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1 NEW MEXICO RACING COMMISSION
2 REGULAR COMMISSION MEETING

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11 TRANSCRIPT OF PROCEEDINGS
12 May 16, 2019
13 Transcribed from file labeled:
14 kira frazier - Regular Commission Meeting
15 May 17, 2019

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1 to accept the amendment?
2 UNIDENTIFIED COMMISSIONER: So moved.
3 THE CHAIRWOMAN: Second.
4 UNIDENTIFIED COMMISSIONER: Second.
5 THE CHAIRWOMAN: All in favor, say aye.
6 ALL MEMBERS: Aye.
7 THE CHAIRWOMAN: Motion passes unanimously.
8 (Motion approved.)
9 THE CHAIRWOMAN: Move to the approval of
10 minutes. We have minutes from April 18th, 2019.
11 (Inaudible) opportunity to look at the minutes if I
12 hear a motion to accept the minutes as proposed.
13 UNIDENTIFIED COMMISSIONER: So moved.
14 UNIDENTIFIED COMMISSIONER: Second.
15 THE CHAIRWOMAN: All those in favor, say
16 aye.
17 ALL MEMBERS: Aye.
18 THE CHAIRWOMAN: Okay.
19 (Motion approved.)
20 THE CHAIRWOMAN: We do have minutes for the
21 special commission meeting that was held on
22 May 3rd. Do I hear a motion to accept the minutes?
23 UNIDENTIFIED COMMISSIONER: So moved.
24 COMMISSIONER MCSWANE: Second.
25 THE CHAIRWOMAN: All those in favor, say

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1 THE CHAIRWOMAN: Good morning, everyone.
2 Thank you for coming. Very happy to see you.
3 We're going to go ahead and get started with our
4 May 16th regular meeting. And I'd like to ask our
5 staff to do roll call, please.
6 MS. FRAZIER: John Buffington.
7 COMMISSIONER BUFFINGTON: Present.
8 MS. FRAZIER: Billy Smith.
9 COMMISSIONER SMITH: Present.
10 MS. FRAZIER: Beverly Bourguet.
11 THE CHAIRWOMAN: Here.
12 MS. FRAZIER: Hossie Sanchez.
13 COMMISSIONER SANCHEZ: Here.
14 MS. FRAZIER: And Freda McSwane.
15 COMMISSIONER MCSWANE: Present.
16 MS. FRAZIER: Thank you.
17 THE CHAIRWOMAN: Okay. Thanks, Kira. Next
18 on the agenda is approval of the agenda. Are there
19 any amendments to the agenda?
20 MR. TREJO: Yes, ma'am, Madam Chair, Members
21 of the Racing Commission. If I may suggest that
22 Item 6.E, below that is another E. If we could
23 change the second 6.E to F, and then make the
24 adjustments as applicable, to -- F to G and G to H.
25 THE CHAIRWOMAN: Okay. Do I hear a motion

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1 aye.
2 ALL MEMBERS: Aye.
3 THE CHAIRWOMAN: Motion passes. Thank you.
4 (Motion approved.)
5 THE CHAIRWOMAN: Regarding the chairman's
6 agenda, 4.A, goals and health of the industry and
7 study, I'd like to address the goals in particular,
8 because when I was so excited to become chairman, I
9 just took off and I wanted -- I knew what I wanted
10 to do and I had some goals and objectives and
11 reforms and things like that. But what I didn't do
12 is I haven't talked to the commissioners at the
13 table.
14 And I know Izzy's heard a lot of things
15 that I've talked to him about. They're like, you
16 guys probably live here and -- but I would like to
17 table that and get together with the commissioners
18 and have them submit their concerns, their goals
19 and their objectives, and then that proposal could
20 be addressed at the next meeting.
21 UNIDENTIFIED COMMISSIONER: So moved.
22 THE CHAIRWOMAN: Okay. Second.
23 COMMISSIONER MCSWANE: Second.
24 THE CHAIRWOMAN: All those in favor, say
25 aye.

<p style="text-align: right;">Page 5</p> <p>1 ALL MEMBERS: Aye. 2 (Motion approved.) 3 THE CHAIRWOMAN: And then regarding the 4 health of the industry, I'm still gathering 5 documents; they're still coming in. And because of 6 our race date meeting yesterday, the management and 7 the associations have submitted additional bullet 8 points that I think that could be included in this 9 health industry report. 10 So this is going to be take a little bit 11 to compile and (inaudible) with the commissioners 12 and Izzy about how we should move forward with 13 this. And we'll let you know as soon as we make a 14 decision. But we haven't forgotten it. It's -- 15 it's about that big thick now. Okay? 16 Okay. We have the 4.B, the committee 17 meeting update on the race dates committee. I have 18 that. We met yesterday here in the boardroom, and 19 we discussed the proposals made by track 20 management, the New Mexico Horsemen's Association 21 and the New Mexico Breeders Association. Each 22 entity presented their proposals, and subsequently, 23 a question and answer conversation between 24 committee members was held. 25 Let's see. Being that this was a new</p>	<p style="text-align: right;">Page 7</p> <p>1 Sunray wanted to ask for an extension because they 2 are right in the middle, you know, of their week, 3 and so they will have a lot more information. 4 Because they went out of the box and they 5 asked for 17 days for this year's meet. And their 6 purses are much higher. They're having a lot of 7 success. There is a (inaudible) participation, 8 because that was a pilot. And so they want to 9 address it and see what their proposals will be for 10 next year. 11 Okay. So we'll let you know as soon as 12 we have either a special meeting, they offer a 13 special meeting, or we will do this at our June 14 meeting. We will have this addressed at our June 15 meeting, but if management and the associations 16 want to get together prior to the June meeting, we 17 encourage that. We'd like to have this put 18 together with some concurrence, so we will set -- 19 be waiting to hear from you. 20 And let me know if you are going to get 21 together after (inaudible). So we're -- that's 22 what we're expecting from you, to let us know. If 23 you don't have, you know, a meeting together, a 24 gathering or teleconference, however you want to do 25 it, I would -- I would encourage you to include all</p>
<p style="text-align: right;">Page 6</p> <p>1 committee -- new commission, all commissioners were 2 invited to participate in the committee. All 3 commissioners were present except for Commissioner 4 Sanchez. No final proposals were entered and no 5 action was taken. 6 So regarding next steps, Ruidoso has 7 asked for an extension to complete the month of 8 May, and they will have additional information 9 regarding how it will affect the proposal for 2020 10 race dates. 11 So we talked with gaming and control and 12 they will extend our June 1st. They still want the 13 track applications, their license applications, and 14 that will be forthcoming. But it has to be 15 attached to an approved race date -- race dates 16 proposal. And they allowed us another month to get 17 that done, which has been done in the past. It's 18 not -- we're not setting a precedence here. 19 So we want to get this right. You know, 20 we're a new commission, we're jumping into this. 21 We want to work with everyone. Everyone is 22 important, and -- but we need to find out how we 23 can move together and -- and just be moving in the 24 positive avenue. 25 So we will be announcing -- and then also</p>	<p style="text-align: right;">Page 8</p> <p>1 the associations so that we don't come in here, 2 one -- one proposal and then two additional 3 proposals. We need to work together prior to 4 coming to our June meeting so that we don't have to 5 make decisions for you that you probably would not 6 be as happy with. I want you to be happy, you 7 know. We're a family -- we're a family here, you 8 know. Let's get this straight. All this, all 9 (inaudible). Thank you. 10 An appointment of the chairman's for the 11 following committees, they will be appointed. I 12 asked, and it's in the minutes, for -- at our May 13 meeting for -- I invited all the commissioners to 14 attend the race date meeting. And most of them had 15 never been -- I think probably Hossie had. But a 16 race date meeting is something to experience and 17 meet all the entities. 18 And we'll do the same with -- well, in 19 regard to medication and rules committee, more than 20 likely, if we have a rules and medication committee 21 for the June meeting, the appointments will be made 22 prior to that. Okay? But I would like for those 23 that are interested in attending, for multiple 24 people, for everyone interested, to attend. And 25 then let me know if that's where you think your</p>

Page 9	<p>1 strengths and your skills lie.</p> <p>2 You know, I think -- I've been rules</p> <p>3 chair before. It takes a lot of time. Many</p> <p>4 (inaudible), it takes someone who really has some</p> <p>5 experience with, you know, the penalties and the</p> <p>6 drugs and rules, regulations. It's really</p> <p>7 important that we have a good understanding of</p> <p>8 owners, trainers and how it affects them. And</p> <p>9 that's when we go to the rules committees and ask</p> <p>10 for additional amendments or changes.</p> <p>11 And particular with -- with medication</p> <p>12 rules, we follow the national ARCI, and so anything</p> <p>13 that they have proposed in their -- in their book</p> <p>14 and in -- and their language, we have accepted. It</p> <p>15 isn't statute. We have to follow those regulations</p> <p>16 that they've set forth. And that is the statute,</p> <p>17 so we will do that.</p> <p>18 Okay. Moving on to Number 5, agency</p> <p>19 director reports. If we can have a report from</p> <p>20 New Mexico Horse Breeders Association, please.</p> <p>21 Would you please state your name and your</p> <p>22 position.</p> <p>23 MS. BARBER: Good morning. I'm Mary Barber</p> <p>24 from the New Mexico Horse Breeders Association,</p> <p>25 Madam Chairman, Commissioners.</p>	Page 11	<p>1 have paid the racetrack back through those --</p> <p>2 through that date. So they're on date 68, instead</p> <p>3 of date 75 -- day 75.</p> <p>4 And there were 612 New Mexico bred that</p> <p>5 ran open. Of those, 174 came in first, second, or</p> <p>6 third, for a total of 28 percent; 121 were</p> <p>7 thoroughbreds, and 53 were quarter horses. And</p> <p>8 they (inaudible) in a total of \$124,603.</p> <p>9 And that's all I have to report, if you</p> <p>10 have any questions.</p> <p>11 UNIDENTIFIED COMMISSIONER: Is it possible</p> <p>12 to pull up on the New Mexico bred the size of the</p> <p>13 gate from the quarter horses to the thoroughbreds,</p> <p>14 the size of the -- because what really drives the</p> <p>15 breeds up is the size of the gate for quarter</p> <p>16 horses. There's no (inaudible) out there that we</p> <p>17 can look at for the (inaudible) thoroughbreds.</p> <p>18 MS. BARBER: I'm sorry. You mean the</p> <p>19 average field size?</p> <p>20 UNIDENTIFIED COMMISSIONER: Yes. I can</p> <p>21 certainly work on that for you and try to have that</p> <p>22 for you at the next meeting.</p> <p>23 UNIDENTIFIED COMMISSIONER: Because I think</p> <p>24 it's (inaudible) quarter horses with thoroughbreds.</p> <p>25 MS. BARBER: Okay.</p>
Page 10	<p>1 I sent ahead my reports that I'd like to</p> <p>2 go over with you today. The first one we call the</p> <p>3 race a day report. And the only one I have today</p> <p>4 is for Sunland Park. When I sent these in, Sunray</p> <p>5 Park had only had three days of racing, and Ruidoso</p> <p>6 Downs hadn't started yet. So at the next meeting I</p> <p>7 will report on those two racetracks.</p> <p>8 But for Sunland Park, they ran 298</p> <p>9 New Mexico bred races in their 75 days through</p> <p>10 Sunday, May the 5th. So they had 298 total, and</p> <p>11 that's an average of 3.97 races per day, New Mexico</p> <p>12 bred races per day. They had 225 thoroughbred</p> <p>13 races, 73 quarter horse races, and they were plus</p> <p>14 73 for the required three a day.</p> <p>15 This is 23 races down from last year,</p> <p>16 from 2018, and the split was 76 percent for</p> <p>17 thoroughbreds, and 24 percent for quarter horses.</p> <p>18 Their average field size for the New Mexico bred</p> <p>19 overnight races was 9.13 for the meet.</p> <p>20 The second report I sent is for</p> <p>21 New Mexico bred and open overnight races. And I</p> <p>22 apologize, I have to make a correction here. This</p> <p>23 report actually only goes through April 23rd. At</p> <p>24 the time that I put this report together, that is</p> <p>25 how far the purses were clear. And that is all we</p>	Page 12	<p>1 UNIDENTIFIED COMMISSIONER: So I'd like to</p> <p>2 know how many thoroughbred, what the size of the</p> <p>3 thoroughbred fields are.</p> <p>4 MS. BARBER: Versus the quarter horses.</p> <p>5 Okay. I will have that for you next (inaudible).</p> <p>6 THE CHAIRWOMAN: Thank you, Barber.</p> <p>7 MS. BARBER: Okay. Anybody else?</p> <p>8 THE CHAIRWOMAN: Any other questions?</p> <p>9 Thank you.</p> <p>10 MS. BARBER: Okay. Thank you.</p> <p>11 THE CHAIRWOMAN: Thank you.</p> <p>12 The New Mexico Horsemen's Association,</p> <p>13 please.</p> <p>14 MR. BINGHAM: Good morning, Madam Chair, and</p> <p>15 New Members of the New Mexico Racing Commission.</p> <p>16 My name is Patrick Bingham. I'm the executive</p> <p>17 director for the New Mexico Horsemen's Association.</p> <p>18 And to my right here is Susan Vescovo. I will</p> <p>19 yield -- yield to Susan after just making some</p> <p>20 brief, brief comments.</p> <p>21 The first thing I'd like to comment about</p> <p>22 is just very simply, we were able to run through</p> <p>23 the first 63 days of racing over at Sunland Park.</p> <p>24 And this would be open horses and also breed</p> <p>25 horses. We had a total of 577 races run, 4,943</p>

Page 13	<p>1 starts. The thoroughbreds were 400 and -- they --</p> <p>2 the -- they were 8.71 starters per race. The</p> <p>3 quarter horses were 9.33 starters per race. The</p> <p>4 percentage of quarter horse, the thoroughbreds were</p> <p>5 pretty close to that on the breed side, which is</p> <p>6 quarter horses were 27 percent, thoroughbreds were</p> <p>7 73 percent.</p> <p>8 The distribution of the purse was</p> <p>9 25 percent to quarter horse, 75 percent to the</p> <p>10 thoroughbreds. As of 63 days, 10,216,000 were</p> <p>11 paid. So that was as of that. We can get you the</p> <p>12 final numbers that we have and send it on to Izzy</p> <p>13 so that he can distribute it, you know, once we --</p> <p>14 once we calculate it.</p> <p>15 The other thing is that --</p> <p>16 THE CHAIRWOMAN: Mr. Bingham, can I</p> <p>17 interrupt you for a second. Do you think that</p> <p>18 before -- when you give these reports, that we can</p> <p>19 have a copy in our books before?</p> <p>20 MR. BINGHAM: Sure.</p> <p>21 THE CHAIRWOMAN: It's just a little bit</p> <p>22 easier to follow you. (Inaudible).</p> <p>23 MR. BINGHAM: This is what we handed out</p> <p>24 also during the race day.</p> <p>25 THE CHAIRWOMAN: During the race day?</p>	Page 15	<p>1 maximizing the racing side in terms of number of</p> <p>2 horses available, you know, number of trainers,</p> <p>3 make sure that they're good, honest, straight,</p> <p>4 good, working individuals.</p> <p>5 Pleased to say that we have more grooms</p> <p>6 than we have had in the past that are licensed, but</p> <p>7 we've had less owners. So I think it's incumbent</p> <p>8 on everybody in the industry to -- to do our very</p> <p>9 best to attract individuals to come into the</p> <p>10 industry, and then also attract fans and that sort</p> <p>11 of thing.</p> <p>12 Some of the things that have been talked</p> <p>13 about is the idea of some joint marketing efforts</p> <p>14 between ourselves and the track, and possibly</p> <p>15 including the breeders if they wish to join, with</p> <p>16 the idea of just maximizing our pull, because when</p> <p>17 you look at our -- our -- our geographic locations</p> <p>18 for the tracks, it seems like they're -- they're</p> <p>19 very well placed so that they can attract more of</p> <p>20 these individuals that we need in the industry,</p> <p>21 including horses.</p> <p>22 With that, I defer to Susan who has some</p> <p>23 comments that she'd like to make.</p> <p>24 Any questions, first of all? I'm sorry.</p> <p>25 THE CHAIRWOMAN: Not right now. Thank you.</p>
Page 14	<p>1 MR. BINGHAM: Yes.</p> <p>2 THE CHAIRWOMAN: That's in my race day book,</p> <p>3 so --</p> <p>4 MR. BINGHAM: We'll get it for you.</p> <p>5 THE CHAIRWOMAN: -- if I had known it was</p> <p>6 the same report, I could have probably pulled it</p> <p>7 out.</p> <p>8 MR. BINGHAM: Same one on the last page, but</p> <p>9 we'll get that for you.</p> <p>10 THE CHAIRWOMAN: Okay. Thank you.</p> <p>11 MR. BINGHAM: Thank you very much.</p> <p>12 The other thing is that we'll go on</p> <p>13 through some numbers, I won't quote them, but, you</p> <p>14 know, the horsemen association spoke of at our --</p> <p>15 at our last meeting, which is yesterday, the idea</p> <p>16 that we needed a concerted effort to welcome new --</p> <p>17 and also outreach to new owners, trainers, track</p> <p>18 workers, just about everybody that you'd think that</p> <p>19 makes the industry go, including horses.</p> <p>20 The thing that we don't do as well as we</p> <p>21 should do, and this should be a collective thing,</p> <p>22 is that I think that the entire industry should</p> <p>23 always be looking toward the idea of maximizing the</p> <p>24 racing side. Obviously also maximizing the casino</p> <p>25 side. But maximizing the casino side, but</p>	Page 16	<p>1 MR. BINGHAM: Okay.</p> <p>2 THE CHAIRWOMAN: Anyone else?</p> <p>3 MR. BINGHAM: Thank you.</p> <p>4 MS. VESCOVO: Madam Chairman, Members of the</p> <p>5 Commission, my name is Susan Vescovo. I am the</p> <p>6 medication liaison for the New Mexico Horsemen.</p> <p>7 And today they wanted me to just be brief and</p> <p>8 present some facts.</p> <p>9 I would like to start out with saying</p> <p>10 that in 2014 is when our corticosteroid levels were</p> <p>11 initially lowered, on April 1st of that year.</p> <p>12 During that timeline, California ran 871 races.</p> <p>13 And during that time, they sent out 300 letters of</p> <p>14 warning, because they had an adjustment, or grace</p> <p>15 period, as you may want to call it.</p> <p>16 During that same time, New Mexico had a</p> <p>17 four-month grace period. And during that period of</p> <p>18 time, veterinarians, trainers were told, "Keep</p> <p>19 doing what you're doing. Only one person has been</p> <p>20 close to a high." We ran 1,054 races, and, "Just</p> <p>21 keep doing what with you're doing."</p> <p>22 In fact, we ran over nine months before a</p> <p>23 positive was called. And then we had a dozen or so</p> <p>24 positives, many which were not confirmed by the</p> <p>25 referee laboratory.</p>

