

## **MINUTES**

### **NEW YORK STATE RACING AND WAGERING BOARD**

#### **MEETING OF JANUARY 16, 2001**

**A meeting of the New York State Racing and Wagering Board was held on Tuesday, January 16, 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 11:35 a.m.**

**In Attendance Were:**

**Michael J. Hoblock, Jr., Chairman**

**Joseph Neglia, Member**

**Cheryl Buley, Member**

**Ed Martin, Executive Director**

**Maureen L. McGrath, Secretary to the Board**

**Robert Feuerstein, General Counsel**

**Tom Casaregola, Director of Audits and Investigations**

**Joe Lynch, Chief of Racing Operations**

**Also in Attendance Were:**

**Dianne Landor, NYSR&WB**

**Stacy Walker, NYSR&WB**

**Patrick J. Bombardo, Vernon Downs**

**James P. Calligan, The Bennett Firm**

**Michael Tighe, Capital OTB**

**Bill Crowell, Hinman, Straub, Pigors & Manning, PC**

**Dan Wray, NYC OTB**

**OPEN COMMENT PERIOD: Pat Bombardo from Vernon Downs discussed the requirements needed for Vernon to get their track license application approved and stated that Vernon will do whatever they need to get the license approved. He stated that the Breeders Fund monies owed has been paid as well as fingerprints for required employees. In order to get the financial backing needed, they need to obtain the track license. Chairman Hoblock stated that staff will work with Vernon in order to quickly address the situation.**

**A. The Board approved the minutes of the Board meeting held on December 20, 2000.**

**B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.**

**1. FINGER LAKES REQUEST FOR SIMULCAST LOCATIONS FOR YEAR 2001**

**For entry into the minutes, on December 26, 2000, approval was granted for the request by Finger Lakes to change their simulcast plan of operation allowing the import of simulcast signals from Santa Anita Racecourse in California beginning December 26, 2000 and continuing into the year 2001 and the Maryland Jockey Club racetracks of Laurel Racecourse and Pimlico Racecourse in Maryland in 2001. All simulcast signals may be utilized whenever permitted under the Racing Law.**

**The above approval of the Maryland Jockey Club racetracks of Pimlico and Laurel have letters of permission from their horsemen valid through June 30, 2001 only. Should Finger Lakes desire to import either of these simulcast signals at the conclusion of the live Finger Lakes season, but before December 31, 2001, new Maryland Thoroughbred Horsemen' s Association permission letters must be filed with the Board.**

**\* For entry into the minutes, on December 29, 2000, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation allowing the import of simulcast signals from Gulfstream Park in Florida beginning January 3, 2001.**

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

**\* For entry into the minutes, on December 29, 2000, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation allowing the import of simulcast signals from Philadelphia Park in Pennsylvania.**

**This approval is valid throughout the year 2001.**

\* For entry into the minutes, on January 9, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation allowing the import of simulcast signals from Tampa Bay Downs in Florida effective immediately.

This approval will continue through May 6, 2001 whenever permitted under the Racing Law.

## **2. VERNON DOWNS REQUEST TO OFFER PROMOTION**

For entry into the minutes, on December 29, 2000, approval was granted for the request by Vernon Downs to conduct a year 2000 "Meadowlands Opening Weekend Special" promotion on the evenings of Friday, December 29<sup>th</sup> and Saturday, December 30<sup>th</sup> over which eight \$25.00 vouchers will be distributed.

The approved promotion involves drawing one winning name at random on four occasions during each evening and awarding each winner a voucher valid for twenty-five dollars (\$25.00) in wagering.

Vernon Downs is not charging its customers any fee whatsoever to participate in this promotion.

## **3. YONKERS RACEWAY REQUEST FOR SIMULCAST LOCATIONS FOR THE YEAR 2001**

For entry into the minutes, on December 29, 2000, approval was granted for the request by Yonkers Raceway to amend their simulcast plan of operation enabling the import of The Meadows harness simulcast signal from Pennsylvania.

This approval is valid throughout the entire year of 2001.

\* For entry into the minutes, on January 3, 2001, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of in-state simulcasts from Saratoga Harness and the export of the Yonkers Raceway simulcasts to Saratoga Harness. Also approved were the importation of the Northville Downs (Michigan) harness simulcasts and the export of the Yonkers Raceway simulcast signal to eight casino-resorts in Atlantic City, New Jersey, a contiguous state.

