

Florida Gaming Control Commission

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Audio Transcription

April 06, 2023

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10 TRANSCRIPTION OF AUDIO RECORDING

11 FLORIDA GAMING CONTROL COMMISSION

12 APRIL 6, 2023

13 9:30 A.M.

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1 APRIL 6, 2023

2 9:30 A.M.

3 COMMISSIONER BROWN: Thank you so  
4 much. Good morning. This is the Florida Gaming  
5 Control Commission's meeting on April 6th at 9:30  
6 a.m.

7 If you would like, please rise and join  
8 our executive director, who will lead the pledge of  
9 allegiance.

10 MR. TROMBETTA: It's on.  
11 Thank you very much. Sorry about that. Okay.

12 (Pledge of Allegiance)

13 COMMISSIONER BROWN: Thank you so  
14 much. I appreciate that.

15 If you all may, please silence your phones  
16 today. We are going to get right into the meeting  
17 agenda starting with the discussion of consent  
18 orders. We do have a speaker.

19 Mr. Trombetta?

20 MR. TROMBETTA: Yes. I'm  
21 sorry, Commissioner Brown. There was a request to  
22 hear the item number -- seven or eight? Which one  
23 was it, Joe? -- item number seven, the discussion of  
24 the application for ownership transfer for West  
25 Flagler.

1 COMMISSIONER BROWN: Okay.

2 MR. TROMBETTA: I just  
3 wanted to put it on your radar, and I apologize for  
4 not doing that ahead of time.

5 COMMISSIONER BROWN: Oh, sure.  
6 Seeing no objection from the Commissioners if we can  
7 move right -- all right. We'll move into item  
8 number seven, discussion of application about  
9 ownership transfer. Who will be presenting?

10 MR. MARSHMAN: Good morning.

11 COMMISSIONER BROWN: Good morning.

12 MR. MARSHMAN: Just a brief overview.  
13 The Commission last considered this matter at a  
14 public meeting on February 8th. At that meeting,  
15 the Commission voted to conditionally approve the  
16 acquisition of Permit 155 by Gretna Racing, LLC from  
17 West Flager Associates Limited.

18 Nine days later on February 17th, the  
19 Commission issued a conditional final order that  
20 captured what the conditions said out loud at the  
21 February 8th meeting. This order gave the parties  
22 30 days to close, and after closing, the parties had  
23 five business days to provide the Commissions with  
24 copies of the executed materials from closing.

25 Seven days later, on February 24th, the

1 Commission received the executed materials that were  
2 used during closing. On March 1st, the Commission  
3 sent correspondence to Gretna Racing, LLC seeking  
4 clarification regarding the documents provided to  
5 the Commission previously on the 24th, and the next  
6 day, March 2nd, Gretna responded.

7 Since then, staff has reviewed the  
8 information that it had at February 8th, it being  
9 the Commission, what was the information that --  
10 that the Commission conditionally approved then  
11 versus what was actually done and executed at  
12 closing. Staff did not discover any substantial  
13 differences between those sets of documents.

14 And I see no reason why we cannot approve  
15 the transaction as previously described that  
16 actually took place at closing and issue a final  
17 order approving the transaction that acquired permit  
18 155 and the accompanying property that we've  
19 previously described.

20 COMMISSIONER BROWN: Thank you,  
21 Mr. Marshman.

22 Is anybody here to speak on this item?

23 MR. MARSHMAN: I believe Mr. Lockwood  
24 (phonetic) is present on behalf of Gretna Racing,  
25 LLC, but I don't know if he was planning on making

1 any presentation.

2 COMMISSIONER BROWN: Thank you.

3 Anyone else? All right.

4 Commissioners, any discussion on this  
5 item? If not, we are ripe for a motion to approve  
6 the final order of this transaction.

7 COMMISSIONER D'AQUILA: Commissioner, I'd  
8 like to make a motion to approve the final order on  
9 this matter.

10 COMMISSIONER BROWN: All those in  
11 favor, signify by saying aye.

12 (Multiple ayes)

13 Thank you. The motion passes. Thank you,  
14 Mr. Marshman.

15 MR. MARSHMAN: Thank you.

16 COMMISSIONER BROWN: We're going to  
17 go move back to items 1.1. through 1.5, noting that  
18 item 1.1 also has a speaker, but if we could first  
19 get into the overview please.

20 MS. ALVARADO: Morning. This is Emily  
21 Alvarado. Item 1.1 is FGCC versus Casino Miami in  
22 case numbers 2022-021122 and 2022-034738. These two  
23 cases -- there's two -- two separate administrative  
24 complaints that were filed in these cases.

25 The first one, respondent failed to

1 suspend play in the slot machine and card room areas  
2 while the surveillance was down, and the second one,  
3 the respondent failed to properly maintain the slot  
4 machine entry authorization log and failed to notify  
5 the surveillance department of the door opening on a  
6 slot machine as required by the respondent's  
7 internal controls.

8           There is a signed settlement and consent  
9 order that has a fine of \$1500. Therefore, the  
10 division would ask that the Commission enter an  
11 order adopting and incorporating the proposed  
12 settlement and putting that order in.

13           COMMISSIONER BROWN: Okay, thank  
14 you.

15           And Commissioners, before we get into any  
16 questions or discussion, I'd like to have the  
17 speaker -- Mr. Jonathan Zachem, who signed up, speak  
18 to us please. I think the mic is on.

19           MR. ZACHEM: Hello. Yeah.

20           COMMISSIONER BROWN: Good morning.

21           MR. ZACHEM: Well -- good morning.

22 Thank you, Commissioners. I appreciate the  
23 opportunity to be here, and I would be remiss if I  
24 didn't start off by thanking the General Counsel's  
25 Office, especially Ms. Alvarado, for her

1 professionalism and assistance with these cases.

2           What you have before you are two cases  
3 that are a little bit unusual in nature. For both  
4 of these cases, there is a responsibility that  
5 exists for the permit holder to have levels of  
6 oversight, and I would say very candidly, Ms.

7 Alvarado was wonderful in working with us and trying  
8 to delve down into what the responsibilities are.

9           The first case you have pertains to a very  
10 unusual situation, where there was a power issue  
11 pertaining to cameras on a Saturday morning. I  
12 think it's pretty clear in the facts before you that  
13 there were several cameras affected as they went in  
14 and out. Casino Miami, soon after they discovered  
15 what the actual issue was, has created a separate  
16 power source for them to make sure that this didn't  
17 happen afterwards.

18           And in my opportunity to convey  
19 information back and forth from the agency, they  
20 were good enough to say that they're not aware of  
21 this ever happening previously. So this definitely  
22 was a one-off as far as something happening.

23           And the second situation that you have, we  
24 had a bit of a challenging situation in that you had  
25 individual licensees licensed by the Commission that

1 were working on the gaming floor as slot techs. You  
2 can see by the facts before you and some of the  
3 information given that there was a level of  
4 education that was conveyed to them as far as the  
5 requirements. They have to follow the internal  
6 controls. They have to fill out MEAL books. There  
7 are several things that you're required to do.

8 Ms. Alvarado was good enough to supply the  
9 investigative report so that we can end up trying to  
10 do anything to mitigate things in the future  
11 happening. One of those slot techs no longer is  
12 working for Casino Miami, and it was soon after that  
13 they separated ways. Another one was worked with  
14 directly so that we could see who it was from the  
15 investigative report so that we can make sure that  
16 they were educated and trained in ways properly  
17 going forward so that they would understand what  
18 they're supposed to do.

19 So we appreciate this opportunity to be  
20 here and if you have any questions.

21 COMMISSIONER BROWN: Thank you,  
22 Mr. Zachem.

23 Commissioners, are there any questions for  
24 Mr. Zachem?

25 Appreciate you coming and providing more

1 clarity to the background and the facts.

2 Any questions? Okay. Thank you.

3 All right. Is there any discussion or any  
4 questions of Ms. Alvarado on this -- on these two  
5 cases?

6 MS. ALVARADO: Nothing further.

7 COMMISSIONER BROWN: Thank you.

8 If not, we can take a motion right now to  
9 approve the settlement and consent order in both of  
10 those cases.

11 COMMISSIONER D'AQUILA: I will second.

12 COMMISSIONER BROWN: Without  
13 objection, all those in favor say aye.

14 (Multiple ayes)

15 Thank you.

16 MR. ZACHEM: Thank you very much.

17 COMMISSIONER BROWN: All right. We  
18 are moving on to 1.2.

19 MS. ALVARADO: Item 1.2 is FGCC versus  
20 Sarasota Kennel Club in case number 2022-057795.

21 This case, respondent violated Rule 61D-  
22 11.0144(B)(2) by failing to indicate the time and  
23 the table number on a damaged card envelope before  
24 cards.

25 Respondent has no prior violations of this

1 rule. Therefore, the division would ask the  
2 Commission to enter an order adopting and  
3 incorporating the proposed settlement.

4 COMMISSIONER BROWN: Thank you,  
5 Ms. Alvarado. Also, I want to thank you for your  
6 work on the prior cases as well.

7 Is there any questions or discussion on  
8 this 1.2? If not, we're ripe for a motion. Okay.

9 COMMISSIONER D'AQUILA: Second.

10 COMMISSIONER BROWN: Okay. Seeing  
11 no objection, the motion thereby passes by all  
12 Commissioners.

13 Moving on to 1.3.

14 MS. ALVARADO: Item 1.3 is FGCC versus  
15 Tampa Bay Downs in case number 2022-059430. This  
16 case was a one-count -- or three-count  
17 administrative complaint that was filed. Respondent  
18 failed to indicate the table number of a damaged  
19 card that was removed from play on an envelope  
20 containing the card. They failed to have a  
21 signature from a cardroom supervisor on two damaged  
22 card envelopes and failed to comply with the  
23 internal control procedures regarding issuing keys  
24 to dealer coordinators and tournament directors  
25 only.

1 Respondent has two prior violations of  
2 failing to have the supervisor signed the damaged  
3 card envelope. One case from 2022 had a fine of  
4 \$250, and another had a fine of \$300 from 2022 as  
5 well. Therefore, the division would ask the  
6 Commission to enter an order adopting and  
7 incorporating the settlement in this case. It has a  
8 fine of \$2250.

9 COMMISSIONER BROWN: Commissioner  
10 D'Aquila, any questions?

11 All right. We are ripe for a motion.

12 COMMISSIONER D'AQUILA: I'll make a motion

13 --

14 COMMISSIONER BROWN: Approved.

15 COMMISSIONER D'AQUILA: -- to adopt the  
16 settlement that's been ordered in this case.

17 COMMISSIONER BROWN: Thank you. Is  
18 there (indiscernible)?

19 Okay. Seeing no objection, we are going  
20 to go ahead and pass that motion. Thank you.

21 Moving on to 1.4.

22 MS. ALVARADO: Item 1.4 is FGGC versus  
23 Rafael Eduardo Romero in case number 2023-007308.  
24 This case was a one-count administrative complaint  
25 alleging that respondent violated Section

1 550.2415(1)(a) and Rule 61D-6.008(2)(j) by racing a  
2 horse with an impermissible amount of dimethyl  
3 sulfide. That is a Class C drug, which -- and this  
4 was their first offense, which requires a \$1000 fine  
5 and return of purse.

6 We have received confirmation that the  
7 owner has returned the purse in this case.  
8 Therefore, the division would ask the Commission to  
9 enter an order adopting and incorporating the  
10 proposed settlement in the case.

11 COMMISSIONER BROWN: Thank you.

12 Yes. We are ripe for a motion if there's  
13 no discussion.

14 COMMISSIONER D'AQUILA: I will make a  
15 motion to (indiscernible) settlement proposed.

16 COMMISSIONER BROWN: All right.  
17 Seeing no objection, the motion passes.

18 On to 1.5.

19 MS. ALVARADO: Item 1.5 is FGCC versus  
20 Harold A Simms in case number 2023-009297. This  
21 case was a one-count administrative complaint  
22 alleging that respondent violated Section  
23 550.2415(1)(a) and Rule 61-D6.008(3)(p) by racing a  
24 horse with an impermissible amount of  
25 phenylbutazone.

1                   This was their first offense. Therefore,  
2 a written warning is what the ARCI recommends in the  
3 case. Therefore, the division would ask the  
4 Commission to enter an order adopting and  
5 incorporating the settlement.

