

NEW MEXICO HORSE RACING COMMISSION
MINUTES OF THE REGULAR MEETING & RULES HEARING

Date: April 25, 2022, at 9:00 a.m.

Place: NMRC Boardroom; 4900 Alameda Blvd., NE, Albuquerque, NM and Teams Video Conference

Members Present: Chairman Sam Bregman, Vice-Chairman David “Hossie” Sanchez, Commissioner John Buffington, and Commissioner Billy Smith.

NMRC Staff Participating: Executive Director Ismael Trejo, In-House Counsel Richard Bustamante and Law Clerk Denise Chavez.

Also Present: Assistant Attorney General Delilah Tenorio.

<i>AGENDA ITEM</i>	<i>RECORDING #</i>	<i>DISCUSSIONS/CONCLUSIONS/ RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
Public Session 1: 1. Call to Order and Roll Call	0:01 – 0:59	Meeting called to order at 9:18 a.m. by Chairman Bregman. Roll call was taken by Denise Chavez. Commissioner Branch was absent but there was a quorum of Commissioners for the meeting to proceed. Executive Director Ismael Trejo, In-House Counsel Richard Bustamante, Assistant Attorney General, Delilah Tenorio and NMRC Law Clerk, Denise Chavez were also present.	No Action Taken.
2. Pledge of Allegiance	1:05 – 1:18		Pledge of Allegiance was recited.
3. Approval of Agenda	1:20 – 2:54	Chairman Bregman asked if there were any changes to the Agenda. Executive Director Trejo asked for the following changes to be made to the Agenda: Item #8(G) should read, “Approval of 2022 AQHA Enforcement Team for Ruidoso Downs ” and Items #8(N) and (O) 4 – removed.	Motion to adopt the amended Agenda as requested by Executive Director Trejo made by Commissioner Smith.

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			Commissioner Buffington seconded the motion. Motion passed unanimously by roll call vote.
4. Approval of Minutes: March 24, 2022	2:59 – 3:31	Chairman Bregman asked if the minutes for the March 24, 2022, meeting were reviewed and if there were any changes. There were none.	Motion to approve the minutes from the Regular Commission Meeting on March 24, 2022, made by Commissioner Smith; Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
5. Chairman's Reports	4:00 – 16:00	<ul style="list-style-type: none"> Chairman Bregman recognized and thanked the NMRC staff and extra thanks to Executive Director Trejo. Chairman Bregman recognized a great meet at Sunland Park. Chairman Bregman talked briefly about the start date at SunRay Park. He discussed the challenge of the wind this past weekend. Chairman Bregman also mentioned how the failure of the NMHA to sign the export signal negatively affects not only SunRay Park but the racing industry in New Mexico as a whole. Because the NMHA refused to sign the agreement for the export 	No Action Taken.

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		<p>signal, the general public was not able to watch or bet on the races at SunRay Park this past weekend, costing the individual horsemen money; despite the fact the NMHA agreed to the Agreement at Ruidoso Downs which is essentially the same Agreement at SunRay Park.</p> <ul style="list-style-type: none"> • The Chairman stated he wonders if the current leadership of the NMHA is fit to represent the best interest of horsemen or the industry. It is the Chairman's opinion the NMHA should no longer be recognized as viable because it is erratic, litigious, and clearly working against the best interests of the industry. The actions of the current leadership of the NMHA are costing its own membership purses and frivolous attorneys' fees from frivolous lawsuits. The Chairman stated the bottom line is that instead of working together with all the stakeholders of this industry to deal with major issues such as HISA and other issues that face the industry, the NMHA does not even have a seat at the table because it has to have its attorney present at all times because of its lawsuits against the NMRC. The Chairman pointed out he would like to have a great industry for the horsemen members who work hard every day, instead NM has an association which calls this Racing Commission in court pleadings 	

