



**Delaware Thoroughbred Racing Commission
Minutes of Meeting Held On
January 11, 2017**

The Delaware Thoroughbred Racing Commission held a meeting on
Wednesday, January 11, 2017 at 11:15 a.m., in the Conference Room 1,
at the Delaware Department of Agriculture,
2320 South duPont Highway, Dover, Delaware, 19901

The following Commission members were present:

W. Duncan Patterson, Jr., Chairman
Edward Stegemeier, Commissioner
Henry Decker, Commissioner
Richard Levine Esq., Commissioner

The following individuals also were present:

John F. Wayne, DTRC, Executive Director
Andrew Kerber, Esq., Deputy Attorney General
Ed Kee, Secretary of Agriculture, Delaware Department of Agriculture
Austin Short, Delaware Department of Agriculture, Deputy Secretary of Agriculture
Kevin DeLucia, Sr. Vice President & CFO, Racing-Administration, Delaware Park
Chris Sobocinski, Delaware Park, Racing Information Coordinator
John Mooney, Delaware Park, Executive Director of Racing
Bessie Gruwell, Executive Director, DTHA
Jeff Ganc, Delaware Park, Assistant Director of Security
Francis Swift, DTRC, Inspector
Susan Botts, V.M.D, Chief Commission Veterinarian
Janet Ritchey, DTHA
Tom LaMarra, THA
Molly Church, DTRC, Administrative Asst. (recording minutes)

1. WELCOME & CALL TO ORDER

At approximately 11:24 A.M., Chairman Patterson called the meeting to order.

2. APPROVAL OF MINUTES (NOVEMBER 16, 2016)

Before the approval of the minutes, Chairman Patterson informed the Commission that Commissioner Killeen would not be present at the meeting due to an illness in her family. Chairman Patterson extended his well wishes for a speedy recovery through this difficult time on behalf of the Commission. Upon a motion duly made (Levine) and seconded (Decker) the minutes for November 16, 2016 were approved.

3. OLD BUSINESS

A. Publishing of Proposed Rule 14.19.1 and 14.20 Multiple Disqualifications and Dead Heats

Mr. Andrew Kerber presented the proposed rule changes for Rules 14.19.1 and 14.20. Rule 14.19.1 states:

Should the stewards determine that there is more than one incident of interference in a race where disqualification is warranted, the stewards shall deal with the incidents in the order in which the incident occurs during the race from start to finish, except in the case where the same horses are involved in multiple incidents. Once a horse has been disqualified, it should remain placed behind the horse with which it interfered. The stewards shall make a conscious effort to place and maintain as placed, every and all horses placed behind others for interference.

Rule 14.20 states:

- (A) When two horses run a dead heat for first place, all purses or prizes to which first and second horses would have been entitled shall be divided equally between them; and this applies in dividing all purses or prizes whatever the number of horses running a dead heat and whatever places for which the dead heat is run.
- (B) In a dead heat for first place, each horse involved shall be deemed a winner and liable to penalty for the amount it shall receive.
- (C) When a dead heat is run for second place and an objection is made to the winner of the race, and sustained, the horses which ran a dead heat shall be deemed to have run a dead heat for first place.
- (D) If the dividing owners cannot agree as to which of them is to have a cup or other prize which cannot be divided, the question shall be determined by lot by the stewards.

Mr. Kerber relayed to the commission that these changes are ready to be published.

Mr. Kerber pointed to another rule in the DTRC rules, Rule 15.17.1.1.

This rule states:

With respect to nandrolone, boldenone, stanozolol and testosterone in fillies, mares, and geldings (testosterone and nandrolone in intact male horse samples are treated separately in 15.17.1.2).

Mr. Kerber suggested a motion to remove the mention of the substance Stanozolol, which has been a banned substance for several years. Mr. Wayne stated that this was a typo and should not have been in the rules as Stanozolol was banned from use as this substance can only be manufactured by compounding labs its efficacy is not assured. Commissioner Decker made the motion to remove this part of the rule, and was seconded by Commissioner Levine. The vote was unanimous.

4. NEW BUSINESS

A. Live Racing Schedule and Approval of 2017 Live Racing License

Chairman Patterson presented a letter from Mr. Kevin DeLucia, requesting the approval of 81 live racing days, to commence on Saturday, June 3, 2017 and conclude on Saturday, October 21, 2017. The meet will consist of racing four days per week on Mondays, Wednesdays, Thursdays, and Saturdays.

Chairman Patterson asked Mr. DeLucia why racing won't begin on Preakness Day like it has in previous years. Mr. DeLucia answered that starting the meet past Memorial Day would be the best option, because in the past, they have had trouble filling races in the month of May due to horse supply reasons.