6                   COMMISSIONER BROWN: Thank you very  
7 much. Any discussion? If not -- Ms. Alvarado?

8                   MS. ALVARADO: Yes. It gives a range  
9 from a written warning to \$500 for a first offense.  
10 It does have a recommendation that if it's under a  
11 certain amount, they recommend a written warning for  
12 the first offense.

13                   COMMISSIONER BROWN: Okay. Are we  
14 ready for a motion? If so -- thank you.

15                   COMMISSIONER D'AQUILA: Second.

16                   COMMISSIONER BROWN: Okay. Seeing  
17 no objection, the motion passes.

18                   And we're going to move on to the  
19 discussion of default final orders 2.1 and 2.2.

20                   MS. ALVARADO: Item number 2.1 is FGCC  
21 versus Francisco Colamay in case number 2022-015696.  
22 This case, there was a one-count administrative  
23 complaint filed alleging that respondent was  
24 excluded from Casino Miami on March 26, 2022, for  
25 attempting to steal from a patron, and he was

1 arrested by -- or taken into custody by Miami Police  
2 Department.

3 He is, therefore, subject to exclusion  
4 from all pari-mutuels and all slot machine  
5 facilities in the state of Florida. Respondent  
6 failed to respond and was properly served. There's  
7 USPS tracking in the packet.

8 Therefore, the division would ask the  
9 Commission to enter an order finding the respondent  
10 was properly served, the respondent failed to  
11 respond within 21 days, that the facts in the  
12 administrative complaint are accepted as the facts  
13 of the case, and concluding that respondent shall be  
14 added to the permanent (indiscernible).

15 COMMISSIONER BROWN: Thank you,  
16 Ms. Alvarado. This is pretty clear-cut here.

17 If we can get a motion to approve the  
18 final order here permanently excluding this  
19 individual.

20 COMMISSIONER D'AQUILA: I will second.

21 COMMISSIONER BROWN: Sounds good.

22 That sounds good.

23 Seeing no objection, the motion passes.

24 Thank you.

25 2.2?

1 MS. ALVARADO: Item 2.2 is FGCC versus  
2 Joseph Malik Register in case number 2022-020873.  
3 This case was a two-count administrative complaint  
4 alleging the respondent was convicted of a felony  
5 and failed to inform the Commission of this felony  
6 within 48 hours. We were provided the USPS tracking  
7 that showed that it was delivered to respondent, and  
8 he failed to respond within 21 days.

9 Therefore, the division would ask the  
10 Commission to enter an order finding that respondent  
11 was properly served, he failed to respond within 21  
12 days, the facts in the administrative complaint are  
13 accepted as the facts in this case, and concluding  
14 that respondent's general individual occupational  
15 license will be revoked due to the felony  
16 conviction.

17 COMMISSIONER BROWN: Ms. Alvarado, I  
18 have a question about when the Gaming Commission  
19 informs a licensee about their requirements to  
20 notify the Commission of any conviction within 48  
21 hours.

22 MS. ALVARADO: It is on their  
23 application. It is somewhere on the application.  
24 I'm not exactly sure where it says it, but it is.  
25 When they sign on it, it's under that part.

1                   COMMISSIONER BROWN: Is there  
2 anywhere else on our website or in our materials  
3 that reminds them? I mean, some of these licensees  
4 have, you know, held on to their licenses for a  
5 great deal of time. And when they get renewed, it's  
6 -- is it on the renewals?

7                   MS. ALVARADO: That, I'm not sure of. I  
8 never actually looked up the renewal application  
9 like specifically to see if that's on there. So I'm  
10 not sure, but I do know it's on the initial  
11 application.

12                  COMMISSIONER BROWN: Okay, thank  
13 you.

14                  Any discussion? Okay. Ready for a  
15 motion.

16                  COMMISSIONER D'AQUILA: Yes, I'll make a  
17 motion (indiscernible) final order.

18                  COMMISSIONER BROWN: Thank you.

19                  Seeing no objection, the motion passes.

20                  All right. We are moving to 3.1,  
21 discussion of final order pursuant to request for  
22 respondent.

23                  MS. ALVARADO: Item 3.1 is FGCC versus  
24 Greylin Rio in case number 2022-050846. In this  
25 case, there was a one-count administrative complaint

1 filed alleging that respondent violated 61-  
2 D11.004(8)(a) by failing to clear his hand seven  
3 times after gathering and pushing pots to players  
4 while he was working as a dealer at Hialeah Park.  
5 He has no prior violations of this rule.

6 The respondent has sent in  
7 election of rights requesting that a final order be  
8 entered against him in this case. Therefore, the  
9 division would ask the Commission to enter a written  
10 warning.

11 COMMISSIONER BROWN: Okay, thank  
12 you.

13 Again, Commissioners, any questions on  
14 this?

15 Seeing no objection, the motion passes.  
16 Thank you.

17 Moving on to discussion of license  
18 denials, 4.1 through 4.4.

19 MR. TAUPIER: Marc Taupier for the  
20 record. This is 4.1, Jamie Osorio Morales, case  
21 number 2023-000993. This is before the Commission  
22 on a pari-mutuel wagering general individual  
23 occupational license that was submitted on January  
24 4th of 2023.

25 Upon review of that application, it

1 appears that the applicant was convicted of burglary  
2 of an unoccupied structure in 2022. The applicant  
3 currently is on probation.

4 The memo does state that it's until July  
5 27th of 2024, however, after doing a little bit more  
6 digging, it appears that there was a new law offense  
7 of driving without a valid driver's license, which  
8 caused a technical violation of probation. A notice  
9 to show case was issued, and he is due in court at  
10 8:30 today. So I do not have an update about when  
11 his probation will be either extended or if he's  
12 going to be taken into custody. He was arraigned on  
13 the new law offense, and he did show up.

14 Based on those factors, a waiver interview  
15 was conducted and was available to the applicant.  
16 That interview was conducted, and the notes were  
17 sent to the executive director of the Florida Gaming  
18 Control Commission along with the full applicant  
19 file.

20 Based on that review, the executive  
21 director declined to waive the felony conviction.  
22 Therefore, it is the recommendation of the Division  
23 of Pari-Mutuel Wagering to issue a notice of intent  
24 to deny.

25 COMMISSIONER BROWN: Thank you,

1 Mr. Taupier.

2 And I just wanted to say we're not towards  
3 the end of the day yet, but this is your last Gaming  
4 Control Commission meeting; is that right?

5 MR. TAUPIER: Yes, ma'am.

6 COMMISSIONER BROWN: We're very,  
7 very sad to see you leave, but we understand you're  
8 moving on to brighter pastures in Tampa.

9 MR. TAUPIER: I am. I appreciate it.  
10 It's been a pleasure working here, and I thank  
11 everyone for it.

12 COMMISSIONER BROWN: You've done a  
13 fabulous job.

14 Commissioners, any questions on this item  
15 or comments?

16 If not, we're ripe for a motion. This is  
17 a burglary, and it is clear that the staff got this  
18 right.

19 COMMISSIONER D'AQUILA: I will second the  
20 motion.

21 COMMISSIONER BROWN: Okay. Without  
22 any objection from the Commissioners, the motion  
23 passes.

24 4.2.

25 MR. TAUPIER: 4.2 is Matthew James

1 Worthley, case number 2023-009742. This is before  
2 the Commission on a slot machine professional  
3 individual occupational license application that was  
4 submitted on February 17th of 2023. Upon review of  
5 that application, it appears that the applicant was  
6 convicted of possession, purchase, sale, delivery of  
7 cocaine in the year of 2006.

8 Because this is for a slot machine  
9 professional individual occupational license, the  
10 Florida statute does not authorize the executive  
11 director to waive the felony conviction. Therefore,  
12 the recommendation is to issue a notice of intent to  
13 deny.

14 COMMISSIONER BROWN: Do you have any  
15 questions? I do have a question on this one. Has  
16 this individual provided any mitigating evidence  
17 since 2006 -- his 2006 conviction?

18 MR. TAUPIER: No.

19 COMMISSIONER BROWN: Was he charged  
20 with any other crimes in the file that we're aware  
21 of?

22 MR. TAUPIER: I believe that there were  
23 other convictions out of state that amounted to  
24 misdemeanors, but it was either well before the 2006  
25 conviction. There's nothing that I could see in

1 Florida where he violated probation, is currently on  
2 probation, has picked up any additional charges, or  
3 anything like that.

4 COMMISSIONER BROWN: Okay. I'm just  
5 not -- I mean, again, this is a long-time crime.  
6 I'd love to see some mitigating evidence, and I'm  
7 sure -- I know this is just a notice of intent to  
8 deny. But I'd love to see some mitigating evidence  
9 of him rehabilitating himself. I mean, this is a  
10 really dated crime.

11 MR. TAUPIER: Right.

12 COMMISSIONER DRAGO: The green one, huh?  
13 I forgot what my question was. Oh, did he report  
14 this -- this felony conviction on his application?

15 MR. TAUPIER: It appears that he did.

16 COMMISSIONER DRAGO: Okay, thank you.

17 COMMISSIONER D'AQUILA: I have a question.  
18 Did he report the misdemeanors that you referred to  
19 earlier?

20 MR. TAUPIER: I believe that he did. I  
21 didn't look heavily into that because they weren't  
22 disqualifying offenses. I did look at it, but as to  
23 whether or not I made it a point of issue, I did  
24 not. I'm pretty sure it's in the application as  
25 well.

1 MR. MARSHMAN: If I may. It appears on  
2 page 515 of the materials. This applicant did  
3 disclose a series of misdemeanor traffic offenses  
4 and a misdemeanor possession charge predating the  
5 felony charge. So it appears that he has disclosed  
6 even the misdemeanors --

7 COMMISSIONER BROWN: Uh-huh  
8 (affirmative).

9 MR. MARSHMAN: -- since 2006 as well.

10 COMMISSIONER BROWN: Thank you. Any  
11 follow-up?

12 Again, this individual, he's currently an  
13 employee at Calder. I mean, he's candid. It's a  
14 dated crime. I would hate to deny him an ability to  
15 earn a living in the state of Florida.

16 COMMISSIONER DRAGO: Just one question,  
17 Mr. Marshman. Did you say that he also disclosed  
18 arrests prior to that 2006 felony arrest for  
19 narcotics or drugs or cocaine? Did I hear you say?

20 MR. MARSHMAN: It appears that he  
21 disclosed the 2006 felony conviction. There was a  
22 2015 traffic offense, a 2001 possession misdemeanor  
23 offense, a 2001 traffic offense, and a 2010 traffic  
24 offense.

25 COMMISSIONER DRAGO: Okay. Thank you.

1 COMMISSIONER BROWN: Mr. Taupier?

2 MR. TAUPIER: Marc Taupier for the  
3 record. My computer is not working. So I can't  
4 pull anything up, but given those facts, there are  
5 two additional crimes that were out of state that  
6 amounted to petty theft and uttering a forged  
7 instrument --

8 COMMISSIONER BROWN: Now, that  
9 changes everything here.

10 MR. TAUPIER: -- that it appears was not  
11 disclosed to the Florida Gaming Control Commission.  
12 Ultimately, those are not disqualifying under a pure  
13 slot machine license application, but he did not  
14 provide us with that information.

15 COMMISSIONER BROWN: Thank you.  
16 That is helpful.

17 COMMISSIONER DRAGO: When were those  
18 offenses? Oh, you don't have that? Okay.

19 MR. TAUPIER: I can't pull it up.

20 COMMISSIONER BROWN: I couldn't find  
21 them in the file either. Petty theft would jump out  
22 at me.

23 MR. TAUPIER: They were well before the  
24 2006. I had to go back and research the actual law  
25 in place at that time to make sure it was a

1 misdemeanor, but it was -- it was a long time ago.

2 COMMISSIONER DRAGO: I understand. Thank  
3 you.

4 COMMISSIONER BROWN: Commissioner  
5 D'Aquila, anything?

6 COMMISSIONER D'AQUILA: So how many  
7 offenses do we have here, combination felony and  
8 misdemeanor? About a half dozen from what I'm  
9 hearing?

10 MR. MARSHMAN: If I may.

11 COMMISSIONER D'AQUILA: Please.

12 MR. MARSHMAN: Ms. Valentine has located  
13 more of the information in the record since our  
14 computers are luckily working. It looks like on  
15 page 509 --

16 COMMISSIONER D'AQUILA: 509.

17 MR. MARSHMAN: -- of your information,  
18 there's more of our review results, and that  
19 disclosed what Mr. Taupier was talking about.  
20 There's the felony charge that we've been talking  
21 about, but then there are two offenses from  
22 Wisconsin, one of them being issuing a worthless  
23 check in 1993 and then theft in 1993.

