VIRGINIA RACING COMMISSION

March 27, 2013

10700 Horseman's Road

New Kent, VA 23124

Commencing at 10:03 a.m.

COMMISSION MEMBERS:
Stuart Siegel, Chairman
J. Sargeant Reynolds, Jr., Vice Chairman
Carol G. Dawson
D.G. Van Clief, Jr.
Stran L. Trout

COMMISSION STAFF:
Bernard J. Hettel, Executive Secretary
David S. Lermond, Jr., Deputy Executive Secretary
Kimberly M. Carter, Office Administrator
Joseph M. Roney, Director of Security & Operations
C. Richard Harden, DVM, Equine Medical Director

ATTORNEY GENERAL'S OFFICE
Joshua E. Laws, Esquire

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A G E N D A

CHAIRMAN SIEGEL: Good morning, everyone. Welcome. I call to order the March meeting of the Virginia Racing Commission.

The first item on our agenda is approval of minutes circulated from the previous meeting. Any additions, corrections, thoughts on those minutes?

MS. DAWSON: My middle initial is G.

CHAIRMAN SIEGEL: Shame on somebody. Okay. We've noted that, and it will be corrected. Any other comments on minutes? If not, we will entertain a motion to approve them.

MR. VAN CLIEF: Move approval.

CHAIRMAN SIEGEL: All in favor, aye.

MS. DAWSON: Aye.

CHAIRMAN SIEGEL: Any opposed?

MR. TROUT: That's with the change?

CHAIRMAN SIEGEL: Yes.

MR. PETRAMALO: As amended.

CHAIRMAN SIEGEL: As amended. Commissioners, comments at this time? There will be other opportunities, but this is the first. Okay. There have been no committee reports since the last meeting, so there are no reports there.

Next is the stakeholders, the Virginia Gold Cup. I understand Michael Pearson is here and he'll

talk to us a little bit about that. Michael.

MR. PEARSON: I'd like to report that we're on schedule for our event. We have a contract in place with the horsemen and United Tote. Ticket sales are going well.

There's been a hiccup about a wireless. Our IT person wasn't confident that 38 acres of wireless for the spring was doable, and we've got to fix machines.

We're continuing to explore the wireless. It's a huge undertaking. We are prepared to write a check, we just couldn't take the chance that money would go into the system, something would happen, it would go down on a one-day meet and things not go well.

We are continuing to explore that, and as soon as we have the okay from the IT, we will do that for the fall on schedule. But at 38 acres, to have wireless, that much capacity is a huge undertaking.

CHAIRMAN SIEGEL: You want to explain to us sort of to everyone's benefit what that does and the effect it will have?

MR. PEARSON: Not having it?

CHAIRMAN SIEGEL: Yes.

MR. PEARSON: Well, we're not sure of that

effect at this time. We've gone to United Tote, and in working with the Commission, we were willing to provide a number of machines as the vendor deemed necessary and the Commission. You know, no one has ever gone to Gold Cup with the express purpose to have a bet.

CHAIRMAN SIEGEL: Right.

MR. PEARSON: They go for an event guessing about the numbers. We had United Tote come to our last event. Vick Harrison, who I think you guys know, their business is predicated on selling total saver services, and we've gone with their estimate of what they think we need.

CHAIRMAN SIEGEL: So capacity is at stake, is it not?

MR. PEARSON: Excuse me?

CHAIRMAN SIEGEL: Capacity.

MR. PEARSON: Yes. The capacity.

CHAIRMAN SIEGEL: That's the risk here, I guess. That's the difference.

MR. PEARSON: Yeah. We hope that he's under estimated what we need, but there's no way to know that until after we've done it.

MR. PETRAMALO: What are you going to do, Mike, set up betting kiosks?

MR. PEARSON: Yes. Every 900 feet around the rail.

MR. PETRAMALO: Oh, that'll be good.

MR. PEARSON: They will be not underneath a tent, but a canopy sort of thing.

MR. PETRAMALO: Right.

MR. PEARSON: There'll be two self service machines and a manned machine with each location.

CHAIRMAN SIEGEL: And you'll be able to do that without the wireless?

MR. PEARSON: Yes, sir. Hard wired. Wire around the rail. And then the positive thing about that, I think, a personal observation, that wiring will be there for the next event, and we can have both types of betting.

CHAIRMAN SIEGEL: So you're gonna install wiring underneath the turf?

MR. PEARSON: On the bottom of the rail, opposite side of the -- our rail is not like this. Our rail is a fixed wooden -- so we can put it away from the horses, underneath from the people.

CHAIRMAN SIEGEL: But it won't be above ground? It will be buried?

MR. PEARSON: No. It won't be buried. It will be attached under the fence, under the top rail.

CHAIRMAN SIEGEL: It could be there permanently, if needed?

MR. PEARSON: Yes. Well, once it's up, it'll stay up. We're having to purchase that cable.

CHAIRMAN SIEGEL: I got you.

MR. PEARSON: You know, the wireless is just in itself is a six figure investment, and the ability of the Gold Cup to be able to undertake that project, its history of 88 years providing good customer service.

And while we would have liked to have had the wireless in place for this first event, we can't take the chance that the money goes into that system and the system goes down on a one-day race meet.

CHAIRMAN SIEGEL: If all goes well, you may decide not to spend the money and go with hard wire, right?

MR. PEARSON: We hope to have the wireless in place by fall, but the hard wiring will remain up and be used.

MR. PETRAMALO: What are you going to do for the tote boards?

MR. PEARSON: It will appear on the Jumbo Trons.

MR. PETRAMALO: Right on the Jumbo Trons?

MR. PEARSON: Yes.

MR. PETRAMALO: Make some money there.

CHAIRMAN SIEGEL: Other questions? Anything that you want to ask Mike at this point?

NOTE: There was no response.

CHAIRMAN SIEGEL: All right. So you are continuing to work with the Commission on an ongoing basis as you move forward to your May date?

MR. PEARSON: Yes. We've been meeting weekly. We're trying to go over the races line by line. All our officials have submitted their license applications, save two. Whatever it is the Commission would like us to do, we're happy to do.

CHAIRMAN SIEGEL: Is management satisfied that everything has gone well so far?

MR. HETTEL: Yes, sir. The continuing meetings, we really need to make this first effort a perfect effort. We'll learn a great deal after this first one, obviously, and pari-mutuel is the X factor, but they've done a good show, a good event for 88 years, and I expect it to continue on.

Mike has been here on a weekly basis. We've gone through just about every circumstance that would come up to cause a burp in the good flow of how they normally do things, so I believe we're

pretty well prepared.

And also while talking about this, there's a list of racing officials.

CHAIRMAN SIEGEL: Yeah. We're gonna have to take action on that in a moment.

