

**HOUSE COMMERCE COMMITTEE AND
SENATE COMMERCE AND CONSUMER PROTECTION COMMITTEE**

Minutes of Joint Meeting
1997-98 Interim
January 27, 1998

I. CALL TO ORDER

Representative John Travis, Chairman of the House Commerce Committee, called the meeting to order at 9:45 a.m. in Committee Room 1 of the State Capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative John Travis,
Chairman
Representative Pete Schneider,
Vice Chairman
Representative Robert Barton
Representative Dan Flavin
Representative Herman Hill
Representative Michael Michot
Representative Arthur Morrell
Representative Edwin Murray
Representative Gil Pinac
Representative Tank Powell
Representative Sharon Weston
Representative Diane Winston
Representative Clo Fontenot
Representative C. E. "Peppi" Bruneau

Senator Ken Hollis,
Chairman
Senator Mike Smith,
Vice Chairman
Senator Mike Branch
Senator Wilson Fields

MEMBERS ABSENT:

Representative Naomi Farve
Representative Mickey Frith
Representative Tommy Wright

Senator Francis Heitmeier
Senator Louis Lambert
Senator Michael Robichaux

III. STAFF MEMBERS PRESENT

Cindy Mancuso, House Attorney
Billy Gothreaux, House Research Analyst
Sandy Painting, House Secretary

Kevin Hayes, Senate Attorney
Betty Marsh, Senate Secretary
Dorothy Jarvis, House Sergeant at Arms
John Keller, Senate Sergeant at Arms

IV. DISCUSSION

House Concurrent Study Request No. 6 by Representative Morrell

Representative Morrell appeared before the joint committee to present House Concurrent Study Request No. 6 which requests the House Commerce Committee and the Senate Commerce and Consumer Protection Committee to study the rules and regulations promulgated by the Louisiana State Racing Commission. He stated that this study request was a result of a bill he had introduced during the 1997 Regular Session. He stated that he wanted to talk about possibly changing some of the rules of racing and also the composition of the Louisiana State Racing Commission. He stated that he hoped that the commission and the industry could work together to make changes in existing rules. He stated that one of the problems that needed addressing was the requirement of a trainer to have workers' compensation insurance in order to be licensed. His opinion was that this requirement was unfair, unwarranted, and unjustified due to many trainers training their horses offtrack and that it was a deterrent to people who wish to get involved in the racing industry. He stated another problem in the racing industry was the requirement that a licensed veterinarian perform equine dentistry. He stated that this service had previously been performed by individuals who had experience in this area. He stated another issue that needed addressing was whether or not the commission had the authority to oversee training tracks that are not licensed tracks and to perform searches of private farms for legal medical paraphernalia. Representative Morrell stated that another issue that should be addressed is the case where a husband and wife are both licensed and both licenses are suspended if one spouse violates the rules. He stated that the original purpose of this study request was to examine the possibility of changing the makeup of the racing commission. He stated that the membership of the current commission does not represent the various elements of the racing industry.

Representative Travis informed the committee that the House and Senate Commerce Committees had oversight over any rule changes submitted by the racing commission.

Senator Hollis stated that he had not received any complaints regarding problems with the racing commission.

Mr. Paul Burgess, executive director, Louisiana State Racing Commission, 320 N. Carrollton, New Orleans, Louisiana, (504) 483-4000, appeared before the committee and introduced Ms. Kim Chatelain, assistant attorney general, assigned to the racing commission, and Mr. Constantin Rieger, assistant director, Louisiana State Racing Commission.

Ms. Kim Chatelain, assistant attorney general, 320 N. Carrollton Avenue, New Orleans, Louisiana 70119, appeared before the committee and stated that she would answer any questions the committee had.

Representative Travis verified with Ms. Chatelain that the racing commission must submit all rules and rule changes to the House and Senate Commerce Committees for approval. He asked Ms. Chatelain if the requirement of all employers to have worker's compensation insurance was a commission rule or a legislative act.

Ms. Chatelain stated that the worker's compensation requirement was a commission rule.

