



U P D A T E D
NOTICE OF MEETING and AGENDA
October 17, 2013 Meeting

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

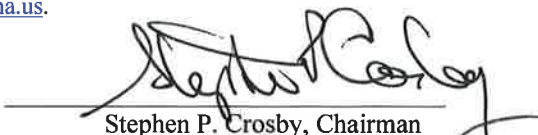
Thursday, October 17, 2013
9:30 a.m.
Hynes Convention Center
900 Boylston Street, Room 202
Boston, MA

PUBLIC MEETING - #80

1. Call to order
2. Approval of Minutes
 - a. October 3, 2013
3. Ombudsman Report – John Ziemba
 - a. Category 2 Applicants Surrounding Community Update
 - b. Category 2 Public Input Meetings – October 21, 22 & 23
4. Administration – Rick Day, Executive Director
 - a. General Update
 - b. Post Licensing Critical Path Discussion/Master Schedule
 - c. Remaining Policy Question White Papers – Assignments
5. Investigation and Enforcement Division – Karen Wells, Director
 - a. Discussion of Gaming in Foreign Jurisdictions
6. Western MA Tourism Promotion Presentation
7. Racing Division – Jennifer Durenberger, Director
 - a. Administrative Update
 - b. 2012 Annual Report – VOTE
 - c. 205 CMR 3.29 and 4.52 Medication Regulation Changes - VOTE
8. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at www.massgaming.com and emailed to: regs@sec.state.ma.us, melissa.andrade@state.ma.us.

10/15/13
(date)


Stephen P. Crosby, Chairman

Date Posted to Website: October 15, 2013 at 9:30 a.m.



Massachusetts Gaming Commission



Meeting Minutes

Date/Time: October 3, 2013 – 9:30 a.m.

Place: Boston Convention and Exhibition Center
415 Summer Street, Room 156A
Boston, Massachusetts

Present: Commissioner Stephen P. Crosby, Chairman
Commissioner Gayle Cameron
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

Call to Order

See transcript pages 2.

9:30 a.m. Chairman Crosby opened the 78th public meeting.

Mohegan Sun Massachusetts LLC Suitability Hearing

See transcript pages 2-74.

9:31 a.m. Director Wells provided information on the IEB's investigation of Mohegan Sun Massachusetts and presented the IEB's suitability report to the Commission.

9:59 a.m. Mr. Kevin Conroy, outside counsel to Mohegan Sun Massachusetts, along with Mitchell Etess, CEO of Mohegan Sun, Patrick Kelly, President and CEO of Brigade Capital Management, and Doug Pardon, Partner at Brigade Capital Management, provided background information on the applicant's history and current Massachusetts application.

10:13 a.m. The Commission discussed certain issues regarding Mohegan Sun Massachusetts LLC including training for Mohegan board members, the transition from tribal to commercial gaming, the compliance hotline for employees, the specifics of

Brigade's investment as an early equity partner, and the compliance and audit functions.

10:33 a.m. *Motion made by Commissioner McHugh that the Commission adopt the finding of suitability for Mohegan Sun Massachusetts LLC as read by Commissioner McHugh and included with the minutes of this hearing. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

10:38 a.m. The Commission took a brief recess.

Approval of Minutes

See transcript page 74-76.

10:54 a.m. Commissioner McHugh stated that the minutes for the September 19 public meeting are ready for approval.

Motion made by Commissioner McHugh that the minutes of September 19, 2013 be accepted subject to any mechanical or typographical corrections that may later be found. Motion seconded by Commissioner Stebbins. The motion passed unanimously.

Legal

See transcript pages 76-87.

10:56 a.m. Commissioner Zuniga discussed the Commission's legislative report for FY 2013 and recommended that the Commission approve the report.

10:57 a.m. *Motion made by Commissioner Zuniga that the Commission approve the 2013 legislative report as drafted and send it to the legislature and Governor's office. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

10:58 a.m. General Counsel Blue provided the Commission with an overview of the policy questions that the Commission will be answering over the coming meetings.

11:01 a.m. Commissioner Zuniga discussed the issue of payment of fees and stipends to independent evaluators who have been selected to assist the Commission in reviewing the RFA-2 applications. The Commission determined that no vote is needed on this matter because the amount falls below the procurement level for which a vote is required.

11:05 a.m. Commissioner McHugh raised the issue of when applicants must sign an agreement with the State Lottery. Although the Commission considered requiring a signed lottery agreement as part of the RFA-2 application, submitting one was never a requirement. The Commission will require an applicant to enter into a lottery agreement prior to award of the license.

Ombudsman Report

Report by Ombudsman Ziemba. See transcript pages 87-156.

- 11:13 a.m. Ombudsman Ziemba discussed the issue of applicants entering into surrounding community agreements. None of the applicants, whether Category 1 or 2, have entered into surrounding community agreements. Ombudsman Ziemba recommended that the Commission ask all Category 2 applicants to provide further details on the status of their negotiations at the next public meeting. He also recommended granting a 16 day extension beyond the original 10 days specified in 205 CMR 125.01(2) during which a community impacted by a Category 2 applicant may petition the Commission to become a surrounding community.
- 11:22 a.m. General Counsel Blue discussed the legal requirements for the extension and the four factors in 205 CMR 102.3(4) that the Commission must consider when granting a variance. The Commission discussed the issue and Commissioner McHugh summarized the Commission's findings pursuant to 205 CMR 102.3(4).
- 11:36 a.m. *Motion made by Commissioner McHugh that the Commission adopt the 205 CMR 102.3(4) findings summarized and grant the variance to extend the deadline by 16 days for petitions pursuant to 205 CMR 125.01(2) to become a surrounding community with respect to a Category 2 applicant. Motion seconded by Commissioner Zuniga. The motion passed unanimously.*
- 11:37 a.m. Ombudsman Ziemba discussed PPE's request that the Commission allow applicants to submit certified host community election results after the RFA-2 application deadline if an uncertified copy of the results is submitted with the RFA-2 application prior to the deadline. Ombudsman Ziemba summarized the public comments received. The Commission discussed the issue and Commissioner McHugh summarized the Commission's findings pursuant to 205 CMR 102.3(4).
- 11:41 a.m. *Motion made by Commissioner McHugh that the Commission adopt the 205 CMR 102.3(4) findings summarized and grant the variance from 205 CMR 124.07 to allow submission of certified election results after the application deadline conditional upon submission of the uncertified results prior to the deadline. Motion seconded by Commissioner Stebbins. The motion passed unanimously.*
- 11:44 a.m. Ombudsman Ziemba discussed the City of Boston's request for a waiver to the sequencing requirement in 205 CMR 115.05(6)(a). The City of Boston formally approved holding the election prior to a positive determination of suitability but, contrary to the requirement in 205 CMR 115.05(6)(a), did so after the applicant requested the election. The Commission discussed the issue and Commissioner McHugh summarized the Commission's findings pursuant to 205 CMR 102.3(4).
- 12:10 p.m. *Motion made by Commissioner McHugh that the Commission adopt the 205 CMR 102.3(4) findings summarized and grant the variance to the sequencing requirement*

in 205 CMR 115.05(6)(a) for the City of Boston's approval of Sterling Suffolk Racecourse LLC's election. Motion seconded by Commissioner Cameron. The motion passed unanimously.

12:15 p.m. The Commission took a recess for lunch.

Problem Gambling Report

Report by Director Mark Vander Linden. See transcript pages 156-190.

- 1:01 p.m. Director Vander Linden discussed the responsible gaming forum that the Commission will be holding. The forum is designed to form the substance of the Commission's operation model for addressing problem gaming.
- 1:21 p.m. Director Vander Linden discussed the criteria for diagnosing gambling disorders as determined by the Diagnostic and Statistical Manual of Mental Disorders Fifth Edition (DSM-5) and how to identify problem gamblers in general.
- 1:30 p.m. Commissioner Zuniga discussed the progress of the University of Massachusetts Amherst research agenda and the upcoming contract payment that the Commission is required to make. Director Vander Linden provided more details on the status of the project.
- 1:35 p.m. *Motion made by Commissioner Zuniga that the Commission authorize the Finance Department to issue the first scheduled payment to the University of Massachusetts Amherst for the economic and social impact research project for the amount of \$1,037,817.00. Motion seconded by Commissioner McHugh. The motion passed unanimously.*

Racing Division

Report by Director Jennifer Durenberger. See transcript pages 190-255.

- 1:36 p.m. Director Durenberger provided an administrative update. Public comments regarding the proposed changes to 205 CMR 3.29 and 4.52 are due on October 4 with the public hearing scheduled for October 9. The Commission has recently received three applications for racing licenses from Sterling Suffolk Race Course LLC, Springfield Gaming and Redevelopment LLC, and Brockton Racing LLC. The Horse Racing Committee anticipates providing a recommendation on the allocation of funds between thoroughbred and standardbred industries. Director Durenberger conditionally gave approval to four new racing officials pending successful completion of the requisite background checks.
- 1:44 p.m. Director Durenberger discussed her report regarding the future of the racing industry in Massachusetts.

- 1:52 p.m. The Racing Division is hosting a Horse Racing Education Forum to assist in developing regulations and updating the legislation. Director Durenberger discussed the agenda for the forum.
- 2:21 p.m. The Commission discussed updating the occupational licensing fees and whether the Commission should transfer the list of fees from the ANF regulations to 205 CMR. The Commission determined that no action would be taken on the licensing fees at this time.
- 2:24 p.m. Director Durenberger discussed the results of the audit of telephone account wagering and the changes that the Commission should consider to fix existing problems.
- 2:30 p.m. Director Durenberger presented the preliminary draft of the annual racing report and asked that the Commission approve the draft at the next public meeting.
- 2:32 p.m. Director Durenberger discussed the form of approving the racing licenses. She suggested issuing determinations in a “decisional” format similar to the format that will be used to issue the gaming licenses. The Commission agreed that a “decisional” form would be appropriate.
- 2:35 p.m. The Commission took a brief recess.

Licensing Division

Report by Director David Acosta. See transcript pages 255-.

- 2:46 p.m. Director Acosta brought before the Commission the question of where applications for key gaming employee licenses, gaming employee licenses, gaming vendor licenses, and gaming service employee registrations should originate: from the gaming licensee or from the employees and vendors. The Commission agreed to conduct licensing through the gaming establishment and then revisiting the issue at a later date if changes were needed.
- 3:09 p.m. Director Acosta asked the Commission to define the Commission’s role in the licensing process for vendors and employees. The Commission anticipates that the IEB will have the primary responsibility for making suitability determinations of the applicants but the Commission will handle appeals and play an active role for certain vendors and employees.
- 3:34 p.m. Director Acosta raised the issue of how the licensing and registration fees will be calculated. The Commission discussed requiring applicants to pay additional application fees if the investigations were more costly than anticipated, but the amount should be capped.

- 3:43 p.m. The Commission discussed the license renewal process, information that would need to be supplied for renewal, and the duration of the license.
- 3:50 p.m. The Commission discussed whether it will license employees based purely on the successful completion of the background check or also based on a minimum level of education. The education requirement will be left to the licensees to enforce.

Workforce Development

Report by Director Jill Griffin. See transcript pages 115-167.

- 3:55 p.m. Director Griffin discussed how it will define a small business because the Federal definition captures almost all businesses in Massachusetts. The Commission agreed to put the question up for public comment.
- 4:13 p.m. Meeting adjourned.

List of Documents and Other Items Used

1. Public Comments Received Relative to Mohegan Sun Massachusetts Suitability
2. IEB Suitability Report Cover Letter For Mohegan Sun Massachusetts
3. IEB Suitability Report Executive Summary for Mohegan Sun Massachusetts
4. IEB Suitability Report Letter For Mohegan Sun Massachusetts
5. Mohegan Sun Massachusetts LLC Resolution of Positive Determination of Suitability
6. Minutes from September 19, 2013
7. Memorandum Relative To Fees/Stipends For Individual Evaluator Assistance
8. Massachusetts Gaming Commission Fy2013 Annual Report
9. Outstanding Policy Questions Relative To Phase 2 Parts 2&3
10. Licensing Schedule Update
11. Public comments Received Relative To The Leominster Slots Parlor Proposal
12. Massachusetts Gaming Commission Forum on Responsible Gaming Agenda
13. Memorandum Relative To First Payment To U-Mass Amherst For The Research Project
14. Massachusetts Gaming Commission Horse Racing Forum Agenda
15. Memorandum Relative To Telephone Account Wagering Audit
16. Independent Accountants' Report On Applying Agreed-Upon Procedures At Plainridge Racecourse
17. Massachusetts Gaming Commission Annual Racing Report
18. Memorandum Relative To Policy Questions On Licensing
19. Memorandum Relative To Small Business Definition
20. Small Business Purchasing Program Handout

/s/ Catherine Blue
Catherine Blue
Assistant Secretary



**MASSACHUSETTS GAMING COMMISSION
COMMISSION MEETING
OCTOBER 3, 2013**

- WHEREAS;** On January 14, 2013, Mohegan Sun Massachusetts, LLC ("MSM") filed an RFA-1 application for a Category 1 license which application included Business Entity Disclosure Forms ("BEDs"), Multi-Jurisdictional Personal History Disclosure Forms ("MJPHDs") and Massachusetts Supplemental Forms ("MA Supp") for the entities and individuals who are part of the MSM RFA-1 application; and
- WHEREAS;** MSM paid all fees required by 205 CMR 114.01; and
- WHEREAS;** The Investigations and Enforcement Bureau ("IEB") conducted a thorough investigation of MSM's suitability for a category 1 license, all as more fully described in the report entitled "Report of Suitability of Applicant Entities and Individual Qualifiers: Mohegan Sun Massachusetts, LLC" dated September 23, 2013 ("Suitability Report") and made a part of the Commission's records and incorporated by reference into this resolution; and
- WHEREAS;** The IEB recommends that the Commission issue a positive determination of suitability to MSM, and include the addition of certain license conditions if a category 1 license is eventually awarded to MSM as more fully described in the letter from Karen Wells Director, Investigation and Enforcement Bureau to the Commission dated September 23, 2013 ("Wells Letter") and made a part of the Commission's records and incorporated by reference into this resolution and that the Commission allow MSM to proceed to file an RFA-2 application for a category 1 license with the Commission for the Commission's review and evaluation in accordance with the M.G.L. c. 23K and the Commission's regulations; and

WHEREAS; The Commission agrees with the IEB's recommendation to issue a positive determination of suitability to MSM and the inclusion of the license conditions as described in the Wells Letter and to allow MSM to proceed to file an RFA-2 application for a category 1 license.

**NOW IT IS
HEREBY RESOLVED;** That the Commission finds after review of the Suitability Report based upon the IEB's investigation of MSM and the entities and individuals that make up MSM's RFA-1 application, the Wells Letter and the receipt of information at the public hearing held on October 3, 2013, that MSM meets the requirements of M.G.L. c.23K and the Commission's regulations for suitability as an applicant for a category 1 license; and

RESOLVED; That the Commission hereby issues a positive determination of suitability to MSM and agrees that certain license conditions be included in a license if one is eventually granted to MSM; and

RESOLVED; That MSM is deemed suitable to proceed to file an RFA-2 application for a category 1 license for the Commission's review and evaluation pursuant to M.G.L. c 23K and the Commission's regulations; and

FURTHER RESOLVED; That the Commission will continue to review MSM's ongoing suitability as it proceeds through the RFA-2 process and may request additional information from MSM as needed to ensure MSM's continuing suitability.



Meeting Minutes

Date/Time: October 7, 2013 – 10:00 a.m.

Place: Boston Convention and Exhibition Center
415 Summer Street, Room 151B
Boston, Massachusetts

Present: Commissioner Stephen P. Crosby, Chairman
Commissioner Gayle Cameron
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

Call to Order

See transcript pages 2-22.

10:00 a.m. Chairman Crosby opened the 79th public meeting.

Application Presentation – PPE Casino Resorts

See transcript pages 22-59.

10:03 a.m. David Cordish, Joseph Weinberg, and Stephen McCarthy presented on behalf of the applicant PPE Casino Resorts, LLC.

11:26 a.m. The Commission took a recess.

Application Presentation – Penn National Gaming

See transcript pages 60-107.

12:31 p.m. Eric Schippers, Timothy Wilmott, Jay Snowden, and Cori Whitacre presented on behalf of the applicant Springfield Gaming and Redevelopment, LLC.

1:31 p.m. The Commission took a recess.

Application Presentation – Raynham Park

See transcript pages 107-197.

2:29 p.m. George Carney, Randall A. Fine, Marc Oppenheimer, Eric Rahe, Thomas Erickson, John Dixon, Ron Davis, and Thomas C. Bonner, Esq. presented on behalf of the applicant Raynham Park, LLC.

3:57 p.m. Meeting adjourned.

List of Documents and Other Items Used

1. PPE Casino Resorts Presentation
2. Penn National Gaming Presentation
3. Raynham Park Presentation

/s/ Catherine Blue
Catherine Blue
Assistant Secretary

Derek Lennon

CHIEF FINANCIAL OFFICER

CAPITAL PLANNING, STRATEGIC ANALYSIS AND EXECUTIVE LEADERSHIP HIGHLIGHTS:

- Financial and capital control over multi-billion dollar agencies
- Accomplished Chief Financial Officer with expertise in mergers, legacy systems, and highly regulated industries.
- Developed financial controls, audit procedures and risk management for executive agencies of the Commonwealth
- Combined non-profits into State Agencies and reduced run-rate by over 50% while increasing operational efficiencies.
- Created standardized method for reconciling federal grants across the Commonwealth.

WORK EXPERIENCE

Chief Financial Officer

April 2011—Present

Executive Office of Housing and Economic Development, Commonwealth of Massachusetts

- Advise Cabinet-Level Secretary of Executive Office of Housing and Economic Development (EOHED) on all financial, strategic and capital planning matters.
- Create spending plan of \$417M in operating dollars and \$250M in capital dollars for the EOHED and all of its agencies.
- Responsible for developing and implementing Secretariat-wide Internal Controls Plan, Risk Assessments and Mitigation Policies and Procedures.
- Direct financial obligations, expenditures, and reporting requirements to maintain adequate fiscal control and accountability.
- Implement “housing first” agenda by recommending changes to the Emergency Assistance Shelter System in the Commonwealth that have created \$80M in savings over two years to be reprogrammed to stable housing options for DHCD’s clientele.
- Transfer assets and personnel from a non-profit agency to the Commonwealth’s International Trade and Investment Office and reduced run rate by 50%.
- Oversee and allocate \$100M in state, federal, trust and capital funds for ten departments within the Massachusetts Office of Business Development (MOBD), Massachusetts Marketing Partnership (MMP), and the (EOHED).
- Analyze all housing and economic development policy initiatives and legislative bills assessing the interplay of short term and long term cost analysis, regulatory and legal implications, and potential organizational impact.
- Create policies and procedures to certify proper application of procurement laws and guidelines Secretariat-wide.
- Supervise finance and human resources departments for MOBD, MMP, and the EOHED.
- Manage all financial, accounting and budget issues and monitor compliance with applicable laws, regulations and policies for the Secretariat’s 21 divisions.
- Analyze spending and revenue estimates and make recommendations to senior staff for best use of funds.
- Serve as Secretariat Chief Procurement Officer (SCPO) to oversee grant programs and competitive bidding processes.

Derek Lennon

Chief Financial Officer

February 2006—April 2011

Department of Conservation and Recreation, Commonwealth of Massachusetts

- Directed all financial activities for the Commonwealth's parks and recreation system encompassing 10% of the state's landmass, 500 lane miles of parkway, and in excess of 6,500 registered fixed assets including, but not limited to buildings, dams, bridges, vehicles, pools, golf courses, skating rinks, and boats.
- Directed asset management initiative that resulted in 1,250 previously unrecorded fixed assets accounting for a current replacement cost in excess of \$5B added to the Commonwealth's inventory and balance sheets.
- Prioritized \$90M annual capital allotment to reduce \$2.5B deferred maintenance backlog.
- Implemented 20% reduction in overall budget from fiscal year 2009-2011 while safeguarding the visitor's experience and creating administrative efficiencies.
- Supervised central office finance staff of 20+ accountants, business management specialists, revenue specialists and finance managers.
- Made recommendations to Deputy Commissioner of Administration and Finance and Commissioner on all financial and strategic and capital planning.
- Indirectly managed de-centralized finance operations of seven regional offices through regular meetings with regional finance staff, periodic financial site visits, and process updates.
- Merged, developed and maintained a single DCR finance organization structure to ensure sufficient oversight of all financial, accounting and budget issues to effectively manage department activities and monitor compliance with applicable laws, regulations and policies.
- Oversaw spending of approximately \$250M in state, federal, trust, and capital funds.
- Procured and implemented an on-line revenue system to allow for daily reconciliation of revenue receipts from 125+ parks and facilities.
- Updated, revised and developed DCR policies and procedures for finance staff.
- Monitored spending and revenue estimates and made recommendations to senior staff for best use of funds.
- Ensured appropriate segregation of duties or appropriate secondary review of fiscal obligations, expenditures, and reporting requirements to maintain adequate fiscal control and accountability.
- Responsible for budget including payroll of 1,100+ FTEs and 1,700+ seasonal employees

Budget Director

July 2003—February 2006

Executive Office of Public Safety—Programs Division, Commonwealth of Massachusetts

- Oversaw spending of \$120M in federal and state grant funds.
- Supervised four office support staff and six fiscal staff in contracting, accounts payable, and payroll related activities.
- Assisted sub-grantees with contracts, regulations, and laws.
- Developed annual financial plans for all federal accounts and reviewed on a quarterly basis to project any possible shortfalls or surpluses for the Assistant Secretary's review.
- Ensured the successful drawdown of funds from federal grant sources, and adhered to state and federal regulations and laws governing fiscal management
- Updated and implemented the Internal Control guide for the Programs Division.
- Created and maintained agency databases to track spending and balances for 1,500+ contracts.
- Reconciled 20 federal grant programs to eliminate past practice of co-mingling federal funding sources and eliminated \$15M in questioned costs.

Derek Lennon

Chief Financial Officer

September 2002—July 2003

Committee on Criminal Justice, Commonwealth of Massachusetts

- Oversaw spending of \$40M in federal and state grant funds.
- Supervised fiscal staff in contracting, accounts payable, and payroll related activities.
- Coordinated development of RFRs and competitive processes for grant application cycles.
- Assisted sub-grantees with requests pertaining to payments, contracts, regulations, and laws.
- Developed annual operating budget for all federal accounts and reviewed on a quarterly basis to project any possible shortfalls or surpluses.
- Prepared quarterly financial plans for the Director's review, developed operational office procedures.
- Agency consolidated in July of 2003 with Executive Office of Public Safety, Governor's Highway Safety Bureau, and Governor's Alliance Against Drugs

Budget Analyst

October 2000—September 2002

Ways and Means Committee, Massachusetts House of Representatives

- Worked directly with Chairman of Ways and Means and Speaker of House of Representatives to produce \$22B General Appropriation Acts for fiscal years 2002 and 2003.
- Developed over \$5B in state and federal spending recommendations for the Commonwealth's Public Safety agencies, Lottery Commission, and Office of the State Treasurer.
- Worked extensively with Treasurer's Office to restructure long-term debt projects during fiscal crisis.
- Analyzed and critiqued spending recommendations produced by Senate Ways and Means and Governor's Office.

EDUCATION

Harvard University

Cambridge, MA

Bachelor's Degree in Arts and Sciences with a Concentration in Economics, 2000

SKILLS

Computer Skills: All Microsoft Applications, Massachusetts Management Accounting and Reporting Systems (MMARS), Commonwealth Labor Cost Management System (LCM), Commonwealth Information Warehouse system (CIW), and Massachusetts Budget Application (MBA).

JOHN R. GLENNON

TECHNOLOGY EXECUTIVE PROFILE

Multi-dimensional, information technology professional with a comprehensive understanding of business processes, operations, and best practices. A strong leader, team builder, and decision maker with diverse experience in information technology operations and management and detailed knowledge of security practices. Leadership roles in State Government and private sector verticals including health care, manufacturing, and database marketing. A C Level executive with skills in design, development, and implementation of complex infrastructure and applications. Business focused strategic analysis/planning, process improvement and problem solving skills, combined with assessment skills with ability to rapidly deploy technology. Experience in the management of multiple platforms, infrastructure architectures, call center/telephony applications with focus on data center development, network topology, software application development, CRM, and collaborative & workflow application implementation. Business oriented technology leadership, with a collaborative management style combined with exceptional people and project management skills.

PROFESSIONAL EXPERIENCE

Commonwealth of Massachusetts - Boston, Massachusetts 2004 - Present

Deputy Commonwealth Chief Information Officer (DCCIO)

Executive Office of Administration and Finance - 2011 - Present

Executive Office of Administration and Finance – Secretariat with 16 Agencies including Information Technology Division, Department of Revenue, and the Human Resources Division. Active participant in the governance of information technology for the Commonwealth: Co-chair of the Secretariat CIO Cabinet, Information Technology Division Executive Committee, Commonwealth IT Consolidation Workgroup; Chairman of the Executive Committee for the Enterprise Security Board (ESB) of the Commonwealth; member of the Technology Governance Board (TGB) and the Infrastructure Services Board (ISB). Oversight of 1500 employees, 25 Offices, 3 Call Centers, ITD Agency Staff of 346 and 60 contract staff. \$60M Annual Agency Operating Budget / \$500M multiple year IT capital program.

- Reporting directly to the Commonwealth CIO, serving as a member of senior leadership team for the Information Technology Division (ITD) within the Executive Office of Administration and Finance. Responsible for management of a senior team of 11 executives overseeing a diverse organization of over 400 information technology professionals who provide infrastructure and applications services to the Executive Branch of the Commonwealth and beyond.
- Executive Sponsor - Springfield Data Center Project (SDC) - \$100M Data Center scheduled to become operational in mid-late 2013. Near term SDC will host over 50 disaster recovery instances for critical applications, longer term use will include co-location hosting, cloud based managed services and primary hosting for Commonwealth applications.
- Mass HR Modernization – Mass HR Executive Committee responsible for the \$50M initiative to modernize Commonwealth Human Resources systems, including deployment of single service time and attendance to over 60,000 employees and development of core curriculum for workforce enhancement program training.
- Commonwealth / Municipal Partnership - Cross Jurisdictional Collaboration on Information Technology – Executive responsible for municipal partnership program involving 351 Cities and Towns in the Commonwealth to further sharing of infrastructure and leveraging of cloud technologies for efficiency, productivity and security.

- Security of the Commonwealth's Networks, Infrastructure, and Digital Assets – US DHS Security clearance – lead role in ensuring the security of the Commonwealth's digital assets. Partner with the Chief Information Officer (CISO) for the Commonwealth, the Department of Public Safety, and Department of Homeland Security / Cyber Security Division to ensure appropriate use of technology and maintain vigilance against the daily advanced persistent threats and cyber attacks.
- Policy and Procurement – Leadership role in the development of information technology and security policies, and procurement reform for Information Technology
- National Association of State CIO's (NASCIO) – active member of national workgroups and program committees focused on Information Security, Procurement Reform, and Cross Jurisdictional Collaboration – Federal, State, Local, and Tribal.

Secretariat Chief Information Officer (SCIO)

Executive Office of Labor and Workforce Development -

2008 – 2011

Executive Office of Labor and Workforce Development – Secretariat with 5 Agencies including Department of Unemployment Insurance, Department of Career Services, Department of Labor Practices, Department of Labor Relations, and the Department of Industrial Accidents. Active participant in the Governance of Information Technology for the Commonwealth: Member of the SCIO Cabinet, Commonwealth IT Consolidation Workgroup; Chairman of the Executive Committee for the Enterprise Security Board (ESB) of the Commonwealth; member of the Technology Governance Board (TGB) and the Infrastructure Services Board (ISB). Oversight of 1800 employees, 45 Offices, 5 Call Centers, IT Staff of 135,

- Managed a diverse organization of 135 information technology personnel: Application Development staff provide support for a variety of Agency legacy systems, custom developed .NET applications for internal and external/constituent services, document/content management systems, government system interfaces, Oracle Databases and OBIEE tools; Network Services (NS) staff. Provided leadership and direction for multiple wide area data and voice networks including MPLS and Frame Relay Networks, infrastructure security, voicemail and email. The NS manage over 250 servers, including a growing number in a virtualized environment and a 100TB SAN; Operations and Service Delivery staff support a 7x24 data center, and Helpdesk and Desktop support function that services secretariat agencies and staff.
- Responsible for total operating budget of \$47M in FY11 - \$12M personnel, \$15M non-personnel, \$9M Commonwealth IT Bond Funds, \$11.2M ARRA funds.
- Responsible for UI Online, a \$75M legacy system replacement application development and implementation project. Manage a vendor led effort to develop a replacement for the 30 year old Unemployment Insurance system. The web based application is deployed in a complex multi-tier environment provide services to 180,000 Employers and over 500,000 claimants. Management of dependent infrastructure projects concurrently delivered to support the new application including deployment of: an upgraded and virtualized document / content management system (FILENET), a new Avaya Voice Portal and Interactive Voice Response applications, and CISCO load balancer and firewall/intrusion detection systems.
- Managed an ongoing Business Process Reengineering effort which is foundation for integrating the new technologies that are being deployed in the environment, as well as for restructuring the business processes and daily operations of the agencies.
- Instituted a formal planning process for Information Technology. Using a collaborative approach, engaged management from all areas of the Secretariat to access the current state and plan for the use new technology in the future.

Chief Information Officer (CIO)

Department of Industrial Accidents (DIA) -

2004 – 2008

Department of Industrial Accidents (DIA) - is the proprietor of the Workman's Compensation System for the Commonwealth of Massachusetts. Complete claim adjudication and dispute resolution process, coverage for uncovered workers through the Workers Compensation Trust Fund, and Investigation of businesses compliance with insurance coverage laws. The Agency provides on-site and E-Government Services through the Internet to constituents throughout the Commonwealth. 280 employees, 5 Offices, 20 reports.

- Managed the creation and staffing of an Application Development Group and a Network Services Group - with a focus on implementing standard procedures and methodologies such as the System Development Lifecycle or SDLC. Resulting savings of \$250K/year reduced consulting costs.
- Originated and directed 10 Transformational Projects, each with significant Information Technology components, which transformed the manner in which the DIA operated by utilizing and updating the support systems holistically.
- Responsible for a Business Process Reengineering effort that is the foundation for integrating the new technologies being deployed and restructuring the processes and operations of the Agency.
- Instituted a planning process for Information Technology - using a collaborative approach with management from all areas of the agency to assess the current state and plan for the use new technology in the future.