MR. HETTEL: But within all of that, Mike's efforts are good, and we talked with Dr. Allison about the frequency also. So they are prepared, and they've got a big financial investment to make this thing really work.

As we go forward, I've attended some races at Warrenton about two weeks ago, and Point-To-Point, those people were also talking about it and doing some pari-mutuels with us. I think that contagious idea of pari-mutuels at the steeple chase will serve us well going forward.

CHAIRMAN SIEGEL: I'm sure they will study your example.

MR. HETTEL: They've got a beautiful facility. It's just a magnificent place to have races and a perfect place.

MR. PEARSON: We're counting on seeing all you folks there firsthand on the first Saturday in May.

MR. PETRAMALO: Easier to handicap the jumpers.

CHAIRMAN SIEGEL: You'll help me?

MR. PETRAMALO: Absolutely.

MR. PEARSON: If you forget to bring cash, there will be ATMs.

CHAIRMAN SIEGEL: Okay. Good. Any other questions or comments regards the Gold Cup and their progress?

NOTE: There was no response.

CHAIRMAN SIEGEL: We certainly wish you the best. The event will take place before we meet again, but we hope it's successful and it adds to the dialogue and fun had by all.

MR. PEARSON: Thank you. I'm here to say the Gold Cup will continue to do their best. That's what has put them in this position to make this undertaking.

CHAIRMAN SIEGEL: Good. In connection with that, behind Tab Two are the racing officials that have been set forth for this event, and anyone have any comment, questions? It's our task to approve these officials, but I'd open the floor to any discussion about any or all of these individuals and their ability to serve.

MR. TROUT: Just one thing. This is a pretty complete list, but is this all the officials that need to be appointed between now and then? Are

there any vacancies or any others that need to be picked up?

MR. PEARSON: I believe that's everyone.

MR. TROUT: At least everyone required at this time?

MR. PEARSON: Yes, sir, and all the applications are in, save two. I've spoken to both those individuals this morning. We're just trying to be as proactive as possible.

CHAIRMAN SIEGEL: So our approval will be subject to those last --

MR. PEARSON: Excuse me.

CHAIRMAN SIEGEL: Our approval will be subject, of course, to those last applications that are approved by you folks.

MR. PEARSON: I understand.

CHAIRMAN SIEGEL: And to Stran's comment, inevitable somebody drops off, but there's enough depth here that no one else needs to be added?

MR. PEARSON: Correct.

CHAIRMAN SIEGEL: Is there any other comment on this proposed race officials Gold Cup?

NOTE: There was no response.

CHAIRMAN SIEGEL: If not, I'll entertain a motion to approve.

MS. DAWSON: So move.

CHAIRMAN SIEGEL: Is there a second?

MR. S. REYNOLDS: Second.

CHAIRMAN SIEGEL: All in favor?

NOTE: The Commission votes aye.

CHAIRMAN SIEGEL: Thank you very much, Michael.

MR. PEARSON: Thank you.

CHAIRMAN SIEGEL: Again, good luck to you.

Next we have the executive's report, and I'll turn it over to Bernie Hettel.

MR. HETTEL: Mr. Chairman and Commission members, as announced at our last meeting, I and the members of the staff met with the Mid-Atlantic regulators, and are beginning to have some uniformity and consistency in medication and drug testing.

Today, I have invited several people to speak. I'm sure just about everybody in the room will have some comment on how we go forward with this.

Most particularly, a quick summary of it would be a pairing down of the therapeutic controlled substances that will be permitted. In addition to that, also the necessity of an enhancement of the drug testing procedures.

Now, we're fortunate here in Virginia, last

year, we did an invitation for bid for official equine testing, and our lab is located in Lexington. It's called IFB.

MR. PETRAMALO: HFL.

MR. HETTEL: I'll get those initials right one of these days. In any event, they are the state-of-the-art testing, and we are in good compliance with what the fate has been so far, and what the eventual requirement will be from the regulators in the Mid-Atlantic, and then hopefully, it will pass on to the rest of the portions of the United States.

I'd like Dr. Harden, maybe, to start this discussion. I have asked him to prepare a document that I passed out to you all that by and large enumerates what we currently do and what the differences will be with the eventual possible implementation.

I'd also stress today is just a discussion level. We won't do anything for this racing calendar year, either Thoroughbred or Standardbred, but moving forward, we would like to make some additions and some modifications to our current protocol before the season starts.

So we have a lot of time to do it, and we also

need to work in conjunction with Maryland. It is imperative if they are going to make changes, we are in pretty much lockstep with them.

CHAIRMAN SIEGEL: Okay.

MR. HETTEL: Dr. Harden, I passed out your literature to the Commission members. If you'd begin us with just a little bit of an outline on what we do currently, and then what the changes are suggested.

DR. HARDEN: Okay. I'd like to back up just a short step before that, and say though, horse racing, particularly in Virginia, has a very good history of being clean. We do not have the over arching, rampant drug-positive situation that is portrayed in the media.

We have been for a number of years, not only in Virginia but across the nation, trying to get a uniform medication policy so that a horseman going from state to state is not going to get blindsided in one state for doing something that was perfectly legal in his previous state, so we have been trying to go for uniformity.

Recently, we've been blasted with some adverse publicity nationwide that has put a little bit of a fire in the regulator's craw, so we are trying to --

I think that's an impetus to get something done, so we can tell the world that we've done something. It may or may not be effective, but at least we are struggling that way.

So with that said, in Virginia and most of the country, for years, we were using a laboratory technology called Thin Layer Chromatography. It would detect a couple of hundred substances and detect them at a level that if they were stopped two or three days prior to racing, you would not see them.

With the ever-going push to improve technology, most labs have gone to instrumental technology, where we're using very sophisticated equipment now, and we can detect substances 1,000 fold more sensitively than we were ten years ago, 15 years ago.

As a result, a horse could get a legitimate medication this week, and next week, that medication could be found in the horse's system. So if you were operating on a zero tolerance, then all of a sudden that trainer is a nefarious actor and subject to penalty.

So that's brought us to the point of having to have threshold levels, that if it's seen at a

certain level or below, then in all likelihood, the drug was administered days or even weeks prior to that time, had no influence on the race.

So that's sort of got us to where we are right now. Our lab sophistication has outstripped our adjudication of the rules, and so we're really struggling to try to get things in line.

So this brings us to where the Mid-Atlantic area and the national groups, RMTC, Jockey Club and others are trying to come up with a uniform rule.

The main substances of this rule would be to have a list of drugs or medications that have no influence on the body systems. These would be your antibiotics, your antifungal medications, things like this, dewormers that are routinely used in horses all along.

If the lab sees one of those, it would ignore it because there's no influence on anything other than the horse's health and well being.

Beyond there, we have come up with a list of 24 drugs that are safe, effective, and more or less necessary to have horses perform athletically, and these 24 we've been able to do the research to come up with a precise withdrawal time and a precise threshold level for these drugs to regulate their

use.

