



**Tuesday, December 5, 2017**

**Hair Testing: Giving New Meaning  
to Having a Bad Hair Day**

**Moderator:**

**Janet Van Bebber:** Chief Racing Officer, American Quarter Horse Association

**Speakers:**

**Dr. Scott Stanley:** Professor, University of California, Davis

**Ismael Trejo:** Executive Director, New Mexico Racing Commission

**Ms. Wendy Davis:** Okay, we'd like to get going with our last panel before lunch.

If you're staying for it, please take a seat.

Come on in.

**Ms. Wendy Davis:** We know we've kind of rushed you through this whole morning, but I think you agree that the presentations have been worthwhile, even though they've run a little long.

We would like to thank the sponsor of this panel, American Quarter Horse Association, and the sponsor of the last beverage break, American Teletimer ONTrack Media.

Also, we want to remind you there will be an awards luncheon immediately following this panel in the Catalina Ballroom.

See?

When I talk about food.

When I talk about food, you guys quiet down.

Catalina Ballroom awards luncheon right after this panel.

We gave a very cute name to a very serious panel.

Very happy to have these people to address it, and especially Janet Van Bebber, who I was — got to meet finally this year at Los Alamitos, and I could tell you, she is royalty.

She's like being with God when you walk around that track.

**[Laughter]**

She is the chief racing officer for the American Quarter Horse Association. Janet.

**[Applause]**

**Ms. Janet Van Bebber:** I'm almost embarrassed by such an introduction.

As she mentioned, I'm Janet Van Bebber.

I am the chief of racing at the American Quarter Horse Association.

As she alluded to, I have a background as a horseman.

I was in the shed row training for 25 years.

In 2012, I opted to take what I call a sabbatical in that I wanted to be home with my daughter while she was in high school.

It's hard to run a business from home, so I sold everything and enjoyed the four years at home with her.

Upon her graduation, I got the call to come join AQHA, and I thought that that might be a role where I could have an impact on the future of our industry.

I am so passionate about it.

I make reference to my background as a horseman to say two things.

First of all, I'm much more comfortable with reins or a lead shank in my hand than I am one of these clickers.

Secondly, I think it validates my interest and my concern for the direction we're going in, and some of the challenges that our industry faces.

That being said, today we're here to talk to you about hair testing and how we have, at AQHA, endorsed it as a new method for testing and trying to deter people from cheating or gaining unfair advantage.

I'm joined by Dr. Scott Stanley, who is the chief equine analytical chemist at UC Davis, and I thought he could do a good job of representing the science behind the method and how hair testing is used effectively.

I'm also joined by Izzy Trejo, who is the executive director of the New Mexico Racing Commission.

They have implemented, in their jurisdiction, hair testing this year as a condition of entry.

He can tell you more about that and some of the disputes they've faced on a legal level, and some of their victories.

I think all of those are different factors that are important to the whole that you will find of benefit to you as you face the potential of hair testing in your jurisdiction.

Moving ahead, I ask — you may ask me, why does AQHA endorse hair testing?

Well, our role is not to be big brother.

We tried that for a while.

It didn't work well for us.

I'm lucky that I have been encouraged to just partner with associations in trying to foster integrity in the sport and, first and foremost, as a breed registry, it's our responsibility to look after the welfare of the American quarter horse.

Our goal, consequently, is to align ourselves with racing jurisdictions and agencies such as the RMTC and the ARCI in a joint endeavor to better the sport.

The problem.

There's been rampant abuse of anabolic steroids and clenbuterol in quarter horse racing.

First and foremost, I have to put a disclaimer in here for the things that we're going to talk about, in that there is no doubt that clenbuterol or Ventipulmin is a great benefit to horses when used as is labeled.

The unfortunate thing is there's a lot of horsemen out there that think if a little is good, a lot is better.

We've seen compounded substances that have been catastrophic to horses.

This is where I get really passionate about my belief in helping create some regulation, is because I have been in the shed row and watched neighboring peers — and I use that word loosely — that have administered a compounded product at multiple times strength, and watched those horses have heart rates that elevate, laminitis follow, and all of a sudden, you have a whole triage unit in a barn where they're trying to save horses, and not always successful in doing so.

This is near and dear to my heart.

Some of these horsemen are unscrupulous in their efforts to gain unfair advantage.

It's our job to partner for the welfare of the horse and the integrity of the sport.

Going back to the good use of clenbuterol, when — the model rules has made stipulations for that.

Even though we've endorsed clenbuterol as a prohibitive substance, there are still a mechanism to use it as prescribed when you have a horse with severe respiratory disease, and that horse needed to be out of training for a little while, anyway. I have no qualms about that.

I think I went ahead and touched upon my PowerPoint, is that there's — despite regulation, the abuse continued.

It's going undetected in blood and urine.

Consequently, we need a mechanism to monitor the drugs given farther out. Because that's how clenbuterol gets its repartitioning effect. It's through consistent administration over time.

When you quit 14 days out and you get ahead of the test barn in blood and urine, you're still having the beneficial effect that Dr. Stanley will probably talk more about, cuz he's the scientist here, I'm the horseman.

We need to regulate that.

Just to give an example of how clenbuterol was a problem in our industry, you can cite back to 2014.

It was by far the most abused drug in the statistics that we compiled across the nation.

I think that's a pretty glaring graphic to say why need to find a new medium to bring control over this abuse in our industry.

