

The Registration/Owners/Breeders Committee was called to order by Dr. Kenneth Walker at 5:30 p.m. on Sunday, March 30, 2014.

The committee considered several rule change proposals. Specific committee action is included in the Rules Committee Report.

Registrar T.C. Lane provided the committee with the annual report registration and membership trends in the U.S. and Canada. He also gave an update on the status of USTA Online Services. While a heavy amount of time has been dedicated to Online Entries this year, the movement toward making Mating Certificates digital and online registrations continue.

Lane and USTA Information and Research Manager David Carr addressed the committee on the future plans for the USTA's production of the hard copy/traditional version of the Sires and Dams. The decision has been made to discontinue that version of Sires and Dams after the completion of the 2014 edition.

Jessica Schroeder addressed the committee with a proposal to combine stable/farms and corporations. Under this proposal, the application fee would be reduced from \$173 to \$150 with a renewal fee of \$35/year. This would streamline operations internally and allow the differentiation of current/non-current stats. In addition, it would result in a small savings for stables that race one year and discontinue racing after that same year. The committee decided to table decision for a later time.

Lane also announced the hiring of Bruce Brinkerhoff and discussed the future of the I & R department, including standardized pedigree pages and the ability to produce a pedigree page via Pathway, which are important projects.

HRC Director Ellen Harvey updated those in attendance on the SOS program and Pleasure Horse Registration.

The Pari-Mutuel Committee was called to order by Ken Marshall at 3:12 p.m. on Sunday, March 30, 2014.

The committee considered several rule change proposals. Specific committee action is included in the Rules Committee Report.

Director Chris Schick was on hand to discuss and update the committee of the Strategic Wagering program and the plans for 2014. A detailed report of liabilities from 2013 was distributed to the committee.

USTA Director of Communications and Marketing Dan Leary and HRC Director Ellen Harvey made a presentation on the importance of crisis management to the track directors. A power point presentation will be made available to the membership to review at the conclusion of the annual meeting. Leary and Harvey also volunteered their services for general training or specific issue advice to all individuals and organizations.

The meeting was adjourned at 4:25.

Chairman Jeff Gregory called the Driver/Trainer Committee to order at 8:01 a.m.

1. 2014 Rule Change Proposals

- The Committee discussed their assigned rule change proposals for 2014 and took the action as reflected on the Rules Committee report.

2. Kicking / Whipping

- There was extensive discussion by members of the committee on the strict rules of the USTA and stiff penalties prescribed by the rules. Comments were made relative to the fact that state racing authorities have jurisdiction over racing conducted at the pari-mutuel tracks and any problems may lie with racing commission regulations, penalties or enforcement.

3. Licensing of Drivers/Trainers

4. A report on the number of licenses issued by the department from 2001 – 2013 was given. A total of 295 new or upgraded licenses were issued for 2013.

5. Standardbred Driving School 2013

- 2013 was the second year the 5-day school was held in the Goshen, New York area. Special thanks to USTA Directors Mark Ford, Ray Schnittker, Mike Kimelman, Joe Faraldo, Jeff Gregory and Steve Oldford for being part of the school as lecturers and instructors. Also a special thank you to the trainers and stables who provided their horses and stable employees for the hands-on part of the school and the USTA Standardbred Driving Clubs amateur drivers who provided mentorship to the students.
- For 2014, we are pleased to welcome the New York State Horse Breeding Development Fund as a major sponsor. Their grant money allows us to offer, for a limited time, a \$100.00 discount to NY state residents to attend the school.
- Ron Burke will be the keynote speaker for the 2014 Driving School, which will be held June 11-15 in Goshen, NY. The school will feature a “graduate” program for former attendees. These graduate students will receive additional barn work, night-time paddocking of horses and an opportunity for those who qualify to take the requisite practical test needed for licensing.

6. Amateur Driving Clubs

- There were 10 USTA affiliated amateur driving clubs in 2013, eight of which participated in the annual Tim Fouts Memorial Driving Championship as part of the Grand Circuit meeting at Delaware, Ohio. The race was won by Dillon Cox representing the Mid-Western Amateur Drivers Association.

7. On-Line Entry Application

- Michele Kopiec gave the committee members a detailed overview of the Online Entry application that is currently in beta testing and will go “live” on April 7th at all participating racetracks.

