Colorado Racing Commission February 8, 2022 Meeting Minutes

Call to Order

The regularly scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, February 8, 2022 via video conference provided by Zoom. The meeting was called to order at 9:32 AM.

Members Present

David Lynn Hoffman, Chair Tina Estes, Vice Chair Sandra Bowen, Member Lori Scott DVM, Member Tameka Sampson, Member

Staff Present

Donia Amick, Director of the Division of Racing Events Ed Kulp, Agent in Charge Zach Ceriani, Policy and Regulatory Analyst Sarah Killeen, Assistant Attorney General Suzanne Karrer, Communications Manager for Enforcement Division Janina Rivera, Executive Assistant to Division Director

1. Approval of Minutes for November 9, 2021

Minutes approved for November 9, 2021

DECISION ITEM

2. Consideration and approval of return of certain funds to the Greyhound Adoption Fund

Director Amick discussed that the Division received a late application from Friends of Retired Greyhounds for 28 dogs in the amount of \$7,368.42 and requested funding for the dogs.

Motion made by Commissioner Sampson to approve and release the requested amount to the Friends of Retired Greyhounds. Second made by Commissioner Scott.

Motion passed unanimously.

3. Consideration and approval of release of Owners/Breeders Awards Funds

Director Amick presented the Owners'/Breeders' Awards and Supplemental Purse Fund money to be distributed to the various breed organizations is summarized for the calendar year 2021 as follows:

Thoroughbred		\$549,902.16
Quarter Horse		\$98,218.35
Arabian		\$28 <i>,</i> 946.63
Paint		\$0.00
Appaloosa		\$0.00
Harness		\$25,310.56
Mule		\$0.00
TOTAL		\$702,377.70
Earned from wagering in 2021	\$649,982.47	
Earned from 2020 uncashed tickets	\$116,589.28	
Interest in 2021	\$40.95	
Less: Bank Fees 2021	(\$4,235.00)	
TOTAL OWNERS' & BREEDERS' FUND	\$762,377.70	

Motion made by Commissioner Estes to approve and release the amount in the Owners'/Breeders' Awards and Supplemental Purse Fund money. Second made by Commissioner Sampson.

Motion passed unanimously.

DISCUSSION ITEMS

4. 2022 Live Season Information

Director Amick discussed the memorandum received from Bally's at Arapahoe Park that provided the racing dates below:

Dates:	Saturday June 4, 2022 through Monday September 5, 2022
Post Time:	1:00 pm Saturday & Sunday, 4:00 pm Monday
Number of Races:	7-8 per day
Number of Days:	42 race days
Horses In:	Wednesday May 4, 2022

No application has been received and dates are not approved until a full application has been submitted, reviewed and approved.

5. Sunset Review summary and explanation

Director Amick introduced Saul Larsen who is a Policy Analyst with the Colorado Office of Policy, Research & Regulatory Reform (COPRRR) within the Department of Regulatory Agencies (DORA). Mr. Larsen will be conducting the Division's review.

Mr. Larsen explained that there are three phases to a sunset review which are:

- The General Assembly sets review date
- COPRRR reviews on set date
- Report produced of findings and recommendations
 - The program has its regulation terminated or
 - The program continues its regulation as approved
- 6. Fixed Odd Wagering stakeholder meeting and information

Director Amick mentioned that the Division of Gaming has come out with draft rules for fixed odds wagering. They will be hosting a stakeholder workshop on Friday 2.11.22, if anyone would like to attend.

7. SB22-17 Gross Receipts Of Out-of-state Pari-mutuel Bets

Director Amick mentioned that the Division received a request to add SB22-17 to the agenda. Given the current pending status of the legislation, the Division cannot comment on it but will allow participants and Commissioners the time to speak.

Bruce Seymore, Director of Bally's at Arapahoe Park, commented that this is a clarification of language only and nothing else should be affected by the change.

Jim Mulvihill, Interim Director of the Colorado Horseracing Association (CHA), asked why it was proposed if nothing would be affected.

Bruce Seymore, Director of Bally's Arapahoe Park, reiterated that it is only a language clarification/change..

Chair Hoffman suggested that he would be willing to schedule a meeting with Mr. Seymour and Mr. Mulvihill to better understand this pending legislation and help answer any questions about it.

OTHER:

8. Director's Report

Director Amick commented that the Division is looking at going back to in-person commission meetings. Staff is still remote but will go back to the office at some point. Track staff will be looking to go out to the track by early to mid-April, if the tentative opening is still in May.

9. Public Comment

No public comments made.

Adjournment

The February 8, 2022 meeting of the Colorado Racing Commission was adjourned at 10:30 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>8th</u> day of <u>March</u>, 2022

Colorado Racing Commission March 8, 2022 Meeting Minutes

Call to Order

The regularly scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, March 8, 2022 via video conference provided by Zoom. The meeting was called to order at 9:30 AM.

Members Present

David Lynn Hoffman, Chair Tina Estes, Vice Chair Sandra Bowen, Member Lori Scott DVM, Member Tameka Sampson, Member

Staff Present

Donia Amick, Director of the Division of Racing Events Ed Kulp, Agent in Charge Zach Ceriani, Policy and Regulatory Analyst Sarah Killeen, Assistant Attorney General Suzanne Karrer, Communications Manager for Enforcement Division Janina Rivera, Executive Assistant to Division Director

1. Approval of Minutes for February 8, 2022

Minutes approved for February 8, 2022

DECISION ITEMS

2. Approval of Settlement Stipulation and Agreement IMO Licensee Jose Marquez-Gandara

Zach Ceriani, Policy and Regulatory Analyst, explained the medication violation was for NSAID Stacking, Class B. The Licensee and Division came to an agreement which was a 15 day suspension during the upcoming live racing season and fine of five hundred dollars (\$500.00).

A motion made by Commissioner Scott to approve the Settlement Stipulation and Agreement regarding Licensee, Jose Marquez-Gandara. A second motion made by Commissioner Estes.

Motion passed unanimously.

Zach Ceriani, Policy and Regulatory Analyst, asked the Commission to grant a Commissioner authority to sign on behalf of the Commissioners once the ruling paperwork was complete.

