

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF NOVEMBER 18, 1999

A meeting of the New York State Racing and Wagering Board was held on Thursday, November 18, 1999 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 11:30 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Joseph Neglia, Member

Bennett Liebman, Member

Edward Martin, Executive Director

Nicole Thuillez, Secretary to the Board

Robert Feuerstein, General Counsel

Tom Casaregola, Acting Director of Audits and Investigations

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Nicole Robilotto, NYSR&WB

Steven Bochnak, NYTHA

Scott Goodman, Senator Meier's Office

Heather Bennett, The Bennett Firm

Michael Tighe, Capital OTB

Bill Crowell, Hinman, Straub, etc.

OPEN COMMENT PERIOD: No comments were made.

A. The Board approved the minutes of the Board meeting held on October 21, 1999.

B. ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE CHAIRMAN

1. MONTICELLO RACEWAY REQUEST TO CHANGE POST TIMES IN NOVEMBER

For entry into the minutes, on October 21, 1999, approval was granted for the request by Monticello to move the Wednesday first post time back to 1:05 p.m. from 7:35 p.m. on all Wednesdays during the month of November in 1999.

Whenever permitted under the Racing law, all OTB's and ITW's may display the Monticello Raceway simulcast picture.

2. NYRA REQUEST TO OFFER WAGERING ON PICK-6 POOL

For entry into the minutes, on October 25, 1999, approval was granted for the request by NYRA, dated October 18, 1999, to offer a guaranteed one million dollar pick-six pool on races five through ten from the Oak Tree meeting at Santa Anita on Saturday, October 30, 1999. This designated special event will be a member of the group known as the initial twelve and taxed as such. It is understood that should no participant in this Saturday pick-six pool select all six winners, the net pool will be carried over to Sunday, October 31, 1999.

Also approved is the request to offer a one million-dollar guaranteed pick-six wager on Sunday, November 28, 1999 on the last six races contested at Hollywood Park. This designated special event will be a member of the group known as the subsequent thirty-five and taxed as such. It is understood that should no participant in this Saturday pick-six pool select all six winners, the net pool will be carried over to Wednesday, December 1, 1999.

No wagering on any race on any approved California thoroughbred racing program may occur between 7:30 p.m. and midnight.

3. NEW YORK CITY REQUEST ADDENDUM TO GULFSTREAM PARK CONTRACT

For entry into the minutes, on October 25, 1999, approval was granted for the request by New York City OTB for an addendum to an existing valid contract that the New York City Off-Track Betting Corporation has with the Gulfstream Park Racing Association for the three days of racing during the Breeders Cup festival on November 5, 6 & 7, 1999. Approved were the payment rates on generated pari-mutuel pools for both the supporting races on all three days, November 5th, 6th & 7th, and the eight actual Breeders Cup Races that occur on November 6th.

It is understood that the rate on the wagering generated from the supporting races will be 3.175% for all pari-mutuel pools. The rate on the eight actual Breeders Cup races will be 5.75% on generated regular and multiple pools and 7.75 on the generated exotic pools.

4. MONTICELLO RACEWAY REQUEST FOR UPCOMING 1999 CALENDAR YEAR

For entry into the minutes, on October 28, 1999, approval was granted for the request by Monticello Raceway for the simulcast of the 1999 edition of the Breeders Cup Championship Day into Monticello Raceway on Saturday, November 6, 1999.

Also approved was the importation of the two supporting stakes races on this day and all other races from Gulfstream Park on Friday, November 5th and Sunday, November 7th. On both Friday and Sunday, Gulfstream can only be **one** of the two full card simulcast sites.

5. SARATOGA HARNESS REQUEST TO SIMULCAST BREEDERS CROWN FINALS

For entry into the minutes, on October 28, 1999, approval was granted for the request by Saratoga Harness for approval of the new contract with the Ontario Jockey Club, operator of Mohawk Raceway in Ontario and host to the finals of the 1999 Breeders Crown harness series.

The Saratoga Equine Sports Center will import the simulcast signal and take wagering upon the entire Breeders Crown race card on the night of Friday, October 29, 1999.

6. SARATOGA HARNESS REQUEST TO SIMULCAST GULFSTREAM PARK

For entry into the minutes, on October 28, 1999, approval was granted for the request by Saratoga Harness for the simulcast of the 1999 edition of the Breeders Cup Championship Day into Saratoga Harness on Saturday, November 6, 1999.

Also approved was the importation of the two supporting stakes races on this day and all other races from Gulfstream Park on Friday, November 5th and Sunday,

November 7th. On both Friday and Sunday, Gulfstream can only be **one** of the two full card simulcast sites.