8. Driver/Trainer Accident Disability Insurance (AD&D) (Mike McNeely and Gail McNeely, Van Gundy Insurance)

- Mike McNeely reported on the USTA AD&D Insurance Program participation by licensed drivers and trainers and the loss ratios experienced by the insurance carrier.

The meeting was adjourned at 8:42 a.m.

Chairman Joe Faraldo called the Regulatory Committee to order at 4:20 p.m. on Sunday, March 30, 2014

1. 2014 Rule Change and Bylaw Changes

- The Committee discussed their assigned rule change and bylaw change proposals for 2014 and took action as noted in the Rules Committee report.

2. Officials Accreditation School/Continuing Education/Seminars

- In October 2013, a 16-hour Continuing Education program for accredited officials was held at the Meadows. There were 25 officials representing five racing jurisdictions (DE, OH, MD, PA, NJ) in attendance.
- Fair official's seminar was held in Columbus, Ohio in May 2013 and is scheduled to be conducted again in May 2014.
- University of Louisville will hold a 60-hour Accreditation School in June 2014.
- USTA will conduct a pari-mutuel official's seminar in Augusta, Maine in April 2014
- In-The-Field training for etrack is scheduled for PA fair officials for 2014.
- Usta

3. USTA Administration Policies with regard to Membership Action

- USTA Executive VP and CEO M Mike Tanner provided the committee members with a detailed overview of the administrative policies and procedures used for the review and action of membership applications and the issuance of Rule 1.03.

4. The meeting was adjourned at 5:20 p.m.

Committee called to order at 3:15 p.m. on Sunday, March 30, 2014 by Chairman Skip Hoover.

2012 Rule Change Proposals

The committee considered several rule change proposals. Specific committee action is included in the Rules Committee Report.

Matching Funds Grant

Checks equaling just over \$18,000 were sent to help market county fair harness racing in 2013. For the first time, applications and promotional sell sheets were emailed to fair contacts. Directors were given copies at the committee meeting.

Online Entry

Jessica Schroeder did a demonstration for horsemen on the 'Online Entry' platform, that will be available on April 7. Any fair that wishes to participate will be able to utilize 'Online Entry' for the 2014 summer racing season.

Ohio Fair Racing Conference

Joe Ewing from the Ohio Harness Horsemen's Association presented the organization's three-year plan for Ohio county fair harness racing.

Open Forum

Representatives from the various states that host harness racing (Illinois, Indiana, Iowa, Kentucky, Maine, Michigan, Minnesota, Ohio and Wisconsin) discussed the state of affairs in 2013 and projected what racing will look like in 2014.

The meeting was adjourned at 4:20 p.m.

Chairman Jason Settlemoir called the Communications/Marketing Committee to order at 1:15 p.m. on Monday, March 31, 2014.

Introduction (Dan Leary)

Announced agenda for the meeting Recap of USTA Communications Dept. (Dan Leary) and Harness Racing Communications (Ellen Harvey) highlights for 2013, Converseon Social Media Update (Rob Key)

Communications Summary (Dan Leary)

Discussed the USTA Communications Dept. major accomplishments during 2013 including the selection of Converseon as a social media agency partner, Regis The Horse on FOX Sports 1's "Crowd Goes Wild" show, assistance with CBS Sports Network's Hambletonian broadcast, integration of "Night School" fan education chats with Thoroughbred and Quarter Horse chats, and national awards won by USTA photographer Mark Hall and videographer Rich Johnston.

Harness Racing Communications Update (Ellen Harvey)

Discussed the functions and goals of Harness Racing Communications, the media outlets where stories were pitched and placed, including the national media -- Associated and Canadian Press, Sports Illustrated/SI.com, and USA Today -- as well as major newspapers -- NY Times, Daily News and Post, Philadelphia Inquirer, Boston Globe/Boston.com, Cleveland Plain Dealer, Louisville Courier Journal and Providence Journal.

Also summarized major racing events attended and covered by HRC including, the Breeders Crown, Hambletonian, Goshen Historic Track, Super Saturday/Sunday at Pocono, Maxie Lee/Betsy Ross at Chester, Dexter Cup at Freehold, Harrisburg and Meadowlands sales, and USTA Driving School.

Converseon-Harness Racing Social Media Update (Rob Key, Converseon)

Converseon CEO and founder presented an update on what has been accomplished and what the future agenda is for harness racing's social media initiative.