There are probably another 60 or more drugs that are commonly used in horses and are legitimately used in horses, but we've not had the resources to do the research to give us a finite withdrawal time or finite threshold for those.

So at the present time then, the Mid-Atlantic Group and RMTC recommend the withdrawal and threshold levels for these 24 drugs. These would be the approved list of drugs. If you're not on that approved list, then detection of the drug could constitute a positive offense, a violation of the rules and you'd be subject to penalty.

In Virginia, we've always had a pretty reasonable and strict medication policy, so the new rule is not a huge step from where Virginia already is.

We're restricting use of some of the corticosteroids in the joint. Presently, we restrict them at five days, and your rule would say seven days. We allow oral corticosteroids at 48 hours, and your rule would say 72 hours. So we're not going a huge step beyond there.

The non-approved therapeutic drugs are presently, if they're detected, it is a violation,

and going forward, if they're detected would be a violation, so we don't see that there is a huge change from Virginia's status. However, I know some of the practitioners and some of the HBPA persons have looked at that, and they aren't as confident as I am. They have their own concerns about it, which I'll let them bring up.

Dr. Matinas, who is a veterinarian, he's practiced here in Virginia at our meets since the inception back in 1997. He's here to present a veterinarian's aspect of it. Nick is also on the AAEP committee, so he's been talking about these issues on both sides of the fence for a number of years.

So I would like maybe to give Nick the floor to give us some comments on this.

CHAIRMAN SIEGEL: Please. Thank you. Welcome, Nick.

DR. MATINAS: Thank you very much. I did not prepare anything written, and I do agree with Rich that the rules in Virginia are very close to the Mid-Atlantic proposed guidelines, and having worn the hat nationally of uniformity, we have worked diligently, A, to come up with this list of 24.

The problem is not with that list of 24

substances, it's with that gray area of 60 therapeutic substances that we have used routinely in the past that are now categorized, quote, as prohibited substances.

For example, if there's any horsemen in the room, they know that we treat gastric ulcers with many products. In people, we use Tagamet, which is Cimetidine; Zantac, which is Ranitidine. Now we have Prilosec, which is Omeprazole.

In the horse, Omeprazole is GastroGard. It's the newest, probably the best treatment for ulcers, and it's also prohibitively expensive for most horse owners to afford. It could cost upwards of $35 to $40 a day to treat a horse with gastric ulcers.

In my view, gastric ulcers are almost unique to the racing horse. They get them because of what we ask them to do. We stable them for 23 and a half hours a day. They're not all turned out in the field as pasture horses. Pleasure horses generally don't get ulcers; race horses generally do. Up to 95 percent of horses stabled at the race track have a certain degree of ulcers in their stomach.

This is just one small thing, but they've taken this Cimetidine, which is the Tagamet, and they've taken this Zantac, put them in a prohibited

category, and that's alarming to trainers who want to treat their horses, but if the horse is only worth $5,000, we can't spend $3,000 a month treating them.

So there is a gray area of these therapeutic substances, which are not -- not by anybody's intent, but by the lack of funds and time and research by RMTC to develop these therapeutic withdrawal guidelines, the thresholds and withdrawal times.

So that said, I think the problem with the Mid-Atlantic group, this list in general, is that they'll treat these therapeutic substances as prohibitive, and therefore ascribe more severe penalties than we have ascribed to them in the past.

It's just an area that needs to be ironed out, and I know that the Virginia racing program is highly dependent on Maryland's racing program.

I'm going to give this same speech in Maryland probably in the next week or two, to try to iron out the differences between what's written and what's actually performed, because at the end of the day, if one of these substances shows up and it goes to the stewards, they have to refer to a piece of paper. If that piece of paper says prohibitive

substance, that implies a much more serious consequence to the trainer, who is just trying to help.

Again, nobody has an argument with the Class Ones or Class Twos. Those drugs don't belong in race horses and we all understand them to be prohibitive. Thankfully, we've had very, very few of those here in Virginia or Maryland, here in Virginia, or some other jurisdictions in the South have.

So we're just trying to make a uniform, like Dr. Harden explained, a uniform set of rules for the people that travel in the Mid-Atlantic, and we're all for uniformity. We just don't want to jump off the bridge if everybody else jumps of the bridge, not having addressed these issues. Thank you.

CHAIRMAN SIEGEL: Thank you very much for your input.

MR. HETTEL: Mr. Petramalo may have some comment, too.

MR. PETRAMALO: Yes. Did you give these to the Commissioners?

MR. HETTEL: The Commissioners have them. Yes, sir.

CHAIRMAN SIEGEL: Yes, sir.

MR. PETRAMALO: Let me apologize in advance. I have been self-medicating a cough and I haven't been successful.

Let me state the position of the Virginia HBPA at the outset. We certainly favor uniform medication rules in the Mid-Atlantic and nationwide; However, our concern at this point with the proposed Mid-Atlantic rules is that they look to be a work in progress at best. At worst, they appear to be a arbitrary list of medications which aren't necessarily in the interests of the horse.

But before I get into explaining that in a little more detail, let me give you a little of the historical context of what's been going on, how we happen to be here today.

In the past year, its been a very controversial one with regard to the issue of racetrack, excuse me, race horse medication.

Last year at this time, I think there were probably two bills pending in the U.S. Congress to basically have the federal government regulate medication in horse racing. Not many people thought that was a good idea.

But what really stirred the pot was, again, almost exactly a year ago, the New York Times had a

series of front page articles which were under the headline of something like Rampant Illegal Drug Use in the Horse Business, In the Horse Industry, and they said that was causing catastrophic breakdowns on the racetrack. Generated a lot of publicity, both in the trade press and elsewhere.

A number of organizations, stakeholders, started responding with ways to deal with these allegations, and a number of them included the notion of, well, let's, quote, clean up our house and self-regulate and come up with things like uniform rules so the federal government doesn't step in.

Well, our concern as an organization was we thought that made sense. Nobody wanted the federal government to get involved in horse racing; never has been, doesn't have any expertise. We'd just as soon leave it the way it was, but we recognize that there was a lot of bad publicity out there.

Unfortunately, most of the action centered on doing things like coming up with uniform rules or banning Lasix and things of that sort. There was very little attention directed toward the charge itself; that is, is there rampant illegal use of drugs in Thoroughbred horse racing?

If you look at that question and look at the facts, the answer is a resounding no.

Now, what you have before you, I hope, is this chart that I prepared from data that's collected by RCI from all of the states. The period that I looked at was 2009 through 2011, because that's the same period that the New York Times looked at.

I sorted the data three ways; all of the 31 racing jurisdictions in the U.S., secondly, the Mid-Atlantic, and then finally, the Commonwealth of Virginia.