Motion made by Commissioner Sampson to grant a Commissioner authority to sign on behalf of the Commissioners once the ruling is complete. Second made by Commissioner Scott. Chair Hoffman was granted the authority by motion.

Motion passed unanimously.

DISCUSSION ITEMS

3. Board and Commissions Meeting updates

Director Amick discussed the notice from Governor Jared Polis stating that effective February 21, 2022, Boards and Commissions may resume in-person meetings. The Division will offer remote virtual attendance for future Commission meetings.

<u>OTHER</u>

4. Director's Report

Director Amick added that next month's Commission meeting date changed from the 12th to the 19th of the month.

5. Public Comment

Jim Mulvihill, Interim Director of the Colorado Horseracing Association (CHA), requested if he could get an update from the track regarding the upcoming racing season dates.

Bruce Seymore, Director of Bally's Arapahoe Park, noted that he had submitted an application for a live racing season which included 2 options.

- A. Starts June 4th with 42 days
- B. Starts August 8th with 30 days

Director Amick mentioned that the track's application will be reviewed at next month's Commission meeting if it was completed.

Jim Mulvihill, Interim Director of the Colorado Horseracing Association (CHA), requested that an emergency meeting be held regarding the application. The requested was noted.

Adjournment

The March 8, 2022 meeting of the Colorado Racing Commission was adjourned at 10:04 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>19th</u> day of <u>April</u>, 2022

Colorado Racing Commission April 19, 2022 Meeting Minutes

Call to Order

The regularly scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, April 19, 2022 via video conference provided by Zoom and in person at the RED ROCKS conference room. The meeting was called to order at 9:50 AM.

Members Present

David Lynn Hoffman, Chair (Remote) Tina Estes, Vice Chair (Remote) Sandra Bowen, Member (In-person) Lori Scott DVM, Member (In-person) Tameka Sampson, Member (Remote)

Staff Present

Donia Amick, Director of the Division of Racing Events Ed Kulp, Agent in Charge Zach Ceriani, Policy Analyst Suzanne Karrer, Communications Supervisor for the Specialized Business Group Sarah Killeen, Assistant Attorney General Janina Rivera, Executive Assistant to Division Director

1. Approval of Minutes for March 8, 2022

Minutes approved for March 8, 2022.

DECISION ITEMS

2. Consideration of approval of 2022/2023 simulcast schedule for Arapahoe Park

Motion to table item 2 Consideration of approval of 2022/2023 simulcast schedule for Arapahoe Park to first consider item 3 Consideration of approval of 2022 meet application for Arapahoe Park made by Commissioner Scott with a second by Commissioner Bowen.

Motion passed unanimously.

3. Consideration of approval of 2022 meet application for Arapahoe Park

Ed Kulp, AIC discussed the renewal application which included the following:

• Barn area to open on June 3rd, 2022

- Racing will commence racing on July 3rd, 2022 and ending October 4th, 2022
- Arapahoe Park will be sending its live signal to twelve in-state facilities
- The out of state live signal contracts are being negotiated at this time.
- Out of state Simulcast will be seven (7) days a week during both live and non-live race days
- Proposed Wagering Format includes:

	Minimum	Commission %	
WPS	\$2.00	19%	
Qu, Ex, Tri	\$2.00 straight, \$1.00 box/wheel	24%	
DD	\$2.00 straight, \$1.00 wheel	24%	
Super	\$1.00 straight, \$0.10 box/wheel	25%	
Pick 3, Pick 4	\$2.00 straight, \$1.00 wheel	25%	
Jackpot Pick 5	\$2.00 straight, \$1.00 wheel	25%	

• Corporate structure

• Mile High USA, Inc. was organized as a corporation under the laws of the State of Delaware. The company is a wholly owned subsidiary of Bally's Corporation.

Mile High USA, Inc. owns 100% of Racing Associates of Colorado, d.b.a. Arapahoe Park Racetrack in Aurora, Colorado. Racing Associates of Colorado was organized as a limited partnership under the laws of the state of Colorado on March 8, 1991.

• 2022 Racing Officials (* Indicates returning Racing Official)

Executive Director of Racing Operations CO Plant Superintendent Director of Racing/Asst. GM Asst. Racing Secretary Mutuel Manager Association Steward Placing Judge Security	Bruce Seymore* William Byers* Shannon Rushton* TBD Gil Romero* Jeff Williams TBD Jim Weimer – Stable area* Gil Romero – Public area*
Paddock Judge/Identifier	Paula Rodgers*
Starter	Shawn Demoney*
Clerk of Scales	David Vobach*
Outrider	Shawna Whiteside*
Track Superintendent	William Byers*

Horsemen's Bookkeeper Handicapper	Kathy Passey* David Vobach*
Clockers	Brandie Flanders*
	Mark Flanders*
Announcer	Jonathan Horowitz*
Dir. of Simulcast Operations	Gil Romero*
Money Room Manager	George Chittivej*
Cert. EMT/First Aid	Stadium Ambulance Service / Arapahoe County Sheriff

• Financial Statements

 The Division has received the consolidated financial statements for Mile High USA, Inc., d.b.a. Racing Associates of Colorado Ltd. for Arapahoe Park's 2022 renewal license application.

• Other Required Exhibits

- An insurance binder for the on-track accident coverage for jockeys will need to be submitted.
- o Waypoint Analytical performed a soil analysis on January 6, 2022.
- A current copy of proof of adequate public liability insurance to protect the public was provided with the application packet but will need to be verified by the division.
- A current certified fire inspection report for Arapahoe Park was submitted. No significant issues were reported. Any subsequent fire inspection reports must be submitted to the Division when issued.
- A current certified health and sanitation report for Arapahoe Park and all in-state simulcast facilities has been received, and any changes shall be submitted as requested.
- o The Division will release purse funds from the Escrow Account, as requested by the Arapahoe Park at Ballys and approved by the Colorado Horsemen's Association, throughout the race meet to satisfy purse money owed. The division will be auditing all funds to ensure all funds used for the 2022 season or returned to the purse trust account.
- Copies of the most recent contracts between the Association and their service providers of the video patrol, photo finish and totalisator services, products, and materials have been provided for the conducting of its 2022 race meet.
- o A copy of the Horsemen's Contract with the Colorado Horse Racing Association and

Arapahoe Park was provided with the application. The contract is effective as of April 21, 2019, and shall remain effective through and including April 20, 2025.