Tufts Health Plan - Watertown, Massachusetts

2001 – 2004

Director / Information Systems - Customer Relationship Management

Health maintenance organization (HMO) providing a full array of healthcare coverage options to individuals and through employer groups. Serving a membership of 800,000 with a network of 83 Hospitals and 18,500 physicians in private practice. \$2.4B Sales / 2300 employees, 34 reports.

- Developed the direction and vision for Customer Relationship Management in Information Systems at Tufts Health Plan resulting in significant improvement in customer service and user satisfaction.
- Directed the alignment of information technology and business systems through promotion of an enterprise wide understanding of information technology and collaboration with the user community.
- Management of outsourced application design and development with an emphasis on high systems availability, reliable product maintenance, and predictable software releases for managed care applications.
- Developed and staffed the IS Project Management office with a focus on implementing PMI best practices for planning and management of resources for all major projects.
- Managed the implementation of multiple concurrent large scale projects involving diverse platforms and both internal and external technology resources.

The Vantage Group - Boston, Massachusetts

1997 - 2001

Vice President / Chief Information Officer

Direct Marketing Corporation – travel tour operator and marketer of deluxe packaged tours to over 60 frequent travelers, and product induced membership drives and acquisition, fundraising campaigns, and insurance products to not-for-profit affinity groups. \$110M Sales / 180 employees, 11 direct reports.

- Multi-divisional responsibility for all information services & technology functions for \$110M direct marketing and services company involved in travel, fundraising & insurance products.

- Developed corporate Internet strategy and web site planning / development.
- Management of multi-phased project to upgrade corporate Internet presence and develop E-commerce capabilities for the business-to-consumer and business-to-business markets.
- Production & Fundraising Database – custom design, development & implementation of database that maintains a historical giving database.
- Planned and executed \$3.5M in enterprise wide upgrades to technology infrastructure and systems.
- Reduced operating costs and dependence on outside programming resources by 20% resulting in \$200K annual savings.
- Developed a professional staff servicing operations, application development & technical support .
- Planned & directed implementation of Corporate Contact Management System.
- Delivered \$2.1M 90 Canal Street Facility Renovation / Relocation project - on time and on budget. Coordinated and directed all construction, capital improvements, and building renovation at the current downtown Boston headquarters. Senior Executive responsible for business consolidation and relocation of business operations from multiple sites to current location.
- Identified and delivered telecommunications and telephony technology that resulted in 10% reduction in time on call, and an 8% increase in conversion rate.
- Renegotiated contract with primary telecommunications provider reducing operating expenses \$350K over 3 years for long distance voice and data services.
- Implemented Digital Voice Recording (DVR) system used for associate training and monitoring call quality – use of system over 3 months has yielded a 15% reduction in customer complaints and 5% increase in bookings.

Fresenius Medical Care - North America - Lexington, Massachusetts 1997

Director of Information Services / Product Services

\$3.2B medical and health service provider. 7 Manufacturing facilities, 40 Distribution Centers, and 3 Sales Offices. 5 direct reports.

- Business applications support and planning for manufacturing & distribution, sales, marketing, & customer service functions.
- SAP Project Planning for multiple modules (SD, SM, MM, PP, QM).
- Capital Project Appropriation development for \$7.9M SAP Project.
- SAP Education and Resource Allocation Plan.
- Consolidation of AS/400 Operating Environment.

W.R. Grace Corporation / Amicon, Inc. - Beverly, Massachusetts 1983 - 1997

Director of Management Information Services

\$70M biotechnology manufacturing division of Fortune 100 conglomerate. World Headquarters, Sales, Research & Development, 4 manufacturing locations, remote sales force. Manufacturing, sales and distribution, direct & catalog sales to the research, industrial & clinical marketplaces. 10 direct reports.

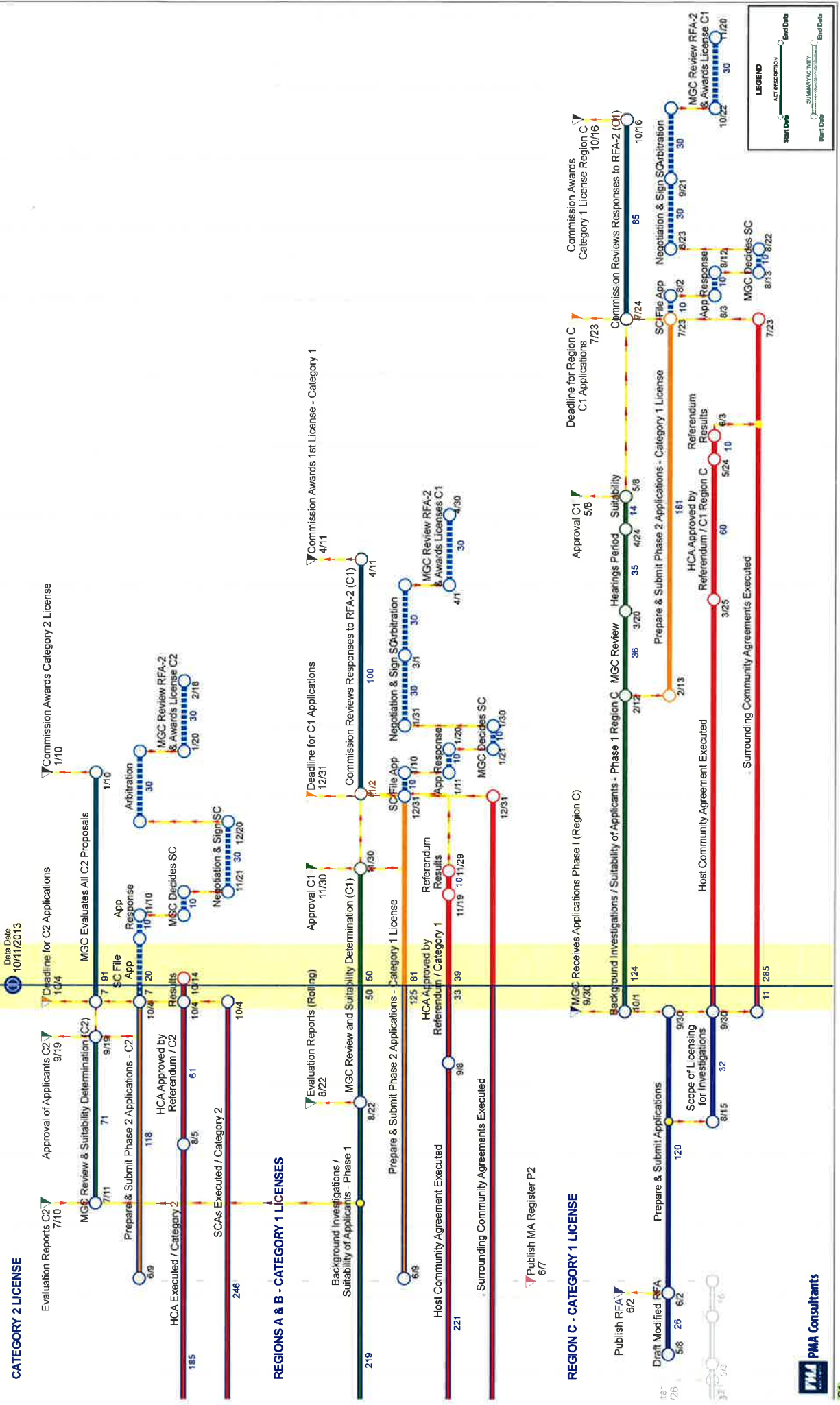
- Strategic and business planning for worldwide information services
- Management of information services staff providing support for hardware, software and telecommunication systems for an international biotechnology division of a Fortune 100 corporation.
- Planning and management of departmental and capital budget of \$2M.

- Life Cycle Project Management - Management of all four phases - Study, Design, Development, and Implementation.
- ERP/MRP - Selection, Justification, Purchase, Project Planning and Installation of multiple modules.
- Design and Development of various in-house designed systems including Payroll / Human Resources, Accounts Payable, Accounts Receivable, Telemarketing and Leads Management, Technical Service & Support, Total Quality Management and Sales Reporting.
- Document and Content Management System - Selection, planning and implementation of a document imaging and management system for Research and Development. Received ISO 9001 Quality Rating
- Field Sales Automation Project - Development and planning program to automate North American and European Sales Force.

E D U C A T I O N

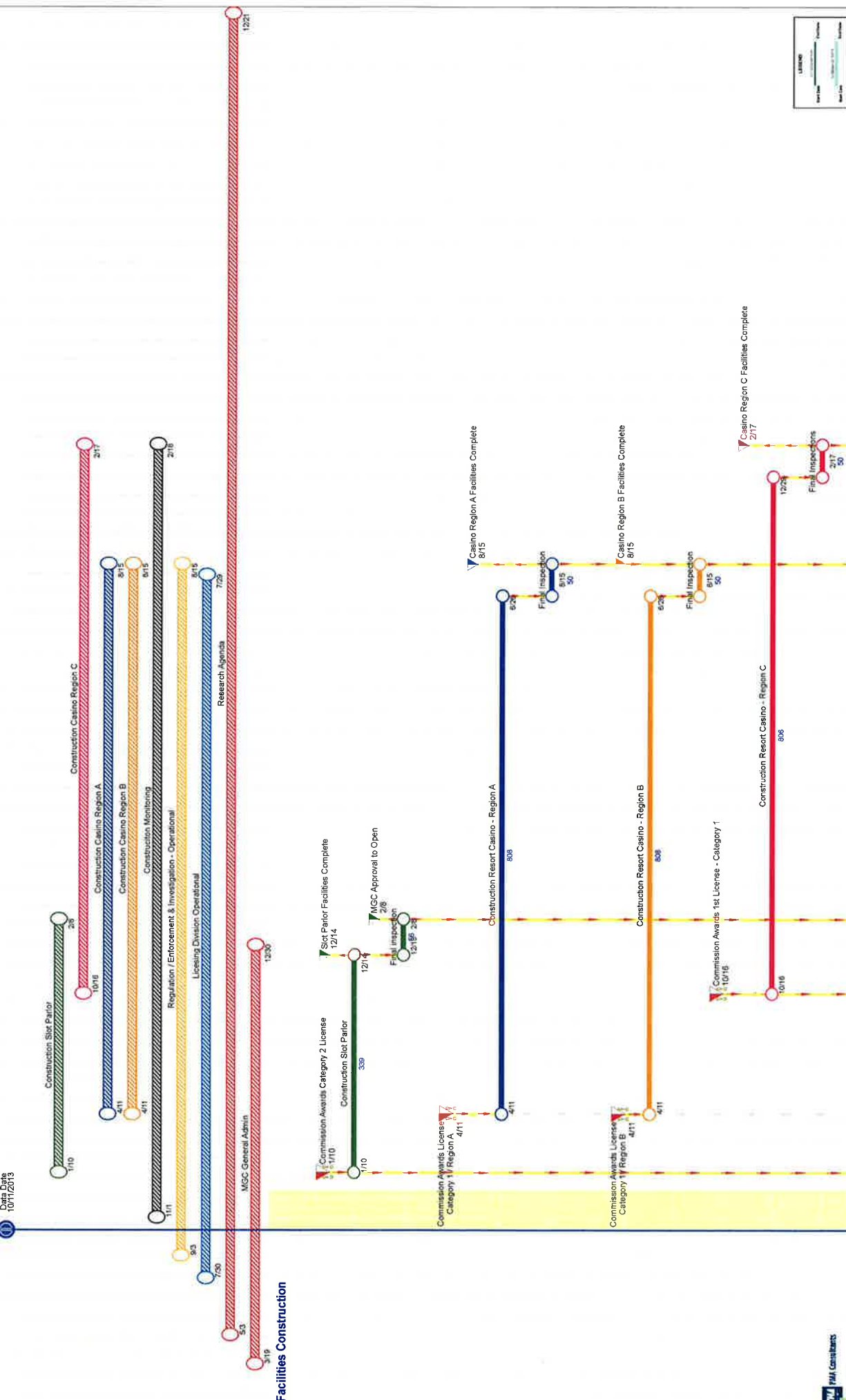
University of Connecticut Storrs, Connecticut	Business Administration	1975-78
W.R. Grace & Co.	Grace Management Practices	1985
W.R. Grace & Co.	Effective Management Program	1989
Amicon / North Shore C.C.	Total Quality Management	1992-93
Northern Essex C.C.	Grace Management Training Program	1993
Hyperion Corporation	Hyperion Administration	1994
IBM Corporation	Programming & Systems/ Continuing Education	

Massachusetts Gaming Commission / 2013-10-11 Licensing Schedule Update



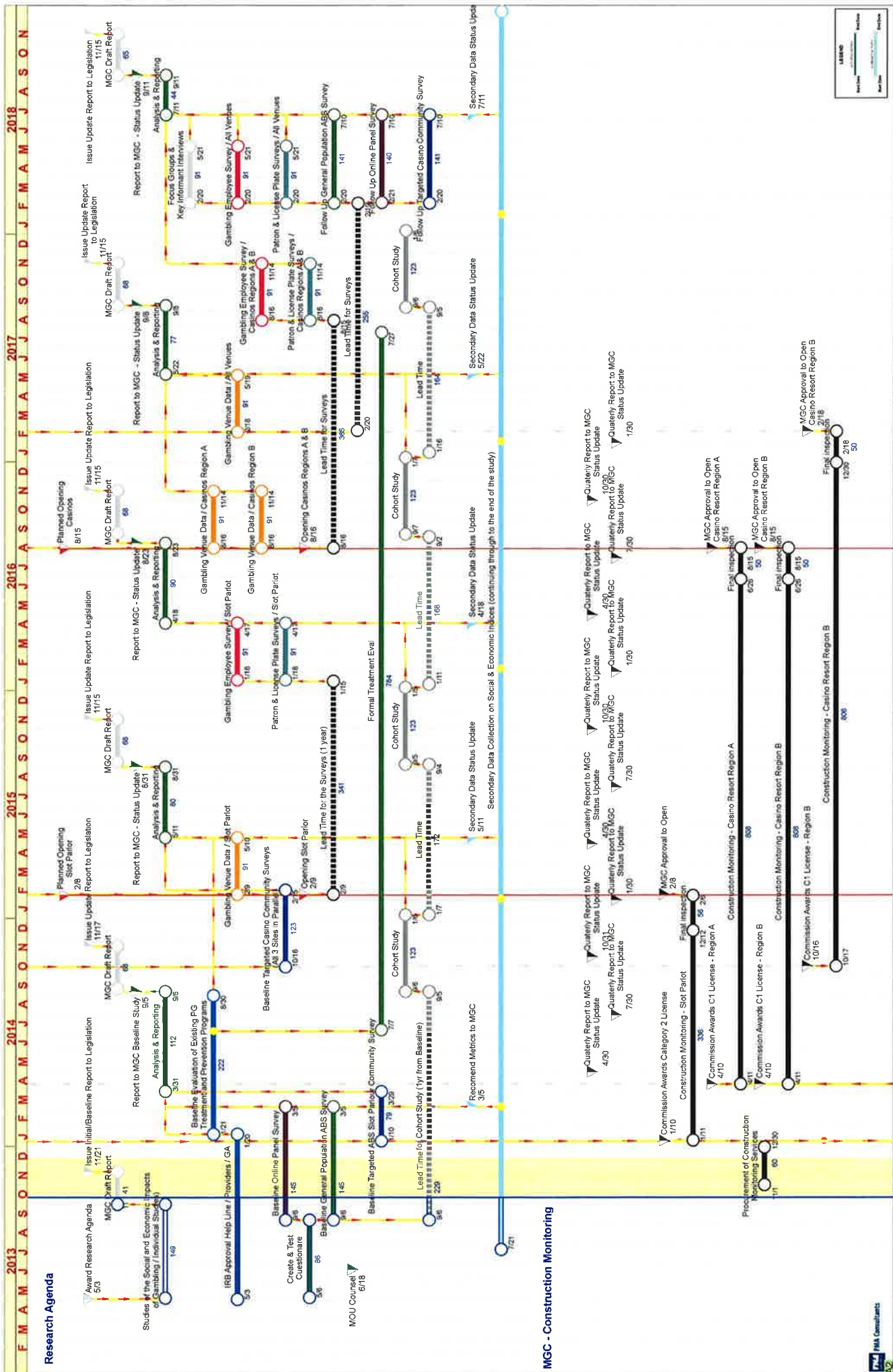
LEGEND
 Start Date
 ACT / DESCRIPTION
 End Date
 SUMMARY ACTIVITY
 Start Date
 End Date

Massachusetts Gaming Commission / 2013-10-11 Summary Master Schedule Update



LEGEND

- Construction
- Operational
- Regulatory
- Research
- Administrative



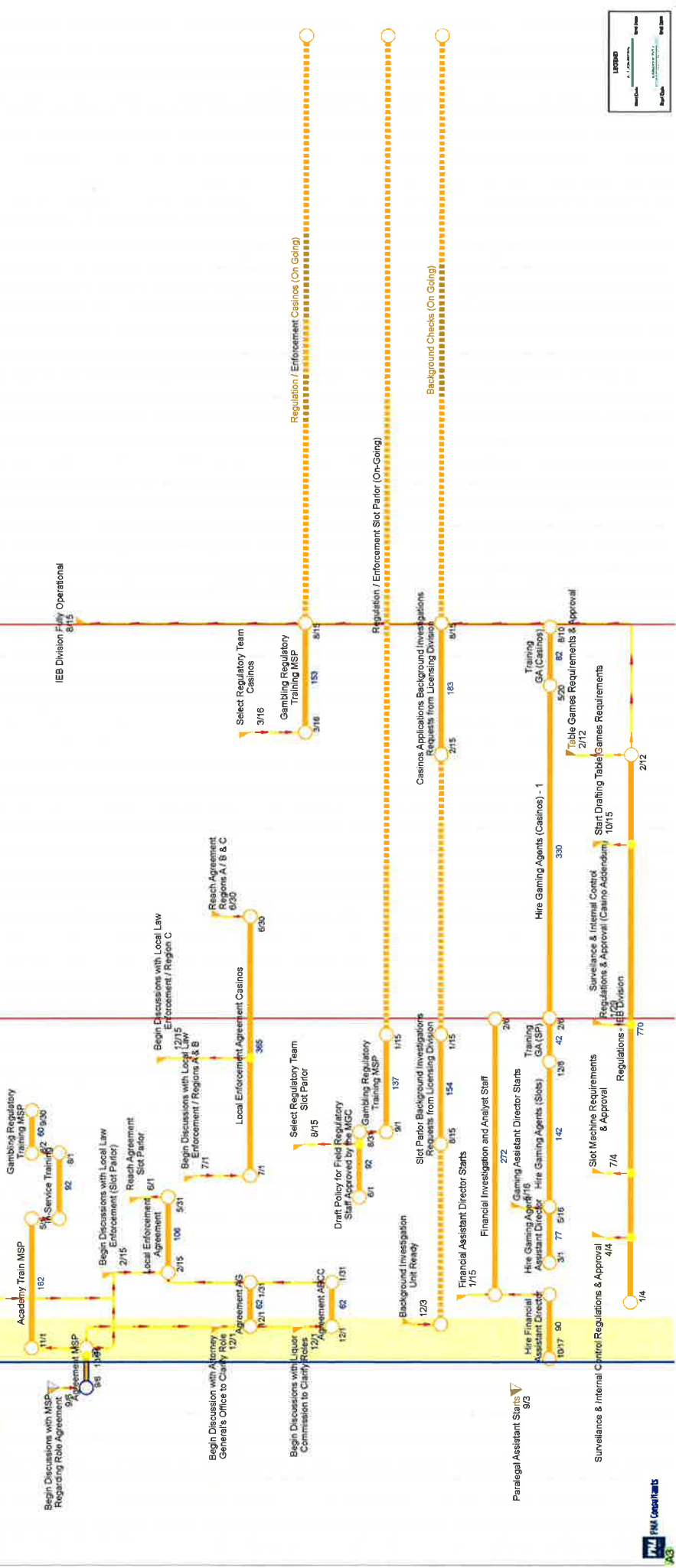
Research Agenda

MGC - Construction Monitoring

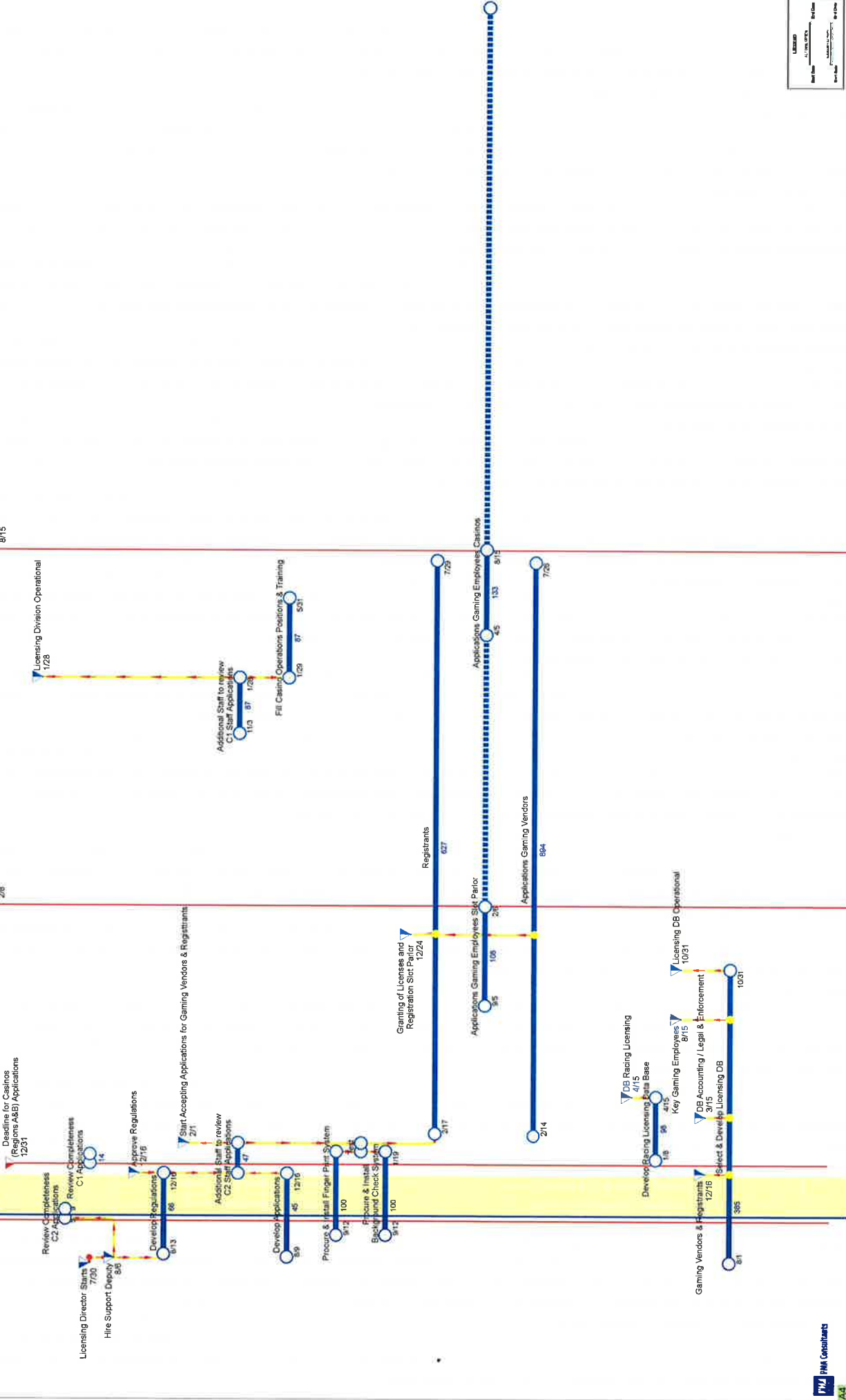
MGC - Applications Review



Regulation / Enforcement & Investigation - Operational

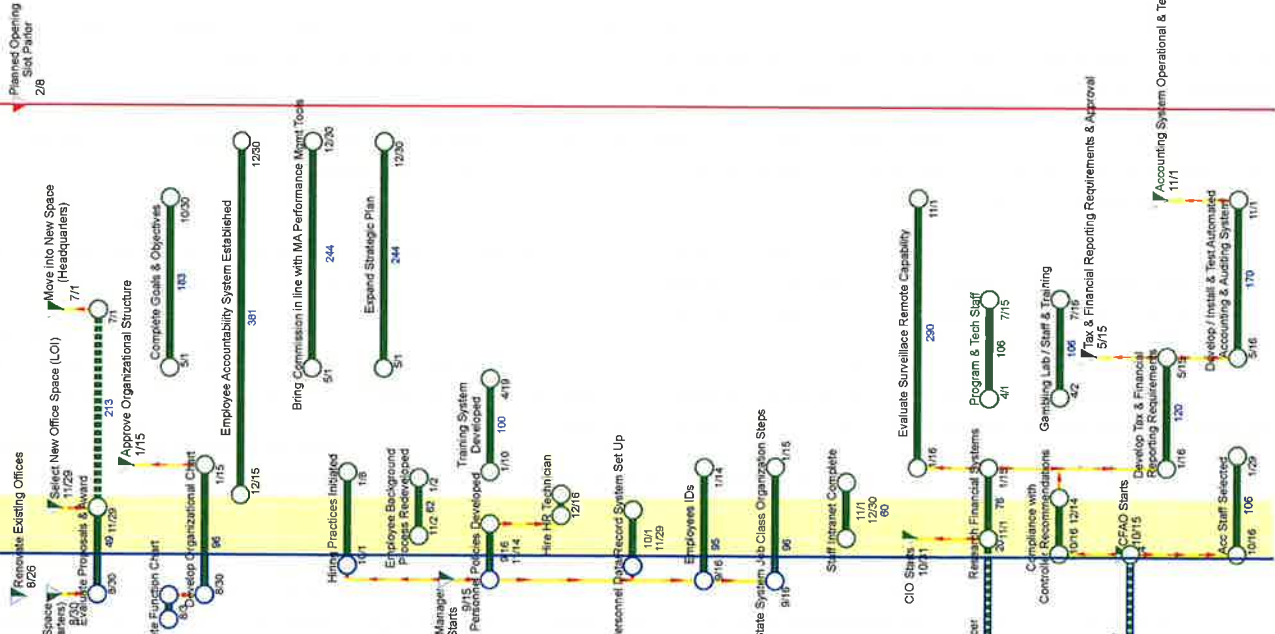


**Licensing Division
Individuals & Vendors**



MGC General Admin

MGC issues RFP for Office Space (Headquarters)

