

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF MARCH 28, 2001

A meeting of the New York State Racing and Wagering Board was held on Wednesday, March 28, 2001 at 11:30 a.m. at the Racing & Wagering Board's Albany Office located at 1 Watervliet Avenue Extension, Albany, New York.

The meeting was called to order at 11:45 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Joseph Neglia, Member

Cheryl Buley, Member

Edward Martin, Executive Director

Maureen McGrath, Secretary to the Board

Robert Feuerstein, General Counsel

Gregg Schreffler, Chief of Audits

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Walker, NYSR&WB

Jim Kellogg, NYSR&WB

Rick Goodell, NYSR&WB

Mark Stuart, NYSR&WB

Bruce Hamilton, Harness Horsebreeders' Association of NYS

Peter O'Connell, Western Regional OTB

Rick Papa, Harness Horsemen's Association of Central NY

Yancey Roy, Gannett

Dennis Yusko, Times Union

Pete Signorelli, Vernon Downs

John Signorelli, Vernon Downs

Dick Powell, Vernon Downs

Dominick Giambono, Vernon Downs

Andrew Goodell, Vernon Downs

Charles Coppola, Coppola Ryan & McHugh

Rob Raylman, Coppola Ryan & McHugh

Mike Kane, Daily Gazette

Alex Betke, Wilson, Elser, Moskowitz

Connie Crane, Powers & Crane

Steve Bochnak

PUBLIC COMMENTS: None

A. The Board approved the minutes of the Board meeting and Special Board meeting held on February 14, 2001.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. SARATOGA HARNESS REQUEST TO AMEND RACING SCHEDULE

For entry into the minutes, on February 15, 2001, approval was granted for the request by Saratoga Harness to amend their plan of operation enabling the

cancellation of four previously approved dates, all Mondays during the month of March, 2001.

Additional live racing programs may be requested for December 2001 at a later date and such a request forthcoming depends on the status of the horse population and the purse account at Saratoga Harness in the Fall of 2001.

Also approved was the transfer of five scheduled Saturday nighttime live programs during the month of March 2001 to be matinees. The first post will be 12:45 p.m. each Saturday afternoon.

2. BUFFALO RACEWAY REQUEST TO SIMULCAST MAYWOOD PARK, NORTHVILLE DOWNS & THE MEADOWS

For entry into the minutes, on February 16, 2001, approval was granted for the request by Buffalo Raceway to amend their simulcast plan of operation enabling the import of the simulcast signal from Maywood Park, a harness racetrack in Illinois, Northville Downs in Michigan and The Meadows in Pennsylvania.

Although the Michigan horsemen and Commission permission letters are for all of the year 2001, the submitted contract with Northville Downs does not cover the October 15th through December 29th race meeting and a new contract must be submitted in the fall.

These simulcast signals may be utilized whenever permitted under the Racing Law. This approval is effective immediately.

3. FINGER LAKES REQUEST TO CONDUCT HANDICAPPING CONTEST

For entry into the minutes, on February 16, 2001, approval was granted for the request by Finger Lakes, dated February 12, 2001, to conduct two \$2,500 Simulcast Handicapping Challenges.

The first challenge will be contested on the consecutive weekends of February 24th and 25th and March 3rd and 4th. The second challenge will be contested on the consecutive weekends of March 24th and 25th and March 31st and April 1st, as outlined in the official rules and regulations as submitted to the Board.

4. NEW YORK CITY REQUEST TO CONDUCT HANDICAPPING CONTEST

For entry into the minutes, on February 16, 2001, approval was granted for the request by New York City OTB to conduct a handicapping contest consisting of two rounds - round one at ten separate branch locations with the final round at a teletheater. The contest is to be conducted and prizes furnished per the submitted rules.

At least half of the contest races must be simulcasts from the in-state racetrack per Section 908 of the Racing Law. The approval for this promotion is effective immediately.

