

IOWA STATE RACING COMMISSION

MINUTES

July 8, 1983

The initial meeting of the State Racing Commission was called to order by Acting Chairman Lawrence Scalise at 1:30 P.M. on Friday, July 8, 1983 in the First Floor Hearing Room of the Lucas State Office Building. All commissioners were present, they included: Sally Brown Prickett, Lavonne Mydland, Bud Pike, Steve Sovern and Lawrence Scalise.

The first order of business was to discuss and vote on the adoption of "Roberts' Rules of Order". Motion was made by Commissioner Sovern to adopt "Roberts' Rules of Order". Commissioner Prickett seconded the motion. Motion passed unanimously.

Acting Secretary John Schaffner was recognized by Commissioner Scalise for the purpose of taking up Order 84-1. Commissioner Scalise asked that Order 84-1 be deferred at this time. Commissioner Pike moved that Order 84-1 be deferred until later in today's meeting. Commissioner Mydland seconded it. Motion carried unanimously.

Next item of business was to elect a Chairperson. Commissioner Pike made the motion that Lawrence F. Scalise be elected Chairman of the State Racing Commission. Commissioner Sovern seconded the motion. There were no other nominations. The motion that Lawrence Scalise be Chairman was passed unanimously (See Order 84-2).

The Commission then decided to elect a Vice-Chairman. Commissioner Mydland moved that Commissioner Pike be elected Vice-Chairman. Commissioner Prickett seconded it. No other nominations. The motion was passed unanimously.

Order 84-3 was then discussed. This was the appointment of an Acting Secretary. This person will serve as interim secretary for the Commission until a permanent secretary is appointed. Commissioner Sovern made the motion that Mr. John Schaffner be appointed Acting Secretary for the Commission. Commissioner Mydland seconded it. There were no other nominations. Motion was passed unanimously.

The Honorable Robert H. Lounsberry, Secretary of Agriculture addressed the Commission concerning the assistance that the State Department of Agriculture can provide to the Commission. He also commented on the tour he had made of the Harris Testing Laboratory in Lincoln, Nebraska. Secretary Lounsberry commented that he felt that our laboratories could handle the urine testing required. (See outline of Mr. Lounsberry's remarks attached to minutes.)

Public Safety Commissioner Gene W. Shepard briefly addressed the Commission. He explained how S.F. 92 has directed him, as Commissioner of Public Safety, to establish a subdivision of the Division of Criminal Investigation, to enforce the provisions of Chapter 99D. Mr. Shepard then introduced the newly appointed Director of the Division of Criminal Investigation, Thomas R. Ruxlow. Mr. Ruxlow stated that he planned to establish a task force to identify those problems that exist within other jurisdictions who have parimutuel betting and what recommendations they have in dealing with those problems to improve their own systems. The task force will be made up of members of the DCI and hopefully some commissioners and staff members of the Racing Commission.

Chairman Scalise ask if any of the other commissioners had questions for Secretary Lounsberry, Mr. Shepard or Director Ruxlow. Commissioner Sovern asked Secretary Lounsberry which track in the midwest appeared to have the best operation. Secretary Lounsberry responded that the Aksarben, was by far, run better than most.

Assistant Attorney General Gary Hayward was introduced by Mr. Schaffner to the Commission. Mr. Hayward was recently appointed by the Attorney General to serve as the Racing Commission's legal counsel.

Ron Rowland, of the Legislative Service Bureau, gave an overview of Senate File 92 to the Commission. He provided the Commission with an outline of the bill.

Julie Pottorff, Assistant Attorney General, presented to the Commission a review of three Chapters of the Code which pertain to public officials. The review included: Chapter 68B, the Gift Law; Chapter 68A, the Public Records Law; and Chapter 28A, the Open Meetings Law. Commissioner Sovern asked about a situation, using the example of the Commission being on a fact finding mission but a majority was not present and a decision was made; what would this come under? Ms. Pottorff explained that an Attorney General's Opinion in 1981 might answer his question. Commissioner Pike also asked if conference calls had to be taped. Ms. Pottorff said no, only closed session meetings.

Chairman Scalise asked that the Commission return to Order 84-1 on the agenda, the Policies and Procedures of the Commission that are supplemental to "Robert's Rules of Order". Mr. Schaffner gave a brief description of the policies and procedures. Commissioner Pike made the motion to approve these policies and procedures. Commissioner Prickett seconded it. Motion carried unanimously.

Order 84-4, the selection process for a permanent executive secretary, was brought before the Commission. Mr. Schaffner explained this Order to the Commission. Mr. Schaffner asked the **commissioners to inform him of what they believe are the necessary** requisites for this position. What qualifications should

the person have, what educational background, experience, etc.? The salary for the position for fiscal year 1983-84 is a range from \$40,800 to \$52,500.

Commissioner Mydland noted that the individual she is looking for should be experienced, possibly with administrative experience, or perhaps someone with fiscal background.

Mr. Schaffner said a decision will have to be made as to whether or not there will be a nationwide search conducted for the Executive Secretary.

Mr. Schaffner stated that he would like to have each commissioner send to him their specifications for this position. Commissioner Prickett suggested that we contact other states for information. The Commission directed that Mr. Schaffner attempt to secure the job specifications from other states and provide them to the commissioners in approximately fourteen days.

