

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF APRIL 16, 2003

A meeting of the New York State Racing and Wagering Board was held on Wednesday, April 16, 2003 at 11:00 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 11:02 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Cheryl Buley, Member

Ed Martin, Executive Director

Sheila Osterhout, Secretary to the Board

Robert Feuerstein, General Counsel

Gregg Schreffler, Chief of Audits & Investigations

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Denise Poole, NYSR&WB

Jason Wheatley, NYS Senate

Paul D'Onofrio, Monticello Raceway

Tom Precious, Buffalo News/Blood Horse

Charlie Coppola, Coppola, Ryan, McHugh

Bill Crowell, Hinman Straub

OPEN COMMENT PERIOD: None

A. Approve the minutes of the Board meeting held on March 31, 2003.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. FINGER LAKES REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on March 28, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of their simulcast in-state to Monticello Raceway, Saratoga Equine Sports Center (Saratoga Harness) and to the New York City Off-Track Betting Corporation during the year 2003 Finger Lakes live racing season.

* For entry into the minutes, on March 28, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of its simulcast in-state to the Western Regional Off-Track Betting Corporation's ITW located at Batavia Downs and to Mid-State Raceway (Vernon Downs). Also approved is the export of simulcast to Suffolk Regional Off-Track Betting Corporation during the year 2003 Finger Lakes live racing season.

* For entry into the minutes, on April 4, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcasts to racetracks located in the contiguous State of Ohio. The specifically approved export agreements are with the Ohio racetracks known as Beulah Park, Scioto Downs and Lebanon Raceway during the year 2003 live Finger Lakes racing season.

Also approved was the agreement with the New York Racing Association by which NYRA will carry the 2003 Finger Lakes simulcasts on all NYRA live racing dates.

* For entry into the minutes, on April 4, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcasts to the contiguous States of Massachusetts and Ohio.

The specifically approved exports are to the Massachusetts racetracks known as Plainridge Race Course, a harness track, and to Suffolk Downs, a thoroughbred track and its named satellites (OTBs) as listed with the filed agreement. Also approved are the two Ohio racetracks known as River Downs and Northfield Park during the year 2003 live Finger Lakes racing season.

* For entry into the minutes, on April 8, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of its simulcast signals to Raceway Park and its satellite Cedar Downs, both located in the contiguous state of Ohio, during the live 2003 Finger Lakes racing season.

* For entry into the minutes, on April 14, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of simulcasts to Choctaw Racing Services, LLC in Durant, Oklahoma and its listed simulcast affiliates during the 2003 Finger Lakes season, effective immediately.

* For entry into the minutes, on April 15, 2003, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcast in-state to Yonkers Raceway during the year 2003 Finger Lakes Racing season.

2. MONTICELLO RACEWAY REQUEST TO AMEND PLAN OF OPERATION □ CANCEL DATES

For entry into the minutes, on March 28, 2003, approval was granted for the request by Monticello Raceway to amend its plan of operation with the cancellation of two Thursday racing programs.

The dates cancelled are Thursday, April 17th and Thursday, April 24th.

3. MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on March 28, 2003, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the import of simulcasts emanating from the in-state track of Finger Lakes, Delaware Park in Delaware and from Hazel Park, a harness track in Michigan during the year 2003.

The two out-of-state simulcast signals may be utilized whenever in accordance with the Racing Law.

4. YONKERS RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on March 28, 2003, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Scioto Downs in Ohio.

This approval is valid for the entire year 2003 racing season for this harness track.

* For entry into the minutes, on April 8, 2003, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of the harness simulcast signals for the remainder of the year 2003 race meeting conducted at Hoosier Park in Indiana.

5. CATSKILL OTB REQUEST TO SIMULCAST FINGER LAKES

For entry into the minutes, on March 28, 2003, approval was granted for the request by Catskill OTB to amend its simulcast plan of operation enabling the import of the simulcast signal and wagering from the in-state track of Finger Lakes.

