

OKLAHOMA HORSE RACING COMMISSION

RAY BAYLIFF, CHAIR

ROGER COLE, VICE-CHAIR

TERRY SIMONSON, SECRETARY

GENE BLEDSOE, DC, MEMBER

RANDY CALVERT, MEMBER

DEAN SPENCER, DDS, MEMBER

AGENDA

Rescheduled Regular Meeting
Thursday, January 8, 2004, 9:30 a.m.

Meeting Location:

**PLEASE
NOTE NEW
MEETING
LOCATION
WITHIN THE
MALL**

Activity Center – Suite 40B, Shepherd Mall
Located at Former GNC Store In Mall
(South East End of Mall on N.W. 23 Side)
Enter at Mall Entry “B”
2401 N.W. 23rd Street
(N.W. 23rd & Villa Avenue)
Oklahoma City, OK 73107

Address of the:
OKLAHOMA HORSE RACING COMMISSION
SHEPHERD MALL, 2614 VILLA PROM
(N.W. 23rd & Villa Avenue)
OKLAHOMA CITY, OKLAHOMA 73107
TELEPHONE: (405) 943-6472; FAX: (405) 943-6474
E-MAIL: OHRC@SOCKET.NET; WEBSITE: WWW.OHRC.ORG

AGENDA POSTED IN ACCORDANCE WITH THE OKLAHOMA OPEN MEETING ACT.

All customers who attend public meetings of the Commission who need special accommodations, i.e., Sign Language Interpreter, amplification device, large print materials, Braille materials, audio cassette materials, readers or other special accommodations must notify the Commission by the deadline date and time for acceptance of agenda requests.

CALL TO ORDER Mr. Bayliff, Chair

ROLL CALL

BUSINESS

A. Minutes

The Minutes of the November 20, 2003 Regularly Scheduled Commission Meeting will be considered for approval (**Item A.1**).

B. Public Hearing Regarding the Original Organization License Application Filed by Backstretch, LLC d/b/a Blue Ribbon Downs to Conduct Racing in Calendar Year 2004

At the November 20, 2003 meeting, the Commission approved a proposed rule amendment through the emergency rulemaking procedures for Rule 325:15-3-2, Application for License and Days to Conduct a Horse Racing Meeting, that would allow the application by a new owner of a racetrack to occur at times other than the usual June 1 deadline of the preceding year of the proposed race meeting. This was adopted as a result of the sale of Blue Ribbon Downs to Backstretch, LLC. Governor Henry approved the rule amendment on December 1, 2003, which rule amendment facilitated the filing of an organization license application after the June 1 deadline for filing.

In an original application submitted December 23, 2003, **Backstretch, LLC d/b/a Blue Ribbon Downs**, requests to conduct two race meetings: a 30-day live Thoroughbred, Quarter Horse, Appaloosa and Paint race meeting from February 21 through May 1, 2004 and a 31-day live Thoroughbred, Quarter Horse, Appaloosa and Paint race meeting from August 6 through October 30, 2004. **Item B.1** is the Commission Staff Report on the application, including the Director of Law Enforcement's Report. **Item B.2** is a December 23, 2003 Commission letter to Backstretch, LLC regarding the Public Hearing.

Items B.3 and B.4 are December 23, 2003 Commission letters to the racetrack managers and horsemen's organizations, respectively, regarding the Public Hearing.

THE FOLLOWING PROCEDURES PERTAIN TO THE PUBLIC HEARING REGARDING AN APPLICATION FOR ORIGINAL ORGANIZATION LICENSE:

NOTE: The Commission has determined that information received regarding any particular Organization License Application shall be considered as part of the record regarding all of the Organization License Applications.

1. All persons attending the Rescheduled Regular Meeting/Public Hearing are requested to sign the routine Commission Meeting attendance sheet and provide their name, address and organization they represent, if any.
2. Persons wishing to present **oral comments** on the application scheduled for Hearing must sign an additional Speakers' Register sheet prior to the onset of the Hearing. Persons signing in must indicate whether they will be presenting testimony in support of or in opposition to the application.