7. FINGER LAKES REQUEST TO SIMULCAST GULFSTREAM PARK

For entry into the minutes, on October 29, 1999, approval was granted for the request by Finger Lakes for the simulcast of the 1999 edition of the Breeders Cup Championship Day into Finger Lakes Racetrack on Saturday, November 6, 1999.

Also approved was the importation of the two supporting stakes races on this day and all other races from Gulfstream Park on Friday, November 5th and Sunday, November 7th.

8. NASSAU OTB REQUEST TO SIMULCAST HAWTHORNE RACECOURSE & DOVER DOWNS

For entry into the minutes, on October 29, 1999, approval was granted for the request by Nassau OTB to import simulcast harness programs from Dover Downs in Delaware through April 26, 2000.

Also approved was the import of the thoroughbred simulcasts from Hawthorne Racecourse in Illinois through the end of their 1999 race meeting. Both simulcasts may be imported and wagering conducted when in accordance with the Racing Law.

This approval extends to Suffolk Regional OTB as well.

9. NEW YORK CITY OTB REQUEST AMENDMENT TO CONTRACT WITH ONTARIO JOCKEY CLUB

For entry into the minutes, on October 29, 1999, approval was granted for the request by New York City OTB for an addendum to the current valid contract that the New York City OTB Corporation has with the Ontario Jockey Club.

The approval enables New York City OTB and all other New York State regional OTB's to receive the simulcasts and take wagering on the series of races known as the Breeders Crown. These races are to be contested at Mohawk Raceway on Friday, October 29, 1999.

10. SARATOGA HARNESS REQUEST TO SIMULCAST BAY MEADOWS

For entry into the minutes, on November 1, 1999, approval was granted for the request by Saratoga Harness for the import of the Bay Meadows simulcast from California.

This imported simulcast will be available under "bridge" conditions. Races from "bridge tracks" may be imported and wagered upon from the conclusion of the final afternoon New York State thoroughbred race (be it NYRA or Finger Lakes) until 7:30 p.m. (Racing Law 1017-a). No race with an advertised post time past the 7:30 p.m. Eastern hour may be imported.

11. BUFFALO RACEWAY REQUEST FOR ALL TRIFECTA WAGERING THROUGH END OF MEET

For entry into the minutes, on November 4, 1999, approval was granted for the request by Buffalo Raceway to offer triple (trifecta) wagering on all qualified races. Such races must have at least six separate wagering interests going postward.

This permission is valid through the end of the 1999 Buffalo Raceway race meeting. The Board, as a part of the Buffalo Raceway track license application for next year, will consider the continued use of expanded triple (trifecta) wagers in the year 2000.

12. BUFFALO RACEWAY REQUEST TO SIMULCAST GULFSTREAM PARK

For entry into the minutes, on November 4, 1999, approval was granted for the request by Buffalo Raceway for the simulcast of the 1999 edition of the Breeders Cup Championship Day into Buffalo Raceway on Saturday, November 6, 1999.

Also approved was the importation of the two supporting stakes races on this day and all other races from Gulfstream Park on Friday, November 5th and Sunday November 7th.

13. VERNON DOWNS REQUEST FOR BREEDERS CUP VOUCHER PROMOTION - 11/6/99

For entry into the minutes, on November 5, 1999, approval was granted for the request by Vernon Downs to have the Breeders Cup simulcast promotion on Saturday, November 6, 1999.

The rights for a voucher for wagering money in the amount of one hundred dollars (\$100.00) will be awarded by random drawing to one customer after each of the eight Championship races on the afternoon's Gulfstream Park Breeders Cup racing card.

14. CAPITAL OTB REQUEST TO SIMULCAST DOVER DOWNS

For entry into the minutes, on November 5, 1999, approval was granted for the request by Capital OTB to import simulcast harness racing programs from Dover Downs in Delaware through April 26, 2000. These simulcasts may be imported

and wagering conducted whenever in accordance with the Racing Law. This approval extends to Catskill and Western Regional OTB's as well.

Catskill Regional OTB has secured its regional track's permission (Monticello) for the right to import Dover Down's simulcasts on Sundays, Mondays, Tuesdays and Wednesdays, pursuant to Section 1016(2)(h) of the Racing Law. On Saturdays, with Monticello Raceway "dark", Catskill's regional track is Yonkers and Catskill is free to accept the Dover Downs simulcast as Yonkers is also importing Dover Downs. On NYRA race days, coinciding with Dover Downs programs however, Catskill is lacking NYRA's permission. Therefore, Catskill may commence Dover Downs simulcasts on Sundays, Wednesdays and Saturdays at 6:00 p.m., Section 1016(2) of the Racing Law.