To make a long story short, first of all, in Thoroughbred horse racing, we do more comprehensive testing for drugs than any other sport in the world. Every day, every race, we test 25 percent of the horses.

Average field size is eight horses, we test a minimum of two. Virginia, we test two. Florida, they test three. Most states test a minimum of two, so we are testing 25 percent of the horses racing.

Now, the results of those tests over that three-year period -- nearly 280,000 horses were tested. Ninety-nine and a quarter percent came back clean, no drugs.

If you look at just the Mid-Atlantic, the

percentage is the old Ivory soap, 99 and 44/100 percent pure. Remember that?

CHAIRMAN SIEGEL: Yeah.

MR. PETRAMALO: In Virginia, it's 99 1/3 over that three-year period. But here's the interesting thing. Even though the drug positives were miniscule, the vast majority of those positives were for what I would call over dosing or overages of legitimate therapeutic medications of the sort that Dr. Harden and Dr. Matinas were talking about.

Only a handful, 82 out of 280,000 were for what I would call cheater drugs. These are Class One and Class Two narcotics, stimulants, depressants, stuff that for the most part had no reason to ever find its way into a horse.

CHAIRMAN SIEGEL: But the over dosing didn't benefit the horse in terms of its racing ability, right?

MR. PETRAMALO: Probably not. Let me give you an example. In Virginia, we have a threshold for Phenylbutazone, commonly called Bute. I refer to it, as being a layman, aspirin, for horses. I was going to say for lawyers. Lawyers use different stuff. It's a common anti-inflammatory.

Our threshold, post-race threshold is two

micrograms per milliliter in plasma. So if you either gave the horse too much or gave it too close to race day, it might come up with two-and-a-half micrograms. That is an overage. It's a violation and that's generally what we see here in Virginia, by the way.

Most of the drug positives we see are overages of things like Phenylbutazone or Flunixin, which is another anti-inflammatory.

The cheater drugs, we don't see in Virginia, with a few minor exceptions. Let me explain that. Probably from the period of 2009 through last year, there may have been -- I can remember three. There's one listed here, but all three of them were not from deliberate administration by a trainer or a vet, but were contamination.

I remember one case involving a local anesthetic called Mepivacaine, and what this is used for is, if for example, a horse falls, cuts himself and has to be sutured, the vet will give him a shot of Mepivacaine to numb that area so he can stitch him up.

We had a case like that happen here. Horse bled in the stall. The straw got contaminated with the blood. Horse got sutured, went away.

Next day, stall wasn't cleaned. Another horse comes in, and anybody who knows anything about horses, they chew everything, and here's the horse chewing that soiled hay, that soiled straw, and bingo, that horse comes up with a Mepivacaine positive.

I'm not saying that I know all this. Dr. Harden did the investigation and he determined that this is what happened.

We had another case where a horse's feed was contaminated. Again, unintentional, but we had the, quote, Class One and Class Two positives.

MR. S. REYNOLDS: Is that the one you brought to us last year?

CHAIRMAN SIEGEL: Yes.

MR. PETRAMALO: Yes. That was one of them. That was the Norpseudoephedrine, the feed contamination.

MR. S. REYNOLDS: Yeah.

MR. PETRAMALO: Then there was one we had just this past summer, Lidocaine, another local anesthetic. This trainer, little mom and pop operation, just pure as the driven snow, a hail to water guy, basically. Used to come to our Bible study classes and everything. A really decent guy.

Came up with a Lidocaine positive.

Again, after investigation, it was determined that this had to be environmental contamination. Those are the only, quote, serious drugs that I'm familiar with over the past four years.

But the point is, if you look at the statistics, whether nationally, Mid-Atlantic or Virginia, they certainly don't show rampant, illegal drug use. I would submit that if any other professional sport had statistics like this, they would be front page news every day. They would be attempting to make it front page news every day. So we don't really have a rampant problem in horse racing.

But that said, there are reforms that we need, including uniformity; again, for the reasons that Dr. Matinas stated.

Our business is a very transient one. Stephanie runs in Virginia, she runs in West Virginia, she runs in Maryland, and everybody's got slightly different rules. Not with regard to the medication that you can use, because that's all pretty standard and it has been at least the last ten years or so. But the issue is withdrawal times and thresholds, because they vary.

Remember I said that we had a threshold of Bute for two micrograms per milliliter? Well, West Virginia's used to be five. I forget what Pennsylvania's is. But it changes from jurisdiction to jurisdiction and that impacts withdrawal time, and the trainers, by and large, tell me we don't care what the rules are, just make them uniform so we know what we have to conform to. That's where we ought be going with uniformity.

My criticism of the Mid-Atlantic proposal is that rather than focusing on that, which is the real issue, they focus on what I regard as public relations.

In other words, taking a list of 48 medications and chopping them in half so that we can say now we've reduced the number of drugs to a minimum. Now, there may be some legitimate reason for doing that, but not to the extent that they are attempting to do here.

Now, let me get in to that by directing your attention to this document, which you should have. This is another chart that I put together. It's a list of the 47 medications that Dr. Harden distributed last year to our vets as necessary therapeutic medication.

Again, this list of 47 is not unique to Virginia. It goes back -- it probably finds its genesis in a list that the RMTC and the AAEP put together eight or ten years ago, a list of about 50 necessary therapeutics. With them, Dr. Harden, in cooperation with the new lab, came up with withdrawal times.

Now, what you see is our Virginia list, and shaded in yellow are all of the drugs that the uniform rules would prohibit, in effect, making them, in my opinion, making them illegal.

There's no apparent explanation why some were omitted. We went from 47 medications under their proposal down to 22.

Now, I brought together some of my own medication here. I brought with me just to illustrate what Dr. Matinas was mentioning.

What we have here is common ulcer medication. As Dr. Matinas says, horses, like some humans, get very, very stressed and they develop excess stomach acid, leading to ulcers.

For years, the common treatment has been what we humans call Prilosec, Zantac and Tagamet (Indicating).

Now, if you look at the list here, the Tagamet,

this stuff, it's chemical name is Cimetidine, and it's alphabetical. So you'll see Cimetidine given orally 24 hours before racing.

Then you go down to the next one, Omeprazole, that's the Prilosec. Orally again 24 hours before. And then finally, Ranitidine. Again, same stuff.

Well, here's what happened. This stuff gets banned; it's now prohibited. This stuff, Tagamet, is banned. The only thing you can use is Omeprazole, Prilosec or GastroGard.

The normal treatment when a horse is diagnosed with ulcers to treat the horse for four weeks every day. Now, this stuff, the only therapeutic that's permitted, costs $32. That's the cheapest I could find it anyplace online, $32. (Indicating).

So you give this every day for four weeks, that's $900, $32 a day. This stuff, Ranitidine, or Zantac, this bottle costs $16. If you calculate that on a daily basis, it costs $2.30, or $65 a month. The same with this Cimetidine syrup, the Tagamet syrup; same price, $16, $65 a month (Indicating).