<p style="text-align: right;">Page 17</p> <p>1 I certainly believe this was because of 2 batch testing in urine, which does not follow ARCI 3 protocol which was in place at that time. 4 I think -- so our problems with 5 corticosteroid began in 2014. Because of concerns 6 I have had, at the May medication meeting in 2018, 7 I asked for a grace period, but Dr. Waterman 8 assured me that changes to blood were already in 9 place and that my concerns were basically 10 frivolous. 11 I -- at the June 21st commission meeting, 12 Dr. Clayton McCook, on behalf of all veterinarians, 13 testified. He also asked for a transition period, 14 as well as did the president at the time, Larry 15 Strain, for the horsemen. 16 During the May 21st -- I mean, the 17 June 21st, excuse me, commission meeting, Hartman, 18 from industrial labs, said: And as a general rule, 19 I would say that the levels that are currently in 20 place and that New Mexico has had in place that 21 have been tested for by UC Davis, they haven't 22 changed. So we don't have a different threshold, 23 the threshold will be the same, so there should not 24 be any differences. If the previous practices did 25 not result in violations of threshold, they should</p>	<p style="text-align: right;">Page 19</p> <p>1 MS. VESCOVO: No, ma'am, it's not. And you 2 were a commissioner when these flaws happened, so I 3 know you understand it firsthand, because I 4 testified before the senate against the commission 5 in '14 and '15. 6 THE CHAIRWOMAN: And I -- we didn't have the 7 situation at the time that we do now. 8 MS. VESCOVO: Okay. 9 THE CHAIRWOMAN: That's what I'm saying. 10 COMMISSIONER MCSWANE: But we have new 11 commissioners. 12 THE CHAIRWOMAN: Yes. 13 COMMISSIONER MCSWANE: I believe -- how much 14 longer is your presentation? 15 MS. VESCOVO: I'm almost finished. 16 COMMISSIONER MCSWANE: I believe it's 17 something that we need to hear. I believe that 18 this is a pressing issue that is before the 19 commission right now, and I believe that all the 20 information that we can gather is extremely 21 important, and I'd like you to finish. 22 THE CHAIRWOMAN: Well, I would like you to 23 finish if you're almost done. 24 MS. VESCOVO: Yes, ma'am. 25 THE CHAIRWOMAN: Okay.</p>
<p style="text-align: right;">Page 18</p> <p>1 not now either, because threshold hasn't changed. 2 THE CHAIRWOMAN: Ms. Vescovo, I think that 3 we were expecting a horsemen's committee report, 4 and not a medication committee report. That report 5 would be really important to do at a medication 6 committee meeting. 7 And I realize that this is very important 8 to you, and you brought it forth to us, so what I 9 would like to do is, if you have all this 10 information that we haven't heard, and we've heard 11 bits and pieces, but we don't have -- I think what 12 you're doing from -- are you (inaudible)? 13 COMMISSIONER MCSWANE: No, I'd like to hear 14 the rest of this. 15 THE CHAIRWOMAN: -- a timeline -- what I'm 16 trying to say is, I would like a timeline of all 17 this information that you're giving. I'm saying 18 it's important. I don't know if this is the place 19 that we should do it. 20 MS. VESCOVO: Well, ma'am -- 21 THE CHAIRWOMAN: But let me just say. Can 22 you get to a brief presentation? Because, you 23 know, we -- we do find it important, we do want to 24 know it. But we don't have all that information. 25 And this is based on your opinion.</p>	<p style="text-align: right;">Page 20</p> <p>1 MS. VESCOVO: So following Ms. Hartman's 2 statement, at a March deposition, Hartman was 3 asked: If you had known that UC Davis was 4 screening in urine and not blood, would that have 5 impacted the statements you made on June 21st? 6 Her response was: Yes, sir, I believe I 7 would definitely have been more cautious in my 8 statements. 9 So in conclu- -- in conclusion, I would 10 just like to say that assurances given to the 11 horsemen by NMRC and its representatives were 12 incorrect and misleading. The horsemen reasonably 13 relied upon those assurances to their detriment. 14 I have tried to provide to most of you 15 all a presentation that the horsemen did. In this 16 presen- -- this presentation included attorneys 17 Dr. -- attorneys Darrell Vienna and Carlo Fisco, 18 Drs. Thomas Tobin, Richard Sams, Clara Fenger, 19 Clayton McCook, Paul Jenson and myself. 20 And under the conditions presented NMRC, 21 should either be estopped from taking enforcement 22 actions against the horsemen and/or dismiss, or 23 substantially mitigate any potential sanctions on 24 corticosteroid positives. 25 Thank you for your time today.</p>

Page 21	<p>1 COMMISSIONER MCSWANE: Thank you.</p> <p>2 THE CHAIRWOMAN: One more thing. I think --</p> <p>3 to be surprised that we're having additional</p> <p>4 presentation, I would have liked to have known</p> <p>5 beforehand, and I would have liked to have seen</p> <p>6 your document so I could have looked at the</p> <p>7 timelines and been more familiar with it. I don't</p> <p>8 think most of us here are that familiar with --</p> <p>9 UNIDENTIFIED COMMISSIONER: I am.</p> <p>10 THE CHAIRWOMAN: -- all of this, and so it</p> <p>11 would have been nice to have that.</p> <p>12 So my suggestion is, in the next coming</p> <p>13 future, is that you have some written documents</p> <p>14 that you present. You know, I know you usually</p> <p>15 don't, so I'm asking you now as (inaudible)</p> <p>16 documents in our rule books.</p> <p>17 It's important that we know what you want</p> <p>18 to discuss and I don't have to interject and --</p> <p>19 interject and say, "I don't know what you're doing</p> <p>20 or what you're going to be talking about." You</p> <p>21 know, I want to encourage you to bring it to the</p> <p>22 commission. That's what we're here to -- to do, to</p> <p>23 (inaudible).</p> <p>24 MR. BINGHAM: It shall be done.</p> <p>25 THE CHAIRWOMAN: Okay. Thank you.</p>	Page 23	<p>1 COMMISSIONER SANCHEZ: Because we're not. We</p> <p>2 don't want to run anyone off here. And we want to</p> <p>3 do the right thing, I mean. And the way that was</p> <p>4 done, that's wrong. You can't do it that way.</p> <p>5 MS. VESCOVO: Commissioner Sanchez.</p> <p>6 COMMISSIONER SANCHEZ: Yes, ma'am.</p> <p>7 MS. VESCOVO: I don't know if your executive</p> <p>8 director shared the presentation with you. I did</p> <p>9 send the presentation to the chairman, to</p> <p>10 Commissioner Smith, Commissioner McSwane. I asked</p> <p>11 someone else to send it to our commissioner from</p> <p>12 Farmington. And I will be happy to share with you</p> <p>13 the presentation, which was compiled by the most</p> <p>14 brilliant scientific minds not only to the world</p> <p>15 but our -- in the United States. And so I thank</p> <p>16 you for your comments.</p> <p>17 UNIDENTIFIED COMMISSIONER: I'd like to make</p> <p>18 a comment. In my opinion, you hit it right on. We</p> <p>19 have a problem with that. They left us in a mess,</p> <p>20 and we're here to clean it up. And you're exactly</p> <p>21 right about everything you said. It was handled</p> <p>22 wrong, and it's on this commission to fix it. I</p> <p>23 appreciate your comments.</p> <p>24 MS. VESCOVO: Thank you.</p> <p>25 COMMISSIONER SMITH: I've never met you</p>
Page 22	<p>1 MS. VESCOVO: Thank you very much.</p> <p>2 COMMISSIONER SANCHEZ: Madam Chairman, I'd</p> <p>3 like to make a comment. I find all this very</p> <p>4 alarming. I've heard bits and pieces of this.</p> <p>5 And I'm glad you read that today, because</p> <p>6 it makes a lot more sense to me.</p> <p>7 And the thing is, we need to fix this,</p> <p>8 whatever we need to do as the commission to fix</p> <p>9 this. But we need to fix it. I think -- these are</p> <p>10 my thoughts. I think that was wrong to do it that</p> <p>11 way, I mean.</p> <p>12 MS. VESCOVO: Thank you, sir.</p> <p>13 COMMISSIONER SANCHEZ: And I think we need to</p> <p>14 fix this thing. And however we go about fixing</p> <p>15 it -- because what we're doing, we're running our</p> <p>16 trainers off, our owners off, and that -- and Pat</p> <p>17 just said we're trying to get owners and trainers</p> <p>18 back, and here, what -- what happened there, we're</p> <p>19 running them off. It doesn't make sense.</p> <p>20 On one hand we're doing one thing, and on</p> <p>21 one hand we're doing the other thing. It doesn't</p> <p>22 make sense in my mind. So what we need to do is</p> <p>23 find out how we can fix this, and we'll fix it. We</p> <p>24 have to.</p> <p>25 MS. VESCOVO: Commissioners --</p>	Page 24	<p>1 except one time in Ruidoso, when you jumped in the</p> <p>2 middle of (inaudible). And that was -- I agree</p> <p>3 with everything you said there. Thank you.</p> <p>4 MS. VESCOVO: Thank you.</p> <p>5 COMMISSIONER MCSWANE: Madam Chair.</p> <p>6 COMMISSIONER BUFFINGTON: John Buffington</p> <p>7 from Farmington.</p> <p>8 MS. VESCOVO: Yes, sir.</p> <p>9 COMMISSIONER BUFFINGTON: I did receive that</p> <p>10 (inaudible).</p> <p>11 MS. VESCOVO: Thank you. I hope you found</p> <p>12 it informative.</p> <p>13 COMMISSIONER BUFFINGTON: I did.</p> <p>14 COMMISSIONER MCSWANE: Madam Chairman.</p> <p>15 THE CHAIRWOMAN: Yes.</p> <p>16 COMMISSIONER MCSWANE: I also would just</p> <p>17 like to make a brief comment. I -- I -- I have</p> <p>18 done a tremendous amount of research and I did</p> <p>19 listen to the entire presentation. And this is</p> <p>20 something that -- and I think a lot of you know</p> <p>21 that I was very concerned for a long time about the</p> <p>22 way that these were being tested. And I think that</p> <p>23 there was just such a misconception with our vets</p> <p>24 and our trainers about the number of tests that</p> <p>25 were being tested and the method.</p>

<p style="text-align: right;">Page 25</p> <p>1 And -- and it's very difficult to 2 understand what happened, but in -- in what I'm 3 understanding is that we -- we basically 4 perpetrated a fraud, in my opinion, on our 5 veterinarians and on our trainers and basically 6 (inaudible), patrons and everyone else. Because 7 we -- we led them to believe that they could trust 8 in what we were doing, and once -- once we went to 9 a new lab and they began testing -- and understand, 10 our new lab is testing now the same way every other 11 jurisdiction has always been tested, at least for 12 the last, I don't know, five, some of them ten 13 years. 14 We were -- we were the single only 15 jurisdiction testing the way that we were testing. 16 And so I -- I believe that assurances were made to 17 people, and -- and I think that they -- it's been 18 proven now by having these great minds come in and 19 explain this to us that -- that we've done 20 something really wrong. And I do believe that we 21 need to do everything that we possibly can not only 22 to deal with those that are remaining, but to look 23 back at those that, at this point in time, may be 24 serving days or things like. I think it's an 25 atrocity.</p>	<p style="text-align: right;">Page 27</p> <p>1 inappropriately. So why was this even sent off to 2 California? California was doing what they were 3 told. And this was not following ARCI protocol, 4 which is in statute. This was not following what 5 other, as Commissioner McSwane said, what other 6 labs were doing in the nation. And so batch 7 testing in urine proved flawed. 8 And thank you again for your time. 9 THE CHAIRWOMAN: Thank you for your 10 presentation. 11 MR. BINGHAM: Thank you. 12 COMMISSIONER SANCHEZ: Thank you both. 13 THE CHAIRWOMAN: Okay. Jockeys' Guild, 14 Mr. Beech. 15 MR. BEECH: Good morning, Madam Chair, 16 Commissioners and staff. My name is John Beech, 17 I'm the regional manager for the Jockeys' Guild, 18 Incorporated. Excuse the voice. 19 I want to comment on Sunray. As always, 20 when you go to Sunray, the jocks' room is in great 21 shape. You need to have nothing done to it. Jocks 22 were very happy with that. And I just felt bad for 23 them because they had some rain up there, but the 24 track management worked the track pretty hard to 25 keep them going.</p>
<p style="text-align: right;">Page 26</p> <p>1 COMMISSIONER SANCHEZ: Madam Chairman, I'd 2 like to say another thing here. I think the thing 3 is, it was -- between the labs, the lab that we got 4 now should have found out how we were testing 5 before they sent anything. 6 COMMISSIONER MCSWANE: Yes. 7 COMMISSIONER SANCHEZ: And I think that was 8 the biggest problem. I mean, if they knew how we 9 were testing, they would have never have made the 10 comments they made. 11 COMMISSIONER MCSWANE: That's correct. 12 COMMISSIONER SANCHEZ: And that's where it's 13 at. So it was a matter of miscommunication there. 14 Because I know if they knew -- if the new lab knew 15 how the old lab was testing, they would have never 16 said that. I guarantee you that. 17 MS. VESCOVO: Commissioner Sanchez, I would 18 like to address that comment, because I was asked 19 to be one of four people to pick a lab in 2014. 20 COMMISSIONER SANCHEZ: Okay. 21 MS. VESCOVO: I basically walked out because 22 I said, "This is violation of statute. You are not 23 following ARCI." 24 Director Trejo signed an MOU with Davis 25 in December of 2017 that was still testing</p>	<p style="text-align: right;">Page 28</p> <p>1 And at Ruidoso, same thing. The room was 2 perfect, track was good and everything went well 3 there, too. So that's all I got. 4 THE CHAIRWOMAN: That's all you have. Okay. 5 Well, I -- I do know that Mr. -- our 6 executive director, Mr. Trejo, has a report 7 regarding the jockey situation and steward 8 situation that we have at (inaudible) Park 9 (inaudible). 10 MR. TREJO: Yes, I touch on that. Yes, 11 ma'am. 12 THE CHAIRWOMAN: Okay. So we'll address 13 that at that time. 14 MR. BEECH: Yes, I'm -- 15 THE CHAIRWOMAN: Unless there are questions 16 from the commissioners. Okay. Thank you, 17 Mr. Beech. 18 MR. BEECH: Thank you. 19 THE CHAIRWOMAN: Okay. Our executive 20 director report, Mr. Trejo. 21 MR. TREJO: Yes, Madam Chair, Members of the 22 Commission. Izzy Trejo, executive director of 23 New Mexico Racing Commission. 24 It's been -- been a very interesting 25 month with the transition, and I welcome each and</p>