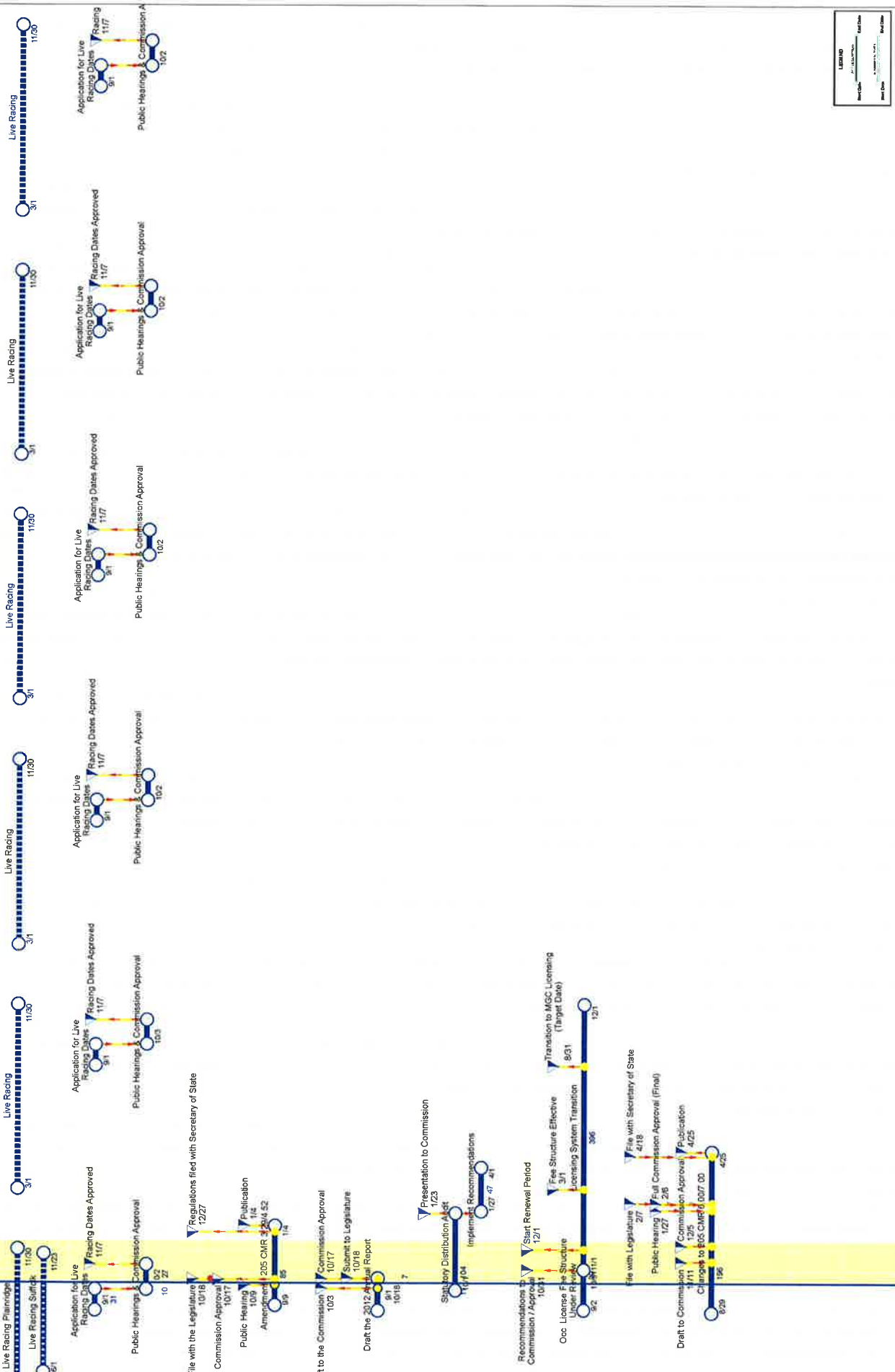


Planned Opening Cabanos
 8/15

Planned Opening Sit Patriot
 2/8

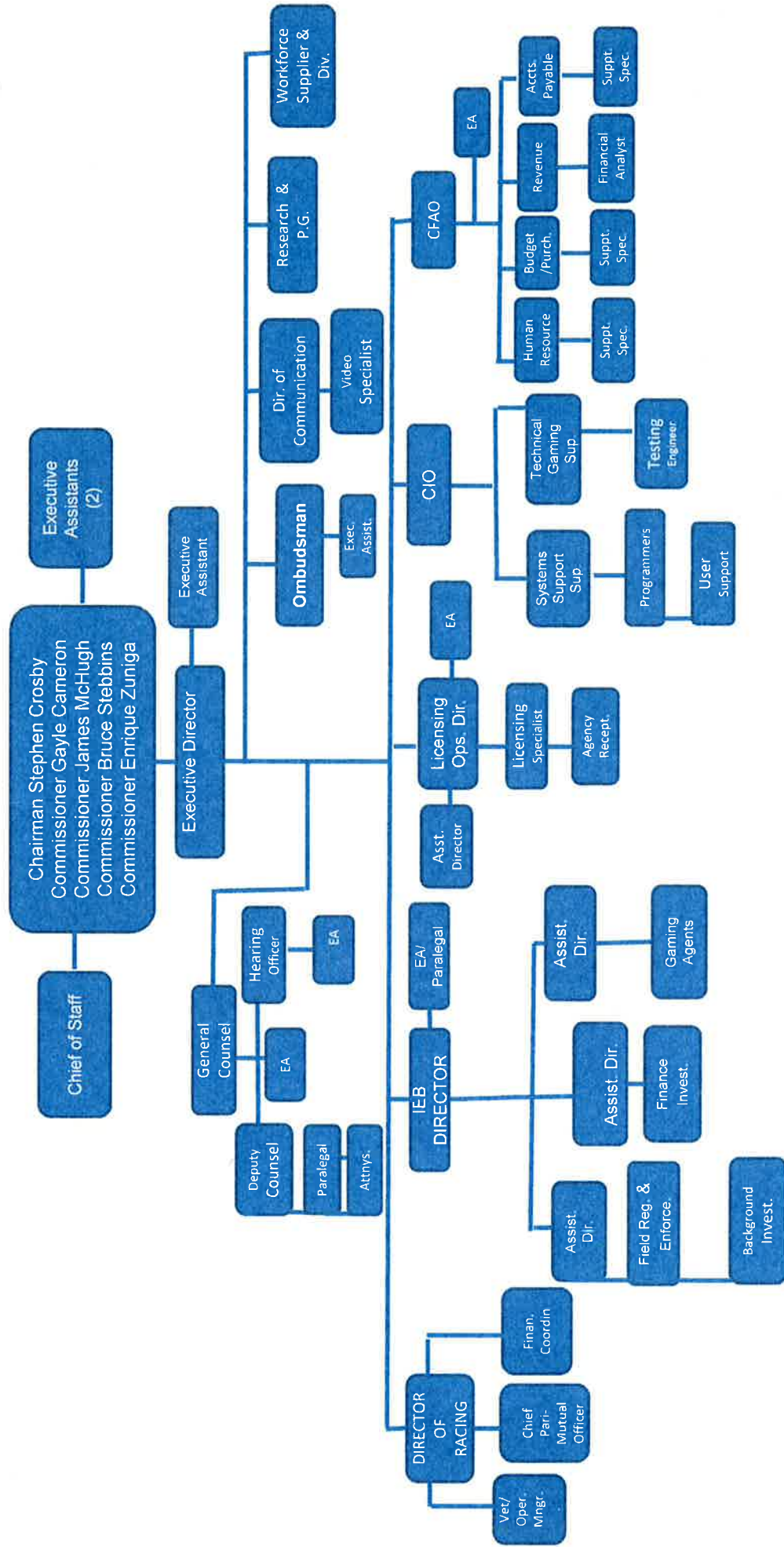


Racing Division



Massachusetts Gaming Commission

10/15/2013 DRAFT



OUTSTANDING POLICY QUESTIONS RELATIVE TO PHASE 2 – PARTS 2 & 3	ASSIGNED TO PERSON	DUE DATE	PRESENTATION DATE
<p>1. Should the Commission begin to process regulations based on packages needed to ensure the Commission can support regulation when the slots and resort facilities are operational? An example: Slot Surveillance and internal control by April 4, 2014, Slot Machine requirements and approval by July 4, 2014; Tax and Financial reporting requirements and approval by July 4, 2014; Tax and Financial reporting requirements; Casino Surveillance & Internal Control by January 29, 2015; Table games requirements and approval February 2016</p>	Rick Day	Commission Discussion	10/17/13
<p>2. What criteria should the Commission use to determine whether a gaming license applicant should receive a gaming beverage license for the sale and distribution of alcoholic beverages and what application fee should the Commission charge?</p>	David Acosta		
<p>3. What regulations should the Commission issue with respect to distribution of alcohol and the forms of identification that may be presented to a gaming licensee to demonstrate proof that a person has attained the age of 21</p>	Karen Wells		
<p>4. How should the Commission determine a suitable debt-to-equity ratio for applicants for a gaming license? (G.L. c.23K, §4(14))</p>	CFAO		
<p>5. What criteria should the Commission use to prescribe the manner in which gaming licensees and gaming vendors must keep their books and financial or other records and statements?</p>	K. Wells CFAO		
<p>6. What regulations and standards should the Commission prescribe for the audits it is required to conduct?</p>	K. Wells CFAO		
<p>7. What, if any, information and in addition to that described in G.L. c. 23K, §31(b) should the Commission require from an applicant before issuing a gaming vendor license?</p>	David Acosta		

8. If MOU's and other agreements may be part of an applicant's proposal to the Commission to demonstrate their commitment to key evaluation criteria, how should the Commission weigh these agreements and enforce them in the coming years after the license is awarded?	John Ziemba Jill Griffin		
9. Should the Commission prescribe the games, rules and controls a licensee may have or should it solicit proposals from the applicants/licensees?	Karen Wells		
10. Should the Commission adopt the self-exclusion lists in effect in other jurisdictions? (See §46(k))	Mark V.		
11. What criteria should be used to exclude individuals involuntarily from casinos?	Karen Wells Mark V.		
12. Should the Commission use a central automated system for accounting, auditing, tax liability and monitoring gaming activity?	CFAO		
13. Should the Commission require the ability to access slot parlor and resort casino surveillance systems to provide independent remote ability to monitor operations? How should "remote" be defined?	Karen Wells		
14. What kind of process should the Commission adopt or should it adopt a process to monitor construction.	John Ziemba Jill Griffin		
15. Should the Commission require certain deliverables during the construction period?	John Ziemba Jill Griffin		
16. What kind of pre-opening process and inspection will the Commission require?	Karen Wells		
17. Will the Commission allow temporary facilities to open for gaming at the slots parlor or the casino resorts while more permanent structures are being completed?	Rick Day	Commission Discussion	10/17/13
(CONTINUED NEXT PAGE)			

<p>18. Does the Commission want to approve gaming devices/equipment put into play in Massachusetts, and if so should the Commission have standards (e.g. – minimum payout percentage, modification of structural features of slot machines to address problem gaming issues) and technical staff to complete necessary reviews?</p>	<p>CIO</p>	
<p>19. REGION C</p> <ul style="list-style-type: none"> • Parameters for allowing a region A, B or slot applicant to apply in Region C w/o payment of additional fee • Timing of updated qualifier list 	<p>Todd Grossman</p>	
<p>20. How should the role of the Commission be defined in the licensing process? What other departments (if any) have a role in the licensing of certain occupations? Will the Commission be licensing on the basis of suitability only, or skills and education as well? Will licensing be limited to occupations closely associated with the gaming area? (See also, 8/30/12 memo):</p> <ul style="list-style-type: none"> • What will the Commission's role in the licensing process be i.e. – will it delegate approval authority to staff? Will it differ for key gaming employee applicants, gaming employee applicants, temporary licenses, gaming service employee registrants, and vendors? • Will the Commission license gaming schools or work with DPL to license applicants under the existing trade school program? Will certification by a school be a prerequisite of licensure for certain positions or will discretion be afforded to the employer? Will the community college program be treated as a gaming/trade school in the ordinary course? • What will the licensing/registration/renewal process entail, i.e. – will on-line applications be accepted, will on-line payment (check or credit card) be accepted?) 	<p>David Acosta</p> <p>David Acosta</p> <p>David Acosta</p>	
<p>21. Should the Commission regulate private training schools?</p>	<p>Jill Griffin</p>	
<p>22. What approach should be taken to the creation of regulations governing <i>internal control standards</i>, i.e. – how prescriptive should the regulations be?</p>	<p>Pending</p>	

MA Gaming Commission Meeting

October 17, 2013

Tourism in the Pioneer Valley



Greater Springfield
Convention and Visitors Bureau

Mary Kay Wydra, President
Peter Rosskothan, Chair - Gaming Committee

Agenda

- GSCVB overview
- Our region – what we offer!
- Our gaming process
- Our request of the MGC

Mission Statement

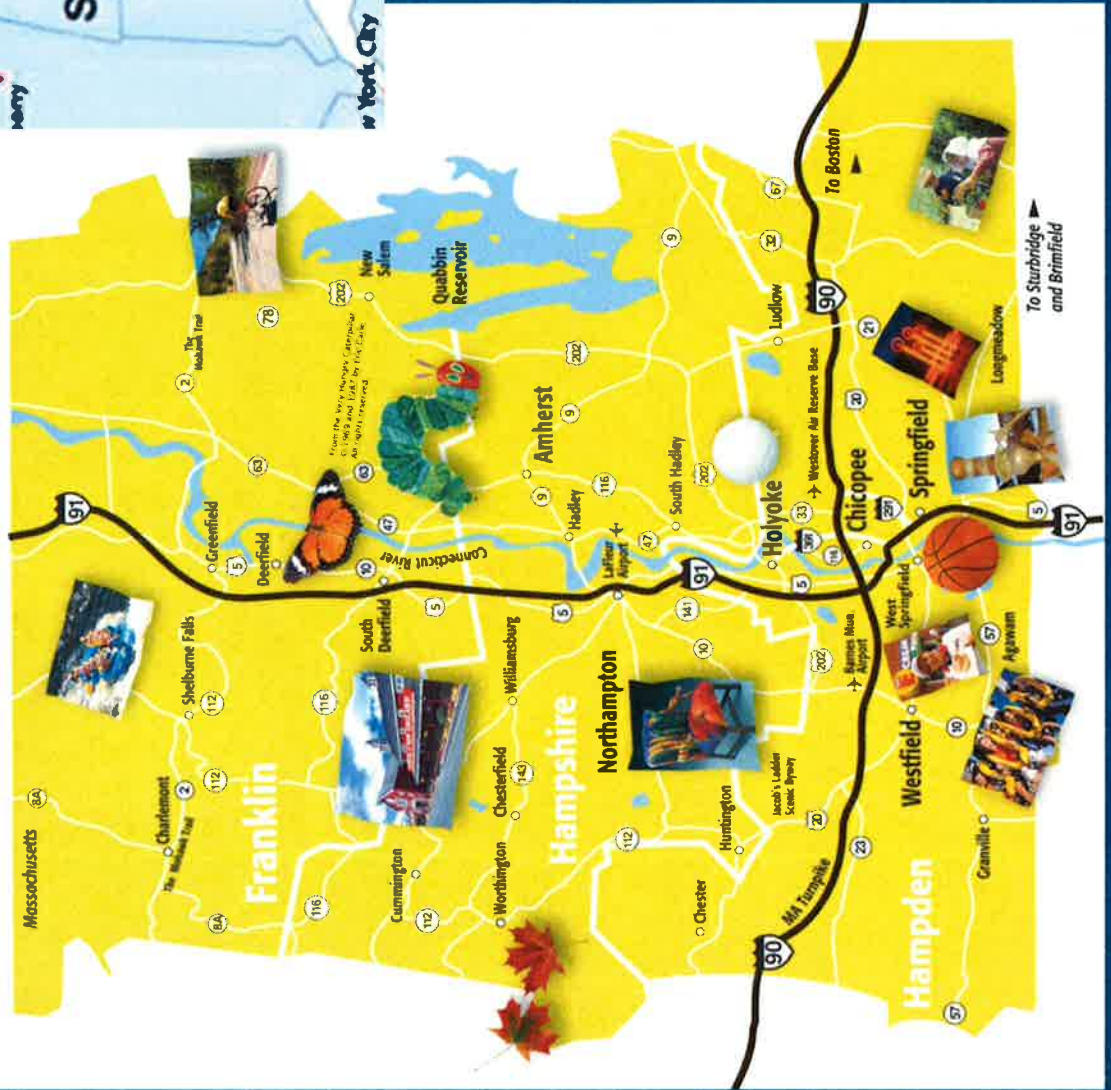
The Greater Springfield Convention and Visitors Bureau,
an affiliate of
the Economic Development Council
of Western MA,
promotes Massachusetts' Pioneer Valley
as a year-round destination for conventions,
meetings, group tour, sports and leisure travel.

GSCVB Overview

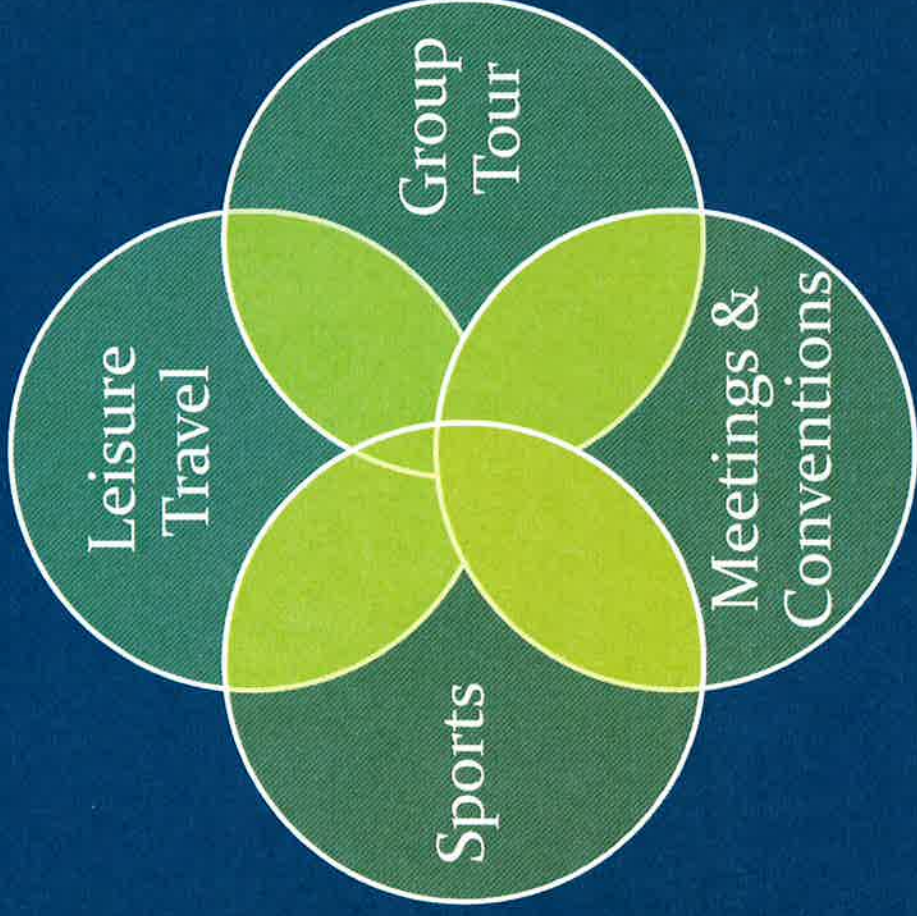
- 1 of 16 Regional Tourism Councils in Massachusetts
- True Destination Marketing Organization
- Staff: 7 full-time employees
1 part-time employee
- 250 Members (traditional & non-traditional)
- FY14 Budget \$1.1 million
 - State grant \$308,406
 - MCCA grant \$125,000
 - Sports marketing \$173,291
 - Membership & Advertising \$384,000

Rally for the Valley Community Leadership

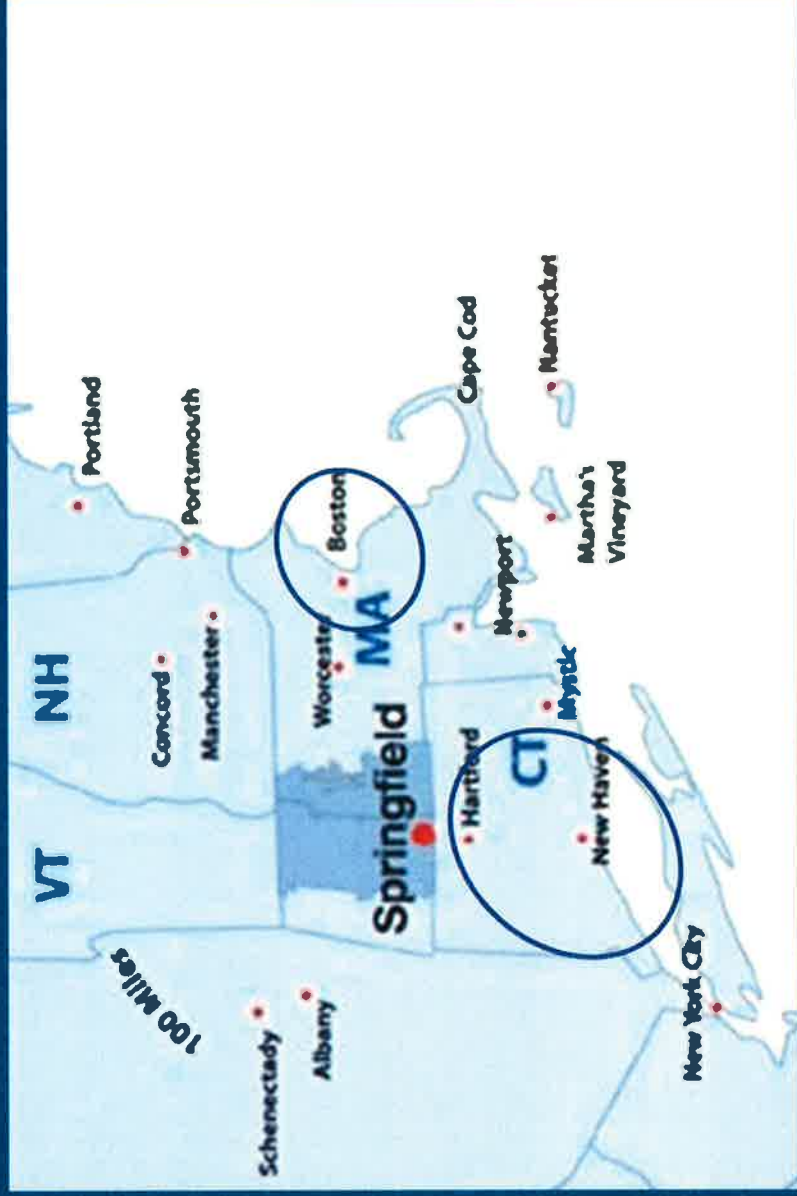
- Yankee Candle Village
- Log Cabin/Delaney House/D. Hotel
- Springfield Museums
- Eastern States Exposition
- Basketball Hall of Fame
- Sheraton Springfield Monarch Place Hotel
- Springfield Marriott
- Aladco Linen Services
- Freedom Credit Union
- Performance Foodservice
- Uno Chicago Grill
- Mix 93.1, WRNX, WHYN-AM



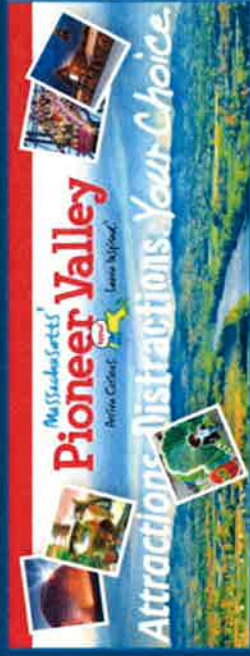
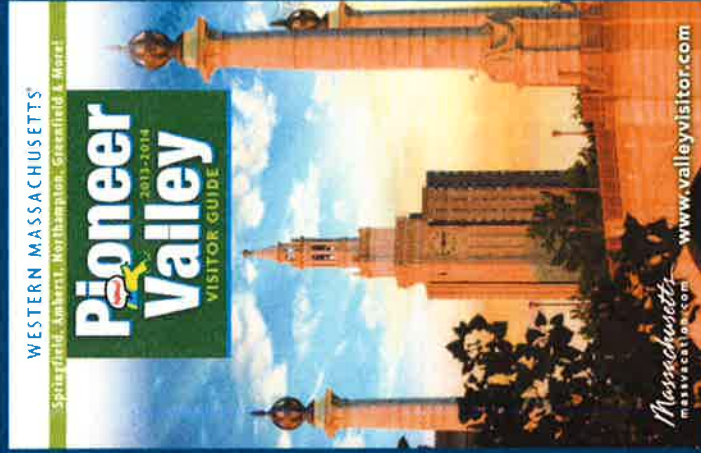
GSCVB Key Market Segments



GSCVB Feeder Markets



GSCVB Marketing Tools



www.valleyvisitor.com

Western MA Sports Commission



Hospitality Services

- Dedicated Staff Person
- Volunteer Ambassador Corps
- Convention Services
- Howdy Awards

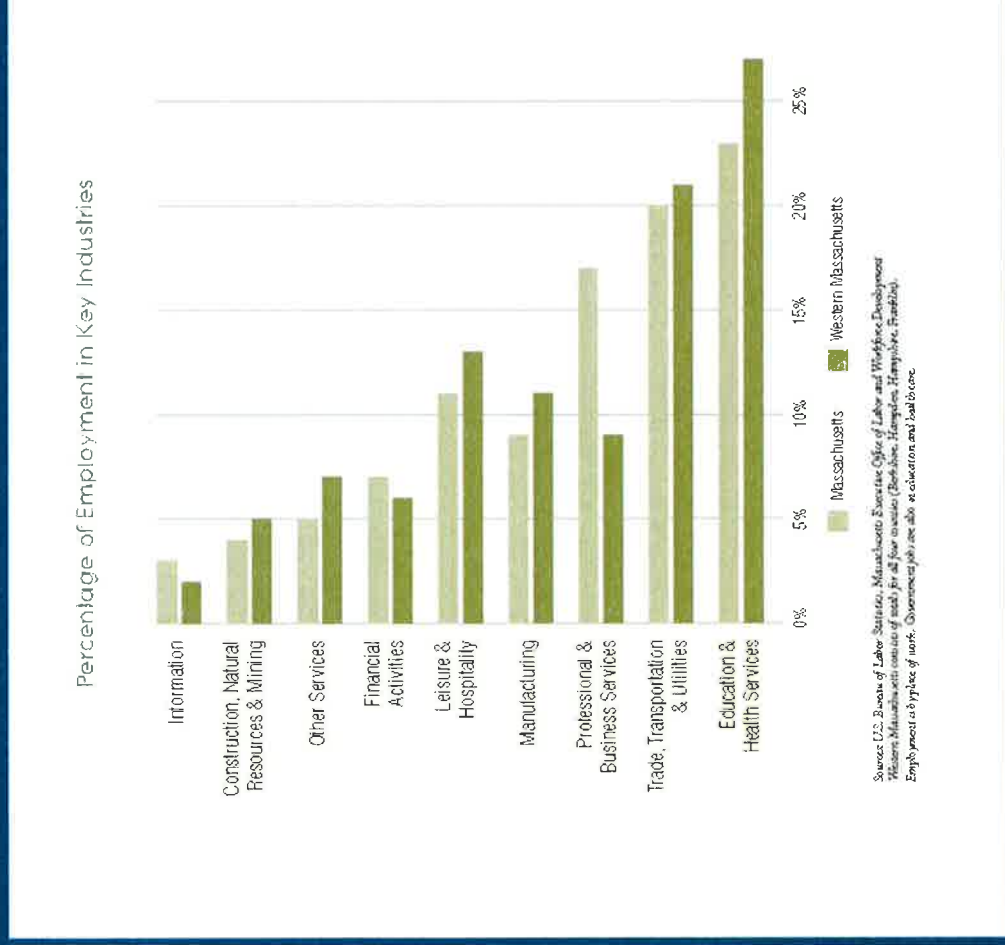


Tourism Spending

Local Impact of Tourism – Domestic Visitors (CY 2012)

	Spending (millions)	Jobs (000)	Wages (millions)	State Tax (millions)	Local Tax (millions)
Statewide	\$15,405.80	104.73	\$3,225.70	\$585.90	\$379.70
Pioneer Valley	\$661.94	4.39	\$136.47	\$34.94	\$14.68
Hampden County	\$484.29	3.17	\$101.89	\$25.72	\$9.67
Hampshire County	\$119.84	0.86	\$24.67	\$6.19	\$3.19
Franklin County	\$57.81	0.36	\$9.91	\$3.03	\$1.82

Western MA Has a Strong Private Employment Mix – Tourism Ranks #3!



Lodging Data (FY12)

	Hampden County	Hampshire County	Franklin County	Total	MA
Occupancy Rate %	61.2	56.7	54.6	59.7	66.4
% increase over 2010	-4%	-1%	2%	-3%	5%
Room Rate \$\$	88.99	111.17	88.12	93.4	148.42
% increase over 2010	2%	9%	2%	4%	3%
RevPar \$\$	54.46	63.03	48.13	55.6	98.48
% increase over 2010	-2%	8%	4%	0%	9%

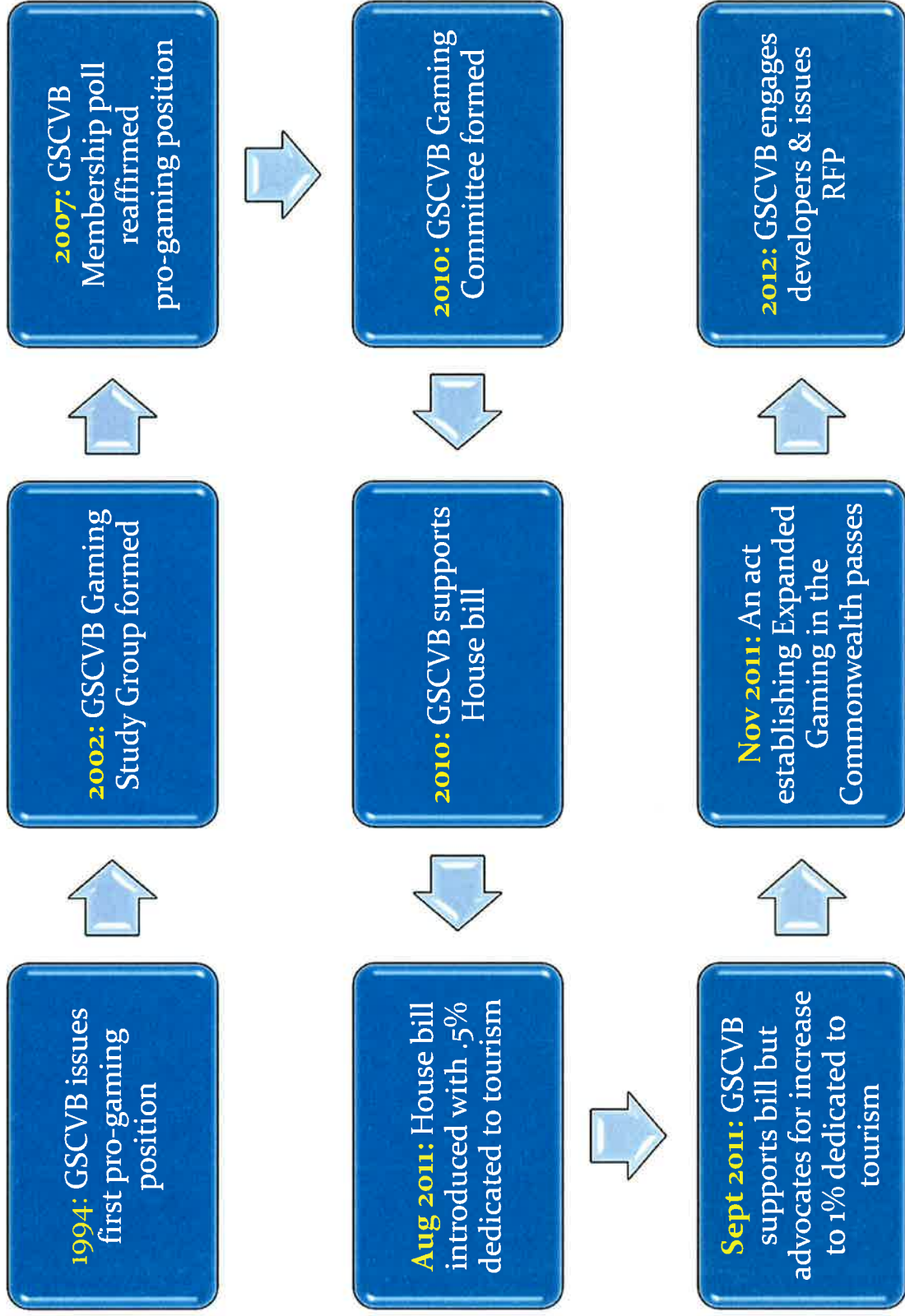
FY12 Room's Tax Collection

	Hampden County	Hampshire County	Franklin County	Total	MA
State (000)	\$3,708.0	\$1,511.0	\$488.0	\$4,060.0	\$121,639.0
Local (000)	\$2,535.0	\$1,516.0	\$429.0	\$3,634.0	\$146,111.0

Gaming in Western MA

GSCVB Process

20 Years in Support of Gaming...



Why:

- New visitor attraction to add to mix
- Opportunity to extend stays and drive economic impact in entire region
- Legislation called for tourism funding

Our Goal:

Marketing Partnership Agreement with Western MA Gaming
Establishment Developers = **MOU or Endorsement**



Seeking Partnership with Developer that includes:

- Points Program to help small businesses
- Internal & integrated online/social media cross-promotion
- Transportation access to Pioneer Valley attractions
- Regional marketing funds
- Sports Commission commitment
- Active member of GSCVB

GSCVB Offers:

- Link to small hospitality businesses throughout the Pioneer Valley
- Regional marketing knowledge
- Access to key Pioneer Valley tourism leaders
- Financial resources to promote Western MA casino in feeder markets
- Positioning casino as a team player in the region and leader in attraction category

Challenges:

- Details for partnership
- Unspecified regional marketing plans
- Small business inclusion
- Identifying cross-promotional opportunities to extend stays

Request of MGC:

All applications for the Western MA license submitted to MGC include documentation of an established mutually-beneficial **partnership with the GSCVB**, the Regional Tourist Council for the region.