• Follow up on the CRC End of Meet Recommendations from 2021 Race meet

REQUIREMENTS AND CHANGES REGARDING THE RACETRACK, BACKSIDE AND GRANDSTANDS:

- Keep bathrooms clean and stocked on the backside.
- Conduct preventative maintenance on electrical outlets and overhead light fixtures in all barns.
- Fix broken locks on tack rooms throughout the backside.
- Ensure hot water is available in all barns.
- Provide more efficient and tighter gate security to the backside, and secure entry and exit logs.

REQUIREMENTS FOR THE TEST BARN:

- The walking surface should continue to have dirt and ground rubber added at the beginning and throughout the race season.
- Dirt needs to be added to the inside of the testing stalls to fill in existing holes.
- The wash rack area needs to be resurfaced.

REQUIREMENTS FOR THE RACING OFFICE:

- The Racing Office will ensure that only authorized persons are allowed behind the counter during entries. All access points to the racing office restricted areas will be equipped with locking devices during entries. The Racing Secretary will ensure that all visitors to the office will be escorted.
- The Racing Facilitator will continue to train and supervise the racing office staff in the proofing of the entries.

REQUIREMENTS CONCERNING THE SECURITY DEPARTMENT:

- Arapahoe Park's security will be responsible for managing the security of the stable gate, the stable/barn area backside, the Division's test barn, and the grandstand areas.
- Arapahoe Park's Security will attend training from the Division enforcement personnel and other sources that management deems necessary to enforce CRC Rules and policies for the admittance of horses into the Stable Area and to provide a safe environment for the

licensees and patrons.

- Arapahoe Park will continue to employ an off-duty Sheriff's Deputy during live race days.
- The Arapahoe Sheriff's Office will conduct random patrols of the backside during evenings/nights.
- Arapahoe Park will provide a radio for the Stewards' office during training hours to help them monitor the training activities on the racetrack including workouts, removal of horses from the Stewards' list, and the qualifying of licensees for exercising and ponying horses.
- Arapahoe Park's Security will provide the Division's Agent in Charge with copies of all reports taken during the 2022 meet. Security will secure the gates to the backside at 8:00 P.M. daily and the entry and exit logs will be secured in a locked area.

Motion made by Commissioner Scott to approve the 2022 race meet application for Arapahoe Park with a second made by Commissioner Estes.

Motion passed unanimously.

2. Consideration of approval of 2022/2023 simulcast schedule for Arapahoe Park

Director Amick discussed the simulcast request starting April 21, 2022 through April 22, 2023.

Motion made by Commissioner Bowen to approve the 2022/2023 simulcast schedule for Arapahoe Park with a second made by Commissioner Scott.

Motion passed unanimously.

4. Consideration of approval for distribution of Greyhound and Welfare adoption fund

Director Amick discussed the request for approval which included three applications and amounts from the following:

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Motion made by Commissioner Estes with a second made by Commissioner Bowen to approve the distribution of Greyhound and Welfare adoption funds in the amounts provided above.

Motion passed unanimously.

RULEMAKING HEARING

5. <u>Scheduled Rulemaking Hearing – In the matter of various proposed new, amended rules for the</u> <u>Colorado Racing Commission Rules, 1 CCR 208-1</u>

Zach Ceriani, Policy Analyst discussed the proposed new, amended rule as listed below:

• **3.306** - A person required to be licensed in Colorado must have the license validated for the current meet before being granted the privileges of the racetrack or simulcast facility. To obtain validation the person must have an animal at the racetrack or show proof of gainful employment at the racetrack or simulcast facility and must complete a validation form. *The Commission may require that validation forms for certain license types are accompanied by additional documentation.* Falsification of the validation form shall constitute grounds for discipline.

Motion made by Commissioner Estes with a second made by Commissioner Scott to move 3.306 to the adoption group.

Zach Ceriani, Policy Analyst discussed the next proposed new, amended rule as listed below:

- **5.423** Split samples obtained in accordance with rule #5.420 above shall be secured and made available for further testing in accordance with the following procedures:
- 1. A split sample shall be secured in the test barn under the same manner as the portion of the specimen acquired for shipment to a primary laboratory until such time as specimens are packed and secured for shipment to the primary laboratory. Split samples shall then be transferred to a freezer or refrigerator at a secure location approved by the Commission.
- 2. A freezer *or refrigerator* for storage of split samples shall be equipped with two hasps or other devices to provide for use of two independent locks. One lock shall be the property of the Commission and one lock shall be the property of a representative of the group representing a majority of the horsemen at a race meeting. The locks shall be closed and locked so as to prevent access to the freezer *or refrigerator* at all times except as specifically provided by these rules.

a. The locks may be opened and remain open up to two (2) hours before and up to two (2) hours after a live racing performance, provided that the Division veterinarian or other Division staff is present in the room the freezer or refrigerator is located or the door to that room is locked.

- 3. A freezer *or refrigerator* for storage of split samples shall be opened only for depositing or removing split samples, for inventory, or for checking the condition of samples.
- 4. When a freezer or refrigerator used for storage of split samples is opened, it shall be attended by both a representative of the Commission and the owner, trainer or designee. A log shall be maintained that shall be used each time a split sample freezer or refrigerator is opened to specify each person in attendance, the purpose for opening the freezer or refrigerator, identification of split samples deposited or removed, the date and time the freezer or

refrigerator was opened, and the time the freezer *or refrigerator* was closed and to verify that both locks were secured prior to and after opening of the freezer *or refrigerator*.

• 5. Any evidence of a malfunction of a split sample freezer *or refrigerator* or samples *stored in a freezer* that are not in a frozen condition during storage shall be documented in the log and immediately reported to the Division veterinarian or a designated Commission representative.

Motion made by Commissioner Scott with a second made by Commissioner Bowen to move 5.423 to the adoption group.

Motion made to approve all the rules in the adoption group made by Commissioner Sampson with a second by Commissioner Estes.

Motion passed unanimously.