Prior to testimony being taken, a Commission staff member will meet with each group (support/opposition) to divide the time allotted among those wishing to speak and to

obtain a list of names of the order in which each speaker will appear, noting the time allotted to each.

3. All **written comments** in support of or in opposition to the application for original organization license for a 2004 pari-mutuel race meeting/race dates were to be received at the Commission Office no later than 5:00 p.m., Tuesday, January 6, 2004.
4. The Applicant's representative(s) will be introduced by the Chairman.
5. All parties testifying will be sworn.
6. The Applicant will make the application presentation without interruption, subject to any necessary recess authorized by the Commission. **Total Time Limit: 30 minutes.**
7. Testimony from persons supporting the application. **Total Time Limit: 30 minutes.**
8. Testimony from persons opposing the application. **Total Time Limit: 30 minutes.**
9. Commission staff will present its report(s). **No Time Limit.**
10. Applicant may summarize and, in summarizing, may respond to opposition comments and/or the Commission staff report(s). **Total Time Limit: 30 minutes.**
11. Members of the Commission, Commission Counsel, the Executive Director, Director of Law Enforcement and/or their designees may question the Applicant and question persons speaking for or against the application or question other persons. **No Time Limit.**

C. Consideration and Preliminary Action, If Any, Deemed Appropriate by the Commission Regarding Application for Organization Licenses Submitted by Backstretch, LLC to Conduct Racing in Calendar Year 2004

Upon completion of the Public Hearing, the Commission anticipates deliberating on the application. The following chart reflects the live race days to Commission-licensed racetracks to date for CY 2004.

Applicant	Type of License	# of Live Race Days Allotted	Time Frame (2004)
Remington Park, Inc. Oklahoma City DATES ACCEPTED 10/8/03	Renewal	28 (QH, AP, PT)	March 20 - May 31
		65 (TB)	July 30 - November 28
Tulsa County Fair (Tulsa County Public Facilities Auth.) Fair Meadows at Tulsa DATES ACCEPTED 10/20/03	Fair Meet Renewal	8 (TB, QH, PT, AP)	May 27 - June 19
Tulsa State Fair (Tulsa County Public Facilities Auth.) Fair Meadows at Tulsa DATES ACCEPTED 10/20/03	Fair Meet Renewal	22 (TB, QH, PT, AP)	June 20 - July 24

THE APPLICANT, BACKSTRETCH, LLC, HAS REQUESTED THE FOLLOWING:

Applicant	Type of License	# of Live Race Days Requested	Time Frame (2004)
Backstretch, LLC d/b/a Blue Ribbon Downs	Original	30 (TB, QH, AP, PT)	February 21 – May 1
		31 (TB, QH, AP, PT)	August 6 – October 30

Possible Executive Session For Purpose of Deliberation in Individual Proceeding, Commission Deliberation on Original Organization License Application and the Issuance of Conditional Organization License and Allocation of Race Days for Calendar Year 2004 Race Meetings and/or Other Action Regarding the Application Submitted by Backstretch, LLC d/b/a Blue Ribbon Downs

Pursuant to 75 O.S. §312, 25 O.S. §307(B)(8) and 311 (B)(1), an Executive Session is proposed for deliberation on the original application for a conditional organization license for Calendar Year 2004 race meetings by Backstretch, LLC d/b/a Blue Ribbon Downs. [A motion and the recorded vote of each Commissioner is required to go into and return from an Executive Session if the Commission opts to so deliberate in order to reach a final or intermediate Order in an individual proceeding.]

1. Purpose of Executive Session

This Executive Session is proposed for the purpose of deliberation regarding issuance/non-issuance of conditional organization license and allocation of race days for Calendar 2004 race meetings at Backstretch, LLC d/b/a Blue Ribbon Downs.

2. Proposal for Executive Session

[Requires motion and vote by the Commission, which motion must include the naming of persons requested to attend the Executive Session to assist Commissioners.]