So I'm saying to myself, why does this make sense? Why do these drugs that are efficacious, that don't harm the horse, all of a sudden become

prohibited, and this very expensive stuff is the only thing that you can use? To me, without explanation, that seems to be arbitrary.

Now, there are other drugs on the list --

CHAIRMAN SIEGEL: Is there a lobby, a drug lobby for more expensive drugs? There certainly would be in humans.

MR. PETRAMALO: This, I believe the parent company of this is AstraZeneca. Interestingly, have you ever watched -- this is a Shaggy dog story. Have you ever watched their commercials on TV, AstraZeneca? They produce a lot of stuff, and they say, by the way, if you can't afford it, let us know.

I always wondered what would happen when you said I can't afford it. I haven't tried it with this stuff.

But in any event, it just doesn't scan. It doesn't make sense why you wouldn't eliminate two and call them prohibited substances and say this is the only thing --

CHAIRMAN SIEGEL: My question was a serious one. You make a great case, and I don't know who agrees or disagrees, we could have some disagreement in the room, but is there a lobby? Is there some

reason why everybody wants to save money and everybody's looking out for the owners and trainers. Why a more expensive drug?

MR. PETRAMALO: I don't know.

MR. PEARSON: In defense of people that prepared the list, Omeprazole is FDA approved for use in horses. The others are FDA approved for use in people. They are not specifically approved for horses. It's legal to use them in horses, but they are not approved for horses, and they just haven't been able to do the research on every possible medication.

MR. PETRAMALO: Well, but that's true. These are not FDA approved for use in horses, they are in humans. But certainly for the last eight or ten years, or five or eight years, veterinarians have lawfully prescribed these for off-label use. It's common. It's not illegal stuff. It's legal to use them. They are just not FDA approved, but that seems to me to be, you know, splitting hairs to say, well, this is FDA approved for horses, so let's use it.

CHAIRMAN SIEGEL: We have a comment. I don't want to interrupt you.

MR. PETRAMALO: Yeah. Go ahead.

DR. MATINAS: My comment is before the advent of GastroGard, Omeprazole is probably four years old, all of the studies were done by Dr. Mike Murray, I believe, at Marion Dupont Scott Equine Center. He did all the research on ulcers.

He is the one that came up with those percentages of incidents as treatment protocol, which is publicized in the vet literature, has that Zantac and Tagamet as prescribed courses of treatment and that's why they are used. That they are not FDA approved in horses wasn't the issue. That's a completely different issue, but we are allowed to prescribe human medication in horses, and this was the prescribed protocol.

So GastroGard is a newer product, and some say better, some not, but the fact still remains that the original research is proven and treatment with those two earlier products is efficacious.

CHAIRMAN SIEGEL: Are the manufacturers trying to get them FDA approved? Is that going on?

DR. MATINAS: I don't know that it is or is not.

CHAIRMAN SIEGEL: Are they turned down?

DR. MATINAS: I think the human market is so

much bigger than the equine market that the FDA use for horses is not probably on the top of their list.

CHAIRMAN SIEGEL: So I take it that lots of horses go untreated.

DR. MATINAS: A lot of horses do go untreated. More so though, a lot more horses are treated with the conventional, less expensive, the cheaper stuff.

CHAIRMAN SIEGEL: If you go less expensive, that's laying off the race track and they're treating it?

DR. MATINAS: No. They're treating it at the race track as well. If you want to eliminate the ulcer, you take the horse out of training.

CHAIRMAN SIEGEL: That's what I'm saying. If you want to treat with an unapproved drug, then the horse is obviously not in training. It doesn't race on that drug.

MR. PETRAMALO: No. No. No. The withdrawal time for all three of these drugs in Virginia under our standards is 24 hours. There's no difference.

CHAIRMAN SIEGEL: Right.

MR. PETRAMALO: So if you've got a horse, you've got to stop giving this stuff 24 hours out and this 24 hours out. No difference.

CHAIRMAN SIEGEL: I got it now.

DR. MATINAS: I'd like to make one more comment to your comment. You had stated that the people who came up with the positives in this therapeutic range of substances gained a competitive advantage from being a 2.5 or five.

CHAIRMAN SIEGEL: Just a question.

DR. MATINAS: Okay. So the answer is no. Basically, if we take Frank's example of the Bute level, Bute given at 24 hours rises rapidly, peaks in efficaciousness at 12 hours and goes down to, at 24 hours, we are right around the 2.0 level.

But the horse that comes in .5 is probably inside the higher than 2.0 level, but not anywhere near the 12 hour efficacious level. So if a horse was actually administered at 12 hours, you would see his level being between 11 and 50 micrograms, not 2.5.

CHAIRMAN SIEGEL: I see. Got you. Timing issue.

MR. PETRAMALO: Leaving aside the ulcer medications, there are other medications long approved and long used in Virginia which are also being dropped off without becoming -- or not dropped off, but becoming prohibited substances without any explanation.

Just a couple of them. There's some antihistamines that are dropped off. If you go down to the H's, Hydroxyzine is an antihistamine, and Pyrilamine is an antihistamine. These are dropped off, but there aren't any other antihistamines on the list, period. So you drop off the two antihistamines.

The same with there are a couple vasodilators that widen blood vessels. That's particularly important if your horse is developing laminitis and you want the blood to circulate.

Well, we've got Isoxsuprine, and these names are something. Pentoxifylline. Both of them are dropped. They're prohibited and there are no vasodilators out there. My question is why? It doesn't make any sense. Why is this happening?

It seems to me that what the Commission should do is to regard this as a work in progress, this list of 24, because there are a bunch of questions that need to be answered, including some of the ones that I've raised here, and some other ones that we haven't discussed.

That is, when something becomes prohibited because it's not on the list of therapeutics, what does that mean in terms of penalties? Does that

mean a severe penalty because now you've labeled it prohibited, or do you treat that as it has been in the past?

RCI has a graduated system of penalties, depending on what the drug is, et cetera. Do you still use that or is it something new? What I'm suggesting is this needs work.

We have here in Virginia a medication committee chaired by Dr. Harden. Dr. Matinas is on it and Dr. Daniels is on it. Stephanie and I are on it, of course, and a number of trainers and veterinarians are on it.

Dr. Harden has done a very good job of keeping us informed by e-mail of what's going on at these Mid-Atlantic meetings, but I think it would be very helpful if we could have a face-to-face meeting of the committee so we could sit down and look to see where the Mid-Atlantic is, and what, if anything, we think should be done to modify the program or change it in some way. I think that's probably the best way to go forward.

CHAIRMAN SIEGEL: Among your committee members, are most in agreement? Pretty uniform opinion of that?