The next item discussed was Order 84-5, the need for clerical assistance. Mr. Schaffner explained that the position of Confidential Secretary III, is pay range 19 (a salary range bi-weekly of \$544.80 to \$688.00). This position is exempt from the Iowa Merit Employment System and the Merit pay plan. Commissioner Sovern made the motion that the Commission fix the compensation of the Confidential Secretary III at a pay range 19. Commissioner Mydland seconded it. Motion carried unanimously.

The Commission reviewed Order 84-6, which pertains to performance bonds. A recommendation came from Gary Hayward, legal counsel, that the executive secretary be covered under the state blanket bond, which would be for \$100,000. The commissioners are already bonded under this blanket bond. The Governor must approve the Commissioners and Executive Secretary's bond. Commissioner Prickett asked for some information on bonding for other states. John Schaffner said that he would try and have this for the next meeting. Commissioner Pike made the motion that fixes the amount of bond at \$100,000 for the executive secretary, with the understanding that the staff is to find out what the other states have done. Commissioner Sovern seconded it. Motion carried unanimously.

John Schaffner explained that Jack Walters, Director of General Services has stated that the new office space for the Racing Commission would be in the Wallace State Office Building. John Schaffner believes this will be quite favorable as the Commission staff would be close to the Department of Agriculture, Division of Criminal Investigation and legal counsel, who are all located in the same building.

Next Order 84-7, membership in the National Association of State Racing Commissions was discussed. Membership in this


national organization is approximately \$750.00 annually. This must be approved by the Iowa Executive Council. Commissioner Mydland moved that we join this organization. Commissioner Pike seconded it. Motion carried unanimously.

Chairman Scalise asked for new business. Commissioner Sovern requested a bibliography for the Commission members. John Schaffner said that he had requested a title search through the State Library.

Order 84-8 was next on the agenda. This dealt with setting up a 12-month calendar for scheduled meetings. Mr. Schaffner had selected proposed dates and the Commission discussed whether or not to set the dates that he had selected. Mr. Schaffner suggested that these dates of meetings be regular meetings and that there could always be other special meetings called as needed. Commissioner Pike asked that the next meeting date be July 28, 1983. It was decided that the Commission would meet on July 28, 1983 at 9:00 A.M. in Des Moines. The meeting location is still pending. The commissioners and media will be notified of the meeting place.

Commissioner Prickett moved that meeting be adjourned. Commissioner Pike seconded the motion. Motion carried unanimously. Meeting adjourned at 4:05 P.M.

Minutes taken by:

  
Marda Howard  
Recording Secretary

# IOWA STATE RACING COMMISSION

## Minutes

July 28, 1983

A meeting of the State Racing Commission was held on July 28, 1983 at 9:00 A.M. in the First Floor Conference Room of the Lucas State Office Building. All five commissioners were present, they included: Prickett, Mydland, Pike, Sovern and Scalise. Chairman Scalise ask if there was any discussion about the minutes from the previous meeting. Commissioner Sovern made the motion that minutes of the July 8, 1983 meeting be approved. Commissioner Mydland seconded it. Motion carried unanimously. (See order 84-9)

State Representative Jack Woods, made comments on the "Parimutuel Wagering Act" (Senate File 92). He expressed his interest in working with the Commission during the next Legislative Session to further refine Senate File 92, as well as help draft any amendments that the Commission would recommend. If at all possible, Representative Woods said that he would like to have the Commission's input for legislation by December 1st.

After Representative Woods' comments, questions were asked concerning the law. Commissioner Pike asked about the \$50,000 for the start-up assistance fund. Mr. Woods said, the money is primarily "start-up money" funded by voluntary contributions rather than state monies to get the Commission started. This means that before a license can be issued, there must be a contribution of \$50,000. Contributions to the fund are refundable. Commissioner Pike asked about a section in the law concerning the term "prime farm land". What is prime farm land? Representative Woods said that he felt this should be clarified next session. Commissioner Sovern asked questions of Representative Woods concerning the tax structures provided in S.F. 92. Mr. Woods said the legislature and the Commission may have to look at the different possibilities that affect the tax revenue coming to the state, especially the first couple of years. Commissioner Sovern also asked what was the legislative intent as to the types of racing it wanted? Representative Woods said that the legislature authorized four kinds of racing; harness, thoroughbred, quarterhorse and dog.

Commissioner Pike asked Representative Woods whether or not the legislature considered the idea of using existing facilities for race tracks. Representative Woods commented that he felt this would be up to the licensee and what they wanted to do. Commissioner Mydland commented about the industrial revenue bonds and the possibility of looking at this during the next legislative session. Chairman Scalise called attention to Section 25 of the Act, which concerns the drugging and numbing of horses or dogs.

Dennis Oelschlager, Executive Secretary for the Nebraska State Racing Commission offered comments and background information on the Nebraska racing commission. He also extended an invitation to our

racing commission to have a joint meeting with Nebraska's Racing Commission sometime in the future.

Mr. Oelschlager said, there are three main functional areas in his office: 1) Administrative, 2) Security and Investigative, 3) Rules Enforcement by the Stewards. He said occupational licensing fees range from \$5.00 up to \$100.00. He also explained the different people and their positions on the race track. Probably the most important person is the veterinarian. There are starters, paddock judges, clerk of scales and clerk of claiming, and the timer. A track is expected to provide good barns, good facilities, etc. The different kinds of horse races were listed by Mr. Oelschlager: Maiden races are for horses that meet a particular qualification; Stakes races are normally top quality horses at a race meet (the owner is usually expected to put up a stake in order to participate in that race), you pay an entry fee in that race--you do not pay an entry fee in maiden, allowance or claiming races--but allowance races you do; and the fourth category is the Claiming race. He said that this is the bread and butter of most thoroughbred racing, probably 60% of the races are claiming races. The horses in this race are for sale. Also mentioned were the video controls and the photo finishes. This helps in making the final determination or whether there were fouls in the race.