<p style="text-align: right;">Page 29</p> <p>1 every commissioner to serve the State of New 2 Mexico. And I look forward to serving you guys in 3 the best way I can. I do provide you with a 4 monthly report. It gives you some of the updates 5 of what's going on in the industry as far as the 6 local level, national level. Occasionally the 7 international level. It sometimes doesn't affect 8 us, that international level. But I think more and 9 more as we approach equine welfare, international 10 reforms are going to be pushed more and more upon 11 us here in the United States and eventually trickle 12 down to the -- New Mexico. But that's yet to see, 13 but we'll see how that goes.</p> <p>14 But nonetheless, took a good visit to 15 Sunland Park closing weekend, met with the jockey's 16 there, with Commissioner McSwane. We -- we 17 addressed some issues that the riders had there, 18 and we've given some thought on how we could 19 alleviate some of the matters that they had 20 concerns over.</p> <p>21 We've actually implemented one of them 22 already. And so for it's served fruitful. We just 23 want to make sure that our employees, staff are 24 always the utmost professional when they're dealing 25 with the licensees and the general public. So we</p>	<p style="text-align: right;">Page 31</p> <p>1 with the Maiden Stakes Trials on opening weekend. 2 That really enhanced -- I think handle the opening 3 day was over 400,000, which I think was very 4 promising, so we hope that that can continue. 5 Probably -- maybe Jeff can elaborate. Maybe horses 6 are late getting to Ruidoso, so we can start 7 building the field sizes up eventually, so that's 8 what we're looking forward to seeing.</p> <p>9 One big concern in the industry here in 10 the New Mexico that we have right -- right at the 11 forefront is foal papers for quarter horses. We've 12 had a conference call with Ruidoso Downs 13 management, the AQHA, other parties, the stewards. 14 They are unable to produce foal registration 15 certificates in a timely manner. I think I heard 16 yesterday from Jamie Zamora from Ruidoso Downs, 17 they (inaudible) four-month delay in producing foal 18 registration certificates.</p> <p>19 So we -- we come up with a protocol with 20 the help of Johnny Montes, Jeff True, Jamie Zamora 21 there at Ruidoso and the stewards to help keep 22 racing going. We think we have a pretty good 23 system set in place that will enable the horse 24 identifier to continue to ID horses per our rules. 25 I really feel that we're still within the</p>
<p style="text-align: right;">Page 30</p> <p>1 certainly want to address that -- that issue.</p> <p>2 Also, Derby Day at Sunland Park went very 3 well. Good crowd. People are very excited for the 4 Kentucky Derby. Interesting one at that, to say 5 the least. But we won't force our opinions on 6 anyone here on the decision made by the Churchill 7 Downs stewards.</p> <p>8 Also, had a good opportunity to go up to 9 Sunray Park this past weekend to visit Lonnie and 10 Brad up there. As John Beech said, they did have 11 some rain. Compliments to their trackman, Nacho, 12 for keeping the track in good shape. No complaints 13 from the riders whatsoever. They got through all 14 the races pretty smooth. It went very well up 15 there.</p> <p>16 A lot of buzz. A lot of people were in 17 attendance at the track. The carnival is going out 18 there. Kind of like a fair atmosphere, so it kind 19 of brings back nostalgic memories to the New Mexico 20 State Fair when I was a kid and we'd go to the 21 races and the carnival there. So it was pretty 22 nice to see that. And I think things are going 23 well entry-wise. I'll let them explain all that to 24 you guys, but things are going well.</p> <p>25 As you very well know, Ruidoso opened up</p>	<p style="text-align: right;">Page 32</p> <p>1 parameters of our rules, which have some 2 flexibility on how to ID a horse.</p> <p>3 Electronic registration certificates will 4 be e-mailed to Ruidoso Downs for each horse that 5 gets entered that doesn't have the hard copy or the 6 foal papers on file at the racetrack. So the 7 identification marks will be on that e-mail, and 8 the horse identifier will still be able to identify 9 the horse. But per our rules says in a method 10 otherwise approved by the stewards. So this is 11 going to be approved by the stewards so we can ID 12 these horses.</p> <p>13 But knock on wood. Hopefully, it's going 14 to go well. If we run into any other hiccups in 15 regard to this matter, we'll certainly adjust again 16 and figure out what works best. Because the last 17 thing we want to be doing is scratching horses out 18 of trial races on account that the AQHA hasn't been 19 able to get these registered papers, either hard 20 copy or electronic to the racing office at Ruidoso 21 Downs. So we're going to give it our best effort 22 and hopefully things will maintain and run smooth 23 throughout that (inaudible).</p> <p>24 THE CHAIRWOMAN: (Inaudible) to ask 25 Mr. True.</p>

Page 33	<p>1 Do you think this is manageable from --</p> <p>2 from your point of view?</p> <p>3 MR. TRUE: Yes, ma'am, Madam Chair. Jeff</p> <p>4 True, Ruidoso Downs. We -- AQHA just deployed a</p> <p>5 new computer system. That deployment, that</p> <p>6 transition didn't go well. They're having issues</p> <p>7 with -- with developers (inaudible).</p> <p>8 The protocol that we've come up with is</p> <p>9 all designed to make sure that we're identifying</p> <p>10 the right horse. Right? That there's no loophole</p> <p>11 there, that, you know, we -- we've got papers on</p> <p>12 a -- on a horse that we -- we need to get the</p> <p>13 papers on the horse directly from Amarillo. We'll</p> <p>14 get that electronically.</p> <p>15 The horsemen will not have any -- the</p> <p>16 owners won't have any interaction in this -- this</p> <p>17 transfer between AQHA and us. So it's -- in my</p> <p>18 view, it's a closed system. We're going to be able</p> <p>19 to identify the horse and we'll be able to tattoo</p> <p>20 the horses properly. And I think we're only</p> <p>21 talking about a few horses for this first set of</p> <p>22 trials. And I think this problem will work itself</p> <p>23 out throughout the summer.</p> <p>24 So I'm happy with the protocol and</p> <p>25 appreciative of the commission to help us through</p>	Page 35	<p>1 we'll have a motion to ratify because it's not on</p> <p>2 the agenda. But I -- I do want to say that that's</p> <p>3 a lot of money. And what -- could I have the</p> <p>4 horsemen, and could I have (inaudible) also as a --</p> <p>5 please.</p> <p>6 UNIDENTIFIED MALE: Basically, as I</p> <p>7 understand it, the end of the meet (inaudible) that</p> <p>8 was more than anticipated, and we know he --</p> <p>9 we're -- we contacted the track and we (inaudible)</p> <p>10 the same number (inaudible) the other track</p> <p>11 (inaudible) exactly where we are in purses.</p> <p>12 This is one of those situations which is</p> <p>13 sort of like a -- the (inaudible) as you go</p> <p>14 through, and this is something that basically</p> <p>15 (inaudible).</p> <p>16 MR. BAUGH: Madam Chair, Rick Baugh, Sunland</p> <p>17 Park.</p> <p>18 As many of you know, for (inaudible)</p> <p>19 years we've been fighting the I-10 project. And</p> <p>20 I've had many of my staff members going to these</p> <p>21 meetings to eliminate the problems that we've had.</p> <p>22 Well, finally, just basically the last (inaudible),</p> <p>23 we saw over a 50 percent increase in our rated</p> <p>24 players in the casino. We saw a 42 percent</p> <p>25 increase in our unrated players in the casino.</p>
Page 34	<p>1 it.</p> <p>2 COMMISSIONER SMITH: Is it actually the</p> <p>3 papers or the tattoo?</p> <p>4 MR. TRUE: It's the registration</p> <p>5 certificate, it's -- that they're having problems</p> <p>6 printing. There's some omissions in the document,</p> <p>7 and they -- and the developers haven't figured it</p> <p>8 out yet.</p> <p>9 COMMISSIONER SMITH: Thank you.</p> <p>10 MR. TREJO: I stand for any questions.</p> <p>11 THE CHAIRWOMAN: Were you going to read the</p> <p>12 next -- talk about the next -- the retro? We</p> <p>13 interrupted you. (Inaudible).</p> <p>14 MR. TREJO: Oh, if you want to be thorough,</p> <p>15 yes, I can certainly touch on that.</p> <p>16 I was made aware that we will -- we do</p> <p>17 have a retro situation with Sunland Park. I</p> <p>18 believe they've been in contact with the horsemen,</p> <p>19 the number of matches as far as the -- the amount</p> <p>20 of the retro goes. And I think we are going to</p> <p>21 start the process, if you guys want to give me</p> <p>22 approval to approve the retro. And we can start</p> <p>23 processing it so owners and horsemen in general get</p> <p>24 their money in -- in a reasonable time.</p> <p>25 THE CHAIRWOMAN: I think we have to do --</p>	Page 36	<p>1 So we're getting people there that we</p> <p>2 never anticipated because we kept pushing, kept</p> <p>3 pushing, kept pushing to get the I-10 project over.</p> <p>4 At one time, they were closed at Sunland, Mesa and</p> <p>5 Executive, and then they want to close it at night.</p> <p>6 So we had to get our attorneys to get in touch with</p> <p>7 them, because they were putting us on an island,</p> <p>8 and we couldn't get nobody there.</p> <p>9 The racetrack's been tore up for two and</p> <p>10 a half years now. So finally, things are starting</p> <p>11 to come around. And with our promotions and Pat's</p> <p>12 an avid Volkswagen fan, we brought them -- we</p> <p>13 started -- we started bringing in more people and</p> <p>14 more people and more people. So we look at this,</p> <p>15 this is a positive that we got the people back.</p> <p>16 But if you've been to Sunland Park in the last</p> <p>17 couple of years, you (inaudible).</p> <p>18 Our east side players are up 22 percent.</p> <p>19 We haven't seen that for two or three years, so</p> <p>20 this is a good thing, this is positive. So we're</p> <p>21 proud of this, that we're able to do it. Because</p> <p>22 it seemed like it just started happening all at</p> <p>23 once. Get more money out there (inaudible).</p> <p>24 THE CHAIRWOMAN: I think we'll discuss this</p> <p>25 in executive session, and then we'll decide how we</p>

<p style="text-align: right;">Page 37</p> <p>1 want to come forward with that.</p> <p>2 MS. MCCULLOCH: Madam Chair, this issue is</p> <p>3 on the agenda for next month.</p> <p>4 THE CHAIRWOMAN: Oh, it is on the agenda?</p> <p>5 MS. MCCULLOCH: Yeah.</p> <p>6 THE CHAIRWOMAN: Okay. Thank you. I didn't</p> <p>7 know that. We'll address it then. Thank you.</p> <p>8 I -- I really want to follow up, though.</p> <p>9 I mean, know that we were not commissioners at the</p> <p>10 time, but I think Zia Park also had a rather large</p> <p>11 retro (inaudible). And I know game control wasn't</p> <p>12 too happy about that, but...</p> <p>13 You know, I've asked this. Let's just do</p> <p>14 a little bit of a study. Let's find out for the</p> <p>15 last five years how many retros we've had. And do</p> <p>16 we need to look at our policy for retros? Are we</p> <p>17 maintaining the proper procedures for the weekly</p> <p>18 reports that come in?</p> <p>19 You know, is this something that we --</p> <p>20 the commission failed to monitor? Is this</p> <p>21 something -- you know, was it all three of us, you</p> <p>22 know, the track management, horsemen and</p> <p>23 commission? Can we do better? I don't know. But</p> <p>24 I think we should take a look at it, because this</p> <p>25 is a lot of money.</p>	<p style="text-align: right;">Page 39</p> <p>1 THE CHAIRWOMAN: Right.</p> <p>2 MR. BINGHAM: So it's one of those things we</p> <p>3 need to (inaudible). And then there also was the</p> <p>4 first decrease earlier in the meet, and</p> <p>5 anticipation of shortened revenues (inaudible)</p> <p>6 those obstructions and then that (inaudible).</p> <p>7 THE CHAIRWOMAN: Yeah.</p> <p>8 MR. BINGHAM: Right now we're talking to</p> <p>9 Brad at least once, everybody, or two --</p> <p>10 UNIDENTIFIED MALE: Yeah, we're (inaudible)</p> <p>11 with the -- the short meeting, and we're --</p> <p>12 MR. BINGHAM: (Inaudible).</p> <p>13 UNIDENTIFIED MALE: -- within a couple</p> <p>14 (inaudible).</p> <p>15 MR. BINGHAM: So we project the same way</p> <p>16 that they're projecting. We look at the overnights</p> <p>17 and the (inaudible), you know, some of the</p> <p>18 (inaudible) guarantee money, (inaudible) money and</p> <p>19 everything and -- and come up to as close as we</p> <p>20 possibly can. But there's certain situations that,</p> <p>21 you know, sometimes (inaudible).</p> <p>22 THE CHAIRWOMAN: Yeah. We understand that.</p> <p>23 But we just want to be good partners. We just want</p> <p>24 to be helpful, if that's something that we can be</p> <p>25 helpful. And if we need to review our policy that</p>
<p style="text-align: right;">Page 38</p> <p>1 And I know that there are certain stances</p> <p>2 that you just can't help, like the buyers that we</p> <p>3 had at Sunland Park, you know. That was this -- a</p> <p>4 big.</p> <p>5 COMMISSIONER BUFFINGTON: And we don't talk</p> <p>6 about that.</p> <p>7 THE CHAIRWOMAN: -- retro there. But, I</p> <p>8 mean, that's logical and, you know, we understand</p> <p>9 that.</p> <p>10 Yes, Pat.</p> <p>11 MR. BINGHAM: Yeah. Pat Bingham from the</p> <p>12 horsemen.</p> <p>13 Yeah, in terms of what we're doing in</p> <p>14 Farmington because of the vast amount of money and</p> <p>15 it's a short number of days, is that every Monday</p> <p>16 or Tuesday, Brad and -- and Terry come up, my</p> <p>17 staff, they get together and they bounce off the</p> <p>18 numbers and make sure that they're very, very, very</p> <p>19 close. And that's something that typically</p> <p>20 happens. I mean, that's what we do.</p> <p>21 THE CHAIRWOMAN: Mm-hm.</p> <p>22 MR. BINGHAM: And like, you know, the</p> <p>23 situation over at Sunland is a wonderful thing to</p> <p>24 happen for those (inaudible) to open up. But at</p> <p>25 the same time, the (inaudible) open up as well.</p>	<p style="text-align: right;">Page 40</p> <p>1 goes back to a long time ago --</p> <p>2 COMMISSIONER SMITH: '99.</p> <p>3 THE CHAIRWOMAN: -- you know, we're --</p> <p>4 we're -- you know, we need to do that. We just</p> <p>5 want to be, you know, a good commission and be</p> <p>6 helpful.</p> <p>7 UNIDENTIFIED MALE: (Inaudible). So I</p> <p>8 assume we're assuming that the new numbers are the</p> <p>9 new norm?</p> <p>10 UNIDENTIFIED MALE: Let's hope so.</p> <p>11 UNIDENTIFIED MALE: And that would be</p> <p>12 reflected in next year's purses.</p> <p>13 UNIDENTIFIED MALE: Correct. Yes, sir.</p> <p>14 UNIDENTIFIED MALE: And I certainly like</p> <p>15 retro payments better than dumping the money in the</p> <p>16 last couple weeks.</p> <p>17 MR. BAUGH: Exactly. Commissioner, I -- I</p> <p>18 can't tell you how frustrating this has been for</p> <p>19 all of us. When I got there in '13, we basically</p> <p>20 blacked out. In '15, we got started going back up.</p> <p>21 So we -- we pulled the nose of it up. And then in</p> <p>22 '16, that construction started, and it's just</p> <p>23 been -- it's been very frustrating.</p> <p>24 The other thing, that during that time</p> <p>25 period, the Tiguas in El Paso are operating almost</p>

<p style="text-align: right;">Page 41</p> <p>1 3,000 Class II machines. So they went in and they 2 took advantage of our problem and they spent over 3 \$15 million on their property there to get one of 4 the biggest markets that we had on the east side 5 because people did not want to come. 6 So in '14, I had already went out and 7 hired a new marketing person that worked for 8 Pinnacle, he was at Green Valley Ranch, as well, so 9 had a lot of gaming experience in Vegas, to come 10 and let's start working now to get ahead of this 11 curve. So we did, they did. We're in a highly 12 competitive market down there. They're operating 13 Class II machines. 14 The attorney general was taking them to 15 task in Texas with the Coughatta trials in east 16 Texas, but it's going to be a year or so before 17 there's a final determination made on whether they 18 get to continue operating as a bingo facility, you 19 know, so... 20 THE CHAIRWOMAN: Thank you, Mr. Baugh. 21 Does that complete your report, Mr. -- 22 MR. TREJO: Yes, Madam Chair. 23 THE CHAIRWOMAN: Okay. Thank you. 24 Okay. Under 6.A, unfinished business, 25 new business, and/or action items regarding</p>	<p style="text-align: right;">Page 43</p> <p>1 MR. TREJO: Yes. 2 COMMISSIONER SANCHEZ: And who is the 3 committee? 4 MR. TREJO: This committee was Ms. Rosa 5 Silva, our chief procurement officer; Ms. Rosemary 6 Garley, office manager; and myself. 7 MS. GARLEY: And we don't award it, we 8 recommend -- 9 MR. TREJO: Yes. 10 MS. GARLEY: -- to the full commission to 11 award it. So our recommendation was Dr. Anderson. 12 And how we reach out to the vets is, we 13 reach out via the livestock board. Dr. Eckhoff, 14 she will do an e-mail blast. Tamara Spooner will 15 do an e-mail blast. And then we post it on the vet 16 board website. And then anyone that has worked for 17 us previously, we will e-mail it to them. And then 18 we put it on our website. So out of doing all 19 that, we only received two bids. 20 COMMISSIONER SANCHEZ: Okay. So then the 21 commission board (inaudible)? 22 MS. GARLEY: No. Right now, what -- the 23 panel, after reviewing both bids, our 24 recommendation is for Dr. Anderson. It's up to 25 the --</p>
<p style="text-align: right;">Page 42</p> <p>1 licensing, Number A, approval of New Mexico Racing 2 Commission official veterinarian for the 2019 Down 3 at Albuquerque and State Fair. 4 MR. TREJO: Yes, Madam Chair, Members of the 5 Commission, we did have two bids this year for that 6 contract, and it was awarded -- well, based on your 7 approval, it's awarded to Dr. Frank Anderson. He 8 has the vast experience with the New Mexico Racing 9 Commission and the test barn protocols and so 10 forth. 11 THE CHAIRWOMAN: Any questions from the 12 commissioners? 13 COMMISSIONER SANCHEZ: How was that awarded 14 again? 15 MR. TREJO: It goes through the bidding 16 process. We reach out to different veterinarians. 17 I let them know that it's going to be on the 18 website and up for bid. 19 COMMISSIONER SANCHEZ: Okay. 20 MR. TREJO: And they submit proposals. And 21 then a committee goes over the proposals and 22 decides which one is the most beneficial for the -- 23 for the job. 24 COMMISSIONER SANCHEZ: So the committee 25 awards it?</p>	<p style="text-align: right;">Page 44</p> <p>1 COMMISSIONER SANCHEZ: So that's 2 (inaudible). Okay. 3 MS. GARLEY: -- the commission now to decide 4 whether to go with that recommendation or go with 5 the other vet that submitted their bid. 6 COMMISSIONER SANCHEZ: So -- 7 MS. GARLEY: It's just a recommendation for 8 you all. 9 THE CHAIRWOMAN: You selected your 10 (inaudible) selection, and you bring it forth to 11 the commission? 12 MS. GARLEY: Yes. 13 THE CHAIRWOMAN: Okay. For our approval. 14 COMMISSIONER MCSWANE: I have a question. 15 Do -- do we have information from you about the 16 criteria that you use and what made you reach that 17 decision? 18 MS. GARLEY: I don't have it in front of us. 19 We base it on experience, whether they're licensed 20 as a vet. And I believe their knowledge of test 21 (inaudible) procedures, New Mexico reg- -- 22 regulations, and what was the other one? 23 MR. TREJO: Availability. 24 MS. GARLEY: Availability. That's what 25 we -- we base it on.</p>