Again, pointing back to the welfare of our horse and the integrity of the sport.

Consequently, we at AQHA, began conversations with key industry stakeholders.

A year ago, right here at the Tucson Symposium, I was honored to lead a group with a bunch of regulators.

We had about 45 people that joined me for dinner.

I was able to make a passionate plea with the problem that our industry has faced.

I think we came away from the evening with a better understanding that we needed to move forward, if nothing else, with breed-specific regulation.

I was quite comfortable with that because I'm not trying to regulate the use of a drug in another breed.

Progress was being made, and then we went on to the ARC model rules and got them adapted in — adopted, rather, in April of 2017.

I feel that was great progress in our making strides to self-regulate our industry.

Today, I'm glad to report that there are increasing jurisdictions every day that are bringing in hair testing, either as at a competition testing condition of entry in order to regulate the abuse.

I'm gonna move forward.

Probably my next slide is Los Alamitos.

They are a perfect case study for the benefit of what hair testing has brought to maintaining a more even racing surface at their racetrack.

Back in 2014, they were the first to implement hair testing as a condition of entry. Dr. Allred, who had planned on being here today, and I'm disappointed he didn't make it, was a leader in this effort.

He faced a lotta criticism for having done so, but as it turns out, he really was cutting edge in helping the rest of us follow his path for making our racing a cleaner sport.

As I mentioned, he started testing hair in 2014, and the California Horse Racing Board reported to me a decrease in catastrophic loss at Los Alamitos, from 3.2 per 1,000 started in 2013, down significantly to 0.86 per 1,000 starters in 2015.

I personally believe that's a great reflection on what making clenbuterol or prohibitive substances has done.

That's part of the reason I chose 2015 as a marker date, because it followed the year that he started testing hair, and so people had to toe the line.

I would be remiss if I didn't say there were other efforts that we worked with as far as the new claiming rule and other medication threshold rules that contributed to that.

As a whole, we're moving the right direction, and that's what I'm proud of.

Moving forward, now we've decided that hair testing is good thing to monitor the use of clenbuterol, anabolic steroids, and a whole host of other things that Dr. Stanley can tell you about.

Are there vulnerabilities as we explore this new science?

In discussing ongoing issues in different jurisdictions that I'm involved in with quarter horse racing, there were vulnerabilities in that it seemed as though the labs were not all using a standardized testing process.

Consequently, they were coming up with different test results for the same horses.

This is a problem.

If we're gonna endorse a testing mechanism industry-wide, we need to make sure that the regulators, the horsemen, and everybody can have faith in the process.

I organized a meeting in conjunction with the AAEP Convention in San Antonio a couple weeks ago, and I invited the lab directors, and I invited Ed Martin from the ARCI, and I invited Dionne Benson from the RMTc.

We had a closed meeting where we put our cards on the table and we talked about the best way to move forward and a common, standardized testing procedure so that the industry could have faith that each entity that is involved with hair testing will come back with uniform results.

There was a great spirit of cooperation.

We plan to have an official report out in January that's gonna be distributed amongst labs so that we can help you feel comfortable in the testing process.

In addition to that, Dionne Benson and I are working on a best practices for the collection of samples.

Also, Dr. Stanley is working on a video.

He's actually already done one video that is to the general public about how to do a collection process for hair samples, but also one that's jurisdiction-specific so that we're certain to show them the best way to follow the chain of command so that we cross all of our T's and dot all of our I's, so to speak.

I think this is an important step in order for people to have faith in the process and that jurisdictions can take on this new methodology — my tongue's tired — and move forward with the science.

The last and probably most important part of this is that we agree that the RMTC would conduct follow-up testing between the labs to ensure consistent results in their findings.

I think that that's a big part of this.

First of all, on the front side, they're agreeing to standardized processes, and then on the back side, we're gonna check their results.

I'm really excited about the cooperation at that meeting, and know that early next year, we're gonna have some progress come out of that.

In fact, I do plan on doing a small report for Ed Martin at his meeting later this week.

So in conclusion, the American Quarter Horse Association asserts that hair testing is a valuable weapon in the available arsenal to combat medication abuse.

While it's not our suggestion that it replaces traditional testing of blood and urine, this testing mechanism can complement them.

I think that's an important thing to realize.

Now I have good news.

I know it's approaching lunchtime, and I bet you are thrilled to see that there's just two people sitting to my right.

I'm gonna turn the floor over to them to continue, with Dr. Stanley's more scientific approach to the presentation.

**[Applause]**

**Dr. Scott Stanley:** Sure.

Thank you, Janet.

Just to lay some foundation, we've actually been workin' on hair testing for many years, instituted it with Dr. Allred's specific desires to help regulate clenbuterol.

I'm gonna give you a little bit background on how we do that.

There's a lot of debate that's been goin' around on how it's done, whether it's consistent, whether it can reproduceable, whether it's the same between horses.

I can tell you, for the most part, we've handled all of those issues.

The Maddy Lab is a lab that worked with the RMTC.

We developed the methodology.

We held a training session a year and a half ago, almost two years ago now, for all labs that were interested in doing that.

We've created standard operating procedures for how to do that, recommendations on how to collect the hair properly, and get a chain of custody in place.

The concern was that we needed a zero tolerance for clenbuterol.

As Janet alluded to, it was being improperly used.