5. BUFFALO RACEWAY REQUEST TO IMPORT SANTA ANITA

For entry into the minutes, on February 21, 2001, approval was granted for the request by Buffalo Raceway to amend their simulcast plan of operation enabling the import of the simulcast signal from Santa Anita Park in California.

This simulcast signal may be utilized whenever permitted under the Racing Law. This approval is effective immediately.

6. CAPITAL OTB REQUEST TO CLOSE BRANCH - TICONDEROGA

For entry into the minutes, on February 21, 2001, approval was granted for the request by Capital OTB to close the Essex County off-track betting facility in Ticonderoga.

7. NYSRWB STEWARD REQUEST FOR EXTENSION OF APPRENTICE JOCKEY ALLOWANCE - MORALES

For entry into the minutes, on February 26, 2001, approval was granted for the request by State Steward (at NYRA) Donofrio for an extension to the qualified apprentice year of Jockey Hector Morales, Jr. for an additional 23 days.

The originally scheduled expiration of his apprentice year was February 10, 2001. Mr. Morales, Jr.'s date of record for the expiration of his apprenticeship allowance is now March 22, 2001. He is eligible to claim his five-pound apprentice allowance for 23 days from Wednesday, February 28th through Thursday, March 22, 2001.

8. YONKERS RACEWAY REQUEST FOR SIMULCAST LOCATIONS FOR THE YEAR 2001

For entry into the minutes, on February 26, 2001, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of the simulcast signals during the year 2001 from Hoosier Park in Indiana.

This approval is valid throughout the entire year 2001 racing season of Hoosier Park.

* For entry into the minutes, on March 16, 2001, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of the Pocono

Downs harness simulcast signal from Pennsylvania. This approval is valid throughout the entire year of 2001.

In conjunction with the Board's policy of approving contracts providing for the export of a New York signal to any recurring out-of-state sites (not new or located in contiguous states), the Board also approves the Yonkers Raceway export of its simulcasts to Hazel Park in Michigan.

* For entry into the minutes, on March 20, 2001, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of simulcasts from Harrington Raceway in Delaware.

Harrington Raceway has a 5:45 p.m. first post. In the absence of permission from the New York Racing Association and to comply with Section 1016 (2) of the Racing Law, it is required that Yonkers Raceway will begin each Harrington program with Race #2, the initial race contested after the 6 p.m. time specified under this section of the Racing Law. Yonkers may apply to the Board, should they receive from NYRA and forward to the Board a letter of permission, to take the 5:45 p.m. first race. Such a letter from NYRA would constitute compliance by waiver with this section of the Racing Law. The 6:00 p.m. time, applying to out-of-state harness (only) simulcasts, is in effect regardless of the ending time of the last NYRA race.

No more than five out-of-state harness simulcast signals may be imported in any one day per the current Racing Law.

This approval extends through the life of this contract that is in effect until December 31, 2001.

9. NEW YORK CITY OTB REQUEST FOR ADDENDUM TO HANDICAPPING

CONTEST

For entry into the minutes, on February 26, 2001, approval was granted for the request by New York City OTB for an addendum to the Handicapping Contest originally approved on February 16, 2001, adding to a handicapping contestant's phone account the sum of \$10 as a promotion. Should the contestant not have an established phone account, a new account will be established with a \$10 balance.

At least half of the contest races must be simulcasts from in-state racetracks per Section 908 of the Racing Law. The approval for this promotion is effective immediately.

10. NEW YORK STATE OTB SIMULCASTING NETWORK REQUEST FOR SPECIAL EVENTS

For entry into the minutes, on February 26, 2001, request by New York State OTB Simulcasting Network to designate as thoroughbred "Special Events", in compliance with Section 905-a of the Racing Law, the following stakes races:

- Sunday - March 18th - The Florida Oaks (GR III) - Tampa Bay Downs
- Sunday - March 18th - The Tampa Derby (GR III) - Tampa Bay Downs

11. MONTICELLO RACEWAY LIST OF SIMULCAST LOCATIONS FOR 2001

For entry into the minutes, on February 27, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of simulcasts from Freehold Raceway in New Jersey on Tuesdays and such other NYRA "dark days" as may occur during the year 2001, effective immediately.