After completing an assessment of harness racing's social media presence and influence, it was determined that there was little industry collaboration, it provided very limited opportunity to engage new fans, content was scattered, and the industry needed to develop "major league" digital assets.

Converseon embarked upon a foundational effort to improve the industry's liabilities by focusing on people and processes, building "major league" assets, aggregation of audience via a "hub and spoke" approach, training, and tools and platforms to utilize moving forward.

(more)

Communications/Marketing Committee Report ... 2

Key explained with the recently launched website, www.HarnessRacingFanZone.com, real time listening and engagement (through their proprietary Converseon monitoring software) and Social Ambassador Platform, the foundation is in place. With that in place, it is time to implement and scale our efforts.

He displayed the new website and some of the initial social promotions, including the recently launched “100 Greatest Moments in Harness Racing” interactive promotion that is a collaborative effort among the USTA, Harness Racing Museum and Hall of Fame, and the U.S. Harness Writers Association. Key also discussed a potential \$1 Million Grand Circuit “30 of 30” contest.

Key discussed the existing Social Ambassador network that allows participants to share content to promote harness racing and how it needs to be expanded.

Early results indicate that overall harness racing conversation has increased by 26 percent from a year ago, while “proof of concept” events including the Little Brown Jug and Breeders Crown showed a 40-80 percent increase from the previous year. Also, positive sentiment has increased significantly during major events.

Key concluded by setting goals for the future. He cited the need to scale Harness Racing Fan Zone with industry participation, promotions, engagement and partnerships with racetracks and other industry organizations. The Social Ambassador Program needs to be stimulated by initiating a rewards program with the goal of increasing participation from 30 currently to 150 in 2014. The initiative will coordinate with the potential national TV package and seek to attract sponsors to the sport. This year will see the rollout of an editorial calendar, new promotions and weekly campaigns with the goals of increasing social activity by 300-400 percent and by increasing positive sentiment by 10 percent.

Communications/Marketing Committee Chairman Jason Settlemoir requested that USTA Chairman Ivan Axelrod quickly convene a meeting to consider approval of \$100,000 in funding for industry sponsorship of a proposed national television package for harness racing.

The meeting was adjourned at 2:24 p.m.

1. A proposal to amend §4.153 Record / Standard Record – by adding the following language to the end of the first sentence “at the standard distance of one mile.”

Fairs:	APPROVED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	APPROVED
Regulatory:	APPROVED
Rules:	APPROVED

§4.135 Record / Standard Record - The fastest time made by a horse in a heat or race which he or she won **at the standard distance of one mile**. A Standard Record is a record of 2:20 or faster for two-year-olds and 2:15 or faster for all other ages. *Effective May 1, 2014*

2. A proposal to amend §5.18 Standardized Saddle Pad Colors – by adopting a standard that matched the saddle pad colors used by the North American Thoroughbred Tracks.

Pari-Mutuel:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

3. A proposal to add a new subsection to Rule 5 to require each race track to adopt a procedure, as prescribed by the state racing authority and in agreement with the local horsemen’s association, to catch a loose horse and require the use of an outrider.

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Regulatory:	AMENDED
Rules:	REJECTED

4. A proposal to amend §6.15 Clerk of Course/Charter (b)12 - by adding the following language to the end of the sentence “and mile rate for races at distances other than one mile.”

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

(more)

5. A proposal to amend §7.02 Program Information (g) – by adding the words “and race time in mile rate for odd distances” between the words “race time” and the words “post position” and adding the words “or mile rate” after the words “individual time” followed by adding the words “in the event of an odd distance race,” after the words “of the horse” in the second sentence.

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

6. A proposal to amend §7.02 Program Information (j) – by adding the words “or in the case of an odd-distance race, the mile rate at the current race’s distance” after the word “time” in the first sentence.

