering as presented. Motion carried with no objections or abstentions.</p>
<p>Tab 9 Ratification of Executive Director Approval of Request for Churchill Downs to Convert Noncontiguous Track</p>	<p>24 – 27</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the ratification of the Executive Director's conditional approval of the request submitted by Churchill Downs Racetrack, LLC to convert its noncontiguous track extension facility located at</p>	<p>Chairman Rabinowitz called for a vote to ratify the Executive Director's conditional approval of the request submitted by</p>

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Extension Facility into Simulcast Facility		<p>the Louisville Thoroughbred Society into a simulcast facility. Motion by Commissioner Hendrickson. Second by Commissioner Jackson.</p> <p>Mr. Thompson presented the request by Churchill Downs Racetrack, LLC as outlined in the agenda materials. By letter dated October 21, 2020, the Executive Director conditionally approved the request to ensure the facility's timely opening and operation.</p> <p>Ratification of the Executive Director's conditional approval was recommended by KHRC staff.</p>	<p>Churchill Downs Racetrack, LLC to convert its noncontiguous track facility located at the Louisville Thoroughbred Society into a simulcast facility as presented. Motion carried with no objections or abstentions.</p>
Tab 10 Turfway Park's Request to Modify Race Dates for the 2021 Winter Spring Meet	27 – 30	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Turfway Park, LLC to amend section R of its 2021 Application for a License to Conduct Live Horse Racing, Simulcasting, and Pari-mutuel Wagering. Motion by Commissioner Simendinger. Second by Commissioner O'Connor.</p> <p>Mr. Thompson presented the request by Turfway Park, LLC dated November 17, 2020 as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve Turfway Park, LLC's request to amend section R of its 2021 Application for a License to Conduct Live Horse Racing, Simulcasting, and Pari-mutuel Wagering as presented. Motion carried with no objections or abstentions.</p>

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Tab 11 Proposed Amendments to 811 KAR 2:120	30 – 34	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed amendments to 811 KAR 2:120 regarding the Kentucky Horse Breeders’ Incentive Fund (KHBIF). Motion by Commissioner Kling. Second by Commissioner Cauthen.</p> <p>Ms. Wolsing presented the request by KHRC staff as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC.</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed amendments to 811 KAR 2:120 as presented. Motion carried with no objections or abstentions.</p>
Tab 12 Proposed Withdrawal Requirements for Administration of Clenbuterol	<p>34 – 44 34 – 36</p> <p>36 – 38</p> <p>38 – 40</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation request submitted by the Equine Drug Research Council (EDRC) to amend 810 KAR 8:010, 810 KAR 8:020, and 810 KAR 8:040 regarding the KHRC’s regulatory treatment of Clenbuterol. Motion by Commissioner Bell. Second by Commissioner O’Connor.</p> <p>Ms. Wolsing presented the recommendation request approved by the EDRC at its December 1, 2020 meeting, as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p> <p>Commissioner Leavitt addressed the Commission in opposition to the proposed amendments as related to harness racing.</p> <p>Commissioner Northrop addressed the Commission in support of the proposed amendments.</p>	<p>Chairman Rabinowitz called for a vote to approve the Commission’s staff proposed amendments to 810 KAR 8:010, 810 KAR 8:020, and 810 KAR 8:040 as presented. Motion carried with one objection by Commissioner Leavitt and no abstentions.</p>

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	40 – 41 41 – 42 42 43	Commissioner Jackson addressed the Commission in support of the proposed amendments. Commissioner Cauthen addressed the Commission in support of the proposed amendments. Commissioner Leavitt reiterated his opposition to the proposed amendments. Dr. Howard addressed the Commission in support of the proposed amendments.	
N/A	44 – 45	Secretary Harvey noted his arrival at the meeting.	No action taken. Informational only.
Tab 13 Reports a. Thoroughbred Rulings b. Standardbred Rulings c. Veterinary Division Report d. Pari-Mutuel Wagering Division Report e. Litigation and Regulations	45 – 50 45 45 – 46 46 – 48 48 – 50 50	a. Ms. Borden presented the thoroughbred rulings reports as outlined in the agenda materials. b. Mr. Guilfoil presented the Standardbred rulings report as outlined in the agenda materials. c. Drs. Smith and Howard presented the veterinary division reports as outlined in the agenda materials. d. Mr. Ahmed presented the pari-mutuel wagering division report as outlined in the agenda materials. e. Litigation and Regulation report is for informational purposes only.	No action taken. Informational items only.

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<p>III. Executive Session During the meeting on December 8, 2020, the Commission will go into closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation</p>	<p>50 – 52 50 – 51 51 – 52</p>	<p>Chairman Rabinowitz requested a motion from the Commission to convene in closed session to discuss proposed or pending litigation against or on behalf of the agency as permitted by KRS Chapter 61.810(1)(c). Motion by Commissioner Chowhan. Second by Commissioner O’Connor.</p> <p style="text-align: center;"><u>EXECUTIVE SESSION</u></p> <p>Chairman Rabinowitz requested a motion from the Commission to reconvene in open session. Motion by Vice-Chairman Jones. Second by Commissioner Northrop.</p> <p style="text-align: center;"><u>RECONVENED TO OPEN SESSION</u></p>	<p>Chairman Rabinowitz called for a vote for the Commission to convene in closed session. Motion carried with no objections or abstentions.</p> <p>Chairman Rabinowitz called for a vote for the Commission to reconvene in open session. Motion carried with no objections or abstentions.</p>
<p>IV. Adjournment</p>	<p>65 – 66</p>	<p>With no other business, Chairman Rabinowitz requested a motion to adjourn the December 8, 2020 meeting. Motion by Commissioner Cauthen. Second by Commissioner O’Connor.</p> <p>Meeting adjourned.</p>	<p>Chairman Rabinowitz called for a vote to adjourn. Motion carried with no objections or abstentions.</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.