

NEW MEXICO HORSE RACING COMMISSION
MINUTES OF THE REGULAR MEETING

Date: June 25, 2020 at 9:06 a.m.

Place: Zoom Video Conference – Meeting IDs; Session 1 – **843 6930 0889** and Session 2 – **868 9277 8789**

Members Present: Chairwoman Beverly Bourguet, Vice-Chairman David “Hossie” Sanchez, Commissioner Ken Corazza, Commissioner John Buffington and Commissioner Billy Smith.

NMRC Staff Participating: Executive Director Ismael Trejo and Paralegal Denise Chavez.

Others Present/Participating: Assistant Attorney General Delilah Tenorio and Attorney General Intern Riley Norris

<i>AGENDA ITEM</i>	<i>Recording #</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
Public Session: 1. Call to Order and Roll Call	No Recording	Meeting called to order at 9:06 a.m. by Chairwoman Bourguet. Roll call was taken by Denise Chavez. Assistant Attorney General Delilah Tenorio, Attorney General Intern Riley Norris Executive Director Ismael Trejo, NMRC Paralegal, Denise Chavez and were present.	No Action Taken.
2. Pledge of Allegiance			Pledge of Allegiance was recited.
3. Approval of Agenda	7:04 – 9:34	Chairwoman Bourguet asked if there were any changes to be made to the Agenda. Mr. Trejo requested that the Agenda be revised: Section 8.(C)(2) tabled pursuant to DAA’s request.	Motion to approve Agenda by Vice-Chairman Sanchez. Commissioner Smith second motion. Motion passed unanimously.

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4. Approval of Minutes: A. Regular Commission Meeting May 28, 2020	9:38 – 11:12	Chairwoman Bourguet requested a motion to approve the minutes of the May 28, 2020 Regular Commission Meeting.	Motion to approve May 28, 2020 minutes by Commissioner Smith; Second by Commissioner Buffington. Motion passed unanimously.
	11:20 – 12:18	AG, Delilah Tenorio, introduced the AG's Intern of the Open Government Division, Riley Norris who will be present at the meeting today.	No Action Taken

<p>5. Chairwoman's Report</p> <p>A. Race Dates Committee Update</p>	<p>12:20 – 18:48</p>	<ul style="list-style-type: none"> • Yesterday's Rules/Medication meeting was cancelled pursuant to counsel's advice to hold off with the Committee meeting and hearings. We will keep the public posted when those will be held. • The Chairwoman went to Ruidoso on Sunday to see how the meet was going now that the restaurant is open. There was curb-side betting and protocols were being conducted pursuant to the State's health orders. • Meeting with ARCI on the 6/4/20 held discussions of rules being proposed by the Model Rules Committee. One rule of interest is called the "Proposed Modification of the ARCI Running of the Race – Use of the Riding Crop." The Jockey's Guild has submitted a draft proposal pursuant to ARCI Model Rule. The changes include no crops for 2 year olds; giving the horse time to respond based on the number of strikes; how many strikes can be done and when. There has been a number of strikes proposed and these discussions include jockeys. There will be another meeting at the end of the month. • Rash positive tests that they have found in Nebraska for the use of CBD products. They urged us to contact our lab and it was confirmed that Industrial lab is testing for CBD. • US Immigration update that President Trump's Executive Order in regard to the work visa. This is regarding issuance of new non-immigrant VISAs including the H2B Visa Program that supports race tracks and other 	<p>No Action Taken</p>
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	18:50 – 20:53	<p>seasonal operations until the end of 2020. This is a temporary pause and the proclamation only applies to new work permit applications.</p> <ul style="list-style-type: none"> • Race Dates Committee Chairman Buffington reports due to the uncertainty of the near future, the committee meeting scheduled has been canceled. As soon as we have some answers, we will schedule that meeting. • Chairman Buffington discussed the Purse Tax Agreement that was approved last month. 	
6. Agency Director Reports: A. NMHBA	21:00 – 24:44	<p>Mary Barber, Executive Director of the New Mexico Horse Breeders Association presented the Race A Day Report for Ruidoso Downs through Sunday, June 14, 2020 stating that they ran 49 NM Bred Races in 13 days. In overnight races, the NMHBA contributed \$109, 250. This is \$45,000 more than contributed last year. They averaged 3.77 NM Bred per day, +10 for three a day; 41% TB & 59% QH.</p> <p>Mary reported that the summer party and awards banquet that was planned during the Zia Festival Weekend at Ruidoso Downs canceled.</p>	No Action Taken.
B. Jockey's Guild Report	24:51 – 25:32	<ul style="list-style-type: none"> • Izzy reported on behalf of John Beech stating thanks to Ruidoso Downs for keeping the Jockeys safe with the Covid Protocols. He is happy that the state is allowing patrons in the Jockey Club. 	No Action Taken.

