

**MINUTES OF THE FEBRUARY 27, 2024, KENTUCKY HORSE RACING COMMISSION SPECIAL MEETING**

Date: February 27, 2024 at 1:30 p.m.

Place: Kentucky Horse Racing Commission Conference Room, 4047 Iron Works Parkway, Lexington, Kentucky 40511

Members Present: **Chair Jonathan Rabinowitz; Commissioner Mike Berry, Commissioner Dr. Tiffany Daniels, Commissioner Michael F. Dudgeon, Commissioner Terry Finley, Commissioner Greg Harbut, Commissioner Lesley Howard, Commissioner William L.S. Landes, Commissioner William H. May, Commissioner Charles O'Connor, Commissioner Catherine Parke, Commissioner James E. Worley**

Ex-officio Members Present: Sydney Montgomery, serving as proxy on behalf of Secretary Jeff Noel; Mona Juett serving as proxy on behalf of Secretary Lindy Casebier

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<b>I. Call to Order and Roll Call</b>	4-5	Chair 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.
	4 - 6	Chair Rabinowitz shared opening remarks thanking everyone for kind words and prayers for him and his family. He also recognized Commissioner Terry Finley who was appointed by the Governor in 2023. Deputy Director Waqas Ahmed and Deputy General Counsel Travers Manley were recognized for co-directing and leading the sports wagering division for the last few months.	
	6 - 8	Executive Director Jamie Eads recognized Beth Bungart as the new state safety steward and pointed out that this is a new position within the Commission. Interim Equine Medical Director Dr. Mundy was also recognized.	

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<p><b>II. New Business</b>  <b>Tab 1: Approve minutes of the December 11, 2023 Kentucky Horse Racing Commission Meeting</b></p>	<p>8 - 47  8 - 9</p>	<p>Chair Rabinowitz requested a motion from the Commission to approve minutes of the December 11, 2023 Kentucky Horse Racing Commission Meeting. Motion by Commissioner Landes. Second by Commissioner Berry.</p> <p>Executive Director Jamie Eads was assigned the floor and explained that behind tab one were the minutes from the December 11, 2023 meeting. KHRC staff recommended approval.</p>	<p>Chair Rabinowitz called for a vote to approve minutes of the December 11, 2023, Kentucky Horse Racing Commission Meeting. Motion carried with no objections or abstentions.</p>
<p><b>Tab 2: Proposed Amendments to 810 KAR 7:040</b></p>	<p>9 – 13</p>	<p>Chair Rabinowitz requested a motion from the Commission to approve proposed Amendments to 810 KAR 7:040. Motion by Commissioner Worley, second by Commissioner O’Connor.</p> <p>KHRC General Counsel Jennifer Wolsing was assigned the floor and explained that the amendments remove a phrase that will allow for use of the same definition in 810 KAR 5:080, the Kentucky Proud Series. The amendments also remove the term residing, which is being replaced with the term standing and clarifies that a stallion has to be registered with the Commission in order to sire a Kentucky-bred foal. The amendment also clarifies a foal’s eligibility requirements for the Sires Stakes by referencing three different sections. This amendment also clarifies intent of both the panel and the Commission by stating that a stallion may stand in Kentucky if it ships semen to mares in any jurisdiction outside of Kentucky during the calendar year in which it is registered. The amendment further states</p>	<p>Chair Rabinowitz called for a vote to approve proposed Amendments to 810 KAR 7:040. Motion carried with no objections or abstentions.</p>

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		that the stallion may shuttle to countries in the southern hemisphere to service mares, provided the stallion meets all other standing requirements. Approval was recommended by KHRC staff.	
<b>Tab 3: Lexington Trots Breeders Association, LLC's Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting and Pari-Mutuel Wagering</b>	13 - 14	<p>Chair Rabinowitz requested a motion from the Commission to approve Lexington Trots Breeders Association, LLC's Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting and Pari-Mutuel Wagering. Motion by Commissioner Worley and second by Commissioner O'Connor.</p> <p>KHRC General Counsel Jennifer Wolsing was assigned the floor and explained that a request was received from the Red Mile to change post time for nine of its Sunday racing cards from 1:00 p.m. to 5:05 p.m. KHRC staff and the Kentucky Harness Horseman's Association recommended approval.</p>	Chair Rabinowitz called for a vote to approve Lexington Trots Breeders Association, LLC's Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting and Pari-Mutuel Wagering Motion carried with no objections or abstentions.
<b>Tab 4: KQHPAA Development Fund Request Pertaining to Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &amp; Gaming") 2024 Race Meet</b>	14 - 16	<p>Chair Rabinowitz requested a motion from the Commission to approve KQHPAA Development Fund Request Pertaining to Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &amp; Gaming") 2024 Race Meet. Motion by Commissioner May. Second by Commissioner Parke.</p> <p>KHRC Incentives &amp; Development Director Drew Conners was assigned the floor and explained that the Kentucky Quarter Horse, Paint,</p>	Chair Rabinowitz called for a vote to approve KQHPAA Development Fund Request Pertaining to Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &

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		<p>Appaloosa and Arabian Development Fund advisory committee met and considered a request from Sandy’s Racing for their 2024 meet at the Red Mile. The race meet will consist of six race days beginning Sunday, March 17 through Tuesday, March 24. Sandy’s Racing is also requesting use of up to \$60,000 in KQHPAA development funds to supplement the purses of six of their upcoming races which will add \$10,000 per race and pay first through fourth places eligible Kentucky Quarter Horses who were bred and foaled in Kentucky. The projections were based on a KQHPAA earned balance of \$720,634 at the end of December 31, 2023, with HHR wagering at Sandy’s being the primary driver.</p> <p>The KQHPAA advisory committee along with the Kentucky Quarter Horse Racing Association and the KHRC staff recommended approval.</p>	<p>Gaming”) 2024 Race Meet. Motion carried with no objections or abstentions.</p>
<p><b>Tab 5: KTDF Requests Pertaining to Keeneland Association, Inc.’s 2024 Spring Race Meet</b></p>	<p>16 - 19</p>	<p>Chair Rabinowitz requested a motion from the Commission to approve KTDF Requests Pertaining to Keeneland Association, Inc.’s 2024 Spring Race Meet. Motion by Commissioner Howard, second by Commissioner Berry.</p> <p>KHRC Incentives &amp; Development Director Drew Conners was assigned the floor and explained that the KTDF advisory committee considered a request from Keeneland pertaining to their 2024 Spring Meet. The purse structure will consist of 16 racing days beginning April 5 through April 26. Keeneland proposed KTDF purses in the range of \$5 to \$5.2 million. The projections are based on a KTDF earned balance of \$1.9 million at the end of their 2023 fall meet. To help Keeneland fund their KTDF purses while increasing the strength of the overall Kentucky racing circuit, Keeneland is also accepting a \$1.25 Million Transfer</p>	<p>Chair Rabinowitz called for a vote to approve KTDF Requests Pertaining to Keeneland Association, Inc.’s 2024 Spring Race Meet. Motion carried with no objections or abstentions.</p>

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		from KY Downs; and they are also using \$106,820 in KTDF for advertising for this Spring Meet in accordance with KRS 230.400 to promote and enhance development of the Kentucky thoroughbred breeding industry. The KTDF advisory along with the Kentucky HBPA, the KTA-KTOB and the KHRC staff recommended approval.	
<b>Tab 6: KTDF Requests Pertaining to Churchill Downs Racetrack, LLC's 2024 Spring Race Meet</b>	19 - 21	<p>Chair Rabinowitz requested a motion from the Commission to approve KTDF Requests Pertaining to Churchill Downs Racetrack, LLC's 2024 Spring Race Meet. Motion by Commissioner Parke, second by Commissioner Berry.</p> <p>KHRC Incentives &amp; Development Director, Drew Conners, was assigned the floor and explained that the KTDF advisory committee considered a request from Churchill Downs regarding their 2024 spring meet. The purse structure will consist of 43 race days beginning April 27 through June 30 with KTDF purses in the range of \$10.5 to \$11 million. The projections are based on a KTDF earned balance of \$6.7 million by the end of April 2024. In accordance with KRS 230.400 Churchill Downs is also requesting use of \$200,000 for the entire year in KTDF to promote, enhance, improve and encourage the further continued development of the Kentucky Thoroughbred breeding industry. The KTDF advisory along with the Kentucky HBPA, the KTA-KTOB and the KHRC staff recommended approval.</p>	Chair Rabinowitz called for a vote to approve KTDF Requests Pertaining to Churchill Downs Racetrack, LLC's 2024 Spring Race Meet. Motion carried with no objections or abstentions.
<b>Tab 7: Churchill Downs Racetrack, LLC's Request for Approval of Backside</b>	21 - 22	Chair Rabinowitz requested a motion from the Commission to approve Churchill Downs Racetrack, LLC's Request for Approval of Backside Improvement Fund Projects. Executive Motion by Commissioner Howard, second by Commissioner O'Connor.	Chair Rabinowitz called for a vote to approve Churchill Downs Racetrack, LLC's Request for