Mr. Oelschlager also made comment of the different organizations which will be of benefit to our Commission. One of these is the National Association of State Racing Commissioners (NASRC). Horsemen Benevolent Protection Association (HBPA) is an organization that owners and trainers are well acquainted with. The Jockey Guild is also important because it looks after the welfare of the jockeys. The Thoroughbred Racing Protection Bureau is a private protective organization dedicated to supporting the security needs of the racing industry. They also provide a nationwide network of information for commissions.

Commissioner Pike asked Mr. Oelschlager how many tracks are in Nebraska and what type they are. They have 8 tracks; 5 thoroughbred tracks and 3 quarterhorse tracks. There are no dog tracks in Nebraska.

Mr. Jack Ketterer is in charge of track security in Nebraska. He said one of the main things he gets involved with is the screening of license applications. Falsification on these applications is a sure way to be barred from a track. NASRC is a very good source of up-to-date revocations. The TRPB is a good source for checking out individuals coming into your track.

Chairman Scalise asked how many employees they have in their Nebraska office. Mr. Oelschlager said that full-time staff is essentially four people: executive secretary, Mr. Ketterer, a state steward and Mr. Oelschlager's administrative assistant. During the peak of the racing season they have approximately 15 to 16 people on the payroll. The full-time equivalent for the Nebraska staff over a fiscal year is between 10 and 11. Their administrative budget is around \$350,000, which is about or a little less than 3% of the direct revenues generated through the state racing. Chairman Scalise asked

if they had a toxicologist on staff. Mr. Ketterer said no that they didn't, but it would be something to look into, perhaps on a part-time basis. The commissioners were given rule books from the Nebraska Racing Commission.

Julie Bailey representing the Iowa Horse Industry Council made a presentation to the Commission concerning the possibility of forming an advisory council, who could work with the Racing Commission. She also commented that actual worth of the horse industry in Iowa and it is approximated at \$400,000,000 compared to the nationwide total of \$15 billion. (See attached copy of Bailey's remarks)

Mr. Joe Royce, the legal counsel for the Legislative Rules Review Committee, gave a presentation of the Rules-making Process. (A good example of contested case rules are those of the Iowa State Real Estate Board's)

The advertising and selection process for an Executive Secretary was discussed. John Schaffner gave a report on what he had obtained from various other states on the qualifications. Chairman Scalise made a suggestion to modify proposed order 84-10 by eliminating the subcommittee of two commissioners to do the screening on the applications for the Executive Secretary position, rather that the entire Commission screen applications. Chairman Scalise had a question as to whether or not Section 5 of S.F. 92 should be included in ads. He ask Mr. Schaffner to check with Gary Hayward, the Commission's legal counsel. Mr. Schaffner is also to check with Mr. Hayward on the number of days for a waiting period on advertising.

Commissioner Sovern made the motion that we approve Order 84-10, with the following amendments: 1) The dates included be checked to assure compliance with rules and regulations, and 2) that the subcommittee be eliminated and that the Commission act as a whole on the selection of candidates for the Executive Secretary position. Commissioner Prickett seconded the motion. It was passed unanimously.

The next item on the agenda was the selection of date and time for the next Racing Commission meeting. Commissioner Pike moved that Wednesday, August 24th at 9:00 A.M. be the next meeting. Commissioner Mydland seconded the motion. Motion carried unanimously.

Chairman Scalise asked for new business. Mr. Schaffner said 1) the Iowa Executive Council approved the Commission's membership in NASRC. 2) The approval for the permanent office for the Commission in the Wallace State Office Building was obtained. 3) The pay range of the Confidential Secretary III for the Commission was approved by the Iowa Executive Council.

Mr. Mick Lura also gave a brief summary of the different states bonding requirements.

Commissioner Pike commented on his recent visit to a South Dakota dog race track. He believes that the commissioners should visit some tracks. Chairman Scalise suggested waiting until later,

maybe this Fall, to visit some race tracks, after the Commission has their new Executive Secretary hired.

Mr. Schaffner commented that the University of Arizona will host a symposium on racing, beginning on December 7th at Tucson. This is usually a 4-day symposium.

Commissioner Sovern asked if between now and the next meeting the staff could look at what is permissible at open meetings. Are just the things that we list on our agenda to be talked about at the meetings? Mr. Schaffner said that he would check on this before the next meeting. Commissioner Sovern also had a question on the relationship of the staff and the Commission. The delegation of authority and responsibility.

NOTE: Chairman Scalise announced that he has a new office address. It is: 2910 Grand Avenue, Des Moines, Iowa 50312. His telephone number is: 282-2910.

Commissioner Mydland moved that meeting be adjourned. Commissioner Pike seconded the motion. Motion passed unanimously. Meeting adjourned at 12:20 P.M.