This approval is valid for the entire year 2001 racing season at Freehold Raceway.

* For entry into the minutes, on March 19, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of simulcasts from Turfway Park, a thoroughbred racetrack in Kentucky.

This approval is valid through March 31, 2001 coinciding with the Kentucky Commission and Horsemen' s letters. This simulcast signal may be imported whenever permitted under the Racing Law.

* For entry into the minutes, on March 20, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 thoroughbred race meeting conducted at Hialeah Racecourse in Florida.

This simulcast signal may be imported whenever permitted under the Racing Law.

12. NYRA REQUEST TO DESIGNATE RACES OF SPECIAL INTEREST

For entry into the minutes, on February 27, 2001, approval was granted for the request by NYRA to designate four out-of-state thoroughbred events, during the month of April, as "Special Events" as specified under Section 905-a of the Racing Law.

Approved were:

- The Lone Star Derby
- The Illinois Derby (GR II)
- The Derby Triples (a pick-three consisting of the Lone Star Derby, the Illinois Derby)

& the Santa Anita Derby, hubbed at Sportsman's Park with a 25% takeout).

- The Big-3 Pick-3 (a pick-three consisting of the Wood Memorial, the Toyota Blue Grass and the Arkansas Derby, hubbed at NYRA's Aqueduct Racetrack with a 20% takeout).

13. NYRA REQUEST TO OFFER LUNCHEON/VOUCHER PROMOTION

For entry into the minutes, on March 5, 2001, approval was granted for the request by NYRA to distribute a two-dollar (\$2.00) voucher to each purchaser of a \$19.95 luncheon buffet at the operating NYRA racetrack.

14. SARATOGA HARNESS REQUEST TO EXPORT SIMULCAST TO LOCATIONS FOR 2001

For entry into the minutes on March 5, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the export of simulcast signals from Saratoga Harness to Autotote Enterprises in the State of Connecticut. This approval includes the simulcasts further going to the simulcast facilities of Sports Haven in New Haven, Bradley Teletheater in Windsor Locks and the New Britain, Bristol and Hartford OTBs. Satellite locations that will display the Saratoga Harness races include the Plainfield Greyhound Park, the Shoreline Star Greyhound Park and the Mohegan Sun Racebook. Non-simulcast facilities accepting wagering on Saratoga Harness include the East Haven, West Haven, Norwalk, Bridgeport, Torrington and Waterbury OTBs. This approval is effective as of March 6, 2001, the starting date of the agreement.

In conjunction with the Board's policy of approving exported inter-state simulcast signals to non-contiguous states, the Board has acknowledged the receipt of the agreement as notification providing for the export of Saratoga Harness simulcast to Balmoral Park in Illinois during the year 2001.

15. SARATOGA HARNESS REQUEST TO AMEND PLAN OF OPERATION

For entry into the minutes, on March 5, 2001, approval was granted for the request by Saratoga Harness to amend their plan of operation enabling the cancellation of live racing on March 6th due to weather conditions and to add racing on March 7th. The original racing program and card of entries drawn for Tuesday, March 6th will be used for the March 7th program.

16. NEW YORK CITY REQUEST TO SIMULCAST FROM POCONO DOWNS

For entry into the minutes, on March 9, 2001, approval was granted for the request by New York City OTB to amend their simulcast plan of operation enabling the import of harness simulcasts from Pocono Downs in Wilkes Barre, Pennsylvania during the year 2001. This approval is effective with the start of the year 2001 Pocono Downs racing season on March 18th.