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		<p>lapdogs, in emails it sends to the Commission that calls the Commission idiots; and most recently in a letter from its legal counsel Mr. Mitchell sent to the NMRC comparing the NMRC, in its regulatory authority regulations, as similar to "Jim Crow Laws."</p> <ul style="list-style-type: none"> • Chairman Bregman stated he believes he speaks on behalf of all the Commissioners, that the NMRC is committed to doing what is best for horseracing in the State of New Mexico, regardless of what Mr. Erhard, Mr. Mitchell and Mr. Clark say or do. This weekend was an example of the harm that NMHA is doing to this industry. • Commissioner Smith added he has traveled all over the world to watch horseracing and one of the best, if not the best, is the New Mexico product. He feels it is the NMRC's duty to protect that product. Commissioner Smith opined how lucky we have a state legislature which likes and supports horseracing. • Commissioner Buffington echoed the Chairman's and Commissioner Smith's comments. He is disappointed the NMHA failed to sign the SunRay export simulcast agreement. • Chairman Bregman read a part of an email stating: "I don't [sic] them tonight, but we need to dig our your letters to the gov and 	

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		AG, also you need to tell me how hard you want to swing at the guv, cuz my approach is going to really sting..... unless you want less." Chairman Bregman stated this kind of nonsense needs to stop.	
6. Agency Director Reports: A. NMRC Report	16:05 – 27:37	<ul style="list-style-type: none"> Executive Director Trejo was also at Sunland. Sunland Park is "hanging in there." Parimutuel wagering is fairly strong. Kudos to Dustin Dix and his staff. The inspection at SunRay Park was good. Despite the high winds opening weekend, the races ran! Executive Director Trejo pointed out how not having the export signal approved and signed by the NMHA has negatively affected the handle at SunRay Park so far. Executive Director Trejo reported he spent a week in Kentucky at the ARCI Annual meeting. They met/heard from HISA Representatives at this conference. The tone seemed to have changed from the end of last year to this conference; HISA seems more willing to work with the regulators now, but still lack of information specifically dealing with costs to the state commission. HISA would like all jurisdictions to (voluntarily) sign a Service Agreement. Basically, HISA representatives told the conference attendees all "covered people" will have to register by July 1, 2022, on the HISA 	No Action Taken.

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B. NMHBA	(TEAMS Recording) 4:00 – 7:38	<p>Registration website and this will give it information on which it can begin collecting fees. Executive Director Trejo advised he is not sure if this will affect racing at Ruidoso Downs which begins its race meet around July 1. He is not sure if any sort of grace-period will be given.</p> <ul style="list-style-type: none"> • Commissioner Smith asked Executive Director Trejo how much the handle was down the past 3 days from the previous years at SunRay Park since the export signal agreement was not signed. Executive Director Trejo reported: it was down approximately \$800k. • Chairman Bregman asked Executive Director Trejo if he knows if the NMHA has even had a meeting with HISA about what they are going to be required to do and informed their membership in New Mexico? Executive Director Trejo reported he knows of NO such meetings. Chairman Bregman pointed out the NMHA should be asking questions and informing its membership of what is going to be required of them to prepare for this HISA regulation. <p>Mary Barber presented the Race-A-Day Report for Sunland Park through Sunday, April 3, 2022, stating they ran 242 NM Bred Races in 55 days. In overnight races, the NMHBA contributed</p>	No Action Taken.

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		\$2,398,500.00, which was \$1,102,000.00 more than in 2020. They averaged 4.04 NM Bred per day, +77 for three a day. Ms. Barber thanked Dustin Dix and Sunland Park for their hospitality.	
7. Public Comments:	7:41 – 16:53	<p>Chairman Bregman encouraged anyone online to make public comments. If anyone wants to make a public comment, Chairman encouraged them to raise their hand on Teams. Assistant Attorney General Tenorio reported a public comment was received and asked Chairman Bregman if he would like the letter read into record now or wait for the rules hearing as the hearing is also regarding the rules changes; the email from Randy Clark sent to Executive Director Trejo into the record.</p> <p>Ms. Chavez reported there was a hand raised by a Guest; the Guest said her name is: Susan Smith. Ms. Smith said she didn't have much to say. She said she was sitting there watching this meeting to decide whether she is going to run in New Mexico. She pointed out the NMRC is "making a real mess of things." She said she did not appreciate "you blaming the horsemen." The horsemen seem to be doing a good job getting the information out there but it seems "ya'll are covering and hiding things." There's a reason racing in Texas is coming back to big, it's because they have better people. She concluded, "Ya'll need to get it together."</p>	No Action Taken.

