

Unidentified Male: New York State \_\_\_\_\_ [00:00:03] reading law section 102 \_\_\_\_\_ [00:00:06] that the New York State Gaming commission shall consist of 7 members appointed by the governor by and with the advice and consent of the senate. Four members affirmed by the New York State Senate are necessary to afford the commission an ability to establish a quorum and undertake action. This present meeting of the commissioners is now called to order at 1:07.

Unidentified Male: Hello?

Unidentified Male: Miss Secretary, please call the role.

Secretary: \_\_\_\_\_ [00:00:29].

Unidentified Male: Here.

Secretary: \_\_\_\_\_ [00:00:32].

Unidentified Male: Hello?

Unidentified Male: Here.

Secretary: Jeff McLinda.

Jeff: Here.

Secretary: Harry Sample.

Harry: Here.

Secretary: Jerry Strainer.

Jerry: Here.

Secretary: Todd Schneider.

Unidentified Male: Miss Secretary, please have the record reflect that a quorum of qualified members are present thus enabling transaction of business.

Unidentified Male: Minutes of the commission meeting conducted on June 26<sup>th</sup>, 2017, have been provided to the members in advance. At this time, I'd like to ask members if there are any edits, corrections, or amendments.

Unidentified Male: No.

Unidentified Male: Do I have a motion to approve the minutes?

Unidentified Male: Moved.

Unidentified Male: Second?

Unidentified Male: Second.

Unidentified Male: All of those in favor?

Group: Aye.

Unidentified Male: Okay. Now, we will have the report of the acting executive commissioner, executive director.

Unidentified Male: This afternoon I'd like to discuss the development status of Resort World's Casco, the long commercial casino project remaining under development and highlight the upcoming harness racing events taking place at Yonkers Raceway. Resort World's Casco reports that they have recently completed concrete slabs for the podium, electric \_\_\_\_\_ [00:01:47] prepurchase and age-back major equipment prepurchase. They further report that they are now over 90 percent complete for spray fire proofing, custom carpet material, roofing, and the exterior shelf for the west podium and hotel with surface inside paving almost 90 percent complete.

Overall construction is 73 percent complete as of the end of August. Finally, Resort's World Casco reports that during the month of August, they expended over 126,111 union construction hours on the worksite at Yonkers raceway. On October 14<sup>th</sup>, Yonkers Raceway will be hosting eight New York Sutter State Finals doing an afternoon cart. Each of the finals will distribute a two hundred and twenty-five thousand dollar purse. Overall, the New York Day of Champions is valued at one point eight million dollars.

In addition to the Sutter State Finals, Yonkers is also conducting the one million dollar International Trot. It expects horses from France, Finland, Italy, Sweden, Denmark, and the United States will be competing. Last year's winner, Resolve, is expected to defend his title. During last year's event was also the world record for the distance of the mild and quarter. Yonkers is also hosting a pair of two hundred and fifty-thousand dollar International races making the overall value of the day's program is three point three million dollars, the richest day of purchase for Yonkers in over a 100-year history. That's my report.

Unidentified Male: Thank you. We're going to move on to rule making. New York state pari-mutuel wagering and breeder's law authorizes the commission to promulgate the rules and regulations that it deems necessary to carry out its responsibilities. To that regard, the commission will, from time to time, promulgate rules and rule amendments pursuant to the New York state administration procedure act.

We have two items for consideration today. Ron, will you please outline the first of these items?

Ron: For commission consideration is the adoption of a rule regarding the lotteries at Mega Millions game. As you are aware, New York Lottery is a member of consortium of state and territorial lotteries throughout the United States, which operate the Mega Millions and Powerball games. The multi-state consortium has resolved to modify the Mega Millions games matrix which set forth win probabilities and prizes to be effective nationwide for the drawing on October 31<sup>st</sup>, 2017. Should the commission choose not to adopt the consortium's rule changes, the New York Lottery would be required to eliminate Mega Million from its game portfolio.