3. Vote to Reconvene in Open Session

4. Report from Executive Session, If Any

5. Commission Consideration of and Possible Action on Commission Deliberation on Original Organization License Application Submitted by Backstretch, LLC d/b/a Blue Ribbon Downs and the Issuance of Conditional Organization License and Allocation of Race Days for Calendar Year 2004 Race Meetings

Possible actions may include: no action taken, grant or denial of the application, entrance of either preliminary or final Findings of Fact and Conclusions of Law, and the issuance of a preliminary or final Order.

D. Consideration and Action, If Any, Deemed Appropriate by the Commission Regarding a Request from Backstretch, LLC for Transfer of Escrowed Horsemen's Purse Account from Race Horses, Inc.

With the November 3, 2003 sale of the Blue Ribbon Downs racetrack by Race Horses, Inc. (RHI) to Backstretch, LLC, the accrued horsemen's purse funds from pari-mutuel racing activities conducted by RHI during CY 2003, the funds were not able to be offered as purses with the premature ending of the CY 2003 live race meeting. Ms. Mary Watkins, RHI President, contacted the Commission in December, 2003 regarding the possibility of transferring the accrued funds to the Horse Racing Commission for future transfer by the Commission to horsemen's purses. The Commission made arrangements with the State of Oklahoma Office of the State Treasurer for deposit of the subject horsemen's purse funds in the amount of \$97,799.24 which were formalized in a December 17, 2003 Commission letter (**Item D.1**). Following those arrangements, Ms. Watkins forwarded the check (copy of which is **Item D.2**) to the Commission which was deposited on December 19, 2003 into the Commission's Agency Clearing Account for transfer to one of the State's Holding Accounts at the Office of the State Treasurer for safekeeping as reported in a December 22, 2003 Commission letter (**Item D.3**). As the new owner of Blue Ribbon Downs, copies of the letters were provided to Mr. Frank Deal, BRD General Manager, as the Commission's racetrack contact for Backstretch, LLC.

Mr. Deal requested in a December 22, 2003 letter (**item D.4**) that the transfer of the purse account to Backstretch, LLC be considered at the January 8, 2004 Commission meeting.

E. Consideration and Action, If Any, Deemed Appropriate by the Commission Regarding a Request from Backstretch, LLC for Use of Accrued Oklahoma-Bred Funds for Racing Awards at Blue Ribbon Downs for CY 2004

Mr. Frank Deal, General Manager of Blue Ribbon Downs (BRD), requested in a December 22, 2003 letter (**item E.1**) that the Commission consider allowing Backstretch, LLC "to utilize the monies accrued in the Oklahoma-Bred account for racing awards for Blue Ribbon Downs in the year 2004, as maintained by the Oklahoma Horse Racing Commission and award levels designated by the Oklahoma Horse Racing Commission."

F. Consideration and Action, If Any, Deemed Appropriate by the Commission Regarding Preliminary Order for Race Horses, Inc. Regarding Its Failure to Comply with the Statutory Requirement to Televis its Live Races to Sister Oklahoma Racetracks

Under the provisions of 3A, O.S. Section 205.7a, any organization licensee that accepts full-card out-of-state simulcast wagering at any time during a calendar year shall be required to televise to all other racetracks licensed by the Oklahoma Horse Racing Commission all of its live races, or the number of days of its live racing which is equivalent to the number of days of live racing conducted at the receiving track, whichever is less. The Commission's records indicate that, while Race Horses, Inc. (RHI) initially televised its live races to its sister Oklahoma racetracks, it ceased doing so early in CY 2003 and did not resume televising its races, as required.

The Show Cause Hearing for the matter was scheduled for the October 16, 2003 Regularly Scheduled Commission meeting. At that meeting, Mr. Harry Woods, counsel for RHI, said that RHI did not dispute any facts as presented in the Commission's October 3, 2003 Notice to Appear letter and Commission records regarding the matter. In short, Mr. Woods, on behalf of his client, admitted that RHI had failed to comply with the statutory requirement that it televise its live races to sister Oklahoma racetracks.

Following the October, 2003 meeting, the Commission received a November 7, 2003 letter from Mr. Harry Woods, counsel for Race Horses, Inc., requesting that the Individual Proceeding regarding RHI's failure to televise its live races to sister Oklahoma racetracks **be dismissed as moot** in light of RHI's sale of the racetrack on November 3, 2003.