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<b>Improvement Fund Projects</b>		<p>KHRC Incentives &amp; Development Director Drew Conners was assigned the floor and explained that the KHRC received a backside improvement fund request from Churchill Downs Racetrack to do a full roof replacement on Barn M at Churchill Downs Trackside. The total cost is \$30,504 and the project meets the requirements of KRS 230.218 and 810 KAR 7:010. The KHRC staff will inspect the installation once the project is complete.</p> <p>Kentucky HBPA, the KTA-KTOB, and the KHRC staff recommended approval.</p>	<p>Approval of Backside Improvement Fund Projects.</p> <p>Motion carried with no objections or abstentions.</p>
<b>Tab 8: WKY Development, LLC's Proposed 2024 Spring Race Meet Officials</b>	22 - 23	<p>Chair Rabinowitz requested a motion from the Commission to approve WKY Development, LLC's Proposed 2024 Spring Race Meet Officials. Motion by Commissioner Harbut, second by Commissioner Dudgeon.</p> <p>KHRC Chief State Steward Barbara Borden was assigned the floor and explained that Oak Grove requested approval of a roster of racing officials with all Judges are all ROAP accredited, and all officials being licensed at the beginning of the meet.</p> <p>KHRC staff recommended approval.</p>	<p>Chair Rabinowitz called for a vote to approve WKY Development, LLC's Proposed 2024 Spring Race Meet Officials.</p> <p>Motion carried with no objections or abstentions.</p>
<b>Tab 9: Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &amp; Gaming") Proposed</b>	23 - 25	<p>Chair Rabinowitz requested a motion from the Commission to approve Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &amp; Gaming") Proposed 2024 Spring Race Meet Officials. Motion by Commissioner May, second by Commissioner Berry.</p>	<p>Chair Rabinowitz called for a vote to approve Revolutionary Racing Kentucky, LLC's ("Sandy's Racing &amp;</p>

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<b>2024 Spring Race Meet Officials</b>		KHRC Chief State Steward Barbara Borden was assigned the floor and explained that a request was received from Revolutionary Racing Kentucky, LLC for approval of the roster of officials. The Stewards are all ROAP accredited, and all officials will be licensed by opening day of the meet. Approval was also recommended by KHRC staff.	Gaming”) Proposed 2024 Spring Race Meet Officials. Motion carried with no objections or abstentions.
<b>Tab 10: Ratification of Executive Director’s Approval of Turfway Park, LLC’s Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering</b>	25 - 27	<p>Chair Rabinowitz requested a motion from the Commission to ratify Executive Director’s Approval of Turfway Park, LLC’s Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering. Motion by Commissioner Berry, second by Commissioner Landes.</p> <p>KHRC Chief State Steward Barbara Borden was assigned the floor and explained that Turfway Park’s director of racing requested to cancel racing on January 19 and 20, due to inclement weather in the forecast and to also card an additional race for January 25. Due to time restraints, Executive Director Jamie Eads granted conditional approval for Turfway to cancel racing those two days and card an additional day. The KHRC staff recommended ratification of the approval.</p>	Chair Rabinowitz called for a vote to ratify Executive Director’s Approval of Turfway Park, LLC’s Request to Amend Section R of its 2024 Application to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering. Motion carried with no objections or abstentions.
<b>Tab 11: Churchill Downs Racetrack, LLC's Proposed 2024 Spring Race Meet Officials and Date Preference System</b>	27 - 28	Chair Rabinowitz requested a motion from the Commission to approve Churchill Downs Racetrack, LLC's Proposed 2024 Spring Race Meet Officials and Date Preference System. Motion by Commissioner Howard, second by Commissioner Parke.	Chair Rabinowitz called for a vote to approve Churchill Downs Racetrack, LLC's Proposed 2024 Spring Race Meet

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		KHRC Chief State Steward Barbara Borden was assigned the floor and explained that Churchill Downs requested approval of their racing official roster and date preference system for their spring meet. The stewards are all ROAP accredited, and the officials have previously performed these same duties will be licensed by the first day of the meet. KHRC staff recommended approval.	Officials and Date Preference System. Motion carried with no objections or abstentions.
<b>Tab 12: Keeneland Association, Inc.'s Proposed 2024 Spring Race Meet Officials and Date Preference System</b>	28 - 29	<p>Chair Rabinowitz requested a motion from the Commission to approve Keeneland Association, Inc.'s Proposed 2024 Spring Race Meet Officials and Date Preference System. Motion by Commissioner O'Connor, second by Commissioner Worley.</p> <p>KHRC Chief State Steward Barbara Borden was assigned the floor and explained that Keeneland requested approval of their racing officials and date preference system for the spring meet. All Stewards are ROAP accredited, and all officials have previously performed the same duties will be licensed by the first day of the meet. There was no change to their date preference system.</p>	Chair Rabinowitz called for a vote to approve Keeneland Association, Inc.'s Proposed 2024 Spring Race Meet Officials and Date Preference System. Motion carried with no objections or abstentions.
<b>Tab 13: Presentation Regarding Revolutionary Racing Kentucky, LLC ("Sandy's Racing &amp; Gaming")</b>	30 - 37	<p>Chair Rabinowitz requested a motion from the Commission to approve the Presentation Regarding Revolutionary Racing Kentucky, LLC ("Sandy's Racing &amp; Gaming"). Motion by Commissioner Worley, second by Commissioner Howard.</p> <p>Mr. John Marshall was assigned the floor and thanked the commission for reintroducing quarter horse racing in Kentucky. In eighteen weeks,</p>	No action taken.