24 COMMISSIONER BROWN: Petty theft?

25 MR. MARSHMAN: It only says theft without

1 any explanation. There is an M next to it  
2 demarcating a misdemeanor, but to the point that was  
3 already made, without us doing research, I don't  
4 know what the equivalent crime or even the level of  
5 offense would be in Florida compared to what  
6 Wisconsin had in the '90s to what Florida had in the  
7 '90s.

8 COMMISSIONER BROWN: Commissioner  
9 D'Aquila?

10 COMMISSIONER D'AQUILA: Thank you. I have  
11 the page now in front of me. I appreciate it.

12 COMMISSIONER BROWN: So I appreciate  
13 you all providing additional information on this  
14 individual. The crime alone of 2006 does not give  
15 me pause, but the petty theft and failure to  
16 disclose the petty theft does. And, again, this a  
17 notice of intent to deny. The applicant will still  
18 have an opportunity to appeal it.

19 So with that, is there a motion to approve  
20 the denial -- license denial?

21 COMMISSIONER D'AQUILA: I'd like to make a  
22 motion to approve the license to deny.

23 COMMISSIONER BROWN: Notice of  
24 intent, sorry.

25 COMMISSIONER D'AQUILA: Oh, the notice of

1 intent to deny.

2 COMMISSIONER BROWN: Thank you.

3 COMMISSIONER DRAGO: Second.

4 COMMISSIONER BROWN: Okay. Seeing  
5 no objection, the motion passes. Thank you.

6 We are on to 2.3 -- 4.3.

7 MR. TAUPIER: Item 4.3, Marc Taupier for  
8 the record. This is Hector Paul, case number 2023-  
9 010983. This is before the Commission on a slot  
10 machine cardroom pari-mutuel combination  
11 occupational license that was submitted on February  
12 23rd of 2023.

13 Upon review of that completed application,  
14 it appears that the applicant had several  
15 convictions of the following: possession of cocaine  
16 with intent to sell and deliver in 2005, grand theft  
17 motor vehicle in 2005, aggravated fleeing to elude  
18 police after an accident in 2005, and possession of  
19 cocaine in 2006. All of the enumerated crimes that  
20 I just listed were not disclosed on the application  
21 when applying.

22 There was -- there is no opportunity for a  
23 waiver interview or for the executive director to  
24 waive the felony convictions because of the slot  
25 machine statutes. Therefore, it is the

1 recommendation of the Division of Pari-Mutuel  
2 Wagering to authorize the issuance of a notice of  
3 intent to deny.

4 COMMISSIONER BROWN: Thank you.  
5 This sounds like a videogame. I appreciate the  
6 overview of this applicant.

7 If there are no questions, can we get a  
8 motion with -- of the notice of intent to deny Mr.  
9 Paul?

10 COMMISSIONER D'AQUILA: So moved.

11 COMMISSIONER DRAGO: Second.

12 COMMISSIONER BROWN: Okay. Seeing  
13 no objection, the motion passes.

14 Item 4.4.

15 MR. TAUPIER: Item 4.4, Marc Taupier for  
16 the record. This is Philip Gerod Milton, case  
17 number 2023-013103. This is before the Commission  
18 on a slot machine cardroom pari-mutuel combination  
19 occupational license that was submitted on February  
20 28th of 2023.

21 Upon review of that completed application,  
22 it appears that the applicant was convicted of the  
23 following: burglary with assault or battery in 2006,  
24 possession of marijuana with intent to sell in 2011,  
25 two counts of strong-arm robbery in 2014, driving

1 with license cancelled, suspended, or revoked as a  
2 habitual offender in 2017, and driving with license  
3 cancelled, suspended, or revoked as a habitual  
4 offender in 2020.

5 Applicant did not put the first burglary,  
6 the possession of marijuana, or the two counts of  
7 strong-arm robbery was not disclosed on the  
8 application. As far as the 2017 habitual driving  
9 with license cancelled, suspended, or revoked, the  
10 applicant stated on the application that there was  
11 no action taken. However, upon further review, it  
12 was confirmed that the applicant was actually  
13 convicted of that charge.

14 Because this is a slot machine license,  
15 there is no opportunity for the executive director  
16 to waive any of the felony convictions. Therefore,  
17 it is the request of the Division of Pari-Mutuel  
18 Wagering that the Commission authorize the issuance  
19 of a notice of intent to deny.

20 COMMISSIONER BROWN: Can I please  
21 get a motion of a notice of intent to deny on Mr.  
22 Milton?

23 COMMISSIONER D'AQUILA: So moved.

24 COMMISSIONER DRAGO: Second.

25 COMMISSIONER BROWN: Without

1 objection, the motion passes on this item. Thank  
2 you.

3 We are now moving to discussion of amended  
4 applications for cardroom licenses, items 5.1  
5 through 5.3.

6 MS. POUNCEY: Good morning, Jamie  
7 Pouncey. Item 5.1 is case number 2023-013070. It  
8 is South Florida Racing Association doing business  
9 as Hialeah Park. They have requested additional  
10 tables for their current 2022-2023 cardroom  
11 operating license. They have requested to add two  
12 tables for a total of twenty-eight tables. They  
13 have paid the required fee, submitted the required  
14 documentation, and the division recommends approval.

15 COMMISSIONER BROWN: Thank you,  
16 Ms. Pouncey.

17 If there are no questions, can we get a  
18 motion to approve the request adding two tables?

19 COMMISSIONER D'AQUILA: Motion to approve.

20 COMMISSIONER BROWN: Okay.

21 COMMISSIONER DRAGO: Second.

22 COMMISSIONER BROWN: Okay. Seeing  
23 no objection, the motion passes.

24 I think all of these are adding two more  
25 tables; is that correct?

1 MS. POUNCEY: Yes, ma'am.

2 COMMISSIONER BROWN: Okay. 5.2

3 please.

4 MS. POUNCEY: I'd actually like to  
5 combine 5.2 and 5.3.

6 COMMISSIONER BROWN: Very smart.

7 MS. POUNCEY: They are both Casino  
8 Miami. The requests, case number 2023-017613 is for  
9 the 2022 current fiscal operating -- cardroom  
10 operating license. Case number 2023-017616 is for  
11 the '23-'24 cardroom operating license. Both  
12 applications are to request to add an additional two  
13 tables, which would bring their total tables to  
14 twenty.

15 They have submitted the associated fees  
16 for both applications and the required documentation  
17 for the applications, and the division recommends  
18 approval.

19 COMMISSIONER BROWN: Thank you. If  
20 there are no questions, can we get a motion to  
21 approve adding additional tables to 5.2 and items  
22 5.3?

23 COMMISSIONER DRAGO: So moved.

24 COMMISSIONER BROWN: Seeing no  
25 objection, the motion for those two items passed --

1 passes. Thank you.

2 Moving on. Oh, approval of minutes, 6.1  
3 through 6.3. I'm sure you all have had an  
4 opportunity to review the minutes when we had a few  
5 more people up here and great discussion on those  
6 minutes.

7 If I could get a motion for all three of  
8 those, 6.1 through 6.3, to approve those minutes.

9 COMMISSIONER DRAGO: I'll make a motion  
10 to approve.

11 COMMISSIONER D'AQUILA: Second.

12 COMMISSIONER BROWN: All those in  
13 favor.

14 (Multiple ayes)

15 Thank you.

16 Moving on to 8, discussion of HISA HIWU  
17 voluntary agreements.

18 MR. MARSHMAN: Good morning again. For  
19 the record, this is Ross Marshman.

20 Just to set the stage here on this item,  
21 the Federal Horseracing Integrity and Safety Act  
22 authorizes the Horseracing Integrity and Safety  
23 Authority to enter into voluntary agreements with  
24 states to carry out certain portions of the  
25 authority's regulations.

1                   And this agreement before you is a draft  
2                   that has gone a few times back and forth between us  
3                   and HISA and HIWU, but we're at the stage now where  
4                   I would like your input and your authority to  
5                   continue negotiating with HISA and HIWU, which is  
6                   Horseracing Integrity Welfare Unit of Drug Free  
7                   Sports America, which is the enforcement entity that  
8                   HISA has selected to carry out the provisions of the  
9                   antidoping and medication control program rules.

10                   So the agreement before you is a draft.  
11                   It has two main components, one for the racetrack  
12                   safety program and one for the antidoping and  
13                   medication control program. Previously, the State  
14                   of Florida had entered into a voluntary agreement  
15                   only for the racetrack safety program. The  
16                   antidoping and medication control rules were not in  
17                   effect at that time. So there was no reason to  
18                   enter into an agreement for that. So that latter  
19                   half of those two parts is new to the state of  
20                   Florida.

21                   And there are, I would say, hundreds of  
22                   pages of regulations, and we've tried to craft the  
23                   best path forward for Florida to enter into this  
24                   agreement and continue to ensure the integrity of  
25                   the sport and also ensure that our employees

1 currently serving a lot of the functions that would  
2 otherwise be served by either HISA or HIWU employees  
3 would still be able to carry out their duties and  
4 still be employed here in the state.

5           So with that, I'm willing to go through as  
6 much or as little of the draft as you all want. I  
7 had previously highlighted to each of you  
8 individually some of the areas that I think are ripe  
9 for public discussion. We can start with those, or  
10 we can simply go through the agreement. I'm happy  
11 to do whatever the Commission would like to do  
12 today.

13           COMMISSIONER BROWN: Commissioners,  
14 if you want to just dive into certain areas of the  
15 agreement or certain areas of concern or areas of  
16 clarity, I think that would probably be a quicker  
17 way and more efficient way.

18           So with that, if there's discussion, I'll  
19 open it up to the floor to either of you. I do have  
20 some comments and some suggestions of some language,  
21 but I'll open it up to you all.

22           COMMISSIONER DRAGO: Sure. I would like  
23 to go through some of those areas that, as you  
24 spoke, that you highlighted to us individually prior  
25 to the meeting. Hit some of those spots. Those are

1 the ones I had the biggest questions on at this  
2 point.

3 MR. MARSHMAN: Okay.

4 COMMISSIONER DRAGO: So if you wouldn't  
5 mind, if you could go through those, and we can ask  
6 questions on those to start off with.

7 MR. MARSHMAN: Sure. The first issue I  
8 flagged for consideration by the Commission is the  
9 matter of reimbursement and credit.

10 Just as a preface to this discussion,  
11 reimbursement is HISA and HIWU paying us back for  
12 the services that we agreed to do on their behalf.  
13 The credit is applied to the bill that would be paid  
14 for covered racetracks. There is a distinction  
15 throughout this agreement between reimbursement and  
16 credit, and the first time one of those words  
17 appears is at the end of the Racetrack Safety  
18 Program, where I talk about reimbursement for  
19 investigations of the Racetrack Safety Program.

20 As it's currently drafted, it matches the  
21 State of Kentucky's language. No other state that  
22 has already entered into an agreement, as far as I  
23 know, has gotten HISA to agree to any form of  
24 reimbursement for investigations in connection with  
25 the Racetrack Safety Program, and to be frank, I

1 think they've previously communicated to the state  
2 and other states that they were not inclined to  
3 extend any sort of reimbursement for the Racetrack  
4 Safety Program investigations.

5 So what I have currently drafted is what  
6 HISA has previously agreed to already with Kentucky,  
7 which is covering so-called extraordinary costs, so  
8 costs that are perhaps not as equally associated  
9 with investigations, so travel, depo prep, trial  
10 time basically.

11 So that's what I've included so far, but  
12 there's nothing preventing the Commission to  
13 instruct me to seek the maximum amount of  
14 reimbursement for all activities, investigations  
15 conducted with the Racetrack Safety Program. But  
16 realistically, given the other agreement's total  
17 lack of any reimbursement but for Kentucky, I think  
18 it's safe to assume that HISA will resist the idea  
19 of complete reimbursement for all investigative  
20 costs. But they were seemingly agreeable to a  
21 smaller subset of those overall costs.

22 COMMISSIONER BROWN: And the  
23 extraordinary costs are not defined. So they are  
24 somewhat subjective.

25 MR. MARSHMAN: It is, and we can keep it

1 the way -- well, if we are inclined to do a smaller  
2 amount of -- smaller class rather of costs, we can  
3 keep it vague and then have a good faith discussion  
4 with HISA as these things come up. Or as a matter  
5 of perhaps better contract drafting, we can spell  
6 out exactly what we expect to be reimbursed for and  
7 define quite clearly what the extraordinary costs  
8 are.

