

Memorandum of the Regular Meeting of the
Indiana Horse Racing Commission

October 19, 2021

Harrah's Hoosier Park Racing & Casino
Clubhouse
4500 Dan Patch Circle
Anderson, IN 46013

Commission members present: Philip C. Borst, Chairman; George Pillow, member; William McCarty, member; Bill Estes, member; and Tim Wade, member.

Commission Staff members present: Deena Pitman, IHRC Executive Director; Noah Jackson, IHRC General Counsel; Jessica Barnes, IHRC Breed Development Director.

Speakers from the audience: Joe Putnam, President of the Indiana Standardbred Association; Joe Morris, Caesars SVP of Racing; Eric Halstrom, VP and GM of Racing Indiana Grand; Rick Moore, VP and GM of Racing Harrah's Hoosier Park; Christal Johnson, Community Relations Manager at Harrah's Hoosier Park.

I. Call to Order

Chairman Borst called the meeting to order at approximately 10:42 a.m. A quorum was present.

II. Approval of memorandum from the July 15, 2021, meeting.

Chairman Borst asked for a motion for approval of the memorandum from the July 15, 2021, Commission Meeting. Commissioner McCarty moved to approve. Commissioner Estes seconded. The vote, by roll call, was unanimous, 5-0, in favor of approval.

III. Agenda

Note: All items on the agenda were transcribed by a court reporter from Stewart Richardson. Transcripts are available at www.in.gov/hrc.

1. Readoption of administrative rules scheduled to expire. See attached Notice of Intent to Readopt, LSA Document #21-222.

General Counsel Noah Jackson ("Mr. Jackson") presented the Notice of Intent to Readopt. Mr. Jackson stated that like other administrative agencies, the Commission's administrative rules automatically expire every seven years. However, the agency is given the opportunity to readopt the rules so long as the rule language remains identical. There are a number of rules scheduled to expire at the end of the year, each of which is listed in the Notice of Intent to Readopt labeled LSA Document #21-222. The Indiana Horse Racing Commission Staff ("Commission Staff") posted the rules on the Legislative Service Agency's website as required by statute to give an opportunity for members of the public to ask the IHRC to consider making changes to the rules or readopt them separately. Commission Staff also shared the list of readoptions with the horsemen's associations and Caesars for informational purposes. Mr. Jackson on behalf of the Commission Staff respectfully requested approval of the rule readoptions.

Chairman Borst asked for a motion and second. Commissioner Estes moved for approval. Commissioner Pillow seconded. The vote, by roll call, was unanimous, 5-0, in

favor of approval of the rule readoptions.

2. Review of commission rulings – July 10, 2021, through October 13, 2021.

The rulings were presented for the Commission's information and no vote was required. Chairman Borst asked about a ruling about improper business manner since he had not seen it listed in previous rulings. Mr. Jackson and Executive Director Deena Pitman ("Director Pitman") explained it could be caused by a variety of issues, but considering the fine was for \$100 it was not necessarily a significant violation. Chairman Borst asked if there were any other questions. There were none.

3. Consideration of Indiana Grand's request for live racing dates for 2022 pursuant to IC 4-31-5-9, IC 4-31-5-10 and 71 IAC 11-1-7.

Mr. Jackson explained the Commission must approve racing dates. Caesars has determined the 2022 racing dates for Indiana Grand. Having reviewed the schedule, Mr. Jackson on behalf of Commission Staff, respectfully recommended approval of the 2022 racing calendar.

Chairman Borst asked for a motion to approve. Commissioner McCarty moved to approve. Commissioner Estes seconded the motion.

Director Pitman asked Eric Halstrom ("Mr. Halstrom"), VP and GM of Racing Indiana Grand, if he had any comments. Mr. Halstrom noted the proposed schedule was a collaboration of ideas from different stakeholder groups and they were asking for 127 days, more than last year. Director Pitman asked Mr. Halstrom about the current race meet and the races that took place that Indiana Grand had trouble filling. Mr. Halstrom noted they have had challenges finding horses to run and now they are having struggles trying to find certain horses, especially on the open side. Indiana Grand could not take advantage of Churchill Downs closing their turf course for upgrades after Churchill's summer meet due to a lack of stalls. This resulted in many horses going to racetracks out east. Indiana Grand will have 105 more stalls at the start of next season. They are also seeing the effects of the foal population decline over the last couple of decades.