Commissioner Decker asked Mr. DeLucia to give a review of racing in 2016. Mr. DeLucia answered that the handle and revenue was down 10% from 2016. As the meet went on, however, they did not have as much trouble filling cards and towards the end of the meet, they could have used an extra week in October, which is part of the reason for the changes in the 2017 calendar.

Mr. Mooney said that Delaware Park had more horses in 2016 than it had at any time in the past 5 years. The stable count was close to 1,200 horses.

Mr. DeLucia explained that wagering fell off around the month of October, even though the field sizes were better for that month. He believes this is due to the increasing interest of other sports in the fall.

Ms. Bessie Gruwell said that part of the loss in wagering could also be due to the fact that Delaware Park's signal was not shown at Stronach Group racetracks. Mr. Mooney explained that competition with Kentucky Downs also played a big factor in the decrease. He stated that 2016 was the first time Delaware Park had turf races that were not getting entries.

B. Report from Chairman Patterson- ARCI – Drug Testing Standards and Practices (DTSP) Committee Meeting

Chairman Patterson explained that the DTSP Committee Meeting involved many different medications, most of which were downgraded by level of penalty associated with that classification.

In certain states, the Multiple Medication Violation system was not adopted because it did not provide any latitude/discretion for the stewards while assigning penalty days. The adoption of the system among the states is very low (30% of jurisdictions) as opposed to the Uniform Medication Program which is very high (90% of jurisdictions). Modifications were made to the Multiple Medication Violation system to get more jurisdictions to adopt it. These modifications were made in reference to penalties and classifications of some of the medications.

Out of Competition testing rules were discussed at the DTSP Committee Meeting as well. This list was expanded to include more prohibited medications. Any horse that tests positive for anabolic steroids is automatically banned from racing for 6 months. Chairman Patterson recommended that Delaware adopts this new rule, which can be found on the ARCI or the THA websites.

Mr. Wayne added that the DTRC was one of the first jurisdictions to conduct out of competition testing starting in 2005. During 2016, 1,785 horses were tested, 201 of which were for Out of Competition Testing which constitutes approximately 11.6 %. Mr. Wayne reported that to his knowledge, Delaware was among the highest jurisdictions percentage wise on OC and that those numbers were comparable to what they are doing in Hong Kong and some European countries. He stated that this aggressive OCT policy is supported by Delaware Park, and that the program serves as an effective deterrent.

Mr. Wayne also provided a video of Chairman Patterson's comments from the floor at the Symposium, commending the work performed by their newly appointed Safety Steward, Mr. Reese Howard and discussing the ethical treatment of Delaware's horses. Chairman Patterson explained that his comments were to set the record straight about the ethical treatment of horses as opposed to the assertions made by PETA. Chairman Patterson went on to state that catastrophic breakdowns do take place, but it is the job of the Commission to assure that the thoroughbreds are treated with the utmost care and respect.

Chairman Patterson also spoke about ways to attract new bettors. He discussed his visit to Canterbury Downs, where a new and younger crowd is being introduced to racing. He said that with new entertainment, events, and more competitive betting, Delaware Park may also be able to attract the same type of crowd.

Chairman Patterson also explained that the Jockey Club has proposed federal regulation, which gives USADA (U.S. Anti-Doping Agency) powers similar to those that the Commission has. ARCI hosted 15 or so town hall meetings across the country during 2016. The total consensus presented that there was very little support for USADA taking over. Chairman Patterson explained that he, too, could not fully support USADA having these powers. There was talk of creating a national compact instead. It was agreed that the NTRA would attempt to reach a compromise between the USADA legislation and the compact.

After this discussion, Mr. Kerber asked for a motion to approve the 81 live racing days. The motion was made by Commissioner Decker and seconded by Commissioner Levine. The vote was unanimous.

5. REPORT FROM DTRC EXECUTIVE DIRECTOR

A. Summary of Activities Report for November-December 2016

	<u>November-December 2016</u>	<u>Year-To-Date</u>
Number of Persons Fingerprinted	1	91
Fingerprint Fees Collected	\$79.00	\$7,189.00
DTRC Licenses Issued	160	5,629
Fines & Appeal Fees Collected	\$2,150.00	\$22,415.00
License Fees Collected	\$7,730.00	\$169,350.00

Other Statistics During August

ARCI National Surveys answered	7
Contacts from Police Agencies	11
Contacts from Video Lottery Enforcement	5
Freedom of Information Act Request for Info	0
National Racing Compact Reviews	0
National Racing Compact Applications Rec'd	122
Contacts from Racing Industry Groups	11
Contacts from other Racing Commissions	47
Contacts from other Race Associations	22
Contacts from the General Public	3
Contacts from Horsemen	16
Media Contacts	1
Contacts from Racing Officials Accreditation Program (ROAP)	14

After reviewing these statistics with the Commission, Mr. Wayne relayed that there are about 90-95 people getting licensed each day in the licensing office, most of which are Delaware Park personnel.