Recording Secretary:

  
Marda Howard



IOWA STATE RACING COMMISSION

MINUTES

August 24, 1983

A meeting of the State Racing Commission was held on Tuesday, August 24, 1983, at the Board of Supervisors Hearing Room in the Pottawattamie County Courthouse in Council Bluffs, Iowa. Commission Chairman Scalise called the meeting to order at 1:33 p.m. All Commissioners were present. They included Sally Prickett, Steve Sovern, LaVonne Mydland, Bud Pike and Lawrence Scalise.

The first order of business was proposed Commission Order Number 84-11 which called for the adoption of the minutes of the July 28 Commission meeting. Chairman Scalise recognized Commissioner Sovern who moved that Commission Order 84-11 be adopted as written. Commissioner Mydland seconded the motion. The Chairman asked for discussion and there was none. The Chairman called for a vote and Commission Order 84-11 was adopted unanimously on a voice vote.

Chairman Scalise introduced Larry Eliason, the Executive Secretary of the South Dakota Racing Commission, and recognized him for the purpose of making an informational presentation.

Mr. Eliason related his personal background to the Commission, which included service as a former South Dakota Racing Commissioner.

Mr. Eliason then made general remarks about the regulation of the racing industry in South Dakota with emphasis on dog racing. He discussed the organization of the South Dakota Racing Commission. Mr. Eliason explained the personnel policies used in South Dakota. This included the hiring of seasonal judges, veterinarians, veterinarians' assistants, auditors, and kennel masters. He explained that seasonal persons were chosen by ability and integrity, and were exempt from Civil Service requirements.

The Commissioners had numerous questions for Mr. Eliason after which Chairman Scalise thanked Mr. Eliason for taking the time to appear before the Commission.

Chairman Scalise recognized Ted Hovick from Story City, Iowa, representing the Iowa Greyhound Association. (See copy of Hovick's outline attached to minutes).

Mr. Hovick made remarks on the background of Greyhound Racing and the breeding and training of greyhounds. He explained some of the main differences between horse and dog racing. The fact that there is no jockey and that dogs grade themselves in races were the two major differences. Mr. Hovick discussed Senate File 92 as it related to dog racing. He said he was very happy with the bill overall and felt that some "fine-tuning" may be necessary. He emphasized that the "Iowa Bred" sections of the law needs to be more defined as to who is eligible. Mr. Hovick said he felt Iowa could support 3 or 4 dog tracks. Mr. Hovick then fielded questions from the Commissioners. Commissioner Sovern asked how soon a dog track could be operational. Mr. Hovick said he has talked to interested groups in 6 locations (Dubuque, Council Bluffs, Davenport, Fort Dodge, Waterloo and Cedar Rapids) and he believes that one or more of the groups could have a track ready by June 1, 1984 if the Commission was ready to license them. Mr. Hovick fielded several more questions and then Chairman Scalise thanked him for appearing.

Chairman Scalise recognized Dennis Reed, Co-Chairman of the Racing Advisory Committee of the Council Bluffs Chamber of Commerce. Mr. Reed read a prepared statement (attached) and then answered questions.

Chairman Scalise recognized Gary Woods, the treasurer of the Westfair Association. Mr. Woods described his organization and said they would be requesting a license to race dogs from the Commission in the future.

He explained that Westfair was already a non-profit corporation and put on the West Pottawattamie County fair. He added that they already had land, some grandstands and some animal housing areas. The Commissioners asked Mr. Woods several questions and then Chairman Scalise thanked him.

Chairman Scalise recognized Executive Secretary John Schaffner to take up proposed Commission order 84-12. Order 84-12 was explained by Mr. Schaffner. He said that two agencies had been providing services to the Commission (DPS and OPP) since June 27, 1983, and that Commission Order 84-12 was necessary to provide a mechanism for reimbursement of these agencies. He stated that the proposed order gave the Chairman authority to enter into agreements for reimbursement of these two agencies.

Commissioner Mydland moved the adoption of Order 84-12 as written. Commissioners Pike seconded the motion. Chairman Scalise asked if there was discussion. Commissioner Sovern asked Mr. Schaffner if the reimbursement would include allocating general agency costs (i.e., rent, utilities, etc.) and indicated that if it did he was concerned about the adoption of the order. Mr. Schaffner replied that the proposed reimbursements were for direct costs only. That would include salaries, fringes and other direct expense items. There being no further discussion, Chairman Scalise called for a vote. Commission Order 84-12 was adopted unanimously on a voice vote.

Chairman Scalise recognized Assistant Attorney General Gary Hayward for a review on legal matters of interest to the Commission. Mr. Hayward explained recent opinion regarding the definition of "prime farm" land and the interpretation of the terms "affinity and consanguinity" as they are used in the conflict of interest section of Senate File 92. Mr. Hayward said copies of the opinions would be mailed to the Commissioners.

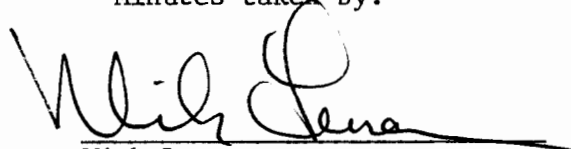
Chairman Scalise proceeded to the "administrative matters" item on the agenda and suggested discussion on the next meeting date. It was mutually agreed to hold the next Commission meeting in Des Moines at 10:30 a.m., September 9, 1983.