DISCUSSION ITEMS:

6. Update on consensus for 2022 meet and purse

Director Amick discussed the report received by the Thoroughbred Racing Protective Bureau (TRPB). Executive Summary will be presented by Sarah Killeen, AAG. She added that the Division, Bally's Arapahoe Park Racetrack and Colorado Horseman Association (CHA) met on Friday and all have agreed to go forward with the past methodology the track used from the 2021 season for the 2022 racing season.

Director Amick mentioned that the Division will hold stakeholder meetings starting after July 1, 2022 to discuss and change the statutes and methodologies going forward.

Sarah Killeen, AAG discussed the report and how difficult it is to read. She also mentioned that the report is incomplete. She said the current statute is hard to follow nor has it been amended to follow the industry standards. She said that the statutes equations have not been followed throughout the years. She also said that Bally's Arapahoe Park Petition for Declaratory Order Regarding Colorado Division of Racing's Re-Interpretation of C.R.S. § 44-32-702 has been withdrawn. And lastly, the racing bill title Definition of Gross Receipts that is currently pending within the finance committee will be pulled by Arapahoe Park.

OTHER:

7. Director's Report

Director Amick mentioned the letter that was sent to the Commission from Rocky Mountain Quarterhorse Association (RMQHA).

She said required licensing appointments will be required

She asked everyone to get validated and all have vehicles registered before the 2022 racing season starts. She said all these tasks can be done online at the Division of Racings website.

Zach Ceriani, Policy Analyst mentioned that the Horseracing Integrity and Safety Act is now live and has all material online. The Division will be asking for the HISA federal registration number as well. The applicable Division of Racing applications will require the number and have the link on the forms.

Shannon Ruston, Director of Racing at Bally's Arapahoe Park had a question as to how many other jurisdictions have signed a voluntary implementation agreement with the Horseracing Integrity and Safety Authority (HISA). Director Amick mentioned that she did talk with HISA last week and this number is unknown at this time.

Shannon Ruston, Director of Racing at Bally's Arapahoe Park expressed a concern that the Division was intending to agree to the voluntary implementation agreement right away. Chair Hoffman raised a question as to whether the Division or Commission would be the party to sign the agreement. Director Amick said the Division is currently doing an analysis on these questions and having discussions with HISA to make the determination.

8. Public Comment

No public comments.

Adjournment

The April 19, 2022 meeting of the Colorado Racing Commission was adjourned at 11:30 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>14th</u>day of <u>June</u>, 2022

Colorado Racing Commission June 14, 2022 Meeting Minutes

Call to Order

The regularly scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, June 14, 2022 via video conference provided by Zoom. The meeting was called to order at 9:30 AM.

<u>Members Present</u> David Lynn Hoffman, Chair Tina Estes, Vice Chair Sandra Bowen, Member Lori Scott DVM, Member Tameka Sampson, Member

<u>Staff Present</u> Ed Kulp, Agent in Charge Zach Ceriani, Policy and Regulatory Analyst Sarah Killeen, Assistant Attorney General Suzanne Karrer, Communications Manager for Enforcement Division Janina Rivera, Executive Assistant to Division Director

1. Approval of Minutes for April 19, 2022

Minutes approved for April 19, 2022

DECISION ITEMS

2. Consideration for approval of Early Release Request of Breeders Fund - CO. Thoroughbred Breeders Association

Chair Hoffman presented the request made by The Colorado Thoroughbred Breeders Association in the amount of ninety thousand dollars (\$90,000.00).

A motion made by Commissioner Estes to approve the Early Release of Breeders Fund - CO. Thoroughbred Breeders Association. A second motion made by Commissioner Scott. Motion passed unanimously.

3. Update on Two Pending Civil Actions on Appeal: (1) *Kemper v. Colorado Racing Commission*, COA 21CA1182, and (2) *Pena v. Colorado Racing Commission*, COA 21CA1184

EXECUTIVE SESSION ENTERED AT 9:40 A.M.

RETURNED FROM EXECUTIVE SESSION AT 9:52 A.M.

OPEN SESSION

4. Sports Betting and Fixed Odds

Director of Gaming Dan Hartman discussed the four stakeholders meetings regarding Fixed Odds Racing and that this would reside with the Division of Gaming under Sports Betting. This would not be by statute but by regulation. Rule 5.4 includes consensus by Racing Commissions, the host and receiving track, and the host and receiving horsemen's group. This rule 5.4 will expire eighteen (18) months from the approval date. Consensus can be withdrawn anytime by all or one of the groups. Director Hartman is asking for the Racing Commissions consent to move forward with Fixed Odds Racing. Currently working on getting consent from the horsemen, racetrack as well other out of state Commissions, horsemen associations and horse tracks.

Commissioner Estes asked if any of the profits will go to the purse funds?

Director Hartman responded yes; he believes it will drive purse money up.

Commissioner Scott asked if it is legal to do fixed odds on your phone and in person betting?

Director Hartman responded yes; in Colorado they can do both.

Jim Mulvilhill, Interim Director of the Colorado Horseracing Association (CHA) asked if the Division concerns have been addressed based on Director Amick's concerns noting that she nor her supervisor is on the call?

Ed Kulp, AIC responded that the Division sees no issues or concerns once all involved parties come to a mutual agreement.

A motion made by Chair Hoffman to approve Sports Betting and Fixed Odds Racing and to have AAG Sarah Killeen draft a letter of the Commission's consent to Director Hartman, Division of Gaming. Also, with periodic updates from Director Hartman. A second motion made by Commissioner Sampson.

Motion passed unanimously.

5. ADW Funds Jockey's Insurance

Bruce Seymore, Executive Director of Mile High Racing & Entertainment requested to use half of one hundred sixty-three thousand eight hundred dollars (\$163,800) from ADW funds to pay for the Jockey's insurance for the 2022 live meet.

Sarah Killeen, AAG mentioned rule 6.114 states the Director can release funds for limited purposes.

Zach Ceriani, Policy Advisor mentioned by statute the Director can redirect ADW funds to the purse fund once the Division budget is full. The Commission can pass rules that dictate the use of the funds. Mr. Ceriani presented two options. One being, the Commission can interpret continuity of care as jockey insurance or the Commission can change a rule that's in the best interest in the racing industry.