Not that it can't be a good drug, but it was being used inappropriately.

Started with quarter horses cuz that's where it seemed to be most prominent.

There is a little bit of indication that that could be happening with some thoroughbreds, but we haven't seen that be the case, not extensively in California.

Now, that may change, so I think we will see more and more hair testing working into the Thoroughbred side, as well.

If we think it's just a quarter horse problem for now, we're probably a little naïve.

The principles behind hair testing I'll show you, and then some of the individual, segmented analysis that you may or may not have heard of.

The Maddy Lab is a full-service anti-doping laboratory at UC Davis.

We do all the work for the California Horse Racing Board.

We do all the work for the New Mexico Racing Commission, as well.

We work closely with AQHA, with Breeders' Cup.

We work with the Jockey Club.

We have a lot of collaborators that we work with on a regular basis, and many of them contributed to the work on the hair testing that I'll talk about.

Just a little review quickly on the clenbuterol issues that we've had.

It's been going on a lot more longer than we've been doing hair testing.

Derives from products that are not FDA-approved, like this.

This is an injectable clenbuterol. For those horsemen in the crowd, you'll know that there is a FDA-approved product called Ventipulmin syrup.

It's only available as an FDA-approved product as an oral form.

This product here was made by compounding pharmacy in Texas as an injectable and is not — it's not permitted to be used in horses at all, let alone in racing.

In addition to that, there were oral products that were being illegally compounded.

This is a gallon product that was actually distributed.

You may be able to notice from this that Dr. Heather Kynch is our equine pharmacologist.

She prescribed it and they actually put it to me, the horse, in this particular example here, who was produced.

There's a lot of warning labels on how to handle it, but this is a gallon product.

There are over a thousand individual, normal doses in this particular product that were available.

Far more than you would prescribe for even one horse.

Then this strictly tamper-resistant label here, which is clearly no child could break through.

**[Laughter]**

**Dr. Scott Stanley:** In addition to that, we have products that were not labeled properly as clenbuterol.

The Sangre Caliente was one of my favorites, came in two different strengths.

It came in the clear or the red, which totally makes sense, as the red being much more potent, obviously.

They were very potent.

They were 4 to 10 times as potent as the oral Ventipulmin syrup, making them potentially very dangerous.

We had numerous cases where horses succumbed to overdoses, tremors, and eventually had to be euthanized because of using high-dose clenbuterol product.

With that, we had to come up with a better fashion to make sure that they weren't using clenbuterol outside of the testing window.

As alluded to earlier by Janet, 14 to 21 days is about as long as we can test a biologic sample for the presence of clenbuterol.

The hair matrix, the hair fiber gives us a means to test that much more efficiently by testing the drug within the hair.

I'll show you here briefly.

As the hair grows — and I apologize.

I can't really point at both.

You can see down here at the bottom, the biological blood actually comes and introduces at the bottom of the hair follicle.

As that hair grows out, it goes up into the fiber.

You can see here, the hair will grow out.

If it's a single dose administration, you'll just see it at one segment in the hair.

If it's a continual use, you'll see throughout the entire hair fiber, from the blood supply, the clenbuterol is delivered and incorporated into the hair.

That's how the hair incorporates that.

There is a lot of other mechanisms within that.

It actually binds to melanin.

Melanin has a lot of negative charges, and it binds to the clenbuterol within the hair.

The darker the hair, will bind more drug.

Doesn't mean light-haired horses can't be tested; it just means that they will have less clenbuterol in them.

They'll still have the clenbuterol delivered, as you see here.

It'll be incorporated at a lower rate.

This is not a quantitative test.

This is not a test that we say, this much clenbuterol is a violation.

This much clenbuterol is not a violation.

Presence of clenbuterol in a hair sample is a violation, so it doesn't matter if we get a little or a lot.

The other factors that we look at are growth rate of hair.

We know that in horses, hair grows at about 2 centimeters per month, so about 12 centimeters in a 6-month period of time is what we would expect.

We have a continual growth, and that hair becomes a repository for the drug in the sample.

The hair is indefinitely committed to contain the clenbuterol.

To give us a legacy or a history of what drugs were given.

We don't just look for clenbuterol in hair samples.

We look for anabolic steroids.

We can detect a lot of other compounds, as well, and we're exploring more every day.

The collection process, as Janet alluded to, when we were in Texas a few weeks ago, we standardized some of this for the first time.

You can use hair from the mane, tail, or even body hair.

The turnover rate and the length of the hair will predict how long you can test for that.

We standardized mane hair, taken from the middle of a horse's mane, on the underside, cut close to the hair line.

The concept is the hair would be taken from horses in approximately the same manner on all the horses.

We use a process that involves barcode, chain of custody, documentation for each individual horse.

The samples arrive, and they're decontaminated.

A lotta people have the confusion that we're testing the hair, we might find a drug that's on the outside of the hair.

One of the first things we do is wash the hair to eliminate that.

We're only looking for a drug that's incorporated into the hair sample, itself.

From that point, we do some chemical changes to manipulate the hair and extract it just like a biological sample.

I'll show you some of that.

You can see here the evidence material that we use is standard evidence bag.

We also require that they collect the gloves when we collect the sample so that we could demonstrate that they've changed gloves each time they get a sample collection.

We also use a ruler to measure the length of the hair sample that we have.

We put a barcode label on it, just as a biological sample.

