

KENTUCKY HORSE RACING COMMISSION
MINUTES OF THE MEETING

Date: August 16, 2022 at 1:30 PM

Place: Via video conference from the American Saddlebred Museum, 4083 Iron Works Parkway Lexington, Kentucky

Members Present: Chairman Jonathan Rabinowitz; Vice-Chairman Frank Jones, Jr.; Commissioner Tiffany Daniels, D.C.; Commissioner Michael F. Dudgeon; Commissioner James D. Gates, Jr.; Commissioner Lesley Howard; Commissioner William L.S. Landes; Commissioner William H. May; Commissioner Charles O'Connor; Commissioner Catherine Parke; and Commissioner C. Frank Shoop

Ex-officio Members Present: Secretary Ray Perry, Public Protection Cabinet; Secretary Mike Berry, Tourism, Arts & Heritage Cabinet; Angelica Vega on behalf of Secretary, Jeff Noel, Cabinet for Economic Development

KHRC Staff Participating/Present: Jamie Eads, Interim Executive Director; Jennifer Wolsing, General Counsel; Shan Dutta, Deputy General Counsel; Drew Conners, Incentives and Development Director; Waqas Ahmed, Director, Pari-Mutuel Wagering and Compliance; Barbara Borden, Chief State Steward; Bruce Howard, DVM, Equine Medical Director; Nick Smith, DVM, Chief Racing Veterinarian; Joanna Ricci, Executive Administrative Secretary

<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.

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<p>II. New Business Tab 1 Meeting Minutes from June 21, 2022 and July 26, 2022</p>	<p>5 – 19 5 – 7</p>	<p>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 June 21, 2022 and KHRC special meeting of July 26, 2022. Motion by Commissioner Gates. Second by Commissioner Shoop.</p> <p>Commissioner Landes requested clarification on page 6 of the June 21st Revolutionary Racing Presentation. The proposed change was to refer to Mr. Worley, as Mr. Preston Worley. This was to avoid confusion with Commissioner Ed Worley.</p> <p>Ms. Eads presented the proposed minutes, as outlined in the meeting materials and with the addition from Commissioner Landes.</p> <p>Chairman Rabinowitz inquired if there were any other changes or suggestions.</p> <p>Secretary Berry commented that under ex-officio members present, that the representative for Tourism, Arts & Heritage was B.R. Masters.</p> <p>Approval of the proposed minutes was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed minutes of the June 21, 2022 and July 26, 2022 KHRC special meeting as presented. Motion carried with no objections or abstentions.</p>
<p>Tab 2 Kentucky Downs LLC's Request to Transfer \$1 Million of KTDF to Keeneland's 2022 Fall Meet</p>	<p>7 – 9</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee to approve Kentucky Downs LLC's request to transfer \$1 million of KTDF funds to Keeneland Association, Inc.'s 2022 fall race meet circuit as set forth in the meeting materials. Motion by Commissioner Shoop. Second by Commissioner O'Connor.</p>	<p>Chairman Rabinowitz called for a vote to approve Kentucky Downs LLC's to transfer \$1 million of KTDF funds to Keeneland Association, Inc.'s 2022 fall race meet and to further enhance</p>

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		<p>Mr. Conners presented Kentucky Downs LLC’s request dated July 20, 2022, as outlined in the meeting materials. The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Approval was recommended by KHRC Staff and KTDF Advisory Committee.</p>	<p>the overall Kentucky racing circuit. Motion carried with no objections or abstentions.</p>
<p>Tab 3 Kentucky Downs LLC’s 2022 Amended KTDF Purse Allotment Request</p>	<p>9 – 12</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee to approve Kentucky Downs LLC’s amended KTDF purse allotment request as set forth in the meeting materials. Motion by Commissioner O’Connor. Second by Commissioner Parke and Commissioner Landes.</p> <p>Mr. Conners presented Kentucky Downs LLC’s request dated July 29, 2022, to amend their initial KTDF Purse Allotment Request to include additional KTDF funding on two of their stake’s races and their two claiming races for their upcoming September meet. Mr. Conners made note of an error in the second paragraph of the memo. The materials should have read the following; Kentucky Downs was proposing to raise their claiming races from \$50,000 to \$70,000 with an additional 10 percent or \$7,000 in KTDF offered for those races. In addition, they requested to increase their KTDF purse on 2 of their stake’s races, the Franklin-Simpson and the Mint Ladies Sprint on September 10, from \$300,000 to \$450,000 of KTDF, if a Grade 1 or Group 1 stakes winner starts in those races.</p> <p>The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Approval was recommended by KHRC Staff and KTDF Advisory Committee.</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendation of the KTDF Advisory Committee to approve Kentucky Downs LLC’s amended KTDF purse allotment request. Motion carried with no objections or abstentions.</p>