The approval of this new two-year agreement is effective immediately.

6. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on March 28, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of the 2003 simulcast-racing program from Hazel Park in Michigan.

This simulcast may be imported and wagering conducted whenever in accordance with the Racing Law. This approval extends to Suffolk Regional OTB as well.

* For entry into the minutes, on April 4, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from the thoroughbred racetracks known as Bay Meadows in California, River Downs in Ohio, Prairie Meadows in Iowa, Lone Star Park in Texas, Keeneland Race Course in Kentucky and the Downs at Albuquerque in New Mexico.

The approval from both consenting California organizations relative to the Bay Meadows meeting extend through June 15th only and new permission letters must be secured from the California Horse Racing Board and the Thoroughbred Owners of California in order to continue with Bay Meadows simulcasts later in the year 2003.

The commission approval from the Texas Racing Commission and from the Texas Horsemen's Partnership, LLP. relative to the Lone Star Park meeting extends through July 13th only and new permission letters must be secured from both in order to continue with Lone Star Park simulcasts later in the year 2003.

The approval from the Kentucky Thoroughbred Association (KTA), relative to the Keeneland Spring meet, extends through June 15th only. New permission letters must be secured from the KTA in order to continue with Keeneland Race Course simulcasts later in the Fall of year 2003.

* For entry into the minutes, on April 8, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of the 2003 simulcast thoroughbred racing programs from Delaware Park in Delaware.

This simulcast may be imported and wagering conducted whenever in accordance with the Racing Law. This approval also extends to Suffolk Regional OTB.

7. NYRA REQUEST TO OFFER PROMOTION

For entry into the minutes, on April 2, 2003, approval was granted for the request by NYRA to amend its plan of operation enabling the implementation of the voucher promotion for Belmont Park on May 10th and June 15th per the submitted rules.

All mailed vouchers eventually returned as "undeliverable" to NYRA are subject to the new security procedure as proposed by NYRA and filed with the Board.

The New York State Racing and Wagering Board reserved the right to audit the results of all voucher promotions.

8. SARATOGA HARNESS REQUEST TO OFFER HANDICAPPING CONTEST □ 4/12/03

For entry into the minutes, on April 3, 2003, approval was granted for the request by Saratoga Harness, dated March 28, 2003, to conduct the Pick Six Survivor Contest on Saturday, April 12, 2003, per the submitted rules.

9. NEW YORK CITY OTB REQUEST TO SIMULCAST FINGER LAKES

For entry into the minutes, on April 3, 2003, approval was granted for the request by New York City OTB to amend its simulcast plan of operation enabling the import of the Finger Lakes in-state simulcast during the year 2003 Finger Lakes live racing season.

10. BUFFALO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on April 4, 2003, approval was granted for the request by Buffalo Raceway to amend its plan of operation enabling the import of thoroughbred simulcasts from the Spring meeting at Keeneland Race Course in Kentucky.

The contract filed with the Board expires on April 25, 2003; therefore, a new contract must be filed prior to the start of the Keeneland Fall meeting in October.

* For entry into the minutes, on April 8, 2003, approval was granted for the request by Buffalo Raceway to amend its simulcast plan of operation enabling the import of thoroughbred simulcasts from Bay Meadows, a thoroughbred racetrack in San Mateo, California. This approval is effective immediately and may be utilized whenever in accordance with the Racing Law.

The federally required letter of permission expresses permission from the California Horse Racing Board through June 15, 2003 only. To continue on this contract with Bay Meadows for any simulcast past June 15, 2003, namely the August 29th to November 2nd meet, a new letter of permission from the California Horse Racing Board must be filed with the Board.

11. VERNON DOWNS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on April 4, 2003, approval was granted for the request by Vernon Downs to amend its simulcast plan of operation enabling the import of simulcasts from Bay Meadows, a racetrack in California, through June 15th and the in-state thoroughbred racetrack of Finger Lakes throughout the year 2003.