Within the NYCOTB-Pocono downs simulcast agreement is the provision for this contract to extend beyond the year 2001. Should this occur, new federally required letters of permission for importation of this simulcast after December 31, 2001 must be filed with the Board.

17. NEW YORK CITY REQUEST TO OFFER PROMOTION - CLOSING OF 331 PARK AVE. BRANCH

For entry into the minutes, on March 14, 2001, approval was granted for the request by New York City OTB to offer promotions for patrons affected by the closure of a branch located within the borough of Manhattan at 331 Park Avenue South, New York, NY. These promotions include:

- Establishing telephone accounts for current patrons within the 331 Park Avenue South branch with a twenty-five dollar (\$25.00) credit to each new account.
- The distribution of up to 200 Metro cards, each with a \$6.00 value, to customers within the 331 Park Avenue South branch.
- The distribution of up to 200 vouchers, each with a \$5.00 value, to customers within the 331 Park Avenue South branch.

18. NYRA REQUEST TO EXPORT TO CHAMPION BETTING CO., LTD.

For entry into the minutes, on March 16, 2001, approval was granted for the request by

NYRA for the addition of two outlets for the Champion Betting Company, Ltd. of Jamaica. As with other Caribbean locations, these two new sites will be administered by Stevenson and Associates.

This approval is effective immediately.

19. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS

For entry into the minutes, on March 16, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 thoroughbred race meetings conducted at Hialeah Racecourse in Florida, and the harness race meeting from Pocono Downs in Pennsylvania.

These two simulcast signals may be imported whenever permitted under the Racing Law.

20. VERNON DOWNS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2001

For entry into the minutes, on March 16, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the harness simulcast signals from Buffalo Raceway, Freehold Raceway in New Jersey and Hoosier Park in Indiana. Under section 1016 of the Racing Law, no more than five imported out-of-state harness track simulcasts are permitted on any one racing date.

Also approved were the contracts enabling the import of thoroughbred simulcasts from Golden Gate Fields (*through April 1, 2001 only*) and Oaklawn Park in Arkansas. Participation in the Churchill Downs Derby Future Wager pools is also approved. Each pool is a separate event in the Board' s listing of designated "special events."

To continue with simulcasts from Golden Gate Fields after April 1, 2001, a new letter of permission from the State of California Horse Racing Board and the Thoroughbred Owners of California (TOC) must be filed with the Board. Such submission must occur prior to the fall Golden Gate Fields race meeting that is scheduled to begin on November 7th.

21. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS FOR 2001

For entry into the minutes, on March 16, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 thoroughbred race meetings conducted at Hialeah Racecourse in Florida, Sportsman' s Park in Illinois, and the harness race meeting from Pocono Downs in Pennsylvania.

This approval extends to Suffolk Regional OTB as well. These three simulcasts may be imported whenever permitted under the Racing Law.

22. FINGER LAKES REQUEST TO SIMULCAST LOCATIONS FOR YEAR 2001

For entry into the minutes, on March 19, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 thoroughbred race meeting conducted at Hialeah Racecourse in Florida.

This simulcast signal may be imported whenever permitted under the Racing Law.

For entry into the minutes, on March 19, 2001, the approval was also granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the importation of simulcast and wagering upon the \$6 million Dubai World Cup on Saturday, March 24th.

This race is **NOT** a special event under the Racing Law as it occurs after the previous day' s midnight and before the start of the first in-state thoroughbred program the following day. This simulcast is allowed under Section 1017-a of the Racing, Pari-Mutuel Wagering and Breeding Law.

23. FINGER LAKES REQUEST TO AMEND POST TIME

For entry into the minutes, on March 19, 2001, approval was granted for the request by Finger Lakes to amend their plan of operation in regard to the first post-time each racing day. From opening day on Friday, April 13th through Sunday, October 28th, the approved post-time is 12:50 p.m. Thereafter, and for the remainder of the year 2001 live racing season, the first post-time will be 12:15 p.m.

