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MINNESOTA RACING COMMISSION

**Full Commission Meeting  
Thursday, January 21, 2021 at 4:00 p.m.**

**MINUTES**

Call to Order: Chair Lane called the meeting to order at 4:02 p.m. The meeting was conducted by teleconference from the MRC office at Canterbury Park in Shakopee.

Roll Call: Present – Commissioners Colombo, Erhart, Gingold, Goodman, Idelkope, Johnson, Lane, and McArdle. All Commissioners present. A quorum was present.

Adoption of Agenda: Commissioner Colombo made a motion to adopt the agenda as presented. Second by Commissioner Johnson. Motion carried unanimously.

Approval of Minutes: Commissioner Erhart made a motion to approve the December 17, 2020, MRC meeting minutes. Second by Commissioner McArdle. Motion carried unanimously.

2021 Committees. Chair Lane referred to a proposed 2021 MRC committee structure in commissioners' meeting materials and stated that he would accept requests for changes, if any, prior to the next commission meeting. There were no questions or requests made at this time.

Racehorse Aftercare Committee Report. Commissioner Goodman reported that the Racehorse Aftercare Committee met on January 12, 2021, and said that it was a productive meeting. She described discussion of a proposal to create an alliance with the Minnesota Racehorse Engagement Project and other racehorse organizations to grow and improve aftercare programs in Minnesota. She suggested that the Commission's proposed role will be to support and help fund racehorse aftercare initiatives. She also spoke favorably of her experience attending a symposium on racehorse aftercare.

Commissioner Goodman reported that Commission Veterinarian Dr. Lynn Hovda had stated concern to the committee that there are a limited number of incidents each year involving racehorse breakdowns with non-catastrophic fractures that might be treated and repaired with relatively minor surgeries. She invited attention to the need for funding for life-saving surgeries for racehorses that have to be retired due to such injuries in instances where the owner/trainer decides not to pursue surgery and instead chooses euthanasia of the injured horse. A plan to prevent this from happening would require that the owner transfer ownership to another entity and that the horse would be transported to the U of M or another surgical facility for surgery. Importantly, there would be funds available to pay for both surgery and follow-up care. Dr. Hovda believes that the U of MN might be willing to consider a reduced rate if such surgery were part of a research project. Clearly recognized in the discussion is that the ownership transfer to appropriate entity would have to take place prior to the surgery. The goal of these efforts would be to minimize unnecessary euthanasia and to allow injured horses to resume second careers after recovery. Dr. Hovda proposed that she would lead an on-track team that would collaborate in evaluating each case to determine if a horse qualifies for surgery. The owner or representative would have to agree to transfer of ownership before surgery is authorized. Dr. Hovda noted that this is similar to a procedure in place at tracks owned by The Stronach Group. Steve May added that he and General Counsel Joe Newton would investigate possible use of ADW breeders' fund fees to fund surgeries and aftercare. Minn. Stats. 240.131, Subd. 7(b) currently appropriates such fees to "to the commission to offset the cost of administering the breeders' fund and promote horse breeding in Minnesota." Dr. Hovda reported that she has reached out to the University of Minnesota College of Veterinary Medicine to propose a research program.

Action. Racehorse Aftercare Committee funding proposal. Commissioner Johnson moved to approve distribution of Fines-Adopt Retire Repurpose Account funds to provide emergency surgery on retired racehorses in an amount of up to \$5,000. Second by Commissioner Colombo. Motion carried unanimously

by roll call vote. Commissioners Colombo, Erhart, Gingold, Goodman, Idelkope, Johnson, Lane, and McArdle voted for the motion.

Action. Breeders' Fund 2021 Purse Supplement Appropriations. Deputy Director Robert Schiewe reported on requests for Purse Supplement Appropriations from the Thoroughbred and Quarter Horse Breeders' Funds. He said that requests for 2021 are similar to 2020 requests.

- A. Thoroughbred Breeders' Fund 2021 Purse Supplement Appropriations. Commissioner McArdle moved to approve the distribution of \$325,000 (estimated) from the Thoroughbred Breeders' Fund to be allocated as follows:

1). *\$75,000 to supplement Minnesota Festival of Champions Stakes purses, to be distributed as follows:*

*\$12,500 \$100,000 Northern Lights Futurity  
\$12,500 \$100,000 Northern Lights Debutante  
\$12,500 \$100,000 Bella Notte Minnesota Distaff Sprint  
\$12,500 \$100,000 Crocrock Minnesota Sprint  
\$12,500 \$100,000 Glitter Star Minnesota Distaff Classic  
\$12,500 \$100,000 Wally's Choice Minnesota Classic*

2). *\$225,000 (estimated) to supplement a 30% bonus paid to Minnesota-bred starters who finish third or better in any open, overnight race during the 2021 Canterbury Park racing meeting.*

3). *\$12,500 (estimated) 10% Bonus for all Minnesota-bred starters running in open stakes*

4). *\$12,500 (estimated) 10% Bonus for Minnesota sired and foaled starters running in Minnesota stakes*

Second by Commissioner Johnson. Motion carried unanimously by roll call vote. Commissioners Colombo, Erhart, Gingold, Goodman, Idelkope, Johnson, Lane, and McArdle voted for the motion.