Q & A

THE COMMONWEALTH OF
MASSACHUSETTS

Deval L. Patrick, Governor

MASSACHUSETTS GAMING COMMISSION

Stephen Crosby, Chairman,
Gayle Cameron, Commissioner
James McHugh, Commissioner
Bruce Stebbins, Commissioner
Enrique Zuniga, Commissioner

**SEVENTY-SEVENTH
ANNUAL REPORT
of the
Massachusetts State Racing Commission**

**YEAR ENDING
DECEMBER 31, 2012**

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INTRODUCTION

The Mission Statement of the Massachusetts Gaming Commission is to create a fair, transparent and participatory process for implementing the expanded gaming law passed in November 2011. In creating that process, the Commission will strive to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of the new legislation, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality.

The Massachusetts State Racing Commission ("SRC") was a predecessor agency created by an act of the General Court in 1934. The State Racing Commission, pursuant to Chapter 4 of the Acts of 2009, had been transferred to the Division of Professional Licensure, on January 1, 2010. Effective May 20, 2012, all State Racing Commission functions were further transferred to the Massachusetts Gaming Commission, pursuant to Section 89 of Chapter 194 of the Acts of 2011. The Division of Professional Licensure continued to manage all racing operations through an inter-agency service agreement through the end of calendar year 2012.

RACING OPERATIONS, prior to May 20, 2012

In 2012, the State Racing Commission regulated one thoroughbred track at Suffolk Downs, one harness track at Plainridge and two simulcasting licensees. One simulcasting facility is located at the former greyhound track in Raynham/Taunton.¹ The other is currently operating under agreement at Suffolk Downs. As a result of Chapter 388 of the Acts of 2008, live racing of greyhounds ceased at the conclusion of 2009. Simulcasting and betting on greyhound races outside of the Commonwealth is still being conducted.

The day-to-day operations and general administration of the SRC, including all administrative functions and actions not expressly required by statute or regulation to be carried out by the SRC itself, were at the direction and under the control of the Director of the Division of Professional Licensure, under the

¹ Raynham/Taunton is also referred to as Massasoit Greyhound Association.

MASSACHUSETTS GAMING COMMISSION

supervision of an executive director, appointed by the Director of the Division of Professional Licensure, with the approval of the Director of Consumer Affairs and Business Regulation. This included, but was not limited to, all budgetary and personnel activities for the agency. These efforts were supported by the following operating sections of the Commission: Administrative Office, Racing Commission Inspectors, Accountants, Laboratory Personnel, Veterinarians, Judges/Stewards and State Police Investigators. This report reviews each of these areas and the business they conduct.

RACING OPERATIONS, May 20 – December 31, 2012

On May 20, 2012, the Massachusetts Gaming Commission entered into an Inter-departmental Service Agreement with the Division of Professional Licensure (ISA) to continue all racing financial and operational activities. This ISA continued in full force and effect through December 31, 2012.

RACING OPERATIONS, subsequent to December 31, 2012

The Racing Division of the Massachusetts Gaming Commission assumed control of the fiscal and operational activities of the old State Racing Commission upon the expiration of the ISA with the Division of Professional Licensure.

STATE RACING COMMISSION

ADMINISTRATIVE OFFICE

Acting Director of Racing and Chief State Veterinarian

Alexandra Lightbown, D.V.M.

Acting Financial Officer and Transition Coordinator

Douglas A. O'Donnell

Auditor III

Marta M. Ferreira

Program Coordinator II

John E. Hill, Jr.

MASSACHUSETTS GAMING COMMISSION

LICENSING

One of the Commission's foremost responsibilities is the issuance of occupational licenses to every person who participates in racing, and the issuance of licenses to associations who operate the Commonwealth's racetracks and simulcast facilities.

3,137 APPLICATIONS FOR LICENSURE PROCESSED IN 2012

The licensing process requires that every person who participates in racing complete an application, and that all questions must be answered truthfully. The application is reviewed for completeness by Commission Inspectors who then forward the application to the Massachusetts State Police Racing Commission Unit, who conduct a background check of the applicant. Once the background check is completed, the application is sent to the Board of Stewards/Judges at each track. The Board reviews the application and may interview the applicant. The Stewards/Judges determine if the applicant has the required integrity, ability, and the eligibility for the license for which the applicant has applied. The Commission also has access to the Association of Racing Commissioners' International (ARCI) files in Lexington, Kentucky. These files maintain a record of every racing related offense attributed to an applicant anywhere in the country. The Commission provides reciprocity to other jurisdictions and their licensing decisions.

If the Stewards/Judges recommend licensing an applicant, the Inspectors collect the required fee and enter the appropriate information in the Commission's computer network. The applicant is issued a license card that entitles him to a photo identification badge. No person may enter any restricted area of a racetrack without a photo identification badge. During 2012, the Racing Commission issued 3,137 occupational licenses to persons participating in horse racing in the State. Occupations licensed include jockeys, drivers, trainers, assistant trainers, owners of racing animals, blacksmiths, racing officials, vendors, stable employees and pari-mutuel clerks.

2 ASSOCIATION LICENSES ISSUED

Consistent with the Massachusetts General Laws, the Commission held public hearings in the fall of 2011 on applications for two licenses to conduct running horse and harness racing meetings during 2012. Public hearings were held in Boston and Plainville, Massachusetts.

The Racing Commission issued a running horse racing license to Sterling Suffolk Racecourse, LLC, located in East Boston, to conduct thoroughbred racing in

MASSACHUSETTS GAMING COMMISSION

calendar year 2012 at a facility known as Suffolk Downs. The Commission also issued a harness horse racing license to Ourway Realty, LLC, located in Plainville, to conduct standardbred racing in calendar year 2012 at a facility known as Plainridge Racecourse.

In the fall of 2012, the Commission held public hearings on two applications to conduct racing in 2013. Public hearings were held in Boston and Plainville, Massachusetts, resulting in the issuance of a running horse racing license for 2013 to Sterling Suffolk Racecourse and a harness horse racing license for 2013 to Ourway Realty, LLC to be conducted at their respective facilities.

INSPECTORS

Racing Inspectors

George E. Carifio, Racing Inspector II
Jeffrey Bothwell, Racing Inspector II
Richard J. Ford, Racing Inspector II

Racing Inspectors supervise the operation of the Commission's field offices located at Suffolk Downs, Raynham Park, and Plainridge Racecourse. These individuals must possess a thorough knowledge of the rules and regulations of the racing industry, and the ability to interpret them. Additionally, Racing Inspectors maintain a close liaison with the Stewards, Judges, Racing Officials, Track Security, State Police, and the Racing Commission to ensure that operations at each track are efficient and effective.

PROCESS OCCUPATIONAL LICENSES

Inspectors review and process all license applications. In 2012, the Inspectors processed 3,137 applications and collected \$75,660 in license fees and \$9,610 in badge fees. They also collected \$6,750 in fines. Occupational licenses expire annually on December 31.

RESOLVE COMPLAINTS

The Commission Inspector is the most accessible and visible Commission representative at the track. Complaints and disputes are usually initiated with the Inspectors. Complaints and disputes that cannot be resolved at the field level are then reported to the Commission Office for further action.

MASSACHUSETTS GAMING COMMISSION

SUPERVISE TESTING AREA

A State Inspector supervises the testing areas at each track in order to ensure proper collection and continuity of evidence for blood and urine samples obtained from racing animals. Testing Assistants who are employed for each program are trained, scheduled and supervised in their activities by the Inspectors in compliance with established procedures. In 2012, Commission Veterinarians collected 729 blood samples. Commission Testing Assistants collected 1,888 urine samples from horses that participated at Massachusetts racetracks. The samples were tested at the Racing Commission Laboratory for prohibited drugs and medications that could affect the performance of a racing animal. Out of 2,617 samples collected, 6 samples tested positive for prohibited substances. These findings are reported to the Stewards/Judges for appropriate disciplinary action.

AUDITORS

Acting Auditor/Chief Financial Officer

Douglas O'Donnell

Auditors

Marta M. Ferreira, Auditor III

Frank Sclafani, Auditor III

Paul M. Buttner, Auditor II

Robert Hickman, Auditor II

Maryanne M. Regnetta, Auditor II

PARI-MUTUEL OPERATIONS -- COMPLIANCE ENSURED

Pari-mutuel responsibilities include overseeing the proper distribution of the handle. The handle is the total amount of money wagered at each performance and the percentage or take-out of the handle is determined by statute. Proceeds from the handle are distributed to specific categories from purse accounts to Capital and Promotional Trust Funds.

SAFEGUARDS

All money wagered at each racetrack is logged into a cash/sell totalizator (tote) system. At the start of each live race, the Commission Steward/Judge locks the wagers into the computer. For simulcast races, standard industry protocol is

MASSACHUSETTS GAMING COMMISSION

used to stop betting. Printouts from the tote system are audited by the Racing Commission Auditors for accuracy and compliance with current statutes.

DAILY AUDIT

A summary sheet, detailing the breakdown of the statutory take-out is prepared by Commission Auditors for each individual racing performance. For live racing, the information is provided by the on-site tote system. For signal received simulcast races, a report from the host track is faxed to the guest track. This report is used in conjunction with on-track reports to complete the summary sheet. This activity ensures that the public, the Commonwealth, purse accounts, and all designated trust funds are properly funded. The Commission Auditors prepare a handle reconciliation report on a daily basis. This report shows the handle broken down as to live, signal sent and signal received. Further, the balance of all current unclaimed winning tickets and the liquidity of the mutuel department are audited on a daily basis by the Commission Auditors.

ANNUAL AUDIT

Racing Commission Auditors conduct annual audits with the racetracks. An annual audit of the purse accounts is conducted to ensure that appropriate funds are deposited in the appropriate accounts as required by statute and that the funds are used appropriately when withdrawn from the accounts.

MASSACHUSETTS STATE POLICE INVESTIGATIVE UNIT

Sergeant

Michael Scanlan

Troopers

Robert Miller
Winifred Rennie
Joseph Sinkevich

The Commission's goals of protecting racing participants and the wagering public as well as maintaining the public's confidence in pari-mutuel wagering are achieved through the Commission's licensing, revenue collection and

MASSACHUSETTS GAMING COMMISSION

investigative activities. The State Police Investigative Unit plays a vital role in achieving the goals of the Commission.

M.G.L. CHAPTER 128A, SECTION 8

The Racing Commission applies to the Department of Public Safety for an assignment of a complement of police officers. The Commission assigns State Police officers to guard the property and protect the lives and safety of the public and animals at the racing meets at the two race tracks. In the performance of their duties, the State Police Investigative Unit investigates violations of the rules of racing and the Massachusetts General Laws. The Investigative Unit's extensive responsibilities and activities have resulted in a major improvement in the Commission's regulatory/policing functions.

STABLE INSPECTIONS

Stable inspections focus on the detection of safety violations, the presence of unlicensed persons in restricted areas and the possession of illegal medications, drugs and syringes. These inspections are conducted by officers assigned to the State Police Unit and aid in preserving the integrity of racing.

6 POSITIVE DRUG TESTS – 0 CONTROLLED MEDICATION VIOLATIONS

Protecting the integrity of racing involves animals racing free of prohibited drugs and medications. The State Police Investigative Unit is responsible for ensuring that the testing areas where samples are collected are secure and that the continuity of evidence is maintained with all samples. The State Police Unit investigates each positive drug test reported by the Racing Commission Laboratory, and interviews the trainers, veterinarians and other persons responsible. In 2012 there were 6 positive drug tests and 0 controlled medication violations.

26 EJECTIONS - 62 INVESTIGATIONS - 9 ARRESTS

In 2012, the State Police Investigative Unit conducted 62 investigations including hidden ownership of racehorses, larceny, and counterfeit money that resulted in 9 arrests and 26 ejections from Massachusetts racetracks of persons determined to be detrimental to racing.

MASSACHUSETTS GAMING COMMISSION

UNIFORMED STATE POLICE DETAILS

The State Police Investigative Unit oversees and assists the uniformed State Police detail in the test area of the horse tracks. These details are responsible for witnessing the collection of samples, ensuring the continuity of evidence for samples, and transporting samples collected in the testing area to the Racing Commission Laboratory. State Police training ensures the integrity of samples and provides expert testimony at administrative and court proceedings.

SPECIAL INVESTIGATIONS

The State Police Investigative Unit conducted investigations into the background of each individual who was a party to the application for a racetrack license in Massachusetts. The State Police Unit also conducted several special investigations with other agencies and units within the State Police concerning ten per center activity, identity investigations and drug activity.

3,137 BACKGROUND INVESTIGATIONS

The State Police Investigative Unit conducted 3,137 background investigations on Racing Commission employees, racing officials and occupational licensees who participate at Massachusetts racetracks.

THOROUGHBRED-STANDARD BRED RACING

Suffolk Downs and Plainridge Racecourse were required to schedule a minimum of 80 calendar days of live racing in 2012. Previously 100 calendar days of racing were required; the amendment was made in Chapter 230 of the Acts of 2012.

The State Police Unit committed itself to maintain a constant presence at each racetrack, especially during live racing, working closely with the Stewards/Judges and other Commission and racing officials to help ensure that each track operated honestly and credibly.

MASSACHUSETTS GAMING COMMISSION

LABORATORY

Chief State Veterinarian

Alexandra Lightbown, D.V.M.

Chief of Laboratory

Vacant

Senior Chemist

Vacant

Assistant Chemists

Lucille Saccardo – B.S., Animal Science. Chemist II
Melchor S. Layon - A.S., Chemist II

The State Racing Commission Laboratory is an important link in the Racing Commission's effort to ensure that quality racing exists within the Commonwealth. The primary function of the Commission Laboratory is to analyze samples of urine and blood for the presence of any drug that is of such character as could affect the racing condition of the animal. Samples are taken from every winning horse and any other horse(s) designated by Commission officials. A specially trained staff performs testing at facilities located within the State Laboratory Institute in Jamaica Plain.

INTEGRITY OF SAMPLES ENSURED

Special precautions are taken at all Massachusetts racetracks when post-race blood and urine samples are collected to ensure that no tampering can take place. In order to assure the continuity of evidence, every winning horse and all designated horses are under the surveillance of a uniformed State Police officer and/or Racing Commission employee from the finish of the race until the specimens are obtained. Samples are properly identified and transported immediately after the close of each racing day by a uniformed State Police officer to the Commission Laboratory in Jamaica Plain and placed in a locked laboratory locker for analysis the following day.

MASSACHUSETTS GAMING COMMISSION

Racing Commission Laboratory personnel assume responsibility for custody of the samples once the samples are placed in the laboratory locker. To avoid any bias, the chemist identifies the sample by number only. Any positive results are reported directly to the Racing Commission.

1,888 URINE SAMPLES – 729 BLOOD SAMPLES ANALYZED

Despite a heavy workload, the Racing Commission's Laboratory provides high quality results. The Commission Laboratory screened approximately 2,617 biological samples for the presence of illegal drugs and prohibited medications. Many other items confiscated in the course of investigations are also submitted for analysis. These items may include feed preparations, vitamins, liniments, antibiotics, other pharmaceuticals and medical devices such as needles and syringes.

UNIFORM TESTING / SOPHISTICATED INSTRUMENTS

Each blood and urine sample received by the Commission Laboratory is screened by specialized tests to comply with ARCI-QAP guidelines for drug detection. These tests include specific extraction procedures, Thin Layer Chromatography (TLC), and Enzyme-Linked Immunosorbent Assays (ELISA).

Massachusetts allows the use of phenylbutazone ("bute") and furosemide, with conditions, under the direction of the Controlled Medication Program and the Bleeder Medication Program. The Commission Laboratory monitors these two drugs in all equine samples received.

6 DRUG FINDINGS - 0 MEDICATION PROGRAM VIOLATIONS

Upon positive confirmation of a drug finding, the Commission Laboratory contacts the Racing Commission office in Boston, and reports the name of the drug found, track name, date of the race, and the sample identification number. Only at this time does the Racing Commission supply the Commission Laboratory with the race number, animal's name and trainer's name for inclusion in an official report. The report is directed to the State Racing Commission, with a copy to the Racing Commission State Police Investigative Unit and a copy to the respective track Judge or Steward for additional investigation and subsequent prosecution and/or other action.

During 2012, the Racing Commission Laboratory confirmed 6 drug findings and 0 medication program violations

MASSACHUSETTS GAMING COMMISSION

VETERINARIANS

Chief State Veterinarian

Alexandra Lightbown, D.V.M.

Contract Veterinarians

Kristin Esterbrook, D.V.M.
Kevin Lightbown, D.V.M.
Lorraine O'Connor, D.V.M.

The Commission Veterinarians play an indispensable function in ensuring that the quality and integrity of racing within the Commonwealth remains strong by protecting the health and welfare of the equine athletes in Massachusetts.

SUPERVISE THE STATE RACING COMMISSION LABORATORY

The Chief Veterinarian works with the Commission Laboratory to ensure drug testing remains current and of high quality. One method used to test the laboratory is through the use of double blind drug testing.

SUPERVISE EQUINE DRUG TESTING AREA

A Commission Veterinarian supervises the testing areas in order to ensure proper collection and continuity of evidence for blood and urine samples collected from the racing animals.

TESTIFY AT COMMISSION HEARINGS/MEETINGS

Commission Veterinarians testify at hearings on medication use, drug violations, animal care, new policies and procedures, etc.

MASSACHUSETTS GAMING COMMISSION

STEWARDS/JUDGES

Enforcement of the rules and regulations of racing begins with the prosecution of violators by the Board of three Stewards/Judges at the racetrack. One Steward/Judge is appointed by the racetrack and must be approved by the Racing Commission and licensed as a racing official. Two Stewards/Judges are appointed by the Racing Commission.

RESPONSIBILITIES

The Stewards and Judges are responsible for reviewing all occupational license applications and recommending or not recommending the applicant for a license. The Stewards and Judges are present at the racetrack each day on which there is live racing and they oversee everything from drawing of post positions to making official the results of every race. In addition, the Stewards/Judges preside over all hearings conducted at the track and report their rulings and findings to the Racing Commission.

Before post time of the first race, the Stewards/Judges review the daily program of races to note any changes or errors. Changes are reported to each department that might be affected by the change (i.e., mutuels, paddock judges, patrol judges, starters, clerk of the course, clerk of scales, program director and announcer). All changes are also reported promptly to the wagering public.

After observing every live race, both live and on television monitors, the Stewards/Judges mark the order of finish as the horses cross the finish line. They give the first four unofficial finishers to the Mutuel Department, post an inquiry, review an objection and request a photo finish when necessary. If there is an apparent violation of the rules, the Stewards/Judges review the videotape and then make a decision before making the results of the race official.

ENFORCEMENT OF RULES AND REGULATIONS

The most significant responsibility of the Commission is the enforcement of the rules and regulations of racing. It is only as a result of conscientious, consistent and aggressive enforcement of the rules and regulations that we are able to ensure honest racing.

122 RULINGS

If a violation of the rules occurs, the judges notify all the parties involved of a scheduled hearing. After conducting the hearing, the Stewards/Judges

MASSACHUSETTS GAMING COMMISSION

determine if any penalty such as a fine or suspension, purse redistribution, or other sanction should be imposed. Violators are advised of their right of appeal to the Racing Commission. 122 separate rulings were written by the Boards of Stewards/Judges at Massachusetts racetracks in 2012.

APPEALS

The Racing Commission reviews the Stewards/Judges' decisions. If any licensee disagrees with a decision of the Stewards/Judges, they may appeal to the Commission. The Commission affords appellants adjudicatory hearings on the merits of their appeals. If appellants are dissatisfied with the decision of the Racing Commission, they may appeal to the Superior Court of the Commonwealth in accordance with Chapter 30A of the General Laws.

<u>Hearings</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Board of Judges/Stewards	134	135	85	122
Racing Commission	31	23	12	11

Sanctions

Fines	84	78	60	76
Suspensions	25	44	15	44

MASSACHUSETTS GAMING COMMISSION

RACING FINANCIALS

FISCAL YEAR 2012 -- JULY 1, 2011 TO JUNE 30, 2012

RECEIPTS

0131	Commission	\$1,634,822.65
2700	Fines and Penalties	5,350.00
3003	Association License Fees	435,900.00
3004	Licenses and Registrations	76,045.00
4800	Assessments	769,757.18
5009	Unpaid Tickets	504,479.65
6900	Miscellaneous	13,389.89

TOTAL RECEIPTS: \$3,439,744.37

EXPENDITURES

FISCAL YEAR 2012 APPROPRIATION (7006-0110)

Total Available \$1,600,253.00

EXPENDITURES

AA	Regular Employee Compensation	785,939.28
BB	Regular Employee Related Expenses	6,008.42
CC	Contractor Payroll	224,680.26
DD	Pension/Insurance, Related Expenses	20,610.83
EE	Administration Expenses	45,316.19
FF	Laboratory Supplies	48,813.94
GG	Rent on Laboratory	88,999.00
JJ	Operational Services	77,934.92
LL	Equipment Lease/Maintenance	10,906.45
UU	Information Technology	<u>19,949.43</u>

TOTAL EXPENDITURES \$1,329,158.72

REVENUES

\$3,515,255.80 IN REVENUES COLLECTED

In addition to licensing racetracks and participants, the Racing Commission has a primary responsibility to collect revenue in accordance with Chapters 128A and 128C of the General Laws. Each licensed racetrack pays a commission as determined by law in addition to license fees and other assessments. Commission Inspectors collect occupational license fees, badge fees and fines. The State Racing Commission collected \$3,515,255.80 from Massachusetts racetracks in 2012. This figure is \$157,205.51 less than what was collected in 2011. All Commission activities are revenue driven as Commission expenditures come from Commission revenue and are made in a priority order in accordance with Section 5(h) of Chapter 128A. The chart on the following page details the Commission's revenues and expenditures for 2011 and 2012.

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION
Racing Development and Oversight Fund
Statement of Program Revenue and Expenses
Calendar years 2012 & 2011

	<u>2012</u>	<u>2011</u>
Program Revenue:		
Commissions	\$ 1,545,691	\$ 1,494,644
Occupational licenses	75,660	70,605
Assessments	752,055	750,579
Association licenses daily fee	414,900	378,600
Fines	6,750	4,350
Unclaimed tickets ("outs")	710,590	965,312
Total revenue by source	3,505,646	3,664,090
Program Expenses:		
Unclaimed tickets distributed to racetrack purse accounts	504,480	525,674
Unclaimed tickets transferred to Racing Stabilization Fund	206,110	439,638
Local aid (transfer to state)	1,070,039	852,448
Sub total	1,780,629	1,817,760
Available for Racing Commission operations	1,725,017	1,846,330
Racing commission operations (transfer to state)	1,403,733	1,261,232
Racing commission adjustment to expenditures	226,441	1,063
Racing commission operations (direct charges)	893,466	94,153
Total Racing commissions operations	1,523,640	1,356,448
Available for other program costs	201,377	489,882
Other programs costs -		
Health & welfare - stable & backstretch workers, The Eighth Pole	80,000	80,000
Economic assistance program	20,000	20,000
Compulsive gamblers - Dept. of Public Health	101,377	110,000
Total other program costs	201,377	210,000
Available for distributions to racetracks' purse accounts	0	279,882
Distributions to racetrack purse accounts	0	279,882
Fund balance, end of year	\$ 0-	\$ 0-

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION
2012 RACING DEVELOPMENT AND OVERSIGHT FUND
COMMENTS

	Live and On Track	Revenue Collected	
Handle and Revenue by track:	<u>Handle</u>	<u>Comm. & Fees</u>	<u>OUTs *</u>
Sterling Suffolk Downs	\$ 142,764,361	\$ 1,206,154	356,764
Plainridge Racetrack	43,803,057	575,319	147,716
Taunton & Massasoit Dog Tracks	36,197,994	768,991	206,110
Wonderland Greyhound Park**	5,144,691	244,592	0
Total revenue by track	\$ 227,910,103	\$ 2,795,056	\$ 710,590

* Unclaimed wagers (“outs”) collected from the horse tracks are distributed to the purse accounts of the licensees that generated the unclaimed wagers. At dog tracks unclaimed wagers are transferred to the Racing Stabilization Fund.

** Wonderland ceased operations August 18, 2010 and reopened on June 2, 2011 at Suffolk Downs.

Local Aid - Transfers to State:

Local aid to host communities is the first priority expenditure of this calendar year program. It is paid quarterly at .35 percent times amounts wagered during the quarter ended six months prior to the payment. Included here as calendar year 2012 program expenses are local aid distributions paid for the quarters ended March, June, September and December 2012.

Operations of the SRC (direct charges):

The following expenses for the operations of the racing commission were charged directly to the Racing and Oversight Development Fund, account 70060001 during calendar year 2012.

	<u>Direct Charges</u>
Payroll, contract salaries stewards, judges, testing assist and vets.	\$582,758
Administration & Indirect cost assessment,	67,467
Fringe benefits employee related and insurance	111,888
State police and courier	64,500
Laboratory rent & supplies	50,771
Equipment maintenance	6,133
Equipment purchases	2,799
I.T.	7,149
Total direct charges for operations of the racing commission	\$ 983,465

MASSACHUSETTS GAMING COMMISSION

	STATE RACING CY12 EXPENSES	Budgetary Appropriation		Direct Charges	
Sub./		REG 70060110	REG 10500110 ISA	MGC 1050003 ISA	TOTAL CY 12
Object	Component	1/1/12 to 5/19/12	5/20/12 to 6/30/12	7/1/12 to 12/31/12	1/1/12 to 12/31/12
AA	Regular employee compensation	275,821.81	116,608.73	385,721.52	778,152.06
A01	Regular payroll	276,000.11	116,114.71	385,238.97	777,353.79
A07	Shift differential	234.44	81.28	482.55	798.27
A08	Overtime Pay				
A10	Holiday Pay	(412.74)	412.74		
A12	Sick leave buy back	-			
A13	In lieu of vacation	-			
BB	Regular employee related expenses	2,034.80	1,721.40	3,154.80	6,911.00
B01	Out of state travel				
B02	In state travel	1,934.80	1,721.40	3,154.80	6,811.00
B05	Conferences, training & registrations	100.00			100.00
B06	Memberships, dues & license fees				
B10	Exigent job related expenses				
CC	Contractor payroll	31,341.26	68,740.00	197,036.25	297,117.51
C23	Contract - Management Consultant/SRC Coordinator	31,151.26	13,845.00	44,996.25	89,992.51
C29	Contract payroll: stewards, & judges, testing and vets	190.00	54,895.00	152,040.00	207,125.00
DD	Pension & insurance	6,502.34	3,595.56	108,733.03	118,830.93
D09	Fringe benefit reimbursement (charge back)	6,502.34	3,595.56	107,728.03	
D10	Fidelity bond	-		1,005.00	1,005.00
EE	Administrative expenses	16,039.79	10,191.83	67,467.20	
E01	Office and administrative supplies	610.24	1,123.38	1,728.25	3,461.87
E02	Print expenses	-			
E04	Central reprographic (charge back)	-			

MASSACHUSETTS GAMING COMMISSION

E05	Postage (charge back)	1,110.54	555.00		93,698.82
E12	Subscriptions and memberships	-	8,500.00		8,500.00
E13	Advertising expenses	-		418.11	418.11
E15	Bottled water	153.27	13.45	78.01	244.73
E16	Indirect cost recoupment	-		65,006.33	65,006.33
E27	Prior Year Deficiency				
E53	Liability management reduction fund	-		236.50	236.50
E56	IT Consolidation (chargeback)	13,980.04			
E98	Reimbursement for Board Travel	185.70			
FF	Laboratory supplies	4,554.99	15,295.17	2,135.21	21,985.37
F05	Laboratory and testing supplies	4,554.99	15,295.17	2,135.21	21,985.37
GG	Rent on laboratory	40,364.00		48,636.00	89,000.00
G01	Rent on laboratory UMMS	40,364.00		48,636.00	89,000.00
JJ	Operational services	14,820.90	8,460.69	64,500.45	87,782.04
JJ2	Stenographic and courier services	18.75		317.91	336.66
J25	Medical procedures (autopsies on animals)	-			-
J28	Law enforcement - State Police overtime	14,802.15	8,460.69	64,182.54	87,445.38
KK	Programmatic Equipment Purchase	2,798.35			2,798.35
K05	Office Equipment	2,798.35			2,798.35
LL	Equipment lease & maintenance	4,668.00		6,133.41	10,801.41
L45	Office equipment maintenance & repair	-			
L46	Photocopy equipment maintenance & repair	-		385.41	385.41
L49	Medical equipment maintenance & repair	4,668.00		5,748.00	10,416.00
UU	Information technology	7,585.07	1,827.58	7,149.40	16,562.05
U02	Telecommunication services - voice (formerly E08)	1,708.49	455.18	1,122.22	3,285.89
U03	Software and info tech licenses	228.54			228.54
U04	Information & technology chargeback	628.69	298.34		927.03
U05	Information technology professionals	2,040.00		2,805.00	4,845.00
U06	IT Cabling	160.49			160.49

MASSACHUSETTS GAMING COMMISSION

U07	IT Equipment Purchase	-			
U08	Information technology equipment lease and rentals	2,148.12	1,074.06	3,222.18	6,444.36
U09	IT equipment maintenance & repair	-			
U10	IT Equipment maintenance & Repair	670.74			670.74
	Total Spending for SRC Operations	403,732.96	226,440.96	893,465.62	\$ 1,523,639.54

RACING COMMISSION BUSINESS

MEETINGS AND HEARINGS

During 2012, the Racing Commission held 4 business meetings at the main Commission Office in Boston or at other designated locations. Each meeting was called in compliance with the provisions of Chapter 372 of the Acts of 1978. As of May 19, 2012, all meetings were conducted by the Massachusetts Gaming Commission in compliance with the Gaming Act of 2011.

In addition, as required by Chapter 128A of the Massachusetts General Laws, the Commission held public hearings in the fall of 2012 on applications for two licenses to conduct running horse or harness racing meetings for calendar year 2013. The hearings were held in Boston and Plainville. The Commission approved the association licenses for Sterling Suffolk Racecourse, LLC, to conduct thoroughbred racing in 2013 and for Ourway Realty, LLC, to conduct harness horse racing in 2013 at their respective facilities.

The Racing Division in 2012 presided over 11 adjudicatory hearings as a result of appeals from rulings of the Stewards and Judges at the various racetracks in the Commonwealth.