Sarah Killeen, AAG mentioned rule 6.102 which allows the commission in its discretion to waive or set aside or modify any rule contained if such modification is in the best interest of the state and in the sport of racing. The Commission can also set a time frame of the modification.

Commission Estes wanted to know if the Jockey's requested the increase and why are they not helping to pay for this?

Shannon Rushton, CHA Member, responded that it was due to a jockey by the name of Anne Von Rosen who was injured at Turf Paradise 3 years ago. At that time the Jockeys' Guild requested the insurance be five hundred thousand dollars (\$500,000) per occurrence. When the injured jockey's bills surpassed the five hundred thousand dollars (\$500,000) they started requesting insurance be one million dollars (\$1,000,000.00) per occurrence. Currently only three companies are willing to cover these riders and this was the cheapest quote they received.

Commissioner Sampson asked if we don't use the ADW money what happens to it?

Bruce Seymore, Executive Director of Mile High Racing & Entertainment responded it goes back to the purse fund.

Jim Mulvilhill, Interim Director of the Colorado Horseracing Association (CHA) commented that the board approved this request already.

A motion made by Chair Hoffman to modify under rule 6.102 to include Jockey's Insurance to be paid using ADW funds for Racing season 2022. A second motion made by Commissioner Estes.

Motion passed unanimously.

<u>OTHER</u>

6. Horseracing Integrity and Safety Authority (HISA) Update/Public Comment

Shannon Rushton, Colorado Horseman Association Executive Director (CHA), provided an update on Horseracing Integrity and Safety Authority (HISA). They have a booklet with all the requirements that are being provided to the riders. Informing all trainers that horses need to be registered with HISA. Mr. Rushton mentioned that there have been 3 court filings against HISA and 2 have already lost. He presented that Commission with a question on what their thoughts are on a horse is a horse? He believes any horse that races at Bally's is a horse regardless of breed.

Howie Chavers, Vice President of Rocky Mountain Quarter Horse Association spoke to the HISA's directors and how they do not have any rules or regulations for other breeds besides Thoroughbreds and they would like to implement all breeds in about 3 years. Mr. Chavers expressed his concerns regarding HISA's shoeing rule specifically prohibiting traction devices and how detrimental this will be to the industry.

Tami Dotter mentioned according to HISA that the local law enforcement is going to enforce the rules and regulations and if the local authorities are aware of this?

Zach Ceriani, Policy Advisor responded that "we" are the authorities and have investigators to follow the new rules and regulations.

Ed Kulp, AIC and staff are currently helping licensees register for HISA.

Bruce Seymore, Executive Director of Mile High Racing & Entertainment talked about the emergency rules from 2020 regarding COVID and if the Commission is going to try to enforce these rules currently?

Zach Ceriani, Policy Advisor informed Mr. Seymore that all emergency rules expire after 120 days and those rules are no longer applicable.

Adjournment

The June 14, 2022 meeting of the Colorado Racing Commission was adjourned at 11:20 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>17th</u> day of <u>August</u>, 2022

Colorado Racing Commission August 17, 2022 Meeting Minutes

Call to Order

The regular scheduled meeting of the Colorado Racing Commission ("Commission") was held on Wednesday, August 17, 2022 via video conference provided by Zoom and in person in the Directors Room at Bally's Arapahoe Park Horse Track. The meeting was called to order at 9:40 AM.

Members Present

David Lynn Hoffman, Chair (In-person) Tina Estes, Vice Chair (Remote) Sandra Bowen, Member (In-person)

Staff Present

Donia Amick, Director of the Division of Racing Events Janina Rivera, Executive Assistant to Division Director Sarah Killeen, Assistant Attorney General Zach Ceriani, Policy Analyst Ed Kulp, Agent in Charge Suzanne Karrer, Communications Supervisor for the Specialized Business Group

Motion to move agenda item 3, Annual Commissioner Training to after agenda item 5, Protocol and Procedures.

Motion made by Commissioner Bowen to move agenda item 3, Annual Commissioner Training, to follow agenda item 5, Protocol and Procedures with Racing Commission and Staff, with a second made by Commissioner Estes.

Motion passed unanimously.

1. Approval of 6.14.2022 Minutes

Minutes approved for June 14, 2022.

DISCUSSION ITEMS

2 Presentation of HISA update information

Sarah Killeen, AAG provided an overview of the Horseracing Integrity and Safety Act (HISA). She stated it was implemented into law in December of 2021 and is Federally mandated. She said HISA only applies

to Thoroughbred horses with the option for other breeds to join. The HISA safety rules went into effect in July of this year and the medication violation rules are still being drafted. Several lawsuits have been filed against HISA with the majority of them being dismissed. Currently, Louisiana and West Virginia have filed a lawsuit against HISA which the Division and AG is monitoring.

Chair Hoffman asked what powers does HISA have?

Sarah Killeen, AAG responded that the authority granted by the HISA statute is to regulate horseracing nationally that are involved in interstate commerce.

Chair Hoffman asked about the HISA rule-making process?

Sarah Killeen, AAG responded that the federal Administrative Procedure Act (APA) provides a comment period. HISA published the safety rules for 15 days.

4 Advanced Deposit Wagering (ADW) Memorandum

Zach Ceriani, Policy Analyst explained an ADW is an Advance Deposit Wagering facility. By Colorado law, an ADW is located outside of Colorado but takes wagers on races from Colorado residents. facility. Each ADW pays a licensing fee that can be up to ten percent of "gross receipts of all pari-mutuel wagering by Colorado residents conducted by the [ADW]." §44-32-501(1)(d), C.R.S. The current fee is five percent, which means that ADWs pay five percent of the handle they receive from Colorado bettors in fees.

The licensing fee is called a "source market fee" or "SMF." Source market fees are collected by the director and credited to the Racing Cash Fund to pay the direct and indirect costs of administering the Racing Statute. §§ 44-32-706(2) and (3). The Department of Revenue Budget Unit works with the Division and the Joint Budget Committee to determine the Division's budget – or appropriation – for the next fiscal year, which runs from July 1 to June 30. The 2022-2023 appropriation was approximately \$1.8M.