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<p>Tab 4 Churchill Downs Racetrack LLC’s 2022 September Meet Purse Allotment Request</p>	<p>12 – 14</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee to approve Churchill Downs Racetrack LLC’s 2022 September Meet KTDF purse allotment request as set forth in the meeting materials. Motion by Commissioner Shoop. Second by Commissioner O’Connor.</p> <p>Mr. Connors presented Churchill Downs Racetrack LLC’s request dated July 29, 2022, proposed KTDF purses in the range of \$2.8 million - \$3.8 million for their September Meet. Projections were based on their current KTDF balance of \$3.2 million at the end of July 2022, with an additional earning projection of \$2.4 million by the end of September with HHR wagering at Derby City Gaming LLC being the primary driver. Churchill Downs will pay out KTDF purses through last place to KTDF eligible horses.</p> <p>The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Approval was recommended by KHRC Staff and KTDF Advisory Committee.</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendation of the KTDF Advisory Committee to approve Churchill Downs Racetrack LLC’s 2022 September Meet KTDF purse allotment request. Motion carried with no objections or abstentions.</p>
<p>Tab 5 Keeneland Association, Inc.’s 2022 Fall Meet Purse Allotment Request</p>	<p>14 – 16</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee to approve Keeneland Association, Inc.’s 2022 Fall Meet KTDF purse allotment request as set forth in the meeting materials. Motion by Commissioner O’Connor. Second by Commissioner Dudgeon.</p> <p>Mr. Connors presented Keeneland Association Inc.’s initial request dated July 29, 2022, proposed KTDF purses for \$4,962,200. After the</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendation of the KTDF Advisory Committee to approve Keeneland Association, Inc.’s 2022 Fall Meet KTDF purse allotment</p>

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		<p>KTDF meeting it was advised that Keeneland Association, Inc. incorporated additional funding to up to eight Breeders' Cup undercard races. An amendment was submitted by Keeneland Association, Inc. on August 5, 2022, increasing their proposed KTDF purses by \$260,000 for a total of \$5,222,200 in KTDF purses. Projections are based on daily earnings of \$13,833 per day, their current KTDF earned balance of \$1.2 million, KRM/OG earnings of \$2.6 million and \$1 million transferred from Kentucky Downs. Keeneland will pay out KTDF purses through last place to eligible KTDF horses.</p> <p>The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Approval was recommended by KHRC Staff and KTDF Advisory Committee.</p>	<p>request. Motion carried with no objections or abstentions.</p>
<p>Tab 6 Churchill Downs Racetrack LLC's Proposed 2022 September and Fall Race Meet Officials and Date Preference System</p>	<p>16 – 18</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Churchill Downs Racetrack LLC to approve the proposed 2022 September and Fall Race Meet officials and date preference system. Motion by Commissioner Dudgeon. Second by Commissioner Daniels.</p> <p>Ms. Borden presented the request by Churchill Downs Racetrack LLC dated July 20, 2022, as outlined in the meeting materials. All officials have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the beginning of the meet.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve Churchill Downs Racetrack LLC's proposed 2022 September and Fall Race Meet officials and date preference system. Motion carried with no objections or abstentions.</p>

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<p>Tab 7 Keeneland Association Inc.'s Proposed 2022 Fall Race Meet Officials and Date Preference System</p>	<p>18 – 19</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Keeneland Association Inc. to approve the proposed 2022 Fall Race Meet officials and date preference system. Motion by Commissioner Dudgeon. Second by Commissioner Daniels.</p> <p>Ms. Borden presented the request by Keeneland Association Inc. dated July 25, 2022, as outlined in the meeting materials. All officials have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the beginning of the meet.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve Keeneland Association Inc.'s proposed 2022 Fall Race Meet officials and date preference system. Motion carried with no objections or abstentions.</p>
<p>Tab 8 Reports a. Thoroughbred Rulings b. Standardbred Ruling Report</p>	<p>19 – 26 19 – 20 20 – 21</p>	<p>a. Ms. Borden presented the thoroughbred rulings reports as outlined in the meeting materials.</p> <p>b. Ms. Eads presented the standardbred rulings report as outlined in the meeting materials.</p> <p>Updates were made to the Standardbred Ruling Report. On page 25, ruling J2022-008 was paid earlier that day, August 16, 2022. Additionally, ruling J2022-012 was still unpaid. The judges had trouble contacting him. The judges got in contact and have required him to pay no later than Monday, August 22, 2022.</p> <p>Ms. Eads addressed an inquiry made by Commissioner Landes.</p>	<p>No action taken. Informational items only.</p>

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<p>c. Veterinary Division Report</p> <p>d. Pari-Mutuel Wagering Division Report</p> <p>e. Litigation (Informational only)</p>	<p>21 – 23</p> <p>23 - 26</p>	<p>c. Dr. Smith presented the veterinary report for Churchill Downs' Spring Meet as outlined in the meeting materials.</p> <p>Dr. Smith addressed an inquiry made by Commissioner O'Connor</p> <p>Dr. Howard presented the fatalities report 2007 to present as outlined in the meeting materials.</p> <p>d. Mr. Ahmed presented the pari-mutuel wagering division reports as outlined in the meeting materials.</p> <p>e. Litigation and Regulation report is for informational purposes only.</p>	
<p>III. Executive Session</p> <p>During the meeting on August 16, 2022, the Commission will go into closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation (CONFIDENTIAL)</p>	<p>26 – 28</p> <p>27 – 28</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 Landes. 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 Commissioner Shoop. Second by Commissioner O'Connor.</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>