Chairman Scalise then asked if there was any discussion regarding future agendas or comments in general. Commissioner Sovern asked Mr. Schaffner to try to obtain a copy of a Killingsworth Associates study on Race Track Feasibility. Commissioner Sovern stated that the way he interpreted Senate File 92 was that the Commission had a responsibility to make a policy decision whether Iowa should have horse racing or dog racing or both. He felt this discussion should be made as soon as possible. The Commissioners discussed this and then Chairman Scalise instructed Mr. Schaffner to develop some information on horse racing and dog racing, and provide it to the Commissioners. Chairman Scalise said the policy decision should be after the selection of an Executive Secretary.

Chairman Scalise opened the meeting to the audience for any comments.

On a unanimous voice vote the meeting was adjourned at 4:16 p.m.

Minutes taken by:



Mick Lura

I. National Greyhound Association

- A. Located in Abilene, Kansas
- B. All Greyhounds have to be registered in order to run on a Race Track.
- C. There are 4,049 members and in 1982 there were 24,741 individual Greyhounds.

II. Greyhound pups are generally 15 - 18 months old before they start training.

- A. They start running at a Race Track at about 18 - 20 months.
- B. When they start at a Race Track, they start as a Maiden....This is a race for pups that have not won a race and must be under a certain age. After they win a race they move up a grade.

III. Greyhounds grade themselves.

- A. They have to qualify - which means they must be able to run a certain time or better.
- B. When he runs a race - it must run at least 1st 2nd or 3rd in three consecutive starts or it drops a grade. If it runs 2nd or 3rd it will stay in the same grade. The winner moves up a grade... until it reaches the top grade. It will then stay in the top grade as long as it runs 1st 2nd or 3rd. If it runs less than 3rd place 3 straight times it will then drop a grade.
- C. If a dog belts the track or doesn't finish the race - it then must be re-schooled before it can run again in an official race again.
- D. If a dog turns its head while running, to interfere with another dog it will get a ticket, and again must be reschooled, but if it gets another ticket - it then will be ruled off, by the track officials.

IV. Dogs have to run at set weights, which is posted in the programs.

They must be within 1 pound of its set weight- either up or down.  
If a dog is overweight or underweight it has to be scratched. The trainer is fined. If it is sick it will be scratched by the Vet., but there would be no fine for this.

- A. Greyhounds have weigh in and Lock up 2 hours before post time. Before they race they are weighed again. Some dogs are natural "Weight Losers" and that also is listed on the racing programs.

V. Iowa Whelped pups

- A. We feel, you as a Commission will have to enforce this guide line. Which dogs are Iowa Whelped. Recommendation being they should be raised in Iowa for one year. If owners need to be an Iowa resident for 6 months.
- B. 75% of the Breakage goes to Iowa bred races - as it states in the Bill, and the other 25% will go for Stake races. In most states the track gets more of the breakage. South Dakota gets 1/3 of the breakage.

Florida (Which is the State with the most Greyhound Tracks --  
The track gets none of the breakage.

Arkansas (Which is the biggest Greyhound track gets none of the breakage.

VI. Non-Profit Corporations is the way to go. Then all the monies will stay  
in the community. In Arkansas for example \$30,000 to \$60,900 is shipped  
out east.

A. A track like here in Council Bluffs will employ from 500 to 700 persons.  
We could also have 3 or 4 more tracks that could do the same.

B. The areas that I have had contact with are Fort Dodge, Waterloo,  
Dubuque, Davenport and Cedar Rapids. They have all expressed interest  
in dog racing.

Council Bluffs Chamber of Commerce  
Racing Committee

before the

IOWA RACING COMMISSION

August 24, 1983  
Council Bluffs, Iowa

Good afternoon, Ladies and Gentlemen.

My name is Dennis Reed and I am vice-chairman of the Council Bluffs Chamber Racing Committee. Our group includes representatives of the City of Council Bluffs, Pottawattamie County, and Westfair.

We are pleased that the Commission has elected to conduct its first out-state meeting in our community and we appreciate this opportunity to share with you our views on the Pari-Mutuel Wagering Act and to present our suggestions to you.

There is a strong consensus in the community that a Greyhound race track in the Council Bluffs area would be an excellent economic development opportunity for Iowa and this region.

The acceptance of the pari-mutuel sport by the citizens of our area and the fact that Council Bluffs satisfies the locational factors required to support a major Greyhound racing facility has encouraged our community to give top priority to the development of this economic growth opportunity.

The original committee began its work during the 1982 session of the General Assembly and its initial mission was to promote passage of a good pari-mutuel wagering law. In our collective view, the Iowa Pari-Mutuel Wagering Act is the product of good legislation and we favor the concepts it represents, and most of the provisions the Act contains.

During the intensive three-month period following the signing of the Act into law, the Committee has accomplished the following:

1. Met with State Legislators to discuss provisions of the Act.
2. Conducted joint study/discussion sessions with Legislators, City and County officials, consultants and representatives of the Greyhound industry.
3. Visited the National Greyhound Association headquarters in Kansas and toured Greyhound farms.
4. Visited tracks in Colorado and discussed the Iowa law with various industry executives.
5. Solicited statistical information from owners of Greyhound tracks from other states and from other reliable consultants and industry sources.
6. Exchanged information and ideas with several other organizations in other communities that may become candidates for racing licenses.
7. Completed a preliminary community economic impact analysis, and;
8. Conducted location and engineering evaluations on several potential sites.

Our committee has worked very hard to become as knowledgeable as possible. We have much more to learn, but we are resolved to work even harder to provide the community the best possible chance of succeeding.