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8. Unfinished/New Business and/or Action Items A. Consideration Not to Enforce 15.2.1.8(H)(4) NMAC	17:13 – 28:25	<p>In-House Counsel, Richard Bustamante presented the NMHBA's proposal to change from alternating between full audits and audit reviews to just audit reviews as requested by Ms. Barber to the Commission via In-House Counsel Bustamante. Ms. Barber presented material for the Commissioners to review which included the Commission's review of the NMHBA's last full audit. Chairman Bregman expressed his concern and believes now is not the time to change the audit rule and lessen the requirements. Commissioner Sanchez asked Ms. Barber if this review will be every year instead of a full audit. Ms. Barber reported the NMHBA no longer has a bond and has insurance. Therefore, she opined given that the NMHBA no longer has the bond requirement, a full audit is not required. Commissioner Buffington agreed the timing for this change is not good right now.</p> <p>Commissioner Smith added this decision mostly has to do with the fact that HISA is so questionable right now. He suggested NMHBA bring this issue back to NMRC and things may be different.</p>	<p>Motion to deny the request of the NMHBA to not enforce 15.2.1.8(H)(4) made by Commissioner Buffington. Motion Seconded by Commissioner Smith. Motion passed by majority (3-1) roll call vote.</p>
B. Approval of NMRC FY23 Budget	28:40 – 35:46	<p>NMRC CFO, Amber Trujillo, presented the NMRC FY23 Budget for approval by the NMRC. Chairman Bregman asked questions of Executive</p>	<p>Motion to approve the NMRC FY23 Budget made by</p>

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		Director Trejo regarding this budget and how it relates to HISA. NM has no funds and everything NMRC does is effected by this federal law coming up.	Commissioner Smith. Motion Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
C. Consideration Whether to Remit Fees to the HISA Program	35:49 – 40:08	Executive Director Trejo advised the fees asked to be paid by state commissions to HISA are still unknown. There were 3 scenarios. Chairman Bregman pointed out HISA would like the State of NM to agree to pay up to \$1.8 million to HISA to fund its program and its testing, which is going to do less of given its limited to TBs.	Motion to deny considering to remit fees to HISA Program made by Commissioner Smith. Motion Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
D. Consideration of HISA Voluntary Services Agreement	40:10 – 42:09	Chairman Bregman directed the Commission's attention to the HISA Voluntary Service Agreement which included in their material.	Motion to deny to consider HISA's Voluntary Service Agreement made by Commissioner Smith. Motion Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
E. Ratification of Approval of 2022 Stewards for SunRay Park	42:13 – 43:09	Executive Director Trejo requested ratification of approval of Jack Houghton, Jr., Violet "Pinky"	Motion to ratify the approval of the 2022

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		Smith, Larry Fontenot, Jr., and Reese "Rug" Howard as 2022 substitute stewards for SunRay Park. Executive Director Trejo noted this group has almost over 200 years of experience.	substitute Stewards for SunRay Park as presented by Executive Director Trejo Hearing Officer's Report with modifications made by Commissioner Smith. Motion Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
F. Approval of Statewide Retro Purse Policy Change	43:15 – 46:22	Executive Director Trejo presented the revised Statewide Retro Purse Policy. This will hold the tracks accountable for the overnight purse structure. Commissioner Buffington stated this version met his expectations which were discussed at the last NMRC meeting.	Motion to approve the revised Statewide Retro Purse Policy as presented by Executive Director Trejo made by Commissioner Buffington. Motion Seconded by Commissioner Smith. Motion passed unanimously by roll call vote.
G. Approval of 2022 AQHA Enforcement Team for Ruidoso Downs	46:27 – 47:59	Executive Director Trejo presented the 2022 AQHA Enforcement Team for Ruidoso Downs for	Motion to approve the 2022 AQHA Enforcement Team as

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<p>H. Hearing Officer's Reports</p> <p>1. Armando Arreola, Jr.</p>	48:02 – 51:40	<p>the Ruidoso, Rainbow and the All-American Races and asked for approval.</p> <p>Assistant Attorney General Tenorio presented the Hearing Officer's Amended Report for consideration. This Hearing Officer's Report was amended as the original report did not address the Motion to Dismiss and it had the incorrect medication classification. Commissioner Buffington asked about time-frame, specifically when does the 180 days begin and when, is it over. AAG Tenorio responded she recalled that Mr. Arreola already served his time. If in fact he has time would begin the date of signing the Decision & Order.</p>	<p>presented by Executive Director Trejo made by Commissioner Smith. Motion Seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to adopt the Amended Hearing Officer's Report made by Commissioner Buffington. Motion Seconded by Commissioner Smith. Motion passed unanimously by roll call vote.</p>
<p>I. Approvals for Sunland Park</p> <p>1. Ratification of Approval of Variance on March 29, 2022</p>	51:53 – 53:24	<p>Dustin Dix requested ratification of approval of the variance on March 29, 2022. Mr. Dix explained the variance was requested after the jockeys refused to ride after the second race because of high winds.</p>	<p>Motion to ratify the approval of the variance on March 29, 2022 made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion</p>