24. NYRA REQUEST FOR REMOVAL OF RACING OFFICIALS

For entry into the minutes, on March 19, 2001, approval was granted for the request by NYRA to amend their previously approved 2001 listing of all officials and employees. The amendment reflects the removal of Richard Brosseau as a Category II employee and the removal of John B. Hennegan as a Category III employee.

25. NEW YORK CITY OTB REQUEST TO CLOSE BRANCH - 331 PARK AVENUE

For entry into the minutes, on March 19, 2001, approval was granted for the request by New York City OTB to amend their plan of operation involving the closure of a branch located within the borough of Manhattan at 331 Park Avenue South, New York, NY, effective March 31, 2001.

26. NEW YORK CITY OTB REQUEST FOR ADDENDUM TO CONTRACT WITH ARLINGTON RACECOURSE

For entry into the minutes, on March 19, 2001, approval was granted for the request by New York City OTB to simulcast four thoroughbred races from Dubai in the United Arab Emirates on Saturday, March 24, 2001. There is scheduled to be a seven-race program on this day. Races four through seven have been contracted for by New York City OTB with Arlington International Racecourse.

The single race know as The Dubai World Cup will command a payment rate of four percent (4.0%) on all pari-mutuel pools, regular, multiple and exotic as per contract. All other races simulcast on this same World Cup 2001 race program

from Dubai require a two percent (2.0%) rate for all wagers in all pari-mutuel pools.

Other stakes races on the Dubai World Cup 2000 race card, including the Dubai Golden Shaheen, the Dubai Sheema Classic and the Dubai Duty Free can be simulcast and wagering taken under Section 1017-a of the Racing Law. All events are scheduled to conclude before the initial in-state thoroughbred race of the day at the operating NYRA track (Finger Lakes has yet to begin its 2001 season).

This approval extends to all other regional OTB corporations in New York State should they choose to simulcast and take wagering on any (all) such races.

27. BUFFALO RACEWAY REQUEST TO IMPORT SIMULCASTS FROM HIALEAH RACECOURSE

For entry into the minutes, March 20, 2001, approval was granted for the request by Buffalo Raceway to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 thoroughbred race meeting conducted at Hialeah Racecourse in Florida.

This simulcast signal may be imported whenever permitted under the Racing Law.

D. ITEMS TO BE APPROVED, DENIED OR DEFERRED BY THE BOARD

1. IN THE MATTER OF RAYMOND ALLEN

The Board approved the recommendation of Hearing Officer Brittell (except as to modification of the fine) that the \$100 fine imposed by the Presiding Judge at Yonkers Raceway for violation of Board Rule 41111.12(a) on October 10, 2000, be confirmed.

2. IN THE MATTER OF CARLOS CAMILO

The Board approved the recommendation of Hearing Officer Buley that respondent's thoroughbred jockey license continue to be suspended because a urine sample furnished by Mr. Camilo on November 6, 2000 had tested positive for a metabolite of cocaine, in violation of Board Rule 4042.5(a) and the Consent to Conditions for Relicensing. Respondent shall not be considered for reinstatement until he has demonstrated rehabilitation and abstinence from illegal drug use, including satisfactory completion of a drug rehabilitation program recognized by the Board and such negative drug tests as may be required by the Board.

3. IN THE MATTER OF MICHAEL EATON

The Board approved the recommendation of Hearing Officer Brittell that the \$250 fine imposed by the judges at Monticello Raceway because the horse AMAZING MILE had furosemide in it's system during the 5th race on November 19, 2000, in violation of Board Rules 4120.2(b) (6) and 4120.4, be confirmed.

4. IN THE MATTER OF MYLES MCNICHOL

The Board approved the recommendation of Hearing Officer Brittell to dismiss the violation and the 8 day suspension imposed by the Presiding Judge at Yonkers Raceway based on the charge that while driving the horse SKY BOUND in the 2nd race on August 12, 2000, respondent needlessly permitted another horse to pass inside in violation of Board Rule 4117.4(g).