See the barcode label here is a unique sample number that identified only to the submitter what horse is his.

The laboratory never knows.

It's always anonymous.

The hair samples collective with a full chain of custody, so we can prosecute those samples just as we would a biological blood or urine.

We do note, make records of the color of the hair, the medications that the horse may have been on, as well, or important records.

We track that through all stages, and we have a fairly robust chain of custody to provide legally defensible results.

You can see here is a typical sample that we have collected.

We then chop the sample into smaller portions.

Once the sample is reduced into smaller fragments, then we can pulverize the sample.

The sample is pulverized using these ceramic beads in this vial here.

The ceramic beads give us a pulverized hair sample, and that's how we extract the drug from the hair.

We pulverize the sample, make it into a powder, and then we can extract any clenbuterol or any other drug that might be present and attached in the hair sample from that matrix.

At that point, it becomes just like a biological sample.

We test it in the same manner, extract it, and we analyze that on the same technology we would use for other drugs of abuse.

You can see, it gives us a unique extended window of time that we can detect those drugs.

Basically, as long as the hair grows out, we can identify that.

It gives us not a good indication of a single exposure.

It's generally drugs that are given over a period of time or have an extended release.

It's uncommon for us to detect a single treatment of a drug, so other drugs that are given one time are unlikely to be detected.

The drug remains in the hair indefinitely, so even potentially after the horse dies, if there's a necropsy examination, you could look at the hair sample and determine what drugs it was given.

It's fairly quick and easy to collect the sample.

We prepared a couple of videos that can be used for anybody that's interested in properly collecting the sample.

We also do use a fairly strict timeline on how long we wanna be able to detect the drugs.

We're very aware of the fact that some of these horses may at time changed hands.

We do keep legacy information on those horses.

We have certain circumstances, as well, where we've had multiple hair samples collected from the animals over a period of time.

The segmented analysis, as you see, we can actually cut the hair into smaller fibers, or smaller parts, what we call segments.

We take the full length of the hair.

We can incorporate it into different sections like this.

We can detect potentially approximate period of time of administration.

If a horse was given something 30 days ago or 6 months ago, we could segment the hair and determine that.

One of the problems with this is cost of analysis.

It doesn't cost any less to test one segment than it does one hair sample, so it would cost four times as much to test four segments.

The group of drugs we look at are extensive.

Anabolic steroids, we look for — we can detect endogenous compounds, substances that are present all the time, and the exogenous ones, ones that are given to the horse for prohibited — substances that are prohibited that are given for performance reasons.

We can also see corticosteroids.

We can see a lot of the therapeutic medications that are being used.

We're using that survey information for some of our jurisdictions.

These are the beta agonists, clenbuterol, and all of the other compounds that act like that.

One of the things that we saw in our jurisdictions, as soon as we restricted the use of clenbuterol, they started using other beta agonists.

In addition to that, we're looking for substances, compounds that are called selective androgen receptor modulators, and other substances that cause or promote growth.

The extents of testing require that we break the sample off into several different pathways for all the identification and detections.

You can see that's done here.

I just wanna acknowledge all of the individuals that are involved with the work here.

The funding provided by California Horse Racing Board.

Certainly, Dr. Allred's efforts at the beginning of this were paramount in us getting this done properly.

He provided funding and support of the program, allowed us to have people trained properly, get the documentation, make the workshop available to other people.

We worked with the Breeders' Cup, Keeneland.

We worked with several other agencies to make this happen.

Certainly, our pharmacologist, Dr. Heather Knych at UC Davis, has been very important in allowing us to detect these compounds through administration means, as well.

That's all I had, and I think, Janet, did you wanna introduce Izzy?

**Ms. Janet Van Bebber:** I certainly can.

Thank you, Dr. Stanley, very much.

**[Applause]**

**Ms. Janet Van Bebber:** Next, we bring you Izzy Trejo.

Izzy Trejo, as I mentioned earlier, is the executive director of the New Mexico Racing Commission.

He can tell you about his jurisdiction's involvement with this testing mechanism and the things that they've learned since implementing the process and the successes that they've had.

Izzy.

**Mr. Ismael Trejo:** Good afternoon.

Thank you, everyone, for having us here.

I'd especially like to thank the University of Arizona faculty and students for hosting this great event.

I know I used to be on the audio/visual committee when I was a student here.

Graduated in 1995.

I know it's a lotta hard work.

Unfortunately, back then, I was a lot thinner and had a lot more hair.

**[Laughter]**

I moved to New Mexico, and I'd love to blame the hair pooling process on my receding hairline, but I can't.

The good Lord's blessed me with some nice white hairs now.

Onwards.

I wanna just explain the experience the New Mexico Racing Commission has had in implementing the hair testing process.

We started in July 2017.

We jumped in with both feet.

That's just about the time that the — we're leading up to the All American Futurity and the All American Derby at Ruidoso Downs.

There's been a major push by all stakeholders in our industry in New Mexico to implement hair testing as quick as possible.

We did just that.

There were some ideas initially floating around that every horse that ran at a New Mexico racetrack had to have a negative hair test on file in order to be entered in a race.

Logistically speaking, I think we called Dr. Stanley.

I don't know that he fell out of his chair or not when we mentioned that, because we have approximately 4,000 horses running in New Mexico on any given year.

That probably wouldn't have been in the best interest of racing to do that.