DR. HARDEN: Of the responses I've received

back, most everyone is in basic agreement of it, with some concern like we've brought up today about the cost of Omeprazole, and some people have questioned giving Buterol at 14 days, and these are legitimate questions, but the overall tone of the new regulations they were in favor of.

MR. PETRAMALO: Yeah. I think everyone is in favor of uniformity; that's not an issue. It's just what we wind up with as the uniform rules, including both the medication and the penalties, because that's a very important part of the equation.

MR. S. REYNOLDS: Was there any explanation? Did they just throw this out, or did they explain why they did all this?

MR. PETRAMALO: I haven't seen any explanation.

MR. S. REYNOLDS: They just said, here you go, this is what we're thinking, no reason why?

MR. PETRAMALO: Yeah. If it hadn't been for Dr. Harden sending around his notes of these meetings, we would have just had to rely on the press release that came out.

The press release was what really got us concerned, because it says this new program divides medications into two new categories; control therapeutic substances, there are 24, and prohibited

substances. Everything else, that's prohibited. That's the concern.

MS. DAWSON: Mr. Chairman?

CHAIRMAN SIEGEL: Yes, ma'am.

MS. DAWSON: I understand that our executive secretary did attend those meetings, and I would assume that a lot of these issues did come up and were discussed. Can you share with us anything about what happened?

MR. HETTEL: The necessity to have some starting point was pretty apparent to all of the regulators in the room. I think the press release that came out certainly may have been over stated in terms of its uniform agreement; however, given the 24 therapeutics that are listed here, I think that just what we've heard today would open up some debate on the inclusion of a few more.

MS. DAWSON: Sure.

MR. HETTEL: Well, just to defend that group of people somewhat, the starting point had to be somewhere.

Now, we haven't talked yet about Lasix administration, which I'm going to ask Commissioner Van Clief to speak to in a minute, but part of that also gets to be nationally from the New York Times

articles that were written, and of course some of those statistics used Quarter Horse numbers, which kind of skewed the credibility of those articles, but nevertheless, it's front page New York Times information, and other press rely on that to have some authenticity to it.

The charge would be the uniformity. Everybody in the room agrees on uniformity. Now it's the matter of the devils in the details, of course, and that's where we will begin.

As I stated at the beginning of this meeting, this being a work in progress, we will certainly contribute mightily to the next meeting, and we can raise these concerns, and I'm certain every other Racing Commission staff will have a similar meeting to this one and have comments from Maryland and all the other states that are involved.

It's a good starting point. It's not the final stop on the tour though, certainly.

While we're on that point, DG, would you mind speaking briefly as well? DG was part of the Jockey Club.

One of the complications I've had in my lifetime at the race track has been Lasix administration and a few other things, but most

primarily that.

Breeders Cup at one point was ready to go ahead and prohibit the use of exercise-induced pulmonary hemorrhage medication. We call it Lasix because it's the human form of that.

DG, would you speak to that for a moment?

MR. VAN CLIEF: Sure. Just taking a little broader view before we touch base on Lasix. I echo the question we don't seem to have an answer in the room as to how we got to the current list of approved therapeutics, as opposed to whatever the previous list was, and I think that's a legitimate question.

Stepping back a couple paces, I'm admittedly biased on the subject, given my background. I think that our executive secretary and the other regulators who met recently, along with the work that the RMTC, the AAEP and others have done in the last few years should be applauded. The industry needs it. We have been working as an industry in the direction of medication uniformity for probably 45 years.

I had a very prominent industry leader tell me 15 years ago when I got involved at least peripherally, forget it, it'll never happen. I

think we are closer today than we ever have been. I think it's more critical today than it ever has been.

I do not think we should play down the importance of the public relations aspect of this.

If any of you have seen the McKinsey study of the Jockey Club commissioned a couple years ago, there are some rather alarming statistics in that. The lead of which would be the industry nationally is loosing four percent of its fan base annually. By picking up two percent, we're losing six and a net loss of four every year. Given the position of this sport, we obviously cannot afford that for very much longer.

Looking at sports generally, the topic of medication, or I should say -- and we tend to use our words sometimes incorrectly. It's not medication. It's not drugs. And the topic of drugs is red hot, whether it's bicycle racing, football, baseball, whether it's steroids or anything else, it's a red hot topic.

I think that the public that we're trying to interest in our sport, whether it's steeple chases, flat racing, whether it's harness racing, tends not to be able to make the kinds of precise distinctions

we're discussing today. They would be lost 20 minutes ago in the this conversation, and the difference between types of anti-inflammatories, vasodilators or whatever you want to discuss, is lost on the public. They want to know it's clean, and we may be the cleanest sport there is, but we're not getting that message out.

So while maybe we shouldn't let PR drive our scientific-type conclusions, it's a major issue. I think we need to move towards consistency as quickly as possible. I think we need to move towards restrictive race day medication as quickly as possible.

It's probably not lost on anybody in the room if you've read any of the recent articles, focus has been global. I think I'm right in saying the United States and Canada are the only two countries that generally allow race day medication to be applied. Nobody else does. In a sport that is becoming more and more global, that's a serious topic.

So I think we should be moving those directions. What has stopped this initiative in its tracks in the past has been the type of scientific dispute that we're hearing a little bit about. People just can't agree on these types of lists.

We've got to drive some agreement and I think the RTC has done a good job. We are closer than we ever have been. We simply need to drive this uniformity.

Bernie asked me to talk a little bit about the Lasix issue, which is certainly directly related. Specifically, from a Breeders Cup perspective, there are actually two organizations in the last couple of years that have made a serious attempt to move in the direction of no race day medication.

One is the Breeders Cup, which adopted a no race day medication policy a couple of years ago. The other is the Thoroughbred Owners and Breeders Graded Stakes Committee. Both in actually recent weeks have been backed up on those positions because of the chasm between members of this industry who cannot agree on policy.

TOBA Graded Stakes Committee was basically stopped cold by some of its own membership. I think I believe they were threatening lawsuits over the issue, and so they have had to reverse their course.

Breeders Cup had a recent meeting of its board, declined to move forward with a policy. Last year, Breeders Cup eliminated the use of Lasix in the two-year-old races. The goal was to eliminate the

use of Lasix in all of their races.

In all of those events, they had to back up on that because of the industry's ability to move to that conclusion.

In terms of how that is perceived, again, this is split within the American racing establishment. I can tell you that racing jurisdictions around the world, both breeders, owners and racing associations, are frankly, some of them are appalled that Breeders Cup has been forced to back out. They do not race with race day medication. They do train on it.

So it's a complicated issue, but from the standpoint of the future health of our industry, which revolves around the perception of our would-be fan base looking forward, we've got to solve these problems.

MR. S. REYNOLDS: What are the trainers weighing in on this issue?