<p style="text-align: right;">Page 45</p> <p>1 COMMISSIONER MCSWANE: And did you 2 interview?</p> <p>3 MS. GARLEY: We don't interview. What we 4 did is we look at the bids, if there's a question 5 in the bid, then at that time, we will contact the 6 vet or the bidder and we'll ask them to clarify 7 what -- you know, why we have this question, get 8 their response.</p> <p>9 COMMISSIONER MCSWANE: And so he had this 10 position before?</p> <p>11 MS. GARLEY: I'm sorry.</p> <p>12 COMMISSIONER MCSWANE: He's had this -- or 13 when you said --</p> <p>14 MS. GARLEY: Yes.</p> <p>15 COMMISSIONER MCSWANE: -- experience, he 16 has --</p> <p>17 MS. GARLEY: Yes.</p> <p>18 COMMISSIONER MCSWANE: -- filled this 19 position before?</p> <p>20 MS. GARLEY: Absolutely.</p> <p>21 COMMISSIONER MCSWANE: So you felt confident 22 that he would do, you know, a good job on behalf of 23 the commission?</p> <p>24 MS. GARLEY: Absolutely.</p> <p>25 THE CHAIRWOMAN: Any other discussion?</p>	<p style="text-align: right;">Page 47</p> <p>1 Shawn Windsor is the racing secretary at 2 Sunray, so he had to go to Sunray to fulfill his 3 duties there. And Johnny Ortiz shadowed 4 Mr. Windsor for a few weeks and he'd been around 5 the racetrack. He's worked as a (inaudible) 6 clocker, assistant starter for over 20 years. He 7 was -- great person. He did a great job filling 8 in.</p> <p>9 THE CHAIRWOMAN: (Inaudible) ratify?</p> <p>10 COMMISSIONER MCSWANE: So moved.</p> <p>11 THE CHAIRWOMAN: Second?</p> <p>12 COMMISSIONER BUFFINGTON: Second.</p> <p>13 THE CHAIRWOMAN: All those in favor, say 14 aye.</p> <p>15 ALL MEMBERS: Aye.</p> <p>16 THE CHAIRWOMAN: Motion passes.</p> <p>17 Thank you, Dustin.</p> <p>18 MR. DIX: Thank you. (Motion approved.)</p> <p>20 MR. DIX: Madam Chair, I just want to talk 21 briefly about -- about the retro. I asked for the 22 commission to give executive director Trejo the 23 authority to approve it and then ratify at the June 24 meeting. That way we could get this money into 25 people's hands as soon as possible.</p>
<p style="text-align: right;">Page 46</p> <p>1 Okay. Do I hear a motion to accept the 2 approval for NMRC official veterinarian.</p> <p>3 COMMISSIONER SANCHEZ: So moved.</p> <p>4 COMMISSIONER BUFFINGTON: Second.</p> <p>5 THE CHAIRWOMAN: Any discussion, further 6 discussion? All those in favor, say aye.</p> <p>7 ALL MEMBERS: Aye.</p> <p>8 THE CHAIRWOMAN: The motion passes. (Motion approved.)</p> <p>10 THE CHAIRWOMAN: B, approval for Sunland 11 Park, ratification for approval to amend racing 12 official list.</p> <p>13 MR. DIX: Madam -- Madam Chairman, Members 14 of the Commission, Dustin Dix, director of racing, 15 Sunland Park Racetrack and Casino.</p> <p>16 I wanted to start out and welcome our new 17 commission, and congratulations on your 18 appointment. And I look forward to working with 19 each and every one of you.</p> <p>20 On our agenda today, I'm asking for a 21 ratification of approval to amend our previously 22 approved racing official list. And this was to 23 remove Shawn Windsor as our clerk of scales and add 24 John Ortiz as clerk of scales, beginning on 25 April 26th through the end of the meet.</p>	<p style="text-align: right;">Page 48</p> <p>1 I know in the past that when we've had 2 retros at other tracks, there has been issues with 3 paying that out. So that's why I asked to -- for 4 the commission to give Mr. Trejo the authority to 5 approve that.</p> <p>6 And this -- the purse is -- it's a moving 7 target. We -- you know, we pay purses out from 8 gaming and racing through the end of our meet. And 9 with us extending, these was some of -- some weeks 10 we weren't sure about.</p> <p>11 How we -- how we were doing it is we were 12 basing strictly off of last year. And like 13 Mr. Baugh and Mr. Bingham said, the last few weeks 14 were much better than they anticipated, and it was 15 a -- a great thing. If we had forecasted it a 16 little more out ahead, we definitely would have 17 added races and things like that.</p> <p>18 We -- I meet with the local horsemen's 19 committee twice a month during the racing season. 20 We discuss purses, and it kind of caught us all -- 21 all off guard. It wasn't, you know -- so any other 22 eyes, sets of eyes that look at this, you know, I 23 would welcome that. And I believe our accounting 24 team deals with Brenda and numbers were 25 (inaudible).</p>

<p style="text-align: right;">Page 49</p> <p>1 But this -- it looks like a big number on 2 paper, but for our amount of purse money we have 3 throughout the meet, it's -- you know, our total 4 purse account is over 15 million. So a five- or 5 six-week variance in the casino accounted for the 6 majority of this. 7 THE CHAIRWOMAN: I guess what I don't know 8 is maybe it was a (inaudible) discussion, is I 9 don't know how (inaudible) plan to disburse the 10 moneys and what percentage to each person. Based 11 on horses? Based on races that the horse ran? You 12 know, how many hours do you have? I don't know 13 what your plan is, so I -- to me, I would rather 14 wait and make sure it gets done and see something 15 in writing while you're (inaudible). And with the 16 horsemen's approval on there, I think then we can 17 move forward. 18 MR. DIX: And, Madam Chair, I was just 19 requesting that you pay it out how other tracks 20 have paid it out, the -- the -- the retro payment. 21 And I believe a percentage would go to the jockeys 22 and then the remaining percentage would go to the 23 owners through overnight, percentage of overnight 24 money they've won throughout the meet. And it 25 just -- basically, you hit a button on RTO and it</p>	<p style="text-align: right;">Page 51</p> <p>1 THE CHAIRWOMAN: Yes. 2 COMMISSIONER MCSWANE: I personally believe 3 there's a way that we could do it. I'd really like 4 to encourage the board to move on this now rather 5 than wait another 30 days, because this is money 6 that can be put into the hands of those people and 7 their industry that need it to continue in this 8 industry. 9 So I would like to see us, if it's 10 possible, ratify that, that we can give permission 11 at least for them to begin this process and we 12 could ratify it (inaudible). 13 (Inaudible crosstalk.) 14 MR. BINGHAM: Madam Chair, Members of the 15 Commission, Pat Bingham from the horsemen. 16 We have all the confidence in the world 17 in the track's ability to dispense retros. 18 Especially Zia Park and Sunland Park. We've never 19 had an issue with them. So (inaudible) and I don't 20 think so Mr. Beech has any issue with it. And then 21 the (inaudible) to the individuals who want 22 overnight money, it's not (inaudible) money, it's 23 overnight money, we never had any -- any kind of a 24 conflict with that other than they return the 25 envelope (inaudible) whoever it is.</p>
<p style="text-align: right;">Page 50</p> <p>1 just kind of distributes it that way. 2 THE CHAIRWOMAN: Have you met with your 3 (inaudible) committee -- (inaudible) committee and 4 (inaudible) how they'd like to see it (inaudible)? 5 I don't (inaudible). 6 MR. DIX: I -- I just requested it earlier 7 this week. And our local committee is at other 8 tracks right now, so I have -- have not met with 9 the local committee, but... 10 COMMISSIONER SMITH: (Inaudible) 11 established -- 12 MR. DIX: Correct. 13 COMMISSIONER SMITH: -- procedure for retro 14 (inaudible). 15 MR. DIX: Correct. 16 COMMISSIONER BUFFINGTON: (Inaudible). 17 MR. DIX: And our horsemen's bookkeeper is 18 familiar with that. 19 COMMISSIONER BUFFINGTON: (Inaudible) based 20 on (inaudible) some kind of fraction of percentage 21 or something? 22 MR. DIX: I believe so. 23 COMMISSIONER BUFFINGTON: Like (inaudible) 24 ran a horse there (inaudible). 25 COMMISSIONER MCSWANE: Madam Chair.</p>	<p style="text-align: right;">Page 52</p> <p>1 MR. TREJO: Madam Chair -- oh, I'm sorry. 2 THE CHAIRWOMAN: Yeah. 3 MR. TREJO: Madam Chair, Members of the 4 Commission, I hate to be the -- the sand in the 5 gears, but because this isn't on the agenda for 6 ratification, we did have it on for June, we would 7 ask that you not take any action on it at this 8 time. Simply because I think a lot of the 9 questions you asked, you know the purpose of the 10 Open Meetings Act, that we give notice in our 11 agendas and we let people know that this is the 12 topic that will be discussed, and since it's not on 13 the agenda at this time, we would ask that you 14 delay ratifying anything at this point. 15 THE CHAIRWOMAN: Thank you. 16 COMMISSIONER SMITH: Would we be breaking 17 the law if we did? 18 MS. MCCULLOCH: What would happen is, 19 actually, it would compromise the decision that you 20 make. So it would be a pointless thing to do. 21 THE CHAIRWOMAN: Just a minute. Mr. Baugh 22 has the floor right now. 23 MR. BAUGH: Madam Chair, with the 24 ratification of approval, if Izzy so approves, then 25 we can move forward. Then you guys would have to</p>

<p style="text-align: right;">Page 53</p> <p>1 approve at the June meeting of his ratification. 2 MR. TREJO: That's correct. 3 COMMISSIONER MCSWANE: And that's -- that's 4 what I was asking. 5 MR. BAUGH: And he can -- he can go ahead 6 and approve, and you all can ratify approval. 7 And going back to the RTO system, this -- 8 for example, during the virus, the -- the 9 protocol -- 10 (Inaudible crosstalk.) 11 MR. BAUGH: During the virus, for example, 12 we had ratified purses. That -- that program is 13 already in the system. It's already set up, it's 14 ready to go. It's been used numerous times, not 15 just in the state but across the country. So it's 16 there. Our (inaudible) is booked. 17 I can honestly say -- I know she's dealt 18 with this, Adriana has dealt with this like four 19 times, so across the state, so she knows what she's 20 doing. Paula Miller, our office manager, who works 21 in conjunction with the breeder, she's always in 22 contact, she knows what she's doing. 23 Everybody's -- everybody's already in the same 24 (inaudible), so if Izzy ratifies, we can go ahead 25 and press forward and accomplish (inaudible).</p>	<p style="text-align: right;">Page 55</p> <p>1 should think the first (inaudible) should bring 2 those purses back up to where they started before 3 the rest of the purse (inaudible) is redistributed. 4 THE CHAIRWOMAN: Thank you for your comment. 5 I think we'll follow the protocol here 6 that was just suggested. And then we'll address it 7 in June. Okay? Thank you. 8 MR. DIX: Thank you, Madam Chair. Just 9 briefly, we talked -- we discussed this at our race 10 dates meeting yesterday. And I could e-mail these 11 numbers to you as well. 12 For our racing season, I compared the 13 2019/'18 racing season to our '17/'18 racing 14 season, and our on track, we were down 15 11.46 percent, off track, we were down 16 21.87 percent. And we ran 683 races, 207 quarter 17 horse races, which were 27 more races -- quarter 18 horse races than the previously year, and 476 19 thoroughbred races, which were 11 less thoroughbred 20 races the previous year. 21 Some of the positives of the racing 22 season, our Sunland Derby, we broke another Sunland 23 Park and state record handle. We did close to 24 5 million in handle, 4.8 million. And in the 25 Preakness tomorrow, the second place horse of the</p>
<p style="text-align: right;">Page 54</p> <p>1 THE CHAIRWOMAN: I see no problem with that. 2 Rosemary, did you have a comment? 3 MS. GARLEY: So if they don't make a motion 4 because it's not on the agenda, but after listening 5 to what's being said, a letter has been written 6 to -- 7 UNIDENTIFIED MALE: Izzy. 8 MS. GARLEY: -- director Trejo to approve 9 this and place it on the June agenda. So as long 10 as they don't make a motion -- 11 MR. TREJO: Mm-hm. 12 MS. GARLEY: -- but Izzy follows the 13 letter -- 14 MR. TREJO: That's correct. 15 MS. GARLEY: -- then we're good. 16 MR. TREJO: That's right. 17 THE CHAIRWOMAN: Okay. Okay. Okay. So 18 there's that understanding. 19 UNIDENTIFIED FEMALE: (Inaudible) do we have 20 a (inaudible)? 21 THE CHAIRWOMAN: Thank you, Rosemary. 22 Yes. 23 MS. FINCHER: Leslie Fincher. 24 I'd just like to make a comment. They 25 (inaudible) the purse somewhere towards the end. I</p>	<p style="text-align: right;">Page 56</p> <p>1 Sunland Derby, Anothertwistafate, is running in the 2 Preakness. So we're hoping that -- Sunland Park 3 has had a Kentucky Derby winner and a Belmont 4 winner, and this horse is probably -- has the best 5 shot since Conquest Mo Money in the Preakness, 6 so... 7 THE CHAIRWOMAN: I have a question for you 8 Mr. Dix. I know Sunland wanted to run through the 9 Kentucky Derby -- or you up to the Kentucky Derby 10 day. And you finally got it, and now in your 11 proposal it's not included. And I've been asked 12 this question: Why are they not doing it anymore, 13 because this is what their ask was? 14 MR. DIX: We -- Madam Chair, Members of the 15 Commission, for the betterment -- all the tracks, 16 we met as a group, and we tried to minimize 17 overlap. So part of that was us moving back to our 18 middle of April end date to give Sunray a spot to 19 run. So there was some give and take when all the 20 tracks met with our race date proposal. 21 We were very happy with Kentucky Derby 22 day running live. It was the first time personally 23 I've ran live during Kentucky Derby day since I 24 worked at Turf Paradise, and it was a great day. 25 And Mr. Trejo was out there. We -- the handle was</p>

<p style="text-align: right;">Page 57</p> <p>1 up tremendously, but it didn't make up for those 2 April days, the last two weeks of April. As we get 3 more competition, our off-track numbers really 4 plummeted the last three or four weeks. 5 And we think with the Kentucky Derby, we 6 can promote it with the Kentucky Derby that live 7 racing -- we can still put on the great show 8 without the live racing. And the Kentucky Derby is 9 our biggest -- biggest draw in the industry, so 10 we're -- we -- we had a hat contest. We -- we 11 rented out our Riley's Restaurant to members of Top 12 Golf, and we put on -- we had a bourbon tasting 13 with Woodford Preserve. 14 So we did quite a few events, and I think 15 we're going to keep trying to promote that way, but 16 with the -- without the live racing to give other 17 tracks a chance to fit somewhere in the schedule. 18 THE CHAIRWOMAN: Okay. Thank you for that 19 explanation. 20 MR. DIX: Thank you. 21 THE CHAIRWOMAN: That answers (inaudible) 22 questions. 23 COMMISSIONER MCSWANE: (Inaudible) a lot of 24 fun, and I will tell you that your (inaudible). 25 (Inaudible crosstalk.)</p>	<p style="text-align: right;">Page 59</p> <p>1 ALL MEMBERS: Aye. 2 THE CHAIRWOMAN: Motion passes. Thank you. 3 MR. COOK: Thank you. 4 (Motion approved.) 5 THE CHAIRWOMAN: Well, that was short and 6 sweet. 7 MR. COOK: Yes. Mouth shut and ears open. 8 Thank you. 9 THE CHAIRWOMAN: Thank you, guys. 10 Approval for Ruidoso Downs. 11 MR. TRUE: Thank you, Madam Chair and 12 Commissioners. Jeff True, Ruidoso Downs. 13 We have added a new race at the request 14 of the breeders organization, and this is simply 15 a -- a request for approval of that money to go to 16 that race. I'll defer to the breeders association 17 for any further comments, but we've added the Rita 18 Danley. It's a New Mexico bred filly in that race. 19 THE CHAIRWOMAN: (Inaudible). (Inaudible), 20 let me tell you, (inaudible) Rita would be happy to 21 know that she got this. So anyway, congratulations 22 for recognizing a good woman. You know, she worked 23 hard all her life, so... 24 MR. TRUE: Well, the credit goes to the 25 breeders organization. They generated the request,</p>
<p style="text-align: right;">Page 58</p> <p>1 MR. DIX: I can feel my face turning red as 2 you speak. 3 THE CHAIRWOMAN: Okay. Thank you. 4 MR. DIX: Thank you. 5 THE CHAIRWOMAN: Okay. Next, C, Downs of 6 Albuquerque, State Fair, first quarter of the 7 simulcast expense adjustment. 8 MR. COOK: Madam Chairman, Members of the 9 Commission, Don Cook with the Downs of Albuquerque. 10 And I look forward to working with you all. You'll 11 be my eighth board I've worked with, so I looked 12 forward to working well with you. 13 In front of you is our first quarter 14 simulcast expense adjustment as submitted. Your -- 15 your staff and your auditor reviews it and signs 16 off on it. And I believe they have done that. The 17 Downs itemizes our simulcast expenses. And I'm in 18 front of you today asking for your approval. 19 THE CHAIRWOMAN: Okay. So we need a motion 20 to approve. 21 COMMISSIONER BUFFINGTON: So moved. 22 THE CHAIRWOMAN: Second? 23 COMMISSIONER SMITH: Second. 24 THE CHAIRWOMAN: All those in favor, say 25 aye.</p>	<p style="text-align: right;">Page 60</p> <p>1 and we were happy to oblige. 2 THE CHAIRWOMAN: Well, since we're 3 complimenting breeders and people in the audience, 4 I think people should know that Mr. True worked 5 really hard for the horsemen's association in 6 putting together this contract. And, you know, if 7 you can do that and get them to agree, that's a 8 pretty darn good job. So thank you so much. 9 MR. TRUE: Thank you, Madam Chair. 10 THE CHAIRWOMAN: Oh, wait, we need a motion 11 to approve, don't we? Motion to approve? 12 COMMISSIONER MCSWANE: So moved. 13 COMMISSIONER BUFFINGTON: Second. 14 THE CHAIRWOMAN: All those in favor, say 15 aye. 16 ALL MEMBERS: Aye. 17 THE CHAIRWOMAN: Motion passes. 18 (Motion approved.) 19 THE CHAIRWOMAN: Okay. Approval for Sunray 20 Park. We have a ratification. 21 UNIDENTIFIED MALE: Good morning, Madam 22 Chair, Members of the Commission. 23 I've worked with most of you over the 24 years. Commissioner Buffington and Ms. McSwane 25 I've known -- known also for a long time, Hossie</p>