The most significant of the proposal's rule change is the cost of the ticket, which will increase from one dollar to two dollars. Other rule changes approved by the consortium are intended to create larger jackpot amounts. This will be accomplished by decreasing the size of the first set of numbers from which a player chooses from 75 to 70 while increasing the size of the second set of numbers from 15 to 25. The consortium also changed prize payouts for non-jackpot prizes. Third prizes will increase from five thousand to ten thousand. Fifth prize will increase from fifty to two hundred. Sixth and seventh prize will increase from five to ten dollars. Eighth prize will increase from two to four dollars, and a ninth prize will increase from one to two dollars.

The text of proposal was published in the state register on August 9<sup>th</sup>, 2017 meaning the public comment period expires at the close of business today. To date, no public comments have been received. The site recommends that the commission adopt this proposal making as a permanent rule. In the event comments are received before the close of business, South will promptly inform each commission.

Unidentified Male: Commissioners, any questions on the adoption of a rule regarding amendments to the operation of Mega Millions subject to receipt of substantial comments before the close of business today. Any comments, discussions? I have a motion to adopt the rule.

Unidentified Male: So moved.

Unidentified Male: Second?

Unidentified Male: Second.

Unidentified Male: Any discussion? All in favor?

Group: Aye.

Unidentified Male: Opposed? None. Next item, please.

Unidentified Male: For commission consideration is an amendment to the existing thoroughbred regulations to adjust the timing when permissible treatment may be provided to a horse. This proposal has been endorsed by the New York thoroughbred horseman's association would allow later permissible treatment of horses on raceways when scheduled post times or earlier. The change would be consistent with the commission's medication rules 24 hours prior to post time rather than 24 hours prior to the start of a racing program, not compromise the integrity of racing, and would be in the best interest of the equine athlete.

\_\_\_\_\_ [00:06:32] recommends that the commission authorize a proposal of this rule making.

Unidentified Male: Commissions, any questions from the proposal of an amendment to the existing thoroughbred therapy prohibitions rule?

Unidentified Male: What's necessitating this change?

Unidentified Male: I believe Dr. Palmer is on the phone. He's more familiar with this.

Unidentified Male: Is Dr. Palmer on the phone?

Unidentified Male: Yes, I'm on the phone, but I can't hear very well. The microphone is not in a good spot.

Unidentified Male: Let me just say that the question was what precipitated the request by the thoroughbred horsemen to change the time of administration restriction on the ultrasound and other electromagnetic?

Unidentified Male: We have them here if anyone wants to comment.

Unidentified Male: The reason why the horsemen approached me about making this amendment change to the rule was, can you hear me okay?

Unidentified Male: We have him here.

Unidentified Male: Let him answer. Go ahead, Doctor.

Unidentified Male: Can you hear me?

Unidentified Male: Yes.

Unidentified Male: Okay, the reason the horsemen would like to see this rule change is primarily related to the evolution of the racing festival concept where we have days of racing with 11 or more races in it. Post times are moved up to what they usually are. For example, at Belmont Stakes, we had a post time that was

around 11:30 was the first race, but the way the rule is written, for those days when you have early post times, it makes it very difficult to get these treatments done in time. It puts a hardship on the horsemen to get this accomplished before the post time or the start of the racing day. On a regular race day, it's not so much of a big deal, but it is a big inconvenience in terms of trying to get these treatments done early enough. You have to understand these devices that are used, these electromagnetic therapy machines, are very expensive, and they're operated by technicians. There are only so many of them around. It's not as though they are readily available in large numbers to be used at the same time.

So, people have to move from stable to stable to do these treatments. It is a hardship. That was the motivation. Also, I think there was some discussion about some philosophic standpoint. We regulate our medication by post time. There was no apparent clear indication that this type of therapy regulates in a different time frame than the medication therapy is regulated.

Unidentified Male: Thank you.

Unidentified Female: Yeah, that's exactly what \_\_\_\_\_ [00:09:23]. That was exactly our reason.

Unidentified Male: Any other comments? May I have a motion to the proposal?

Unidentified Male: So moved.

Unidentified Male: Second?

Unidentified Male: Second.

Unidentified Male: All in favor?

Unidentified Male: Aye.

Unidentified Male: Any opposed?

Unidentified Male: Motion carries. The next item of scheduled business regards adjudications. Today, we have six announcements and three items for adjudication. Ron?