9 COMMISSIONER BROWN: Commissioner  
10 Drago?

11 COMMISSIONER DRAGO: Question about the  
12 reimbursement as opposed to credit. So right now  
13 and the way it would work after this would be that  
14 we would -- our folks would do the draws for the  
15 drugs under our present budget and appropriation,  
16 correct? So if we didn't get reimbursement, we  
17 would be paying for it from our present  
18 appropriation and budget.

19 MR. MARSHMAN: Yes, with a caveat. Yes.  
20 Because what we're talking about now in your  
21 scenario, Commissioner, is actually for the Anti-  
22 Doping and Medication Control Program.

23 COMMISSIONER DRAGO: Yes.

24 MR. MARSHMAN: So when a sample is  
25 collected from a racehorse, that is under the Anti-

1 Doping and Medication Control Program, which has a  
2 separate credit and reimbursement structure.

3 The activity of the sample collection from  
4 a State of Florida employee on behalf of HISA and  
5 HIWU is currently reflected as a credit, and that  
6 credit for the coming year or the length of this  
7 agreement is estimated to be \$940,000 as a credit.

8 There is a separate reimbursement  
9 provision, however, for investigations connected  
10 with the Anti-Doping and Medication Control Program.  
11 So if a Florida employee assists HIWU with  
12 investigating an Anti-Doping and Medication Control  
13 violation separate and apart from a sampling, we  
14 would be reimbursed, as I've currently drafted, for  
15 those costs. That would not be accrued as a credit.  
16 It would be a reimbursement.

17 But to your specific point, if a sample  
18 collection occurs and the State of Florida is doing  
19 it on behalf of HIWU, we will get the credit for  
20 that, totaling up to their estimate of \$940,000.  
21 But we'll get to it later. I've also included a  
22 provision that if our actual costs exceed the  
23 \$940,000 estimate, they will pay us the difference  
24 and pay us our actual cost by way of a credit.

25 COMMISSIONER DRAGO: But not

1 reimbursement.

2 MR. MARSHMAN: Correct.

3 COMMISSIONER BROWN: I think  
4 Commissioner D'Aquila has a question.

5 COMMISSIONER D'AQUILA: So clarification,  
6 there are the standard costs budgeted in the  
7 \$940,000. Above and beyond the standard costs,  
8 additional investigation, that HISA may ask for that  
9 may come to bear when we are conducting those  
10 investigations with our staff, with the involvement  
11 of our lawyers, that is separate. We shall seek  
12 reimbursement for that?

13 MR. MARSHMAN: Yes.

14 COMMISSIONER D'AQUILA: Okay. And your  
15 point earlier that we have followed Kentucky, which,  
16 by the way, I compliment you for picking that up and  
17 putting that in there because those costs can be  
18 considerable. And they're not in our current budget  
19 in the Commission. One of the choices that you've -  
20 - discussion points that you have raised is do we  
21 keep it very light or do we, in this negotiation  
22 that you will have, start broader with a wider list  
23 of reimbursements of this cost. My first question  
24 is: is my understanding correct?

25 MR. MARSHMAN: It is, but again with a

1 caveat that I don't want to mix too much the  
2 Racetrack Safety Program investigation with the  
3 concept of the Anti-Doping and Medication --

4 COMMISSIONER D'AQUILA: Right.

5 MR. MARSHMAN: -- investigation. The  
6 provision you're discussing now, Commissioner, is  
7 under the Racetrack Safety Program.

8 COMMISSIONER D'AQUILA: Okay.

9 MR. MARSHMAN: So the investigations for,  
10 let's say, concussion management, jockey wellness,  
11 something like that, those would be reimbursed as  
12 I've currently described or however the Commission  
13 wants me to try to go for.

14 COMMISSIONER D'AQUILA: I understand.

15 MR. MARSHMAN: For Commissioner Drago, if  
16 one of our employees -- Mr. Dillmore has previously  
17 explained this as a good example -- if one of our  
18 employees assists HIWU with tossing a barn and  
19 looking for prohibited substances, that's the type  
20 of investigation that is currently contemplated as  
21 being reimbursed under the Anti-Doping and  
22 Medication Control, the second part of that  
23 agreement.

24 COMMISSIONER DRAGO: So I think I led you  
25 down the wrong -- so I jumped to the anti-doping is

1 what you're saying. I didn't mean to confuse the  
2 two issues, but I think I jumped down to the anti-  
3 doping?

4 MR. MARSHMAN: It's -- the terms apply  
5 equally to both programs. So -- and we have to  
6 discuss all of it.

7 COMMISSIONER DRAGO: Okay.

8 MR. MARSHMAN: So it's not --

9 COMMISSIONER DRAGO: Okay.

10 MR. MARSHMAN: -- it's not anything we  
11 weren't going to talk about.

12 COMMISSIONER BROWN: Commissioner  
13 D'Aquila?

14 COMMISSIONER D'AQUILA: Yeah. I would  
15 like to make a suggestion that we give you the  
16 latitude to start negotiation with a larger ask for  
17 reimbursement and with the authority and  
18 understanding that the -- as it is written now may  
19 actually be the result. But I do think that we  
20 should at a minimum proceed with what has already  
21 been agreed to by the State of Kentucky, regardless  
22 of what the other states have done.

23 And I might add with regard to the second  
24 program and the reimbursement, that we, you know, we  
25 have a provision in there that we, the Commission,

1 shall invoice them for reimbursable costs. I would  
2 like to suggest we put in there those costs will be  
3 billed monthly with the terms net 30 with the  
4 understanding that, you know, if they are not  
5 reimbursing us, there is a potential, you know,  
6 breach of this agreement, the material term of this  
7 agreement. Whether or not that needs to be put in  
8 there, I will leave to counsel. So --

9 MR. MARSHMAN: Thank you. And if the  
10 other Commissioners agree with that, that's  
11 something I'm happily -- or happy to do.

12 COMMISSIONER BROWN: I agree with  
13 it, and this is -- we're talking about Section 14.  
14 And one of the suggestions that I wanted to include,  
15 give broader collection of reimbursement or request  
16 is just to include simple language. If your -- if  
17 they come back and say, no, we're not going to  
18 approve anything other than what Kentucky has  
19 authorized, I was going to suggest including the  
20 words -- just put not limited to right before this  
21 reimbursement is contemplated for at least the  
22 following potential costs, which are not limited to  
23 or something to that effect. So you just include  
24 language that -- I mean, these are contemplated, but  
25 we're not limited to just these costs.

1 MR. MARSHMAN: Understood.

2 COMMISSIONER BROWN: I agree with  
3 Commissioner D'Aquila on the fact that we should be  
4 able to get reimbursement for all of our  
5 investigative costs above what we would normally be  
6 doing in the ordinary course of a day.

7 Commissioner Drago, any follow-up on this?

8 COMMISSIONER DRAGO: If I understand, he's  
9 saying reimbursement for anything we do above our  
10 normal what we do now --

11 COMMISSIONER BROWN: Which would be  
12 all --

13 COMMISSIONER DRAGO: -- in the course of  
14 duty?

15 COMMISSIONER BROWN: -- which would  
16 be all investigations under anti-doping. I mean --

17 MR. MARSHMAN: It would be -- I think it  
18 would be all of the costs associated with the  
19 Racetrack Safety Program because we don't have a  
20 concussion management program in the state. We  
21 don't have a jockey testing program. We don't have  
22 an emergency warning system program. So us making  
23 sure the racetracks are complying with those new  
24 requirements would be a new duty to our  
25 investigators.

1                   For the Anti-Doping and Medication Control  
2 Program, you know, we are already sampling from  
3 racehorses obviously in the state, and Mr. Dillmore  
4 can explain better than I can about what our  
5 employees are currently doing in terms of  
6 investigations that would be similar to what the  
7 expectation will be under HISA and HIWU. But it  
8 seems like there's more of a one-to-one fit there  
9 than there is for the Racetrack Safety Program.

10                   COMMISSIONER BROWN: Mr. Dillmore?

11                   MR. DILLMORE: Excuse me. Good morning.  
12 Yeah. I mean, that's accurate. Some of the stuff  
13 we do now with the drug positives or positive tests  
14 or animal deaths, I mean, that is something our  
15 investigators typically will look into as -- and do  
16 an investigation on as those cases develop. So it  
17 definitely is a definite closer fit on the anti-  
18 doping program.

19                   Now, some of the programs on the track  
20 safety are programs that are conducted currently by  
21 the tracks. They do have a concussion management  
22 program. They have a jockey drug testing program,  
23 and those would be something that -- we don't have  
24 specific rules on those under current existing law,  
25 but the ones that are adopted under HISA, we could

1 go in and make sure that at least they are making a  
2 good faith effort to satisfy those HISA rules.

3 COMMISSIONER BROWN: You just used  
4 great terminology, good faith efforts, and there's  
5 another provision in there about the Uniform  
6 National Trainers Test that puts the onus on the  
7 Commission to ensure that the tracks make successful  
8 passage of that test as a condition for entry. And  
9 I don't think that should be the responsibility -- I  
10 mean, I think making our best efforts to ensure  
11 passage, but making it a requirement and a duty --  
12 affirmative duty on the Commissions to ensure that  
13 they pass the test.

14 MR. DILLMORE: Yes. That's accurate as  
15 well, and there's some other continuous training and  
16 education programs that a lot of the staff at the  
17 tracks and the trainers have to do. And HISA has  
18 made it a point that they're going to kind of a team  
19 effort to make sure that, one, they provide the  
20 training sometimes remotely, sometimes online, and  
21 then we make those efforts to help get that message  
22 out where there's trainings available and those  
23 individuals who, you know, need to get up to speed  
24 on those training programs.

25 COMMISSIONER BROWN: Thank you.

1                   Commissioners, any comments? I think  
2 those words, Mr. Marshman, are probably more on  
3 point as using the Commission's best efforts to  
4 ensure compliance.

5                   COMMISSIONER D'AQUILA: I want to add  
6 emphasis to your point. I fully agree. I was  
7 concerned about that. I don't know if best efforts  
8 is the term to use, but I think the onus of letting  
9 HISA in would primarily fall on the track and that  
10 we will, of course, cooperate. But we're not --  
11 we're not ultimate responsible. So I'll leave it to  
12 the legal scholars to find language, but the way  
13 it's written now, from my read, is concerning.

14                   COMMISSIONER BROWN: Thank you.

15                   COMMISSIONER DRAGO: One more question,  
16 yeah. I just want to get clarification from -- in  
17 my own mind for what we're talking about in terms of  
18 reimbursement. So when we're talking about  
19 reimbursement, are we talking about that for both  
20 programs? And reimbursement means reimbursement for  
21 everything that our staff does or just -- not  
22 including investigations, the sampling? Does it  
23 include everything, or does it just include the  
24 sampling part of it? So I just want to get that  
25 clear in my mind what we're talking about.

1                   MR. MARSHMAN: Understood. Reimbursement  
2 applies to duties under the Racetrack Safety Program  
3 and the Anti-Doping and Medication Control. For  
4 investigations of the Racetrack Safety Program, we  
5 will ask for reimbursement as much as we can for all  
6 investigations under the Racetrack Safety Program.  
7 For the anti-doping, for the sampling, currently,  
8 it's split. Everything that we're currently doing  
9 collecting samples is reflected as a credit.  
10 Everything else we would be doing as an  
11 investigation would be a reimbursement.

12                   COMMISSIONER DRAGO: So do we want to talk  
13 about whether we want the sampling to be reimbursed  
14 as well? Can we talk -- is that something that's  
15 negotiable in this, or do we -- have we decided, or  
16 do we want to go with just a credit, or can we talk  
17 about reimbursement for that portion?

18                   COMMISSIONER BROWN: Yeah. I think  
19 Mr. Marshman has a status on the current sample  
20 company -- or university that we use and what the  
21 effects would be if they don't enter into an  
22 agreement with HISA and then where it would go. And  
23 there will be costs borne on our tracks or the  
24 Commission.

25                   MR. MARSHMAN: So as it's currently

1 envisioned, for a race that occurs in Florida, in  
2 the agreement, we've designated the University of  
3 Florida Racing Lab as the designated state testing  
4 facility. They are accredited by HISA and HIWU.  
5 However, they failed to reach an agreement with HISA  
6 and HIWU to actually perform any testing connected  
7 to the Anti-Doping and Medication Control Program.