<p>C. NMHA Report</p>	<p>25:37 – 33:03</p>	<p>Executive Director Erhard reported on the Covid-19 Hardship Program during the month of April and May following the suspension of racing in the State beginning on March 16 by the Governor. The NMHA staff have been extremely busy addressing the needs of the horsemen due to the effects of the pandemic. The program provided a great deal of assistance during this unprecedented time. The NMHA provided \$46,200 in direct financial assistance and an additional \$6,400 indirect financial assistance.</p> <p>Stall Reimbursement Program – another financial assistance program. Where the Board of Directors of NMHA agreed to provide assistance to horsemen by reimbursing horsemen who have horses stabled at the DAA half of the cost of stall rent being charged from May 11, 2020 through June 11, 2020. For horsemen arriving after May 11, 2020 the stall rent reimbursement is being prorated. As of June 23, 2020, NMHA have received requests under this program a total of \$74,182.00.</p> <p>Other actions taken due to Covid-19 are: all staff working from home. NMHA is currently updating their database. See NMHA website for updated information. Thank you to the Commissioners for approving the Purse Tax Agreement.</p>	
<p>D. NMRC Executive Director's Report</p>	<p>33:09 – 37:03</p>	<p>Executive Director Trejo presented current events in the industry.</p> <ul style="list-style-type: none"> • It is a difficult time and the negative effects of Covid-19 are being felt in the Racing Industry; on Belmont Day the Equine Test 	

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		<p>Fund was wired approximately \$837 from Ruidoso Downs and about \$830 from the Downs at Albuquerque totaling about \$1,600.00. We're spending a little under \$3k/a day for testing at Ruidoso Downs.</p> <ul style="list-style-type: none"> • The Agency has hired Amber Trujillo to fill the CFO position starting June 29, 2020. Kira Frazier, the Financial Specialist is leaving the Agency. July 2, 2020 is her last day. • Jeff True asked if the testing number given includes out of completion testing. Mr. Trejo confirmed that it does not include out of competition testing. 	

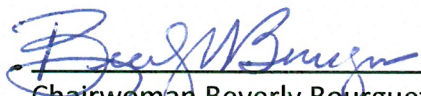
<p>Open Session 2 called back into session at 12:56 p.m.</p>	<p>14:58 – 15:22</p>		
<p>7. Licensing/Pending Litigation/Appeals/Hearing officer Reports/Employment Contracts: A. SunRay Park (Audit)</p>	<p>15:25 – 18:51</p>	<p>Assistant Attorney General Tenorio stated that the Commission would like to entertain a motion to approve the Settlement Agreement with the following amendments: under subparagraph 6.b) an extension of the deadline to complete the action plan to one week prior to the August commission meeting. An additional term will also be added in this same section that reads: “The Respondent shall seek assistance from an existing, experienced New Mexico Race Track Controller, who will provide assistance to the Respondent in completing the Action Plan by the deadline adopted by the Commission.”</p>	<p>Chairwoman Bourguet moved to approve the Settlement Agreement with the amendments. Commissioner Corazza second the motion. Motion passed unanimously.</p>
<p>B. In the Matters of Miguel Hernandez & Tom Ross McKenna (Hearing Officer’s Report)</p>	<p>18:58 – 20:30</p>	<p>The Commission would like to entertain a motion to adopt the Findings of Fact, Conclusions of Law and Recommendation issued by the Hearing Officer which include that the Trainer, Miguel Hernandez, will receive a \$1,500 fine and a 15-day suspension and the owner, Tom Ross McKenna will be disqualified, loss of purse, and his horse must pass a commission-approved exam before being eligible to run. Additionally, the Commission would like to add that the mitigating circumstances as raised by the Respondents do not warrant a change in the fine or penalty assessed by the Hearing Officer.</p>	<p>Commissioner Smith moved to adopt the Findings of Fact, Conclusions of Law & Recommendation issued by the Hearing Officer. Commissioner Buffington second the motion. Motion passed unanimously.</p>
<p>C. Jeramie Fennell (licensing)</p>	<p>20:38 – 21:27</p>	<p>The Commission would like to entertain a motion to close out this licensing matter because the</p>	<p>Commissioner Smith moved to close out</p>