15. NASSAU OTB REQUEST TO SIMULCAST SAM HOUSTON

For entry into the minutes, on November 5, 1999, approval was granted for the request by Nassau Regional OTB, dated November 1, 1999, to simulcast part of the 1999-2000 thoroughbred meeting from Sam Houston Race Park in Texas.

Although the contract is valid through April 9, 2000, the federally required letters of approval from the Texas Racing Commission and the Texas Horsemen's Partnership, LLP both expire on December 31, 1999. To continue after

December 31, 1999, new valid letters of permission are required.

The approval extends to Suffolk Regional OTB as well. The Sam Houston simulcasts may be imported whenever permitted under the Racing Law.

16. YONKERS RACEWAY REQUEST TO EXPORT SIMULCAST TO LADBROKE AT THE MEADOWS & SCARBOROUGH DOWNS

For entry into the minutes, on November 9, 1999, approval was granted for the request by Yonkers Raceway to export the Yonkers simulcast harness racing programs to Ladbroke at the Meadows in Pennsylvania and to Scarborough Downs in Maine during the entire year of 2000.

17. CAPITAL OTB REQUEST TO SIMULCAST HOLLYWOOD PARK

For entry into the minutes, on November 9, 1999, approval was granted for the request by Capital OTB to approve the "letter of intent", dated November 6, 1999, enabling, Capital, Catskill, Nassau, Suffolk and Western Regional OTB's to simulcast and take wagering on Hollywood Park races. Hollywood Park races are effective on Wednesday, November 10th and conclude on Monday, December 20, 1999. These races may be taken whenever permitted under the Racing Law.

18. BUFFALO RACEWAY REQUEST TO SIMULCAST DOVER DOWNS & WINDSOR RACEWAY

For entry into the minutes, on November 12, 1999, approval was granted for the request by Buffalo Raceway to import simulcasts from Dover Downs in Delaware and from Windsor Raceway in Ontario.

The Dover Downs simulcast imports are approved through April 30, 2000, while the Windsor Raceway simulcasts may continue indefinitely or until one of the conditions in Paragraph eleven (11) of the Buffalo Raceway-Windsor Raceway agreement is invoked.

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

1. IN THE MATTER OF ROLANDO AGOSTO

The Board approved Hearing Officer Donato's recommendation that Mr. Agosto's thoroughbred racing license remain suspended through 1999 and that he be considered for licensing in 2000, provided he submits acceptable proof of satisfactory participation in a substance abuse program, proof of fitness to participate in racing and the submission of a urine sample with negative results prior to relicensing. Mr. Agosto's license was summarily suspended by the Board on October 1, 1999 because he was present on the grounds of Belmont Park on September 24, 1999 while metabolites of the drugs cocaine and marijuana were present in his system, in violation of Board Rule 4043.2 and the Consent to Conditions for Relicensing, dated June 24, 1997.

2. IN THE MATTER OF BASIL ALDRICH

The Board approved Hearing Officer Hoblock's recommendations that Mr. Aldrich be found guilty of the violations of Board Rule 4120.2(b)(6) and 4120.4 based on the presence of furosemide in the horses trained by Mr. Ferraro, and that the fines be waived.

3. DESIGNATION OF EMPLOYEES TO ADMINISTER OATHS AND ISSUE SUBPOENAS

The Board approved the designation of Nicole Thuillez, Secretary to the Board, to administer oaths, examine witnesses and issue subpoenas, pursuant to Section 101(9) of the Racing, Pari-Mutuel Wagering and Breeding Law.

4. REPEAL OF BOARD RULE PROHIBITING RAFFLE OF REAL ESTATE, BONDS & NOTES

The Board approved the proposal of a consensus rulemaking to amend 9 E NYCRR in the following manner:

(1) to allow authorized organizations to conduct raffles in a manner so as to offer and give real estate as a prize, provided there is notification of the tax liabilities associated with the real property; and

(2) to remove the prohibition against the conduct of a raffle which offers and distributes bonds or notes as a prize.

The conduct of such raffles would be subject to the provisions of General Municipal Law Section 189.

The approval for the proposal is conditioned upon provision by the Office of Counsel of an opinion that this amendment is not inconsistent with General Obligations Law Sections 5-415 and 5-417.

5. JOCKEY INJURY COMPENSATION FUND ASSESSMENT FORMULA FOR 2000

The Board, pursuant to Section 213-a of the Racing, Pari-Mutuel Wagering and Breeding Law, approved the New York Jockey Injury Compensation Fund's 2000 assessment formulas as outlined in the proposal dated November 9, 1999.

6. NYRA REQUEST FOR RACING DATES FOR THE YEAR 2000

The Board approved the request for 264 racing programs among the three NYRA racetracks in the year 2000.