It really would have slowed our racing down, having to wait for the tests, the results to come back.

I believe, as Dr. Stanley had mentioned to me several months ago, they can process approximately 30 hair samples per day.

Correct me if I'm wrong.

Divide that into the 3- or 4,000 horses that we have, and you could see why it would have been a logistical nightmare.

We jumped in with both feet nonetheless, heading into the All American Derby and Futurity.

Our goal with that was to have all 10 qualifiers from each race, the Derby and the Futurity, to have a negative hair sample on file with us.

We did that by process of elimination, starting with the trials.

We started prior to the trials, actually, and tested approximately a hundred horses.

We banked on the horses we selected to qualify.

We missed 7 of them out of the 20, so we had to go back after the trials were finished and we sampled those horses, sent them to Cal Davis for testing, and they came up negative.

The unfortunate thing is that we did have one horse prior to the trials test positive in the hair.

That saga was a legal battle royale for us, as the owners of that horse continued to fight us along the way between the trials and the finals.

They appealed the decision to scratch the horse from the All American trials to a judge, to the 12<sup>th</sup> District Court in Carrizozo, New Mexico.

That judge unfortunately granted the horses stay to run in the trials.

The Commission did their due diligence and got a hearing with that judge.

He decided to hear it again.

The New Mexico Racing Commission was given an opportunity to express their concerns in allowing this to happen, one being everyone else had followed the rules, and here, a judge was going to allow a horse that tested positive for clenbuterol to run in the — a \$3 million race.

That's problematic, so we went back up to the plate with this judge, and we were fortunate enough that he did side with the New Mexico Racing Commission.

He said, "You know what? This horse cannot run in the All American."

The parties that owned the horse pursued this even further with the case landing on the doorsteps of the New Mexico Supreme Court.

We're fortunate that that court chose not to hear it.

The decision of the judge at the 12<sup>st</sup> District Court in New Mexico, Lincoln County, was final.

The horse had been attempted to be entered that morning of entries for the All American, but he was not allowed to run.

We did allow the horse with 11<sup>th</sup> fastest qualifying time to participate in the All American Futurity, fulfilling that horse's owner's dreams.

Two important findings that came out of the decision by the judge, where he found that regarding due process, because that was one of the focuses of the owner's arguments was, they were denied due process.

The judge found that there was a significant and important public interest in cleaning up the racing industry in New Mexico and assuring to the betting

public, the horse trainers, and jockeys, and the owners, and other participants in the race that everyone is on equal footing and that no horse's performance on any given day is influenced by the substances that have been addressed in the rules for one or more reasons.

One of which is the steroidal effect of clenbuterol on the horse, thus enhancing performance.

That helped us out quite a bit.

The court understood, after hearing our pleas, that we do have a duty as a regulator to keep the playing field level in all our races.

More importantly, I found this one to be pretty important as far as a finding by a judge goes.

He stated that there is no recognized property interest in a particular horse running on a particular day or running during a particular period of time after the 60-day timeframe the rules adopted in New Mexico have established for the disqualification of a horse testing positive for clenbuterol.

See, in New Mexico, when a horse tests positive for a — any one of five prohibited categories of substances, we put the horse on a steward's list for a period of 60 days, prohibiting that horse from running anywhere in the United States.

These connections of this horse in the All American were saying that they were denied due process, but the judge found, once again, that this wasn't a licensure action by the Commission.

It was merely the Commission protecting the betting public and the other participants of the race.

The judge also did find that there is not a sufficient property interest or deprivation interest in a particular horse running on a particular day that requires substantive due process or procedural due process.

We considered it a home run for the process.

I truly believe if we lose that court case, it unravels everything that we were trying to accomplish with hair testing.

The Commission, as I mentioned, July 2017, made the decision to implement hair testing with a penalty to the horse.

Prior to that, we did allow hair testing by rules, but it was pretty much informational only.

We could test a horse, see what the horse might have in its system, and then proceed to try to test that horse later on through blood and urine.

The costs of it, it didn't sit well.

We needed something with some bite to it, so that's why we put the rule in where we could penalize the horse for 60 days on a drug-positive finding in the hair.

As many of you probably know, I did come to New Mexico in April of 2016.

Unfortunately, it was a state that had been ravaged by a drug-positive and perception issues, throwing out some numbers, kind of alarming.

I'd never seen numbers like this, having been a regulator in the mid-Atlantic for several years.

In 2014, there were 71 positives of clenbuterol.

In 2015, there were 84.

In FY 2017, there were 60.

We need to figure out a way to try to slow it down.

It was bad.

Unfortunately, more bad news for New Mexico, but there is a light at the end of the tunnel, but I'll read these numbers.

In 2016, New Mexico had a hundred and sixty-nine drug-positives.

Of those, 72 of them were class three, which clenbuterol falls into.

Unfortunately, we ranked third most out of all racing jurisdictions in the United States for number of drug-positives.

I don't know who the other two jurisdictions are, but I probably wouldn't wanna be in their shoes, knowing what we've dealt with here in New Mexico.

FY '17, despite the implementation of some tough rules and some tougher testing, FY '17 didn't see any better numbers.

We had a hundred and seventy-six drug-positives in that fiscal year.

Obviously, with those type of statistics, the Commission couldn't sit down and watch this continue.

We implemented hair testing as a tactic and a tool, along with the other arsenal that we have, to try to decrease these drug-positives.