The Board further acknowledges receipt of contracts to export the Yonkers Raceway simulcasts to Thistledown, Ocean Downs, Rosecroft Raceway, LVDC, Northville Downs and Beulah Park during the year 2001. All of these simulcasts are approved under the Board's policy of a simulcast licensee filing a monthly list of racetracks and simulcast centers, along with the rate charged, when such racetracks and centers are continuing customers and are located out-of-state when such state is NOT a contiguous state.

\* For entry into the minutes, on January 5, 2001, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcast signals from Maywood Park and Balmoral in Illinois. These simulcasts may be imported whenever in accordance with the Racing Law.

Further approved was the year 2001 extension to a contract with Autotote Enterprises, Inc., operators of the off-track betting system in the State of Connecticut. These approvals are valid throughout the entire year of 2001.

In conjunction with the Board's policy of the blanket approval of export inter-state simulcast signals to non-contiguous states, with the licensee agreeing to file monthly reports of simulcast signal destinations and rates charged, the Board has approved agreements providing for the export of Yonkers Raceway simulcasts to Saginaw Raceway in Michigan and the Downs at Albuquerque in New Mexico.

#### **4. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS FOR 2001**

For entry into the minutes, on December 29, 2000, approval was granted for the request by Nassau OTB, dated December 26, 2000, to amend their simulcast plan of enabling the importation of simulcasts from the year 2001 thoroughbred race meetings conducted at Philadelphia Park in Bensalem, Pennsylvania.

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

\* For entry into the minutes, on January 3, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the importation of simulcast signals and to conduct wagering on the harness tracks of Balmoral and Maywood in Illinois, Northfield Park in Ohio (partial year), The Meadows in Pennsylvania, Northville Downs in Michigan, Mohawk and Woodbine Harness in Ontario, the thoroughbred race tracks of Golden Gate Fields in California, Laurel Park in Maryland (partial year), and Turfway Park in Kentucky (partial year). These simulcast signals may be utilized whenever permitted under the Racing Law.

Horsemen's approvals at Turfway Park in Kentucky are valid through the completion of its Winter-Spring race meeting at Northfield Park in Ohio and at Laurel Racecourse in Maryland through June 30, 2001. To continue importing simulcasts from these racetracks after the stated dates above, new letters of permission from their respective horsemen's organizations must be filed with the Board.

These approvals extend to the Suffolk Regional Off-Track Betting Corporation.

\* For entry into the minutes, on January 5, 2001, approval was granted for the request by Nassau Regional OTB, dated December 29, 2000, to amend their simulcast plan of operation enabling the importation of simulcasts from Suffolk Downs through April 1, 2000, as stipulated in the permission letter from the New England Division of the Horsemen's Benevolent and Protective Association, the racetracks representative horsemen's association.

To continue past April 1<sup>st</sup> with the Suffolk Downs simulcasts, a new permission letter from the representative horsemen's association must be filed with the Board.

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

\* For entry into the minutes, on January 8, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the importation of simulcasts from Tampa Bay Downs in Florida effective immediately.

This approval will continue through May 6, 2001 whenever permitted under the Racing Law. This approval also extends to Suffolk Regional OTB.

#### **5. MONTICELLO RACEWAY LIST OF SIMULCAST LOCATIONS FOR 2001**

For entry into the minutes, on January 3, 2001, approval was granted for the request by Monticello Raceway to amend its plan of operation to import simulcasts and to conduct wagering on the harness tracks of Balmoral and Maywood in Illinois; The Meadowlands, Pocono Downs and The Meadows in Pennsylvania; Northville Downs in Michigan; the thoroughbred race tracks of NYRA, Santa Anita in California, Laurel Park & Pimlico Racecourse in Maryland (partial year), Gulfstream Park in Florida, Monmouth Park in New Jersey, Penn National in Pennsylvania and the Charles Town Races in West Virginia. These simulcast signals may be utilized whenever permitted under the Racing Law.

The horsemen's approvals at the Maryland Jockey Club racetracks are valid only through June 30, 2001 and the Maryland Commission permission letter expires after March 25, 2001. To continue importing simulcasts from these racetracks after June 30, 2001 and March 25, 2001, new letters of permission must be filed with the Board.