State law caps the revenue the Division can collect based on the appropriation. Because the SMF owed by statute have historically exceeded the appropriation, the legislature empowered the Director with the ability – but not the requirement – to direct the ADWs to pay the SMF to the purse trust instead of the Racing Cash Fund. § 44-32-202(2)(h)(II), C.R.S. This ability may only be exercised "if the director determines that such an allocation is necessary to maintain a sufficient and competitive purse structure." Id. Otherwise, the only alternative is to refund the SMF back to the ADWs.

Once the SMF has been placed into the purse trust, the director may also authorize the release of the ADW funds "as otherwise authorized by rules of the commission." § 44-32-702(1)(f)(II), C.R.S. Rule 6.114 permits the use of SMF money "for the limited purposes of ensuring the continuity of racing operations or Capital Improvements to the licensed racing facility." CRCR 6.114.

ADW handle statistics are reported to the Division within a few days of the start of the month. A Division employee sends each ADW a notice which states the amount that is owed and the account (Racing Cash Fund vs. Purse Trust) that the funds are to be deposited into.

Chair Hoffman asked who can bet with an ADW?

Zach Ceriani, Policy Analyst responded that any Colorado resident can bet with an ADW.

Chair Hoffman asked to explain cash funding

Director Amick responded that cash funding is funding that comes from licensing fees or source market fees.

Bruce Seymore, Executive Director of Mile High Racing & Entertainment agreed with the majority of what Mr. Ceriani said. He did not however agree that ADW funds were available for only the continuity of racing. Bruce said the initial intent of the ADW fund was for the money to be available for purses or to be used for something the track and CHA agreed on.

Jim Mulvihill, Interim Director of Colorado Horseracing Association (CHA) wanted to know how the ADW money is tracked.

Director Amick reported that the division is working to be as transparent as possible. A new full time auditor position will soon be posted and the division has granted CHA access to the view transactions in the purse trust account.

Jim Mulvihill, Interim Director of the Colorado Horseracing Association (CHA) commented that at the moment there is no simple place for him to reference how much is in the purse fund.

5 <u>Protocol and Procedures with Racing Commission and Staff - Bruce Seymore, Executive Director</u> of Colorado Operations Ballys at Arapahoe Park

Bruce Seymore, Executive Director of Mile High Racing & Entertainment presented a question and that question being who is in charge of the division? Is it the division, is it the Commission or is it a combination of the two? He requested clarification and how they are going to operate going forward. He goes on to mention he wants to make things better and move forward not backwards.

Chair Hoffman stated that the industry is losing the betting population and has organizations that want to stop horse racing. He said the industry is expensive and Arapahoe park being an investment company of Bally's, why they are not seeing potential revenue. He also stated that the division has worked with HISA without the Commission. Commissioner Hoffman expressed a desire for a rule that mandates the Division work with the Commission on HISA matters going forward.

Jim Mulvihill, Interim Director of the Colorado Horseracing Association (CHA) suggested that all parties come together on a regular basis for better communication and problem solving.

3 Annual Commission Training

Sarah Killeen, AAG presented the annual commission training to the Commissioners present.

Adjournment

The August 17, 2022 meeting of the Colorado Racing Commission was adjourned at 11:42 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>11th</u> day of <u>October</u>, 2022

Colorado Racing Commission August 30, 2022 SPECIAL Meeting Minutes

Call to Order

The SPECIAL scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, August 30, 2022 via video conference provided by Zoom. The meeting was called to order at 9:32 AM.

Members Present

David Lynn Hoffman, Chair Tina Estes, Vice Chair Sandra Bowen, Member Tameka Sampson, Member

Staff Present

Donia Amick, Director of the Division of Racing Events Janina Rivera, Executive Assistant to Division Director Sarah Killeen, Assistant Attorney General Zach Ceriani, Policy Analyst Ed Kulp, Agent in Charge Suzanne Karrer, Communications Supervisor for the Specialized Business Group

DECISION ITEMS

1. <u>Consideration of Amended Arapahoe Park Meet Application for 2022 Live Meet season submitted</u> by Bally's at Arapahoe Park

Motion to approve the amended application which requests 9 races per day and adding an extra day, October 1st, 2022 to the last weekend of the season. Motion made by Commissioner Bowen to approve the amended application with a second made by Commissioner Estes.

Motion passed unanimously.

2. Public Comment

Jeffrey Williams, Association Steward for Bally's Arapahoe Park commented on the issues that have come up in the past week regarding HISA. Mr. Williams said he has noted a lack of timeliness on rulings, riders paying fines and ineligible horses being allowed to ride.

Director Amick thanked Mr. Williams for his comments, concerns and assured the Commission the issues would be addressed with HISA this week.

Adjournment

The August 30th, 2022 meeting of the Colorado Racing Commission was adjourned at 9:44 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>10th</u> day of <u>October</u>, 2022

Colorado Racing Commission October 11, 2022 Meeting Minutes

Call to Order

The regular scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, October 11, 2022 via video conference provided by Zoom.

<u>Members Present</u> David Lynn Hoffman, Chair Tina Estes, Vice Chair Sandra Bowen, Member Lori Scott DVM, Member Tameka Sampson, Member

<u>Staff Present</u> Donia Amick, Director of the Division of Racing Events Janina Rivera, Executive Assistant to Division Director Sarah Killeen, Assistant Attorney General Zach Ceriani, Policy Analyst Ed Kulp, Agent in Charge Suzanne Karrer, Communications Supervisor for the Specialized Business Group

1. Approval of 8.17.2022 Minutes

Minutes approved for August 17, 2022.

2. Approval of 8.30.2022 Minutes

Minutes approved for August 30, 2022

DECISION ITEMS

3. <u>Election of Officers</u>

Sarah Killeen, Assistant Attorney General, conducted the elections for chair and vice chair of the Colorado Racing Commission for fiscal year 2022-2023.

Commissioner Hoffman nominated Commissioner Estes as chair.

Motion made by Commissioner Hoffman to close nominations for chair with a second made by Commissioner Scott.

Motion passed unanimously

Vote called to nominate Tina Estes as chair for fiscal year 2022-2023

Vote passed unanimously. Tina Estes presented as the duly elected chair for the Colorado Racing Commission for fiscal year 2022-2023.