Ron: As a point of explanation, the commission traditionally has announced final adjudication decisions publically. The first five items today regard matters considered by the commission at a meeting conducted pursuant to judicial or quasi-judicial proceedings exemption of New York public officers law section 108.1 and whose final decision has already been declared to be \_\_\_\_\_ [00:10:18].

The first matter in the matter of Jeffrey Bagley. On March 8<sup>th</sup>, 2017, the Bureau of Licensing denied the application of Jeffrey Bagley for a temporary

gaming employee registration in connection with potential employment as an environmental services attendant at River's Casino and Resort in Schenectady by the commission rule 5305.2C which refers to stand or set forth a New York racing pari-mutuel wagering breeding law section 1318. Mr. Bagley requested a hearing, which was scheduled for June 7<sup>th</sup>, 2017. The applicant failed to appear then or at the adjourned hearing date of June 21<sup>st</sup>, 2017. The hearing officer submitted a report dated July 16, 2017, recommending that the denial of Mr. Bagley's application be upheld. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of New York Public Officer's Law 108.1.

Unidentified Male: The commission duly deliberated and considered this not and determined upon a five to zero vote to accept the hearing officer's report and recommendation.

Unidentified Male: In the matter of Betty Szenski, on July 7<sup>th</sup>, 2017, the Bureau of Licensing denied the application of Betty A. Szenski for a license to participate in Thoroughbred horse racing as a stable employee due to her failure to disclose a criminal history in connection with her application finding that her experience, character, and general fitness of the applicant are such that the participation of such person will be consistent with the public interest, convenience, or necessity and with the best interest of racing, generally. The applicant requested a hearing, which was conducted on August 2<sup>nd</sup>, 2017. The hearing officer later did a report dated August 17<sup>th</sup>, 2017 recommending that the denial of Ms. Szenski's application be upheld. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of New York Public Officer's law section 108.1.

Unidentified Male: The commission duly deliberated, considered this matter, and determined on a five to zero vote to accept the hearing officer's report and recommendation.

Unidentified Male: In the matter of Kimberly Morales, on April 10<sup>th</sup>, 2017, the Bureau of Licensing denied the application of Kimberly Morales for a temporary gaming employee registration in connection with potential employment as a cage cashier at River's Casino Resort in Schenectady citing commission rule 5305.2C, which refers to the standards set forth in New York Racing pari-mutuel wagering and breeding law section 1318. Ms. Morales requested a hearing, which was schedule for June 7<sup>th</sup>, 2017. The applicant failed to appear then or at an adjourned hearing date of June 21<sup>st</sup>, 2017. The hearing office submitted a report dated July 16<sup>th</sup>, 2017, recommending that the denial of Ms. Morales's application be upheld. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceeding exemption of New York Public Officer's Law section 108.1.

Unidentified Male: The commission duly deliberated and considered this matter and determined upon the five to zero vote to accept the hearing of this report and recommendation.

Unidentified Male: In the matter of Lilly Shimegout, February 11<sup>th</sup>, 2017, the state steward issued a notice of violation to Lilly Shimegout suspending her for 30 days for violation of commission rules 4002.2 and 4038.18 in connection with the claim of the thoroughbred horse, Swivel, at Belmont Park on June 18<sup>th</sup>, 2016. Ms. Shimegout requested a hearing, which stayed the suspension. The hearing was conducted on March 29<sup>th</sup> and June 3<sup>rd</sup>, 2017. The hearing officer found that the charges were not as valid and recommended that the suspension be reversed. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of New York Public Officer's Law 108.1.

Unidentified Male: The commission duly deliberated and considered this matter and determined upon the five to zero vote to accept the hearing officer's report and recommendations.

Unidentified Male: In the matter of Michael Sinclair, on June 16<sup>th</sup>, 2017, the commission issued a summary suspension of standard bred trainer, Michael J. Sinclair for cruel mistreatment of a horse. This summary suspension cited laws and rules concerning cruelty to a horse racing at a meeting, general character, and fitness, and conduct detrimental to the best interest of racing, injurious to the character of the turf. The hearing was conducted on June 27<sup>th</sup> and 28<sup>th</sup>. The hearing officer's final report and recommendations were delivered to the commission secretary on July 12<sup>th</sup>, 2017. The hearing officer found that Mr. Sinclair violated commission rules 4105.8C, 4119.7B, and 4119.9A and recommended that Mr. Sinclair's license be suspended for two years. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemptions of New York Public Officer's Law 108.1.