\* For entry into the minutes, on January 5, 2001, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the import of simulcasts from Golden Gate Fields, a thoroughbred racetrack in California, effective immediately. This approval is valid through January 15, 2001. These simulcasts may be imported whenever permitted under the Racing Law.

**On file with the Board are an approval letter from the California Horse Racing Board through April 1, 2001 and a permission letter from the Thoroughbred Owners of California (TOC) that expires on January 15, 2001.**

**\* For entry into the minutes, also on January 5, 2001, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the import of simulcasts from Lebanon Raceway in Ohio throughout the year 2001.**

**Also approved was the agreement with SPW, Inc. (a New York entity), allowing the export of the year 2001 Monticello Raceway simulcast signal to licensed racing services and off-track betting facilities located in Antigua & Barbuda, Aruba, The Bahamas, Barbados, Bermuda, Belize, Curacao, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St. Lucia, St. Maarten, St. Kitts & Nevis, St. Vincent, Trinidad & Tobago. As per the submitted one-month agreement, this contract is approved through February 7, 2001.**

**6. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS FOR 2001**

**For entry into the minutes, on January 3, 2001, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operations enabling the importation of simulcast signals with resultant wagering from the New York Racing Association (NYRA) race tracks, the Ontario Jockey Club harness race tracks, operator of Woodbine International Racecourse and Mohawk Raceway in Ontario, the Los Angeles Turf Club thoroughbred race track known as Santa Anita and The Meadows, a harness race track in Western Pennsylvania. This approval allows the import of these approved simulcasts effective immediately.**

**All approved simulcasts may be utilized whenever in accordance with the Racing Law.**

**\* For entry into the minutes, on January 5, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the import of the Gulfstream Park (Florida) thoroughbred simulcast. This approval is effective immediately.**

**7. NYRA REQUEST TO ADD RACING OFFICIAL - SAVARESE**

**For entry into the minutes, on January 5, 2001, approval was granted for the request by NYRA to appoint Dr. Paul Savarese to a position as one of the Association's examining veterinarians.**

**This approval is in compliance with Board Rule 4005.1.**

**8. SARATOGA HARNESS REQUEST TO EXPORT SIMULCAST TO VARIOUS LOCATIONS FOR 2001**

For entry into the minutes, on January 5, 2001, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the export of simulcast signals from Saratoga Harness to Ladbroke at the Meadows and its satellite facilities including Ladbroke - New Castle in New Castle, Pennsylvania; Ladbroke Moon Twp., in Coraopolis, Pennsylvania; Ladbroke Call-A-Bet in Meadowlands, Pennsylvania; the Ladbroke Network daily 12-hour live racing show on most western Pennsylvania cable systems and to selected home decoder users. Agreements providing for the export of the Saratoga Harness simulcasts to the New Jersey Sports and Exhibition Authority racetracks of The Meadowlands and Monmouth Park and the Pennsylvania harness racetrack known as Pocono Downs were also approved.

In conjunction with the Board's policy of approving exported inter-state simulcast signals to non-contiguous states, the Board has approved agreements providing for the continued export of Saratoga Harness simulcasts to Pompano Park in Florida, Hinsdale Greyhound Park in New Hampshire, Scarborough Downs in Maine and Northfield Park and Thistledown in Ohio during the year 2001.

These approvals are effective immediately.

**9. FINGER LAKES REQUEST TO CONDUCT HANDICAPPING CONTEST**

For entry into the minutes, on January 8, 2001, approval was granted for the request by Finger Lakes, dated January 5, 2001, to conduct a \$2,500 Simulcast Handicapping Challenge on the consecutive weekends of January 13 & 14 and January 20 & 21, 2001, as outlined in the official rules and regulations submitted to the Board.

**10. NYRA REQUEST TO APPOINT RACING OFFICIAL - FISCHL**

For entry into the minutes, on January 9, 2001, approval was granted for the request by NYRA to appoint Dr. Marla J. Fischl to a position as one of the Association's examining veterinarians.

This approval is in compliance with Board Rule 4005.1.