Because I think, from a perception standpoint, the betting public is not focused on New Mexico racing whatsoever.

For 2016, overall handle, all sources on all five New Mexico racetracks, was a hundred and seventy million.

2016, that number dropped to a hundred and forty-five million.

It's a pretty drastic decline.

Going to the racetrack, myself, and watching the handle numbers, and you get 3,000 total in the win, play, show pools, it's pretty disheartening.

We obviously have an issue, or the gamblers obviously have an issue with our product.

First and foremost, the goal was to try to clean racing up in New Mexico, and that's why we felt hair testing was a pretty important tool to utilize in that process.

I'm glad to say, going into the final month of this year, drug-positives have decreased — and I hate to say I'm happy to say this number, but to about a hundred and twelve right now.

We are seeing progress.

Horses that have been put on the 60-day steward's list, not many of them are coming back into our racing jurisdiction to run anymore.

I think one of the important factors in this hair testing tool is jurisdictions surrounding us permit clenbuterol.

We think that it's unfair in New Mexico that our horsemen have to live with the possibility of being out of competition tested on any given day during the calendar year, whereas a guy from, say, Texas, where clenbuterol is legal, can run there all winter on clenbuterol, come to New Mexico for the summertime with a bulked up horse, and win all our million dollar races.

This is utilized to try to protect the New Mexico racing industry, as well.

It serves a lotta different purposes.

We certainly do have to remember that it's certainly not a end-all to save horse racing, but it's just another tool in the arsenal that we need to utilize and will continue to try to be as innovative and proactive with the help of Dr. Stanley and the AQHA to try to get this thing — get a good handle on this thing.

Because without the cleaning up of this industry, I — God forbid where we may be in another 10 years. That's all.

Thank you.

**[Applause]**

**Dr. Scott Stanley:** I wanna say one thing.

Izzy coming here today and being so honest with the issues in New Mexico with all of you, it's dirty laundry that nobody likes to share, but a big help would be if surrounding jurisdictions took note of that and participated.

The samples that we get in from private trainers that have a horse ship in from another state, whether they shipped into California or whether they shipped into New Mexico, most of those end up having to be held out of racing for periods of time before they can compete.

Because in many other states, they're allowed to use clenbuterol frequently, so they do.

Until other jurisdictions cooperate, smaller venues and places like New Mexico are struggling to get ahead of that.

That's one of the reasons that uniformity and having everybody working on the same page, working with RCI and understanding that AQHA's desire to move that forward is so important.

In addition to that, Izzy is right.

Sampling a bunch of hair samples is difficult, but we've been able to meet all of the needs of challenge championships and other events by planning ahead.

Yeah, it's not feasible to test every horse in your state, but it is feasible to work around the big events, the graded events, the stakes and other events, as long as you notify your laboratory, tell 'em, "This is our schedule," work out when you can collect the samples, and get that submitted.

It's a bit of a challenge to coordinate all of that, but it can work out.

**Ms. Janet Van Bebber:** Not to mention the deterrent of utilizing it as out of competition testing, not just condition of entry.

**Dr. Scott Stanley:** Correct.

We have several other jurisdictions we're working with to make sure that they write conditions of entry and their nominations such that they can use that to keep horses from using clenbuterol and other drugs.

**Ms. Janet Van Bebber:** To bring this conversation full circle, a predecessor that sat right here on an earlier panel talked about how there's distrust in the industry.

I think, instead of focusing on all the negative, we can also focus on the positive and talk about how this is a valuable tool to allow the gambling public and the casual viewer of horse racing to have faith in our business, knowing that we're taking steps to make sure that we've evened the playing field and have deterred the cheaters.

I'd like to close this with that positive note, because we all share the responsibility of not shooting our self in the foot by talking more about our cheaters than the things we're doing right.

I think that's an important emphasis to carry forward as we leave today. That being said, we have some time to entertain any questions.

Jeff True?

**Mr. Jeff True:** Thank you, Janet.

First of all, I wanna commend all three of you for your work on this subject.

It's very important work, very refreshing to see some new innovation and some new science coming into the game.

I think you guys did a great job. Specifically, Dr. Stanley

**[Applause]**

**Mr. Jeff True:** Specifically, Dr. Stanley, you mentioned in your forward, there were some issues of repeatability.

I've had that question posed to me, and I don't really have the answer.

Can you talk about the repeatability of this test and where we might see variances, and is that an issue going forward that we need to worry about?

**Dr. Scott Stanley:** It is something that we addressed when we met in San Antonio, Texas, a couple of weeks ago.

It's one of the reasons that we're gonna use our methodology and exchange it with all the laboratories and make sure they're doing it exactly the way that we're doing it, on similar equipment and approaches, so that we'll have more consistency with that.

There's at least one, if not — yeah, there's one case that basically talk about reproducibility.

There's a lot of inconsistencies in how and when that animal was tested.

Whether it was all done under regulatory control or whether the samples were collected privately is certainly an issue.

We recommend strongly that the official veterinarian or someone recognized by the Commission be the contractor to collect those samples.

Because if a hair sample is just being sent in, remember, we pull hair follicle out in order to test for DNA.

If you just send a hair sample, we can't test that for DNA.

Unless animals properly identified, unless the sample was collected in the same fashion, the same manner, you may not get the same result.