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		<p>Sandy's Racing has generated 132 million in incremental handle to the Commonwealth translating into nearly 2 million in Kentucky State Tax. They have seen a growth in participants this year at the meet scheduled for March at Red Mile.</p> <p>As for the track, physically in Ashland, they hope to have Phase I, a straight away in the shape of a J track, complete in 2025.</p>	
<p><b>Division Reports</b></p> <p>a. <b>Thoroughbred Rulings</b></p> <p>b. <b>Standardbred Rulings</b></p> <p>c. <b>Veterinary Division</b></p> <p>d. <b>Pari-mutual Wagering &amp; Compliance</b></p>	<p>37 - 47 37 - 41</p> <p>41</p> <p>41 - 43</p> <p>43 - 44</p>	<p>Chief State Steward Barbara Borden presented the total rulings included in the materials by category for 2023 and the 2024 rulings that have been issued to date.</p> <p>Commissioner Landes inquired about a recent incident involving a horse getting loose at Turfway.</p> <p>Chief State Steward Barbara Borden presented the rulings list that were included in the meeting materials.</p> <p>Interim Equine Medical Director, Dr. George Mundy and Chief Racing Veterinarian, Dr. Nick Smith, were assigned the floor and shared one report from the Turfway Park Holiday meet for 2023. During that meet there were 1,831 total starts; of those, there were 420 post-race samples. There were 62 total veterinary scratches. There were 169 claimed horses that came through the test barn; a total of 5 ambulance runs and 2 racing fatalities.</p> <p>Director of Pari-Mutuel Wagering &amp; Compliance, Andy Conway, was assigned the floor and explained that live wagering at Turfway Park</p>	<p>No action taken. Informational purposes only.</p>

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e. Sports Wagering	44 - 47	<p>was similar to last year with 1 million and simulcast wagering saw a 17% increase from December last year representing an additional 1 million wagered. A lot of that was from Churchill Downs, Red Mile and Revolutionary Racing. Wagers on historical races grew by 27% representing an additional 184 million from December of last year, which included wagers from the opening of Derby City Gaming Downtown, the Mint at Cumberland Run and Sandy's Racing &amp; Gaming. Advance deposit wagering also saw steady growth with 780,000 in additional wagers from December 2022 representing a 4% total growth over the year.</p> <p>Deputy Executive Director, Waqas Ahmed, was assigned the floor and presented the revenue reports for sports wagering through calendar year 2023. There are a total of seven service providers also known as sports books in the industry and there was a total of \$886 million wagered from retail and online wagering from September, October, November and December. The total revenues to the state totaled \$15.5 million.</p>	
<b>III. Executive Session</b>  <b>During the meeting on February 27, 2024 Commissioners convened under closed session pursuant to KRS</b>	47 - 49	<p>Chair 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 Finley, second by Commissioner Harbut.</p> <p style="text-align: center;">EXECUTIVE SESSION</p>	<p>Chair Rabinowitz called for a vote for the Commission to convene in closed session. Motion carried with no objections or abstentions.</p>

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<p><b>61.810(1)(c) to discuss pending litigation (CONFIDENTIAL)</b></p>		<p>Chair Rabinowitz requested a motion from the Commission to reconvene in open session. Motion by Commissioner Berry, second by Commissioner O'Connor.</p> <p style="text-align: center;">RECONVENED TO OPEN SESSION</p>	<p>Chair Rabinowitz called for a vote for the Commission to reconvene in open session. Motion carried with no objections or abstentions.</p>
<p><b>IV. Adjournment</b></p>	<p>48 – 49</p>	<p>With no other business, Chairman Rabinowitz requested a motion to adjourn the February 27, 2024 special meeting. Motion by Commissioner Berry, second by Commissioner O'Connor. Meeting adjourned.</p>	<p>Chairman Rabinowitz called for a vote to adjourn. Motion carried with no objections or abstentions.</p>

**NOTE:** The meeting materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.