<p style="text-align: right;">Page 61</p> <p>1 and yourself and Billy and -- I don't know how long 2 we've known each other, Bill. It's been a while. 3 But we welcome y'all and hope all the good comes 4 out of it. 5 All we have here (inaudible) ratification 6 of running ten races on May 11th. What we were 7 trying -- what happened and one of the reasons was 8 on this one, we got -- had a benefit called Aztec 9 Strong honoring them two kids that got killed in 10 school up there. And this was -- they had so many 11 blankets and sponsors that we added a race that 12 day. And since then, I've asked for a ten-race 13 approval. On some other dates when we could fill 14 the races, we did fill them. A couple days this 15 coming week, the Monday, we were a little shy of 16 horses getting ten, but we did fill nine rather 17 well. 18 And we probably -- going forward, we'll 19 see where we're at and what the -- like Pat Bingham 20 said from the horsemen, we're monitoring close, and 21 if we have the money we'll surely add another race 22 a day or two. 23 But our race meets, we're excited. We 24 didn't know what to expect going into this. We had 25 tried everything else to get horses there and to</p>	<p style="text-align: right;">Page 63</p> <p>1 Thank you. 2 UNIDENTIFIED MALE: Thank you. 3 THE CHAIRWOMAN: Congratulations 4 (inaudible). 5 UNIDENTIFIED MALE: Mm-hm. 6 (Motion approved.) 7 THE CHAIRWOMAN: The next item on the agenda 8 is the appointment of hearing officers. 9 MR. TREJO: Yes, Madam Chair, Member of -- 10 Members of the Commission. This motion -- well, 11 this topic is really just to ask you to ratify the 12 appointment of hearing officers that have been 13 appointed to cases that have been pending. And 14 also to formally authorize -- we'd ask for a 15 separate motion on that -- granting the executive 16 director the authority to appoint hearing officers 17 for cases coming forward. 18 THE CHAIRWOMAN: Okay. So I'm understanding 19 that they're already doing their duties as hearing 20 officers? 21 MR. TREJO: Hearing officers have been 22 appointed under the prior commission. And so we 23 are just asking that you ratify those appointments 24 and formally grant the executive director the 25 authority to appoint hearing officers for cases</p>
<p style="text-align: right;">Page 62</p> <p>1 get field sizes and people there. And this was 2 kind of our last hurrah. But it seems like what 3 we're doing now, we're -- our field sizes are up, 4 our handle's up, and the only thing we can 5 contribute to is what we're doing this year. And 6 we're hoping that by the end of the meet, we'll 7 have real positive figures for you. I think we 8 will. 9 We've done a lot of things. Like 10 executive director Trejo said, we've got the 11 carnival going on. We've got something going on 12 every day, and we've got car the shows, dog 13 adoptions. I mean, we -- everything -- everything 14 you can think of. We've -- we've tried to get 15 people in there. So like I say, we welcome you. 16 We look forward to working with you. That's it. 17 THE CHAIRWOMAN: I'll see you on Sunday. 18 Do I have a motion to ratify to run the 19 ten races that were run on May 11th, please. 20 COMMISSIONER SMITH: So moved. 21 COMMISSIONER BUFFINGTON: Second. 22 THE CHAIRWOMAN: All those in favor, say 23 aye. 24 ALL MEMBERS: Aye. 25 THE CHAIRWOMAN: Motion passes.</p>	<p style="text-align: right;">Page 64</p> <p>1 that need hearing officers appointed. 2 THE CHAIRWOMAN: Any discussion? 3 COMMISSIONER MCSWANE: I do. I didn't know 4 this was going to be on the agenda, although we 5 talked about it. 6 What my concern is about the way that 7 this has been previously done, we've not had an 8 opportunity as a commission to discuss how you want 9 to proceed (inaudible) these cases. 10 At some point over the years, basically 11 the commission stopped -- has stopped hearing 12 anything, everything just goes to a hearing 13 officer. If it's a drug case, it automatically is 14 taken out of the commission's hands, it's assigned 15 to a -- a prosecutor is assigned to it and a 16 hearing officer is assigned. And then when we want 17 to discuss it or do something about it, we're 18 basically on the fray, going to be told it's 19 already been taken out of our hands, it's with a 20 hearing officer and there's a prosecutor. 21 So I think until we have an opportunity 22 to discuss how we want to go forward and whether or 23 not we want prosecutors assigned or whether or not 24 this board wants to hear these cases ourselves -- I 25 think that it was done previously because there was</p>

<p style="text-align: right;">Page 65</p> <p>1 such a backlog. But I don't think we're at a 2 backlog now. So I think that we should have an 3 opportunity as a commission to determine whether or 4 not we want those cases to come directly in front 5 of us and let us be the body that makes that 6 decision without having to have a hearing officer. 7 MR. TREJO: Do -- 8 THE CHAIRWOMAN: So I think there's two -- 9 you're talking about the second part, right, the 10 motion that was proposed? The first one is to 11 ratify from the prior commission. Can we go ahead 12 and take care of that? Because that's already been 13 done. We just need to ratify it. 14 COMMISSIONER MCSWANE: I don't know. I 15 mean -- 16 THE CHAIRWOMAN: You're talking about the 17 second part, which is how is this done, we want to 18 be more involved. Am I hearing that correctly? 19 COMMISSIONER MCSWANE: Okay. So -- 20 THE CHAIRWOMAN: So if we can take care of 21 that one, get that out of the way, then we can 22 discuss your -- 23 COMMISSIONER MCSWANE: I don't feel 24 comfortable doing that, without a lot more 25 explanation. Because it's -- it's my understanding</p>	<p style="text-align: right;">Page 67</p> <p>1 You have the authority to then review the record in 2 whole, which you have to do if you wish to make 3 additional findings of fact or make different 4 findings of fact than the ones proposed. 5 After that's done, you can -- you can 6 also remand the case back to a hearing officer for 7 different or further findings. So the hearing 8 officers are there for your convenience to serve -- 9 serve you. You have the opportunity to review the 10 entire record before making a final determination. 11 Of course they can also file motions for 12 reconsideration of a determination. But -- so 13 if -- I'm not really sure if -- if you don't 14 have -- if you don't grant the appro- -- the 15 authority to the commissioner -- to the executive 16 director, rather, what would occur is that each 17 case would have to come before the commission on a 18 monthly basis, at which point you'd have to then 19 assign one of yourselves or a hearing officer, and 20 the hearing officer would have to be selected based 21 on availability. 22 So it could delay the process for 23 respondents to get a determination, even if it's a 24 finding of, you know, no -- no violation. So that 25 would be my concern. Of course, it's to the</p>
<p style="text-align: right;">Page 66</p> <p>1 now, because we're having a little bit of 2 difficulty being able to discuss any of these cases 3 because they're in front of hearing officers. So 4 what I need to know is if this commission does not 5 want those cases to proceed that way, us voting on 6 this today, is that going to make some difference? 7 MR. TREJO: Well, I'm not sure I understand 8 how you would -- so the hearing -- the 9 administrative prosecution aspect of the 10 commission's statute and rules sets forth the 11 process that begins with stewards, right, where 12 a -- there's -- whether it's a riding infraction or 13 it's a drug test, depending on the type of drug, it 14 begins with the stewards. 15 After that, the respondent has the 16 opportunity to appeal that. It has been and it is 17 in commission rules, that that process allows for 18 an appeal that goes to a hearing officer out of 19 expediency, of course, because the alternative 20 would be to appoint one of -- one of the 21 commissioners to sit. 22 So the agency has RFPs that they put out 23 to get the hearing officers to perform these 24 duties. The hearing officers provide you proposed 25 findings of fact and proposed conclusions of law.</p>	<p style="text-align: right;">Page 68</p> <p>1 discretion of the commission, how they wish to 2 proceed. 3 COMMISSIONER SMITH: Taking it out of our 4 hands and putting another cog -- cog in the wheel, 5 I don't agree with that. I think that if we agree 6 we'd like to hear the case, and if we decide that 7 the commission needs help, well, something's wrong, 8 we'll get a hearing officer. 9 But I would like, as a commission, to be 10 able to hear the cases so we don't spend all of 11 state's money on attorney fees and hearing officers 12 (inaudible). There's some things that we can 13 handle within ourselves. 14 COMMISSIONER MCSWANE: The appeal was to the 15 commission. We may use a hearing officer as a 16 method to bring -- to bring findings of fact and 17 conclusions of law to us. But I think as a 18 commission, before we -- you know, before we make a 19 decision on this -- I understand that that's how 20 it's done now. It hasn't always been done that 21 way. 22 Previous commissions very rarely used a 23 hearing officer, and they -- the commission, 24 itself, would hear these things because the appeal 25 is to this commission, so --</p>

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1 THE CHAIRWOMAN: I have one more person here
 2 on the floor.
 3 MR. BLACKBURN: I would just like to add --
 4 my name is Billy Blackburn. I'm an attorney. I do
 5 a lot of these hearings. I sat in your position
 6 for seven years, and in your spot for six, many,
 7 many moons ago.
 8 The regulations allow -- you're right,
 9 Commissioner McSwane, that under the circumstances,
 10 if it does go to the stewards, you can then take
 11 it. It does not have to go to the hearing officer.
 12 The regs say you can do one of three things.
 13 One, you can give it to a hearing
 14 officer; two, you can appoint the commission
 15 themselves to do that; or three, you can appoint an
 16 individual on the commission to do it.
 17 And it's your right. We've done that a
 18 number of years. We didn't use hearing officers.
 19 When I was on the commission, we had three lawyers:
 20 myself, Duke Thornton and Roger Moore. We all
 21 agreed to be the hearing officers, and then it
 22 would come in front of the commission, so we didn't
 23 have to use hearing officers.
 24 Because with all due respect, we are a
 25 lot more knowledgeable about what goes on in the

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1 racing industry. Because a lot of these hearing
 2 officers, the one that we had for four years, had
 3 never been to the backside of a racetrack and had
 4 no clue about racing in general.
 5 So you're allowed to do that. And it
 6 makes more sense for you, as a -- as a commission,
 7 to decide which one of those you want to do under
 8 the circumstances. And so I agree.
 9 My only other question that I had was,
 10 the appointment of these new hearing officers, who
 11 are they going to be? Because, again, not all of
 12 these hearing officers are learned in the law, for
 13 one, as it relates to -- as it relates to racing
 14 commission issues. Your rules and regulations say
 15 that certain evidence can be admitted, can be
 16 admitted if the hearing officer knows that that's
 17 information that is used in the knowledge of the
 18 racing commission. If they have known nothing
 19 about racing, how do they know to allow that
 20 evidence -- allow that into evidence?
 21 So two issues. One, I would like to know
 22 who the hearing officers are going to be that
 23 you're going to appoint, that you're going to
 24 ratify, to see if there's any objection to those.
 25 Thank you.

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1 THE CHAIRWOMAN: Thank you, Mr. Blackburn.
 2 MR. DUNN: Madam Chairwoman, if I might be
 3 recognized as well.
 4 THE CHAIRWOMAN: Yes. You are, please.
 5 MR. DUNN: My name is Blair Dunn, and I'm an
 6 attorney here in Albuquerque. And I, like
 7 Mr. Blackburn, have cases pending currently.
 8 One of the cases that the assistant
 9 attorney general is discussing that he's asking you
 10 to retroactively add back to this hearing officer
 11 that's already holding cases is one of my cases.
 12 And my concern is, is that if you were to
 13 do what he's asking you to do, it's essentially
 14 violating due process. So my client has a due
 15 process right. And due process in a simplified
 16 version is notice and opportunity to be heard. We
 17 didn't know that you were planning to do this. We
 18 have concerns, and I imagine that's probably why
 19 the AG has brought this forward, that what
 20 you're -- what you have -- what has been done in
 21 the past is to assign these cases to a hearing
 22 officer without getting us -- giving us that notice
 23 and opportunity to be heard by the commission.
 24 What he's asking you to do is to further
 25 that violation of due process. I would strongly

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1 caution that if you want to have these cases go to
 2 a hearing officer in order to comport with the
 3 rules and the process and to give my clients notice
 4 and opportunity, you need to take that action with
 5 that specific case, giving us notice and
 6 opportunity to be heard. Doing it retroactively as
 7 he's asking you to do today would not comport with
 8 due process and could potentially earn you just
 9 another lawsuit.
 10 THE CHAIRWOMAN: Okay. Well, thanks for
 11 your comments. I appreciate that.
 12 MR. TREJO: Madam Chair, so just -- without
 13 getting into the specifics of any case that's
 14 pending, the rules allow for parties to make
 15 preemptory excusal motions. So if you have a
 16 problem with a hearing officer that's been
 17 assigned, you can -- you can make that motion.
 18 We haven't received any such motions in
 19 that case, so due process issues aside, there's
 20 always, of course, appeals to district court, if
 21 you think a violation of due process has occurred
 22 or other issues that -- that might be a violation
 23 of other statutes or constitutional principles.
 24 But I would just -- I would also caution
 25 you that, you know, there are other issues that can

<p style="text-align: right;">Page 73</p> <p>1 arise when you sit as hearing officers. And 2 specifically with respect to, you know, the 3 Governmental Conduct Act and issues that we've 4 discussed, I would say that having hearing officers 5 is a -- is a benefit to the entire administrative 6 process and efficiency of the agency. Of course 7 it's at your discretion, and so I'll just leave it 8 at that.</p> <p>9 COMMISSIONER SANCHEZ: Madam Chair -- 10 THE CHAIRWOMAN: Go ahead.</p> <p>11 COMMISSIONER SANCHEZ: -- I'd like to 12 comment (inaudible). Being on the commission -- 13 well, I was on it for 80 years or something, and I 14 think -- I think if I'm wrong (inaudible), we would 15 listen to whatever case it was, then we, ourselves, 16 would assign a hearing officer, this needs to go to 17 a hearing officer or whatever, or, I mean, up to -- 18 to look at this.</p> <p>19 And I think -- but it was up to us to 20 (inaudible) hearing officer. And we had a list, 21 the director had a list of hearing officers and he 22 (inaudible) get a hearing officer (inaudible) and 23 he would and we'd all approve that (inaudible). 24 And that way -- right now, we have no 25 idea (inaudible). (Inaudible) hearing officer and</p>	<p style="text-align: right;">Page 75</p> <p>1 the commission is saying. The whole purpose -- I'm 2 a lawyer. I do this for a living. I don't get 3 paid by the word all the time, but -- but the whole 4 point of this is, I would say that only 5 percent 5 of the cases that come in front of the hearing 6 officer or should come in front were where lawyers 7 were involved.</p> <p>8 A lot of people who go in front of the 9 stewards, a lot of people who go from the stewards 10 to the commission don't have lawyers. And so it's 11 very good for them to be able to come in front of a 12 group like you, who knows the rules and the 13 regulations and can assist them, without getting a 14 lawyer.</p> <p>15 The -- the attorney general's office is 16 saying if they don't like it they can go to 17 district court. Well, why should they have to do 18 that when then they've got to go pay for a lawyer 19 and to go get a restraining order to prevent any 20 type of action be taken against their license for 21 30 days when they didn't do that the first place, 22 when you wouldn't have done that?</p> <p>23 And to say, oh, it all gets cured down 24 the road in front of a district court judge is not 25 fair to people who don't want to go through that</p>
<p style="text-align: right;">Page 74</p> <p>1 then all of a sudden we'd get all these things, 2 what's it about.</p> <p>3 MR. TREJO: It is designed that way.</p> <p>4 COMMISSIONER SANCHEZ: I know it is, and I 5 don't like it.</p> <p>6 MR. TREJO: And the purpose of --</p> <p>7 COMMISSIONER SANCHEZ: That's what I'm 8 trying to say.</p> <p>9 (Inaudible crosstalk.)</p> <p>10 MR. TREJO: But my point, Madam 11 Commissioner, Commissioners, is that we're trying 12 to protect the integrity of the decision-making 13 process so that you don't prejudge cases before the 14 evidence has been presented.</p> <p>15 If you're going to assign a case to a 16 hearing officer, that means that eventually you'll 17 get a report back. If you are hearing evidence 18 before you've assigned it or made a decision, it 19 raises procedural problems. And -- and the state 20 is a prosecutor in this process, so they could 21 raise those objections as well.</p> <p>22 THE CHAIRWOMAN: Okay. We're getting 23 lawyered up here. Okay.</p> <p>24 MR. BLACKBURN: And I have one little 25 comment on that, if I may. And I agree with what</p>	<p style="text-align: right;">Page 76</p> <p>1 process who could come in front of you.</p> <p>2 Very few people who appear -- nonlawyers 3 who appear in front of the hearing officer, and 4 there are tons of them, know that they can exercise 5 their right to excuse a hearing officer. You know, 6 if they come in front of you, I mean, so it -- 7 that's what that whole system was designed for. 8 But this is not supposed to be a bunch of lawyers.</p> <p>9 The whole process was designed to 10 streamline owners, trainers, grooms, jockeys, 11 whoever it is, to come in front of you to have you 12 make the decision or you let it go to a hearing 13 officer where lawyers get involved. And then it 14 relates to all sorts of money, and then I got to 15 charge by the word, and -- and it becomes very 16 complicated.</p> <p>17 THE CHAIRWOMAN: It's pretty sad that 18 (inaudible).</p> <p>19 MR. BLACKBURN: And I have -- you know, and 20 I keep going on because each second (inaudible).</p> <p>21 MR. DUNN: Madam Chair, very, very briefly. 22 (Inaudible crosstalk.)</p> <p>23 COMMISSIONER MCSWANE: Excuse me. I'd like 24 to speak just a moment.</p> <p>25 I think that we understand what everyone</p>