At the November meeting, the Commission first considered RHI's Motion to Dismiss as Moot. Mr. Woods, as RHI counsel, stated that RHI had asked for a continuance of the matter at the October, 2003 Commission meeting to provide time to remedy the situation. Mr. Woods noted that, since the racetrack had been sold by RHI to Backstretch, LLC, it was highly improbable that RHI would be conducting any further live races. He said that, although there had been no discussion, one possibility would be that the new owner would lease the racetrack back to RHI. Mr. Woods then stated that there would be no public policy served with regard to the issue, which had become moot, and asked that the Proceeding be dismissed.

By a 5-0 vote, the Commission determined that the issue was not moot and proceeded with the Show Cause Hearing. Mr. Harry Woods, counsel for RHI, called upon Mr. Essary, RHI General Manager, who provided a chronology of events about its relationship with Spector Entertainment as the provider of the uplink to the satellite for BRD simulcasting, including the dissolution of a preliminary agreement between RHI and Spector Entertainment to purchase BRD from RHI and the subsequent withdrawal of uplink equipment at the end of the current contract without giving advanced notice of the discontinuation of long-term annual contracts, which left BRD without uplink services. Mr. Essary said that BRD immediately started calling vendors on a national basis, of which there was a limited number, but without success in making uplink service arrangements with any of the vendors. Mr. Essary said that BRD then proceeded to attempt to stream audio and visual via the Internet which was still underway at the time of the sale of BRD. Mr. Essary added that other arrangements were attempted at the same time such as (1) contact with an operator in Maine that was willing to send a truck to BRD and (2) work on a digital hook-up on the cable to stream audio and visual to the sites. Mr. Essary said that, as the sale of BRD progressed, no additional work was done to be able to simulcast since RHI considered the issue moot at that point.

Mr. Woods, counsel for RHI, concluded that the evidence showed that RHI had complied for years with the simulcasting statute, adding that the situation of the removal of Spector Entertainment's equipment was beyond the control of RHI. Mr. Woods argued that the evidence presented reflected that RHI made diligent efforts to obtain other services. Mr. Woods concluded his presentation by arguing that this was a technical violation of the statute, not a malicious or serious violation, and asking that, if there was a sanction, it be a minor one.

The Commission then deliberated in Executive Session and, returning to Open Session, voted 5-0 that RHI had violated Title 3A, Section 205.7a and set a fine of \$15,000.00, asking that Commission Staff prepare a preliminary Order according to Findings of Fact and Conclusions of Law as discussed in Executive Session for discussion at the next Commission meeting. On December 2, 2003, the Commission received payment in full of the \$15,000.00 fine from Race Horses, Inc. **Item F.1** is the drafted Preliminary Order for Commission consideration and action.

Commission Deliberation Regarding the Drafted Preliminary Order Regarding Race Horses, Inc.'s Failure to Comply with the Statutory Requirement to Televise Its Live Races to Sister Oklahoma Racetracks

Deliberation may take place in open session, or if the Commission desires, may take place in Executive Session. If the Commission elects to conduct deliberation in open session, no motion to do so is necessary. If the Commission desires to conduct deliberation in Executive Session, it will vote to do so.

Possible Executive Session For Purpose of Commission Deliberation Regarding the Drafted Preliminary Order Regarding Race Horses, Inc.'s Failure to Comply with the Statutory Requirement to Televisе Its Live Races to Sister Oklahoma Racetracks

Pursuant to 75 O.S. §312, 25 O.S. §307(B)(8), and §311(B), an Executive Session is proposed for deliberation regarding the drafted Preliminary Order regarding Race Horses, Inc.'s failure to comply with the statutory requirement to televise its live races to sister Oklahoma racetracks.

[A motion and the recorded vote of each Commissioner is required to go into and return from an Executive Session if the Commission opts to so deliberate in order to reach a final or intermediate Order in an Individual Proceeding.]

1. Purpose of Executive Sessions

An Executive Session is proposed for the purpose of deliberation regarding regarding the drafted Preliminary Order regarding Race Horses, Inc.'s failure to comply with the statutory requirement to televise its live races to sister Oklahoma racetracks.