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

**1. IN THE MATTER OF AUBURN LOYAL ORDER OF MOOSE LODGE #1419**

The Board approved the recommendation of Hearing Officer Ritchko-Buley that the suspension of the games of chance identification number remain in effect until such time as the Board determines, after a showing of affirmative proof by the Lodge, that the Lodge has donated \$18,066.00 to worthy causes in satisfaction of its 1997 & 1998 obligations described.

**2. IN THE MATTER OF WADE BIRNBAUM**

The Board approved the recommendation of Hearing Officer Hoblock that Mr. Birnbaum's license remain suspended and no license privileges be extended until such time as he submits acceptable proof of satisfactory completion of a substance abuse program, and of his fitness to participate in racing, including his submission to Board representatives of urine specimens that test negative for unlawful drugs.

**3. IN THE MATTER OF JOSEPH NASSIMOS**

The Board approved the recommendation of Hearing Officer Brittell that the decision of the Presiding Judge at Vernon Downs, which suspended the license of Mr. Nassimos for 8 days for interference in violation of Board Rule 4117.1(b) in the third race on August 31, 2000, be confirmed.

**4. IN THE MATTER OF JOSEPH OMBONI, JR.**

The Board approved the recommendation of Hearing Officer Brittell that the \$250 fine imposed by the Presiding Judge at Yonkers Raceway on September 30, 2000 for failure to honor the declaration of MIDNIGHT ISLAND in the 1st race (Rule 4113.13), be confirmed.

**5. IN THE MATTER OF STEPHEN PETRE**

The Board approved the recommendation of Hearing Officer Hoblock that the harness racing license of Stephen Petre as a groom be revoked for violation of Board Rule 4119.11 in that on November 16, 2000 he tested positive for the controlled substance of cocaine.

**6. IN THE MATTER OF THE APPLICATION TO REOPEN THE CLAIM OF "MY BELLE"**

The Board denied the application to reopen the September 15, 1999 Findings and Order of the NYS Racing & Wagering Board in the Matter of the Claim of "My Belle".



**7. PROPOSED REGULATIONS FOR ELECTRONIC BINGO AIDS**

The Board approved the proposed regulations for the distribution and use of electronic bingo aids in New York State. These proposed regulations will be submitted to the Governor's Office of Regulatory Reform.

**8. FINGER LAKES REQUEST FOR ADDITIONAL RACING DATES IN 2001**

The Board approved the Finger Lakes Racing Association request to add an additional eighteen (18) dates to its approved schedule of racing days for the year 2001. The new total of scheduled racing dates during the year 2001 will now be 169 programs.

Approved were the following dates: a new opening day program on Friday, April 20<sup>th</sup> (one day earlier than previously scheduled); Sunday, May 6<sup>th</sup>; the four Sundays in October, the 7<sup>th</sup>, 14<sup>th</sup>, 21<sup>st</sup>, & 28<sup>th</sup>; the four Sundays in November, the 4<sup>th</sup>, 14<sup>th</sup>, 21<sup>st</sup> & 28<sup>th</sup>; and the December dates of the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup>, 9<sup>th</sup>, 10<sup>th</sup> & 11<sup>th</sup>.

**9. FINGER LAKES REQUEST TO WITHDRAW FROM CIF - \$17,766.36**

The Board approved Finger Lakes' request to withdraw \$17,766.36 from its Capital Improvement Fund.

**10. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$14,070.41**

The Board approved the Monticello request to withdraw \$14,070.14 from its Capital Improvement Fund.

**11. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$20,364.91**

The Board approved \$19,964.91 of the Monticello request to withdraw \$20,364.91 from its Capital Improvement Fund. In addition, the Board denied reimbursement of check number 4453 for \$300.00. The check was made payable to cash and had no supporting invoice. The Board also denied \$100.00 for a donation. In this case, the donation does not seem to have any promotional or advertising value.

**12. SARATOGA HARNESS REQUEST TO WITHDRAW FROM CIF - \$84,326.78**

The Board approved Saratoga Raceway's request to withdraw \$84,326.78 from its Capital Improvement Fund for reimbursement of capital improvement (\$62,588.90) and advertising and promotion (\$21,737.88) expenditures.