<p style="text-align: right;">Page 77</p> <p>1 is saying. I hope that -- we need an opportunity 2 to visit with our counsel. We need an opportunity 3 for us, as commissioners, to be able to discuss, I 4 believe, how we wish to proceed with this. Just 5 because we've done it this way in the past does not 6 mean this commission is going to be willing to do 7 it in that way. And I hope that we can get the 8 assistance of the AG's office in guiding us in 9 different ways that we can go about it.</p> <p>10 But I think that -- I wasn't aware that 11 this was going to be on the agenda today. I'm not 12 sure how it got there or who put it there, but I 13 don't think that we don't have enough information 14 as it is right now for this commission, probably, 15 to act on this today.</p> <p>16 And I'm not sure that there's any case -- 17 because I know you've provided us with opinion 18 litigation, I'm not sure that there's any case out 19 there that is going to disintegrate if it doesn't 20 go to a hearing officer in the next 30 days. So I 21 don't think it's something we have to move on today 22 and I don't really want to be pushed on it myself.</p> <p>23 THE CHAIRWOMAN: Yes, Mr. Dunn.</p> <p>24 MR. DUNN: Madam Chair woman, I'm trying to 25 keep up with Billy's word count, so if -- if I</p>	<p style="text-align: right;">Page 79</p> <p>1 take a look at them. And if it does need more 2 evidence taken, then send it to a hearing officer, 3 but not before you know that. Thank you.</p> <p>4 THE CHAIRWOMAN: Okay. Well, my question to 5 you all is that if -- if we decide to do this 6 differently, are you going to come back to us and 7 say, "Well, we're prejudiced because now we 8 received that information early and reviewed it, 9 and then if it goes before you" -- you know, do you 10 know what I'm talking about? Is it going to kick 11 back to us and even cost that client even more?</p> <p>12 MR. DUNN: I can speak for myself and my 13 clients. No, Madam Chair, that's the process. We 14 understand that that's the process. So that's -- 15 all we're really asking that you follow the process 16 as it's already laid out in the regulations.</p> <p>17 UNIDENTIFIED MALE: Madam Chair.</p> <p>18 THE CHAIRWOMAN: We want to follow -- just a 19 minute.</p> <p>20 We want to follow due process, you know, 21 we want to follow the law. And this is a new 22 commission, so we are probably going to do a lot of 23 things differently than would have been in the 24 past, and we want to make a difference. And so 25 we're not going to do anything right now that's</p>
<p style="text-align: right;">Page 78</p> <p>1 could, very briefly, with all due respect to the 2 AG's office, and in conjunction with what Billy was 3 telling you, the process is right now, already, 4 that you have three stewards that are sitting on 5 cases taking that evidence. That evidence in that 6 record is put together. That's as if we're going 7 to district court already in that hearing in front 8 of those hearing officers. And like Billy said, a 9 lot of times most people handle those by themselves 10 so they don't incur the expensive word count for 11 Billy and I to show up.</p> <p>12 But assuming that's true, and they don't, 13 they have the opportunity to have evidence taken at 14 that stage and it goes to you for appeal. This is 15 an appeal. It's not a trial at that stage. This 16 is just the appeal.</p> <p>17 And I know the commissioner explained and 18 you understand this, but the process is that we're 19 supposed to be able to come -- or they're supposed 20 to be able to come to you to review what happened 21 with the stewards.</p> <p>22 Sending us off to another hearing 23 officer, just as Billy said, just incurs more cost 24 to our clients, and that's really not fair to them. 25 We really need for you guys to take these cases and</p>	<p style="text-align: right;">Page 80</p> <p>1 going to jeopardize this commission and jeopardize 2 the integrity of a new commission. I can tell you 3 that right now, and I think I speak for the whole 4 commission when I say that.</p> <p>5 Everyone now is concerned about what's 6 been happening. And we're receiving new 7 information, so we're going to take some time to 8 process this and come back with either reforming 9 it, looking at procedures differently. I 10 appreciate your comments. I appreciate -- I'm 11 going to look at it as though you're protecting us 12 and protecting the people in the industry. That's 13 how I want to see it, because I want to have some 14 trust in you.</p> <p>15 Yes.</p> <p>16 MS. MCCULLOCH: Yes, Madam Chair. I just 17 want to make it clear that the appeals are de novo, 18 which means that it's a new hearing, unlike what 19 was just presented to you. It's not that you get 20 all this information from the stewards and it's 21 collected from their hearing. When someone appeals 22 that decision, it's a de novo appeal --</p> <p>23 THE CHAIRWOMAN: Okay.</p> <p>24 MS. MCCULLOCH: -- which means that 25 everything is new, and that means that (inaudible)</p>

<p style="text-align: right;">Page 81</p> <p>1 case has been presented to whoever is hearing it. 2 So I think there's some confusion coming from the 3 audience here with regard to the actual procedure 4 that is in place. 5 You do have the option. I think, even 6 with granting the authority to the executive 7 officer or executive director for procedural 8 efficiency is not going to prevent you from hearing 9 a case. If someone wants to correctly motion the 10 commission to not have it go to a hearing officer, 11 because that is something that is in place and 12 allowed now, then that is something the commission 13 can look at and decide if they want to hear that 14 case. 15 These hearings are very timely, and for a 16 group of people to -- 17 THE CHAIRWOMAN: It's going to be a long 18 day. I know, we've -- I've done it before. 19 But you know what? I think what I would 20 like to see, because of all the concerns that we 21 have here, you're concerned, they're concerned, 22 we're concerned, you know, we need to take some 23 time and really look at this. 24 And that's what I would like to hear a 25 motion to entertain, to table this and to spend</p>	<p style="text-align: right;">Page 83</p> <p>1 Yes, Rosemary. 2 MS. GARLEY: If you do not act on this, does 3 that mean everything we have scheduled would have 4 to be rescheduled in? 5 THE CHAIRWOMAN: That's a good question. 6 MR. TREJO: Yes. 7 MS. GARLEY: And we've only scheduled 8 through the -- the middle of June, I believe, 9 because of the fiscal year. But we do have a 10 two-day hearing next week. So we need to -- you 11 just all needed to know that. 12 THE CHAIRWOMAN: How many cases is that? 13 MS. GARLEY: One -- let me think. There's 14 four, about four cases from next week until the 15 middle of June. 16 THE CHAIRWOMAN: And they haven't been heard 17 yet? They've just -- 18 MS. GARLEY: No. 19 THE CHAIRWOMAN: They're on the calendar? 20 MS. GARLEY: Yes. 21 THE COURT: So if they haven't been heard, 22 they can be rescheduled, so -- 23 MS. GARLEY: And this will be like the 24 second or third -- 25 THE CHAIRWOMAN: Yeah.</p>
<p style="text-align: right;">Page 82</p> <p>1 some time reviewing the process and hopefully, you 2 know, next month, we can -- we can decide if it's 3 going to come back on the agenda or we're going to 4 have new procedures, whatever. 5 MS. MCCULLOCH: So -- 6 THE CHAIRWOMAN: I don't think we're ready 7 to move on this. 8 MS. MCCULLOCH: -- what I would like to ask 9 the commission to reconsider is to ratify what's 10 been done, since it's been done. It's going to 11 compromise things since there's issues that are 12 being brought up that we're trying to fix, since 13 our -- our purpose in this is to, like, resolve 14 problems -- 15 THE CHAIRWOMAN: Yeah. 16 MS. MCCULLOCH: -- instead of create them. 17 THE CHAIRWOMAN: But since we don't -- 18 MS. MCCULLOCH: And so -- 19 THE CHAIRWOMAN: -- know what they are, I 20 just -- I feel really uncomfortable right now. 21 MS. MCCULLOCH: Okay. 22 THE CHAIRWOMAN: I don't want to feel 23 uncomfortable. I want to feel secure and I want to 24 know what I'm voting on. And I think I can speak 25 for the commissioners about that.</p>	<p style="text-align: right;">Page 84</p> <p>1 MS. GARLEY: -- continuance for -- for 2 (inaudible) -- 3 THE CHAIRWOMAN: That's okay. 4 COMMISSIONER MCSWANE: I think we're okay 5 with that. 6 THE CHAIRWOMAN: Yeah. 7 COMMISSIONER MCSWANE: I'm perfectly okay 8 with it being rescheduled. 9 MS. GARLEY: Just as long as you all know 10 that. 11 THE CHAIRWOMAN: Yeah, thank you for that. 12 I -- we need to know that. 13 COMMISSIONER SANCHEZ: Madam Chair, I mean 14 we -- we did for years, and yes, it -- it -- it 15 prolonged our meeting or whatever it was, but 16 that's why we're here. And I think that's the 17 right thing to do. 18 Because right now it goes straight to a 19 hearing officer, then they come back and say, 20 "Okay. Now you have to act on it." I mean, what 21 are we acting on? I mean, I'd rather listen to 22 what's going on and see for ourselves. I mean, we 23 did that time and time and time again. That's why 24 we're doing this. 25 THE CHAIRWOMAN: I know, and I --</p>

<p style="text-align: right;">Page 85</p> <p>1 COMMISSIONER SANCHEZ: And we're all capable 2 people here. I think (inaudible). 3 THE CHAIRWOMAN: I don't know. I -- 4 COMMISSIONER SANCHEZ: We can do -- we can 5 do this. 6 THE CHAIRWOMAN: I'm not getting 7 (inaudible). 8 COMMISSIONER SANCHEZ: And -- and -- and I 9 think that's what -- that's the right thing to do. 10 Because there's some cases, if I remember 11 correctly, that were brought to us that the 12 stewards make these decisions, and -- and, you 13 know, it wasn't right, and they would just dismiss 14 the darn thing because it was dead wrong. 15 Why should I have to go straight to a 16 hearing officer and make -- spend all this time 17 with a hearing officer when we could make a 18 decision and just dismiss it right there because it 19 don't make sense? 20 COMMISSIONER SMITH: And we want -- we don't 21 want to end up in district court every time we turn 22 around. 23 COMMISSIONER SANCHEZ: My God, it's crazy. 24 COMMISSIONER SMITH: (Inaudible) ourselves. 25 COMMISSIONER SANCHEZ: And the thing is, it</p>	<p style="text-align: right;">Page 87</p> <p>1 to sit with their pots -- the racetrack's sitting 2 on their money. You guys can take care of it. 3 Expedite it, take care of it. If it's bigger than 4 you, you need to decide. Thank you. 5 THE CHAIRWOMAN: Thank you, Mr. Roybal. 6 Yes, Ms. Vescovo. 7 MS. VESCOVO: Madam Chairman, Members of the 8 Commission, I would like to say that I agree with 9 Commissioner Sanchez. I served on the racing 10 commission with Chairman Billy Blackburn at the 11 time, and we did hear a lot of our cases. And it's 12 up to the commission to decide if they wanted to 13 refer something to a hearing officer or not. It is 14 not automatic that things go to a hearing officer. 15 That would be ludicrous. So we did hear the 16 majority of our cases. And it saved the state a 17 lot of money. And I think we made very astute 18 decisions. Thank you. 19 THE CHAIRWOMAN: Thank you, Ms. Vescovo. 20 I think we want to make clear that we 21 work for the people of New Mexico. And we want to 22 hear from the people of New Mexico. And if they 23 want to come to us, we want to hear them. You 24 know, if they don't, they'll go elsewhere. They'll 25 hire their own attorney and they'll do what they,</p>
<p style="text-align: right;">Page 86</p> <p>1 costs so much money to hire an attorney. By the 2 time you get a -- to district court to do it, it'll 3 be months and months down the line. It's crazy. 4 And then there -- there's (inaudible) of a 5 license. And so it just takes so much, when we, as 6 the commission, can make a decision right then and 7 there. 8 And a lot of things will have to go to a 9 hearing officer. I'm not saying everything is like 10 that. There's a lot of things that have to go to a 11 hearing officer, and we can recognize that, okay, 12 you know, this is over our heads here, let's go to 13 a hearing officer. But there's some really small 14 stuff, the majority of the stuff is small, and we 15 could take care of that. 16 THE CHAIRWOMAN: Okay. 17 Mr. Roybal. 18 MR. ROYBAL: Good morning, Madam Chairman, 19 Commissioners. Congratulations. 20 THE CHAIRWOMAN: Thank you. 21 MR. ROYBAL: My name is Gary Roybal. I'm 22 with LULAC. 23 Administrative law gives you the 24 opportunity to regulate at the lower level, 25 expedite and get going. We don't want these guys</p>	<p style="text-align: right;">Page 88</p> <p>1 you know, need to do. 2 But we never want to dissuade people from 3 coming and talking to us. That's part of our job. 4 That's how I see it, and I think that's what the 5 other commissioners are saying, that they would 6 entertain that. 7 So I think at this particular point, 8 because we don't really have any information about 9 the past hearing officers and the procedures, I 10 think we can -- we figured out that the cases that 11 upcoming, have not been heard, I am comfortable 12 with entertaining a motion to table the hearing 13 officer proposal. 14 COMMISSIONER BUFFINGTON: So moved. 15 COMMISSIONER MCSWANE: Second. 16 THE CHAIRWOMAN: Any -- all those in favor, 17 say aye. 18 ALL MEMBERS: Aye. 19 THE CHAIRWOMAN: Opposed? 20 Hearing on the motion passes. 21 (Motion approved.) 22 THE CHAIRWOMAN: Okay. Moving forward to 23 the sixth track -- 24 MS. FRAZIER: So are you tabling till June? 25 THE CHAIRWOMAN: Pardon?</p>

<p style="text-align: right;">Page 89</p> <p>1 MS. FRAZIER: Tabling the action till June? 2 THE CHAIRWOMAN: Yes. 3 MS. FRAZIER: Thank you. 4 THE CHAIRWOMAN: Okay. Sixth track license, 5 please. Are there any matters on sixth track? 6 MR. TREJO: Madam Chair, Members of the 7 Commission, we do not have any updates in regard to 8 the sixth racetrack at this time. 9 THE CHAIRWOMAN: We can move on to public 10 comment, please. 11 I thought there was a download of 12 (inaudible) that signed in. Yeah, here we go. 13 Thank you. 14 Okay. We have one, two, three, four, 15 five people that would like to say something. And 16 I'm going to ask you to limit yourself to five 17 minutes, if you can just do that. 18 And Mr. Jack Muse from Clovis, would you 19 like to come (inaudible), please. 20 UNIDENTIFIED MALE: (Inaudible). 21 THE CHAIRWOMAN: I already talked to Jack. 22 MR. MUSE: Madam Chairman and Commission, 23 thank you for the opportunity to be here. This has 24 been a real education. I'm here in opposition to 25 the racino at Clovis. And as I hear it, I'm not</p>	<p style="text-align: right;">Page 91</p> <p>1 and about 35 percent against. I believe that this 2 isn't accurate even today. There are still many 3 business owners who are privately opposed, but they 4 have the sort of subversive intimidation factor 5 that is making them be quiet. But privately they 6 will tell you they're opposed. They believe it's 7 going to bleed money out of -- out of our community 8 rather than bring money into the community. 9 I've got copies of petitions that were 10 signed that were submitted earlier to the 11 commission that we -- 12 THE CHAIRWOMAN: We have them here in front 13 of us. 14 MR. MUSE: And we had -- we had kept copies, 15 so I brought those. It's not additional. It's 16 repetitive. 17 The -- the reluctance of people to speak 18 up and take a stand is pretty pervasive in our 19 community. The -- the petitions that we brought 20 are handwritten and they are -- opposition claims 21 over 500 petitions on their electronic thing, but 22 about a third of those are anonymous. And just go 23 online and click and just register, so we don't 24 know who they are or whatever. 25 The -- I'm adamantly to the racino in</p>
<p style="text-align: right;">Page 90</p> <p>1 opposed to the horse racing. Most of the people 2 that are in the group I'm in are not opposed to the 3 horse racing. I think we would welcome that. But 4 the effects of the slots are -- are what we're 5 concerned about. 6 I represent a group called the concerns 7 that matter. A loosely organized group that has no 8 phone number, no address, and no limited 9 (inaudible). 10 THE CHAIRWOMAN: Can y'all here him back 11 there? No. 12 Could you speak louder, please. 13 MR. MUSE: Okay. And no address. We 14 organized to voice opposition to having a racino in 15 Clovis. I'm here today to make you aware that 16 there is significant opposition to the racino in 17 the Clovis/Curry County community. 18 The issue has been very divisive for our 19 community. It is difficult for a group like us to 20 compete with a group financed and backed by three 21 wealthy casinos -- or casino applicants. And 22 the -- the -- the -- the tac- -- the tactics of our 23 opposition have been very interesting. 24 At the hearing in Clovis, the estimates 25 of pro and con were about 65 percent for the racino</p>	<p style="text-align: right;">Page 92</p> <p>1 Clovis. I believe the original charter to 2 establish a sixth racino states that if there is 3 significant opposition to a racino that it won't 4 happen. I believe that we have significant 5 opposition. 6 Our state representative, Randy Crowder, 7 is opposed. He sent a letter with me, very 8 detailed letter. It says: I do not support the 9 award of the sixth racino license, Randall Crowder. 10 THE CHAIRWOMAN: What is his position, 11 please? 12 MR. MUSE: State Representative Randy 13 Crowder. 14 THE CHAIRWOMAN: (Inaudible) I just want to 15 make sure -- 16 MR. MUSE: Okay. 17 THE CHAIRWOMAN: -- (inaudible). 18 MR. MUSE: And he was for it to begin with. 19 Actually had land that he submitted. There's a lot 20 of land options for the thing in Clovis; his was 21 part of it. And as he studied it and got more 22 in-depth on it, he changed his mind. He said: 23 When I look at the numbers and when I look at the 24 damage that it does to communities, I can't do it. 25 So he's -- he's changed his position.</p>