Mr. Jackson asked Mr. Halstrom to describe the one-week break (new to the race meet schedule) to the Commission. Mr. Halstrom noted, due to the long race meet, it would give Indiana Grand a chance to reassess the race meet and do any necessary maintenance on the track.

Chairman Borst asked if there were any other questions. There were none. The vote, by

roll call, was unanimous, 5-0, for approval.

4. Consideration of Harrah's Hoosier Park request for live racing dates for 2022 pursuant to IC 4-31-5-9, IC 4-31-5-10 and 71 IAC 11-1-7.

Rick Moore ("Mr. Moore"), VP and GM of Racing Harrah's Hoosier Park, presented the request for live racing dates. Mr. Moore noted it was the result of a collaboration of Harrah's Hoosier Park and the Indiana Standardbred Association. Mr. Moore noted it was the longest race meet calendar; they have traded Sundays for Tuesdays; they will not be racing the night before Thanksgiving or Thanksgiving Day; and they will be racing on spring/summer holidays, like Memorial Day, the Fourth of July, and Labor Day in an effort to generate track attendance and make those big celebration days. Mr. Moore stated whichever day at the State Fair becomes the Grand Circuit Day, likely either August 10 or 17, Harrah's Hoosier Park will be dark and move that day out to October 4 to make sure everyone can participate at the State Fair.

Director Pitman asked Mr. Moore if he had any problems filling races this year. Mr. Moore noted for the most part they had been successful in the entry box, averaging 13 races a day with an average 8.4 starters per race.

Chairman Borst asked for a motion and a second to approve Harrah's Hoosier Park's live racing dates for 2022. Commissioner Estes moved to approve. Commissioner Pillow seconded the motion. The vote, by roll call, was unanimous, 5-0, for approval.

5. Consideration of Executive Director Pitman's conditional approval to add one make up day and three additional race days to the end of the 2021 Indiana Grand race calendar.

Director Pitman recapped the July 15 meeting agenda item when it was discussed that Indiana Grand may make a request to add a make-up day and three additional race days. Mr. Halstrom submitted the request on September 9. Director Pitman approved it on the condition the Commission would give full approval at this meeting.

Director Pitman asked Mr. Halstrom to comment on having enough horses to fill those races. Mr. Halstrom was confident Indiana Grand should not have any trouble filling the races at the end of the meet. Their pinch was during the summer when essentially every other track in America was running. Mr. Jackson asked if there was a lot of interest in the November dates last year. Mr. Halstrom stated Indiana Grand could almost have carded as many races as they could put out.

Chairman Borst asked for a motion and a second to approve Director Pitman's

conditional approval to add one make up day and three additional race days to the end of the 2021 Indiana Grand race calendar. Commissioner Estes moved to approve. Commissioner McCarty seconded the motion. The vote, by roll call, was unanimous, 5-0, for approval.

6. Consideration of Thoroughbred Breed Development Committee waiver of 71 IAC 13.5-2-3(b) – Stallion registration.

Jessica Barnes (“Ms. Barnes”), IHRC Breed Development Director, explained that even though they try to cover all scenarios when making rules, inevitably something they did not think about presents itself. Two separate requests were received for stallions that failed to be registered in time, one from the 2019 breeding season and one from 2021.

The requests were discussed at the August 19th Thoroughbred Breed Development Advisory Committee (“Thoroughbred Committee”) meeting. Because the stallion owner is responsible for registration, but the mare owner suffers if the stallion was not registered, they are requesting a waiver of 71 IAC 13-5-2-3(b) to allow the two stallions in question be registered. Ms. Barnes noted the Thoroughbred Committee is planning to ask for a rule change.