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

7. A proposal to renumber existing §7.02(k) – 7.02(m) to 7.02(l) – 7.02(n) and add new subsection 7.02(k) to read as follows: “Where a summary lifetime line is provided, the line will report the lifetime number of starts; first-, second-, and third-place finishes; lifetime earnings; lifetime mark, track and age when lifetime mark was set. If the current race is at an odd distance, instead of the lifetime mark at the mile distance, the fastest win time reported in mile rate, track, and age when the win time at the current race’s distance will be reported. “

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

(more)

8. A proposal to amend §6.16 Timers – by changed the word “fifths” in the send sentence to read “tenths”.

Fairs:	REJECTED
Pari-Mutuel:	APPROVED AS AMENDED – Change timing to 100 ^{ths} of a second effective January 1, 2016.
Registration/Owners-Breeders:	APPROVED AS AMENDED BY P/M
Regulatory:	APPROVED AS AMENDED BY P/M
Rules:	APPROVED AS AMENDED

§6.16 Timers. – At each race there shall be three timers in the judges’ or timers’ stand except when an electronic timing device is used, in which event there shall be one timer. All times shall be announced and recorded in fifths of seconds. **Effective January 1, 2016 and thereafter, all times shall be announced and recorded in 100^{ths} of seconds.** An approved electronic or electric timing device must be used where horses are started from a chute.

The timers shall be in the stand 15 minutes before the first race is to be contested. They shall start their watches when the first horse leaves the point from which the distance of the race is measured. The time of the lead horse at the quarter, half, three-quarters, and the finish shall be taken. If odd distances are raced the fractions shall be noted accordingly. *Effective January 1, 2016*

9. A proposal to amend §9.03 Leased Horses – to eliminate all racing leases for an “indefinite” period of time and require a termination date of not more than two years from the effective date of the lease.

Regulatory:	AMENDED to apply to any new racing lease effective May 1, 2014.
Registration/Owners-Breeders:	APPROVED AS AMENDED BY REGULATORY
Driver/Trainer:	APPROVED AS AMENDED BY REGULATORY
Rules:	APPROVED AS AMENDED

§9.03 Leased Horses. – Any horse on a **racing** lease must race in the name of the lessee. No electronic eligibility will be issued to a horse under lease unless a copy of the lease is filed with the USTA. For purposes of issuance of electronic eligibility and/or transfer of ownership, a lease shall be terminated at the end of the term or by signature of all parties. **No new racing lease shall be recorded with a termination date of more than two years.** *Effective May 1, 2014*

(more)

10. A proposal to delete §9.07 Horses 15 years of Age or Older - that restricts the type of races for which a horse 15 years of age or older is eligible.

Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Driver/Trainer:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

11. A proposal to amend §14.01 Length of Race and Number of Heats to add the following language to new subsection (c): *No horse shall be allowed to start in more than 35 pari-mutuel races in any given year.*"

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Driver/Trainer:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

12. A proposal to amend §14.19 Drawing of Post Positions to provide for a weighted "computerized" drawing of post positions to prevent a horse from drawing an "inside" or "outside" post position in two or more consecutive races.

Fairs:	REJECTED
Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	REJECTED
Driver/Trainer:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

13. A proposal to amend §18 RACING AND RACETRACK RULES by either amending existing §18.01(k) Driving Violations - or by adding a new section to read as follows: "Drivers should maintain an upright position with hands in handholds and with the loop a minimum of eighteen inches from their chest."

Driver/Trainer:	REJECTED
Regulatory:	REJECTED
Rules:	REJECTED

(more)

14. A proposal to amend §22.05 Effect of Penalty on Horse – to provide for the suspension of a horse when an owner, trainer or driver is under suspension for more than 45 days to read as follows, "Any owner, trainer or driver who is under suspension for more than 45 days, any horse or horses that are in their name be under suspension for a minimum of 45 days and be required to re-qualify. If the penalty is extreme, the suspension for the horses should be extended accordingly."

Pari-Mutuel:	REJECTED
Registration/Owners-Breeders:	TABLED
Driver/Trainer:	TABLED
Regulatory:	TABLED
Rules:	REJECTED

15. A proposal to amend §24.01 Timing of Races - to change the words "fifths of seconds" in the third line of the first sentence to read "tenths of seconds.

Fairs:	REJECTED
Pari-Mutuel:	APPROVED AS AMENDED – Change timing to 100 ^{ths} effective January 1, 2016.
Registration/Owners-Breeders:	APPROVED AS AMENDED BY P/M
Regulatory:	APPROVED AS AMENDED BY P/M
Rules:	APPROVED AS AMENDED

§24.01 Timing of Races. – In every race, the time of each heat or race, shall be accurately taken by three timers or an approved electric timing device, in which case there shall be one timer and placed in the record in minutes, seconds and fifths of seconds and upon the decision of each heat the time thereof shall be publicly announced or posted. **Effective January 1, 2016 and thereafter, all times shall be announced and recorded in 100^{ths} of seconds.** No unofficial timing shall be announced or admitted to the record and when the timers fail to act no time shall be announced or recorded for that heat. *Effective January 1, 2016*

(more)

16. A proposal to add language to existing §26.03 Non-Standardbred – to require that any such horse be spayed or neutered as a requirement for registration by adding the following language to the end of the first sentence: “and verification that the horse has been spayed or neutered.”