8           So as it stands, you know, under the act,  
9 under their agreement, if there is a race tomorrow,  
10 that sample would go to somewhere else. That's not  
11 happening now in reality because of the injunction  
12 that we've all discussed separately and  
13 individually, but assuming this program restarts May  
14 1st and we have races going, any sample that we  
15 collect, unless UF does get an agreement with HISA  
16 and HIWU, they'll be going out of state.

17           So in terms of reimbursement for the  
18 sampling, we haven't asked for that. No state has  
19 done that yet. If a state is agreeing to enter into  
20 a voluntary agreement to perform any services  
21 connected to the Anti-Doping and Medication Control  
22 Program, they have all elected, I believe, to  
23 receive that as a credit.

24           I don't think in any of the examples I've  
25 seen so far, which is only five. And there are

1 other states, but a lot of states aren't entering  
2 into any agreement whatsoever. So the racetracks in  
3 those jurisdictions will not get any credit.

4 So if we do ask for all of our sample  
5 collection work to be reimbursed, then there just  
6 won't be any credit on the bill that is owed by the  
7 racetracks in this jurisdiction to HISA and HIWU for  
8 those costs that they're reimbursing us. Any dollar  
9 we spend that we ask for reimburse, I assume, will  
10 be passed along to the racetrack --

11 COMMISSIONER DRAGO: Uh-huh (affirmative).

12 MR. MARSHMAN: -- and HISA and HIWU won't  
13 be paying it out of their own coffers. They'll be  
14 passing those costs directly to the racetracks. So  
15 that's part of the reason why there is a split. The  
16 \$940,000 as a credit is what HISA and HIWU have  
17 proposed to us.

18 I've already written a provision that  
19 that's just the starting point and that if our  
20 actual costs associated with the sample collection  
21 exceed that, they owe us a larger credit. But I  
22 haven't sought any of those costs yet as a  
23 reimbursement, but that is something for the  
24 Commission to discuss. That isn't off the table.

25 To go back to your very beginning, that

1 isn't off the table. None of this is off the table.  
2 It's your agreement. I'm happy to go back, but  
3 realistically, I'm not sure how receptive HISA and  
4 HIWU -- it's HISA. They're the ones writing the  
5 check -- I don't know how receptive HISA will be to  
6 eliminating the credit completely and doing  
7 reimbursement instead.

8 COMMISSIONER BROWN: Mr. Trombetta?

9 MR. TROMBETTA: No. Just  
10 to add to the last point there. I think the way  
11 this has been proposed to all states is here's the  
12 bill for the state. If you agree to participate to  
13 do sampling, we're going to reduce the cost to the  
14 state.

15 Now, Florida has opted not to opt-in, to  
16 just pay that assessment. Instead, it gets passed  
17 on to the racetracks. So if a decision is made to  
18 seek reimbursement, even if it's -- even if HISA or  
19 HIWU agrees to it, it's just going to be passed on  
20 to the racetracks. And, you know, so it would  
21 essentially just make it more expensive to race in  
22 the state of Florida.

23 COMMISSIONER BROWN: Commissioner  
24 D'Aquila?

25 Okay. I think the gist of it though,

1 Mr. Marshman, is if we do not enter into this  
2 agreement regardless the tracks will not be  
3 entitled to the credit; is that correct?

4 MR. MARSHMAN: That's correct. If the  
5 state does not agree to perform any services  
6 pursuant to the Anti-Doping and Medication Control  
7 Program, then there would be no reason to give the  
8 racetracks a credit because we're not -- the state  
9 is not doing anything to generate the credit. HISA  
10 and HIWU more specifically would have to then hire a  
11 whole team of sample collection folks,  
12 investigators, everything that, you know, they  
13 intend for Florida to do and we did for at least a  
14 week until the injunction as in effect.

15 COMMISSIONER BROWN: I think the  
16 whole message of this -- I mean, I hate to call it a  
17 voluntary implementation agreement, and it's  
18 voluntary because states are either opting in to  
19 entering an agreement or not. But it's more of a  
20 cooperative agreement, and I think that would be a  
21 more appropriate term is a cooperative agreement.

22 Implementation, almost some of these  
23 affirmative requirements, again, that are put on the  
24 Commission, like the Uniform National Trainer's Test  
25 or the -- even the affirmative duties on race -- or

1 the concussion management, they are affirmative  
2 duties on the Commission. And it's more of a  
3 cooperative relationship that we are having with  
4 HISA, HIWA. I think that would -- would that be --  
5 would they be opposed to some type of alternative  
6 title just to reflect what the nature of this  
7 relationship with this not-state or not-government  
8 entities are?

9 MR. MARSHMAN: I'm happy to find out.

10 COMMISSIONER BROWN: Okay.

11 COMMISSIONER DRAGO: I have just one quick  
12 question, legal question. In terms of our decision  
13 to -- for reimbursement or credits, do we have the  
14 authority to voluntarily not accept the  
15 reimbursement or to voluntarily agree to pay for it  
16 basically and not take a -- not take a reimbursement  
17 for it?

18 MR. MARSHMAN: So Commissioner, you and I  
19 spoke about this yesterday, and I think the question  
20 is a good one. Can we, as a portion of the  
21 Executive Branch, decide how the State's coffers are  
22 filled or go out? I don't know. I would suggest  
23 that we can't because we are not the Legislature.  
24 We do not have the power of the purse.

25 What we're talking about here is not

1 exactly on all fours with the idea of legislating  
2 and determining how budgets are written, but your  
3 point is valid that if we do not agree to -- if we  
4 do not accept any sort of reimbursement, we are then  
5 passing additional costs on to the public, namely  
6 racetracks, and that may not have been foreseen by  
7 the Legislature when they were writing their budget  
8 last year and authorizing the Commission to take  
9 certain enforcement actions, you know.

10 Before HISA and HIWU came onboard, the  
11 racetracks were not paying, at least directly, for  
12 sampling or racetrack -- or investigations like what  
13 the Anti-Doping and Medication Control Program was.  
14 That was just budgeted to us --

15 COMMISSIONER DRAGO: Uh-huh (affirmative).

16 MR. MARSHMAN: -- paid for by the  
17 Legislature, and paid for by general revenue trust  
18 funds, everything like that. So I do see the  
19 concern being us, as a member of the Executive  
20 Branch, levying additional costs on the public that  
21 were not necessarily contemplated by the  
22 Legislature.

23 COMMISSIONER BROWN: Commissioner  
24 Drago, Commissioner D'Aquila has a brief question.

25 COMMISSIONER D'AQUILA: That was a very

1 good segue to my question. I believe your -- what  
2 you just said is absolutely correct, and I think  
3 that goes back to the point earlier that we should  
4 seek reimbursement for all costs, you know, the  
5 original budget amount to be in compliance with our  
6 own budgetary limitations as well as what the  
7 Florida Legislature has brought up.

8           And then we separately, perhaps in the  
9 renewal year, if it comes up in the negotiation, we  
10 will need to speak with them about where this is  
11 going. But in the negotiation, I think HISA needs  
12 to understand that we don't have the (indiscernible)  
13 to go out there and fund what would be hundreds of  
14 thousands of dollars in additional investigation  
15 costs that are not in the budget.

16           So they could draw the line that they have  
17 not done this for the State of Arkansas, whoever  
18 else they are working with, but we have our state  
19 laws to comply with. And if they want to be in the  
20 state of Florida, then this is not something we have  
21 -- I don't believe we have the authority to do.

22           So I would go -- I would seek the more  
23 expanded list of reimbursement and use that as the  
24 reason. Maybe that's why they had to do it in  
25 Kentucky versus some of the other states, which may

1 not have (indiscernible). I'm just thinking, you  
2 know.

3 And, of course, you have the latitude to  
4 negotiate, but Commissioner Drago's point is an  
5 excellent one.

6 COMMISSIONER BROWN: And are we  
7 going to see a final copy prior to implementation or  
8 -- obviously?

9 MR. MARSHMAN: That's up to the  
10 Commission.

11 COMMISSIONER BROWN: Yeah.

12 MR. MARSHMAN: I think that once I send  
13 back a draft to HISA and HIWU, there will be some  
14 interest on their part to get this done quickly, not  
15 as much as there was before obviously because of the  
16 injunction lasting until May 1st.

17 But if the Commission would like to see a  
18 finalized copy before, let's say, we -- let's say we  
19 all agree to a draft or at least the parameters for  
20 me to continue to negotiate with them. I get a  
21 response back. We polish that up. We can present  
22 that to the Commission one more time.

23 I would recommend, if I may, to maybe have  
24 a special meeting sometime at the end of this month  
25 just to consider this matter. We could do it, you

1 know, easily as we can by Zoom and present you all  
2 with their counteroffer, I guess.

3 COMMISSIONER BROWN: And I know this  
4 is only a year-long agreement, but I think it's  
5 important to have -- make sure that we capture the  
6 intent of what we want to accomplish if you all are  
7 okay with seeing that and scheduling a special  
8 meeting.

9 COMMISSIONER DRAGO: Yes.

10 COMMISSIONER BROWN: Okay. Yes.

11 Commissioner D'Aquila?

12 COMMISSIONER D'AQUILA: If I may, I have -  
13 - if I may, I have another point on a different  
14 paragraph.

15 COMMISSIONER BROWN: Are you okay --

16 COMMISSIONER D'AQUILA: Is this an  
17 appropriate time? Are we finished here?

18 COMMISSIONER DRAGO: Are we all in  
19 consensus on the reimbursement for everything?

20 COMMISSIONER D'AQUILA: Yes.

21 COMMISSIONER BROWN: Yes.

22 Reimbursement, credit, all of the above.

23 MR. MARSHMAN: Okay. And just to clarify  
24 then on that point, if I may, the reimbursement for  
25 investigations for the Racetrack Safety Program, we

1 should seek the maximum amount allowed, knowing that  
2 they may only agree to what they have agreed to  
3 previously with Kentucky.

4 And then for the Anti-Doping and  
5 Medication Control Program, we are seeking  
6 reimbursement for all costs again associated with  
7 investigations for the Anti-Doping and Medication  
8 Control Program, which they have previously agreed  
9 to and have even offered to us in the past to do a  
10 direct reimbursement; is that --

11 COMMISSIONER BROWN: Commissioner  
12 D'Aquila, right.

13 COMMISSIONER D'AQUILA: I concur exactly  
14 the way you have summed it.

15 COMMISSIONER DRAGO: Yes. I do.

16 COMMISSIONER BROWN: Absolutely. As  
17 I said, you know, including but not limited to.

18 MR. MARSHMAN: Sure. And for the credit  
19 then, we will be seeking the maximum credit allowed  
20 for the sampling under the Anti-Doping and  
21 Medication Control Program?

22 COMMISSIONER BROWN: Commissioner  
23 Drago?

24 COMMISSIONER DRAGO: I think we should be  
25 going for the reimbursement for the sampling as

1 well. When you say sampling, you're talking about  
2 the drawing of the blood, right, or however they're  
3 going to take it? I think we should -- I think we  
4 should seek at least -- because again getting back  
5 to whether we have the authority to just not insist  
6 on reimbursement for anything that we spend in terms  
7 of our labor is a problem. It's a problem for me,  
8 and I could be wrong. But I think we should seek  
9 reimbursement for all aspects of it.

10 COMMISSIONER BROWN: Commissioner  
11 D'Aquila, before we get back to him over here?

12 COMMISSIONER D'AQUILA: Is that not the  
13 \$940?

14 COMMISSIONER BROWN: No.

15 COMMISSIONER D'AQUILA: No?

16 MR. MARSHMAN: You know, if I may, I  
17 think the \$940,000 for sampling is just their  
18 estimated cost value for the sampling. And if we  
19 were to agree to that, those costs are not borne by  
20 the racetrack. So we're not imposing any additional  
21 cost on the racetrack, and there was already a  
22 budget in Florida for that sort of sampling to  
23 occur.

24 So there aren't going to be any additional  
25 costs levied on the track under the current

1 suggestion of having a credit for the sampling.  
2 That's something that the Legislature has already  
3 budgeted us for.

4 The cost above what the Legislature  
5 already contemplated for us to be doing, I would  
6 say, were for the investigations for the Anti-Doping  
7 and Medication Control rule and the investigations  
8 for the Racetrack Safety Program, which I am going  
9 to seek the maximum reimbursement for those two  
10 things that are not contemplated by, I think, the  
11 Florida Legislatures and Florida law; does that  
12 clarify that?