Aqueduct Racetrack –

January 1st – March 26th (Winter)

March 29th – May 7th (Spring)

October 25th – December 31st (Fall)

Belmont Park –

May 10th – July 23rd (Spring)

September 8th – October 22nd (Fall)

Saratoga Racecourse –

July 26th – September 4th

7. SYRACUSE MILE REQUEST TO WITHDRAW FROM CIF - \$2,864.23

The Board approved the request by Syracuse Mile to withdraw \$2,864.23 from their Capital Improvement Fund for reimbursement for television, radio, and newspaper advertising and promotional expenditures for 1999.

8. HARNESS HORSE BREEDERS OF NYS – 2000 NYS & COUNTY FAIR EARLY CLOSING EVENTS

The Board approved the request by Harness Horse Breeders of NYS for the conditions and rules for the New York Sire Stakes #41 and the County Fair Early Closing Events for the year 2000. This approval is required by Board Rule 4111.23.

All events are subject to the rules and regulations of the Board.

9. CAPITAL OTB REQUEST TO ADD AN E-Z BET LOCATION IN AMSTERDAM

The Board approved, with Member Liebman abstaining, the Capital District Regional OTB request, dated September 4, 1999, to conduct wagering and display simulcasts at the Crystal Bar in Amsterdam (Montgomery County). At these new EZ Bet locations, all wagering is self-service and initiated using a winning ticket or voucher only. The amount limit in the issuance of any voucher to a customer at any one time will be five hundred dollars (\$500).

In addition, it is expected that Capital OTB, using its own security employees, will occasionally inspect the Crystal Bar EZ Bet Facility and certify that all rules and laws concerning the conduct of wagering in New York State, are being followed. The Board must be notified, in a timely manner, of any change in procedures in the operation of the approved EZ Bet facility.

10. CAPITAL OTB REQUEST TO ADD AN E-Z BET LOCATION IN TROY

The Board approved, with Member Liebman abstaining, the Capital District Regional OTB request, dated September 4, 1999, to conduct wagering and display simulcasts at the South End Tavern in Troy (Rensselaer County). At these new EZ Bet locations, all wagering is self-service and initiated using a winning ticket or voucher only. The amount limit in the issuance of any voucher to a customer at any one time will be five hundred dollars (\$500).

In addition, it is expected that Capital OTB, using its own security employees, will occasionally inspect the South End Tavern EZ Bet Facility and certify that all rules and laws concerning the conduct of wagering in New York State, are being

followed. The Board must be notified, in a timely manner, of any change in procedures in the operation of the approved EZ Bet facility.

The approval for the South End Tavern in Troy is conditioned upon the satisfactory return of Mr. Burke's federal fingerprint card.

11. CAPITAL OTB REQUEST TO ADD AN E-Z BET LOCATION IN JOHNSTOWN

The Board approved, with Member Liebman abstaining, the request by Capital OTB, dated September 10, 1999, to conduct wagering and display simulcasts at the Partner's Pub (Johnstown – Fulton County). At this new EZ Bet location, all wagering is self-service and initiated using a winning ticket or voucher only. The amount limit in the issuance of any voucher to a customer at any one time will be five hundred dollars (\$500).

In addition, it is expected that Capital OTB, using its own security employees, will occasionally inspect the Partner's Pub EZ Bet Facility and certify that all rules and laws concerning the conduct of wagering in New York State, are being followed. The Board must be notified, in a timely manner, of any change in procedures in the operation of the approved EZ Bet facility.

12. BUFFALO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$97,984.23

The Board approved the request by Buffalo Raceway to withdraw \$ 97,984.23 from their Capital Improvement Fund for reimbursement of various capital expenditures incurred by the track.

The approved Buffalo Raceway CIF request consists of:

Backstretch Area

Road Paving	\$62,429.55
Fencing	10,304.00
(4) Catch Basins	<u>1,308.00</u>
Sub-Total	\$74,041.55

Patron Services and Areas

Installation of Television Outlet System &

Security Cameras in Clubhouse	<u>\$23,942.68</u>
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Total Request **\$ 97,984.23**

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. COMPLIANCE WITH STATUTORY MANDATES FOR CHILD SUPPORT

New York State has made statutory changes to strengthen child support enforcement. A critical component of the program to enforce child support obligations is disclosure to occupational licensing agencies of various information, which in turn may be provided to the Department of Social Services. In addition, the Family Court may order the Board to initiate suspensions related to child support delinquency, and applicants not in child support compliance may not receive an occupational license longer than six-months in duration.

The meeting was adjourned at 12:54 p.m.