Registration/Owners-Breeders: APPROVED
Rules: APPROVED

§26.03 Non-Standardbred. – Any horse may be registered as Non-Standardbred upon filing application showing satisfactory identification of the horse **and verification that the horse has been spayed or neutered**. This identification may be accomplished by furnishing the name, age, sex, sire, dam, color and markings, and history of the previous owners. A mating certificate must accompany this application showing the sire to be some type of a registered horse. Any owner standing a Non-Standardbred stallion for service must include the fact that it is Non-Standardbred in all advertisements of such service.

Other provisions of these rules notwithstanding, the Registration Committee may register as Non-Standardbred any horse which does not qualify for such registration under this section if, in their opinion, such horse should be registered Non-Standardbred. *Effective May 1, 2014*

17. A proposal to amend §26.08(a) Names – to five words and a total of 20 spaces.

Pari-Mutuel: REJECTED
Registration/Owners-Breeders: TABLED
Rules: REJECTED

18. A proposal to amend the USTA Bylaws to redistrict Districts 3 and 4B by moving the state of Colorado from District 3 to District 4B.

Rules: REJECTED

Note: The Rules Committee Report (above) was adopted by the Full Board of Directors On March 31, 2014. In accordance with §1.06, changes in the Rules and Regulations become effective on May 1st of the year in which they are adopted unless otherwise specified.

In a separate action, the Full Board of Directors adopted revised bylaws of the Association on March 30, 2014. These revised bylaws became effective on that date.

Chairman Ivan Axelrod called the Finance Committee to order at 9:30 a.m. on Monday, March 31, 2014.

There were no questions from the committee regarding the **2013 Audited Statements** presented to the full Board OF Directors on Sunday, March 30.

USTA Controller Dennis Fisher gave an update on the **Defined Benefit Pension Plan** detailing the Plan's investment returns from 2013 and current year. There was also discussion on the present termination cost of the plan, which had dropped from \$3,100,000 to approx \$2,100,000. An increase in interest rates would typically decrease the termination cost by approximately \$500,000 per one-half percent increase. The timing of a planned termination includes a delay of approximately six months before any rate could be locked in.

A motion was made and passed to start the termination process so that the committee can react quickly to a favorable termination cost in the event of rising interest rates or other events. There will be a follow-up on this at the November 2014 Executive and Finance Committee meetings.

The **2014 Budget** was reviewed, on a page-by-page basis, with the notation of the significant changes made since the approved budget from November 2013 meeting. One of those notable items was the assumption that the sale and move of the USTA offices is being deferred until further progress is made in both areas.

In addition to the changes presented and explained by staff, the motion from the Registration Committee to consider the impact and effects of the decision to stop printing of the Sires & Dams book in 2015 was discussed. In addition, there were discussions regarding the possibility of reducing the annual and district meetings expense by use of Skype and the reduction of staff required at the district meetings. (USTA staff will investigate both suggestions for the future).

There was discussion on several other line items that resulted in two motions being presented for changes to the proposed budget:

- 1) Jason Settlemoir presented a request for \$100,000 in funding to be used for sponsoring a national television series of races to be broadcast by CBS Sports Network. This amount would represent approximately 25 percent of the total funding needed, and would only be required if the additional funding can be acquired.
- 2) President Langley requested the availability of \$100,000 in the budget for the Medication Committee to use for new proposals subject to approval by the committee throughout the year.

The second proposal was voted on and passed.

(more)

There was additional discussion on the first proposal, including whether it should be brought before another committee before approval, and whether additional information could be presented before consideration. A vote was taken that resulted in a 7-7 tie. It was determined that additional information is required and that a phone conference call will be scheduled for further consideration.

The budget was approved with the addition of the \$100,000 in the medication funding that resulted in a net operating loss of \$24,384.

The meeting was adjourned at 11:05 a.m.

Additional Note:

At the full Board of Directors meeting, it was discovered that the additional request for \$100,000 for Medication funding was already included in the budget. As a result, the motion was not needed and the revised budget resulted in a net surplus of \$75,616.