MR. VAN CLIEF: I don't want to stereotype groups, but the trainers, if you can, you know, look at them from a national standpoint, are either gonna be represented by the most part by the HBPA or they are gonna be represented by the THA.

And fairly or unfairly, those groups have been

seen as being more -- I don't know if liberal is the right word -- liberal, in terms of their outlook or permissive in terms of their outlook. They are passionately, as far as I know, in favor of the continuation of the application of Lasix on race day.

That's where the wheels have come off on this. Everybody agrees with the need for uniformity across state boundaries nationally. We haven't got an agreement on, you know, what this list looks like. I think that's achievable, so long as we agree on the science. That's inhibited by the fact that we don't have resources enough to drive the science fast enough to get conclusive answers.

MR. HETTEL: Thank you.

MR. TROUT: Mr. Chairman, just a procedural question. Is this basic list being presented to all six of the states in the Mid-Atlantic for adoption, or is this something that's still a work in progress as you've discussed?

To me, there's an advantage in doing something and having something adopted that obviously will be amended forever as things come along and changes are made, but is this something that we are at a stage where this is something that needs to be adopted by

us and by the other states, or has it been adopted by any of the Mid-Atlantic states at this time?

MR. PETRAMALO: I don't think its been adopted at all. I think at best, as I've characterized it, it's a work in progress.

Each state -- I'm only getting this from what I read in the press. But each state has basically said we have to look at this and go back to our commission. We have a rule-making process that has to be followed, et cetera. Nobody has said these 24, meaning the black and not the yellow, these 24 are it. No state has yet said that. No Mid-Atlantic state.

MR. TROUT: Is that headed in that direction? Seems to me that it would be.

MR. HETTEL: No. That's the beginning of the initiative. Certainly -- and let's take the ulcer medication. When I started years ago in the race horse business, nobody realized that horses had ulcers. The definition of a bleeder was a horse that had a demonstrative gushing, bleeding from his nostrils. The science on determining exercise-induced pulmonary hemorrhage has gone miles and miles from when I started and when DG started.

As the science evolved, some of this list can

be paired done. Some of these are the same things. This is Frank's list. This isn't hidden from the Mid-Atlantic. Frank put this together correctly.

This is what we normally have done in Virginia for years and years. This list has gotten larger as the years have gone by, simply because of the medications. These three medications for ulcers nobody used. None of those existed even ten years ago, did they?

MR. PETRAMALO: Probably --

MR. HETTEL: Tagamet might.

MR. PETRAMALO: Yeah. Yeah. Not GastroGard.

MR. HETTEL: So all of that, as we go, and the necessity to evolve horse racing in my lifetime certainly has evolved a great deal, both in how it's portrayed and how it's delivered to the public.

CHAIRMAN SIEGEL: Frank, I think it's important that we continue a dialogue here and continually update it and being involved in this process.

I think everyone agrees it needs to be uniformity. What that uniformity is, is still up to debate, but I think that we're a small state, even among the Mid-Atlantic, and we won't necessarily drive this train, but I think our input is gonna be important to what ultimately is decided, and I think

we're gonna have to live by whatever we get and whatever the group decides. Is that fair?

MR. PETRAMALO: Yes. I think it's also important to look at the process. That is, to the extent we can get as much participation in the process as possible, the more likely it is we're gonna have agreement at the end.

Even if Stephanie and I happen to dissent on a particular substance, but if we were part of the process, we're gonna be able to buy in to it at the end.

I think a good bit of the problem with the Mid-Atlantic is the lack of input from horsemen, trainers, et cetera. It looks as though it's coming down from on high without any discussion or input, so I think that's important that we do that.

Leaving aside the substances, whether this stuff is good or not, and that's why I suggested that our Virginia medication committee get together so we can exchange ideas and maybe put together some type of suggestions to the larger group that they might want to consider.

CHAIRMAN SIEGEL: I think it would be important though that among our group that we reach consensus so that you can speak with one voice and not three

voices as part of the dialogue.

MR. PETRAMALO: Oh, yeah.

CHAIRMAN SIEGEL: And hopefully, the committee is working towards that, where we can have a unified approach to whatever input is considered by those Mid-Atlantic states from us and should be a player at the table.

MR. VAN CLIEF: Can we review again the make-up of that committee, who serves, and what groups are represented?

MR. PETRAMALO: Basically, it's -- Dr. Harden's got the list, but it's basically veterinarians and trainers, both Virginia and Maryland.

CHAIRMAN SIEGEL: Do you have the specific list and names?

DR. HARDEN: I don't have it right with me, but basically, we have Thoroughbred veterinarians, Standardbred veterinarians, Thoroughbred trainers, Standardbred trainers, HBPA, and I think we've included a couple of the commissioners and Mr. Hettel on our notices that we've been passing out. But I do have the list. I don't have it with me right here.

MR. VAN CLIEF: Does that group include the owners as well as trainers?

MR. PETRAMALO: Not unless they're dual.

MS. NIXON: Like me. I'm owner trainer.

CHAIRMAN SIEGEL: Well, so how many individuals would you say are on this committee?

DR. HARDEN: Probably 16 or 18.

CHAIRMAN SIEGEL: You're meeting by e-mail, as I understood?

MR. PETRAMALO: We used to meet at least once a year. Most of the time, it was at Laurel.

DR. HARDEN: We used to go to Laurel and have a meeting so we could include Maryland. Most of the trainers and veterinarians were there.

MR. PETRAMALO: Right.

CHAIRMAN SIEGEL: If there's any sense that this -- these decisions will be made here in the next six months, and maybe that's not even realistic, but whatever that time table is, I think it might be important, as you suggested earlier, that the group sit down in person, have a meeting or meetings, discuss this and try to reach some mutual agreement.

MR. PETRAMALO: I would think it would be important for our committee to meet as soon as possible for the following reason.

The Mid-Atlantic is not operating in a vacuum.

RCI is also involved in its own process, which roughly parallels the Mid-Atlantic, and RCI has two meetings coming up, one in April and one in July. My expectation, my guess is that the one in July, by the time the July meeting is over with, they will probably have finalized their uniform rules.

So what I'm suggesting is, if we met as soon as possible, we can give our input to the Mid-Atlantic, which ultimately will also --

CHAIRMAN SIEGEL: Dr. Harden, will you distribute to the Commission and others perhaps the list of those names when you have it? DG had asked the question specifically. And then I take it -- who is the chair of that?

MR. PETRAMALO: Dr. Harden.

DR. HARDEN: No.

CHAIRMAN SIEGEL: No? Who is the chair?

DR. HARDEN: We typically have commissioners as the chair of our committees.

MR. PETRAMALO: That's correct.

DR. HARDEN: Mr. Reynolds and Mr. Van Clief are on this committee.

CHAIRMAN SIEGEL: Do we have a chair? DG, would you like to chair?

MR. HETTEL: Congrats.