Unidentified Male: The commission duly deliberated and considered this matter and determined upon a six to zero vote to accept the hearing officer's report and recommendation.

Unidentified Male: In the matter of Stephen Foster, on May 18<sup>th</sup>, 2017, the commission issues a notice of hearing to determine whether the license of racing office, Steve S. Foster, should be suspended or revoked and whether he should be fined. The notice of hearing charged Mr. Foster with unlawfully allowing another person access to Nyra computer system, unlawfully aiding the crime of computer trespass, unlawfully accepting bribes to allow another to gain access to Nyra computer system, engaging in conspiracy to commit the crime of computer trespass, failing to report a bribe, and engaging in improper or fraudulent acts or practices in connection with racing. Mr. Foster requested a hearing, which was conducted on June 20<sup>th</sup>, 2017. The hearing officer submitted a report

dated August 6<sup>th</sup>, 2017, recommending that the charge of engaging in improper practices in connection with racing and violation of rule 4042.1f was proven but that the other five charges were not proven. The hearing officer recommended that the applicant's license be suspended for six months and that he be fined one thousand dollars. The commission considered this matter at a meeting conducted pursuant to judicial or quasi-judicial proceedings exemption of New York Public Officer's Law 108.1.

Unidentified Male: The commission duly deliberated and considered this matter and determined in a five to zero vote to modify the hearing officer's recommendations and held it to revoke his license for a period of 10 years before he's eligible to reapply for his license. The fine of one thousand dollars is sustained. Is that clear enough?

Unidentified Male: In the matter of James H. Island, on December 11<sup>th</sup>, the state stewards issued a notice of a 30-day suspension and a fine of fifteen hundred dollars for thoroughbred trainer, James Island, \_\_\_\_\_ [00:17:35] notification from the New York Equine Drug Testing and Research Program of the finding of metacarbamol and \_\_\_\_\_ [00:17:43] in the body fluid sample taken from the horse, Rahe's Bandit, which ran in the fourth race at Belmont Park on June 12<sup>th</sup>, 2016. Further, the horse was disqualified from any part of the purse. Mr. Island requested a hearing, which states the suspension and fine. A hearing was conducted on June 28<sup>th</sup>, 2017. The hearing officer submitted a report dated August 30<sup>th</sup>, 2017 recommending that the applicant's suspension, and fine, and disqualification of the horse be upheld. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of New York Public Officer's Law 108.1.

Unidentified Male: The commission duly deliberated and considered this matter and determined upon a five to zero vote to sustain the hearing of his report and recommendation.

Unidentified Male: In the matter of Brian Whitley, on May 23<sup>rd</sup>, 2017, the Bureau of Licensing denied the application of Brian Whitley for a video lottery non-key gaming license to enable him to perform as a technician for \_\_\_\_\_ [00:18:45], the gaming device vendor at Resort's World, New York. The denial was predicated on his failure to disclose criminal history in connection with his application. The denial cited commission rule 5102.14, which sets forth standards for denial of a video lottery gaming license. Mr. Whitley requested a hearing, which was scheduled for August, 2<sup>nd</sup>, 2017. The applicant failed to appear. The hearing office submitted a report dated August 14<sup>th</sup>, 2017 recommending that the denial of Mr. Whitley's application be upheld. The commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of the New York Public Officer's Law 108.1.



Unidentified Male: The commission duly deliberated and considered this matter and determined upon a five to zero vote to accept the hearing officer's report and recommendations. The next item is old business. Do we have any old business at all? Okay. Hearing now on new business. Anyone have any new business? Okay, I guess the next issue is scheduling of our next meeting. I have tentatively October 23<sup>rd</sup>. If everyone could check their calendars, and Kristen will be contacting everyone to confirm that date. Okay. We're good? That concludes our agenda for the day.

Unidentified Male: Thank you, Mr. Chairman.

Unidentified Male: Thank you.

Unidentified Male: Well done.

[End of Audio]