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<p>2. Ratification of Approval to Amend 2022 Post Times & Wagering Format</p> <p>3. Ratification of Approval to Amend 2021/2022 Purse Structure</p> <p>4. Ratification of Approval to Evenly Disburse Purses for Canceled Races 3-11 on March 29, 2022</p> <p>J. Approvals for SunRay Park</p> <p>1. Approval of Payment of Purses</p> <p>2. Ratification of Approval to Amend 2022 Purse Structure</p>	<p>53:25 – 56:32</p> <p>56:36 – 58:29</p> <p>58:31 – 59:42</p>	<p>Dustin Dix requested ratification of the approval to amend 2022 Post Times and Wagering Format (Sunland Derby Day to accommodate the large crowd on track and 12 race TB format; March 29, 2022 11 race TB card, April 1, 11 race QH card; 5 QH and 7 TB card on Sat, April 2 and Sunday, April 3); 2021/22 Purse Structure (raised overnight purses March 4th 25%, added additional races from previously approved 9 races a day to 23 additional races from 3/4/22 to the end of the meet); and to evenly disburse purses for canceled races 3-11 on March 29, 2022.</p> <p>Executive Director Trejo requested approval of payment of purses pursuant to NMAC 15.2.3.8(4) on behalf of SunRay Park.</p> <p>Executive Director requested ratification of approval to amend the 2022 purse schedule.</p>	<p>passed unanimously by roll call vote.</p> <p>Motion to ratify the approvals for items 2, 3, and 4 made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to approve payment of purses made by Commissioner Smith. Motion was seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to ratify the approval to amend</p>

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		Executive Director Trejo reported SunRay Park ran all its numbers after the mask mandate lifted showing net take increased, thus adjusting its purses. They were adjusted approximately 10%, however, some races were increased a little more (specifically the Maiden Special Weight Races were raised \$6000 and Maiden Claiming were raised up to \$1500 and the cheaper maiden races up to \$9000 as requested by the horsemen).	2022 purse structure made by Commissioner Smith. Motion was seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
3. Approval to Amend 2022 Stakes Schedule	59:50 – 1:00:30	Executive Director Trejo reported SunRay is requesting to add a Stakes Race to its 2022 Stakes Schedule (Toni Samora Stakes)	Motion to approve to amend the 2022 Stakes Schedule made by Commissioner Smith. Motion was seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
K. Approvals for The Downs at Albuquerque			
1. Approval of 2022 Gaming & Breakage	1:00:32 – 1:03:18	Don Cook requested approval of the 2022 Gaming & Breakage as submitted by the NMHBA, 2022 Condition Book, 2022 Stakes Schedule, 2022 Purse Structure and 2022 Condition Book Officials (change was Jim Collins replacing Gerald Richards as Racing Secretary)	Motion to approve Items 1-5 made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
2. Approval of 2022 Condition Book			
3. Approval of 2022 Stakes Schedule			
4. Approval of 2022 Purse Structure			
5. Approval of 2022 Condition Book Officials			

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L. Approvals for Ruidoso Downs			
1. Approval of the 2022 Racing Officials	1:03:40 – 1:05:12	Mr. Baugh reported it had over 800 firemen on the Ruidoso Downs property fighting the fire last week. All is back to “normal.” Mr. Baugh requested approval of the 2022 Racing Officials (Brenda Buckner, Horsemen’s Bookkeeper, Dr. Mark Ashby, Association Vet and 11 Assistant Starters).	Motion to approve 2022 Racing Officials made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
2. Approval of 2022 Capital Improvements	1:05:31 – 1:19:02	Mr. Baugh apologized to the Commission for only sending 1 bid for a contractor. He explained he had many issues finding a contractor to do the work for this project. Mr. Baugh said the condition of the entrance to the track has been unacceptable for many years now. In-House Counsel Bustamante confirmed 60-1A-20 allows for the tracks to use tax monies for capital improvements. He also went over the procedures for requesting approval for capital improvements pursuant to 15.2.2.10 NMAC. Chairman asked Mr. Baugh to explain why there was only one bid since 15.2.2.10(C)(2) requires “... at least three written bids from suppliers or licensed contractors, where applicable.” Mr. Baugh explained it is difficult to find any other bidders. He couldn’t explain what the problem	Motion to tentatively approve capital improvements made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.