To continue with the Fall meet at Bay Meadows, a new permission letter from the California Horse Racing Board must be obtained and forwarded to the Board. This simulcast signals may be utilized whenever in accordance with the Racing Law.

* For entry into the minutes, on April 15, 2003, approval was granted for the request by Vernon Downs to amend its simulcast plan of operation enabling the import of simulcasts from Harrington Raceway in Delaware during the year 2003 and whenever permitted by the Racing Law.

12. CAPITAL OTB REQUEST TO OFFER VOUCHER PROMOTION

For entry into the minutes, on April 4, 2003, approval was granted for the request by Capital OTB for the continuation of the □Fan Appreciation Celebration□ in conjunction with the NCAA basketball □ Teletheater promotion to be conducted on Saturday, April 5th.

Approved is the ability to distribute a single two-dollar (\$2.00) voucher to each customer entering the Albany Teletheater on this Saturday only. Also approved is the giveaway of four one hundred dollar (\$100) vouchers through special drawings also on Saturday, April 5th from random drawing or no fee contests from among the names of the Teletheater attendees.

The Racing and Wagering Board reserved the right to audit the results of all voucher promotions conducted by Capital OTB.

13. CAPITAL OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on April 8, 2003, approval was granted for the request by Capital District Regional OTB, dated April 7, 2003, to award by live television drawing betting vouchers good for wagering on Preakness Day, May 17, 2003 from a random drawing of losing Kentucky Derby tickets per the submitted guidelines.

Also approved is the distribution of vouchers valued at two dollars (\$2) each to all customers at the Albany Teletheater on Kentucky Derby Day, Saturday, May 3rd. This promotion is in conjunction with the first leg of the Triple Crown for three-year old thoroughbred racehorses and the vouchers are valid for this one date only.

The Racing and Wagering Board reserved the right to audit the results of all voucher promotions conducted by Capital District Regional OTB.

14. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on April 14, 2003, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of simulcasts from Bay Meadows in California through June 15, 2003.

To continue on this contract after June 15th, a new letter of permission from the California Horse Racing Board must be secured and filed with the New York State Racing and Wagering Board.

Also approved is the export of the Saratoga Harness simulcasts to Scioto Downs located in the contiguous State of Ohio.

15. YONKERS RACEWAY REQUEST TO CANCEL THURSDAYS IN MAY

For entry into the minutes, on April 14, 2003, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the cancellation of the five scheduled Thursday live racing programs during the month of May 2003.

The Board will be informed as soon as the horse population will enable resumption of Thursday live programs after the last approved cancellation of Thursday, May 29th.

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

1. IN THE MATTER OF KARL BUTTERFIELD

The Board approved Hearing Officer Baller's recommendation that Butterfield should be fined the sum of \$3,000 and expelled from pari-mutuel harness racing in New York State for violation of Board Rules 4119.10, 4120.3, 4120.2, 4120.6 and 4101.24 as the result of events at Monticello Raceway on September 5, 2002.

2. RULE MAKING PROPOSAL □ VETERINARY RECORDKEEPING REQUIREMENTS (4043.10 & 4120.10)

At the November 2002 Board meeting the Board approved a proposed rule making requiring veterinarians to submit written records no later than 24 hours after treatment, or if treatment is within 24 hours, no later than one hour prior to post-time. It was proposed as well to add a requirement for the filing of a written record of veterinary treatment by veterinarians who are not licensed by the Board. The records would be filed no later than one hour before the scheduled race. Sanctions would exist in the event records are not filed.

Upon review of the text of the proposal, GORR has requested that the text be revised to provide specific notice to offending parties of the type of potential disciplinary action they

will face for violating the rule. The Board approved proposed additional language, which will follow the words disciplinary action at the end of sections 4043.10 and 4120.10 as follows: in the form of a suspension and/or fine.