Chairman Borst asked whether there would be a way for a mare owner to determine the stallion’s registration status beforehand, in order to prevent situations like this from occurring. Chairman Borst also asked if the owner of the stallion could provide certification. Ms. Barnes stated there are lists on the website, but people new to the program do not always check. Ms. Barnes noted the field inspector often catches the missing registration, but usually after the stallion has already covered a mare. Chairman Borst reiterated the idea of the stallion owner showing certification.

Chairman Borst asked if there were any Commission questions. Chairman Borst asked for a motion and a second. Commissioner Pillow moved to approve the waiver. Commissioner Estes seconded the motion. Chairman Borst asked if there were any questions. There were none. The vote, by roll call, was unanimous, 5-0, for approval.

7. Caesars update regarding winter training at Harrah’s Hoosier Park and a construction update on Indiana Grand’s new dormitory and barn.

Joe Morris (“Mr. Morris”), Caesars SVP of Racing, presented. Mr. Morris noted the barn at Indiana Grand, due to be completed by the end of the year, was delayed due to getting all of the necessary permits through the Indiana Department of Environmental Management, resulting in an approximate three and a half-month delay. Indiana Grand is planning to have a barn raising the week of Thanksgiving, complete the dorm in January,

add LED lighting to the barns with the 420 winterized stalls, and correct a drainage issue in the barn area this fall.

Mr. Morris reported that at Harrah's Hoosier Park it will be the first year of winter training, a winter training committee has been formed, they are expecting 275 horses for winter training while having 200 stalls winterized, and they will use the same rules as Indiana Grand uses.

Mr. Morris reported they are working on the 2022 operations plan. Hoosier Park will have its highest yearly handle in history, over \$100 million, including nine (9) days over a million dollars in handle. For the first time Indiana Grand will have gone past \$200 million in handle for the year. Agreements with the three horsemen's group have been completed, if not yet signed.

Chairman Borst asked if there were questions. Director Pitman asked Mr. Morris if he wanted to go through the third quarter report. Mr. Morris had Christal Johnson ("Ms. Johnson"), Community Relations Manager at Harrah's Hoosier Park, present the charitable giving report. Harrah's Hoosier Park has partnered with Operation: Job Ready Vets, donated to First Choice for Women, donated \$10,000.00 to the Standardbred Transition Alliance, \$5,000.00 to Agape Therapeutic Riding, and donated to Caesars' team members whose families were struggling with certain issues.

Ms. Johnson reported Indiana Grand is continuing their support to the Friends of Ferdinand (\$6,000.00), celebrated and supported the national weekend for Permanently Disabled Jockeys Fund Racing Across America and their Back-to-School efforts, and a \$100,000.00 commitment to the improvement of the Shelby County Fairgrounds over 2021 (\$50,000.00 second installment presented in September 2021).

Chairman Borst asked for any questions. Chairman Borst noted no vote was required.

8. Consideration of the advance deposit wagering (ADW) allocation request from the Indiana Standardbred Association (ISA).

Joe Putnam ("Mr. Putnam"), President of the Indiana Standardbred Association ("ISA"), presented the updated regarding the ADW allocation request. Mr. Putnam reported in the past the money was dedicated to the general purse account. Going forward, the ISA will be asking to use the money for Indiana sired only events. Mr. Jackson asked if the ISA was still on target to show a full plan at the December Commission meeting. Mr. Putnam answered in the affirmative.

No vote was necessary on the update report.

III. Old Business

There was no old business.

IV. New Business

Mr. Jackson stated the ISA is looking to hire an Executive Director. Mr. Putnam stated they were looking at 2022 but would like to start looking for an Executive Director. Mr. Jackson requested the Commission's approval to make a slight modification to the 2021 ISA budget should they make a hire prior to 2022. Chairman Borst asked for a motion to approve. Commissioner Estes moved to accept. Commissioner Pillow seconded the motion. Chairman Borst asked for any questions. There were none. The vote, by roll call, was unanimous, 5-0, for approval.

There was no other new business.

V. Adjournment

The meeting was adjourned at approximately 11:23 a.m.