- B. Quarter Horse Breeders' Fund 2021 Purse Supplement Appropriations. Commissioner McArdle made a motion to approve the distribution of \$50,000 (estimated) from the Quarter Horse Breeders' Fund to be allocated as follows:

1). *\$35,000 to supplement Minnesota Festival of Champions Stakes purses, to be distributed as follows:*

*\$17,500 \$60,000 (est.) Minnesota Quarter Horse Futurity  
\$17,500 \$60,000 (est.) Minnesota Quarter Horse Derby*

2). *\$15,000 to supplement open races \$4,000/each for Minnesota-bred starters who finish fifth or better.*

Second by Commissioner Johnson. Motion carried unanimously by roll call vote. Commissioners Colombo, Erhart, Gingold, Goodman, Idelkope, Johnson, Lane, and McArdle voted for the motion.

#### Status reports.

- a. Running Aces Casino, Hotel and Racetrack – New Director of Racing and Racing Secretary, Steven Carpenito, addressed the commission. Mr. Carpenito reported that he is currently meeting with vendors and prospective employees for the upcoming meet. He also reported that the 2021 stall application is nearly complete and that he will be on site in late April. Mr. Ito reported that business operations are running smoothly after the reopening of the card club earlier in January.
- b. Canterbury Park – Andrew Offerman provided an update on parking lot construction and reported that construction will resume in spring 2021. He further reported that card club business had nearly returned to levels where they were before closing in November 2020 and that there are protocols in place to ensure that capacity levels are not exceeded. Mr. Offerman added that condition books

should be available before the February commission meeting and that racing official selections will be submitted for approval at the March commission meeting.

Deputy Director's Report. Mr. Schiewe reported that total ADW handle increased substantially in 2020. Commission Gingold asked Mr. Schiewe for the balance of the ADW permanent (1.0%) and temporary (additional 1%) accounts. Mr. Schiewe reported the balance in the permanent account at December 31, 2020, was \$910,318.13 and in the temporary account at the same date was zero (\$0). Mr. Schiewe reported that he had attended a University of Minnesota Equine Conference on January 21 where post-doctoral fellow Sian Durward-Akhurst, BVMS, MS, DACVIM, PhD presented findings from recent research on Cardiac Arrhythmia in Racehorses. Mr. Schiewe said that Dr. Durward-Akhurst recognized and thanked the Minnesota Racing Commission, Dr. Hovda, and Dr. Dionne Benson for their support of the research.

Executive Director's Report. Steve May reported that Class C Licensees who were licensed in 2020 have had their 2021 application deadlines extended to March 1, 2021, under Gov. Walz' recent Emergency Executive Order 21-01, to ensure safe renewal of Class C licenses with proper social distancing and other mitigation measures to reduce risks of corona virus transmission. Mr. May reported that he anticipates all licenses will be issued by February 15. He also reported that licensing staff is meeting on a regular basis and had met to plan backside licensing operations at Canterbury Park. Mr. May reported that two MRC employees continue to be redeployed, that one employee has been offered early retirement by the state, and that there is still a vacant licensing position at RAHP. Mr. May also updated the Commissioners on the rulemaking process. He then provided state and federal legislative updates. He reported Minnesota House District 55A is now represented by Rep. Erik Mortensen, who replaced Rep. Brad Tabke. Canterbury Park is in his legislative district. Mr. May reported that he was invited to present an overview of the Minnesota Racing Commission at an upcoming Minnesota House Commerce Finance and Policy Committee meeting. He added that there is not yet a lot of action with respect to implementation of the federal Horseracing Safety and Integrity Act. Mr. May gave an update on plans to upgrade and update the MRC website. He also reminded Commissioners of the January 25 due date to file a Statement of Economic Interest with the Campaign Finance Board. Mr. May reported that the ARCI Continuing Education Committee will host new virtual meetings in coming months.

Industry stakeholder reports.

- a. MQHRA. Ralph Haglund reported that board elections were held in December and that Nathan Sommer and Randy Weidner are two new board members. He also highlighted the results of a recent Heritage Place sale in Oklahoma. .
- b. MTA. Kay King reported that the MTA Stallion Auction is on to book two and that it is going well, with new stallion season buyers this year. She also reported the recent success of MN-bred 3yo f. Charlie's Penny, who won the \$150,000 Silverbulletday Stakes at The Fair Grounds on January 16..
- c. MHRI. Patty Strand did not have any new information to report.
- d. MNHBPA. Mike Cronin informed the commission of a new tutoring program that will be set up on the backside of Canterbury Park in 2021.

Future meetings. The next full commission meeting will be conducted via teleconference on Thursday, February 18, 2021.

Adjournment. Chairman Lane adjourned the meeting at 5:12 p.m.

ADOPTED this 18th day of February, 2021, by the Minnesota Racing Commission.