<p style="text-align: right;">Page 93</p> <p>1 THE CHAIRWOMAN: A couple more minutes 2 (inaudible). 3 MR. MUSE: Okay. I -- Randall Crowder is 4 opposed. David Lansford, our mayor is opposed, a 5 couple city commissioners, and County Commissioner 6 Robert Thornton is opposed. Several are neutral, 7 but are yielding to the pressure. And there's 8 probably going to be a resolution tonight in Clovis 9 to support it, but it certainly won't have the 10 support of the mayor. 11 I also believe that the original charter 12 is -- instructs that the general welfare of the 13 racing industry must be considered. There are 14 numerous studies that indicate that our state 15 gaming racing industry are past the saturation 16 point. I have brought papers and presented them to 17 you earlier that -- that support that. 18 Revenues for the five casinos are down 19 2.1 percent. That's a -- this is the third 20 consecutive annual decline, the lowest revenue in a 21 decade, and the total revenue appears to be down 22 about 30 -- \$30 million over the last three years. 23 THE CHAIRWOMAN: I think you've got five 24 minutes here. One more statement. 25 MR. MUSE: Okay. The -- several things</p>	<p style="text-align: right;">Page 95</p> <p>1 similar situations over the past year. 2 And so I'm also here to thank you all for 3 taking on this endeavor at the appointment of our 4 governor. 5 Vision 2020 is a group of citizens from 6 Clovis who honestly feels very differently from 7 Mr. Muse and some of the other people that he 8 represents. We see this possibility of the sixth 9 racino license as a huge economic development for 10 Clovis, and specifically for the State of New 11 Mexico, because we feel that the trade area for 12 that sixth racino license would reach well into 13 west Texas, specifically Amarillo and Lubbock, 14 which are each equally 100 miles away from Clovis. 15 And I'd also like to offer our -- our 16 welcome mat to you if you, too, would like to come 17 out and visit Clovis and see the proposed facility 18 areas and also see what we do have to offer. We 19 would like to address any concerns that you may 20 have. 21 I have brought with me yesterday some 22 packets from Clovis that explain our economy, some 23 of the strengths of our city and some of the 24 strengths of the people that -- of the businesses 25 that are proposing this license. Vision 2020 does</p>
<p style="text-align: right;">Page 94</p> <p>1 we -- the human toll is something that doesn't get 2 much consideration when you consider the slots, the 3 addictive gambling and the problems that that 4 causes. 5 And then, if you decide to proceed with 6 the sixth license, please do a new study that's 7 done by someone that's done by someone that will 8 analyze the whole situation and not be done by a 9 gaming promotion organization, as the last one was. 10 And have them study very carefully the impact on 11 the local communities. 12 I thank you for your time and for hearing 13 me. 14 THE CHAIRWOMAN: We sure appreciate you -- 15 MR. MUSE: Thank you. 16 THE CHAIRWOMAN: -- coming, Mr. Muse. Thank 17 you. 18 Kathy Elliott vision 2020. 19 MS. ELLIOTT: Good morning, Madam Chairman 20 and Commissioners, and thank you for your time 21 today. 22 Ironically enough, I am the Vision 2020, 23 and that is the citizens organization from Clovis. 24 And Mr. Muse and I are very -- very familiar with 25 each other because we have been sitting at very</p>	<p style="text-align: right;">Page 96</p> <p>1 not have a horse in this race other than our city. 2 We are not here to specifically choose a particular 3 person or business who has an application on file 4 with you guys. Okay? We just would like you to 5 recognize that Clovis in general is very much for 6 this. 7 I actually own an advertising firm and we 8 did a very informal polling ourselves. Went out to 9 Walmart, to some senior citizen lunch sites, to 10 some local eateries to get a poll just to see if 11 the average Clovis citizen would welcome a racino 12 to the area. And actually, our polls came in much 13 stronger than what Mr. Muse indicated, somewhere in 14 the 80 to 85 percentile very easily is what the 15 average person in Clovis feels. 16 So if -- if you have any other questions 17 and you perhaps can't sleep at night, perhaps you 18 can peruse over all that information that we left 19 with you, and we will be -- 20 MALE COMMISSIONER: (Inaudible) put me to 21 sleep. 22 MS. ELLIOTT: But we really do, would 23 welcome you guys to come out. And we can show you 24 all the facilities and the possibilities that are 25 brought on by Clovis.</p>

<p style="text-align: right;">Page 97</p> <p>1 Thank you for your time.</p> <p>2 COMMISSIONER SANCHEZ: Madam Chair, I've got</p> <p>3 a question.</p> <p>4 THE CHAIRWOMAN: Yes, (inaudible).</p> <p>5 COMMISSIONER SANCHEZ: Okay. The poll that</p> <p>6 was taken, were they excited about the racetrack</p> <p>7 itself, or were they excited about the casino?</p> <p>8 MS. ELLIOTT: The question was: Do you feel</p> <p>9 that a racino, a/k/a, horse track race and casino</p> <p>10 would bring economic development to Clovis?</p> <p>11 That was the question. And it was simply</p> <p>12 a yes or no question with signatures attached. So</p> <p>13 these were not anonymous people.</p> <p>14 COMMISSIONER SANCHEZ: And by the way, it's</p> <p>15 not a racino.</p> <p>16 COMMISSIONER BUFFINGTON: No.</p> <p>17 COMMISSIONER SANCHEZ: It's a racetrack --</p> <p>18 MS. ELLIOTT: Racetrack license.</p> <p>19 COMMISSIONER SANCHEZ: -- with a casino.</p> <p>20 MS. ELLIOTT: Casino, yes.</p> <p>21 COMMISSIONER SANCHEZ: And this racino</p> <p>22 stuff, it just bugs the hell out of me. Because</p> <p>23 when I was on the commission, previously on the</p> <p>24 commission, we awarded two racetracks with casinos.</p> <p>25 MS. ELLIOTT: Uh-huh.</p>	<p style="text-align: right;">Page 99</p> <p>1 MS. ELLIOTT: Yes, ma'am. Thank you.</p> <p>2 THE CHAIRWOMAN: Okay. I think Ray Marquez.</p> <p>3 MR. MARQUEZ: It takes me longer to say</p> <p>4 (inaudible) get there. I'm Ray Marquez. I've had</p> <p>5 a trainers license since '71.</p> <p>6 MS. MCCULLOCH: Sir, I'm sorry to interrupt</p> <p>7 you. But the meeting is being recorded and we need</p> <p>8 you to come up --</p> <p>9 MR. MARQUEZ: Okay.</p> <p>10 MS. MCCULLOCH: -- to the microphone,</p> <p>11 please.</p> <p>12 MR. MARQUEZ: It's going to take longer.</p> <p>13 MS. MCCULLOCH: That's okay. We got all</p> <p>14 day.</p> <p>15 THE CHAIRWOMAN: We like you.</p> <p>16 MR. MARQUEZ: My name is Ray Marquez. I'm a</p> <p>17 trainer. I've had a license since '71. And being</p> <p>18 that I flunked the Dale Carnegie course, I'm just</p> <p>19 refrained from saying anything until I see which</p> <p>20 way the water's going to flow.</p> <p>21 THE CHAIRWOMAN: Okay, Mr. Marquez.</p> <p>22 UNIDENTIFIED MALE: He's a good dancer, too.</p> <p>23 THE CHAIRWOMAN: I think I can read this as</p> <p>24 Tom McKenna. Did I say it correctly? I'm not sure</p> <p>25 I can read your writing, sir.</p>
<p style="text-align: right;">Page 98</p> <p>1 COMMISSIONER SANCHEZ: And that's what this</p> <p>2 one is here.</p> <p>3 MS. ELLIOTT: Yes, it is.</p> <p>4 COMMISSIONER SANCHEZ: It's a racetrack --</p> <p>5 MS. ELLIOTT: Track with a casino.</p> <p>6 COMMISSIONER SANCHEZ: -- with a casino.</p> <p>7 And the next person that says "racino," here I'm</p> <p>8 (inaudible).</p> <p>9 MS. ELLIOTT: Duly noted, sir.</p> <p>10 COMMISSIONER SANCHEZ: And that -- we're a</p> <p>11 race -- racing commission here. We got -- we don't</p> <p>12 do casinos here. We do horse racing.</p> <p>13 MS. ELLIOTT: True.</p> <p>14 COMMISSIONER SANCHEZ: And that's what it's</p> <p>15 about. It's racing. With that horse racing, there</p> <p>16 will be a casino. So just to let everyone know in</p> <p>17 this room here that that's what we're about,</p> <p>18 we're -- we're about horse racing. And yes a</p> <p>19 casino comes with it, but we're about horse racing</p> <p>20 and that's what the -- so from now it's going to be</p> <p>21 noted as a racetrack with a casino. So if you say</p> <p>22 racino, (inaudible). Okay? I just want to...</p> <p>23 THE CHAIRWOMAN: Thank you, Ms. Elliot. I</p> <p>24 appreciate you coming and taking your time. Thank</p> <p>25 you.</p>	<p style="text-align: right;">Page 100</p> <p>1 MR. MCKENNA: Thank you for your time. I</p> <p>2 don't know if you know it or not, but history has</p> <p>3 been made here today. Anytime Billy Blackburn gets</p> <p>4 up and talks himself out of money, history is being</p> <p>5 made.</p> <p>6 THE CHAIRWOMAN: I offered to trade him</p> <p>7 salaries, but he wasn't into that, so...</p> <p>8 MR. MCKENNA: Izzy, you got the clock going?</p> <p>9 MR. TREJO: We got it going, sir.</p> <p>10 MR. MCKENNA: Hossie, thank you for your</p> <p>11 statement about the definition between a racino and</p> <p>12 a racetrack and a casino. The definition was</p> <p>13 needed.</p> <p>14 I'm very encouraged, and I'm not trying</p> <p>15 to flatter you, I just want to tell you that I've</p> <p>16 been to lots of racing commission meetings in the</p> <p>17 17 years I've been in this business, and I'm really</p> <p>18 impressed with your openness and attitude. I think</p> <p>19 we've got a long ways -- we need you guys. We need</p> <p>20 you to accomplish some unity in this business that</p> <p>21 we're in.</p> <p>22 There is no unity. The horsemen think</p> <p>23 track management is the enemy. That does not</p> <p>24 happen where track management is concerned, but it</p> <p>25 does happen where the horsemen are concerned. We</p>

<p style="text-align: right;">Page 101</p> <p>1 can't get a thing done, flat nothing, because 2 nobody can agree on anything. It's the biggest hog 3 at the trough, exactly what it is. We need 4 somebody to guide us. We need to come together and 5 drive horse racing for the good of this state. 6 It can be done. We've got a catalyst 7 here. We've got -- look at it from a sports -- 8 from a sports scenario. There are no professional 9 sport teams to speak of in the state of New Mexico. 10 We don't have any kind of professional football 11 team or baseball or anything else. And yet, we've 12 got some great facilities in these racetracks 13 around our state. We've got a sport in this state 14 that we can sell. It can be done. But it can't be 15 done if we fight among ourselves. There's got to 16 be unity, and that will do it. 17 Now, from personal experience, I want to 18 tell you something that is facts. And I'm not 19 patting myself on the back, but when I get into 20 horse racing, it was 17 years, I started with one 21 horse. And everybody told me all the negatives of 22 the business and so forth and so on. And I paid my 23 dues. And now, 17 years later, I've got a horse 24 qualified for the Triple Crown from the -- trained 25 right near in the State of New Mexico. We went to</p>	<p style="text-align: right;">Page 103</p> <p>1 solution to the problem? Oh, we'll just cut dates 2 here, we'll cut races. No, that's not the 3 solution. That's a Band-Aid. The solution is, 4 grow the sport. 5 How do you grow the sport? I've got two 6 basic things, one we could use your help with. 7 This will work, and it'll work immediately. Split 8 the race meets. Thoroughbred races in one segment 9 and quarter horses in another, same number of race 10 days. I'm going to tell you how to benefit in just 11 a minute. 12 This (inaudible) both segments and 13 (inaudible) and income opportunity as well as 14 available stall space, better jockey (inaudible) 15 and will give New Mexico bred quarter horses more 16 opportunity to run; increase revenue on the 17 simulcast income and thoroughbred racing and 18 attract more track betting and attract out-of-state 19 trainers filling our race cards to make the sport 20 grow. 21 If we were to split meets, I could pick 22 up the phone tomorrow and I could get right now 23 four trainers that will ship horses in here to run 24 full meets in this state. And it's much broader 25 than that. We've got the commodity, we've got the</p>
<p style="text-align: right;">Page 102</p> <p>1 the Preakness. About 3,000 races. Wasn't ever any 2 kind of drug violation in my life until this dex 3 nonsense came up. I've been in the top hundred 4 owners out of 29,000 owners in the nation for the 5 past seven years. It can be done. 6 Do you realize we have three trainers in 7 this state that are in the top 100 in the nation? 8 We do. It can be done. 9 And yet we look at our problems in this 10 state and we listen -- we listen to track 11 management, and they're dead right. I agree with 12 them. If you can't fill the races, you can't sell 13 the product, and that's the truth. The 14 handicappers want to see four fields. That's what 15 they bet on, that's where the action is. The 16 action's on the thoroughbred side of the coin, not 17 the quarter horse. 18 No -- no -- I'm not putting down Ruidoso 19 Downs or the All American, the quarter horse sport 20 is a great sport, but bettors don't bet on it. You 21 can't sell a simulcast on the quarter horse side of 22 the horse. You can merchandise simulcast product 23 from a thoroughbred side. Okay? 24 So when these guys say, "Hey, we don't 25 have enough, we can't fill these races," what's the</p>	<p style="text-align: right;">Page 104</p> <p>1 attraction, but we're not growing our sport. 2 Look at PBR. PBR started out as nothing, 3 and now it's -- they're filling the house 4 everywhere they go. They grew their sport. 5 Proctor & Gamble never sold a box of soap 6 without advertising it. Do we advertise? No. We 7 don't do anything. We just sit here on our laurels 8 because we got some casinos back in 1990, or 9 whatever it was, and from that point on, we've done 10 nothing. 11 So we got \$2 million in the bank. What 12 are we doing with it? It doesn't pay any interest 13 now. Do we put it to work? Do we go to track 14 management and say, "Hey, matching dollars. Let's 15 set out a five-year program to merchandise this 16 thing. Let's get an advertising agency that knows 17 what they're doing and grow this sport in the state 18 of New Mexico." We've got the springboard to do 19 it. And yet, we do nothing. 20 Two, match racing in this state is not 21 legal. Enforce the current law. These tracks 22 where they race are not regulated in any way. Drug 23 cartel involvement in match racing is rampant. The 24 use of performance enhancing drugs in these horses 25 is a mainstay. And the spillover to the sanctioned</p>

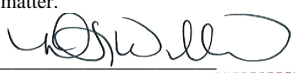
<p style="text-align: right;">Page 105</p> <p>1 racing facilities in the state is evidenced in the 2 number of serious drug violations in the quarter 3 horse industry, and that's where most of the 4 serious drug violations in this state -- I'm 5 talking about performance enhancing drugs, not 6 therapeutic drugs.</p> <p>7 Concerning the corticosteroid dilemma, 8 which the last racing commission created but 9 decided to kick the can down the road to you guys, 10 I say this was an obvious mistake made by a 11 commission in not giving our track veterinarians a 12 grade period to adjust to the change of this by the 13 labs and the method of testing.</p> <p>14 This drug is not a performance enhancing 15 drug and does not affect the outcome of a race. 16 And yet, we're going to penalize all of our -- and 17 say, "We're going to take your purse away from you. 18 We tested two horses in a nine horse field." How 19 about the other seven horses? That's who you're 20 going to give the money to. Did you test those 21 horses? No. This is a joke.</p> <p>22 We all make mistakes, but learning from 23 mistakes and admitting them takes courage. They 24 should have rescinded their wrong decision, the 25 last racing commission. Instead, they let the best</p>	<p style="text-align: right;">Page 107</p> <p>1 Ruidoso Downs. You have to go through all of their 2 web headings to see where you can find live 3 broadcast of the races. It's just -- it's a 4 headache to try to find it. It's not there because 5 they're not promoting horse racing.</p> <p>6 And Mr. McKenna is right. New Mexico 7 probably has some of the best breeder and stallion 8 and owner rewards in the whole nation. So we -- 9 he's right, you've got to promote this.</p> <p>10 Make it a competition maybe between 11 offices or people, you know. Hand out a contest 12 where people send in -- they want to be an honorary 13 owner. Send them a horse's name, and when that 14 horse is in, give them a table and a program. If 15 that horse wins, let them have a picture taken.</p> <p>16 They'll be -- if they really enjoy it -- 17 it's going to be the kids that push that. Because 18 I was one of those kids that would go buy whatever 19 tobacco it was to enter -- to win a yearling 20 through a Kentucky Derby promotion. You know, you 21 had to name a horse or send in an entry. You know, 22 it's kids that keep the parents involved, too.</p> <p>23 And then the other deal on the 24 retroactive payments, I think when they -- whenever 25 they -- whenever they drop the purses, I think they</p>
<p style="text-align: right;">Page 106</p> <p>1 of you make common sense and logic drive you in 2 your decision, and I know common sense will prevail 3 because I've seen it in action this morning.</p> <p>4 Thank you very much for your time.</p> <p>5 THE CHAIRWOMAN: Thank you very much, 6 Mr. McKenna. Appreciate it.</p> <p>7 MR. MCKENNA: One more thing.</p> <p>8 THE CHAIRWOMAN: Oh, one more thing. 9 (Inaudible).</p> <p>10 MR. MCKENNA: (Inaudible) a couple of meals. 11 You guys have got a full day ahead of you.</p> <p>12 But this is just out of a current 13 Bloodhorse. Read them at your leisure. It's about 14 five minutes reading, but it might help you in your 15 decisions.</p> <p>16 COMMISSIONER BUFFINGTON: Thank you.</p> <p>17 THE CHAIRWOMAN: All right. Thank you for 18 your time.</p> <p>19 COMMISSIONER BUFFINGTON: Good job.</p> <p>20 THE CHAIRWOMAN: Leslie Fincher.</p> <p>21 MS. FINCHER: How do you follow that? I'm 22 Leslie Fincher and I always have something to say, 23 something about something. I agree with him. 24 You've got to look up the racetrack, their website, 25 you have to look up Billy the Kid Casino to get</p>	<p style="text-align: right;">Page 108</p> <p>1 ought to retroactively bring them back up to where 2 they should have been and make sure those people 3 are compensated first before you do an overall 4 compensation, because they took the hit. So they 5 should be -- you know, not rewarded, but get their 6 just due.</p> <p>7 All right. So I guess that's enough. 8 Thank you.</p> <p>9 THE CHAIRWOMAN: Thank you.</p> <p>10 MR. FROST: Madam Chairman, I missed out on 11 the signing sheet.</p> <p>12 THE CHAIRWOMAN: Okay. You're?</p> <p>13 MR. FROST: I missed out on that.</p> <p>14 THE CHAIRWOMAN: Oh, you missed out on it. 15 Mr. Frost: Yes, ma'am.</p> <p>16 THE CHAIRWOMAN: I didn't hear what you 17 said. Okay. Well, I'll --</p> <p>18 MR. FROST: I'll make it quick.</p> <p>19 UNIDENTIFIED MALE: Your name?</p> <p>20 MR. FROST: Warren Frost. I'm with Coronado 21 Partners and the Tucumcari group. We, in 22 Tucumcari, are going on our 12th year of trying to 23 get a racetrack in Tucumcari. We were involved in 24 the Raton application.</p> <p>25 Mr. Sanchez, I think you've had the joy</p>