In our view, the Act contains the checks and balances necessary to protect the integrity of the law. The non-profit provision is widely hailed for the opportunities it promises for community betterment and in benefiting many institutions which enrich the lives of Iowans.

On the other side of the coin, the Legislature may have overlooked some details which may prevent the development of the racing industry in Iowa from

becoming a reality. Under the existing Act, certain provisions may be too restrictive to allow a licensee a reasonable opportunity to assemble an economically feasible project.

There is no enterprise opportunity for prospective investors. We accept that provision. However, we will ask the Legislature to provide the broadest possible latitude in the use of other financing vehicles that are available which do not compromise the intent of the law.

After a great deal of examination of the Act with our Legislators, with consultants and with financial advisors, we will be discussing further with our Legislators the following possible changes in the Act:

1. Increasing the takeout percentage of 16%, possibly 18% or 20%;
2. Retention of unclaimed winnings;
3. Reduction in the .50¢ admissions tax to possibly .15¢, and;
4. Changing the Act to permit the use of Industrial Revenue Bonds.

These "fine-tuning" measures, we feel, would do much to help make it possible for racing to be an economically feasible proposition in Iowa.

In the course of the Commission's work in interpreting the Act and rendering opinions on specific provision, we ask that you give priority to defining the term "pari-mutuel system" as referenced in Section 9, paragraph 2-b. We are also interested in a definition of the term "prime farm ground."

We are honored to have the Commission in Council Bluffs, today, and we can assure you that we will continue to work hard to help Iowa and our area benefit



from this new economic development opportunity.

Whenever we can be of assistance to the Commission in the course of its work, we hope that you will not hesitate to give us the opportunity to be of service.

Thank you, again, for the invitation to deliver our statement.

Respectfully,  
COUNCIL BLUFFS CHAMBER RACING COMMITTEE

Dennis Reed  
Vice-Chairman

DR:1k

IOWA STATE RACING COMMISSION

MINUTES

September 9, 1983

The Iowa State Racing Commission was called to order on September 9, 1983 at 10:30 A.M. in the First Floor Conference Room of the Wallace State Office Building. Commissioners Pike, Sovern, Scalise, Prickett and Mydland were present.

Chairman Scalise asked for a motion of approval of the previous meeting's minutes. Commissioner Mydland moved the minutes be approved. Commissioner Prickett seconded the motion. It was approved unanimously. (See Order 84-13)

S/A Bill Brosnahan of the Division of Criminal Investigation gave a brief explanation and provided a written plan of a proposed seminar to be conducted by the University of Arizona, for Iowa public officials dealing with the regulation and enforcement of pari-mutuel wagering. The seminar would be in Des Moines on November 2 and 3, 1983. Discussion was held on the seminar proposal and the cost that the Racing Commission would bear for the faculty to come and conduct the seminar. Commissioner Pike moved that we approve to have the University of Arizona conduct the seminar and pay the expenses of the faculty. Commissioner Mydland seconded it. Motion passed unanimously. (See Order 84-14)

Mr. Tom Sally, Personnel Director of the Department of Transportation was introduced by John Schaffner. Mr. Sally expressed his willingness to serve as a technical advisor to the Commission on the procedures of personnel selection.

Chairman Scalise then asked that each commissioner give eight to ten names for executive secretary after reviewing the resumes.

Commissioner Sovern's selections were as follows:

August Masciotra	Jack Ketterer
Charles Connell	William Masterson
Ben Wessells	James Been
Louis Fiochi	Arthur Sinai
Everett True	James Webb

Commissioner Prickett's selections were as follows:

Charles Connell	Hubert Johnson
Daniel Goldberg	William Masterson
August Masciotra	Jack Ketterer
Louis Fiochi	James Higgenbottom
Raymond Deputy	

Commissioner Pike's selections were as follows:

Alfred Babb	Charles Connell
Louis Fiochi	Jack Ketterer
August Masciotra	William Masterson
Kathryn Newsome	Ben Wessells

Commissioner Mydland's selections were as follows:

Charles Connell	Jack Ketterer
William Walsh	August Masciotra
David Freeman	William Masterson
Louis Fiochi	

Chairman Scalise's selections were as follows:

Jack Ketterer	August Masciotra
Charles Connell	William Masterson
Alfred Babb	Kathryn Newsome
Ben Wessells	Louis Fiochi
William Walsh	

After reviewing the selections, the Commission found that five individuals were chosen by all five commissioners. They were; Ketterer, Connell, Masciotra, Masterson and Fiochi. It was decided that the commissioners would review all other names mentioned during the first round selections to choose three additional names to use in case one or two of the top five can not make it in for interviews or decide they are no longer interested. Commissioner Pike moved that we recess for fifteen minutes to review the names and resumes. Commissioner Prickett seconded it. Motion carried unanimously.

Chairman Scalise resumed meeting after break and the selections of each commissioner were given for their next top three choices. They were as follows:

Commissioner Sovern: Wessells, Newsome and True  
Commissioner Prickett: Wessells, Babb and Walsh  
Commissioner Pike: Wessells, Babb and Walsh  
Commissioner Mydland: Wessells, Babb and Walsh  
Chairman Scalise: Wessells, Babb and Walsh

After the selection process was completed, Chairman Scalise made the recommendation that the Commission should interview all eight candidates, not just the top five. Commissioner Mydland moved that we ask all eight individuals in for a personal interview. Commissioner Pike seconded it. Motion carried unanimously.