<p>8. Unfinished/New Business and/or Action Items Regarding Licensing:</p> <p>A. Approval of Hearing Officer(s)</p>	<p>22:50 – 24:04</p>	<p>Executive Director, Izzy Trejo, presented a proposal to approve the Hearing Officer Kevin Fitzwater for FY21.</p>	<p>Commissioner Sanchez moved to approve Hearing Officer Fitzwater. Commissioner Smith second the motion. Motion passed unanimously.</p>
<p>B. Approval for Zia Park</p> <p>1. Approval of 2020 Stake Schedule</p>	<p>24:09 – 32:43</p>	<p>Christopher McErlean requested approval of the 2020 Stakes Schedule as presented: “given the fiscal realities this year, current circumstances and after meeting with NMHA and NMHBA in regards to the allocation of stakes moneys this year. It is dramatically different from past years. The Land of Enchantment Day will be eliminated (this year only) which featured close to a million dollars in purses.”</p>	<p>Commissioner Sanchez moved to approve the 2020 Stake Schedule as presented. Commissioner Smith second the motion. Motion passed unanimously.</p>
<p>2. Approval of 2020 Jockey & Exercise Rider Insurance</p>	<p>32:47 – 34:39</p>	<p>Christopher McErlean requested approval of the 2020 Jockey Accident Insurance Policy and 2020 Exercise Rider Accident Insurance Policy. It was reduced 23% from 2019.</p>	<p>Commissioner Smith moved to approve the 2020 Exercise Rider Accident Insurance Policy and Exercise Rider Accident Insurance Policy as presented. Commissioner Sanchez second the motion. Motion passed unanimously.</p>

<p>3. Approval of 2020 TB & QH Stall Applications</p>	<p>34:42 – 36:52</p>	<p>Christopher McErlean requested approval of the 2020 QH and TB Stall Applications with changes to the Racing Secretary being Matt Crawford instead of Michael Shamburg.</p>	<p>Commissioner Sanchez moved to approve the 2020 Stall Applications as presented with the one minor change. Commissioner Smith second the motion. Motion passed unanimously.</p>
<p>4. Approval of 2020 Gaming & Breakage</p>	<p>36:53 – 38:40</p>	<p>Christopher McErlean requested approval of the 2020 Gaming & Breakage as presented by the letter from the NMHBA.</p>	<p>Commissioner Smith moved to approve the 2020 Gaming & Breakage as presented. Commissioner Sanchez second the motion. Motion passed unanimously.</p>
<p>C. Approval for Downs at Albuquerque</p> <p>1. Approval of 2020 Racing Officials</p>	<p>38:48 – 40:08</p>	<p>Don Cook requested approval of the 2020 Starting Gate Crew and Valets.</p>	<p>Commissioner Sanchez moved to approve the 2020 Starting Gate Crew and Valets. Commissioner Smith second the motion. Motion passed unanimously.</p>

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2. Approval to Amend 2020 Stake Schedule	40:09 – 44:21	<p>Don Cook requested that this item be tabled.</p> <p>Richard Erhard of NMHA requests “certainty” of the DAA’s opening date pursuant to the Governor’s upcoming announcement. Don Cook responded that he was not ready to respond at this time, but would contact the NMRC’s Executive Director requesting a special meeting possible as soon as next week and may be able to answer questions at that time.</p>	<p>Commissioner Sanchez moved to table the 2020 Stake Schedule as presented.</p> <p>Commissioner Smith second the motion.</p> <p>Motion passed unanimously.</p>

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D. Approval of Ruidoso Downs 1. Approval to Amend 2020 Stake Schedule	44:27 – 48:27	Jeff True requested approval to amend the 2020 Stakes Schedule. Reduced the overall Stakes Schedule by \$125k.	Commissioner Buffington moved to approval the amendment of the Ruidoso Downs 2020 Stakes Schedule as presented. Commissioner Smith second the motion. Motion passed unanimously.
2. Approval to Amend 2020 Purse Schedule	48:29 – 52:53	Jeff True requested approval of the amendment of the 2020 purse schedule. Mr. True discussed "trimmed-back" Purse Schedule. Overall giving out 10% less in over-night purses than last year.	Commissioner Sanchez moved to approval the amendment of the Ruidoso Downs 2020 Purse Schedule as presented. Commissioner Smith second the motion. Motion passed unanimously.
9. Adjournment		The meeting adjourned at 1:41 PM.	

 18 Aug 20
 Chairwoman Beverly Bourguet Date

 8-24-2020
 Executive Director Ismael Trejo Date