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M. Approvals for Zia Park 1. Approval of the 2022 Jockey & Exercise Rider Insurance		<p>was, but he really had a hard time finding anyone interested in doing this job for Ruidoso Downs. Commissioner Smith added he understood what Mr. Baugh went through looking for bidders for this project. There is so much work and so little bidders to complete this work. There was discussion that this process of approving capital improvements is a two-step process (see, 15.2.2.10(C)3). The Commission would like to schedule a Special Meeting to meet the deadline.</p>	
	1:19:03 – 1:19:29	Mr. Baugh reported training began this morning. It has approximately 800 horses on the grounds. No issues to report.	
	1:19:33 – 1:21:09	Mr. McErlean requested approval of the 2022 Jockey & Exercise Rider Insurance in the amount of \$78,595.40.	Motion to approve the 2022 Jockey & Exercise Rider Insurance for Zia Park made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.
N. Rules Hearing:	:18 – :32:42	Chairman Bregman: “This rules hearing will please come to order. I am Sam Bregman,	

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		<p>Chairman of the New Mexico Racing Commission. I will be acting as the Presiding Officer for this rule hearing.”</p> <p>“The purpose of this hearing is for the Commission to receive public comment on proposed amendments to the Commission’s current rules and regulations. The Commission welcomes everyone present at this hearing.” Chairman Bregman encouraged all who is in attendance to participate with comments.</p> <p>“Let the record show the following Commission members are present. Commissioners, would you please introduce yourselves?” Commissioner Buffington, Commissioner Smith, Chairman Bregman, and Vice-Chair Sanchez were all introduced on record.</p> <p>Chairman Bregman: “Assistant Attorney General, Delilah Tenorio, is present to advise the Commission. Also present are Ismael Trejo, the Commission Executive Director, Richard Bustamante, NMRC In-House Counsel and Denise Chavez, the Commission Law Clerk.</p> <p>This open meeting is being conducted pursuant to, and in accordance with, the</p>	

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		<p>provisions of the New Mexico Horse Racing Act, NMSA 1978, Sections 60-1A-1 through -30; the Open Meetings Act, Sections 10-15-1 through 10-15-4 and the New Mexico State Rules Act, NMSA 1978, Section 14-4-1 through -11.</p> <p>The New Mexico State Rules Act regulates rule-making proceedings and activities which are before Commissions and Boards. You may contact the Secretary of State's Office for further information.</p> <p>Public notice of this hearing was advertised in the New Mexico Register and the Albuquerque Journal. Copies of that notice have been available from the Commission's office since the notices were published and are available to the public attending this hearing. Copies of the proposed rule changes were also published on the Commission's website at www.nmrc.state.nm.us and were available upon request.</p> <p>The COVID-19 guidelines for public gatherings established by the Department of Health have recently been lifted, so this this rule hearing is being held in person and online via TEAMS. There are a few attendees in the audience. As Presiding Officer, I am</p>	

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		<p>requesting anyone who is present for this rule hearing and intends to comment on any of the proposed rule amendments, please raise your hand using the “Raise Hand” option in the “Reactions” option on Teams. Ms. Chavez will unmute you so you can make your comments on the proposed rule. Please first state your full name, affiliation, and the proposed rule you wish to comment on and thereafter make your specific comments about the proposed rule. Please note the Commission cannot consider comments which addressed to rules which have not been specifically noticed as being considered for possible changes. Ms. Chavez will keep a list of everyone who has submitted either a written or oral comment and that list will become part of the record of this rule hearing.</p> <p>This is a formal proceeding and it will be recorded. The recording will become a part of the rules hearing record. Therefore, when a person is recognized to address the Commission you are asked: To identify yourself for the record EACH time you address the Commission; and To speak loudly and clearly so the recorder can pick up your comments.</p>	

