



Arizona Department of Gaming

TRIBAL GAMING • RACING • BOXING & MIXED MARTIAL ARTS

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Douglas A. Ducey
Governor

Daniel H. Bergin
Director

Rudy J. Casillas
Racing Division Director

AGENDA

A. Call to Order of the Special Meeting of the Arizona Racing Commission 1:00 PM

Chair Rory Goreé - Telephonically
Vice Chair Bill Feldmeier - Telephonically
Commissioner Thomas Lawless - Telephonically
Commissioner David Heiple - Telephonically
Commissioner Jay McClintock – Telephonically

Also Present:

Rudy Casillas, Racing Division Director
Cassie Goodwin, Acting Commission Secretary
Sheri Koss, Hearing Coordinator
Michael Raine, Assistant Attorney General

B. New Business

The following New Business items are for a status report, presentation, discussion, and possible action for the Commission.

1. Request for approval of Proposed Amendment to Arizona Administrative Code R19-2-205(B) (Regulatory Wagering Assessment of Pari-Mutuel Rules)

Director Casillas reported the agency needed to increase the Regulatory Wage Assessment from .60% to .85% and what steps the agency has taken in this past year to help alleviate the financial stress on the agency and keep it running. He also requested there be no sunset on that increased amount of .85%

Vince Francia, General Manager of Turf Paradise made additional comments. He stated the industry would like to place a June 30, 2016 deadline for the increase to end. Would like to see more meetings take place on this subject

Jerry Simms, Owner of Turf Paradise was in favor of having another meeting.

Chair Goreé stated the Regulatory Wage Assessment affects the dog track and would like to have the dog community included in these meetings.

Director Casillas made additional comments on how to accommodate and regulate the industry. He explained how making some drastic changes in staffing would impact the agency. He recommended more discussions be held on how to do this the best way possible instead of making hasty decisions. The increase in the RWA cannot be just a short time fix; it needs to be in place for the long run in order to have enough funding for the agency to function. He reminded everyone that last year at about this time a short time increase was put in to place and then was removed and we are right back where we started.

Chair Goreé suggested there be an update at each meeting to see where the agency is standing financially and when things look like they are in a better place they could look at adjusting the RWA back down.

Director Casillas stated that the agency already does look at the figures monthly and takes into consideration the concerns regarding the budget. He stated that he has brought the funding issues up when he thought they needed to be addressed.

Jerry Simms stated he would like to understand the agency's budget better.

1:16 PM Vice Chair Feldmeier: Phone connection was lost.

Chair Goreé asked if a meeting was scheduled in July.

Commissioner Lawless agreed to discuss but would like to take action in June.

Director Casillas was firm on his decision that he did not want a sunset date on the increase.

Commissioner Lawless suggested the amount stays at .85% and talk about it again in June to see if or when an adjustment could be made.

Lloyd Yother provided input on the track situation concerning the quarantines and how it is affecting the horsemen and how it affects the handle. He explained that half of the RWA comes out of the horsemen's purses. Jerry Simms pays the other half. He did not know if the horsemen could survive at the .85% for more than a couple of months. He stated either you put us out of business or we put ourselves out of business because of this.

Vince Francia stated the previous governor made it sound like it was temporary and now it has become permanent. He said they were not unsympathetic, he knew that certain numbers have to be made in order for the agency to become stable but that there was only so much they could do.

Director Casillas suggested if everyone was in agreement, on March 1, 2016 the .85% goes into effect, monitor the budget and provide updates in June. In the meantime entertain coordinating some follow up meetings for further discussion. He stated he has had time to come up with some possible solutions to the problem.

Commissioner Lawless made a motion to increase the Regulatory Wage Assessment to .85% with no sunset date but with a firm commitment that the Department and the Industry Stakeholders will sit down and have some serious discussions and report back to the Commission at the June meeting with the findings.

Commissioner Heiple second. Motion carried.

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Equal Employment Opportunity/Affirmative Action Employer

**Chair Goreé called for a roll call vote:
(Aye: Goreé, Lawless, Heiple, McClintock) (Feldmeier phone connection was lost)**

C. Call to the Public

Those members of the public wishing to address the Commission must sign the signup sheet and be recognized by the Chair. Time permitting; each presentation will be given approximately two minutes. Action taken as a result of public comment will be limited to directing staff to study the matter or re-schedule the matter for further consideration at a later date.

No one spoke up or stepped forward to speak.

Announcements

The next regular Arizona Racing Commission meeting will be held on **Thursday, March 10, at 10:00 a.m.** in the Building Conference Room 250, 2nd Floor, located at 1110 West Washington St., Phoenix, Arizona.

Adjournment 1:36 PM