5. IN THE MATTER OF TODD MINIERI

The Board approved the recommendation of Hearing Officer Dranichak that the refusal to issue a year 2000 trainer's license to Mr. Minieri be upheld.

6. IN THE MATTER OF JUAN SEREY

The Board, with Chairman Hoblock not participating, approved the recommendation of Hearing Officer DeAngelis, which confirmed the decision of the State Steward at Aqueduct Race Track, that trainer Juan Serey violated 9(E) NYCRR 4043.2(f) and 4043.4, in that ergonovine was administered in violation of those rules to UNREAL MADNESS which competed on December 26, 1999 and to OUT BURST which competed on December 29, 1999. The Board imposed two concurrent 90 day suspensions and a \$2,000 fine based, in part, upon the severity of the violations and the need to deter illegal use of equine drugs, especially previously undetectable ones, for the sake of the betting public, those who claim horses and the honest participants in pari-mutuel racing. The suspension is to be effective at the discretion of the State Steward at NYS track where respondent participates.

7. FINGER LAKES ROSTER OF RACING OFFICIALS FOR 2001

The Board deferred the request to approve the Finger Lakes roster of racing officials for 2001. Members Buley and Neglia delegated to Chairman Hoblock the power to approve the request upon receipt of the receipt of required documentation.

8. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$58,357.93

The Board approved the request by Monticello Raceway to withdraw \$45,728.09 from their Capital Improvement Fund for reimbursement of capital improvement

purchases as well as approval to withdraw \$12,629.84 for advertising and promotional expenses.

Capital Improvement Expenditures

<u>Backstretch (29%)</u>			
Heaters for Grooms Bldg.			\$ 759.73
Circuit Breakers for Grooms Bldg.			56.05
Heater Supplies			124.77
Hot Water Heater for Grooms Bldg.			3,490.81
Fan Heater for Grooms Bldg.			625.03
Electrical Work on Barn D - Ross Electric			3,732.40
Lumber for Barn Repairs			3,420.77
Hardware for Paddock and Barn Repairs			1,082.27
Total: Backstretch			13,291.83
<u>Other (71%)</u>			
Rooter Machine			701.12
Heater in Sprinkler Room			364.20
2 VCR's for Judges Room		278.07	
New Starter for Grader			959.88
8 New Gates for Paddock Stalls			1,042.09
1st Payment - Resurface of Main Track			12,500.00
Final Payment - Resurface of Main Track			13,342.28
Currency Counter			1,344.99
Sewage Pump			620.70
Roller Grill			1,282.93
Total: Other			32,436.26
Total Recommended Approval			\$45,728.09

Advertising and Promotional Expenditures

Expenditures

Amount

Print Advertising	\$7,789.64
Radio Advertising	4,840.20
Total	<u>\$12,629.84</u>

9. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$52,000

The Board approved the request by Monticello Raceway to withdraw \$52,000 from its Capital Improvement Fund for tote system expenses for the period of July 2000 through December 2000.

10. SARATOGA HARNESS HORSEPERSON'S ASSOCIATION REQUEST FOR USE OF EQUINE NASAL STRIPS

The Board approved the use of "equine nasal strips" at Saratoga Harness.

Disclosure shall be made to the public both on and off track of horses using these equine nasal strips and subsequent changes, i.e. "nasal strips on or off". The public must be informed of equine nasal use or discontinuance by the following procedures:

- All horses initially using the nasal strips will be posted on-track on the nightly change in equipment board posted in the grandstand. If recorded past use of nasal strips is somehow indicated in the official nightly program, thereafter, all changes (nasal strips "on or off") will be posted. If nasal strip use is not recorded in the nightly official track program, all horses using the nasal strips on a given night must be disclosed to the public.
- All horses using the nasal strips (along with any other equipment changes) will be announced nightly. Currently all equipment changes are already announced prior to the start of each racing program at Saratoga Harness.
- The information pertaining to nasal strips will "stream" across the bottom of the screen of the Saratoga Harness simulcast and be shown on all television monitors receiving the simulcast as well as all monitors on-track.