2. Proposal for Executive Session

[Requires motion and vote by the Commission, which motion must include the naming of persons requested to attend the Executive Session to assist Commissioners.]

3. Vote to Reconvene in Open Session

4. Commission Consideration of and Possible Action

Possible actions may include, but are not limited to: no action taken, continuation of deliberation, or entrance of a final Order.

G. Consideration and Action, If Any, Deemed Appropriate by the Commission Regarding Advertisement and Public Hearing for Proposed Amendments to Rules of Racing OAC 325 Under Permanent Rulemaking Requirements

1. At the April 17, 2003 meeting, the Commission adopted a new rule under emergency rulemaking procedures in order to be in compliance with the Spring, 2003 statutory amendment contained in HB 1524, sponsored by Representative Fred Stanley, which became effective law April 8, 2003 upon the Governor's signature. In effect, the statutory amendment allows all horses to be administered Furosemide (Salix) prior to a horse race at the discretion of the horse owner or trainer without approval of a practicing veterinarian, Racing Veterinarian, Official Veterinarian, racetrack or Commission. **Item G.1** contains HB 1524.

HB 1524 amended the paragraph of Title 3A, Oklahoma Horse Racing Act, Section 208.11.B. to read as follows:

"All horses participating in a horse race may be administered Furosemide prior to a horse race. The dose shall not exceed two hundred fifty (250) milligrams or be less than one hundred fifty (150) milligrams. The dosage shall be administered not less than four (4) hours prior to post time."

The new rule, adopted under emergency rulemaking in order to be in compliance with HB 1524, only remains in effect through July 14, 2004 unless adopted under permanent rulemaking procedures.

Therefore, Commission Staff recommends, that absent any better alternative rule, Rule 325:45-1-25, Use, Administration and Regulation of Furosemide (Salix), which was approved June 4, 2003 by Governor Henry as a new rule under emergency rulemaking procedures in response to the passage of HB 1524, be adopted as a new rule under permanent rulemaking procedures. The new rule would read:

[NOTE TO READER: Proposed wording is presented in bold and underline fonts.]

Notwithstanding any rule already in place, all horses participating in a horse race may be administered Furosemide (Salix) prior to a horse race. The dosage shall not exceed two hundred fifty (250) milligrams or be less than one hundred fifty (150) milligrams. The dosage shall be administered not less than four (4) hours prior to post time.

2. At the November 20, 2003 meeting, the Commission adopted a proposed rule amendment through the **emergency** rulemaking procedures for Rule 325:15-3-2, Application for License and Days to Conduct a Horse Racing Meeting, that would allow the submission of an application by a new owner of a racetrack to occur at times other than the usual June 1 deadline of the preceding year of the proposed race meeting. This rule amendment was adopted as a result of the sale of Blue Ribbon Downs to Backstretch, LLC. Governor Henry approved the rule amendment on December 1, 2003 which remains in effect through July 14, 2004 unless superseded by a rule amendment adopted under permanent rulemaking procedures.

Therefore, Commission Staff recommends that the rule amendment, adopted as an emergency rule, also be adopted under **permanent** rulemaking procedures as follows:

[NOTE TO READER: Proposed wording is presented in bold and underline fonts.]

- (a) Pursuant to 3A O.S., § 205.2, every person who intends to conduct a horse race meeting shall file with the Commission an organization license application on a form furnished by the Commission. Said application shall be filed no later than June 1 of the calendar year preceding the calendar year for which the requested race meeting is to be conducted. **Provided, when an existing racing facility licensed by the Commission is sold or transferred to a new owner within sixty days of the June 1 application deadline, or after the June 1 application deadline, the new owner must file its application within ninety (90) days after ownership is transferred to it. Additionally, if ownership of a racetrack licensed by the Commission is transferred during a year in which the new owner wishes to operate for a portion of the remaining year, the new owner may file an application to do so no later than forty-five (45) days after ownership is transferred to it. Further, for good cause shown, the Commission may, in the exercise of its discretion, grant any applicant an extension of time in which to file its application.** Any prospective applicant for license and days to conduct a horse race meeting failing to timely file a complete application for license may be rejected, and the application for license refused summarily by the Commission.