There are multiple factors and I think we've addressed many of those with a consistency, the video, the record of where to get the sample, the laboratory reproducibility.

**Mr. Jeff True:** Just to follow-up, do you think the repeatability issue is related to protocol, not necessarily the testing science?

Further to that, is there more work to be done on the actual science testing for these things?

You profile there's several drugs that you're testing with the hair sample.

Is there more work to be done on that subject?

**Dr. Scott Stanley:** Yeah, Jeff.

I'll accept checks right now for anybody that would like to continue the science.

No, there's always more work that can be done.

I'm just kidding on that.

We can do a better job on anything if we have more resources and we've done it for a longer period of time.

I think it's very reproducible.

The hair is captured within that. It's making sure we get the sample and the testing is the same, and the samples from the same horse.

All of those things are contributing factors.

Once we can document that, then we'll get the same result.

**Audience Member:** Izzy, thanks again for your work in New Mexico.

There are at least three of the New Mexico racetracks represented in here today.

I think we all have a greater respect for what the Commission has done in the last several months, certainly in 2017.

Do you think, Izzy, that the court case and the whole legal proceeding that you went through this summer will stand the test of time?

Are you concerned about other types of legal challenges to the protocol, and is there a plan to mitigate that going forward?

**Mr. Ismael Trejo:** Well, you certainly always have to be on your toes.

Lawyers, they take a shot at you, they get beat.

They look for the soft spots.

We're probably always gonna face that legal challenge, but for right now, we have some pretty good footing in regards to the findings that were found by the judge in the 12<sup>th</sup> District Court of Lincoln County, New Mexico.

We just have to evolve as the process goes, and that's what we've been doing as a Commission, on just day in and day out drug cases.

As the lawyers continuously search for the soft spots, they try to protrude, and then we, as a Commission, come and try to block it.

We're always gonna face legal challenges, I'm sure.

It's just the nature of our game these days as we wake up daily and we battle, unfortunately.

**Audience Member:** Thank you for that.

Janet, final question from me, and I'll get off the microphone.

We've got some other states that are still wrestling with this issue.

Is it your position or is it AQHA's position to advocate for the rule changes?

What does it look like from the — on that front with respect to other states playing by the same rules, specifically in your breed-specific rules you talked about?

**Ms. Janet Van Bebber:** It's a high priority.

When we organized the group that I alluded to in my presentation here a year ago, that was the first premise of the different arguments I was presenting to them is that we needed uniformity amongst jurisdictions, so horses can go from state to state and know what to expect.

Izzy elaborated on that detail today.

Yes, we're working on it.

More and more have come onboard in the last year.

I'm very pleased about that.

We still have two key states that are holding out.

One key state, and I'll just go ahead and mention it because it's already been brought up, of course, is Texas.

The whole issue with Texas is that they have some other battles they're fighting right now on the Commission level and funding and what have you.

I have been told that it is their intention to pursue this, but they just have to get through some of these other battles that they're facing as far as the future of racing in Texas and making sure their Commission is funded.

In good faith, they did lower their thresholds significantly in the last few months.

They are getting stricter, and that's consistent with the verbal communication I had that it's their intent to become more uniform with their neighboring states.

There's another key state, in the state of Louisiana.

They're not onboard yet, but in conversations I've had with key people there, Charlie Gardner, their executive director, has participated in our integrity teams.

He's gotten some firsthand shed row experience of what's going on with some of the horses on the back side.

I think we're getting our message out there, and we just need to follow through and hit the home run and get 'em onboard.

**Audience:** Great. Maybe I fibbed a little bit.

I do have one follow-up based on what you just mentioned.

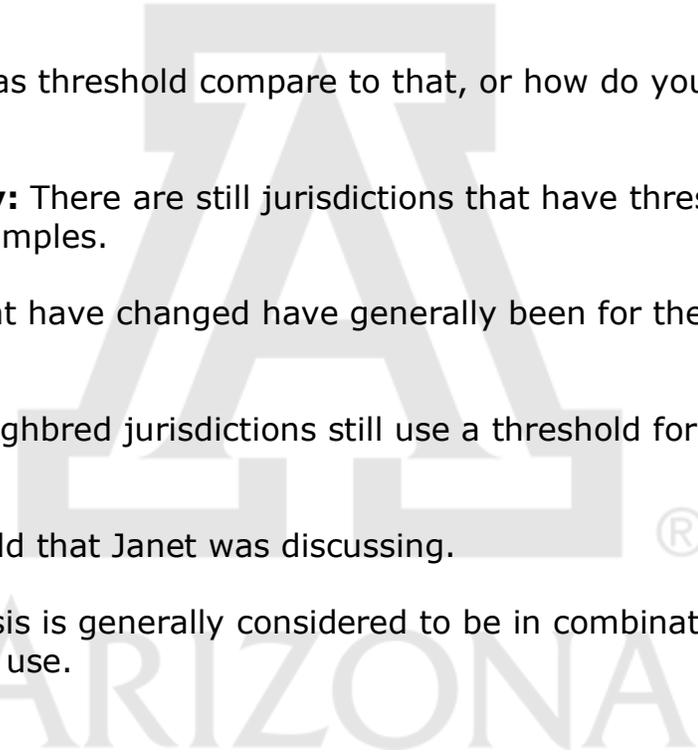
Dr. Stanley, you mentioned that these tests are not quantitative, they're qualitative.