Mr. Wayne also added that about 2 years ago, Mr. Fasy asked Mr. Wayne to send security incident reports to the Thoroughbred Racing Protective Bureau (TRPB) on behalf of Delaware Park. Mr. Wayne reported that during 2016, 475 incident reports were reviewed and re-classified for retrieval before being forwarded to the TRPB for storage in their file information system. TRPB has over several million references to investigations and incident reports stored in their compendium of files.

6. REPORT FROM DTRC CHIEF COMMISSION VETERINARIAN-HEALTH REPORT AND INFORMATION

Dr. Susan Botts explained that things were quiet for the time between November and December due to the backside closing on December 31st. She commended Ms. Margie Stallings, stall superintendent, for enforcing the need for vaccinations to be current. Ms. Stallings reports are updated frequently and they remind trainers and veterinarians when vaccinations are due. This is very important as we read about incidents of Equine Herpes Virus outbreaks in Louisiana and how it has affected their business and ability to provide full fields. Dr. Botts explained that other racing commissions were looking to emulate Ms. Stallings's system.

7. REPORT FROM DELAWARE THOROUGHBRED HORSEMEN'S ASSOCIATION

A. Delaware Certified Thoroughbred Program's Report

Ms. Bessie Gruwell presented the statistics for the Delaware Certified Thoroughbred Program. She explained that December saw a big influx of Delaware Certified horses. Between October and December of 2016, there were 131 total applications, 38 of which were weanlings and 93 were yearlings. This brings the total number of weanlings to 55 and yearlings to 170 for the entire year, with a grand total of 225 Delaware certified horses. The bonus amount for December 2016 was \$1,870.00 for the month. The total for 2016 in bonuses was \$698,816.24.

The monthly balance for December was \$1,870.00 with \$91.33 interest, which brings the yearly balance to \$358,904.73. This amount is significantly higher than it has been in the past. After a Delaware Certified Thoroughbred Program Meeting, it has been decided that the DTHA will continue with their 50% bonus (25% owner, 25% certifier) for 2017. The open stakes bonus was also increased by an additional \$10,000 for any Delaware Certified horse that wins an open stakes race. Any Delaware Certified horse that runs on one of the 2 open stakes races on Owners Day (The George Rosenberger Memorial and the DTHA Governors Day Stakes) is also now eligible to win an extra \$50,000 in purse money. The 2 Owners Day races (Tax Free Shopping Distaff and the Newcastle) will be \$100,000. The 2 2-year old races will remain at \$75,000. These increases will help with building incentive for owners to get their horses Delaware Certified and to enter the races. 2016 showed 204 starters and 631 starts. There were 73 firsts, 86 seconds, and 93 thirds.

8. PUBLIC COMMENT

Janet Ritchey spoke about Workmen's Compensation issues at the racetrack. There was a claim against her policy from someone who was not on her payroll. An exercise rider was seriously injured and there were three trainers charged even though they did not know this person. The trainer who actually employed this person had provided workmen's compensation that stated that he had no employees. Mrs. Ritchey is seeking a solution for instances such as this when the employer fraudulently claims they have no one working for them. Arrangements were made for Mrs. Ritchey to speak with Mr. Wayne and the investigator about this issue.

Commissioner Decker took this time to thank everyone for their support of the Commission throughout his 18 years of serving. He made a motion to commend a number of people and groups who support the Commission, including Delaware Park personnel, the DTHA, and the Commission staff including Mr. Wayne for their hard work, commitment, and dedication. This motion was seconded by Commissioner Stegemeier and the vote was unanimous.

Mr. Kee presented the Commission with a certificate on behalf of Governor Jack Markell for good work in protecting the integrity of Thoroughbred and Arabian horses in Delaware. Mr. Kee expressed his gratitude to the Commission during his term.

9. EXECUTIVE SESSION

Upon a motion duly made (Decker) and seconded (Levine), public session was moved to executive session at approximately 12:35 P.M.

10. ADJOURNMENT

Upon a motion duly made (Decker) and seconded (Levine) executive session was moved back to public session. Public session was adjourned at approximately 1:58 P.M.