13 COMMISSIONER DRAGO: Yes. Thank you.

14 MR. MARSHMAN: Okay.

15 COMMISSIONER BROWN: Okay. So we're  
16 clear on the reimbursement and credit. And you  
17 wanted to move on to another section. Yes.

18 COMMISSIONER D'AQUILA: Sure. So I would  
19 like to ask a question regarding paragraph 24,  
20 interested party, and my question pertains to breach  
21 of confidentiality risk. The -- if you could add  
22 some explanation, my concern and reason for raising  
23 this question is just the amount of diligence of  
24 putting the Commission at risk here with regard to  
25 what is confidential, what level of risk, if it is

1 an innocent risk, deliberate risk. Is there a  
2 better language we can place in there, if it's  
3 somehow beyond our control, confidentiality breach  
4 (indiscernible) voluminous documents resulting  
5 (indiscernible) and so forth.

6 MR. MARSHMAN: I would say adding  
7 language that would be intentional and knowing  
8 breach, I think, would probably solve that, and we  
9 could also just specify, you know, any unintentional  
10 or coincidental breach, you know, is excepted from  
11 that.

12 So your point is well made, Commissioner.  
13 We can change that language accordingly.

14 COMMISSIONER D'AQUILA: Thank you.

15 COMMISSIONER BROWN: That's a great  
16 suggestion, and I think in order for us to even have  
17 this information sharing, it's kind of imperative of  
18 us to be an interested party. Otherwise, we won't -  
19 - we will get the information after it is  
20 disseminated to the public.

21 MR. MARSHMAN: That's generally fair to  
22 say, and I think this is another issue that the  
23 entire Commission needs to discuss, and we're  
24 already here. So we might as well. If the State  
25 agrees or any state agrees to become an interested

1 party, as that term is used throughout the rules, we  
2 will receive more or less advanced notice for  
3 certain types of drug positive violations that  
4 members of the public would not get, and the  
5 industry would not get.

6 It's important to note though that even if  
7 the State of Florida does not enter into any  
8 agreement and the act and all of its regulations go  
9 forward, to a member of the public and the State of  
10 Florida, to a bettor, let's say, at a track, before  
11 and after HISA goes into effect, before and after  
12 these regulations go into effect, the citizen is  
13 going to have access to the same amount of  
14 information anyway.

15 So the type of confidential information  
16 that we would get as an interested party is the type  
17 of information that a member of the public wouldn't  
18 have had in Florida law anyway, and what I mean  
19 specifically are drug positive test results.

20 So before all of this became the law, you  
21 had provisions in Chapter 550 that exempted  
22 investigations from public records laws or made it  
23 confidential. I forgot exactly what it was or maybe  
24 both. But the point is the public wasn't allowed  
25 access to this information.

1                   What HISA in its regulations are saying  
2    is, look, we will give interested parties access to  
3    these positive test results before other people  
4    would know about it. You can't use that information  
5    in any way. You can't create your own  
6    investigation, let's say, of Anti-Doping and  
7    Medication Control regulation, but as a regulator,  
8    we will at least tell you when there is that  
9    positive test result.

10                  If we do not agree to become an interested  
11   party, then, Commissioner Brown, I think your point  
12   is valid. We would just be getting the information  
13   when everyone else would be getting the information  
14   anyway. So there's an overview that's been provided  
15   to you that kind of breaks down the nitty-gritty on  
16   when that would occur.

17                  The closest analog that I can think of to  
18   Florida law is when an administrative complaint is  
19   filed, that's when the cat's out of the bag, so to  
20   speak, and everyone knows kind of what's going on.  
21   There's an equivalent to that under the federal  
22   regulation, where we, along with everyone else,  
23   would know when there's a positive test result.

24                  So I think that's kind of an explanation  
25   about what sort of information we would get and when

1 we would get it versus not becoming an interested  
2 party.

3 COMMISSIONER BROWN: Commissioners?

4 COMMISSIONER DRAGO: I have a couple  
5 questions. So my concern about this, of course, is  
6 transparency and anything that's going to interfere  
7 with transparency, especially from this Commission,  
8 which is why we're really here in this format. This  
9 is for transparency and openness and public  
10 information. And my concern is anything that limits  
11 that.

12 So my -- if we were to become an  
13 interested party, they give us the information of a  
14 positive drug test, and then they tell us when we  
15 can release that or make it public or do anything  
16 with it, correct?

17 MR. MARSHMAN: More or less. Yes.

18 COMMISSIONER DRAGO: Yeah. If we are not  
19 an interested party -- or let's say if we are --  
20 let's look at now, right now, the way it is. If we  
21 get a positive test back, we don't have to release  
22 it either because it may be an ongoing  
23 investigation. However, we can say when to release  
24 it. We can decide when to release it. We can  
25 decide if it's not a criminal investigation going on

1 or any kind of administrative investigation, then we  
2 could release it. As an interested party, we have  
3 no say in that. They will decide when we release  
4 it.

5 So I don't really see a good side to this  
6 or a benefit to this to the people of Florida, but  
7 maybe you can tell me what the benefit is. I just  
8 see us losing some control over the transparency,  
9 but I don't see if they tell us, okay, here's a  
10 positive test, but you can't do anything with it.  
11 And you can't tell anybody, and you can't -- just  
12 put it in the drawer.

13 Why do we want to give away any  
14 transparency or any control voluntarily when it  
15 doesn't really benefit the people of Florida that I  
16 can see? So that's my question, I guess. What's  
17 the benefit of doing that, as opposed to -- even if  
18 it's the perception that we are losing transparency,  
19 that troubles me, but what's the benefit to us, by  
20 becoming an interested party and getting that early  
21 information about a positive? Because we don't --  
22 we won't follow-up on it or anything. It's not our  
23 investigation, correct?

24 MR. MARSHMAN: Correct.

25 COMMISSIONER DRAGO: So maybe you can help

1 me with that.

2 MR. MARSHMAN: Whether we enter into this  
3 agreement or not, the Horseracing Integrity and  
4 Safety Act is now the law of the land. And again  
5 whether we enter into this agreement or not, their  
6 regulations are going to go into effect, meaning  
7 their confidentiality provisions, as authorized by  
8 the act, federal law, are going to go into effect.

9 By the terms of federal law, anything that  
10 is covered by the regulations that are properly  
11 promulgated, which I assume HISA will eventually do  
12 correctly, anything that that has promulgated that  
13 is authorized by the act preempts any state's law  
14 that occupies the same field.

15 So whether we enter into this agreement or  
16 not, this information will not be public to the  
17 citizens of the state of Florida, and it wouldn't be  
18 public to anyone. If we enter into this agreement,  
19 we would have access to information that we wouldn't  
20 otherwise have at a certain time. That's what we  
21 get out of this.

22 We would know if there's a positive test  
23 result for the first sample. There's always the  
24 concept of split samples, of course. I assume that  
25 most trainers would continue to insist on having a

1 split sample if the first -- the A sample is  
2 positive, they would want a second sample, a B  
3 sample. We would have access to those results prior  
4 to someone else having access to it.

5 And in terms of holding another regulator  
6 accountable, we would know, let's say, if a certain  
7 horse tested positive and then there was no follow-  
8 up investigation, no subsequent testing, no  
9 investigation. If we do not have access to those  
10 test results, we may never know if they choose not  
11 to pursue any action against that trainer.

12 The only way we would know if there was  
13 something -- some issue, rather, going on with the  
14 test is we just know there is 10 performances, 10  
15 races at Gulfstream. We have the results for three  
16 out of the four horses. Three of them are negative.  
17 We never got anything for the fourth horse. We just  
18 have a question mark. We'll never know what went on  
19 with that fourth horse if they don't choose to begin  
20 a disciplinary process against that fourth horse.  
21 If we, however, become an interested party, we  
22 should know what's going on with that fourth horse  
23 when we otherwise wouldn't.

24 Now, to your point, Commissioner, we would  
25 never have the ability without their say-so to then

1 tell any member of the public, you know, what was  
2 going on with that fourth horse until HIWU or HISA  
3 authorized us to do it. But there are provisions in  
4 the regulation and in this agreement for us to  
5 request them to authorize us to release it, and if  
6 someone sues us -- let's say a member of the public  
7 wants to know what happens with that fourth horse  
8 and they sue us, there are also provisions listed in  
9 the agreement that HISA and HIWU would indemnify us  
10 and come in and do the work basically to keep that  
11 information from the public under their regulations.

12           Again, it's not, you know, us at that  
13 point. It's the federal law by way of the federal  
14 regulation. So this is going to happen one way or  
15 another. The benefit is if we agree to become an  
16 interested party, we will get that notice prior to  
17 other people, and we may know what happened with  
18 that fourth horse, as an example.

19           And separately but relatedly, I don't  
20 foresee HISA and HIWU agreeing to any agreement  
21 without some confidentiality provision. Because  
22 even if we don't agree to become an interested  
23 party, I think it's fair to assume that our  
24 investigators or our sample collection folk in the  
25 field may coincidentally or incidentally even get

1 access to information that is otherwise  
2 confidential.

3 So if an investigator is asked by HIWU to  
4 go help them search a barn because they had a  
5 positive test result in that barn and we haven't  
6 agreed to become an interested party, they would  
7 want a confidentiality provision all the same.

8 So I don't think we'll be able to enter an  
9 agreement without any sort of confidentiality  
10 provision, and I don't know if there's any middle  
11 ground in terms of confidentiality that they would  
12 agree to that we would be acceptable to. I just  
13 don't think that they -- frankly, they have a  
14 stronger bargaining position on this based on the  
15 operation of preemption and their regulation. So --

16 COMMISSIONER BROWN: Mr. Marshman,  
17 very eloquently put. I mean, you've just really  
18 summarized it perfectly, and I have a similar  
19 question of what makes -- what's the advantage of  
20 being an interested party? I mean, if we are aiding  
21 and helping them with investigations, of course the  
22 confidentiality is going to apply.

23 But I think you used the perfect example  
24 of, well, is there follow-through on this newly  
25 created nongovernment entity, who is doing the

1 investigations? I mean, we can hold them  
2 accountable and be -- in the knowledge regardless.  
3 The public is going to have the information under  
4 this federal law when this entity releases it. We  
5 don't have control over it with being an interested  
6 party and without being an interested party.

7 COMMISSIONER DRAGO: Can I just follow-up  
8 real quick? Because I'll forget otherwise. You  
9 said that we'll have the benefit of knowing, but  
10 that's -- I think that's the meat of my question.  
11 What do we do when we know? What does that do for  
12 us under these conditions that they say, okay, we  
13 have a positive test on Horse A at this track? What  
14 do we do with it then?

15 We don't do any investigation with it or  
16 anything. What -- how does that -- I'm balancing  
17 the perception of us giving away some transparency  
18 for I don't know what. That's my point. What are  
19 we getting out of that other than -- now, we know.  
20 So we can put it in a drawer, but what do we really  
21 do with that?

22 And I understand what you're saying. We  
23 may not be able to negotiate this. I get that, and  
24 I really appreciate everything you said because you  
25 made some great points. And we may not be able to,

1 but I'd really rather not just be the first ones to  
2 roll over or roll over quickly on this because I do  
3 think public information and transparency is a very  
4 important thing for us. And even though there's not  
5 a lot of difference there, there is a little bit of  
6 difference there. And there is a little bit of  
7 perception of difference there.

8 So again, my question is: what is it that  
9 we get out of knowing that Horse A was positive? I  
10 mean, what are we going to do with that that it's so  
11 important that we get it sooner than later? That's,  
12 I think, my main question.

13 MR. MARSHMAN: I think it goes to  
14 Commissioner Brown's point, where we as a regulator  
15 have to hold another regulator accountable. There's  
16 nothing that bars us from discussing these positive  
17 test results with HISA and HIWU, and there's nothing  
18 prohibiting Mr. Dillmore or someone from his team  
19 asking the sample collection -- or I'm sorry --  
20 asking HIWU, hey, what's going on with this horse?  
21 Why are you not doing anything? What's going on,  
22 you know?

23 This horse is slated to race, you know, in  
24 the next five performances across the state, you  
25 know. We need to know something. What's going on?

1 You're the only game in town. So you have to do  
2 this. What are you going to do about it? When if  
3 we don't know, we won't be able to hold them  
4 accountable for what's going on with that fourth  
5 horse. We won't know and we won't be able to  
6 basically hold them accountable and try to do  
7 something about it.