3. CHARITABLE GAMING REVISED REMAINING CHARITABLE GAMING FORMS

The Board approved the submitted five remaining (5) revised charitable gaming forms. The Board granted authority to staff to make non-substantive changes (e.g. spelling, font, spacing).

4. BUFFALO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$27,800

The Board approved Buffalo Raceway's request to withdraw \$27,800.00 from its Capital Improvement Fund.

Other (100%)

Regrade Stone Track \$ 27,800.00

Total Approved Application \$27,800.00

5. MONTICELLO RACEWAY TRACK LICENSE APPLICATION FOR 2003

The Board continued the temporary Monticello Raceway year 2003 track and simulcast license applications until July 1, 2003. The Board will review the physical condition and maintenance of the track premises prior to July 1, 2003.

The licenses are issued contingent upon compliance with the following conditions:

- Conditioning the continued use of Hitachi's, bet mates or other similar devices by providing that no cancellations are allowed to be placed on them.
- Limiting the issuance/use of Hitachi's, bet mates or other similar devices to one per person/betting interest.
- Eliminating any cancellation delay no cancellations after the start of the race.
- The name, address, social security number and date of birth must be obtained from each individual who opens a day account (temporary wagering account) and the account number they have been assigned. Information is to be maintained for three years and made available to Board staff upon request.

6. MONTICELLO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2003

See Board Item number 5.

7. NYRA SIMULCAST LICENSE APPLICATION FOR 2003

The Board deferred the simulcast license for Belmont Park pending receipt of a valid fire inspection by authorities within the locality in which Belmont Park is located. It is understood by the Board that the inspection is scheduled for April 22nd.

8. SUFFOLK OTB REQUEST TO APPOINT NEW VICE PRESIDENT - CASALE

The Board approved the amendment to the plan of operation to reflect the appointment of Mr. Jeffrey A. Casale as Vice-President of the Suffolk County Regional Off-Track Betting Corporation.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. NYRA ☐ STOP BETTING SIGNAL ☐ 04/03-02-B

Beginning on April 12, 2003, NYRA will revert back to a stop betting procedure whereby all off-track and on-track pari-mutuel pools will close upon the opening of the stall doors of the starting gate.

2. NYRA ☐ REPORT ON MUTUEL DEPARTMENT ☐ 02/03-29-B

Report on regulatory review of the New York Racing Association's Mutuel Department and Money Room Operations. A copy of the report was sent to NYRA on October 20, 2002. NYRA responded to the report in writing on February 20, 2003. NYRA's response is incorporated into the report. 3. INDIAN GAMING LICENSING STATISTICS ☐ MARCH 2003 - 04/03-03-E Licensing statistics for March 1, 2002 through March 31, 2003. Also included are the certifications for Turning Stone, Akwesasne and Seneca Niagara.

4. LICENSING ☐ CURRENT LICENSING COUNT AS OF APRIL 2003 - 04/03-10-E

The current racing licensing count as of March 24, 2003 are as follows: total receipts 3487 and total licenses 2606.

5. GAMES OF CHANCE ☐ BINGO REGISTRATION NUMBERS ☐ MARCH/APRIL ☐ 04/03-07-E

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between March 22, 2003 ☐ April 7, 2003.

6. GAMES OF CHANCE ☐ BELL JAR TICKETS ☐ MARCH/APRIL ☐ 04/03-07-E

List of bell jar tickets authorized/denied by the Charitable Gaming Unit between

March 22, 2003 ☐ April 7, 2003.

7. GAMES OF CHANCE LICENSED BINGO & GAMES OF CHANCE SUPPLIERS - MARCH/APRIL - 04/03-07-E

List of manufacturers/suppliers licensed for 2002, by the Charitable Gaming Unit, between February 12, 2003 ☐ March 21, 2003.

The meeting was adjourned at 11:25 a.m.