DECISIONS APPEALED TO THE RACING DIVISION

The Gaming Commission, sitting as a quasi-judicial body pursuant to the Massachusetts Administrative Procedures Act, adjudicated 24 appeals. The Commission has taken extensive precautions to ensure licensees due process throughout the appeal process. The Commission initiated a Stay-of-Suspension process. This permits licensees suspended by the Stewards/Judges for a minor violation of the rules that does not compromise the integrity of racing to continue to participate in racing until the licensee has been provided a hearing by the Commission and a decision made. Procedural safeguards were adopted to prevent licensees from abusing the Stay privilege. Hearings are conducted as soon as practicable from the time of the granting of a Stay, thereby preventing a licensee from participating while on a Stay status for an extended period of time.

MASSACHUSETTS GAMING COMMISSION

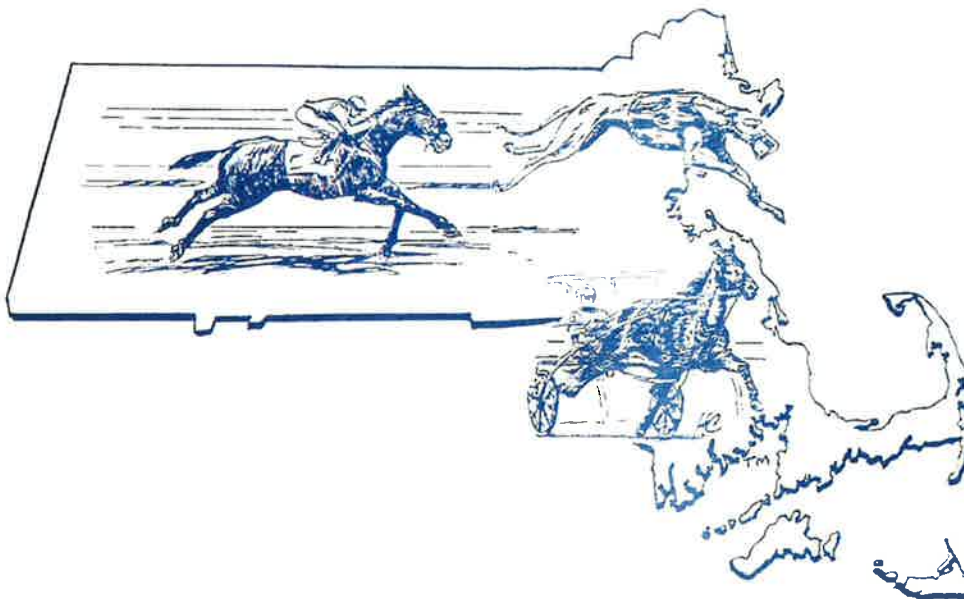
DUE PROCESS AFFORDED ALL LICENSEES

Licensees charged with a violation of the rules that may result in the loss of a license are entitled to a hearing pursuant to the Administrative Procedures Act (APA). Formal disciplinary hearings held by the Racing Division follow the requirements established in the Massachusetts APA. These requirements include issuing timely notice of hearings, providing the opportunity for an appellant to confront witnesses and to be represented by counsel.

COMMISSION DECISIONS APPEALED TO SUPERIOR COURT

In addition to hearing appeals, the Racing Division must prepare a complete record and legal decision for each case that is appealed to the Superior Court. When the record is completed and certified, it is forwarded to the Government Bureau of the Attorney General's Office and is assigned to an Assistant Attorney General who defends the case in court. The Commission and the Attorney General work closely together to present the best possible case in Superior Court. In calendar year 2012, there was only one case pending appellate review.

The Racing Division takes this opportunity to thank the Attorney General's Office for the diligent, professional and expert defense of Commission cases.



RACETRACKS

NOTES ON CHARTS AND GRAPHS

In this 2012 Annual Report, the following terminology is used in reporting simulcast events.

“Signal Received” is categorized as “On Track Simulcast,” as this is the signal sent from a remote track being received locally.

“Signal Sent” is categorized as “Off-Track Simulcast,” as this is the local signal being sent to a remote track.

MASSACHUSETTS GAMING COMMISSION

HANDLE CALENDAR YEARS 2010, 2011, 2012

	2010	2011	2012
Live			
Raynham	0	0	0
Wonderland	0	0	0
Plainridge	1,584,498	1,476,452	1,358,788
Suffolk	8,878,836	7,725,019	7,691,012
Total Live	10,463,334	9,201,471	9,049,800
On-Track Simulcast			
Raynham	42,827,404	37,154,037	36,197,994
Wonderland	11,194,266	2,523,747	5,144,691
Plainridge	48,064,038	46,066,114	42,444,269
Suffolk	131,637,340	128,327,170	135,427,343
Total On-Track	233,723,048	214,071,068	218,860,402
Off-Track Simulcast			
Raynham	0	0	0
Wonderland	0	0	0
Plainridge	9,911,390	5,811,080	9,783,458
Suffolk	94,185,289	62,408,714	69,202,678
Total Off-Track	104,096,679	68,219,794	78,986,136
Total Handle	\$ 348,283,061	\$ 291,492,333	\$ 306,896,338

MASSACHUSETTS GAMING COMMISSION

HANDLES 2011 vs. 2012 FINANCIAL VARIANCE REPORT

Category	2011	2012	Variance	% Variance
Live Performances	160	160	0	0%
Live Handle	9,201,471	9,049,800	(151,671)	(1.64%)
Simulcast On-Track	214,071,068	218,860,402	4,789,334	2.23%
Simulcast Off-Track	68,219,794	78,986,136	10,766,342	15.78%
Total Simulcast	282,290,862	297,846,538	15,555,676	5.51%
Total Handle	291,492,333	306,896,338	15,404,005	5.28%
Commissions	1,494,643.53	1,545,691.35	51,047.82	3.41%
Assessments	750,578.90	752,354.98	1,776.08	0.12%
Association				
License Fee	378,600.00	414,900.00	36,300.00	9.58%
Occupational License Fee	70,605.00	75,660.00	5,055.00	7.15%
Outstanding Tickets	965,312.06	710,590.00	(254,722.06)	(26.38%)
Fines & Penalties	4,350.00	6,750.00	2,400.00	55.12%
Miscellaneous	<u>8,371.82</u>	<u>9,610.00</u>	<u>1,238.88</u>	14.78%
TOTAL REVENUES	\$ 3,672,461.31	\$ 3,515,556.33	(\$ 156,905.00)	(4.27%)

MASSACHUSETTS GAMING COMMISSION

Analysis of Purses Paid Compared to Statutory Requirements – 2011

	<u>Plainridge</u>	<u>Suffolk</u>
Purses paid:		
Number of live performances 2010	100	101
Purses paid 2010	\$ 2,471,815	\$ 8,728,896
2010 Average purses per performance	\$ 24,718	\$ 86,425
Number of live performances 2011	79	80
Purses paid 2011	\$ 2,275,803	\$ 9,200,606
2011 Average purses per performance	\$ 28,808	\$ 115,008
Increase (decrease) in 2011 compared to 2010	\$ (196,012)	\$ 471,710
Average change per performance	\$ 4,089	\$ 28,583
% change per performance	16.5%	33.1%
Racing commission purse distributions made in 2011		
Purse 2010 distribution	\$ -	-
April 2011 (2009 OUT's returned)	171,079	354,595
Total Chapter 139 distributions to track purse accounts	\$ 171,079	\$ 354,595
Statutory purses		
Racing commission purse distributions applied to		
2011 purse account - See notes	\$ 171,079	\$ 354,595
Purses as a percentage of handle	1,943,304	5,825,759
Premiums received	173,436	909,194
Minimum purses required for 2011	2,287,819	7,089,548
Actual purses paid by track for 2011	2,275,803	8,828,656
Variance - over / (under) statutory amounts	\$ (12,016)	\$ 1,739,108

* Mass Breeders Purse not included

STERLING SUFFOLK RACECOURSE, LLC

SUFFOLK DOWNS BOARD OF STEWARDS

Commission Stewards

Susan Walsh, Chief Commission Steward
John H. Morrissey, Associate Steward

Association Steward

Russell G. Derderian

ADMINISTRATIVE HEARINGS

The primary responsibility of the Stewards is to interpret and enforce the rules of racing as promulgated by the Commonwealth of Massachusetts.

In carrying out this duty, the Stewards presided as judges, issuing 75 rulings in 2012 - resulting in 41 fines and 30 suspensions.

MASSACHUSETTS GAMING COMMISSION

Suffolk 2012 vs. 2011 FINANCIAL VARIANCE REPORT

Category	2012	2011	Variance	%
Live Performances	80	80		0%
Live Handle	7,691,012	7,725,019	(34,007)	(4.4%)
Simulcast On-Track	135,073,348	128,327,170	6,746,178	5.25%
Simulcast Off- Track	69,202,678	62,408,714	6,793,964	10.88%
Total Simulcast	204,276,026	190,735,884	13,537,142	7.09%
Total Handle	211,967,038	198,460,903	13,506,135	6.80%
Commissions	564,179.05	539,175.22	24,973.00	4.63%
Assessments	453,982.74	422,939.27	31,043.47	7.33%
Association License Fee	99,000.00	100,200.00	(1,200.00)	(1.19%)
Occupational License Fee	51,125.00	47,745.00	3,380.00	7.07%
Outstanding Tickets	304,684.28	354,595.47	(49,911.19)	(14.07%)
Fines & Penalties	3,125.00	2,700.00	425.00	15.74%
Miscellaneous	<u>5,985.00</u>	<u>5,599.90</u>	<u>385.10</u>	6.87%
TOTAL REVENUES	\$ 1,482,081.07	\$ 1,472,954.86	\$ 9,126.21	7.00%

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION
 Summary of Pari-mutuel Activities at Suffolk
 January 01, 2012 to December 31, 2012

Type: All Track Groups
 Pools and Commissions

Number of Events: 502

Menu	Pools	Commissions
Win/Place/Show	\$23,450,234.13	\$3,977,549.12
Exotic	42,597,379.95	9,515,052.21
Total	\$66,047,613.13	\$13,492,601.33

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	0.00
Breaks to CIF	331,142.86
Minus Breaks	44,372.77
Net Breakage	\$286,770.09

Premiums

Suffolk	\$0.00
Plainridge	105,940.98
Raynham	0.00
Wonderland	0.00
Total Premiums	\$105,940.98

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$98,508.59	0.00000	\$173,462.57	\$271,971.15
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	0.00	0.00000	7,590.97	7,590.97
Promotional Fund	0.00000	32,251.05	0.00000	63,514.08	95,765.13
Purses	0.00000	1,064,720.12	0.00000	1,904,726.78	2,969,446.89
Breeders	0.00000	130,174.49	0.00000	235,078.91	365,253.40
In-State Host Fee	0.00000	2,898.17	0.00000	9,464.73	12,362.90
Premiums	0.00000	27,821.31	0.00000	85,276.77	113,098.08
Tufts Veterinary	0.00000	0.00	0.00000	18,296.53	18,296.53
Division of Fairs	0.00000	0.00	0.00000	0.00	0.00
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	2,075,459.52	0.00000	3,885,850.03	5,961,309.55
Total Fees	0.00000	3,431,833.24	0.00000	6,383,261.37	9,815,094.60
Retained by Track	0.00000	545,715.88	0.00000	3,131,790.84	3,677,506.73
Total Commission	0.00000	\$3,977,549.12	0.00000	\$9,515,052.21	\$13,492,601.33

State Commission	\$271,971.15	Promo Fund	\$95,765.13
Daily License Fee	99,000.00	Cap Fund	\$338,733.83
Assessment	453,982.74	Grey Adopt	\$0.00
Sub Total	\$824,953.89	Stabilization	\$0.00

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION
Summary of Pari-mutuel Activities at Express Bets
 January 01, 2012 to December 31, 2012

Type: All Track Groups
 Pools and Commissions

Number of Events: 763

Menu	Pools	Commissions
Win/Place/Show	\$3,422,557	\$573,412.60
Exotic	6,493,465	1,432,883.13
Total	\$9,916,022	\$2,006,295.73

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	0.00
Breaks to CIF	44,737.43
Minus Breaks	508.15
Net Breakage	\$44,229.28

Premiums

Suffolk	\$0.00
Plainridge	0.00
Raynham	12,202.73
Wonderland	0.00
Total Premiums	\$12,202.73

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$13,073.21	0.00000	\$24,759.06	\$37,832.27
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	0.00	0.00000	2,178.69	2,178.69
Promotional Fund	0.00000	4,124.65	0.00000	9,887.03	14,011.68
Purses	0.00000	139,743.47	0.00000	265,613.09	405,356.56
Breeders	0.00000	16,964.77	0.00000	34,101.42	51,066.19
In-State Host Fee	0.00000	488.51	0.00000	2,591.93	3,080.44
Premiums	0.00000	0.00	0.00000	0.00	0.00
Tufts Veterinary	0.00000	0.00	0.00000	544.76	544.76
Division of Fairs	0.00000	0.00	0.00000	0.00	0.00
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	266,962.76	0.00000	521,498.03	788,460.79
Total Fees	0.00000	441,357.37	0.00000	861,174.00	1,302,531.37
Retained by Track	0.00000	132,055.23	0.00000	571,709.13	703,764.36
Total Commission	0.00000	\$573,412.60	0.00000	\$1,432,883.13	\$2,006,295.73

State Commission	\$37,832.27	Promo Fund	\$14,011.68
Daily License Fee	0.00	Cap Fund	\$46,916.12
Assessment	0.00	Grey Adopt	\$0.00
Sub Total	\$37,832.27	Stabilization	\$0.00

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION

Summary of Pari-mutuel Activities at Twin Spires

January 01, 2012 to December 31, 2012

Type: All Track Groups

Number of Events: 180

Pool and Commissions

Menu	Pool	Commissions
Win/Place/Show	\$10,978,275	\$0.00
Exotic	16,443,382	5,491,726.59
Total	\$27,421,657	\$5,491,726.59

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	0.00
Breaks to CIF	120,383.11
Minus Breaks	6,116.71
Net Breakage	\$114,266.40

Premiums

Suffolk	\$0.00
Plainridge	46,163.22
Raynham	0.00
Wonderland	0.00
Total Premiums	\$46,163.22

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$41,687.34	0.00000	\$62,442.75	\$104,130.09
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	0.00	0.00000	7,467.37	7,467.37
Promotional Fund	0.00000	12,689.34	0.00000	26,414.77	39,104.11
Purses	0.00000	445,244.28	0.00000	669,004.24	1,114,248.52
Breeders	0.00000	53,170.24	0.00000	86,990.68	140,160.92
In-State Host Fee	0.00000	2,473.35	0.00000	6,301.24	8,774.59
Premiums	0.00000	18,376.19	0.00000	27,837.25	46,213.44
Tufts Veterinary	0.00000	0.00	0.00000	1,078.23	1,078.23
Division of Fairs	0.00000	0.00	0.00000	0.00	0.00
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	502,329.27	0.00000	699,332.31	1,201,661.58
Total Fees	0.00000	1,075,970.01	0.00000	1,586,068.83	2,662,038.83
Retained by Track	0.00000	-1,075,970.01	0.00000	3,904,857.76	2,828,887.76
Total Commission	0.00000	\$0.00	0.00000	\$5,491,726.59	\$5,491,726.59

State Commission	\$104,130.09	Promo Fund	\$39,104.11
Daily License Fee	0.00	Cap Fund	\$127,850.48
Assessment	0.00	Grey Adopt	\$0.00
Sub Total	\$104,130.09	Stabilization	\$0.00

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION

Summary of Pari-mutuel Activities at TVG

January 01, 2012 to December 31, 2012

Type: All Track Groups

Number of Events: 739

Pool and Commissions

Menu	Pool	Commissions
Win/Place/Show	\$16,507,758	\$2,747,098.41
Exotic	22,871,311	5,025,001.29
Total	\$39,379,069	\$7,772,099.70

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	0.00
Breaks to CIF	168,542.50
Minus Breaks	9,692.23
Net Breakage	\$158,850.27

Premiums

Suffolk	\$0.00
Plainridge	69,392.06
Raynham	0.00
Wonderland	0.00
Total Premiums	\$69,392.06

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$63,007.25	0.00000	\$87,238.29	\$150,245.54
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	0.00	0.00000	10,169.46	10,169.46
Promotional Fund	0.00000	19,350.16	0.00000	36,706.52	56,056.68
Purses	0.00000	673,548.20	0.00000	936,425.20	1,609,973.40
Breeders	0.00000	80,705.15	0.00000	121,402.45	202,107.60
In-State Host Fee	0.00000	0.00	0.00000	0.00	0.00
Premiums	0.00000	26,430.84	0.00000	40,671.82	67,102.66
Tufts Veterinary	0.00000	0.00	0.00000	1,961.16	1,961.16
Division of Fairs	0.00000	0.00	0.00000	0.00	0.00
Greyhound Adaption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	606,857.26	0.00000	949,614.48	1,556,471.74
Total Fees	0.00000	1,469,898.85	0.00000	2,184,189.38	3,654,088.23
Retained by Track	0.00000	1,277,199.56	0.00000	2,840,811.91	4,118,011.47
Total Commission	0.00000	\$2,747,098.41	0.00000	\$5,025,001.29	\$7,772,099.70

State Commission	\$150,245.54	Promo Fund	\$56,056.68
Daily License Fee	0.00	Cap Fund	\$178,711.96
Assessment	0.00	Grey Adopt	\$0.00
Sub Total	\$150,245.54	Stabilization	\$0.00

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Sterling Suffolk Racecourse, LLC (6000177133)

Capital Improvement Trust Fund (7006 0022)

Statement of Activities

FY 2012 - July 2011 through May 19, 2012

Fund balance, Beginning of period	1,161,221.04	
Program revenue & interest	<u>592,699.94</u>	
Funds available	1,753,920.98	
Less expenditures	<u>500,063.22</u>	
Fund balance, end of period	1,253,857.76	Transferred
Funds required for approved projects	<u>261,906.25</u>	
Excess or (deficit) of funds available for approved projects	<u>991,951.51</u>	

Status of Individual Projects

<u>Work Item</u>	Project <u>Number</u>	Balance @ 7/1/11,			FY2012 <u>Expenditures</u>	Status/ Funds <u>Required</u>
		Approved Reim. <u>or RFR Amount</u>	<u>RFC</u>	<u>RFR</u>		
Architect & engineering fees	none	n/a	n/a	n/a	12,150.90	
Replace dining room ceiling	SCI 10-1	26,432.37	y	y	26,432.37	-
Repair Racetrack Rail	SCI 2010-9	109,394.52	y	y	109,394.52	-
Emergency Repair Broken Pipes	SCI 2011-1	16,939.48	y	y	16,939.48	-
Fiber Optic Backbone	SCI 2011-2	4,916.49	y	y	4,916.49	-
New Roof Barn 9 & Dorms	SCI 2011-3	23,500.00	y	y	23,500.00	-
Emergency Poles & Wire	SCI 2011-4	4,749.92	y	y	4,749.92	-
Condemned Poles	SCI 2011-5	12,565.00	y	y	12,565.00	-
Replace Security Cameras & Equip	SCI 2011-6	17,380.35	y	y	17,380.35	-
Resurface Track	SCI 2011-7	75,000.00	y	n	-	75,000.00
Demolition Barn 1 + 3	SCI 2011-8	176,609.88	y	y	176,609.88	-
Escalator Repairs	SCI 2011-9	11,819.31	y	y	11,819.31	-
Replace Trane Compressor	SCI 2011-10	12,500.00	y	y	12,500.00	-
Pedestrian Ramp Reconstruction	SCI 2011-11	60,450.00	y	y	60,450.00	-
Replace Kitchen Equipment	SCI 2011-12	10,655.00	y	y	10,655.00	-
Barn Rehab	SCI 2011-13	150,000.00	y	n	-	150,000.00
Bobcat Skid-Steer Loader	SCI 2012-1	36,906.25	y	n	-	36,906.25
		<u>\$ 749,818.57</u>			<u>\$ 500,063.22</u>	<u>261,906.25</u>

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Sterling Suffolk Racecourse, LLC (6000177133)

Capital Improvement Trust Fund (1005 0022)

Statement of Activities

FY 2012 - May 20, 2012 through June 30, 2012

	<u>Fiscal year to date</u>
Fund balance, beginning of period	1,253,857.76
Program revenue & interest	<u>121,324.45</u>
Funds available	1,375,182.21
Less expenditures	<u>-</u>
Fund balance, end of period	1,375,182.21
Funds required for approved projects	<u>261,906.25</u>
Excess or (deficit) of funds available for approved projects	<u><u>\$ 1,113,275.96</u></u>

Status of Individual Projects

<u>Work Item</u>	<u>Project Number</u>	Balance @ 5/20/12		<u>RFC</u>	<u>RFR</u>	FY2012	Status/ Funds Required
		Approved Reim. or RFR Amount					
Architect & engineering fees	none	n/a	n/a	n/a	-	n/a	
Resurface Track	SCI 2011-7	75,000.00	y	n	-	75,000.00	
Barn Rehab	SCI 2011-13	150,000.00	y	n	-	150,000.00	
Bobcat Skid-Steer Loader	SCI 2012-1	36,906.25	y	n	-	36,906.25	
		<u>\$ 261,906.25</u>			-	<u>\$ 261,906.25</u>	

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Sterling Suffolk Racecourse, LLC (6000177133)

Promotional Trust Fund (7006 0021)

Statement of Activities

FY 2012 - July 2011 through May 19, 2012

	<u>Fiscal year to date</u>	
Fund balance, beginning of period	62,123.97	
Program revenue & interest	<u>166,964.93</u>	
Funds available	229,088.90	
Less expenditures	<u>171,000.00</u>	
Fund balance, end of period	58,088.90	Transferred
Funds required for approved projects	<u>443,121.75</u>	
Excess (deficit) of funds available for approved projects	<u><u>(385,032.85)</u></u>	

Status of Individual Projects

<u>Work Item</u>	<u>Project Number</u>	Balance @ 7/1/11,		RFR	FY2012	Status/ Funds
		Approved Reim. or RFR Amount	RFR Rec'd			
2007 Spring Fall Campaign	SPT 07-1	171,000.00		RFR	171,000.00	-
2008 Direct mail advertising	SPT 08-1	443,121.75		RFR	-	443,121.75
		<u>\$ 614,121.75</u>			<u>\$ 171,000.00</u>	<u>\$ 443,121.75</u>

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Sterling Suffolk Racecourse, LLC (6000177133)

Promotional Trust Fund (1005 0021)

Statement of Activities

FY 2012 - May 20, 2012 through June 30, 2012

	<u>Fiscal year to date</u>
Fund balance, beginning of period	\$ 58,088.90
Program revenue & interest	<u>34,240.41</u>
Funds available	92,329.31
Less expenditures	<u>-</u>
Fund balance, end of period	92,329.31
Funds required for approved projects	<u>443,121.75</u>
Excess or (deficit) of funds available for approved projects	<u><u>\$ (350,792.44)</u></u>

Status of Individual Projects

<u>Work Item</u>	Project <u>Number</u>	Balance @ 5/20/12			FY2012 <u>Expenditures</u>	Status/ Funds <u>Required</u>
		Approved Reim. or RFR Amount	<u>RFC</u>	<u>FR</u>		
2008 Direct mail advertising	SPT 08-1	\$443,121.75	y	y	-	\$443,121.75
		<u>\$443,121.75</u>			-	<u>\$443,121.75</u>

PLAINRIDGE RACECOURSE

PLAINRIDGE BOARD OF JUDGES

Commission Judges

Lawrence Rooney, Chief Commission Judge
Salvatore Panzera, Associate Judge

Association Judge

Peter Tomilla, presiding Judge

ADMINISTRATIVE HEARINGS

The primary responsibility of the Board of Judges is to interpret and enforce the rules of racing as promulgated by the Commonwealth of Massachusetts.

In carrying out this duty, the Judges issued 46 rulings in 2012 – resulting in 35 fines and 14 suspensions.

MASSACHUSETTS GAMING COMMISSION

Plainridge 2012 vs. 2011 FINANCIAL VARIANCE REPORT

Category	2012	2011	Variance	% Variance
Live Performances	80	80		%
Live Handle	1,358,788	1,476,452	(117,664)	(7.96%)
Simulcast On-Track	42,444,269	46,066,114	(3,621,845)	(7.86%)
Simulcast Off- Track	9,783,458	5,811,080	3,972,378	68.35%
Total Simulcast	52,227,727	51,877,194	350,533	0.67%
Total Handle	53,586,515	53,353,646	232,869	0.43%
Commissions	313,807.05	335,745.57	(21,938.52)	(6.53%)
Assessments	146,637.90	155,960.74	(9,322.84)	(5.97%)
Association License Fee	108,900.00	110,400.00	(1,500.00)	(1.35%)
Occupational License Fee	24,535.00	22,800.00	1,735.00	7.60%
Outstanding Tickets	176,645.83	171,078.54	5,567.29	3.25%
Fines & Penalties	3,625.00	1,650.00	1,975.00	119.69%
Miscellaneous	<u>2,650.00</u>	<u>2,305.00</u>	<u>(345.00)</u>	14.96%
TOTAL REVENUES	\$ 776,800.78	\$ 799,939.85	(\$ 23,139.07)	(2.89%)

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION

Summary of Pari-mutuel Activities at Plainridge

January 01, 2012 to December 31, 2012

Type: All Track Groups

Number of Events: 1307

Pools and Commissions

Menu	Pools	Commissions
Win/Place/Show	\$13,157,096	\$2,232,162.82
Exotic	30,645,961	6,946,576.69
Total	\$43,803,057	\$9,178,739.51

Distribution of Breaks

Association Breaks	\$14,819.65
Breaks to Stabilization Fund	0.00
Breaks to CIF	181,033.46
Minus Breaks	21,344.81
Net Breakage	\$174,508.30

Premiums

Suffolk	\$654,448.13
Plainridge	0.00
Raynham	204,097.98
Wonderland	0.00
Total Premiums	\$758,546.11

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$62,337.25	0.00000	\$251,469.80	\$313,807.05
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	1,377.07	0.00000	48,231.07	49,608.13
Promotional Fund	0.00000	14,632.78	0.00000	71,843.94	86,476.72
Purses	0.00000	536,082.65	0.00000	1,253,164.30	1,789,246.95
Breeders	0.00000	58,889.15	0.00000	143,372.50	202,261.65
In-State Host Fee	0.00000	27,278.68	0.00000	50,116.34	77,394.02
Premiums	0.00000	199,159.76	0.00000	354,354.93	553,514.69
Tufts Veterinary	0.00000	0.00	0.00000	0.00	0.00
Division of Fairs	0.00000	0.00	0.00000	1,138.99	1,138.99
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	572,342.40	0.00000	1,209,036.14	1,781,378.54
Total Fees	0.00000	1,472,099.73	0.00000	3,382,727.00	4,854,826.73
Retained by Track	0.00000	760,063.09	0.00000	3,563,849.69	4,323,912.78
Total Commission	0.00000	\$2,232,162.82	0.00000	\$6,946,576.69	\$9,178,739.51

State Commission	\$313,807.05	Promo Fund	\$86,476.72
Daily License Fee	108,900.00	Cap Fund	\$230,641.59
Assessment	146,837.90	Grey Adopt	\$0.00
Sub Total	\$569,344.95	Stabilization	\$0.00

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Ourway Realty, LLC - Plainridge Race Course (0000120837)

Capital Improvement Trust Fund (7006 0013)

Statement of Activities

FY 2012 - July 2011 through May 19, 2012

Fund balance, Beginning of period	\$ 19,048.40
Program revenue & interest	<u>207,958.89</u>
Funds available	227,007.29
Less expenditures	<u>142,417.28</u>
Fund balance, end of period	84,590.01
Funds required for approved projects	<u>899,120.41</u>
Excess or (deficit) of funds available for approved projects	<u><u>\$ (814,530.40)</u></u>

Status of Individual Projects

<u>Work Item</u>	<u>Project Number</u>	<u>Balance @ 7/1/11, Approved Reim. or RFR Amount</u>	<u>RFR Rec'd</u>	<u>FY2012 Expenditures</u>	<u>Status/ Funds Required</u>
Architect & engineering fees	none	n/a	n/a	497.10	n/a
Parking/Facility Renovation	PCI 10-03	1,041,040.59	RFR	141,920.18	899,120.41
		<u>\$ 1,041,040.59</u>		<u>\$ 142,417.28</u>	<u>\$ 899,120.41</u>

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Ourway Realty, LLC - Plainridge Race Course (0000120837)

Capital Improvement Trust Fund (1005 0013)

Statement of Activities

FY 2012 - May 20, 2012 through June 30, 2012

	<u>Fiscal year to date</u>
Fund balance, beginning of period	\$ 84,590.01
Program revenue & interest	<u>39,070.91</u>
Funds available	123,660.92
Less expenditures	<u>80,087.11</u>
Fund balance, end of period	43,573.81
Funds required for approved projects	<u>819,033.30</u>
Excess or (deficit) of funds available for approved projects	<u>\$ (775,459.49)</u>

Status of Individual Projects

<u>Work Item</u>	<u>Project Number</u>	Balance @ 5/20/12			<u>FY2012 Expenditures</u>	<u>Status/ Funds Required</u>
		<u>Approved Reim. or RFR Amount</u>	<u>RFC</u>	<u>RFR</u>		
Architect & engineering fees	none	n/a	n/a	n/a	-	n/a
Parking/Facility Renovation	PCI 10-03	899,120.41	y	y	80,087.11	819,033.30
		<u>\$ 899,120.41</u>			<u>\$ 80,087.11</u>	<u>\$ 819,033.30</u>

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Ourway Realty, LLC - Plainridge Race Course (0000120837)

Promotional Trust Fund (7006 0012)

Statement of Activities

FY 2012 - July 2011 through May 19, 2012

	<u>Fiscal year to date</u>	
Fund balance, beginning of period	\$ 9,466.59	
Program revenue & interest	<u>77,982.76</u>	
Funds available	87,449.35	Transferred
Less expenditures	<u>-</u>	
Fund balance, end of period	87,449.35	
Funds required for approved projects	<u>-</u>	
Excess (deficit) of funds available for approved projects	<u>\$ 87,449.35</u>	

(NO ACTIVITY)

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS GAMING COMMISSION

Ourway Realty, LLC - Plainridge Race Course (0000120837)

Promotional Trust Fund (1005 0012)

Statement of Activities

FY 2012 - May 20, 2012 through June 30, 2012

	<u>Fiscal year to date</u>
Fund balance, beginning of period	\$ 87,449.35
Program revenue & interest	<u>14,170.04</u>
Funds available	101,619.39
Less expenditures	<u>-</u>
Fund balance, end of period	101,619.39
Funds required for approved projects	<u>-</u>
Excess or (deficit) of funds available for approved projects	<u><u>\$ 101,619.39</u></u>

(NO ACTIVITY)

STATUS OF GREYHOUND RACETRACKS IN 2012

As a result of Chapter 388 of the Acts of 2008, the two greyhound racetracks located in the Commonwealth were precluded from conducting greyhound races effective January 1, 2010. Therefore, no live greyhound races were conducted during 2012.