MR. VAN CLIEF: I knew I shouldn't have opened my mouth. I'd be happy to.

DR. HARDEN: I'll bring a list before the meeting is over today.

CHAIRMAN SIEGEL: Right. Okay. If you would work with DG and perhaps try to set a meeting, however, wherever, but certainly pretty quickly. Obviously, if this thing -- some recommendations are gonna come down here by July. We ought to be in the process.

MS. DAWSON: Mr. Chairman, would it be appropriate for the Commission to adopt a resolution expressing our consensus that this committee should meet in person and pursue these?

CHAIRMAN SIEGEL: Well, I think that we're certainly stating that. I'm not sure we have to put it on the record, but I think that the Commission is in agreement that we need to weigh in and to have a consensus among those participants in the Commonwealth, and I think we have been pretty clear about that.

MR. HETTEL: Mr. Chairman, we can certainly distribute an e-mail today of that whole group with possible dates for everybody's mutual convenience. I think we'll go ahead and start that, and as we get

a date or two, then we'll inform everybody else when that committee will meet.

CHAIRMAN SIEGEL: Admittedly, some of us don't have deep pockets of experience in this issue, but I think among this committee, we have lots of folks that do. So speaking as one commissioner, I think and trust our group to make a decision that's best particularly best for the industry and the horses, in particular.

MR. TROUT: Mr. Chairman, if we could also have perhaps a report of their next meeting.

CHAIRMAN SIEGEL: It will be on the agenda.

MR. TROUT: Its been going on for the last 45 years, and certainly, don't want to go on another 45 years, but -- and it is something that's very important, as I see it.

As any kind of sports drug testing, there's gonna be something new coming along, new ideas coming along, whatever it is. There'll never be an actual final forum that it's gonna stay that way forever. Something will be constantly changing.

It sounds like we're on the way to having something that's going to be agreeable to the six states and something we can move forward with. I think it's very important.

CHAIRMAN SIEGEL: This is certainly not the end of our discussion. Going forward, is there any other comment on this issue before we move along?

NOTE: There was no response.

CHAIRMAN SIEGEL: Okay. Again, it has been a good dialogue, at least educational for me, and I encourage the group to meet sooner rather than later.

The next item on the agenda is public comment. Anyone in the public, among the public, that would like to make a comment at this time?

NOTE: There was no response.

CHAIRMAN SIEGEL: The next meeting -- we had, by the way, typically in years past scheduled meetings out through the year, and then of course when necessary, we have altered the dates.

In speaking to Bernie this morning, I've suggested that we do that, and we will try to do that, as opposed to doing it in the entire group, try to do that and communicate with everyone when those dates might be suggested.

The next meeting -- the Chair is gonna suggest a date for the next meeting of May the 29th. It's a week or so before the meet opens, and it is a couple days after Memorial Day. Is there any conflict that

we are aware of with May 29th? Are you gonna be in the country then, Frank?

MR. PETRAMALO: I hope so.

CHAIRMAN SIEGEL: You never know where you're gonna be on any given day.

MS. NIXON: Is that a Wednesday?

MR. HETTEL: It's Wednesday. Yes.

CHAIRMAN SIEGEL: It's Wednesday, two days after Memorial Day.

MR. LAWS: At ten a.m., Chairman?

CHAIRMAN SIEGEL: At ten a.m. Yeah. It's always ten a.m. here in this space. Well, that's good. We have an agreement here.

MR. PETRAMALO: We, before the meet, always submit to the Commission for its review and approval our back stretch budget. We get approximately 80 to $100,000 a year from the breakage for back stretch benevolent purposes, and what we do is we take care of medical bills, dental bills, we run educational programs, we give out food vouchers redeemable in the kitchen, et cetera. All that adds up to about $100,000.

I will submit that to Bernie as soon as possible, but all I'm suggesting is we might need approval before May 29th. Well, I guess.

MR. HETTEL: Could I give a tentative approval and then we'll report it at that next meeting?

MR. PETRAMALO: Yeah. I think that probably would work.

CHAIRMAN SIEGEL: I think you can submit it to Bernie. If he needs to pull some numbers, he can do that and then we can take formal action at the next meeting.

MR. PETRAMALO: Okay.

CHAIRMAN SIEGEL: It would be foolish to set a meeting for that purpose. You good with that, Jim and Ian?

MR. STEWART: That's fine.

MR. WEINBERG: Um-hmm.

CHAIRMAN SIEGEL: Okay. We are gonna have a closed meeting to discuss personnel items unrelated to anything that would necessarily come before the meeting, and so that it would not be necessary for anyone else to stay. You're welcome to do so. We will come back and formally adjourn as we typically do.

Is there any other business to come before the Commission at this time?

NOTE: There was no response.

CHAIRMAN SIEGEL: If not, we will adjourn into

closed session and come back and formally adjourn the meeting in a short time.

Thank you, everyone.

MR. LAWS: We actually need to move formally to go into closed session, so Mr. Chairman, it's my understanding that you're moving that the Virginia Racing Commission convene in closed session to discuss personnel matters, including salary and other matters that are exempt from FOYA under Section 2.2-3711(A)(1) of the Code of Virginia; is that correct?

CHAIRMAN SIEGEL: That is correct.

MR. LAWS: Does anyone second?

MR. S. REYNOLDS: Second.

CHAIRMAN SIEGEL: All in favor?

NOTE: The commissioners vote aye.

CHAIRMAN SIEGEL: We are going into closed session.

NOTE: There was a closed session from 11:23 a.m. until 12:30 p.m.; thereafter, the meeting continued as follows:

MR. LAWS: Mr. Chairman, if I may, we'd like to reopen the public meeting and close the private meeting, or close the closed meeting and confirm that only public business matters lawfully exempt

from the open meeting under the requirements of this chapter and the public business that we discussed or personnel issues related to personnel, as the motion stated.

Anyone would like to second that?

CHAIRMAN SIEGEL: Is there a second?

MR. D. REYNOLDS: Second.

CHAIRMAN SIEGEL: All in favor?

MS. DAWSON: Aye.

CHAIRMAN SIEGEL: Okay. We're out of closed session and back in open session. No other business to come before the Commission. I'll entertain a motion to adjourn.

MS. DAWSON: So moved.

MR. S. REYNOLDS: Second.

CHAIRMAN SIEGEL: All in favor. We're adjourned.

NOTE: This hearing is concluded at 12:30 p.m.

CERTIFICATE OF COURT REPORTER

I, Sandra G. Spinner, hereby certify that having first been duly sworn, I was the court reporter at the meeting of the Virginia Racing Commission at the time of the hearing herein.

Further, that to the best of my ability, the foregoing transcript is a true and accurate record of the proceedings herein.

Given under my hand this 24th day of April, 2013.

_____

SANDRA G. SPINNER

COURT REPORTER