Chairman Scalise then ask for suggestions as to when the Commission should meet with the eight candidates. After some brief discussion, it was decided to contact the candidates and try to schedule them for interviews here in Des Moines on September 14th, 15th or the morning of the 16th and their travel expenses would be reimbursed.

Commissioner Pike suggested the idea of setting up a subcommittee to work on the revising of racing bill (S.F. 92). Chairman Scalise appointed Commissioners Pike and Mydland to a subcommittee for that purpose.

Chairman Scalise asked the Commission if October 25, 1983 would be agreeable for the next regular meeting of the Racing Commission. All commissioners agreed upon this date, and 10:00 A.M. was set for the time. Meeting place would be announced later.

Commissioner Prickett moved that meeting be adjourned. Commissioner Sovern seconded it. Motion carried unanimously. Meeting adjourned at 12:35 P.M.

Minutes taken by: Marda Howard  
Marda Howard  
Secretary

IOWA STATE RACING COMMISSION

MINUTES

September 14, 1983

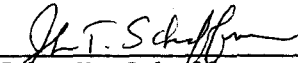
A special meeting of the Iowa State Racing Commission was called to order at 2:00pm in the Job Services Conference Room. Commissioners Pike, Sovern, Scalise, Prickett and Mydland were present. Acting Executive Secretary John Schaffner was also present.

Mr. Ben Wessels, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Wessels. Mr. Wessels requested that his interview be conducted in a closed session. Commissioner Pike moved that the meeting be closed. Commissioner Mydland seconded it. Motion passed unanimously. Meeting was closed to conduct Mr. Wessels interview. Upon the completion of the Wessels interview, the Commission returned to open session.

Mr. August Masciotra, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Masciotra. Mr. Masciotra requested that his interview be conducted in a closed session. Commissioner Prickett moved that the meeting be closed. Commissioner Sovern seconded it. Motion passed unanimously. The meeting was closed to conduct the Masciotra interview. Upon the completion of the Masciotra interview, the Commission returned to open session.

Commissioner Sovern moved that the special meeting be adjourned. Commissioner Mydland seconded it. Meeting was adjourned.

Minutes taken by

  
John T. Schaffner  
Secretary

IOWA STATE RACING COMMISSION

MINUTES

September 15, 1983

A special meeting of the Iowa State Racing Commission was called to order at 8:00 A.M. in the Second Floor Conference Room at the Wallace State Office Bldg. Commissioners Pike, Sovern, Scalise, Prickett and Mydland were present. Acting Executive Secretary, John Schaffner was also present.

Mr. Charles Connell, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Connell. Mr. Connell requested that his interview be conducted in closed session. Commissioner Prickett moved that the meeting be closed. Commissioner Sovern seconded it. Motion passed unanimously. The meeting was closed to conduct the Connell interview. Upon the completion of the Connell interview, the Commission returned to open session.

Mr. William Masterson, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Masterson. Mr. Masterson indicated his preference for an interview in an open meeting. The interview of Mr. Masterson was conducted.

Mr. Louis Fiocchi, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Fiocchi. Mr. Fiocchi indicated his preference for an interview in an open meeting. The interview of Mr. Fiocchi was conducted.

Mr. Alfred Babb, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Babb. Mr. Babb indicated his preference for an interview in an open meeting. The interview of Mr. Babb was conducted.

The Commission took a lunch recess and reconvened at 2:00 P.M.

Mr. William Walsh, an applicant for the position of Executive Secretary, was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Walsh. Mr. Walsh indicated his preference for an interview in an open meeting. The interview of Mr. Walsh was conducted.

MINUTES - cont'd  
page 2

Mr. Jack Ketterer, an applicant for the position of Executive Secretary was introduced to the Commission. Chairman Scalise read the provisions of Chapter 28A.5(i) (Open Meetings Law) to Mr. Ketterer. Mr. Ketterer indicated his preference for an interview in an open meeting. The interview of Mr. Ketterer was conducted.

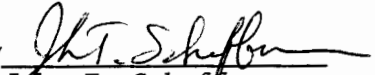
Upon completion of the interviews, the Commission discussed the applicants. Commissioner Prickett moved that Mr. Masterson, Mr. Ketterer and Mr. Masciotra be selected as finalists. Commissioner Mydland seconded. Motion passed unanimously.

Chairman Scalise said he will notify each finalist of their selection. Chairman Scalise directed the Executive Secretary to notify the DCI of the three finalists and request that a background investigation be conducted on each of the three finalists. The Executive Secretary was asked to inform the other five applicants that they were not chosen as finalists.

Commissioner Pike made the motion to waive the college education requirements found in the job specification for the Executive Secretary position. Commissioner Mydland seconded it. Motion passed unanimously.

Commissioner Sovern moved that the meeting be adjourned. Commissioner Prickett seconded it. Motion passed unanimously. Meeting was adjourned.

Minutes taken by

  
John T. Schaffner  
Secretary

IOWA STATE RACING COMMISSION

MINUTES

November 8, 1983

The Iowa State Racing Commission was called to order by Commission Chairman Scalise on November 8, 1983 at 10:00 A.M. in the Second Floor Conference Room of the Wallace State Office Building. Present were Commissioners Scalise, Pike, Prickett, Sovern and Mydland.