Chapter 167 of the Acts of 2009, and subsequently, Chapter 203 of the Acts of 2010 allowed these facilities to continue operations as simulcasting venues without conducting the minimum of 100 live racing performances mandated by Chapter 128C of the General Laws. These facilities offered pari-mutuel wagering on greyhound races conducted outside the Commonwealth as well as both in-state and out of state thoroughbred and harness races, with conditions.

Massasoit Greyhound Association and Taunton Greyhound, Inc. continued simulcasting operations throughout 2012 at Raynham/Taunton Greyhound Park.

Wonderland Greyhound Park continued simulcasting operations, at their facility, until August 18, 2010, when it closed down its racing activities. On June 2, 2011 Wonderland reopened its simulcast operations at Suffolk Downs.

Chapter 194 of the Acts of 2011 (section 92) has extended greyhound simulcast racing through July 31, 2014.

MASSACHUSETTS GAMING COMMISSION

Raynham 2012 vs. 2011 FINANCIAL VARIANCE REPORT

Category	2012	2011	Variance	%
Live Performances	0	0	0	0.00%
Live Handle	0	0	0	0.00%
Simulcast On-Track	36,198,094	37,154,037	(955,943)	(2.57%)
Simulcast Off- Track	0	0	0	0.00%
Total Simulcast	36,198,094	37,154,037	(955,943)	(2.57%)
Total Handle	36,198,094	37,154,037	(955,943)	(2.57%)
Commissions	539,087.90	556,628.99	(17,541.09)	(3.15%)
Assessments	121,288.74	149,059.45	(27,770.71)	(18.63%)
Association License Fee	108,300.00	106,800.00	1,500.00	1.40%
Occupational License Fee	210.00	30.00	(180.00)	(600%)
Outstanding Tickets	182,598.88	304,578.84	(121,979.96)	(40.04%)
Fines & Penalties	0.00	0.00	\$0.00	0.00%
Miscellaneous?	<u>105.00</u>	<u>309.99</u>	<u>(204.99)</u>	(66.12%)
TOTAL REVENUES	\$ 951,590.52	\$ 1,117,407.27	(\$ 165,816.70)	(14.83%)

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION

Summary of Pari-mutuel Activities at Raynham

January 01, 2012 to December 31, 2012

Type: All Track Groups

Number of Events: 115

Pools and Commissions

Menu	Pools	Commissions
Win/Place/Show	\$6,303,214	\$1,076,165.22
Exotic	29,894,780	6,795,460.25
Total	\$36,197,994	\$7,871,625.47

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	108,002.95
Breaks to CIF	0.00
Minus Breaks	2,791.71
Net Breakage	\$105,211.24

Premiums

Suffolk	\$448,600.59
Plainridge	98,336.28
Raynham	0.00
Wonderland	0.00
Total Premiums	\$546,936.87

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$57,203.30	0.00000	\$481,884.60	\$539,087.90
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	3,948.97	0.00000	50,701.99	54,650.96
Promotional Fund	0.00000	9,508.82	0.00000	64,519.11	74,027.93
Purses	0.00000	0.00	0.00000	0.00	0.00
Breeders	0.00000	0.00	0.00000	0.00	0.00
In-State Host Fee	0.00000	15,733.74	0.00000	52,439.86	68,173.60
Premiums	0.00000	146,183.34	0.00000	407,388.48	553,571.82
Tufts Veterinary	0.00000	0.00	0.00000	0.00	0.00
Division of Fairs	0.00000	0.00	0.00000	920.44	920.44
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	217,408.77	0.00000	902,804.11	1,120,292.88
Total Fees	0.00000	450,066.94	0.00000	1,960,658.59	2,410,725.53
Retained by Track	0.00000	626,098.28	0.00000	4,834,801.66	5,460,899.94
Total Commission	0.00000	\$1,076,165.22	0.00000	\$6,795,460.25	\$7,871,625.47

State Commission	\$539,087.90	Promo Fund	\$74,027.93
Daily License Fee	108,300.00	Cap Fund	\$54,650.96
Assessment	121,288.74	Grey Adopt	\$0.00
Sub Total	\$768,676.64	Stabilization	\$100,002.95

MASSACHUSETTS GAMING COMMISSION

Wonderland 2012 vs. 2011 FINANCIAL VARIANCE REPORT

Category	2012	2011	Variance	% Variance
Live Performances	0	0	0	0.00%
Live Handle	0	0	0	0.00%
Simulcast On-Track	5,144,691	2,523,747	2,620,944	103.85%
Simulcast Off- Track	0	0	0	0.00%
Total Simulcast	5,144,691	2,523,747	2,620,944	103.85%
Total Handle	5,144,691	2,523,747	2,620,944	103.85%
Commissions	128,617	63,093.75	(180,073.04)	(74.05%)
Assessments	17,275	22,619.44	(22,371.48)	(49.72%)
Association License Fee	98,700	61,200.00	(6,600.00)	(9.73%)
Occupational License Fee	0.00	30.00	(30.00)	(100.00%)
Outstanding Tickets	10,352.10	135,059.21	18,001.88	(13.32%)
Fines & Penalties	0.00	0.00	0.00	0.00%
Miscellaneous	<u>0.00</u>	<u>156.93</u>	<u>(156.93)</u>	<u>(100.00%)</u>
TOTAL REVENUES	\$ 254,844.10	\$ 282,159.33	\$ 27,315.23	(9.60%)

MASSACHUSETTS GAMING COMMISSION

MASSACHUSETTS STATE RACING COMMISSION

Summary of Pari-mutuel Activities at Wonderland

January 01, 2012 to December 31, 2012

Type: All Track Groups

Number of Events: 926

Pools and Commissions

Menu	Pools	Commissions
Win/Place/Show	\$684,697	\$124,304.01
Exotic	4,459,994	1,048,763.99
Total	\$5,144,691	\$1,173,068.00

Distribution of Breaks

Association Breaks	\$0.00
Breaks to Stabilization Fund	14,601.56
Breaks to CIF	0.00
Minus Breaks	262.10
Net Breakage	\$14,339.46

Premiums

Suffolk	\$0.00
Plainridge	0.00
Raynham	0.00
Wonderland	0.00
Total Premiums	\$0.00

Distribution of Commissions	WPS Take-Out	WPS Comm	Exotic Take-Out	Exotic Comm	Total
State Commission	0.00000	\$17,117.43	0.00000	\$111,499.85	\$128,617.28
Racing Stabilization Fund	0.00000	0.00	0.00000	0.00	0.00
Capital Improvement Fund	0.00000	1,711.74	0.00000	11,149.99	12,861.73
Promotional Fund	0.00000	1,711.74	0.00000	11,149.99	12,861.73
Purses	0.00000	0.00	0.00000	0.00	0.00
Breeders	0.00000	0.00	0.00000	0.00	0.00
In-State Host Fee	0.00000	0.00	0.00000	0.00	0.00
Premiums	0.00000	0.00	0.00000	0.00	0.00
Tufts Veterinary	0.00000	0.00	0.00000	0.00	0.00
Division of Fairs	0.00000	0.00	0.00000	0.00	0.00
Greyhound Adoption Fund	0.00000	0.00	0.00000	0.00	0.00
Out of State Host Fee	0.00000	29,119.55	0.00000	164,616.74	193,736.29
Total Fees	0.00000	49,660.46	0.00000	298,416.56	348,077.02
Retained by Track	0.00000	74,643.55	0.00000	750,347.43	824,990.98
Total Commission	0.00000	\$124,304.01	0.00000	\$1,048,763.99	\$1,173,068.00

State Commission	\$128,617.28	Promo Fund	\$12,861.73
Daily License Fee	98,700.00	Cap Fund	\$12,861.73
Assessment	17,275.20	Grey Adopt	\$0.00
Sub Total	\$244,592.48	Stabilization	\$14,601.56

LABORATORY ANNUAL REPORT

**The Commonwealth of Massachusetts
State Racing Commission Laboratory
305 South Street
Jamaica Plain, MA 02130**

QUALITY RACING

The State Racing Commission Laboratory is an important link in the Racing Commission's effort to ensure the integrity of pari-mutuel racing, to guard the health of the race animals and to safeguard the interest of the wagering public and racing participants within the Commonwealth. The primary function of the State Racing Commission Laboratory is to analyze samples of urine and blood for the presence of any drug which is of such character as could affect the racing condition of the animal. Samples are taken from every winning horse and any other horse designated by Racing Commission officials in cooperation with track officials. In the calendar year 2012, 2,617 samples were tested from Plainridge Racecourse and Suffolk Downs. Testing is performed by a specially trained staff at modern facilities located within the State Laboratory Institute, University of Massachusetts Medical School, Jamaica Plain Campus.

LABORATORY STAFF

Chief of Laboratory

Vacant

Assistant Chemists

Lucille Saccardo, B.S., Animal Science
Melchor S. Layon, A.S.

INTEGRITY OF SAMPLES ENSURED

Special precautions are taken at all Massachusetts race tracks when post race urine and blood samples are collected to ensure that no tampering can take place. In order to assure the continuity-of-evidence, every winning horse and all designated horses are under the surveillance of a uniformed Massachusetts State Police officer and a Racing Commission Testing Assistant from the finish of

MASSACHUSETTS GAMING COMMISSION

the race until specimens are obtained. All equine samples are properly identified and transported immediately after the close of each racing performance by a uniformed Massachusetts State Police officer to the Racing Commission Laboratory in Jamaica Plain and placed in a locked and refrigerated laboratory locker for analysis the following day.

Responsibility for the custody of samples is assumed by the State Racing Commission Laboratory personnel once the samples have been placed in the laboratory locker or upon receipt of locked boxes. To eliminate bias, the chemist identifies the sample by number only. After analyses are completed, any positive results are reported directly to the State Racing Commission.

DRUG FINDINGS

In the calendar year 2012, the State Racing Commission Laboratory analyzed the following numbers of samples for the presence of drugs:

<u>SOURCE</u>	<u>URINE</u>	<u>BLOOD</u>	<u>POSITIVES*</u>
Thoroughbred	970	430	0
Harness	918	299	6
TOTALS	1888	729	6

* Not including Controlled/Bleeder Medication Program violations.

CONTROLLED MEDICATION PROGRAM

All equine urine samples submitted were subjected to screening for phenylbutazone and/or its metabolites as per the Massachusetts State Racing Commission rules with the following results: No violations of the controlled medication program were found.

DRUG FOUND IN SAMPLES

The following prohibited drug was reported in post-race samples:

<u>SOURCE</u>	<u>DRUG FOUND</u>	<u>#SAMPLES</u>
Plainridge	Flunixin	6

MASSACHUSETTS GAMING COMMISSION

BLEEDER MEDICATION PROGRAM

All equine urine samples submitted were subjected to screening for the presence of furosemide as per the Massachusetts State Racing Commission Bleeder Medication Program Rules with the following results:

Source	Lasix Found Not On Program	No Lasix Found On Program
Thoroughbred	-0-	-0-
Harness	-0-	-0-

SUMMARY

Official Urine & Blood Samples Analyzed for 2012

Month	<u>Suffolk</u>		<u>Plainridge</u>		<u>Monthly Totals</u>	
	Urine	Blood	Urine	Blood	Urine	Blood
January					0	0
February					0	0
March					0	0
April			44	17	44	17
May			148	36	148	36
June	206	57	112	40	318	97
July	205	96	147	43	352	139
August	178	98	122	44	300	142
September	201	99	118	44	319	143
October	163	77	115	34	278	111
November	17	3	112	41	129	44
December						
Totals	970	430	918	299	1888	729

CONTACT INFORMATION

MASSACHUSTTES GAMING COMMISSION

BOSTON OFFICE	(617) 979-8400
FAX	(617) 725-0258
WEB SITE	www.massgaming.com
PLAINRIDGE	(508) 643-2500 Ext. 109
RAYNHAM/TAUNTON	(508) 824-4071 Ext. 105
SUFFOLK DOWNS	(617) 568-3336



Division of Racing

To: Stephen Crosby, Chairman
Gayle Cameron, Commissioner
James McHugh, Commissioner
Bruce Stebbins, Commissioner
Enrique Zuniga, Commissioner

From: Jennifer Durenberger, Director of Racing

Date: 17 October, 2013

Re: Proposed changes to 205 CMR 3.29 and 4.52: Medications and Prohibited Substances

The Racing Division has assembled a final redline version of proposed changes to 205 CMR 3.29 and 205 CMR 4.52, incorporating some amendments to existing language as well as two entirely new provisions.

The new provisions reflect the culmination of a two-year process of promulgation and review by Racing Medication and Testing Consortium committees and, ultimately, the Association of Racing Commissioners International (ARCI).

Section (3)(a)(2) was approved by the ARCI board of directors on April 2, 2013. This provision incorporates a schedule of controlled therapeutic medications and associated decision levels. Section (2)(f) was approved by the ARCI board of directors on July 31, 2013. This provision introduces a point system that will attach to occupational licenses for medication violations and will enhance suspensions incurred as a result of multiple offenses.

These two provisions together constitute the Uniform Medication and Drug Testing Program initiative that we have discussed and prepared for at previous meetings. Eight jurisdictions, including this one (Delaware, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Virginia, and West Virginia), pledged initial support to this program this past spring. Since that time, another four jurisdictions (Arkansas, California, Illinois, and Kentucky) have begun to deliberate on the matter.

The goal is for the Northeast and Mid-Atlantic states to go through the rule-making process in parallel, with a simultaneous regional effective date of January 1, 2014. Maryland and Virginia each completed their rulemaking process in September, adopting the new rules with the



Massachusetts Gaming Commission

January 1 effective date. Our rulemaking process, which requires a period in the legislature, currently has us on track for an effective date of January 4, 2013.

The attached proposed rule changes have completed the first part of the Racing Division's rulemaking requirements. Notice was sent to the Local Government Advisory Council in August, public comment was solicited from September 6 – October 4th, the redlines were sent to the Secretary of the Commonwealth's office and returned without substantive comment, and a public hearing was held on October 9th.

The Racing Division notes the following:

1. The United States Trotting Association (USTA) Withdrawal of Support for the Uniform Medication Initiative

On September 25, 2013, the Executive Committee of the USTA voted unanimously to reject the controlled therapeutic medication schedule incorporated into the new uniform rules and withdraw from the Racing Medication and Testing Consortium (RMTC). The USTA notes its support of uniformity but recommends medication rules be uniform by breed. Different breeds of racehorse face different physical demands, racing schedules, and risk factors, and the USTA's position is that the rule changes "address the concerns of Thoroughbred racing and disregard harness racing entirely." In particular, they note concern about the new threshold for the medications clenbuterol and several corticosteroids.

In your packet you will find the initial press release from the USTA, the response of RCI, the response of the RMTC, and a copy of a letter announcing the withdrawal from the USTA to the MGC.

Despite a significant number of harness-industry stakeholders in the Commonwealth, we have received no other written comments in opposition of the proposed changes. Copies of the redline were sent directly to the groups representing the harness breeders and owners, as well as our harness racetrack licensee, in advance of the hearing. One occupational licensee present at the October 9th public hearing did state a concern that a potential unintended consequence of these regulations could be an increase in the use of other substances, medications, or practices as an "end-run" around the new rules and expressed a desire to see additional regulatory and policing efforts by the Commission



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2. Comments in Support of the Uniform Medication Initiative

Partly in response to the USTA's action, the National Thoroughbred Racing Association (NTRA) issued a letter to the 28 racing jurisdictions who have not yet joined the uniform medication and testing initiative urging them to do so immediately. This letter has 29 signatories, to date, including Suffolk Downs, and is included in your packet.

The Jockey Club posted an online petition in support of the proposed changes in Massachusetts to its "Horse Racing Reform" website. 198 signatures were obtained. That petition and a letter directly from the Jockey Club to the MGC are in your packet.

3. Elimination of Threshold for Stanozolol

I will draw your attention to section (8) of both rules: Androgenic-Anabolic Steroids. The Racing Medication and Testing Consortium voted on September 17th to eliminate the threshold for stanozolol. This puts this proposed change on-track for consideration for incorporation into the Racing Commissioner International's Model Rules in December. While the Racing Division was prepared to recommend the change at this time, and discussed doing so at the October 9th hearing, it has come to our attention that the entire anabolic-androgenic model rule is undergoing additional review at the RMTC Committee level at this time. As a result, we offer the proposed changes you see here – adding a threshold level for testing in blood as well as urine – to benefit our testing program. Additional consideration will be given to any future changes to the rule as approved by RCI.

Recommendation: The Racing Division recommends that the Commission consider and approve these proposed changes as they appear. If the Commission so votes, we will file a copy of the changes with the legislature for consideration as required by M.G.L. c.128A §9B.



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List of documents in packet:

Redline version of proposed changes to 205 CMR 3.29 and 4.52

Background Material:

- March 12, 2013 press release from the Thoroughbred Horsemen's Associations, Inc., *"Mid-Atlantic and Northeast States Commit to Uniform Medication and Drug Testing Program"*
- April 2, 2013 press release from Racing Commissioners International, *"RCI Approves Uniform Medication Policy"*
- July 31, 2013 press release from Racing Commissioners International, *"RCI Toughens Penalty Guidelines for Multiple Medication Violations and Blood Doping"*
- August 23, 2013 press release from the Racing Officials Accreditation Program, *"ROAP Board Endorses Penalty Guidelines for Multiple Medication Violations"*

USTA Withdrawal of Support for Uniform Medication Initiative:

- September 26, 2013 press release from the United States Trotting Association, *"USTA Rejects RCI Medication Rules; Withdraws from RMTC"*
- September 27, 2013 Statement from Racing Commissioners International on Recent Decisions by the United States Trotting Association
- October 1, 2013 position letter to MGC from the USTA and accompanying letter from the USTA to Racing Commissioners International

Comments in Support of Uniform Medication Initiative:

- September 30, 2013 draft letter from the National Thoroughbred Racing Association to 28 racing commissions (those who have not yet pledged their commitment) in support of the proposed reforms, with 29 signatories
- October 3, 2013 letter from the Jockey Club in support of the proposed reforms, with attached on-line petition containing 198 signatures

Elimination of Threshold for stanozolol

- September 20, 2013 press release from the Racing Medication and Testing Consortium explaining its vote to eliminate a recommended threshold for stanozolol



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3.29: Medications and Prohibited Substances

(1) Aggravating and Mitigating Factors

Upon a finding of a violation of 205 CMR 3.27-3.30, inclusive, the judges shall consider the classification level of the violation as listed at the time of the violation in the Uniform Classification Guidelines of Foreign Substances as promulgated by the Association of Racing Commissioners International (ARCI) and impose penalties and disciplinary measures consistent with the recommendations contained therein. The judges shall also consult with the official veterinarian, laboratory director or other individuals to determine the seriousness of the laboratory finding or the medication violation. All medication and drug violations shall be investigated and reviewed on a case by case basis. Extenuating factors include, but are not limited to:

- (a) The past record of the trainer, veterinarian and owner in drug cases;
- (b) The potential of the drug(s) to influence a horse's racing performance;
- (c) The legal availability of the drug;
- (d) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug;
- (e) The steps taken by the trainer to safeguard the horse;
- (f) The probability of environmental contamination or inadvertent exposure due to human drug use;
- (g) The purse of the race;
- (h) Whether the drug found was one for which the horse was receiving a treatment as determined by the Medication Report Form;
- (i) Whether there was any suspicious betting pattern in the race, and;
- (j) Whether the licensed trainer was acting under the advice of a licensed veterinarian.

As a result of the investigation, there may be mitigating circumstances for which a lesser or no penalty is appropriate for the licensee and aggravating factors, which may increase the penalty beyond the minimum.

(2) Penalties

- (a) In issuing penalties against individuals found guilty of medication and drug violations a regulatory distinction shall be made between the detection of therapeutic medications used routinely to treat racehorses and those drugs that have no reason to be found at any concentration in the test sample on race day.
- (b) If a licensed veterinarian is administering or prescribing a drug not listed in the ARCI *Uniform Classification Guide lines for Foreign Substances*, the identity of the drug shall be forwarded to the official veterinarian to be forwarded to the Racing Medication and Testing Consortium for classification.
- (c) Any drug or metabolite thereof found to be presenting a pre- or post-race sample which is not classified in the version of the ARCI *Uniform Classification Guidelines for Foreign Substances*

in effect at the time of the violation shall be assumed to be a ARCI Class 1 Drug and the trainer and owner shall be subject to those penalties as set forth in schedule "A" therein unless satisfactorily demonstrated otherwise by the Racing Medication and Testing Consortium, with a penalty category assigned.

(d) Any licensee of the Commission, including veterinarians, found to be responsible for the improper or intentional administration of any drug resulting in a positive test may, after proper notice and hearing, be subject to the same penalties set forth for the licensed trainer.

(e) Procedures shall be established to ensure that a licensed trainer is not able to benefit financially during the period for which the individual has been suspended. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members.

(f) Multiple Medication Violations (MMV)

1. A trainer who receives a penalty for a medication violation based upon a horse testing positive for a Class 1-5 medication with Penalty Class A-D, as provided in the version of the *ARCI Uniform Classification for Foreign Substances* in effect at the time of the violation, shall be assigned points based upon the medication's ARCI Penalty Guideline as follows:

Class	Points If Controlled Therapeutic Substance	Points If Non-Controlled Substance
Class A¹	N/A	6
Class B	2	4
Class C	1	2
Class D	½	1

2. The points assigned to a medication violation shall be included in the Judges' ruling. Such ruling shall determine, in the case of multiple positive tests as described in paragraph (4), whether they shall thereafter constitute a single violation. The Judges' ruling shall be posted on the official website of the Association of Racing Commissioners International. If an appeal is pending, that fact shall be noted in such ruling. No points shall be applied until a final adjudication of the enforcement of any such violation.

3. A trainer's cumulative points for violations in all racing jurisdictions shall be maintained and certified by the Association of Racing Commissioners International. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer's official ARCI record and shall then subject the trainer to the mandatory enhanced penalties by the Judges or Commission as provided in 205 CMR 3.29(2)(f).

4. Multiple positive tests for the same medication incurred by a licensed trainer prior to delivery of official notice by the Commission may be treated as a single violation.

¹ Except for Class 1 and 2 environmental contaminants, e.g., cocaine which shall be determined by the Judges based upon the facts of the case.

5. The official ARCI record shall constitute prima facie evidence of a licensed trainer's past record of violations and cumulative points. Nothing in 205 CMR 3.29(2)(f) shall be construed to confer upon a licensed trainer the right to appeal a violation for which all remedies have been exhausted or for which the appeal time has expired as provided by applicable law.

6. The Judges or Commission shall include all points for violations in all racing jurisdictions as contained in the trainer's official ARCI record when determining whether the mandatory enhancements provided in 205 CMR 3.29(2)(f) shall be imposed.

7. In addition to the penalty for the underlying offense, the following enhancements shall be imposed upon a licensed trainer based upon the cumulative points contained in his/her official ARCI record:

Points	Suspension in days
3-5.5	30
6-8.5	60
9-10.5	180
11 or more	360

MMV's are not a substitute for the current penalty system outlined in 205 CMR 3.29(2)(a)-(d) and are intended to be an additional uniform penalty when the licensed trainer:

- a. Has more than one violation for the relevant time period, and
- b. Exceeds the permissible number of points.

8. The suspension periods as provided above, shall run consecutive to any suspension imposed for the underlying offense.

9. The Judges' ruling shall distinguish between the penalty for the underlying offense and the enhancement based upon the licensed trainer's cumulative points.

10. Any trainer who has received a medication violation may petition the ARCI to expunge the points received for the violation for the purpose of the MMV system only. The points shall be expunged as follows:

Penalty Classification	Time to Expungement
A	Permanent
B	3 years
C	2 years
D	1 year

(3) Medication Restrictions

(a) A finding by the commission approved laboratory of a prohibited drug, chemical or other substance in a test specimen of a horse is prima facie evidence that the prohibited drug, chemical or other substance was administered to the horse and, in the case of a post-race test, was present in the horse's body while it was participating in a race. Prohibited substances include:

1. Drugs or medications for which no acceptable threshold concentration has been established;
2. Controlled therapeutic medications in excess of established threshold concentrations or administration within the restricted time period as set forth in the version of the ARCI Controlled Therapeutic Medication Schedule in effect at the time of the violation;
3. Substances present in the horse in excess of concentrations at which such substances could occur naturally; and
4. Substances foreign to a horse at concentrations that cause interference with testing procedures.

(b) Except as otherwise provided by 205 CMR 3.00, a person may not administer or cause to be administered by any means to a horse a prohibited drug, medication, chemical or other substance, including any restricted medication pursuant to 205 CMR 3.00 during the 24-hour period before post time for the race in which the horse is entered.

(4) Medical Labeling

(a) No person on association grounds where horses are lodged or kept, excluding licensed veterinarians, shall have in or upon association grounds which that person occupies or has the right to occupy, or in that person's personal property or effects or vehicle in that person's care, custody or control, a drug, medication, chemical, foreign substance or other substance that is prohibited in a horse on a race day unless the product is labeled in accordance with 205 CMR 3.29(4).

(b) Any drug or medication which is used or kept on association grounds and which, by federal or state law, requires a prescription must have been validly prescribed by a duly licensed veterinarian, and in compliance with the applicable state statutes. All such allowable medications must have a prescription label which is securely attached and clearly ascribed to show the following:

1. The name of the product;
2. The name, address and telephone number of the veterinarian prescribing or dispensing the product;
3. The name of each patient (horse) for whom the product is intended/prescribed;
4. The dose, dosage, duration of treatment and expiration date of the prescribed/dispensed product; and
5. The name of the person (trainer) to whom the product was dispensed.

(5) Non-Steroidal Anti-Inflammatory Drugs (NSAIDs)

(a) The use of one of three approved NSAIDs shall be permitted under the following conditions:

1. Not to exceed the following permitted serum or plasma threshold concentrations which are consistent with administration by a single intravenous injection at least 24 hours before the post time for the race in which the horse is entered:
 - a. Phenylbutazone – 2 micrograms per milliliter;
 - b. Flunixin – 20 nanograms per milliliter;
 - c. Ketoprofen – 10 nanograms per milliliter.
2. These or any other NSAID are prohibited to be administered within the 24 hours before post time for the race in which the horse is entered.
3. The presence of more than one of the three approved NSAIDs, in the post-race serum or plasma sample is not permitted.
 - a. A finding of phenylbutazone below a concentration of one-half (.5) microgram per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 3.29(5).
 - b. A finding of flunixin below a concentration of three (3) nanograms per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 3.29(5).
4. The use of all but one of the approved NSAIDs shall be discontinued at least 48 hours before the post time for the race in which the horse is entered.

(b) The presence of any unapproved NSAID in the post-race serum or plasma sample is not permitted.

(6) Furosemide

(a) In order for a horse to be placed on the Furosemide List the following process must be followed:

1. After the horse's licensed trainer and licensed veterinarian determine that it would be in the horse's best interests to race with furosemide the official veterinarian or his or her designee shall be notified, using the prescribed form, that the horse is to be put on the Furosemide List.
2. The form must be received by the official veterinarian or his or her designee by the time of entry.
3. A horse placed on the official Furosemide List must remain on that list unless the licensed trainer and licensed veterinarian submit a written request to remove the horse from the list. The request must be made to the official veterinarian or his or her designee, on the proper form, no later than the time of entry.
4. After a horse has been removed from the Furosemide List, the horse may not be placed back on the list for a period of 60 calendar days unless it is determined to be detrimental to the welfare of the horse, in consultation with the official veterinarian. If a horse is removed from the official Furosemide List a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.
5. Furosemide shall only be administered on association grounds.
6. Furosemide shall be the only authorized bleeder medication.
7. The use of furosemide shall not be permitted in two year olds.

(b) The use of furosemide shall be permitted under the following circumstances on association grounds where a detention barn is not utilized:

1. Furosemide shall be administered by single intravenous injection no less than four hours prior to post time for the race for which the horse is entered.
2. The furosemide dosage administered shall not exceed 250 mg. nor be less than 150 mg.
3. After treatment, the horse shall be required by the Commission to remain in the proximity of its stall in the care, custody and control of its trainer or the trainer's designated representative under general association and/or Commission security surveillance until called to the saddling paddock.

(c) Test results must show a detectable concentration of the drug in the post-race serum, plasma or urine sample.

1. The specific gravity of post-race urine samples may be measured to ensure that samples are sufficiently concentrated for proper chemical analysis. The specific gravity shall not be below 1.010;
2. Quantitation of furosemide in serum or plasma may be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

(d) A horse which has been placed on the Furosemide List in another jurisdiction pursuant to these rules shall be placed on the Furosemide List in this jurisdiction. A notation on the horse's electronic eligibility certificate of such shall suffice as evidence of being on a Furosemide List in another jurisdiction.

(7) Bleeder List

(a) The official veterinarian shall maintain a Bleeder List of all horses, which have demonstrated external evidence of exercise induced pulmonary hemorrhage from one or both nostrils during or after a race or workout as observed by the official veterinarian.

(b) Every confirmed bleeder, regardless of age, shall be placed on the Bleeder List and be ineligible to race for the minimum following time periods:

1. First incident – 14 days;
2. Second incident – 30 days;
3. Third incident – 180 days;
4. Fourth incident – barred for racing lifetime.

(c) For the purposes of counting the number of days a horse is ineligible to run, the day the horse bled externally is the first day of the recovery period.

(d) The voluntary administration of furosemide without an external bleeding incident shall not subject the horse to the initial period of ineligibility as defined by this policy.

(e) A horse which has been placed on a Bleeder List in another jurisdiction under conditions similar to 205 CMR 3.29(7) shall be placed on a Bleeder List in this jurisdiction.

(8) Androgenic-Anabolic Steroids (AAS)

(a) No AAS shall be permitted in test samples collected from racing horses except for residues of the major metabolite of stanozolol, nandrolone, and the naturally occurring substances boldenone and testosterone at concentrations less than the indicated thresholds.