11. VERNON DOWNS TRACK LICENSE APPLICATION FOR 2001

The Racing and Wagering Board acted on Mid-State Raceway Inc.' s ("Vernon Downs") application for a track and simulcast license. The following action was taken based on staff recommendation:

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1. The Board approved both a track and simulcast license effective March 28, 2001 for a limited period of time, 90 days, in order to give Vernon Downs the

- opportunity to restructure its finances, address and rectify non-compliance issues identified, and address management inadequacies.
2. The Board requires immediate compliance with all applicable New York State Racing, Pari-Mutuel Wagering and Breeding Laws and New York Codes Rules and Regulations (9 E NYCRR) pertaining to harness racing and its participants.
 3. The Board requires Vernon Downs to retain an independent compliance monitor, approved by the Board, to review the track's compliance with existing statutes and rules and to make a direct and independent report to the Racing and Wagering Board no later than the seventy-fifth day of this license period.
 4. The Board requires the track to demonstrate financial stability by bringing all racing related payables into current status (less than 90 days as calculated from the original date of billing) within thirty days.
 5. The Board requires the track to demonstrate continued financial viability by maintaining current status on all racing related payables during and at the full term of the conditional licensing period, and the remainder of the year should the Board grant a full license.
 6. The Board authorized staff to impose a \$5,000 fine on Mr. John Signorelli, the President of Vernon Downs for his responsibility under Rule 4101.4 "Knowledge of rules". [A Notice of Fine will be issued]. The authorization provides for \$2,500 of the \$5000 amount to be suspended pending Mr. Signorelli's performance during the track's 90 day limited licensing period. The authorization was based on issues of non-compliance listed in the staff report, which have occurred under Mr. Signorelli's management and were not prevalent under Vernon's previous management.

The Board accepted staff's recommendation that it consider approval of the track and simulcast license for the remainder of the year upon satisfactory adherence to the above terms, the receipt of a satisfactory compliance review by an independent monitor and a successful review by Board staff.

12. VERNON DOWNS SIMULCAST LICENSE APPLICATION FOR 2001

See information in Item #11.

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E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. ELECTRONIC RECORDS & SIGNATURES - 03/01-14-E

The federal Electronic Records and Signatures in Commerce ("E-Sign") Law establishes various requirements upon agencies concerning the use of electronic records. For example, agencies must establish performance standards to assure the accuracy, record integrity and accessibility of records that are required to be maintained.

A group of Board personnel is working with Stacy Walker, Jennifer Whalen and John Kinnicutt to assess the Board' s needs and establish a viable and legally sufficient program.

2. WITHDRAWAL OF PROPOSED AMENDMENT TO 9ENYCRR 5622.16 - REAL ESTATE RAFFLE RULE - 03/01-15-E

Pursuant to the attached February 27, 2001 letter from Board Assistant Counsel Mark A. Stuart to the Governor' s Office of Regulatory Reform, the Board has formally withdrawn the proposal to amend Rule 5622.16 concerning the award of real estate and debt instruments as raffle prizes. Accordingly, Rule 5622.16 will remain in its existing form.

3. WESTERN OTB ROBBERY AT DUNKIRK BRANCH - 01/01-17-E

On 1/12/01 the Western OTB branch located at 303 Main Street in Dunkirk was robbed when a Hispanic male entered the branch with a knife and forced the door on the ticket issuing booth line. He pushed a female employee to the floor and the manger to the wall. He then grabbed the contents of the drawer (\$446). He attempted to flee but was tackled in the parking lot by a customer. He was held until police took him into custody.

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The meeting was adjourned at 12:47 p.m.

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