8 COMMISSIONER DRAGO: No. That's a good  
9 point. And do they have to tell us when we say,  
10 hey, what are you guys doing about this horse that  
11 you told us is positive? Are they bound by anything  
12 to say, oh, okay, we'll tell you where we are, or  
13 they can just tell us, well, we're not going to tell  
14 you that either?

15 So can we actually get anything out of  
16 challenging them and asking them what's happening  
17 with Horse A from this race?

18 MR. MARSHMAN: It would be speculation at  
19 this point going to what, again, Commissioner Brown  
20 said earlier, which is this is new. I think that  
21 Mr. Dillmore's experience with them last week with  
22 them starting up was very positive, and they seem to  
23 want to work with us as much as possible. But to  
24 your specific point, I don't know because it hasn't  
25 happened yet.

1 COMMISSIONER DRAGO: Sure.

2 COMMISSIONER BROWN: Commissioner

3 D'Aquila is like -- he's getting antsy over here.

4 Sorry.

5 COMMISSIONER DRAGO: Sorry, Commissioner.

6 COMMISSIONER D'AQUILA: To further your  
7 point, I like the idea of the interested party. I  
8 think at a minimum I want us to show HISA we are  
9 looking. We are concerned. We're not going to roll  
10 over, and if we have a call, Mr. Dillmore calls and  
11 he's concerned, whatever, that they do react.

12 We are the partner that is genuinely  
13 concerned about the safety of racing in our state.  
14 I think we have to recognize that they are the new  
15 agency that is unproven with new staff. What I'm  
16 hearing here today is, you know, we've been doing  
17 things here in the state of Florida with a very high  
18 degree of success, you know, a very -- it exists the  
19 possibility that the laboratory that we have relied  
20 on may not be used. And now I'm hearing the  
21 possibility of samples being shipped, you know, by  
22 plane to wherever, a train or whatever they're going  
23 to use.

24 I think that putting our head in the sand  
25 is not a good idea, and so I like the idea -- I

1 think a good point is made. I think we need to stay  
2 diligent on it. It is our state. We are concerned  
3 about it. We employ a lot of people in this  
4 particular area. So I think it is of our concern  
5 too.

6 But I also have a question, which is: is  
7 there case law -- a hypothetical situation, and I  
8 hope this doesn't happen, but in law, we always have  
9 to pose this question. Is there -- are there  
10 situations where, let's say, for example, that HISA  
11 doesn't do (indiscernible)?

12 I mean, is this -- are there situations  
13 where this confidentiality is breached or, I mean,  
14 legally taken or stricken down in the interest of in  
15 this case public safety or so forth? Or this is,  
16 you know, we're -- to use Mr. Drago's example  
17 earlier, we're just -- we can't do anything?

18 MR. MARSHMAN: So two points on that.  
19 And the first one is something that Ms. Stinson sent  
20 to me just a minute ago. In terms of having --  
21 being able to use the confidential information,  
22 there's no restriction in this that we would not be  
23 able to use that otherwise confidential information  
24 to begin an investigation of -- a criminal  
25 investigation of Florida law.

1           So animal cruelty is always at play, and  
2     there is a felony level of animal cruelty. So if an  
3     administration of a drug or a prohibited substances  
4     crosses that line into prohibited criminal conduct,  
5     then there's nothing that bars us from using that  
6     confidential information to begin an otherwise  
7     confidential criminal investigation. So again, all  
8     credit to Ms. Stinson for that.

9           But to your point, Commissioner D'Aquila,  
10    about what sort of accountability there would be or  
11    what sort of interplay there is between  
12    confidentiality and just the duty to protect the  
13    public safety and welfare, two subparts of that, I  
14    guess.

15           One, it's very difficult for a party, even  
16    a state, to have standing to compel an executive  
17    branch to do something. So it's very difficult to  
18    compel an executive branch agency to execute the law  
19    in the way you wanted to do. It's a little  
20    different because this is a not-for-profit public  
21    corporation, I guess. So it's slightly different  
22    there, but they are carrying out the duties of a  
23    regulator. So that's unclear to me.

24           But to your second point, we can build in  
25    some provision in this agreement, if the Commission

1 wants, that, well, there may already be a provision.  
2 We can terminate this agreement with 120 days'  
3 notice for any reason. Either party can.

4 So Commissioner Drago, if we get a pile of  
5 positives that we have in our drawer and they're not  
6 doing anything, we can say, look, we're not going to  
7 agree to this anymore. We're not going to help  
8 perpetuate this, let's say, sham of a regulation.  
9 We're just -- we're going to leave.

10 But we wouldn't know if they're not even  
11 doing their job to a certain extent if we don't  
12 agree to have our foot in the door and learn these  
13 positive test results.

14 COMMISSIONER BROWN: Mr. Dillmore?

15 MR. DILLMORE: Yeah. That's a good segue  
16 actually, and that's something that this Commission  
17 may be looking at some time down the road for us to  
18 keep asking how is this new program compared to when  
19 it was under the State's control? And without  
20 having this information, like how fast they are  
21 identifying drug positives or how many of their drug  
22 positives are being overturned by a separate lab on  
23 a split sample, or knowing the whole universe of  
24 samples that were collected and how many were  
25 ultimately positives? That's the kind of

1 information we're going to need to know to evaluate  
2 the effectiveness of the program. So, you know, to  
3 that end, it certainly could help us measure what  
4 those metrics were before and after the program went  
5 into effect.

6 COMMISSIONER BROWN: Thank you, both  
7 of you.

8 Commissioner Drago, Commissioner D'Aquila,  
9 are we good on the interested party or  
10 confidentiality?

11 COMMISSIONER DRAGO: Uh-huh (affirmative).

12 COMMISSIONER D'AQUILA: Yeah.

13 COMMISSIONER BROWN: Okay. Thank  
14 you so much for the explanation on that.

15 Are there any other provisions that you  
16 would like to discuss? Again, it's not even a full  
17 year of an agreement. It's December 31st it  
18 terminates of this year. Either party can terminate  
19 it with 120 days' notice. The whole goal of this is  
20 reflective of cooperation. So I just want to  
21 emphasize that again to Mr. Marshman. Where you  
22 feel it is appropriate to say that the spirit of  
23 this agreement is for the agency and the Commission  
24 to cooperate, that would be important, rather than  
25 again putting all of it on the Commission.

1 COMMISSIONER DRAGO: Can I say --

2 COMMISSIONER BROWN: Yeah.

3 COMMISSIONER DRAGO: -- one thing please?

4 And I appreciate all the feedback and the  
5 information. I think it's been extremely helpful to  
6 me because, as you can tell, I had a little bit of  
7 an issue with this part of it, interested party, but  
8 you made a lot of great points. So I thank you for  
9 that, Commissioners as well, some great points in  
10 that, and I think that going with the interested  
11 party is the way to go. So thank you.

12 COMMISSIONER BROWN: Thank you,  
13 Commissioner Drago.

14 Any other questions or can we -- I guess  
15 you have kind of the messaging from this body, and  
16 then we will -- you'll send us a draft, and we will  
17 schedule, I guess, seven days' notice prior to a  
18 public meeting.

19 MR. MARSHMAN: That's correct. Yes. For  
20 the seven days anyway.

21 COMMISSIONER BROWN: Yeah. Sound  
22 good?

23 COMMISSIONER DRAGO: Yes.

24 COMMISSIONER BROWN: Any other  
25 commits from any of you?

1           Okay. We are going to go ahead and move  
2 on to item 9, presentation on illegal horseracing.

3           Mr. -- is it going to be conducted by  
4 Mr. Francis Vanlangendonck or the staff or -- yes,  
5 Elizabeth.

6           MS. STINSON: Good morning. Yes.  
7 Mr. Vanlangendonck, who's the chair of OBS, Ocala  
8 Breeders and Sales, is going to be presenting some  
9 information to you all about bush tracks.

10          COMMISSIONER BROWN: Thank you.

11          And I believe the mic is live too. Will  
12 you be disseminating paper materials or anything?

13          MR. VANLANGENDONCK: No.

14          COMMISSIONER BROWN: Okay.

15          MR. VANLANGENDONCK: No, ma'am.

16          Thank you for having me.

17          Let me start by saying it was so  
18 refreshing to start this meeting with the Pledge of  
19 Allegiance after watching the news so much. It was  
20 wonderful.

21          There is a growing threat in Florida. It  
22 is under the name of unsanctioned racing and bush  
23 track racing. It's an unlawful practice of horse  
24 racing and mule racing. They race everything. They  
25 advertise on Facebook and social media. It's

1 something that a lot of people go to. They bet on  
2 it. They bet from the time they break from the  
3 gate. They bet who's in front at 50 yards, 100  
4 yards, 150 yards on out.

5 It's not unusual in these horses and mules  
6 and trotting horses get to the end of the race that  
7 they collapse because these horses are so full of  
8 drugs, of which they just got through talking about,  
9 illegal drugs, enhancement drugs. It's all  
10 unregulated, and it's torture to these animals.

11 A lot of these horses are coming in from  
12 Mexico. They are positive for piroplasmosis -- I  
13 knew I was going to say it wrong -- piroplasmosis.  
14 Anyhow, they could not get into the United States  
15 unless they're smuggled in, and there's also horses  
16 coming from Europe going through Mexico coming in  
17 because of that. It's done by the cartels. They're  
18 shipping horses over here to launder money. That's  
19 all going into these bush tracks.

20 The piroplasmosis is a threat to the horse  
21 industry in Florida, if not the United States.  
22 United States and Florida has the distinction of  
23 being a non-piroplasmosis country, and we can ship  
24 horses to Japan, Australia, Europe. It is a  
25 multimillion-dollar job-making industry.



1 Mr. Vanlangendonck, thank you so much for raising  
2 this attention to the Commission. You've really  
3 highlighted it to our staff, to our law enforcement  
4 arm too, who has taken a keen interest in it.  
5 Getting briefed before this meeting to hear about  
6 the atrocities that may be occurring is just  
7 deplorable.

8 MR. VANLANGENDONCK: No. It's  
9 horrible.

10 COMMISSIONER BROWN: It's horrible,  
11 and I know that the Commission is already taking it  
12 seriously. And you elevating it to this level has  
13 made it even a bigger deal.

14 Commissioners, do you have questions or  
15 comments?

16 COMMISSIONER DRAGO: I have a couple of  
17 quick ones if I may.

18 MR. VANLANGENDONCK: Speak loud  
19 because I'm older too, and I have a hard time  
20 hearing.

21 COMMISSIONER DRAGO: What do you mean too?

22 MR. VANLANGENDONCK: I'm talking about  
23 him.

24 COMMISSIONER DRAGO: Oh, okay. There you  
25 go.

1 MR. VANLANGENDONCK: Yeah. You're  
2 fine.

3 COMMISSIONER DRAGO: Are you aware of any  
4 law enforcement intervention in any of these races  
5 so far? Have you heard about the police getting  
6 involved anywhere or anything?

7 MR. VANLANGENDONCK: I have heard that  
8 they've tried, but they didn't have the ability with  
9 the correct laws to stop it. Because once you walk  
10 in, everybody scatters, you know. You can't catch  
11 them betting. You can't catch anybody with a drug  
12 or a gun or anything illegal. They're gone.

13 So it's got to be a different way to  
14 attach (sic) this thing. I mean, I know I'm a  
15 hunter, and you get caught shooting deer at night.  
16 They take your gun, your truck. They take  
17 everything.

18 COMMISSIONER DRAGO: Uh-huh (affirmative).

19 MR. VANLANGENDONCK: And it has to be  
20 approached in that way. I mean, you know, they  
21 stopped the mafia by getting them with tax evasion.  
22 So it's got to be multiple ways of getting at these  
23 people and catching them because, I mean, it's not  
24 hard to know where they are from what I'm seeing  
25 because it is on social media.

1                   But a lot of times, to be quite honest  
2 with you, the law enforcement -- local law  
3 enforcement doesn't have the ability to go in  
4 because there's a thousand people there all with  
5 guns and all with stuff that's not supposed to be  
6 there. And they're scared to go in.

7                   COMMISSIONER DRAGO: Thank you very much.  
8 I appreciate it.

9                   COMMISSIONER BROWN: Commissioner  
10 D'Aquila?

11                   COMMISSIONER D'AQUILA: I have a question.  
12 You mentioned in your presentation that they are  
13 using Facebook --

14                   MR. VANLANGENDONCK: Uh-huh  
15 (affirmative).

16                   COMMISSIONER D'AQUILA: -- aka Meta to  
17 promote their illegal activity. Has anybody  
18 notified Facebook that they are aiding and abetting  
19 an illegal business that is harming animals?