(b) Pari-mutuel organization licensees granted a license to conduct pari-mutuel racing may, with prior Commission approval, conduct official nonpari-mutuel races on otherwise dark days or mornings of allotted pari-mutuel days for the purpose of qualifying horses for races to be run under pari-mutuel conditions.

3. Mr. Fred Hutton, Director of Racing/Racing Secretary at Remington Park, submitted a letter dated December 18, 2003 (**Item G.2**) requesting that the Commission consider amending Rule 325:65-1-44, Pools Dependent Upon Betting Interests, as follows:

[NOTE TO READER: Proposed deletions are shown in the double strikethrough font; proposed new wording is presented in bold and underline fonts.]

Unless the Commission otherwise provides, at the time the pools are opened for wagering, the organization licensee:

- (1) may offer win, place, and show wagering on all contests with six (6) or more betting interests.
- (2) may be allowed to prohibit show wagering on any contest with five (5) or fewer betting interests scheduled to start.
- (3) may be allowed to prohibit place wagering on any contest with four (4) or fewer betting interests scheduled to start.
- (4) may be allowed to prohibit Quinella wagering on any contest with three (3) or fewer betting interests scheduled to start.
- (5) may be allowed to prohibit Quinella Double wagering on any contests with three (3) or fewer betting interests scheduled to start.
- (6) may be allowed to prohibit Exacta wagering on any contest with three (3) or fewer betting interests scheduled to start.
- (7) may be allowed to prohibit Trifecta wagering on any contest with six (6) or fewer betting interests scheduled to start.
- (8) ~~shall~~ **may be allowed to** prohibit Superfecta wagering on any contest with seven (7) or fewer betting interests scheduled to start.
- (9) may be allowed to prohibit Twin Quinella wagering on any contests with three (3) or fewer betting interests scheduled to start.
- (10) shall prohibit Twin Trifecta wagering on any contests with seven (7) or fewer betting interests scheduled to start.
- (11) shall prohibit Tri-Superfecta wagering on any contests with seven (7) or fewer betting interests scheduled to start.
- (12) shall prohibit Twin Superfecta wagering on any contests with seven (7) or fewer betting interests scheduled to start.
- (13) may be allowed to prohibit Show Quinella wagering on any contest with four (4) or fewer betting interests scheduled to start.
- (14) may be allowed to prohibit Exacta (n) wagering on any contest with three (3) or fewer betting interests scheduled to start.

In his letter, Mr. Hutton requested the rule amendment because "the rule change would have an immediate impact if implemented. The benefit would be increased handle, where more value is placed in the betting public's hands. The increased handle would trickle down to all levels of participants, more money would be available for Horsemen's purses, increased revenue to both the race tracks and the State and most important added value to the betting public." Mr. Hutton also identified "... the following jurisdictions that allow the organizational licensee this same option: Texas, Louisiana, Ohio, Florida, Maryland, California and Pennsylvania. In some cases the tracks in these jurisdictions have kept this wager for their patrons with as few as 6 contestants."

4. Commission Staff requests a rule amendment to Rule 325:1-1-13, Notice to Licensee, for ease of notification as follows:

[NOTE TO READER: Proposed wording is presented in bold and underline fonts.]

Whenever notice is required to be given by the Commission or the Stewards, such notice shall be given in writing by personal delivery to the person to be notified; or **by electronic transmission, if the recipient has that technology or if the technology is not available to recipient, then** by mailing, certified mail, return receipt requested, such notice to the last known address furnished to the Commission; or may be given as is provided for service of process in a civil proceeding in the State of Oklahoma and pursuant to provisions of the Administrative Procedures Act, 75 O.S., § 309.

5. Commission Staff requests a rule amendment to Rule 325:30-1-3, Racing Interest Defined, as follows:

[NOTE TO READER: Proposed deletions are shown in the double strikethrough font; proposed new wording is presented in bold and underline fonts.]