Commissioner Estes nominated Commissioner Sampson as vice chair. Commissioner Scott nominated herself as vice chair Commissioner Bowen nominated Commissioner Hoffman as vice chair

Motion made by Commissioner Hoffman to close nominations for vice chair with a second made by Commissioner Estes.

Motion passed unanimously

Vote called to nominate Dr. Lori Scott as vice chair for fiscal year 2022-2023.

Vote passed unanimously. Dr. Lori Scott presented as the duly elected vice chair for the Colorado Racing Commission for fiscal year 2022-2023.

4. Consideration of FY2023 - 2024 Commission Meeting Dates

Director Amick stated currently the meetings are scheduled at 9:30 am on every second Tuesday of the month. Division is only required to have them every quarter. Asked the Commissioners for any comments or concerns with the current schedule.

Commissioner Sampson expressed her concern with the 9:30 am start time.

Director Amick requested to change meetings to the second Wednesday at 9:30 am.

Commissioners agreed to change meetings to the second Wednesday at 9:30 am start time.

DISCUSSION ITEMS

5. How to contact Commissioners

Director Amick mentioned that she's received requests from stakeholders that have wanted to get in touch with the Commissioners and that the Division has set up a Google email address for each Commissioner. Director Amick asked that each Commissioner check this email account. The email accounts will also be on the Racing Events website for public access.

6. HISA Updates

Director Amick mentioned that (HIWU) Horseracing Integrity & Welfare Unit came to visit the race track and was very impressed with how everything was running. She then thanked the Division of Racing staff for showing them around. She mentioned the rules should come out January 1, 2023. And that the Division has been meeting with (ARCI) Association of Racing Commissioners International and (ARCI) has been meeting with (HISA) Horseracing Integrity and Safety Authority. No staff list yet from (HISA) as well as no cost assessment yet for drug medication. Every lab needs to be accredited. (HIWU) appoints Dr. Mary Scollay as Chief of Science.

Sarah Killeen, AAG mentioned that the medical rules are out for public comment and that the Division is working on a comparison chart in regards to the Federal rules vs State rules.

Shannon Rushton, Director of Racing at Bally's Arapahoe Park had a question about opting in. If the Division decides to opt in will there be a separate set of rules for the other breeds?

Sarah Killeen, AAG responded that the Division has no discretion whether the rules apply and opting in means that state enforcement staff will assist the federal agency in enforcing the rules and pay the opt in fee.

Shannon Ruston, Director of Racing at Bally's Arapahoe Park had another question about requesting a waiver for Lasix in the 2023 meet?

Director Amick responded that there has been no discussion on this.

7. Consideration of FY2023- 2024 Rulemaking Stakeholder Workshop Date

Director Amick mentioned that the Division will solicit from the industry as well as an internal rules review. And once all materials are available the Division will have a Stakeholder Workshop at the end of November or early December. At that point with all the information provided a rulemaking will take place at the end of February or early March.

<u>OTHER</u>

8. Director's Report

Next scheduled meeting will be Tuesday November 8, 2022 and will cancel the December meeting. Starting in January 2023 we will then have the meetings on the second Wednesday of the month.

9. Public Comment

Commissioner Hoffman stated that former Racing Events Director Dan Hartman asked him to review the books with then Division auditor Greg Lamb which they did. Commissioner Hoffman stated he started to do that process again but given his time frame he will not do that again next year.

Commissioner Hoffman also wanted to thank everyone while he was Chair.

Shannon Ruston, Director of Racing at Bally's Arapahoe Park wanted to congratulate Chair Estes and Vice Chair Dr. Scott on their newly appointed roles. He also wanted to thank Commissioner Hoffman for his leadership and guidance as Chair.

Adjournment

The October 11, 2022 meeting of the Colorado Racing Commission was adjourned at 10:17 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>8th</u> day of <u>November</u>, 2022

Colorado Racing Commission November 8, 2022 Meeting Minutes

Call to Order

The regular scheduled meeting of the Colorado Racing Commission ("Commission") was held on Tuesday, November 8, 2022 via video conference provided by Zoom.

<u>Members Present</u> Tina Estes, Chair Lori Scott DVM, Vice Chair Sandra Bowen, Member David Lynn Hoffman, Member Tameka Sampson, Member

Staff Present

Donia Amick, Director of the Division of Racing Events Janina Rivera, Executive Assistant to Division Director Sarah Killeen, Assistant Attorney General Suzanne Karrer, Communications Supervisor for the Specialized Business Group

1. Approval of 10.11.2022 Minutes

Minutes approved for October 11, 2022.

DECISION ITEMS

2. Consideration of approval for distribution of Greyhound and Welfare adoption fund

Director Amick presented the two applications received which were from the Colorado Greyhound Adoption and Friends of Retired Greyhounds. Out of the \$26,344 in the fund, \$20,000 will be distributed.

Motion made from Commissioner Scott to release the monies from the Colorado Greyhound Adoption and the Friends of Retired Greyhounds applicants with a second from Commissioner Bowen.

Motion passed unanimously.

DISCUSSION ITEMS

3. <u>New application for Class B track applying for race dates</u>

Director Amick presented a draft application for the Commission to review and approve for next year's meet application.