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		<p>This hearing will be conducted in the following manner:</p> <p>Delilah Tenorio, Assistant Attorney General, will present Exhibits to the Commission. I, as the presiding officer, will rule on the admissibility of the Exhibits offered for admission after allowing questions from members of the Commission.</p> <p>Exhibits admitted into evidence are available for review by members of the public and will be available on the Commission's website and to members of the audience upon request. After Ms. Tenorio offers Exhibits, and their admission has been ruled upon, I will open the hearing for comments from the audience.</p> <p>We will proceed in numerical sequence through each proposed rule.</p> <p>We will address only one rule at a time. However, you may refer to other rules that reasonably relate to the rule being discussed or which relate to your comments.</p> <p>The Commission does not follow the rules of evidence, but shall, in the interest of efficiency, reserve the right to limit all testimony deemed irrelevant, redundant, or unduly repetitious. The decision as to whether such testimony is</p>	

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		<p>irrelevant redundant or unduly repetitious shall be made by me as the presiding officer.</p> <p>After a person has provided comment, Commission members will be permitted to question that person. Any member of the audience wishing to question that person may do so after being recognized by me, the Presiding Officer, after identifying themselves for the record.</p> <p>At the conclusion of this rule hearing, the Commission will hold its meeting where Commission members will conduct discussions and take final action on the rules, such as amending, adopting, or tabling them.</p> <p>Ms. Chavez, has anyone submitted their names and intent to comment on any of the proposed rules?"</p> <p>Denise Chavez: 2 written comments were received by the NMRC; 1) email from Randy Clark and 2) correspondence from Gary Mitchell. So far, no hands were raised in Zoom.</p> <p>We are ready to move forward and enter any exhibits into evidence. Each exhibit shall be introduced into the record. Commission members will be permitted to ask questions before I rule on</p>	

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		<p>the admissibility of the evidence. Upon admissibility, each exhibit will be marked and numbered and entered into the record. Ms. Tenorio at this time do you have any Exhibits to introduce into evidence?"</p> <p>AAG Tenorio: I have the following exhibits to enter into evidence.</p> <p>Exhibit 1: Legal notice published in the NM Register and the Albuquerque Journal</p> <p>Exhibit 2: Notice sent to Interested Parties</p> <p>Exhibit 3: Proposed amendments to the Commission Rule 15.2.2.8(B)(8) NMAC entitled "Financial Requirements: Insurer of the Race Meeting"</p> <p>Exhibit 4: Proposed amendments to the Commission Rule 15.2.2.9(A)(2) NMAC entitled "Associations' Financial Requirements"</p> <p>Exhibit 5: Proposed amendments to the Commission Rule 15.2.3.8(B)(5) NMAC entitled "Stewards' Presence"</p>	<p>Exhibit 1 is admitted into record by PO Bregman</p> <p>Exhibit 2 is admitted into record by PO Bregman</p> <p>Exhibit 3 is admitted into record by PO Bregman</p> <p>Exhibit 4 is admitted into record by PO Bregman</p> <p>Exhibit 5 is admitted into record by PO Bregman</p>

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		<p>Exhibit 6: Proposed amendments to the Commission Rule 16.47.1.8(L) NMAC entitled “Grounds for Disciplinary Measures for a Licensee, and Refusal, Denial, Suspension, or Revocation of a License”</p> <p>Exhibit 7: Email and public comment from Randy Clark addressed to Mr. Gary Mitchell and Executive Director Trejo</p> <p>Exhibit 8: Letter from Gary Mitchell dated April 24, 2022 regarding the NMRC’s proposed amendments to 15.2.2.9 and 16.47.1.8 NMAC.</p> <p>Are there any questions from the Commission members?” No questions from the Commission.</p> <p>“Ms. Tenorio, are there any other Exhibits to enter into the Record at this time?”</p> <p>AAG Tenorio: Presiding Officer Bregman, there are no further exhibits to enter at this time, however, I reserve the opportunity to enter more exhibits at a later time. For example, there is an attendance sheet and any written comments that the NMRC received regarding this Rules Hearing.</p>	<p>Exhibit 6 is admitted into record by PO Bregman</p> <p>Exhibit 7 is admitted into record by PO Bregman</p> <p>Exhibit 8 is admitted into record by PO Bregman</p>