How does the Texas threshold compare to that, or how do you deal with that?

**Dr. Scott Stanley:** There are still jurisdictions that have thresholds for blood and urine samples.

The thresholds that have changed have generally been for the urine sample analysis.

Most of the thoroughbred jurisdictions still use a threshold for clenbuterol for Thoroughbreds.

That's the threshold that Janet was discussing. 

It's the hair analysis is generally considered to be in combination with the zero tolerance, no use.

**Audience:** I see.

**Ms. Jacqueline Schumacher:** Okay. Hi. I'm a student here.

This is more directed to Mr. Trejo.

I was wondering, with all the clenbuterol positives, I was wondering, is there any commonality in ownership or training that you notice that you start to see, there are a lot of horses under this management or this management or ownership?

Do you feel that, as a regulator, you have enough teeth to go after them and say, "We're onto you, we're watching you?"

**Mr. Ismael Trejo:** Well, as a regulator, you can never have enough teeth.

**[Laughter]**

**Mr. Ismael Trejo:** That's a very good question.

What we've found in my year and a half in New Mexico is that we're really zeroing in on a certain group of horsemen that paper training is really tied into this, as well.

I hate to get off on that tangent, but these horses that we find test positive with Trainer A eventually, that Trainer B is found with multiple positives, as well.

I like to say, because I did an informal gauge on the statistics, but for this calendar year, if you took the number of positives amongst five trainers, we would be in the eighties, as far as from the one twelve.

You're right.

There is a group that continues to cheat, and I've tried to discuss with the racetracks that perhaps we should just ban the horses from entering the races.

I believe the racetracks have the power to do that.

Just don't accept entries from horses, and that'll get rid of the paper training, as far as pushing the horses off to different trainers.

Because we see the same horses keep comin' up with drug-positives, so much so that the owners remain the same.

We have fined several owners \$5,000.00, and even one \$15,000.00 because on the ARCI recommended penalties, on the third violation for a class B, like clenbuterol, you fine the owner \$5,000.00.

We have been hittin' the owners in New Mexico quite a bit. Now we're movin' into a new realm of paper owners, so now they're just selling the horses to other people, so we start from ground zero.

The cheating just continues and I'm really embarrassed to bring that stuff to light, but that was an excellent question.

It's the reality of what we deal with day in and day out in racing in New Mexico.

**Audience Member:** It's basically you have to work to catch up and then you have to work to keep ahead?

**Mr. Ismael Trejo:** Well, we have to continue to modify rules as we see new things.

It's classic cat and mouse.

We continue to modify the rules.

Once we put pressure from one angle, they are obviously gonna come at us from another angle.

**Audience Member:** Thank you.

**Mr. Ismael Trejo:** You're welcome.

Thank you.

**Audience Member:** Mr. Trejo, can you guys hear me?

No?

**Audience Member:** Yes.

**Audience Member:** Yes?

You —

**Mr. Ismael Trejo:** Yep. There.

[Laughter]

**Mr. Dustin Dix:** I'm the director of racing at Sunland Park.

I just wanted to talk a little bit of what we just started at Sunland at the November New Mexico Racing Commission meeting.

We actually had our nominations like amended to charge the owners a hundred dollars for hair test.

All the nominated races that we have, all the qualifier will be tested, and also — some also eligibles.

Cuz there's a funding issue with New Mexico.

A lot of the funding's based on handle, and as handle declines, those monies become smaller and smaller.

The owners have been — I know we've talked about getting more owners.

Somethin' that I've never done in my career that I just started is, we've actually started excluding owners at Sunland Park, which we have house rules based on how many one, twos, or threes you get.

The owners have been in favor of the hair testing, which surprised me.

I just wanted to commend Izzy on all that he's done in the State of New Mexico.

**Mr. Ismael Trejo:** Thank you, Dustin.

I appreciate that.

**[Applause]**

**Ms. Janet Van Bebber:** I would like to elaborate on Dustin's comment about the owners have been in favor of hair testing.

At our recent racing conference held during our challenge championships at Prairie Meadows in Iowa, there was a universal vote to ask us to pursue hair testing at all the regionals, from the race committee meeting that we had.

There were, I'm not sure the attendance.

We have about 65 people on our race committee.

The stumbling block is the jurisdiction issue.

We can't implement it at all of our regional races until we can do so consistently amongst the jurisdictions.

I was really reassured by the support that the general public was giving our initiative on this.

**Mr. Ismael Trejo:** If I may add somethin', Ms. Van Bebber?

In regard to that meeting in Iowa, and Ms. Van Bebber had me speak over there, as well, it was very encouraging, after having a similar discussion with the audience there, that many owners came up afterwards and appreciated what New Mexico has been doing to help level the playing field there.

People that have taken their horses out of New Mexico for one reason or another over the past several years are now tellin' me that they're willing to come back to race in New Mexico, seeing as they perceive a playing field that's gonna be level from here on out.

It's very encouraging.

**Ms. Janet Van Bebber:** I'll say that's one of the highlights of my job is hoping that I'm having a positive impact.

Getting that sort of feedback from the membership, from owners, from track management, from what have you, is very rewarding for me because I care passionately about this industry.

We have to improve some of these trajectories that we're seeing displayed in everybody's PowerPoints.

I'm grateful for that.

No further questions?

I think that concludes our panel.

Thank you all very much.

**[Applause]**