4. End of Meet Report - Arapahoe Park's Live Race meet 2022

Director Amick presented the end of meet report for 2022. The season started on July 3, 2022 and ended on October 4, 2022. The season consisted of forty two (42) live racing days with 355 live races with a total of 74,150 spectators. The total handle for 2022 was \$7,361,952.43 with a difference of +2,625,089.42 from 2021. The average live daily handles were as follows:

- On Track -\$ 30,273.32
- OTB's \$ 2,279.99
- In-State -\$ 32,553.31
- Out-of-State \$ 142,731.27

2022 Average daily handle - \$ 175,284.58

Breed	# of Races	# of Starts	Total Purses Paid
Thoroughbred	265	1,671	\$ 3,078,672
Quarter Horse	17	570	\$ 1,042,200
Arabian	2	114	\$ 193,800
Mixed	1	5	\$ 6,300
Totals	355	2,360	\$ 4,320,972

Total disbursements of purses by breed were as follows:

Division Veterinarian Staff consisted of the following:

State	Verlin Jones	Joni Smith (DVM)	Kelsey Mooney	Autumn Sorensen
Veterinarians	(DVM)		(DVM)	(DVM)

Veterinar Assistants	•	Cora Johnson	Jessica Oscroft	Aspen Taylor	Tanya Ohlinger	Amber Lefor
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Total Injuries to horses (Racing & Training Related) consisted of the following:

Total Starts 2022	2,360
Total Injuries	33

Career Ending injuries	9
Catastrophic	11
Live Racing	5
Training	3
Died of euthanized due to sickness or accident (non-racing related)	3

Pre-Racing Exams consisted of the following:

2,386	26 horses were scratched
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Testing consisted of the following:

Post-race blood samples	699
Post-race urine samples	601
Out of competition samples	48
Hair samples	6

Medication Violations consisted of the following: (Industrial Laboratories, the Division's contract testing lab)

Total Positive Test	13
NSAID Overages	1
Unauthorized Medications	2
Prohibited Substances	10

Test Barn area consisted of the following:

Veterinarian's List	26 total horses placed
Injuries	9

Board of Stewards consisted of the following:

State Steward	Linda Salinas	Marty Hamilton
Association Steward	Jeffery Williams	

Administrative Violations consisted of the following:

Administrative Hearings Held	0
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The Stewards issued rulings for the following violations:

<u>Violation</u>	Rulings Issued
Jockey Discipline	17 (7 HISA)
Human Drug Testing	3
Creating Fire Hazard	4

The following fines were assessed:

State Rulings	\$3,600
Citations	\$1,500
State Total	\$5,100
HISA Rulings	\$2,500

Division Random Draw - Human Drug and Alcohol Testing consisted of the following:

- Trainers, Assist Trainer, Owner/Trainer (87)
- Jockeys/Agents (42)
- Exercise Rider, Pony Person, and Misc. (40)
- Grooms (169)
- Racing Officials (40)

Thirty four (34) random alcohol/drug tests were conducted, resulting in two (2) refusals and one (1) positive for methamphetamine.

For the 2023 live race meet, the Division will conduct Human Drug and Alcohol Testing five days a week.

Investigation - Citations Issued consisted of the following:

The Division of Racing Events investigated forty one (41) incidents and issued twenty one (21) citations.

2022 Licensing Statistics consisted of the following:

Licensees working with Thoroughbreds were required to register with HISA at the time of the application via laptop or personal cell phone.

All W-9's collected were shared with the Bookkeeper throughout the live Race Meet.

Туре	Total	Payment Total (\$)	
Support (i)	196	\$14,025	
Support Renewals	99	\$2,450	
Registration	161	\$2,295	
Кеу	1	\$225	
Key Renewals	2	\$75	
Major	0	\$0	
Major Renewals	4	\$240	
Minor	2	\$270	
Minor Renewals	1	\$65	
Wagering Facility	4	\$810	
Valida.tions	240	\$0	
Race Meet Fines	23	\$4,000	
Refunds/Waived Fees	7	\$340	
Total	740	\$24,795	

Total license applications through the end of the meet and fees collected:

Total license applications through the end of the meet by submission type:

License Type	In Person	Online/Email	Via Mail
Registration	123	38	0
Support	194	92	9
Кеу	1	1	1
Business	4	5	2
Validations	169	71	0

Total	491	207	12
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Stable Inspections consisted of the following:

Pursuant to § 44-32-501(1), C.R.S., the Division conducted sixty five (65) barn/trainer inspections, including pre-meet inspections. All physical problems found during these inspections were reported via memo to the Director of Racing and Maintenance Manager.

Recommendations are:

- Promote DORE online license services to licensees on all appropriate Racing websites prior to future meet to avoid delays.
- Replace faulty locks/door knobs for the licensing office/staff.
- Replace broken/cracked windows in licensing office
- Provide early access to locked barn area for golf carts prior to 2023 meet.
- Fix lighting in the licensing office. Ceiling lighting was never replaced during the 2022 meet even though it was requested right at the beginning. Poor lighting in the "waiting room" area.
- Hire additional staff to maintain, clean and pick up trash in the facilities (specifically licensing office).
- Clean licensing office prior to the 2023 meet.
- Hire exterminator for licensing building.
- Turn on power and internet earlier/prior to licensing staff's arrival so that we can get a head start and avoid delays once applicants begin to arrive. This should include the test barn.
- Put out large trash cans around the track grounds for visitors and to avoid trash collections outside in various areas.
- The test barn will need additional dirt and ground up rubber added at the beginning of the season and throughout the race season especially when it rains heavily.
- Arapahoe Park management should purchase computer software and a scanner for the stable gate in order to scan, upload and forward required horse paperwork to the Division and horsemen's bookkeeper.
- 5. HISA Updates

Director Amick mentioned that all states have been sent an assessment for 2023 on medication and race track safety. In 2022 the Division opted in with a cost of \$40,000 and then opted out the next day. Division will work with HISA on 2023 assessment and fees.

<u>OTHER</u>

6. Director's Report

Director Amick mentioned that there will be no Commission meeting in December and will resume in January of 2023. The Commission meetings have been moved from Tuesdays to every second Wednesday of the month.

7. Public Comment

Bruce Seymore, Executive Director of Colorado at Bally's Arapahoe Park mentioned a concern this season that Apraphoe park had several minus pools. Mr. Seymore mentioned a possible solution called "A what if wager" which means on any pool the tote system has the ability to see if there are enough funds in the pool to avoid a minus pool. If it doesn't it will refund the entire pool. Mr. Seymore hopes to present this solution at rulemaking in 2023. He also disclosed that Director Amick nor the CHA have been notified of this.

Senior Director Cory Amend, mentioned that he will be retiring effective December 1st and wanted to thank everyone that he worked with.

Adjournment

The November 8, 2022 meeting of the Colorado Racing Commission was adjourned at 10:17 a.m.

Minutes Approved by the Commission

Janina Rivera

Janina Rivera, Executive Assistant to the Director

I certify these minutes were approved by the Commission on the <u>8th</u> day of <u>February</u>, 2023