Bessie's DCTP Report Nov. 16, 2016
Yearly Stats and Amounts

2016	DCTP Applications	Weanlings	Yearlings	Total
	Jan - Mar	1	20	21
	Apr - Jun	2	24	26
	July - Sept	14	33	47
	Oct - Dec	38	93	131
	Total Applications	55	170	225
2015	DCTP Applications	Weanlings	Yearlings	Totals
	Jan - Mar	0	15	15
	Apr - Jun	0	28	28
	Jul - Sept	14	40	54
	Oct - Dec	33	65	98
	Total Applications	47	148	195
2014	DCTP Applications	Weanlings	Yearlings	Totals
	Jan - Mar	0	27	27
	Apr - Jun	4	39	43
	Jul - Sept	19	49	68
	Oct - Dec	30	58	88
	Total Applications	53	173	226
2013	DCTP Applications	Weanlings	Yearlings	Totals
	Jan - Mar	2	15	17
	Apr - Jun	1	35	36
	July - Sept	8	32	40
	Oct - Dec	50	84	134
	Total Applications	61	166	227

Total Applications to date 3888
Total 2 Yr olds for 2016 - 201

Bessie's DCTP Report Nov. 16, 2016
Yearly Stats and Amounts

2015	Certifier Amount	Owner Amount	Total for Month
May	\$ 40,420.00	\$ 40,420.00	\$ 80,840.00
June	\$ 106,880.00	\$ 106,880.00	\$ 213,760.00
July	\$ 76,345.00	\$ 76,345.00	\$ 152,690.00
August	\$ 92,220.00	\$ 92,220.00	\$ 184,440.00
Sept	\$ 131,407.50	\$ 78,157.50	\$ 209,565.00
Oct	\$ 49,727.50	\$ 49,727.50	\$ 99,455.00
Dec (DQ ruling)	\$ 2,500.00	\$ 2,500.00	\$ 5,000.00
	\$ 499,500.00	\$ 446,250.00	\$ 945,750.00

2016	Certifier Amount	Owner Amount	Total for Month
May	\$ 30,335.00	\$ 30,335.00	\$ 60,670.00
June	\$ 63,418.75	\$ 63,418.75	\$ 126,837.50
July	\$ 63,065.00	\$ 63,065.00	\$ 126,130.00
August	\$ 76,995.00	\$ 76,995.00	\$ 153,990.00
Sept	\$ 100,686.87	\$ 47,436.87	\$ 148,123.74
Oct	\$ 40,597.50	\$ 40,597.50	\$ 81,195.00
Dec (Correction)	\$ 935.00	\$ 935.00	\$ 1,870.00
	\$ 376,033.12	\$ 322,783.12	\$ 698,816.24
		Total	\$ 698,816.24

Delaware Certified Special Acct -Monthly Balance - 2016

	Transactions	Balance
Oct Bonus	\$ (81,195.00)	\$ 360,441.72
Oct Interest	\$ 140.00	\$ 360,581.72
Nov interest	\$ 101.68	\$ 360,683.40
Dec (Correction)	\$ 1,870.00	\$ 358,813.40
Dec interest	\$ 91.33	\$ 358,904.73

Total Applications to date 3888
Total 2 Yr olds for 2016 - 201

Bessie's DCTP Report Oct 2016

Yearly Stats and Amounts

Year	# of Starters	# of Starts	1st	2nd	3rd	25% Cert	25% Owner	Totals
Oct								
2016	204	631	73	86	93	\$ 376,033.12	\$ 322,783.12	\$ 698,816.24
2015	240	709	97	106	115	\$ 446,250.00	\$ 499,500.00	\$ 945,750.00
2014	271	779	105	105	112	\$ 478,120.75	\$ 531,371.57	\$ 1,009,492.32
2013	270	713	97	99	102	\$ 416,504.00	\$ 470,722.00	\$ 887,226.00
2012	318	943	138	140	146	\$ 437,340.00	\$ 409,503.00	\$ 846,843.00
2011	414	1331	166	189	181	\$ 715,099.86	\$ 773,251.86	\$ 1,488,351.72
2010	364	1150	142	180	146	\$ 705,631.25	\$ 778,203.75	\$ 1,483,835.00
2009	287	922	105	120	121	\$ 511,810.00	\$ 584,382.50	\$ 1,096,192.50
2008	210	690	94	82	109	\$ 367,963.60	\$ 433,265.20	\$ 801,228.80
2007	271	608	90	87	102	\$ 331,809.00	\$ 355,609.00	\$ 687,418.00
2006	139	476	68	61	72	\$ 201,286.80	\$ 214,936.80	\$ 416,223.60
2005	99	366	52	49	53	\$ 179,690.00	\$ 193,340.00	\$ 373,030.00
2004	56	134	20	19	19	\$ 44,947.00	\$ 44,947.00	\$ 89,894.00
2003	9	17	7	3	2	\$ 13,505.00	\$ 13,505.00	\$ 27,010.00
								\$ 10,851,311.18