For the purposes of this Subchapter, a racing interest is defined as any individual Owner, or any partnership of Owners, or any registered stable, but not including a lessee which participates as an owning entity or nominator of a racehorse. A licensed Owner may participate in more than one (1) racing interest ~~but not participate~~ **and** in more than one (1) Stable Name.

Item G.3 is the *Oklahoma Register* Publication Dates and Filing Deadlines as provided by the Office of Administrative Rules, August 28, 2003.

COMMISSION STAFF RECOMMENDATION:

That the Commission authorize publication in the *Oklahoma Register* for the February 2, 2004 issue and scheduling of a Public Hearing on Monday, March 8, 2004 [which cannot occur sooner than 30 days after publication] of these proposed rule amendments and new rule through permanent rulemaking procedures. This would allow the proposed rule amendments and new rule to be brought back to the March 18, 2004 Commission meeting with comments from the Public Hearing, if any, for possible adoption prior to the annual April 1 Legislative deadline for such proposed rules must be filed in order to be considered during the current Legislative Session.

H. Consideration and Action, If Any, Deemed Appropriate by the Commission Regarding Appointment of Representative for Backstretch, LLC d/b/a Blue Ribbon Downs on Oklahoma-Bred Advisory Council

Annual appointments to the Oklahoma-Bred Advisory Council are typically made at the May meeting for the next fiscal year, July 1 of the current year through June 30 of the following year. With the November, 2003 sale of Blue Ribbon Downs to Backstretch, LLC, representation on the Advisory Council for that racetrack needs to be made. **Item H.1** is a December 22, 2003 letter from Mr. Frank Deal, General Manager of Blue Ribbon Downs (BRD), requesting that Mr. Blaine Story, BRD Assistant General Manager, and Ms. Tonya Maxwell, BRD Director of Operations, be appointed to the Oklahoma-Bred Advisory Council. Mr. Deal verbally advised the Commission on December 23 that it would be more appropriate for Ms. Maxwell to be named the Representative and Mr. Story the Alternate due to Mr. Story's responsibilities for the racetrack remodeling already

underway. Ms. Maxwell has been the BRD representative to the Advisory Council for a number of years.

I. NEW BUSINESS: Any Matter Not Known About or Which Could Not Have Been Reasonably Foreseen Prior to Posting the Agenda

J. REPORTS

As reported at the November 20, 2003 Commission meeting, the Commission provided supervision and regulation of certain nonpari-mutuel trial races conducted in November, 2003 at Blue Ribbon Downs under the provisions of a Memorandum of Understanding Regarding the Conditions of Racing with the racetrack's new owner, Backstretch, LLC, a private company owned by the Choctaw Nation of Oklahoma. In accordance with the terms of the Memorandum of Understanding, Backstretch has reimbursed the Commission for Commission racing official and drug testing expenses for the subject racing, and the Commission has returned the \$30,000 security deposit to the Choctaw Nation of Oklahoma.

K. ANNOUNCEMENTS Mr. Bayliff, Chair

1. The Oklahoma Quarter Horse Racing Association has purchased the following race programs, futurities and derbies from Race Horses, Inc.: the Black Gold race programs (including a futurity championship series, a derby and prepare stallion nominations for future race years), the Blue Ribbon Futurity and Derby, the Oklahoma-Bred Quarter Horse Futurity, and certain other horse racing programs.
2. The Oklahoma Appaloosa Racing has purchased from Race Horses, Inc. the Strike It Rich Stallion Progeny race to be held at Fair Meadows at Tulsa.
3. The next Regularly Scheduled Commission Meeting is set for 9:30 a.m., Thursday, February 19, 2004, at the Shepherd Mall Activity Center, Suite 40B, 2401 Villa Prom (N.W. 23rd and Villa Avenue), Oklahoma City, Oklahoma 73107. February 10, 2004 is the published deadline for receipt by the Commission office of requests for agenda consideration for the scheduled February 19 meeting.
4. The next meeting of the Oklahoma-Bred Advisory Council is scheduled for Wednesday, March 3, 2004, at 11:00 a.m. in the Shepherd Mall Activity Center, Suite 40B.

ADJOURNMENT Mr. Bayliff, Chair