20                   MR. VANLANGENDONCK: Not to my  
21 knowledge.

22                   COMMISSIONER D'AQUILA: You might share  
23 that --

24                   MR. VANLANGENDONCK: Actually, I hope  
25 they keep doing it so we can catch them. But --

1 COMMISSIONER D'AQUILA: Uh-huh  
2 (affirmative).

3 MR. VANLANGENDONCK: -- but yeah.

4 COMMISSIONER D'AQUILA: And other -- are  
5 any other social media for that matter that you're  
6 aware of?

7 MR. VANLANGENDONCK: I'm not that  
8 familiar with all of it, but I have been sent  
9 attachments or whatever you call it on different  
10 aspects of it. So yeah. It's not hard to find.

11 COMMISSIONER BROWN: Thank you.

12 Anybody from our staff, would you like to  
13 speak? No? Anybody else?

14 We do have a speaker card on this item  
15 from the Florida Thoroughbred Breeders, Steve Koch.

16 Again, thank you, Mr. Vanlangendonck.  
17 Thank you. Good job. I practiced that name.

18 Hi.

19 MR. KOCH: Thank you, Commissioners.

20 I'm Steve Koch from the Florida Thoroughbred  
21 Breeders and Owners Association. Thanks for having  
22 me for just a moment just to follow-up with what our  
23 friend Mr. Vanlangendonck had to say.

24 We certainly would applaud any initiative  
25 that the Florida Gaming Control Commission could

1 bring to this very serious issue of unsanctioned  
2 horse racing. We perceive there's significant  
3 illegal activities attached to these enterprises.  
4 Of course, that would include gaming and all sorts  
5 of illicit trade. Most importantly, I think we've  
6 got a duty to our animals. We perceive sweeping  
7 welfare violations for these poor horses, and very  
8 possibly, the human participants that are racing  
9 these horses.

10 Of course, then again there's also the  
11 commercial risks that are attached to this. Francis  
12 introduced us to piroplasmosis, and that can have  
13 substantial effects to what is our \$12 billion  
14 Florida equine industry.

15 So thank you. The Florida Breeders  
16 certainly stands ready to support in any way that we  
17 can to the extent that the FGCC or perhaps the --  
18 even the partners in Department of AG and other law  
19 enforcement may be able to engage. We stand ready  
20 to assist.

21 COMMISSIONER BROWN: Thank you,  
22 Mr. Koch. Appreciate -- sorry for the  
23 mispronunciation.

24 MR. KOCH: No problem.

25 COMMISSIONER BROWN: Got his name

1 right though.

2 MR. KOCH: Yes. Yes. You did.

3 COMMISSIONER BROWN: All right.

4 Thank you. And I know our folks are actively having  
5 discussions with other agencies now and thank you  
6 for elevating it. And we encourage the continued  
7 dialogue with the Gaming Commission on this issue  
8 and have open ears.

9 So Commissioners, any questions?

10 COMMISSIONER DRAGO: No.

11 COMMISSIONER D'AQUILA: I don't have any.

12 MR.KOCH: Thank you very much.

13 COMMISSIONER BROWN: Thank you.

14 MR. KOCH: Thank you.

15 COMMISSIONER BROWN: Thank you for  
16 coming.

17 With that, I think we are done with item  
18 number 9, and we are going to turn to executive  
19 director update.

20 MR. TROMBETTA: Thank you,  
21 Commissioner Brown.

22 I just have a few short updates, and I'm  
23 happy to answer any questions. We successfully  
24 noticed three rules for development. So we've  
25 noticed the rule on essentially meeting procedures,

1 rule to cleanup greyhound references in our old  
2 rules, and sort of as requested, we're going to be  
3 developing rules on our occupational license process  
4 and forms.

5           So we're going to be reviewing all that.  
6 But so we've -- the big picture, the -- we filed the  
7 notice for development. There's a window in which  
8 we -- development is kind of like the informal time,  
9 and then there's a more formal time. But we are  
10 working to get language out, particularly for the  
11 meeting procedures, pretty quickly.

12           The greyhound cleanup should be somewhat  
13 straightforward in that, you know, greyhound racing  
14 is not happening anymore. So we don't expect much  
15 interest from the public, not that the public's  
16 interest is bad. But just, you know, that's -- when  
17 we hear things -- we're not expecting to hear much  
18 on the greyhound side because we're just cleaning up  
19 references.

20           The occupational licensing, the plan is to  
21 kind of do a review of our forms, a review of the  
22 process based on some of the feedback that we  
23 received in prior meetings and in this meeting about  
24 some of the questions that come up and just some of  
25 the ways we could, I think, make that process a

1 little bit easier both from the public applicant's  
2 perspective and from our internal process too.

3 The technical change on our rules that I  
4 mentioned last meeting is finalized. So as part of  
5 the Commission becoming a Commission, the old rules  
6 were organized in Chapter 61D, which belonged to the  
7 Department of Business and Professional Regulation.

8 Since we moved out, we filed the correct  
9 documentation. All of our rules that were formally  
10 61D are now located in Chapter 75 of the Florida  
11 Administrative Code. So that's a good thing.  
12 Again, nothing substantively changed. Just the  
13 numbering of the rules. So I think going forward,  
14 you'll likely hear and see rules mentioned at  
15 meetings or on paperwork with Chapter 75 instead of  
16 61D.

17 Any questions on rules?

18 COMMISSIONER DRAGO: No.

19 MR. TROMBETTA: Okay. I'd  
20 like to, I guess, I have two other things on my  
21 list. So one, I want to recognize we've hired our  
22 external affairs director. His name is Eric Carr.  
23 He's in the building today. He will be helping with  
24 our sort of coms, leg affairs, our branding, just  
25 getting our message out and trying to increase our

1 noticeability in the state and nationally really and  
2 just bringing attention to some of the great things  
3 we're doing. So that's a big plus that we're  
4 looking forward to having.

5 COMMISSIONER BROWN: Welcome,  
6 Mr. Carr.

7 MR. TROMBETTA: And then  
8 the final item on my list is just scheduling. So  
9 two meetings ago, we mentioned the desire to have a  
10 meeting in South Florida. The recommendation at the  
11 last meeting was that we do it after session. So  
12 that would be the May meeting, which, you know,  
13 sticking to our intended first Thursday of every  
14 month would be May 4th. However, the session ends  
15 the next day.

16 So the recommendation, if possible, would  
17 be to move it after session if you are available.  
18 Just before we even talk about May though, just  
19 essentially this summer, I wanted to get through  
20 July. Just we don't have to plan everything but  
21 just so that we're keeping them in mind.

22 July 4th is a Tuesday. So the same thing.  
23 I don't know if you intend to meet the week of July  
24 4th or not, but the reason I skipped from May to  
25 July is because June, just the way the dates fall,

1 June -- there's essentially three weeks or four  
2 weeks between the May meeting, if we move it to that  
3 second week, and the June meeting. So just trying  
4 to keep all three of those in mind for this  
5 discussion.

6 COMMISSIONER BROWN: We can move our  
7 meetings to the front of the week versus the  
8 Thursday just based on availability here too. It  
9 doesn't have to be on a Thursday as well.

10 MR. TROMBETTA: Perfect.  
11 So what are your thoughts for the May meeting, a,  
12 being in South Florida and then, b, being dates?

13 COMMISSIONER BROWN: Yes,  
14 Commissioner?

15 COMMISSIONER DRAGO: South Florida is  
16 good. The second week of May would not be --

17 MR. TROMBETTA: Okay.

18 COMMISSIONER DRAGO: -- doable for me. If  
19 we could keep it with the first week of May, it  
20 would work. I don't know how everybody else's  
21 schedule is. But --

22 COMMISSIONER BROWN: Could we do it  
23 the -- towards the earlier part of the week then,  
24 May 2nd?

25 MR. TROMBETTA: We --

1 COMMISSIONER BROWN: Or would that  
2 be problematic.

3 MR. TROMBETTA: No. Just  
4 the only thing to bring out again is session ends  
5 the 5th. So but again we can do it the 2nd, for  
6 sure, I mean, if you guys are open to that.

7 COMMISSIONER BROWN: Absolutely.  
8 Are you good with that?

9 COMMISSIONER DRAGO: Oh, I could do the  
10 2nd, but I don't think that changes anything in  
11 terms of the session.

12 COMMISSIONER BROWN: I mean, as long  
13 as we're -- you know, the session ends on the 5th, I  
14 mean, if we're able to be back in Tallahassee if we  
15 need to be the 4th or the 5th, that would be  
16 helpful. So if we do on the 2nd, we could get back  
17 to Tallahassee --

18 MR. TROMBETTA: Okay.

19 COMMISSIONER BROWN: -- the latter  
20 part. Do you guys agree? Okay. So 2nd it is.

21 MR. TROMBETTA: Okay,  
22 perfect. Thank you.

23 COMMISSIONER BROWN: And we move to  
24 the week of June 5th, or would you want to stay on  
25 June 1st? Because that would be five weeks.

1 MR. TROMBETTA: And doing -  
2 - just if I could, sorry, doing the May meeting on  
3 the 2nd does help. Essentially, my concern was just  
4 from the staff side of trying to prepare for the  
5 June meeting on a very short timeline, but I think  
6 doing -- having that May meeting on the 2nd,  
7 whatever, however you want to do June, I think we  
8 can work around.

9 COMMISSIONER BROWN: Great, okay.  
10 So June is flexible, and then can we go to July 4th?  
11 Because that is the only problem personally. July -  
12 - the week of July 10th is ideal.

13 COMMISSIONER DRAGO: July 10th is what?

14 COMMISSIONER BROWN: Is more ideal  
15 than the week of July 4th.

16 COMMISSIONER DRAGO: Oh, I see.

17 COMMISSIONER BROWN: Yeah. Are you  
18 good? Okay. So --

19 COMMISSIONER DRAGO: That's fine with me  
20 Yeah.

21 COMMISSIONER BROWN: Run like the  
22 wind with that.

23 MR. TROMBETTA: Okay. So  
24 just to confirm, for July, it looks like the second  
25 week is best?

1 COMMISSIONER BROWN: Right.

2 COMMISSIONER DRAGO: So we can do the  
3 13th?

4 COMMISSIONER BROWN: 13th, yeah.

5 COMMISSIONER DRAGO: Okay. Is that okay?

6 COMMISSIONER BROWN: That would be  
7 great.

8 MR. TROMBETTA: And then  
9 for June, could I suggest doing it the week of the  
10 3rd? Oh, sorry, I'm looking at the wrong month.

11 COMMISSIONER BROWN: I actually just  
12 want to point out though on June -- July 13th,  
13 there's the (indiscernible) summer meeting. So I  
14 know some of us may want to go.

15 COMMISSIONER DRAGO: There's what?

16 COMMISSIONER BROWN: The  
17 (indiscernible) meeting --

18 COMMISSIONER DRAGO: Oh, (indiscernible).

19 COMMISSIONER BROWN: -- is the -- I  
20 just looked at it -- the 13th. The 11th? Yeah.  
21 Could we do July 11th?

22 MR. TROMBETTA: Yes. July  
23 11th.

24 COMMISSIONER BROWN: Okay, thank  
25 you. Okay. And then June?

1 MR. TROMBETTA: I recommend  
2 the -- not the 1st, essentially not the 1st or 2nd.  
3 That second week, I think, might be better.

4 COMMISSIONER BROWN: Okay. Is June  
5 8th okay, or do you want to do earlier, June 6th?

6 MR. TROMBETTA: Up to you  
7 all, but I think both of those days would be fine.

8 COMMISSIONER BROWN: Okay. Go  
9 ahead. I mean, I prefer June 6th, if it's good for  
10 you.

11 COMMISSIONER DRAGO: Okay. Perfect.

12 COMMISSIONER BROWN: Wonderful. Is  
13 that all for your executive director report?

14 MR. TROMBETTA: Yes, ma'am.

15 COMMISSIONER BROWN: Thank you.

16 Now is there anybody in the public that  
17 would wish to speak at this time on the phone?

18 Seeing no public comment, this meeting is  
19 adjourned. Thank you.

20 COMMISSIONER DRAGO: Thank you.

21 (END OF AUDIO RECORDING)

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I certify that the foregoing is a true and accurate transcript of the digital recording provided to me in this matter.

I do further certify that I am neither a relative, nor employee, nor attorney of any of the parties to this action, and that I am not financially interested in the action.

*Julie Thompson*

Julie Thompson, CET-1036