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		<p>Presiding Officer Bregman: At this time, each proposed rule will be introduced, and entered into the record. I will open the floor to members of the audience for comments on each rule. Members of the Commission or the audience may question each witness upon being recognized to speak. However, any discussion by the Commission will be held during the meeting following this hearing.</p> <p>At this time, I will ask Ms. Tenorio to present each rule. After the presentation of each rule, I will ask if anyone would like to comment on each rule.” Chairman Bregman said he realizes that there are written comments that were sent to the NMRC. You do not have to raise your hand just read those comments in because they will be part of the record of this hearing. However, if you chose to that is fine too. I don’t plan on limiting anybody. I want to make it very clear that anybody, regardless of current litigation may be going on or anything like that, I want to hear from you if you have comments. For example, the NMHA counsel has submitted written comments, however, if someone from that organization wants to comment on a certain rule, please do so.</p> <p>Exhibit 3: Proposed amendments to the Commission Rule 15.2.2.8(B)(8) NMAC entitled “Financial Requirements: Insurer of the Race</p>	

<i>AGENDA ITEM</i>	<i>RECORDING #</i>	<i>DISCUSSIONS/CONCLUSIONS/ RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<p>4. 16.47.1.8(L) – Grounds for Disciplinary Measures for a Licensee, and Refusal, Denial, Suspension, or Revocation of a License</p>		<p>Licensee, and Refusal, Denial, Suspension, or Revocation of a License”: AAG Tenorio read the proposed changes to this rule. Chairman Bregman asked the audience if there was anyone who would like to comment on this rule as presented by Ms. Tenorio.</p> <p>A Guest “Defund the NMRC” raised their hand to make a comment. Speaker identified herself as Vanessa Alexander. Ms. Alexander read back proposed “(l)” and said this rule seems pretty vague and is a catch-all. She asked for an example of “disrespect or intimidation.” “(m) and (n)” are both very interesting as there is a person out there that has uncovered a lot of fraudulent activity and has submitted it NMRC and has no action taken. What is someone supposed to do when such things have been submitted and nothing has been done. “(o)” is this match racing, could this be people involved in criminal activity, cartel activity, racketeering, hiring hackers who come after people conducting investigations. What exactly is conduct unbecoming to racing? Exhibit 10</p> <p>Chairman Bregman asked Ms. Chavez to confirm that there were no further hands raised to make comments. No hands were raised, and nobody made any further public comments. Mr. Clark’s</p>	

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		<p>and Mr. Mitchell's letters were Admitted as Exhibits #7 & #8</p> <p>Chairman Bregman confirmed that Exhibits 1, 2, 3, 4, 5, 6, 7, and 8 have been admitted into record. He gave further opportunity for anyone in the public to make any comments regarding these exhibits. There were no further comments. Chairman Bregman asked Ms. Chavez to take screen shot of everyone present on Teams for this public hearing and was admitted by Chairman Bregman as Exhibit #9</p> <p>Chairman Bregman would like to thank all Commission Members and everyone else present for their participation and attendance today.</p> <p>The comments submitted and the discussions heard during the rules hearing will be considered and may be discussed further by the Commission during its meeting immediately following this rules hearing. The Commission will discuss and vote on the proposed rules at that time.</p> <p>Any rules adopted by the Commission will be filed at State Records Center and Archives in accordance with the State Rules Act and New Mexico Register publication deadlines. The adopted rules become effective <u>30 days after they</u></p>	


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<p>O. Rules Adoption</p> <p>1. 15.2.2.8(B)(8) – Financial Requirements: Insurer of the Race Meeting</p> <p>2. 15.2.2.9(A) – Associations’ Financial Requirements</p> <p>3. 15.2.3.8(B) – Stewards’ Presence</p>	<p>:32:50 - :34:08</p> <p>:34:10 - :35:15</p> <p>:35:17 - :38:23</p>	<p><u>are filed at Records and Archives UNLESS otherwise noted.</u></p> <p>Let the record show that this rules hearing was adjourned at 11:44 a.m.</p> <p>Chairman Bregman opened the floor for any comments and/or discussion by the Commission. Executive Director Trejo commented that the purpose of this rule is have consistency between the Gaming Act and NMAC. No changes were suggested.</p> <p>Chairman Bregman asked Executive Director Trejo for an explanation of this rule change. Executive Director Trejo explained this rule amendment was to merely apply common sense in which tracks will not have to go into the office if a holiday falls on a Monday. This rule change will allow them to comply the following business day. No changes were suggested.</p> <p>Executive Director explained this proposed rule change comes from racetracks throughout the nation having difficulty finding stewards in the</p>	<p>Motion to adopt the rule change as presented by AAG Tenorio made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to adopt the rule change made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to adopt the rule change as</p>