Chairman Scalise asked for a motion of approval of the minutes from the September 9, 14 and 15 meetings. Commissioner Mydland moved the minutes be approved. Commissioner Prickett seconded the motion. It was unanimously approved. (See Order 84-15)

Chairman Scalise asked Gary Hayward, Legal Counsel for the Commission, whether it would be appropriate to discuss in a closed session the findings of the DCI background investigations done on each of the finalists for the position of Executive Secretary. Mr. Hayward stated that for the purpose of discussing the specifics contained in the background investigations, the Commission could enter into a closed session, provided two-thirds of its membership voted to do so. The motion to go into closed session was made by Commissioner Pike and seconded by Commissioner Mydland. The Commissioners voted unanimously to approve the motion, and removed themselves from the Conference Room to space provided by the DCI.

(Tapes and minutes from the closed session were kept and sealed, according to the provisions of Section 28A.5 of the Code of Iowa)

The Commission reconvened at 11:35 A.M. to discuss the selection of a final candidate for Executive Secretary. Each Commissioner commented on the qualifications of each candidate. Chairman Scalise noted that either candidate would require a starting salary of \$48,000. Commissioner Pike moved to offer the job to Jack Ketterer at a salary of \$48,000, and if he did not accept, to make the same offer to Bill Masterson. Commissioner Sovern seconded the motion for the purpose of discussion. After some further discussion, Chairman Scalise asked the secretary to call the roll. Commissioners Scalise, Pike and Mydland voted aye, in favor of Mr. Ketterer. Commissioners Sovern and Prickett voted nay, in favor of Mr. Masterson. At that point, Commissioner Sovern moved to cast a unanimous ballot in favor of Mr. Ketterer, and Commissioner Prickett seconded the motion. The motion was approved unanimously. (See Order 84-16)



Mr. Mick Lura made note of the fact that the salary of \$48,000 was subject to the approval of the Governor, according to Senate File 92.

Chairman Scalise then took up the next item on the agenda, an update from the sub-committee reporting on proposed changes to the pari-mutuel law. Commissioner Pike, sub-committee member, indicated that the report was not yet completed, and would be submitted to the entire Commission at its next meeting.

Chairman Scalise then asked for discussion concerning the Racing Seminar to be held in Arizona on December 8-10, 1983. Commissioner Mydland moved that all Commissioners and Executive Secretary attend the seminar. Commissioner Sovern seconded the motion, which was unanimously approved. (See Order 84-17)

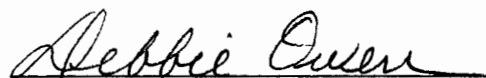
Chairman Scalise proceeded to the item on the agenda calling for discussion of future agenda items. Commissioner Sovern asked for some future discussion concerning hiring a consulting firm for a comprehensive look at the racing industry in Iowa. Chairman Scalise agreed that the matter should be a topic for future consideration.

The "administrative matters" item was next on the agenda. It was mutually agreed to hold the next commission meeting in Des Moines at 9:30 A.M. on December 2, 1983. The Commission expressed a desire to have the new Executive Secretary in attendance at that meeting.

The Chairman opened the meeting to questions from the public.

The Commission, on a unanimous voice vote, adjourned at approximately 1:00 P.M.

Minutes taken by:

  
Debbie Owen

IOWA STATE RACING COMMISSION

MINUTES

December 2, 1983

The Iowa State Racing Commission was called to order by Commission Chairman Larry Scalise on December 2, 1983 at 9:30 AM. The Commission met in the fourth floor conference room of the Wallace State Office Building. Present were Commissioners Scalise, Pike, Sovern, Mydland and Prickett.

Chairman Scalise introduced Jack Ketterer, newly appointed Executive Secretary for the Commission.

The Chairman asked for a motion of approval of the minutes from the November 8 meeting. They were unanimously approved. (See Order 84-18)

Chairman Scalise proceeded to the agenda item dealing with the report from the subcommittee considering proposed changes to pari-mutuel legislation. Commissioner Pike, subcommittee member, asked Mick Lura to give an overview of the proposals to be submitted to the Governor's Office. After some discussion of the proposals, Commissioner Pike moved to approve them and Commissioner Mydland seconded the motion. Commissioners Pike, Mydland and Scalise voted aye, Commissioner Sovern voted nay, Commissioner Prickett was absent. The motion passed. (See Order 84-20)

The Commission next considered setting meeting dates for the first quarter of 1984. Commissioner Pike moved to establish the following dates and times: January 27 at 1:30 PM, February 24 at 1:30 PM and March 23 at 9:30 AM. Commissioner Sovern seconded the motion, which was unanimously approved. (See Order 84-19)

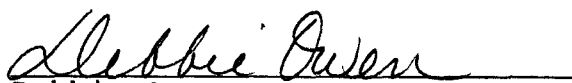
Commissioner Scalise then opened the meeting for public discussion.

Commissioner Sovern brought up the need to have a comprehensive look at the racing picture in Iowa, perhaps with the aid of a consultant. Executive Secretary Ketterer noted that the staff would be gathering data from other states as the rules are being written.

Commissioner Scalise next asked for discussion of Order 84-21, the hiring of a Deputy Secretary for the Commission staff. The Commissioners deferred until there is a demonstration of need.

The Commission adjourned at 10:50 AM on a unanimous voice vote.

MINUTES TAKEN BY:

  
Debbie Owen