(b) Concentrations of these AAS shall not exceed the following **plasma or serum thresholds for unchanged (i.e. not conjugated) substance or urine threshold concentrations for total (i.e., free drug or metabolite and drug or metabolite liberated from its conjugates):**

1. Stanozolol: **1 ng/ml of total ~~16 β -hydroxystanozolol (metabolite of stanozolol)~~ —1 ng/ml in urine ~~off for all horses regardless of sex;~~, or 25 pg/ml of stanozolol in plasma or serum of all horses regardless of sex;**
2. Boldenone: **15 ng/ml of total boldenone in urine of (~~Equipoise[®] is the undecylenate ester of boldenone~~) in male horses other than geldings, —15 ng/ml in urine. No boldenone shall be permitted in geldings or female horses. or 25 pg/ml of boldenone in plasma or serum of all horses regardless of sex;**
3. Nandrolone: **1 ng/ml of total nandrolone in urine, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares. (~~Durabolin[®] is the phenylpropionate ester and Deca-Durabolin[®] is the decanoate ester~~)**
 - a. In geldings —1 ng/ml in urine
 - b. In fillies and mares —1 ng/ml in urine
4. Testosterone:
 - a. In geldings — 20 ng/ml **total testosterone** in urine, or 25 pg/ml of testosterone in plasma or serum;
 - b. In fillies and mares — 55 ng/ml **total testosterone** in urine, or 25 pg/ml of testosterone in plasma or serum.

(c) Any other anabolic steroids are prohibited in racing horses.

(d) Post-race urine samples must have the sex of the horse identified to the laboratory.

(9) Alkalinizing Substances

The use of agents that elevate the horse's TCO₂ or base excess level above those existing naturally in the untreated horse at normal physiological concentrations is prohibited. The following levels ~~also~~ apply to blood gas analysis:

- (a) The regulatory threshold for TCO₂ is 37.0 millimoles per liter of plasma/serum ~~for horses not treated with furosemide and 39.0 millimoles per liter of plasma/serum for horses treated with furosemide and;~~ or a base excess level of 10.0 millimoles, and;
- (b) The decision level to be used for the regulation of TCO₂ is 37.0 millimoles per liter of plasma/serum plus the measurement uncertainty of the laboratory analyzing the sample ~~for horses not treated with furosemide and 39.0 millimoles per liter of plasma/serum for horses treated with furosemide plus the measurement uncertainty of the laboratory analyzing the sample for horses treated with furosemide.~~ or a base excess level of 10.4 millimoles per liter of plasma/serum.

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4.52: Medications and Prohibited Substances

(1) Aggravating and Mitigating Factors

Upon a finding of a violation of 205 CMR 4.50-4.53, inclusive, the stewards shall consider the classification level of the violation as listed at the time of the violation in the Uniform Classification Guidelines of Foreign Substances as promulgated by the Association of Racing Commissioners International (ARCI) and impose penalties and disciplinary measures consistent with the recommendations contained therein. The stewards may consult with the official veterinarian, laboratory director or other individuals to determine the seriousness of the laboratory finding or the medication violation. All medication and drug violations shall be investigated and reviewed on a case by case basis. Extenuating factors include, but are not limited to:

- (a) The past record of the trainer, veterinarian and owner in drug cases;
- (b) The potential of the drug(s) to influence a horse's racing performance;
- (c) The legal availability of the drug;
- (d) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug ;
- (e) The steps taken by the trainer to safeguard the horse;
- (f) The probability of environmental contamination or inadvertent exposure due to human drug use;
- (g) The purse of the race;
- (h) Whether the drug found was one for which the horse was receiving a treatment as determined by the Medication Report Form;
- (i) Whether there was any suspicious betting pattern in the race, and;
- (j) Whether the licensed trainer was acting under the advice of a licensed veterinarian.

As a result of the investigation, there may be mitigating circumstances for which a lesser or no penalty is appropriate for the licensee and aggravating factors, which may increase the penalty beyond the minimum.

(2) Penalties

- (a) In issuing penalties against individuals found guilty of medication and drug violations a regulatory distinction shall be made between the detection of therapeutic medications used routinely to treat racehorses and those drugs that have no reason to be found at any concentration in the test sample on race day.
- (b) If a licensed veterinarian is administering or prescribing a drug not listed in the ARCI *Uniform Classification Guide lines for Foreign Substances*, the identity of the drug shall be forwarded to the official veterinarian to be forwarded to the Racing Medication and Testing Consortium for classification.

(c) Any drug or metabolite thereof found to be presenting a pre- or post-race sample which is not classified in the version of the ARCI *Uniform Classification Guidelines for Foreign Substances* in effect at the time of the violation shall be assumed to be a ARCI Class 1 Drug and the trainer and owner shall be subject to those penalties as set forth in schedule "A" therein unless satisfactorily demonstrated otherwise by the Racing Medication and Testing Consortium, with a penalty category assigned.

(d) Any licensee of the Commission, including veterinarians, found to be responsible for the improper or intentional administration of any drug resulting in a positive test may, after proper notice and hearing, be subject to the same penalties set forth for the licensed trainer.

(e) Procedures shall be established to ensure that a licensed trainer is not able to benefit financially during the period for which the individual has been suspended. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members.

(f) Multiple Medication Violations (MMV)

1. A trainer who receives a penalty for a medication violation based upon a horse testing positive for a Class 1-5 medication with Penalty Class A-D, as provided in the version of the *ARCI Uniform Classification for Foreign Substances* in effect at the time of the violation, shall be assigned points based upon the medication's ARCI Penalty Guideline as follows:

Class	Points If Controlled Therapeutic Substance	Points If Non-Controlled Substance
Class A¹	N/A	6
Class B	2	4
Class C	1	2
Class D	½	1

2. The points assigned to a medication violation shall be included in the Stewards' ruling. Such ruling shall determine, in the case of multiple positive tests as described in paragraph (4), whether they shall thereafter constitute a single violation. The Stewards' ruling shall be posted on the official website of the Association of Racing Commissioners International. If an appeal is pending, that fact shall be noted in such ruling. No points shall be applied until a final adjudication of the enforcement of any such violation.

3. A trainer's cumulative points for violations in all racing jurisdictions shall be maintained and certified by the Association of Racing Commissioners International. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer's official ARCI record and shall then subject the trainer to the mandatory enhanced penalties by the Stewards or Commission as provided in 205 CMR 4.52(2)(f).

¹ Except for Class 1 and 2 environmental contaminants, *e.g.*, cocaine which shall be determined by the Stewards based upon the facts of the case.

4. Multiple positive tests for the same medication incurred by a trainer prior to delivery of official notice by the Commission may be treated as a single violation.

5. The official ARCI record shall constitute prima facie evidence of a licensed trainer's past record of violations and cumulative points. Nothing in 205 CMR 4.52(2)(f) shall be construed to confer upon a licensed trainer the right to appeal a violation for which all remedies have been exhausted or for which the appeal time has expired as provided by applicable law.

6. The Stewards or Commission shall include all points for violations in all racing jurisdictions as contained in the trainer's official ARCI record when determining whether the mandatory enhancements provided in 205 CMR 4.52(2)(f) shall be imposed.

7. In addition to the penalty for the underlying offense, the following enhancements shall be imposed upon a licensed trainer based upon the cumulative points contained in his/her official ARCI record:

Points	Suspension in days
3-5.5	30
6-8.5	60
9-10.5	180
11 or more	360

MMV's are not a substitute for the current penalty system set forth in 205 CMR 4.52(2)(a)-(d) and are intended to be an additional uniform penalty when the licensed trainer:

- a. Has more than one violation for the relevant time period, and
- b. Exceeds the permissible number of points.

8. The suspension periods as provided above, shall run consecutive to any suspension imposed for the underlying offense.

9. The Stewards' ruling shall distinguish between the penalty for the underlying offense and the enhancement based upon the licensed trainer's cumulative points.

10. Any trainer who has received a medication violation may petition the ARCI to expunge the points received for the violation for the purpose of the MMV system only. The points shall be expunged as follows:

Penalty Classification	Time to Expungement
A	Permanent
B	3 years
C	2 years
D	1 year

(3) Medication Restrictions

(a) A finding by the commission approved laboratory of a prohibited drug, chemical or other substance in a test specimen of a horse is prima facie evidence that the prohibited drug, chemical or other substance was administered to the horse and, in the case of a post-race test, was present in the horse's body while it was participating in a race. Prohibited substances include:

1. Drugs or medications for which no acceptable threshold concentration has been established;
2. Controlled therapeutic medications in excess of established threshold concentrations or administration within the restricted time period as set forth in the version of the ARCI Controlled Therapeutic Medication Schedule in effect at the time of the violation;
- ~~2.3.~~ Substances present in the horse in excess of concentrations at which such substances could occur naturally; and
- ~~3.4.~~ Substances foreign to a horse at concentrations that cause interference with testing procedures.

(b) Except as otherwise provided by 205 CMR 4.00, a person may not administer or cause to be administered by any means to a horse a prohibited drug, medication, chemical or other substance, including any restricted medication pursuant to 205 CMR 4.00 during the 24-hour period before post time for the race in which the horse is entered.

(4) Medical Labeling

(a) No person on association grounds where horses are lodged or kept, excluding licensed veterinarians, shall have in or upon association grounds which that person occupies or has the right to occupy, or in that person's personal property or effects or vehicle in that person's care, custody or control, a drug, medication, chemical, foreign substance or other substance that is prohibited in a horse on a race day unless the product is labeled in accordance with 205 CMR 4.52(4).

(b) Any drug or medication which is used or kept on association grounds and which, by federal or state law, requires a prescription must have been validly prescribed by a duly licensed veterinarian, and in compliance with the applicable state statutes. All such allowable medications must have a prescription label which is securely attached and clearly ascribed to show the following:

1. The name of the product;
2. The name, address and telephone number of the veterinarian prescribing or dispensing the product;
3. The name of each patient (horse) for whom the product is intended/prescribed;
4. The dose, dosage, duration of treatment and expiration date of the prescribed/dispensed product; and
5. The name of the person (trainer) to whom the product was dispensed.

(5) Non-Steroidal Anti-Inflammatory Drugs (NSAIDs)

(a) The use of one of three approved NSAIDs shall be permitted under the following conditions:

1. Not to exceed the following permitted serum or plasma threshold concentrations which are consistent with administration by a single intravenous injection at least 24 hours before the post time for the race in which the horse is entered:
 - a. Phenylbutazone – 2 micrograms per milliliter;
 - b. Flunixin – 20 nanograms per milliliter;
 - c. Ketoprofen – 10 nanograms per milliliter.
2. These or any other NSAID are prohibited to be administered within the 24 hours before post time for the race in which the horse is entered.
3. The presence of more than one of the three approved NSAIDs, in the post-race serum or plasma sample is not permitted.
 - a. A finding of phenylbutazone below a concentration of one-half (.5) microgram per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 4.52(5).
 - b. A finding of flunixin below a concentration of three (3) nanograms per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 4.52(5).
4. The use of all but one of the approved NSAIDs shall be discontinued at least 48 hours before the post time for the race in which the horse is entered.

(b) The presence of any unapproved NSAID in the post-race serum or plasma sample is not permitted.

(6) Furosemide

(a) In order for a horse to be placed on the Furosemide List the following process must be followed:

1. After the horse's licensed trainer and licensed veterinarian determine that it would be in the horse's best interests to race with furosemide the official veterinarian or his/her designee shall be notified using the prescribed form, that the horse is to be put on the Furosemide List.
2. The form must be received by the official veterinarian or his or her designee by the time of entry.
3. A horse placed on the official Furosemide List must remain on that list unless the licensed trainer and licensed veterinarian submit a written request to remove the horse from the list. The request must be made to the official veterinarian or his or her designee, on the proper form, no later than the time of entry.
4. After a horse has been removed from the Furosemide List, the horse may not be placed back on the list for a period of 60 calendar days unless it is determined to be detrimental to the welfare of the horse, in consultation with the official veterinarian. If a horse is removed from the official Furosemide List a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.

5. Furosemide shall only be administered on association grounds.

6. Furosemide shall be the only authorized bleeder medication

(b) The use of furosemide shall be permitted under the following circumstances on association grounds where a detention barn is not utilized:

1. Furosemide shall be administered by single intravenous injection no less than four hours prior to post time for the race for which the horse is entered.

2. The furosemide dosage administered shall not exceed 500 mg nor be less than 150 mg.

3. After treatment, the horse shall be required by the Commission to remain in the proximity of its stall in the care, custody and control of its trainer or the trainer's designated representative under general association and/or Commission security surveillance until called to the saddling paddock.

(c) Test results must show a detectable concentration of the drug in the post-race serum, plasma or urine sample.

1. The specific gravity of post-race urine samples may be measured to ensure that samples are sufficiently concentrated for proper chemical analysis. The specific gravity shall not be below 1.010;

2. Quantitation of furosemide in serum or plasma may be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

(d) A horse which has been placed on a Furosemide List in another jurisdiction pursuant to rules similar to 205 CMR 4.52(6) shall be placed on a Furosemide List in this jurisdiction. A notation on the horse's foal papers of such shall suffice as evidence of being on a Furosemide List in another jurisdiction.

(7) Bleeder List

(a) The official veterinarian shall maintain a Bleeder List of all horses, which have demonstrated external evidence of exercise induced pulmonary hemorrhage from one or both nostrils during or after a race or workout as observed by the official veterinarian.

(b) Every confirmed bleeder, regardless of age, shall be placed on the Bleeder List and be ineligible to race for the following minimum time periods:

1. First incident – 14 days;

2. Second incident – 30 days;

3. Third incident – 180 days;

4. Fourth incident – barred for racing lifetime.

(c) For the purposes of counting the number of days a horse is ineligible to run, the day the horse bled externally is the first day of the recovery period.

(d) The voluntary administration of furosemide without an external bleeding incident shall not subject the horse to the initial period of ineligibility as defined by 205 CMR 4.52(7).

(e) A horse which has been placed on a Bleeder List in another jurisdiction pursuant to rules similar to 205 CMR 4.52(7) shall be placed on a Bleeder List in this jurisdiction.

(8) Androgenic-Anabolic Steroids (AAS)

(a) No AAS shall be permitted in test samples collected from racing horses except for residues of the major metabolite of stanozolol, nandrolone, and the naturally occurring substances boldenone and testosterone at concentrations less than the indicated thresholds.

(b) Concentrations of these AAS shall not exceed the following **plasma or serum thresholds for unchanged (i.e. not conjugated) substance** or urine threshold concentrations for total (i.e., free drug or metabolite and drug or metabolite liberated from its conjugates):

1. Stanozolol: **1 ng/ml of total 16 β -hydroxystanozolol (metabolite of stanozolol) — 1 ng/ml in urine or for all horses regardless of sex, or 25 pg/ml of stanozolol in plasma or serum of all horses regardless of sex;**
2. Boldenone: **15 ng/ml of total boldenone in urine of (Equipoise[®] is the undecylenate ester of boldenone) in male horses other than geldings, — 15 ng/ml in urine. No boldenone shall be permitted in geldings or female horses. or 25 pg/ml of boldenone in plasma or serum of all horses regardless of sex;**
3. Nandrolone: **1 ng/ml of total nandrolone in urine, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares. (Durabolin[®] is the phenylpropionate ester and Deca-Durabolin[®] is the decanoate ester)**
 - a. In geldings — 1 ng/ml in urine
 - b. In fillies and mares — 1 ng/ml in urine
4. Testosterone:
 - a. In geldings — 20 ng/ml **total testosterone** in urine, **or 25 pg/ml of testosterone in plasma or serum;**
 - b. In fillies and mares — 55 ng/ml **total testosterone** in urine, **or 25 pg/ml of testosterone in plasma or serum.**

(c) Any other anabolic steroids are prohibited in racing horses.

(d) Post-race urine samples must have the sex of the horse identified to the laboratory.

(9) Alkalinizing Substances

The use of agents that elevate the horse's TCO₂ or **Bbase** excess level above those existing naturally in the untreated horse at normal physiological concentrations is prohibited. The following levels ~~also~~ apply to blood gas analysis:

- (a) The regulatory threshold for TCO₂ is 37.0 millimoles per liter of plasma/serum ~~for horses not treated with furosemide and 39.0 millimoles per liter of plasma/serum for horses treated with furosemide and;~~ **or a base excess level of 10.0 millimoles, and;**
- (b) The decision level to be used for the regulation of TCO₂ is 37.0 millimoles per liter of plasma/serum plus the measurement uncertainty of the laboratory analyzing the sample, ~~for~~

horses not treated with furosemide and 39.0 millimoles per liter of plasma/serum for horses treated with furosemide plus the measurement uncertainty of the laboratory analyzing the sample for horses treated with furosemide, or a base excess level of 10.4 millimoles per liter of plasma/serum.

**Materials Presented at Public Hearing
on Proposed Changes to 205 CMR 3.29 and 4.52:
Medications and Prohibited substances,
October 9, 2013**

Background Material



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FOR IMMEDIATE RELEASE

MID ATLANTIC AND NORTHEAST STATES COMMIT TO UNIFORM MEDICATION AND DRUG TESTING PROGRAM

MARCH 12, 2013- In a bold move towards the uniform regulation of medication and drug testing in North American racing, the regulators of eight states in the Mid Atlantic and Northeast have committed to implement a uniform medication and drug testing program. The agreement, spearheaded by the Thoroughbred Horsemen's Association (THA), represents the most dramatic change in medication regulation and testing in the last 50 years and could pave the way for national uniformity.

The participating states—New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia and Massachusetts—will implement the Mid Atlantic Uniform Medication Program. The Program divides medications into two new categories—Controlled Therapeutic Substances and Prohibited Substances. The Controlled Therapeutic Substances category will limit horsemen and veterinarians to 24 medications that have been recognized as appropriate for therapeutic use in racehorses to treat illness or injury. These medications were identified following intensive consultation among the American Association of Equine Practitioners (AAEP), the Racing Medication and Testing Consortium (RMTC), the Association of Racing Commissioners International (ARCI) and the industry's chemists and pharmacologists. These medications will each have a specific published restricted administration time and uniform laboratory detection level which, when combined, will enable the therapeutic treatment of the horse while ensuring that no pharmacologically significant residue of the medication will be present in the horse during a race. The presence of these and any other medication or drug in a sample collected from a horse will be strictly prohibited.

The Controlled Therapeutic Substances are: Acepromazine, Betamethasone, Butorphanol, Clenbuterol, Dantrolene, Detomidine, Dexamethasone, Diclofenac, DMSO, Firocoxib, Flunixin, Furosemide, Glycopyrrolate, Ketoprofen, Lidocaine, Mepivacaine, Methocarbamol, Methylprednisolone, Omeprazole, Phenylbutazone, Prednisolone, Procaine Penicillin, Triamcinolone acetonide and Xylazine.

The testing laboratories of the participating states will uniformly test for these substances utilizing the same state-of-the-art technology and levels of detection. To ensure that the laboratories will be working uniformly and to the highest standard, each participating state will commit its laboratory to accreditation by the recently enacted RMTC Code of Standards for Drug Testing Laboratories.

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The RMTC Code calls for laboratories conducting drug testing of equine samples to adhere to even stricter requirements than those mandated by international drug testing standards currently in place because it is specifically tailored to laboratories conducting equine drug testing. These laboratories will also begin participation in the RMTC's External Quality Assurance Program as a condition of accreditation.

Under the Program, furosemide (Salix®) will be the only medication permitted to be administered to a racehorse on race day. The regulators in the participating states have agreed to implement strict controls on the administration of this medication, including the requirement that it be administered uniformly and only by Commission designees.

Of particular note, the administration of clenbuterol will not be permitted within 14 days of a race. The intra-articular administration of a corticosteroid will not be permitted within seven days of a race. In this regard, horsemen and veterinarians will be specifically cautioned against the use of methylprednisolone acetate (DepoMedrol®) within 21 days of a race.

The participating states are awaiting final approval of the restricted time limits and uniform detection levels for the 24 therapeutic medications by the RMTC and ARCI Boards, which is expected by April 1, 2013. Each state will direct its testing laboratory to apply for RMTC Code Accreditation by April 1, 2013.

The Program will require each participating state to either amend its current rules and procedures or enact statutes, depending upon how medication is regulated in the particular state. Because of the differing requirements from state to state and the need for uniform implementation, the regulators agreed to begin the adoption process immediately following RMTC and ARCI Board approval of the Controlled Therapeutic Substances list and have agreed to a uniform implementation date of January 1, 2014. (It should be noted that the abolition of anabolic steroids in racing was uniformly implemented in a similar fashion). During the period between April 1 and December 31, the regulators will be working with the horsemen and veterinarians to ensure compliance when implementation occurs. In addition, work is ongoing on a new penalty system that will discourage initial and repeat violations and identify repeat offenders who fail to comply with medication regulations.

"The largest concentration of racing in the United States on a daily basis is conducted in the Mid Atlantic and Northeast. Some 18 racetracks operate within a 200 mile radius. Many horsemen race in more than one state and, in some instances, on the same day. There is no region in the country where uniformity is more imperative than in the Mid Atlantic and Northeast. The horsemen have been asking for this for years, the time has come, and we are finally in a position to do it. I am extremely grateful to the THA member groups for taking the lead on this critical initiative and to the ARCI, RMTC, AAEP, The Jockey Club and other industry organizations for their collaborative approach and support to make this a reality," said THA Chairman Alan M. Foreman.

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Speaking on behalf of the regulators, Delaware Thoroughbred Racing Commission Chairman Duncan Patterson, who is also the current Chairman of ARCI, said, "This is indeed a historic moment for racing and long overdue. It demonstrates that the racing industry has the means and wherewithal to join together to protect the integrity of our sport and the welfare of our horses. I urge all racing jurisdictions outside the region to immediately join in this effort so that we can achieve long-elusive national medication and drug testing uniformity."

The Program became a reality following years of scientific research by the RMTC, recommendations from the International Summit on Race Day Medication in 2011, meetings of the industry's most respected chemists and pharmacologists during 2012, meetings among Mid Atlantic regulators since 2000, The Jockey Club's work on Reformed Medication Rules in 2012 and the Report of the New York Task Force on Racehorse Health and Safety in September 2012. In addition to THA representatives and the regulators from the participating states and their staff, others who participated in the recent meetings to discuss the Program included the AAEP, TRA, The Jockey Club, ARCI, RMTC, NTRA and the Pennsylvania HBPA.

FOR FURTHER INFORMATION CONTACT:

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RCI Approves Uniform Medication Policy

Uniform medication rules takes a step forward.

Press Release

April 2, 2013



Racing Commissioners International (RCI) today gave final approval to the "RCI Controlled Therapeutic Medication Schedule", setting the stage for uniform implementation of racing medication rules in the United States and beyond.

The RCI schedule is intended to be a guide for testing laboratories in determining the level at which the presence of a substance would violate the rules and become a violation. It also creates restrictions on administering medications within times certain prior to a race, creating a clear line that horsemen and veterinarians should not cross.

"For years we have talked about uniformity but today is the first day that we can say there is agreement as to what constitutes a violation," said RCI Chairman Duncan Patterson, who is also the chairman of the Delaware Thoroughbred Racing Commission.

Twenty-four (24) substances deemed appropriate for normal equine care are included on the RCI schedule. Additional substances may be considered for inclusion in the schedule upon recommendation from the American Association of Equine Practitioners or the Racing Medication and Testing Consortium.

According to RCI, approximately 75 percent of all medication rule violations each year are for overages associated with substances contained on the RCI Schedule.

RCI President Ed Martin said regulators are being encouraged to achieve uniformity by adding the RCI schedule to their rules "by reference", a common way to incorporate a nationally recognized standard into public policy.

"If everyone works from the same schedule, we will have uniformity," Martin said, noting that a movement coordinated by the Thoroughbred Horsemen's Association is already underway in several Mid-Atlantic states to implement the RCI schedule.

Substances not contained on the schedule will be considered "prohibited", meaning they should not be present in a post-race sample at any level or at levels exceeding defined limits found elsewhere in the rules. Patterson indicated that a proposal to address overages that may be caused by environmental contaminants submitted by the National Horseman's Protective and Benevolent Association (NHBPA) will be discussed at the RCI meetings commencing in New Orleans on April 23. Also to be discussed will be modifications to the recommended penalty guidelines.



RACING COMMISSIONERS INTERNATIONAL

Press Release

Wednesday, July 31, 2013
Contact: Ed Martin (859) 224-7070

RCI Toughens Penalty Guidelines for Multiple Medication Violations (MMV) and Blood Doping

SARATOGA SPRINGS, NY - Racing Commissioners International (RCI) voted today to create a penalty point system and “enhanced” suspensions for trainers with multiple medication violations, strengthening how racing regulators deal with repeat offenders.

The RCI Board, meeting in Saratoga Springs, voted to modify the Model Rules to create an enhanced penalty which would be added to the penalty for an underlying medication rule violation in those instances where the responsible trainer has repeatedly violated medication rules.

“This system is workable and will be a deterrent to those who consistently violate our medication rules,” said Duncan Patterson, current Chair of both RCI and the Delaware Thoroughbred Racing Commission.

The RCI Board also voted to require a 10-year suspension and a \$100,000 fine for those found guilty of the administration of blood doping agents like EPO.

Under the point system, to be launched in 2014, violations of the medication rule for substances not included on the RCI Schedule of Controlled Therapeutic Substances would earn 1 to 6 points, depending on its official classification as determined by the potential to affect performance. Overages involving the 24 therapeutic medications included on the RCI schedule would earn half as many points, depending on classification.

Depending on the number of points amassed by a repeat offender, the enhanced penalty would be in the form of additional suspension days of between 30 and 360, which would be added to the underlying penalty.

The RCI system is modeled after a similar approach taken in U.S. federal sentencing guidelines.

Although regulatory violations will remain part of a licensee’s permanent record, points will be expunged after a period of time based upon the category of punishment deemed appropriate given the substance classification.

RCI President Ed Martin described Tuesday’s Model Rules Committee Meeting as “spirited” and noted that there were many regulators who supported the concept of applying points to all regulatory violations.

RCI Press Release
Wednesday, July 31, 2013

"I would anticipate that as this system is implemented there will be a desire to expand upon it," Martin said, noting that all racing regulatory entities will be expected to submit ruling violation data through a central portal into the RCI database which will track points and their expiration.

The Point System concept has been discussed for over two years and many variations have been proposed as to how it would work. "This has not been an easy project," Martin said, noting that the efforts of various regulatory and industry committees and organizations have been critical in working through the issues.

Specifically, he cited the RCI Drug Testing Standards and Practices Committee, the RCI Regulatory Attorneys Committee, the Racing Medication and Testing Consortium (RMTC), the RMTC Penalty workgroup, the Thoroughbred Horsemen's Association, and The Jockey Club as helping to "tee up" the proposal that was considered and modified by the Model Rules Committee after lengthy debate and discussion.

RCI addressed a concern brought forward by the National HBPA concerning trainers who might be cited for multiple violations involving the same medication on the same day due to changes in testing protocols or equipment. The rule permits Judges, Stewards, or the Commission to consider those a single violation should the facts warrant that treatment.

"This is an important step toward creating an additional deterrent to those who deliberately violate our rules or are persistently sloppy in the administration of medications," Martin said.

"Given the fact that we have created uniform thresholds for controlled therapeutic medications, determined a clear line when those medications should be stopped, and consistent lab standards for all are to follow, there should be no reason for the vast majority of honest trainers to ever come up against this rule. Some will, however, and we believe an enhanced penalty determined by points will be a deterrent to those who have viewed existing penalties as a cost of doing business. It is time for that attitude to stop," he said.



NEWS RELEASE

August 23, 2013

Contact: Cathy O'Meara, (859) 224-2702

ROAP Board Endorses Penalty Guidelines for Multiple Medication Violations

The Racing Officials Accreditation Program's board of directors voted Thursday to endorse the Penalty Guidelines for Multiple Medication Violations, which passed the Association of Racing Commissioners International (ARCI) Board and Model Rule Committee in July. The vote carried one abstention from the Horsemen's Benevolent & Protective Association representative on the ROAP board.

The Penalty Guidelines for Multiple Medication Violations, which is projected to be implemented in some states as early as January 1, 2014, initiates a point system for equine medication violations similar to that used by state motor vehicle agencies.

The rule calls for points to be assigned to every trainer's fine and suspension history in the ARCI database by way of a separate ruling. That separate ruling would occur in the jurisdiction that issues an underlying equine medication positive test infraction that "triggers" a penalty phase plateau in the points system structure.

"We believe that it is important for ROAP to support the current efforts in the industry to unify medication regulations and specifically the new penalty system given that the stewards and judges will be responsible for implementing these regulations at the track level," said ROAP Chairman Hugh Gallagher. "This is a rule designed to protect our racehorses first. It is a fundamentally sound rule that is ready for implementation today. What lies before us is the challenging work of having all jurisdictions in full participation, compliance and reciprocity as well a clear understanding of how this rule will be implemented by stewards and judges in North America and the Caribbean."

ROAP accredits stewards, judges, and racing officials in all three disciplines of racing — flat (Thoroughbred and Quarter Horse), harness and steeplechase. Additionally, continuing education courses are required every two years to maintain accreditation. Staying consistent with its mission of education, ROAP will cover the Penalty Guidelines for Multiple Medication Violations in future continuing education seminars.

The board also discussed the success of the most recent Accreditation School held this past July at the Kenneth L. Maddy Laboratory at UC Davis and upcoming educational opportunities including the ROAP Certificate Program at Portland Meadows on September 21-22.

The ROAP board, ROAP's Stewards' Advisory Committee and its Education Committee, will continue to discuss current stewarding issues and educational programs and promote uniformity among racing officials.

ROAP, which receives primary funding from The Jockey Club and is based in its Kentucky office, is a 501(c)(6) organization whose board of directors is made up of representatives from 18 industry organizations and eight at-large representatives. Stewards and judges receive their accreditation and continuing education credits through this program.

The website address for ROAP is horseracingofficials.com.

Discussion Item 1

United States Trotting Association

Withdrawal of Support for Uniform Medication Initiative

USTA rejects RCI medication rules; withdraws from RMTC

Thursday, September 26, 2013 - by Dan Leary, USTA director of marketing and communications

Columbus, OH --- The Executive Committee of the United States Trotting Association unanimously voted to reject The Association of Racing Commissioners International proposed model medication rules on Wednesday (Sept. 25).

In a separate unanimous vote, the committee agreed that the USTA will immediately withdraw its membership from the Racing Medication and Testing Consortium, Inc.

"We have carefully considered the RCI proposals and have come to the conclusion that the physical characteristics of the breeds are significantly different. Trying to fit them together makes little sense," said USTA President Phil Langley. "We believe both breeds, Standardbreds and Thoroughbreds, will benefit from having rules concentrated solely on their needs.