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<p>4. 16.47.1.8(L) – Grounds for Disciplinary Measures for a Licensee, and Refusal, Denial, Suspension, or Revocation of a License</p>	<p>:38:32 - :44:00</p>	<p>U.S. This will allow a virtual steward to watch a live feed to make changes should we find ourselves without having 3 stewards in the stand. No changes were suggested.</p> <p>AAG Tenorio stated with respect to Ms. Alexander’s comments regarding examples and what this rule amendments are for, pursuant to the Horse Racing Act at 60-1A-4(B)(1) states: “The Commission shall: make rules to hold, conduct and operate all race meets and horse races held in the state and to identify and assign racing dates...” Ms. Tenorio stated that this commission is a regulatory authority and as such, they can regulate its licensees in the way it sees fit and control behavior in a way they deem is necessary and is in accordance with the Horse Racing Act. Moreover, the request for examples and the statement that the amendments are vague, Ms. Tenorio believes that with any disciplinary case that comes before the Commission, they will always be subject to the due process requirements which means that a notice of contemplated disciplinary action will continue to go out to respondents who may be disciplined under the new categories which also means they will also go through the Administrative Prosecutor at the AG’s Office who will assess whether the</p>	<p>presented made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p> <p>Motion to adopt the rule change as presented made by Commissioner Smith. Motion seconded by Commissioner Buffington. Motion passed unanimously by roll call vote.</p>

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		Commission has enough evidence to pursue such disciplinary action against that particular individual. They will be taken on a case-by-case basis, just like any other disciplinary action that comes before the NMRC. Chairman Bregman added that he finds it hard that has a problem with these proposed changes. No changes were made to this amendment as presented.	
Executive Session	:44:07 – end	Chairman Bregman called for a motion to enter into executive session to discuss the items listed in the agenda, pursuant to Sections 10-15-1H(1), H(3) and H(7) of the Open Meetings Act authorizing closed sessions for matters related to issuance, suspensions, renewal or revocation of a license; deliberations on adjudicatory proceedings and pending or threatened litigation.	Chairman Smith moved to enter into Executive Session. Commissioner Buffington seconded the motion. Motion passed unanimously by roll call vote.
Back into Open Session: 12:50 PM 9. Licensing/Pending Litigation/Appeals/Hearing Officer's Reports/Employment Contracts A. Miguel Guzman (Licensing)	2:31:47:11– END 2:32:17 – 2:33:48	Chairman Bregman affirmed that ONLY the items listed on the Agenda were discussed in Executive Session pursuant to Section 10-15-1J. There was not enough information submitted by the Licensee for the Commission to make an informed decision. The Commission has asked the Licensee call the NMRC office to get further direction prior to the next meeting.	Motion to table this matter until further information is received made by Commissioner Smith.

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B. Faustino Carrete (Licensing)		There was not enough information submitted by the Licensee for the Commission to make an informed decision. The Commission has asked the Licensee call the NMRC office to get further direction prior to the next meeting.	Commissioner Buffington seconded the motion. Motion passed unanimously by roll call vote. Motion to table this matter until further information is received made by Commissioner Smith. Commissioner Buffington seconded the motion. Motion passed unanimously by roll call vote.
C. Janell Sanderson (Licensing)	2:33:49 – 2:33:56	There was not enough information submitted by the Licensee for the Commission to make an informed decision. The Commission has asked Ms. Sanderson submit a letter to the Commission explaining exactly what she is asking from the Commission as it appears she has completed her suspension, but still owes her fine.	Motion to table this matter until further information is received made by Commissioner Smith. Commissioner Buffington seconded the motion. Motion passed unanimously by roll call vote.
D. NMHA (Pending Litigation)		Discussion only. No action was taken.	No action taken.

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11. Adjournment at 12:52 PM			


 Chairman Sam Bregman

6/3/22
 Date


 Executive Director Ismael Trejo

6-3-22
 Date