<p style="text-align: right;">Page 109</p> <p>1 of coming to Tucumcari to a public meeting at one 2 point. 3 What I'd like to do is encourage the 4 commission as a whole to start discussing amongst 5 yourselves and deciding how the new group is is 6 going to address this sixth license. There's a 7 misconception under the old commission that this 8 (inaudible) litigation somehow affects your ability 9 to press on with this license. That's simply not 10 true. As your counsel will tell you, this lawsuit 11 is out there, but it doesn't prohibit this 12 commission from doing anything. 13 So for those of us that have been working 14 on this for 18 months now, whether it's in 15 Lordsburg or Clovis or Tucumcari, we would very 16 much appreciate guidance from you, and you're just 17 starting, I understand you can't do it immediately, 18 but on -- on how you're going to proceed. 19 We understand, we've heard rumors there's 20 going to be a new study. Fine. We would like some 21 input on that. I think us -- all of us, as a 22 group. But we think it's very important -- a sixth 23 license is about racing, a racetrack, but it's also 24 about our communities. You have the power to save 25 one or more communities with this award.</p>	<p style="text-align: right;">Page 111</p> <p>1 go into closed (inaudible). 2 (Inaudible crosstalk.) 3 THE CHAIRWOMAN: Thank you, (inaudible). 4 Okay. I'm going to repeat that, because you all 5 missed a sentence. 6 UNIDENTIFIED FEMALE: And it doesn't get 7 recorded when everyone (inaudible). 8 THE CHAIRWOMAN: Right. Okay. Thank you -- 9 UNIDENTIFIED FEMALE: Thank you. 10 THE CHAIRWOMAN: -- for your patience. 11 I move that the commission go into closed 12 executive session to discuss only those matters 13 listed on the agency as closed pursuant to 14 Section 10-15-1.H to discuss matters related to the 15 issuance, suspension, renewal or revocation of a 16 license, to discuss limited personnel matters, to 17 deliberate in connection with an administrative 18 adjudicatory proceeding, to discuss attorney-client 19 privileged matters pertaining to threatened or 20 pending litigation. 21 COMMISSIONER BUFFINGTON: So moved. 22 THE CHAIRWOMAN: We had a motion already. 23 COMMISSIONER SANCHEZ: Yeah. We're now in 24 closed session. 25 THE CHAIRWOMAN: We're in closed session.</p>
<p style="text-align: right;">Page 110</p> <p>1 So anyway, I would just encourage you not 2 to be uptight about this litigation. Easy for me 3 to say. And -- and to press on and give us some 4 guidance about how you see this sixth license 5 application process going on, at your earliest 6 convenience. 7 THE CHAIRWOMAN: Thank you very much, 8 Mr. Frost. Appreciate it. 9 Okay. At this time we're going to go 10 into closed session. 11 MS. FINCHER: I forgot one comment. My 12 concern on Clovis is the contaminated wells and 13 water. I think that ought to be an issue in your 14 research as well. 15 THE CHAIRWOMAN: Okay. Thank you, 16 Ms. Fincher. Appreciate it. 17 Okay. I would like a motion to go into 18 closed session. 19 MALE COMMISSIONER: So moved. 20 COMMISSIONER MCSWANE: Second. 21 THE CHAIRWOMAN: Okay. All in favor say 22 aye. 23 ALL MEMBERS: Aye. 24 (Motion approved.) 25 THE CHAIRWOMAN: (Inaudible) the commission</p>	<p style="text-align: right;">Page 112</p> <p>1 MR. TREJO: We need a roll call. 2 THE CHAIRWOMAN: Oh. 3 MR. TREJO: Roll call. 4 THE CHAIRWOMAN: We need a roll call. 5 (Inaudible crosstalk.) 6 THE CHAIRWOMAN: Okay. We're going to do a 7 roll call. 8 (Inaudible crosstalk.) 9 MS. FRAZIER: Can we do a roll call? 10 (Inaudible crosstalk.) 11 MS. FRAZIER: I'm going to do a roll call. 12 THE CHAIRWOMAN: Roll call, please. 13 MS. FRAZIER: John Buffington. 14 COMMISSIONER BUFFINGTON: Present. 15 THE CHAIRWOMAN: Roll call. 16 COMMISSIONER BUFFINGTON: Present. 17 MS. FRAZIER: Billy Smith. 18 UNIDENTIFIED FEMALE: Here. 19 MS. FRAZIER: Beverly Bourguet. 20 THE CHAIRWOMAN: Here. 21 MS. FRAZIER: Hossie Sanchez. 22 COMMISSIONER SANCHEZ: Here. 23 MS. FRAZIER: Freda McSwane. 24 COMMISSIONER MCSWANE: Yes. 25 MS. FRAZIER: Okay. Thank you.</p>

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<p>1 (Commission moves to executive session.) 2 (Regular Commission Meeting reconvenes.) 3 THE CHAIRWOMAN: Can we have a roll call, 4 please. 5 MS. FRAZIER: John Buffington. 6 COMMISSIONER BUFFINGTON: Here. 7 MS. FRAZIER: Billy Smith. 8 COMMISSIONER SMITH: Present. 9 MS. FRAZIER: Beverly Bourguet. 10 THE CHAIRWOMAN: Here. 11 MS. FRAZIER: Hossie Sanchez. 12 COMMISSIONER SANCHEZ: Here. 13 MS. FRAZIER: And Freda McSwane. 14 COMMISSIONER MCSWANE: Here. 15 MS. FRAZIER: Thank you. 16 THE CHAIRWOMAN: Thanks, Kira. 17 The commission is back in open session, 18 and I affirm that the commission discussed only 19 those matters specified in the motion to close the 20 meeting in accordance of Section 10-50-1.J. 21 And we'll turn it over to our assistant 22 attorney generals [sic], please. 23 MS. MCCULLOCH: Yes, Madam Chair, Members of 24 the Commission. It is my understanding as to the 25 matter of trainer Lymon Perren that the commission</p>	<p>1 say aye -- oh, can I hear motion, please. 2 COMMISSIONER MCSWANE: So moved. 3 COMMISSIONER SMITH: Second. 4 THE CHAIRWOMAN: It's getting late. 5 MR. ELLIOT: Trainer and owner. He's both. 6 THE CHAIRWOMAN: All those in favor, say 7 aye. 8 ALL MEMBERS: Aye. 9 THE CHAIRWOMAN: Motion passes. 10 MR. ELLIOT: Right, two purses, two races. 11 (Motion approved.) 12 MR. TREJO: Yes, in the matter of owner Dana 13 Cheiko, Dana Cheiko-Yoshida Orozco, that the 14 commission, as to the owner for the horse, Toshi 15 Yoshi, it's my understanding the commission wishes 16 to adopt the findings of facts stated in the 17 decision and order of the commission dated 18 April 18th, 2019, and to impose a penalty of 19 disqualification and loss of purse. 20 THE CHAIRWOMAN: Okay. Do I have a motion 21 on the floor? 22 COMMISSIONER SANCHEZ: So moved. 23 COMMISSIONER BUFFINGTON: Second. 24 THE CHAIRWOMAN: All those in favor, say 25 aye.</p>
Page 114	Page 116
<p>1 wishes to adopt the hearing officer's report and 2 recommendations of a 15-day suspension with a \$500 3 fine. 4 THE CHAIRWOMAN: Do I hear a motion to 5 approve, or accept? 6 COMMISSIONER BUFFINGTON: So moved. 7 COMMISSIONER SMITH: Second. 8 THE CHAIRWOMAN: All those in favor, say 9 aye. 10 ALL MEMBERS: Aye. 11 THE CHAIRWOMAN: Passes. 12 (Motion approved.) 13 THE CHAIRWOMAN: Thank you. 14 MR. ELLIOT: Yes, Madam Commissioner, 15 Members of the Commission, as to the matter of 16 trainer Jesus Carrete, also the owner, that in 17 the -- in the -- the commission wishes to adopt the 18 hearing officer's recommended findings of fact and 19 conclusions of law, and as to the horse -- and on 20 the horse TF Carter's Pick impose a fine of \$1,000 21 and a loss of purse. And as to the horse Striker 22 Force, impose a fine of \$1500 and loss of purse, 23 and that all trophies and ribbons are to be 24 returned pursuant to commission's rules. 25 THE CHAIRWOMAN: Okay. All those in favor,</p>	<p>1 ALL MEMBERS: Motion passes unanimously. 2 (Motion approved.) 3 THE CHAIRWOMAN: In the matter of Albert 4 Eusebio Sanchez. 5 MS. MCCULLOCH: Yes, Madam Chair and Members 6 of the Commission. As to the owner only on the -- 7 in this matter, the -- it is my understanding that 8 the commission wishes to adopt the findings of 9 facts and conclusions of law in the hearing 10 officer's report, but rejects the recommendations 11 as to Number 1, which was not in effect at the 12 time, and instead the penalties will be that the 13 horse, Taleas Pride, is -- must pass a 14 commission-approved exam before being eligible to 15 run; that the owner, Eusebio Sanchez, will receive 16 a fine of \$5,000. There's a loss of purse and 17 disqualification for Taleas Pride in the 8th race 18 on January 5th, 2018, in Sunland Park. 19 THE CHAIRWOMAN: Okay. Do I have -- do I 20 have a motion from the floor? 21 COMMISSIONER MCSWANE: So moved. 22 COMMISSIONER SANCHEZ: Second. 23 THE CHAIRWOMAN: All those in favor, say 24 aye. 25 ALL MEMBERS: Aye.</p>

Page 117	<p>1 THE CHAIRWOMAN: Motion passes. 2 (Motion approved.) 3 THE CHAIRWOMAN: The last one, in the matter 4 of trainer John Arnett and owner, Larry 5 Haigermeier. 6 MS. MCCULLOCH: Yes, Madam Chair and Members 7 of the Commission, it is my understanding that we 8 will be tabling this issue until the next meeting 9 as to the request of the respondent's attorney and 10 to provide notice to him at that time. 11 THE CHAIRWOMAN: Okay. In the matter of -- 12 of -- 13 MS. MCCULLOCH: You need to move -- 14 THE CHAIRWOMAN: Pardon? 15 MS. MCCULLOCH: You just need to move it and 16 vote on that. 17 THE CHAIRWOMAN: Oh, have that moved. I am 18 sorry. I've not eaten (inaudible). 19 MS. MCCULLOCH: That's okay. It's fine. 20 COMMISSIONER MCSWANE: So moved. 21 COMMISSIONER SMITH: Second. 22 THE CHAIRWOMAN: All those in favor, say 23 aye. 24 ALL MEMBERS: Aye. 25 THE CHAIRWOMAN: Motion passes.</p>	Page 119	<p>1 (Motion approved.) 2 THE CHAIRWOMAN: And as to trainer Jeffrey 3 Heath Reed on the basis that there are outstanding 4 fines in this matter, the respondent's motion to 5 reconsider is denied, and the commission will 6 reconsider the matter upon payment of fines. 7 THE CHAIRWOMAN: Thank you. Do I have a 8 motion on the floor? 9 COMMISSIONER SMITH: So moved. 10 COMMISSIONER SANCHEZ: Second. 11 THE CHAIRWOMAN: All those in favor, say 12 aye. 13 ALL MEMBERS: Aye. 14 (Motion approved.) 15 THE CHAIRWOMAN: And did you want us to go 16 (inaudible)? 17 COMMISSIONER SANCHEZ: No. 18 UNIDENTIFIED MALE: No. 19 THE CHAIRWOMAN: Okay. 20 COMMISSIONER SANCHEZ: That was just between 21 us. 22 THE CHAIRWOMAN: Okay. 23 All right. Izzy, regarding the equine 24 health and testing advisor. 25 MR. TREJO: Madam Chair, Members of the</p>
Page 118	<p>1 (Motion approved.) 2 THE CHAIRWOMAN: Okay. In regard to the 3 corticosteroids, the commission took to heart the 4 public's comment regarding corticosteroids issue, 5 and it is formulating a way to address the issue, 6 and thanks everyone for their patience, for waiting 7 out there today, and the patience for us to address 8 the corticosteroids. Thank you. 9 We'll turn it over to our attorney 10 generals. 11 MS. MCCULLOCH: As to the Heath Reed matter, 12 which was a motion to reconsider for trainer John 13 Bassett, on the basis that there are outstanding 14 fines in this matter, the respondent's motion to -- 15 to reconsider is denied and that the commission 16 will reconsider the matter upon payment of fines. 17 THE CHAIRWOMAN: Okay. All those in favor, 18 say aye. 19 MS. MCCULLOCH: You need a motion. 20 THE CHAIRWOMAN: I need a motion. 21 COMMISSIONER SMITH: So moved. 22 COMMISSIONER BUFFINGTON: Second. 23 THE CHAIRWOMAN: If somebody has any food. 24 All those in favor, say aye. 25 ALL MEMBERS: Aye.</p>	Page 120	<p>1 Commission, it's my understanding that we want to 2 continue to solicit and go through the bidding 3 process that is done every fiscal year to recruit 4 an equine health and testing advisor. 5 THE CHAIRWOMAN: Yeah, that's (inaudible). 6 COMMISSIONER MCSWANE: Okay. 7 THE CHAIRWOMAN: Okay. Thank you, Izzy. 8 In regard to the sixth track license, the 9 commission has decided to table the sixth track 10 indefinitely pending further research. 11 Do I have a motion on the floor? 12 COMMISSIONER BUFFINGTON: So moved. 13 COMMISSIONER SMITH: Second. 14 THE CHAIRWOMAN: All those in favor, say 15 aye. 16 ALL MEMBERS: Aye. 17 THE CHAIRWOMAN: Motion passes. 18 We're done. 19 MS. FINCHER: What did you do with the 20 pending on the corticosteroid? 21 THE CHAIRWOMAN: We decided that we were 22 going to formulate a way to address this issue. 23 And we will come forward and let you know as soon 24 as that's been identified. We're working on it 25 and --</p>

1 MS. FINCHER: Okay. Well, you said it, and
 2 then nothing, I didn't hear anything else. So I
 3 was just thinking (inaudible).
 4 THE CHAIRWOMAN: Okay. Let me read it to
 5 you again, Leslie. Okay. Got your ears on?
 6 MS. FINCHER: Uh-huh.
 7 THE CHAIRWOMAN: The commission took to
 8 heart the public's comment regarding the
 9 corticosteroids issue, and is formulating a way to
 10 address the issue, period.
 11 MS. FINCHER: Okay.
 12 THE CHAIRWOMAN: And I thank everyone for
 13 (inaudible).
 14 Okay. Do I have a motion to adjourn?
 15 COMMISSIONER MCSWANE: So moved.
 16 THE CHAIRWOMAN: Okay. All those in favor,
 17 aye.
 18 ALL MEMBERS: Aye.
 19 THE CHAIRWOMAN: Motion passes. Thank you.
 20 (Conclusion of recording.)
 21
 22
 23
 24
 25

1 RE: NMRC REGULAR COMMISSION MEETING, MAY 16, 2019
 2
 3 REPORTER'S CERTIFICATE
 4 I, DEBRA L. WILLIAMS, CCR #92, DO HEREBY CERTIFY
 5 that the foregoing transcript was prepared a provided
 6 audio recording, that the audio was reduced to
 7 typewritten transcript by Kelli Gallegos, and that the
 8 foregoing pages are a true and correct transcription
 9 of the recorded proceedings, to the best of our
 10 knowledge and hearing ability. The audio quality was
 11 FAIR to POOR.
 12 I FURTHER CERTIFY that I am neither employed by
 13 nor related to nor contracted with (unless excepted by
 14 the rules) any of the parties or attorneys in this
 15 matter, and that I have no interest whatsoever in the
 16 final disposition of this matter.
 17 
 18 _____
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