"Many safeguards now in use in harness racing would never be acceptable to the more high-strung Thoroughbreds, including Lasix barns, two- to four-hour paddock times and racing on a weekly basis," added Langley. "On the other hand, both the frequency that Standardbreds race and the lack of catastrophic breakdowns in harness racing make the utilization of some therapeutic medications much different between the breeds."

As a result, the USTA, with the support of Harness Tracks of America, will ask RCI to maintain the current rules in effect for Standardbreds instead of having one set of model rules for two breeds with significantly different requirements.

"After studying these proposed rule changes, it is apparent to us that they are entirely focused on the needs of Thoroughbreds with little consideration for Standardbreds," concluded Langley.

The USTA supports uniform medication policies, but thinks that they need to be customized for each breed.

"We want to make it very clear the USTA supports uniform rules," said Langley, "but we strongly believe they should be by breed. Things like blood doping, out-of-competition testing, EPO and Shock Wave Therapy are high on the list of USTA research projects."

In other action, it was determined that the USTA will immediately withdraw from RMTC. During the last 10 years, the harness racing industry has supported the RMTC with more than \$1 million in contributions.

"While we applaud the intentions of the RMTC, we also feel that their efforts concentrate on the Thoroughbreds with little consideration for Standardbreds," explained Langley. "We believe that the money can be better spent on research and testing in areas more concentrated on harness racing."

United States Trotting Association

<http://xwebapp.ustrotting.com/absolutenm/menu.aspx/>



RACING COMMISSIONERS INTERNATIONAL

Thursday, September 26, 2013
Contact: Ed Martin (859) 224-7070

Press Release

Statement from Racing Commissioners International on Recent Decisions by the United States Trotting Association

Official Statement from Edward Martin, President and CEO, The Association of Racing Commissioners International (RCI):

RCI continues to rely on the scientific review process at the Racing Medication and Testing Consortium involving key regulatory advisors who are actively involved with the regulation of both Standardbred and Thoroughbred racing as well as the American Association of Equine Practitioners (AAEP). Unfortunately the United States Trotting Association has removed itself from discussions involving those recommendations before they are sent to the RCI.

We understand that there is a debate over Clenbuterol, but note that there are alternatives to treat a Standardbred horse post-race that will better accommodate the Standardbred business model without creating a back door to steroidal-type effects. We have also heard that some are advocating a liberalization of the recommended policy pertaining to corticosteroid use. The AAEP has advised that the use of these drugs in a limited way can be helpful to the horse but the overuse may be detrimental. The policy we have recommended recognizes this.

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RMTC

Racing Medication & Testing Consortium

RMTC, Industry Move Forward Without USTA

November 18, 2017

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Statement by Racing Medication and Testing Consortium (RMTC) Chairman Alex Waldrop on the decision by the United States Trotting Association (USTA) to reject the Association of Racing Commissioners International (RCI) model medication rules and withdraw from the RMTC:

We are disappointed with the decision by the USTA to reject the RCI model rules and withdraw from the RMTC. The USTA was among the 24 organizations that actively participated in a multi-year scientific research program that led the horse racing industry to the establishment of uniform national model rules for medication, penalties and testing.

In particular, the USTA objected to RMTC recommendations for the use of clenbuterol and corticosteroids, but these recommendations are the result of scientific research and ensure these medications cannot be abused in any way. The scientific research, as well as current regulations in California, Pennsylvania, Minnesota and other multi-breed jurisdictions, demonstrate that the uniform rules recommended by the RMTC and adopted by the RCI are the most effective way to ensure the safety of all race horses and the integrity of the sport, regardless of breed.

The RMTC will not deviate from this path for any reasons not supported by the science



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Columbus, Ohio 43215-1191

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October 1, 2013

**Jennifer Durenberger, Director of Racing
Massachusetts State Racing Commission
84 State Street – 7th Floor
Boston, MA 02109**

Dear Director Durenberger,

The Executive Committee of United States Trotting Association (USTA) recently elected to reject the Association of Racing Commissioners International's (RCI) proposed model medication rules. Concurrently, the USTA also decided to immediately withdraw its membership from the Racing Medication & Testing Consortium.

Attached please find a letter that was sent to Ed Martin, the RCI's president, from Phil Langley, President of the USTA. The correspondence explains the reasons for the USTA's stance, and why the Association strongly advocates uniform but separate rules for Standardbreds.

Thank you for your time and consideration. Should you have any questions, please do not hesitate to contact directly President Langley or myself.

Sincerely,

**Mike Tanner
Executive Vice President
United States Trotting Association**



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Columbus, Ohio 43215-1191

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September 27, 2013

**Mr. Ed Martin, President
Association of Racing Commissioners International
2343 Alexandria Drive
Suite 200
Lexington, KY 40504-3283**

Dear Ed:

On Wednesday, the Executive Committee of the United States Trotting Association (USTA) voted unanimously to not support the recent medication proposals advocated by the Association of Racing Commissioners International and the Racing Medication & Testing Consortium. After much study, it is our feeling that those changes address the concerns of Thoroughbred racing and disregard harness racing entirely. The USTA hereby requests leaving the harness rules as they are now constituted.

The USTA feels there are too many differences in the breeds to have rules common to both. Therefore, we encourage separate sets of rules for Thoroughbreds and Standardbreds, respectively. We firmly believe that this will work best for all parties.

Obviously, the proposed change in the administration times for both clenbuterol and corticosteroids brought this situation to a head. In effect, these proposals took the use of those therapeutics away from the Standardbred horsemen while not at all impacting the ability of Thoroughbred horsemen to employ the medications. What strikes us as ironic is that there is no evidence to suggest that Standardbred horsemen are using clenbuterol for anything other than its intended purpose – as a

bronchodilator – while testimony given at the most recent RMTC meeting suggests that Quarter Horse and Thoroughbred horsemen are “stacking” the drug in order to use it as a substitute for anabolic steroids. Your own statement from September 26 indicates the RCI policy recognizes that with regard to clenbuterol AAEP states “use of these drugs in a limited way can be helpful to the horse but overuse can be detrimental.” We agree. Think about what the rule proposal does. It eliminates the limited user and encourages steroidal abuse. Several weeks of intense treatment followed by 14 days off and then followed by several more weeks of intense treatment sounds like abuse to us.

There are many protocols employed by the harness racing industry to ensure integrity that our Thoroughbreds counterparts do not follow. For example, harness racing administers Lasix at a state-supervised location and horses receiving it must stay there or in the paddock until race time. All horses are required to be in the paddock two to four hours before race time and need to exercise on the track for veterinarian observation during that time. In addition, in most jurisdictions horses racing in stakes events need to be in some sort of detention facility from twelve hours to several days before they race. The Thoroughbred industry claims its horses can’t tolerate such a disruption in their routines.

Standardbreds are different from Thoroughbreds. Our horses race on a weekly basis, often for many years. Thoroughbreds do not. Catastrophic breakdowns in our sport are exceedingly rare. Sadly, this is not the case in the Thoroughbred industry. Further evidence of the difference in durability is reflected by the fact that on a yearly basis, there are more harness races than Thoroughbred contests, despite the fact that the annual Standardbred foal crop is approximately one-third the size of the yearly Thoroughbred yield.

The USTA is very much in favor of uniform rules, but by breed. We support “out of competition testing”, reasonable withdrawal times, the seeking out and elimination of blood doping and EPO, testing to identify improper Shock Wave Therapy use, and developing tests for presently unknown drugs.

Funding sources much larger than available to RMTC have been made available to Dr. Soma in Pennsylvania to accomplish these goals. Harness racing will continue with its other safeguards on Lasix, paddock times, detention barns, etc.

It is our opinion that there are now more separate rules than common ones, so going all the way with different rules for different breeds is a small step.

We fail to understand how a Thoroughbred problem of steroidal abuse can be solved by these rules. The fact they have a negative effect on Standardbreds for no apparent reason only adds to our resolve.

Hopefully we can work together to accomplish “uniform rules” by breed.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Langley". The signature is written in a cursive, flowing style.

**Phil Langley
USTA President**

cc: State & Provincial Racing Commissions

Discussion Item 2

Comments in Support of Uniform Medication Initiative

Letter Mailed to Horse Racing Commissions in 28 U.S. Jurisdictions



September 30, 2013

Re: Uniform National Medication Rules, Penalties and Laboratory Accreditation

Dear [Chairman]:

As you may be aware, the horse racing industry in the United States has recently developed new uniform model medication guidelines, a penalty system designed to target individuals with multiple medication violations and a requirement for laboratory accreditation and participation in an industry external quality assurance program (the "Reforms"). These Reforms were developed by the Racing Medication and Testing Consortium ("RMTC"), the industry's scientific advisory organization consisting of 25 major racing industry stakeholder organizations and the Association of Racing Commissioners International ("RCI"), the industry's association of state regulatory bodies responsible for the integrity of racing. RMTC recommended the Reforms to RCI and RCI voted to incorporate the Reforms into their official Model Rules earlier this year. Individual regulatory bodies must now move to adopt the Reforms.

In fact, earlier this year eight states in the Mid-Atlantic and Northeast, two regions which comprise the largest concentration of racing on a daily basis in North America and produce about 36% of the daily national handle, jointly agreed to implement the Reforms on January 1, 2014, or when a participating state's live racing begins in 2014. The states committed to implementing the Reforms are Delaware, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Virginia and West Virginia and several other states are in the process of adopting these Reforms as well. Nationwide adoption of these Reforms is essential to safeguarding horses and riders and providing uniformity to fans and participants alike. If you have not done so already, we ask you to commit to the Reforms and move expeditiously to adopt all aspects of the Reforms without amendment or delay.

The Reforms consist of the following:

1. **The RCI Controlled Therapeutic Medication Schedule ("Schedule").** The Reforms include a "Schedule of Controlled Therapeutic Medications" which lists medications that have been recognized as necessary for the treatment of illness or injury in the horse on a routine basis. For each medication, the Schedule lists a uniform detection level at which the testing laboratory is to report a positive test and horsemen are provided with guidance for discontinuing treatment to minimize the risk of incurring a violation. The Schedule is based upon years of research by the RMTC and is scientifically supported so

that each level of detection is specifically linked to the concentration above which the drug could affect the horse's performance. Version 1.0 of the Schedule was adopted as part of the RCI Model Rules ("Model Rules") at ARCI-011-020 Section C (1) (b). A copy of Version 1.0 of the Schedule is attached as **Exhibit A** to this letter.

2. **Multiple Medication Violations Penalty System ("MMV").** The MMV represents an industry-wide plan to provide enhanced penalties for those individuals who accumulate multiple medication violations. Under the new system, each drug or medication violation is assessed points. A trainer's record will be tracked by a central database maintained by RCI and available to state stewards and commissions. A trainer's point record will include violations across all jurisdictions. At certain point total thresholds, the offending trainer will be required to serve an additional suspension. The MMV was adopted as part of the Model Rules at ARCI-011-020 Section B (13) (a)-(j). A copy of the MMV is attached as **Exhibit B** to this letter.

3. **Restrictions on the use and administration of bleeder medications (the "Furosemide Restrictions").** The Furosemide Restrictions require that Furosemide be the only medication authorized for administration on race day and limit Furosemide administration to no less than four hours prior to post time for the race in which the horse is entered. The Furosemide Restrictions also require that the administration of Furosemide be performed only by third-party veterinarians or veterinary technicians who are prohibited from working as private veterinarians or technicians on the racetrack or with participating licensees. The Furosemide Restrictions were adopted as part of the Model Rules at ARCI-011-020 Section F. A copy of Section F is attached as **Exhibit C** to this letter.

4. **Laboratory Accreditation and Minimum Standards.** The Reforms require that every participating state's drug testing laboratory must be accredited by the RMTC to standards set forth in the RMTC testing laboratory accreditation code of standards ("RMTC Standards"), which are the strictest laboratory standards for equine sport drug testing in the world. RMTC Standards include a requirement for lab accreditation to international laboratory standards known as ISO 17025 accreditation standards. Currently, two labs have been fully accredited to the RMTC Standards and six more labs are undergoing RMTC Standards accreditation review. A copy of the RMTC Standards is attached as **Exhibit D** to this letter.

5. **Reform Adoption Timeline.** Every jurisdiction in the United States that conducts pari-mutuel horse racing is urged to fully and uniformly adopt each of the Reforms without amendment or substantive modification by January 1, 2014, or as soon thereafter as practicable given any legal or procedural limits on adoption or implementation in individual jurisdictions.

6. **Future Modification of the Reforms.** The Reforms process is intended to be ongoing and allows for additional substances to be considered for inclusion in the Schedule, upon recommendation from the American Association of Equine Practitioners (AAEP) and the RMTC. Other aspects of the Reforms may likewise be modified in the future to reflect scientific research and development. States are urged to adopt the Reforms in their entirety without amendment or modification.

These Reforms are in the best interests of the health and welfare of the horse and the safety of the rider, enhance the integrity of our sport, ensure a level playing field for our competitors, assist horsemen who race in multiple jurisdictions and accomplish the uniform regulation of racing in the United States.

To advance the goals and objectives of the Reforms on a uniform basis nationwide, the undersigned, representing a broad cross section of the horse racing industry, hereby formally request that the _____ Commission adopt these Reforms in their entirety and that you schedule a hearing and/or any other official action for the purpose of adopting these Reforms as soon as practicable.

You can expect to be contacted by an industry representative very shortly to determine whether your jurisdiction is committed to the Reforms and your expected timeline for adoption.

To assist you in this process, we have authorized the RMTTC to make available to you such scientific expertise and documentation as you may need to fully consider and act upon the Reforms. Feel free to contact Dionne Benson, RMTTC Executive Director and COO, at 859-224-2845 or at dbenson@rmtcnet.com for further assistance.

We appreciate your cooperation in this matter and look forward to working with you to achieve national uniformity so that everyone in horse racing will benefit from these critical Reforms.

Sincerely,

Alex Waldrop,
President and CEO, National Thoroughbred Racing Association
Chairman, Racing Medication and Testing Consortium

Additional signatories on attached page.

Exhibits A-D attached and online at http://www.ntra.com/media/Exhibits_to_NTRA_Letter.pdf.

Additional Signatories to September 30, 2013

NTRA Letter to State Racing Commissions

(As of October 3, 2013)

- American Quarter Horse Association
- Arabian Jockey Club
- Association of Racing Commissioners International
- Betfair Hollywood Park
- Breeders' Cup Limited
- California Thoroughbred Breeders Association
- Del Mar Thoroughbred Club
- Global Gaming Solutions
 - Lone Star Park at Grand Prairie
 - Remington Park
- Keeneland Association
- Kentucky Downs
- Kentucky Thoroughbred Association
- Monmouth Park
- National Thoroughbred Racing Association (NTRA)
- NTRA Safety & Integrity Alliance
- New York Thoroughbred Breeders, Inc.
- Oak Tree Racing Association
- Penn National Gaming
 - Hollywood Casino, Hotel and Raceway (Bangor, ME)
 - Hollywood Casino at Charles Town Races
 - Hollywood Casino at Penn National Race Course
 - Raceway Park
 - Beulah Park
 - Rosecroft Raceway
 - Sam Houston Race Park
 - Freehold Raceway
 - Zia Park Racetrack and Casino
- Racing Medication and Testing Consortium
- Suffolk Downs
- Sunland Park Racetrack and Casino
- Tampa Bay Downs
- The Jockey Club
- The Jockeys' Guild
- The New York Racing Association, Inc.
 - Aqueduct
 - Belmont Park
 - Saratoga Race Course
- The Stronach Group
 - AmTote
 - HRTV
 - Golden Gate Fields
 - Gulfstream Park & Casino
 - Laurel Park
 - Pimlico Race Course
 - Portland Meadows
 - Santa Anita Park
 - XpressBet
- Thoroughbred Horsemen's Association (THA)
 - Delaware THA
 - Illinois THA
 - Maryland THA
 - New Jersey THA
 - New York THA
 - Pennsylvania THA
- Thoroughbred Owners and Breeders Association
- Thoroughbred Owners of California
- Thoroughbred Racing Associations of North America, Inc.



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Lexington, KY 40503
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Internet: jockeyclub.com

October 3, 2013

Dr. Jennifer Durenberger, DVM
Director of Racing
Massachusetts Gaming Commission
84 State Street, 10th Floor
Boston, MA 02109

Dear Dr. Durenberger;

We support the Massachusetts Gaming Commission's proposed regulatory changes in regard to the uniform regulation of medication and drug testing in North American racing. The commitment to implement a uniform medication and drug-testing program benefits all stakeholders, participants, and fans of horse racing.

Specifically, I support the following regulatory changes detailed in the [Massachusetts Gaming Commission 205 CMR 4.52: Medications and Prohibited Substances](#) and summarized below:

- The adoption by reference of the Association of Racing Commissioners International (ARCI) Controlled Therapeutic Medication Schedule with post-race thresholds and restricted administration times, as approved by the ARCI and the Racing Medication and Testing Consortium (RMTC).
- I also support the adoption of the ARCI Uniform Classification Guidelines for Foreign Substances, Penalties, and the Multiple Medication Violations (MMV)
- In addition, I support the regulation of anabolic steroids, using RMTC-approved thresholds in plasma or serum.

Furthermore, I applaud the efforts of the Massachusetts Gaming Commission to adopt the above medication reforms and encourage the commission to consult with the RMTC and the Association of Racing Commissioners International (ARCI) Model Rules and Uniform Classification Guidelines for Foreign Substances in order to achieve greater uniformity in the areas of medication, drug testing, penalties and racehorse safety.

Finally, I urge all regulators and horsemen to begin or continue to bring forward much-needed uniformity to the medication rules, testing, and penalties in horse racing.

Signed:

<u>First</u>	<u>Last</u>	<u>City</u>	<u>State</u>	<u>Country</u>
Cathy	Bon	Fairfax	CO	US
Mercy	Turano	Tampa	FL	US
Sherry	Sally-Avila	Rockton	IL	US
john	meyer	river grove	IL	US
Meleen	Drewery	Magnolia	TX	US
ROCHELLE	ALEXANDER	NEW YORK	NY	US
Beatrice	Heveran	Dalton	PA	US
William	Banghart	Orlando	FL	US
Frank	Macauley	Madeira Beach	FL	US
Marian	Martinello	San Antonio	TX	US
Dan	Kelly	St. Louis	MO	US
David	Mauriello	Wakefield	MA	US
david	stevenson	saratoga springs	NY	US
peggy	conroy	west chazy	NY	US
Bill	Munden	Tuscola	TX	US
Sally	Joiner	Lubbock	TX	US
j	Hogan	Appin	ON	CAN
Patricia	Beauvais	Des Plaines	IL	US
Shannon	Ryan	Owego	NY	US
Suzanne	Marienu	Algona	IA	US
Natalie	Kucharski	Stamford	CT	US
Diane and Jerry	Tabbott	Jacksonville	FL	US
Anne	Borkowski	Tyngsboro	MA	US
Alice	Schick	Novato	CA	US
Richard	Carroll	Foxboro	MA	US
Jeff	Sands	Brook	IN	US
Eileen	Gersuk-Byrd	Silver Spring	MD	US
Erin	Green	Aiea	HI	US
Kerinna	Coffey	Elmhurst	NY	US
Willard	Landrum	Dry Prong	LA	US
Eileen	Tonzi	Galt	CA	US
Michelle	Benes	Sylmar	CA	US
Peter	Caracci	Springfield	PA	US
steve	demarco	peabody	MA	US
Roberta	Abendroth	Mequon	WI	US
Cynthia	Rodgers	Dresden	OH	US
kim	goldstein	fountain hills	AZ	US
Linda	Sontchi	ozark	AR	US
melanie	kulig	new britain	CT	US
Susan	Wayne	xxx	CA	US
YVETTE	HEPBURN	Belmont	ON	US
Johanna	Bouchard	Waterville	ME	US
Sarah	Nlms	Lexington	KY	US
Susan	Weber	Westport	CT	US
Roger	Beadle	Chico	CA	US
Elizabeth	Millikin	Little Compton	RI	US
Linnell	Krikorian	Manchester	NH	US
Helen	Bailey	McKinney	TX	US
Tim	Patterson	Berkeley	CA	US

David	Graham	Charleston	SC	US
Andy	Spitalny	Phoenix	AZ	US
Frank	Grande	Ocala	FL	US
Nancy	Freeman	Berkeley	CA	US
jim	shonts	nicoma park	OK	US
angelo	vasiento	glen head	NY	US
Patricia	Moseley	Hamilton	MA	US
Thomas	Hicks	Pompano Beach	FL	US
Sal	Agro	Buffalo	NY	US
Debra	Gilbert	San Diego	CA	US
Marsha	Harden	Finksburg	MD	US
Michelle	Bourg	Lawrenceville	GA	US
James	Gorski	dana pt	CA	US
Marilyn	Thompson	Star City	WV	US
S	C	Niagara Falls	NY	US
john	richardson	venice	CA	US
john	stewart	salem	MA	US
Claire	Taylor	St. Louis	MO	US
Shannar	Damien	Ocala	FL	US
susanne	conway	los angeles	CA	US
robert	kaiser	Lemont	IL	US
Wendy	Scott	Fort Valley	GA	US
Alexandra	Madigan	freeville	NY	US
Dorothy Jo-Ann	Munderloh	Baltimore	MD	US
Lisa	Morrill	Norfolk	VA	US
Deborah	Spencer	Billerica	MA	US
Mary	Scollin	Saranac Lake	NY	US
Val	Georgiev	Simi Valley	CA	US
Judith	Martin	New York	NY	US
Abbey	Farmer	morrison	FL	US
william	corcoran	lincroft	NJ	US
Chris	Williams	Arnoldsville	GA	US
Jeanne	Schnell	Central Islip	NY	US
Patricia	Fiedler	Levittown	PA	US
Marc	Lofaro	Wallkill	NY	US
Rosalind	Warren	Toronto	ON	CAN
Renee	Doyle	Barre	MA	US
Andy	B.	Sandwich	MA	US
Elizabeth	O'Hara	Arlington	VA	US
Dean	Zoppa	Winnipeg	MB	US
Michele	Stecyk	Hamilton	MA	US
NIALL	CONNOLLY	ORLANDO	FL	US
Kathy	MacRae	Webster	NH	US
Bruce	Burkhart	Virgil	KS	US
Barbara	Smith	Beverly	MA	US
elizabeth	wickman	Swansea	MA	US
Maureen	Tierney	Harned	KY	US
Robert	Calley	Blacksburg	VA	US
Cheryl	Young	Peabody	MA	US
linda	cusack	saugus	MA	US
Maggie	Gwisdon	Palatka	FL	US
Tanya	Vudler Casale	Lexington	MA	US
Esterina	Bodarky	Hazlet	NJ	US

Kaye	Killgore	Portland	OR	US
David	Donner	Ithaca	NY	US
Tod	Adamson	Boyce	VA	US
David	McKechnie	Arundel	ME	US
Anne	Jackman	So. Hamilton	MA	US
Douglas	Hilleboe	Arlington	VA	US
William Brigham	Adair	Washington	DC	US
Charlotte	LaTier	Raton	NM	US
shanna	Damien	ocala	FL	US
Rebecca	Evans	Cambridge	MA	US
Bob	Hirschle	Wayne	PA	US
april	tshan	Gansevoort	NY	US
Christine	Hanson	Millbrae	CA	US
Geri	Minott	Cardiff by the Sea	CA	US
Eleanor	Moore	Columbia	SC	US
Harold	Gross	Oldsmar	FL	US
Miira	Allen	Merrill	WI	US
Don	Zupanec	Colorado Springs	CO	US
Lynn	Pleggenkuhle	Hawkeye	IA	US
Heidi	Homze	Elizabeth	CO	US
Anya	Cromie	Ipswich	MA	US
Elisabeth	Cloutman	South Hamilton	MA	US
Valda	Winsloe	Ipswich	MA	US
Sherry	Sally-Avila	Rockton	IL	US
Christopher	Zukowski	Forest Hill	MD	US
Richard	Polizzi	Stoneham	MA	US
deb	hg	titus	NJ	US
Marybeth	Devlin	Miami	FL	US
Matthew	Bailis	Denver	CO	US
Elizabeth	Ripperda	Sacramento	CA	US
Jack	Meehan	Saratoga Springs	NY	US
Marian	Martinello	San Antonio	TX	US
David	Mauriello	Wakefield	MI	US
Michael	DiNobile	Wakefield	RI	US
gerard	lynch	quincy	MA	US
John	Nickelson	Wenonah	NJ	US
Hugh	Gillen	Lexington	KY	US
Linnell	Krikorian	Manchester	NH	US
amy	Moreau	granville	OH	US
Gina	O'Brien	Bastrop	TX	US
Pat	Beauvais	Des Plaines	IL	US
Mary	Hoffman	Davie	FL	US
Callie	Stilwell	Somerset	PA	US
steve	demarco	peabody	MA	US
Mary	Scollin	Saranac Lake	NY	US
William	Banghart	Orlando	FL	US
James	Smoot	Charles Town	WV	US
Tracy	Wallis	Greenville	SC	US
Anne	Craven	Grafton	VT	US
Eileen	Tonzi	Galt	CA	US
Peter	Caracci	Springfield	PA	US
Alice	Schick	Novato	CA	US
Shannon	Reynolds	Charlotte	NC	US

Beatrice	Heveran	Dalton	PA	US
Marsha	Harden	Finksburg	MD	US
Elizabeth	Ullrick	Phoenix	AZ	US
Michelle	Benes	Sylmar	CA	US
Suzanne	Marienau	Algona	IA	US
Mauricia	Thompson	Milpitas	CA	US
Johanna	Bouchard	Waterville	ME	US
Shannon	Ryan	Owego	NY	US
Eileen	Gersuk-Byrd	Silver Spring	MD	US
Nancy	Spence	evanston	IL	US
Erin	Green	Aiea	HI	US
ANWAR	NAAMANI	NORTH LAUDERDALE	FL	US
Peter	Dankens	Andover	MA	US
Roger	Beadle	Chico	CA	US
Kathryn	Smoke	Britton	MI	US
kim	goldstein	fountaun hills	AZ	US
Sharon	McKnight	Avonmore	PA	US
Elizabeth	Perrott	Manchester	VT	US
Vincent	Moloughney	Pompton Lakes	NJ	US
Albert	Polk	Burt Lake	MI	US
J ALLEN	LESLIE	CHRISTIANA	PA	US
Al	Gobbi	South Boston, MA	MA	US
Lesley	Beadle	Chico	CA	US
Bill	Munden	Tuscola	TX	US
C. H.	Willis,111 " Jack "	Boca Raton	FL	US
Daryl	Clark	Plantation	FL	US
Stacey	Bailey	Clarence	NY	US
Jan	Mitchell	Bratenahl	OH	US
Bridget	L	JC	NY	US
Nancy	G	Hamden	CT	US
Rosalind	Warren	Toronto	ON	CAN
Marcia	Gold	Las Vegas	NV	US
Lauren	Reck	Baltimore	MD	US
John	Spinelli	DeLand	FL	US
Elizabeth	Seelman	Cambridge	MA	US
naline	rodriguez	sparr	FL	US
FR	Johnson	Birmingham	AL	US
roz	anderson	bellingham	WA	US
Rodney	DeMott	Ravenswood	WV	US
Carroll	Mayfield	Aiken	SC	US
Tim	Mazanec	Cambridge	MA	US
Patricia	Fiedler	Levittown	PA	US
Andy	Spitalny	Phoenix	AZ	US

Discussion Item 3

Elimination of threshold for stanozolol



NEWS RELEASE

September 20, 2013

Contact: Hallie Roach Lewis (859) 224-2848

**RMTC BOARD: STANOZOLOL THRESHOLD ELIMINATED,
OHIO STATE LAB GRANTED INTERIM ACCREDITATION,
UNIFORM NATIONAL MEDICATION RULES, PENALTIES AND LAB REFORMS
ENDORSED, OUT OF COMPETITION TESTING COMMITTEE FORMED,
WALDROP ELECTED TO SUCCEED LEWIS AS CHAIRMAN**

The board of directors of the Racing Medication and Testing Consortium (RMTC) held a regular meeting September 17 in Denver, Colo.

The board:

- Unanimously voted to recommend that stanozolol be eliminated from those substances with an RMTC recommended threshold level and to present that revision to the Association of Racing Commissioners International (RCI) for its adoption. The previous threshold allowed stanozolol to be administered up to about 30 days prior to racing. The removal of the threshold means that stanozolol will become a prohibited substance in jurisdictions adopting this recommendation and can no longer be present at any concentration in a horse on race day. Stanozolol is a synthetic anabolic steroid that was previously marketed as Winstrol™ but is now only available as a compounded product.
- Voted to grant Interim Accreditation status to the Ohio Department of Agriculture Racing Laboratory. The Ohio Department of Agriculture Laboratory will become the third fully accredited laboratory upon successful completion of a site inspection, as it has previously fulfilled the other requirements for RMTC accreditation. The University of California-Davis Kenneth L. Maddy Laboratory and HFL Sport Science Inc. Laboratory in Lexington, Ky., were the first two laboratories to be accredited by the RMTC, and five other laboratories have applied for accreditation.
- Voted to support the effort for nationwide adoption of uniform medication rules, penalties and laboratory accreditation reforms, and directed RMTC staff to provide any scientific expertise needed by racing commissions to support adoption of these reforms.
- Voted to form a committee to review the existing model rule for out of competition testing and to recommend any necessary changes to the protocol for the collection and testing of out of competition samples at the request of The Jockey Club.

- Voted to authorize the RMTC's Scientific Advisory Committee to explore whether the scientific research will support separate medication rules for Standardbreds in regard to the withdrawal times for clenbuterol and intra-articular corticosteroids at the request of the United States Trotting Association.
- Elected Alex Waldrop, president and chief executive officer of the National Thoroughbred Racing Association, to succeed Dr. Bobby Lewis as chairman of the RMTC board. Lewis, who served as chairman for the past six years, will continue to represent the American Association of Equine Practitioners on the RMTC board. "I am very proud of what the RMTC has accomplished since its inception," stated Dr. Lewis. "I look forward to seeing the implementation of the National Uniform Medication Reform program that has been the focus of much of our work over the past six years."

The RMTC consists of 24 racing industry stakeholders and organizations that represent Thoroughbred, Standardbred, American Quarter Horse and Arabian racing. The organization works to develop and promote uniform rules, policies and testing standards at the national level; coordinate research and educational programs that seek to ensure the integrity of racing and the health and welfare of racehorses and participants; and protect the interests of the racing public.

For additional information, visit the RMTC website at rmtcnet.com or contact Hallie Lewis, RMTC director of communications, at (859) 224-2848.