Representative Travis asked if all trainers are required to have worker's compensation coverage and if a trainer has no employees, who does the policy cover?

Mr. Constantin Rieger, assistant director, Louisiana State Racing Commission, 320 N. Carrollton, Ste. 2-B, New Orleans, Louisiana 70119, (504) 483-4000, stated that at some point either before the race or after the race, a trainer has someone help him with his horse.

Ms. Chatelain stated that a worker's compensation policy would cover a person who performed jobs such as walking the horse or grooming the horse and who was not listed on the trainer's payroll records as a full-time employee. She stated that the commission would like to see equine dentistry come back to the industry. She stated that the veterinarians had a problem with equine dentistry.

Representative Morrell stated that the commission was incorrect in stating that it was a requirement for all racing employers to have worker's compensation insurance. He stated that if an employee is injured, the law requires the employer or his insurance company to pay the required amount, which is usually two-thirds of the claim.

Representative Morrell asked the chairman of the committee to forward to

each member all copies of rules submitted to the committee.

Representative Murray also asked the chairman to forward copies of all rules to each member of the committee.

Mr. Paul Burgess informed the committee that any member who wished to participate in the rule-making process should contact the commission's rulemaking committee and their input would be welcomed.

Mr. Leverne Perry, Louisiana Quarter Horse Breeders, P. O. Box 12300, Alexandria, Louisiana 71315, (318) 487-9506, appeared before the committee for informational purposes only. He advised the committee that he was available for questions.

Mr. Thomas Early, Louisiana Thoroughbred Breeders, 1751 Gentilly Blvd., New Orleans, Louisiana 70119, (504) 947-4676, appeared before the committee for informational purposes only. He agreed that no one liked paying for worker's compensation insurance, but that it was necessary. He stated that the Louisiana Thoroughbred Breeders Association was currently attempting to petition the Louisiana Veterinarian Medical Association to review their opposition to the veterinarian act preventing equine dentistry. He stated that the Louisiana Thoroughbred Breeders had no problem with the makeup of the racing commission. He asked that he be informed of any future committee meetings regarding rulemaking.

Representative Travis asked Mr. Early if he was satisfied with the current racing commission and its rulemaking process.

Mr. Early stated that he was satisfied with the current racing commission and its rulemaking process.

Mr. Perry reiterated Mr. Early's testimony and also stated that he was satisfied with the current racing commission and its rulemaking process.

Ms. Carolyn DeJean, Horsemen Benevolent and Protective Association (HBPA), 11535 Gentilly Blvd., New Orleans, Louisiana 70119, (504) 945-1555, appeared before the committee for informational purposes only.

Representative Travis asked Ms. DeJean if she was satisfied with the current commission and its rulemaking process.

Ms. DeJean stated, on behalf of the HBPA, that she was satisfied with the

current racing commission. She stated that the HBPA was concerned with the method of reporting of the race statistics. She stated that the HBPA had been advised years ago that the Department of Economic Development would be acquiring a centralized data base system which would allow them to obtain all racing statistics, but it is still not available at present. She stated that this system is needed in order to verify and recalculate the purse revenue which is not being done at this time.

Representative Travis suggested that the HBPA send a request in writing to the Department of Economic Development regarding the implementation of the data base system to verify purse revenue.

Representative Winston asked Mr. Early if his organization was in a position to challenge rules made by the racing commission.

Mr. Early stated that his organization did not often challenge rules made by the commission but that it had on occasion and felt very comfortable with its position.

Mr. Burgess stated that the Department of Economic Development was currently working on the data base issue mentioned above.

Representative Murray stated that the Commerce Committee has oversight of rules and is in the position to solve some of these problems mentioned by Representative Morrell simply by reviewing the rules of the racing commission as they are submitted.

Representative Morrell stated that he would like to see the committee review the racing commission rules which were of concern and mentioned above.

V. OTHER BUSINESS

There was no other business discussed.

VI. ANNOUNCEMENTS

There were no announcements.

VII. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

John Travis, Chairman

Date Approved: _____