**13. SYRACUSE MILE TRACK LICENSE APPLICATION FOR 2001**

**The Board approved the track license application for the Syracuse Mile necessary for conducting live harness racing on August 4, 5, 10, 11 & 12 of 2001.**

**14. VERNON DOWNS TRACK LICENSE APPLICATION FOR 2001**

**The Board deferred action on Mid-State Raceway, Inc.'s applications for a year 2001 Track License and a year 2001 Simulcast License.**

**These license application deferrals result from the following:**

- **Non fulfillment of the statutory requirement to forward financial payments due the harness and thoroughbred breeding funds in a timely manner.**
- **Concern with the legal ownership of the on-site hotel in which pari-mutuel wagering is conducted. Submission of the "signed closing papers" could clear up this matter.**
- **Copy of up-to-date fire inspection and evacuation plan be forwarded to Board.**

**Both license applications will again be considered at the regularly scheduled February 2001 Board meeting after review and discussion of the above concerns, unless resolved earlier and considered at a Special Board Meeting.**

**The Chairman stated a time limit for ratification of pending matters would be discussed at the next Board meeting if still unresolved.**

**15. VERNON DOWNS SIMULCAST LICENSE APPLICATION FOR 2001**

**See Board Item number 14.**

**16. YONKERS RACEWAY TRACK LICENSE APPLICATION FOR 2001**

**The Board approved the year 2001 track license application from Yonkers Raceway and a waiver of Board Rule 4118.1(b). This license is valid through December 31, 2001.**

**17. YONKERS RACEWAY SIMULCAST LICENSE APPLICATION FOR 2001**

**The Board approved the year 2001 simulcast license application from Yonkers Raceway. This license is valid through December 31, 2001.**

**18. CAPITAL OTB REQUEST FOR ISSUANCE OF BONDS**

The Board deferred the request by Capital OTB for the issuance of bonds for the purchase of the Capital OTB Teletheater located at 711 Central Avenue in Albany, with delegation of authority to the Chairman to approve upon receipt of the approval from the Office of the State Comptroller.

**19. NASSAU OTB SIMULCAST LICENSE APPLICATION FOR 2001**

The Board deferred the application for the Nassau OTB simulcast licenses for the calendar year 2001.

This deferral of application to the next Board meeting, scheduled for February 14, 2001, was necessitated by the failure to provide the Racing and Wagering Board with the required monthly and daily financial reports. As of January 16, 2001, daily reports through January 12, 2001 and monthly reports through November 2000 were due.

**20. SUFFOLK OTB REQUEST FOR APPOINTMENT OF NEW BOARD MEMBER - TOOMEY**

The Board deferred the request by Suffolk OTB to appoint Mr. Toomey as a new Board director pending the satisfactory return of the State and Federal fingerprint reports.

**21. TAX AND FINANCE CERTIFICATION OF YEAR 2000 RACING DATES**

The Board approved certification that the racing associations have conducted at least 90% of the programs or races so conducted during the 1985 or 1986 racing years for the prescribed tax rate or their conduct was excused pursuant to Racing, Pari-Mutuel & Breeding Law Sections 228(3)(b)(ii) and 318(5)(b)(ii).

**22. REQUEST TO EXTEND PERIOD OF TIME OTB'S HAVE TO ISSUE MONTHLY REPORTS**

The Board approved an extension for the filing of monthly reports by the Off-Track Betting corporations. This action will allow OTB corporations to file monthly reports 45 days after the end of each month. This will remain in effect through the end of the 2001 calendar year.

Section 524(3) of the Racing, Pari-Mutuel Wagering and Breeding Law requires the OTB corporations to submit monthly reports fifteen days after the end of each month. Further, Section 524(4) of the Racing Law allows that the Racing and Wagering Board "may for good cause shown, grant a reasonable extension of time for the filing of any such report." The Board

**believes that the providing of accurate and updated information is essential for a proper review of the monthly reports submitted by the OTB corporations.**

**E. ITEMS FOR BOARD INFORMATION/DISCUSSION**

**1. YONKERS RACEWAY ANNUAL CIF INSPECTION - 12/00-32-E**

**On 12/5/00 Board staff conducted their annual CIF inspection of Yonkers Raceway.**

**2. TURNING STONE CASINO INDEPENDENT AUDITORS REPORT - 01/01-09-E**

**Independent Auditor's report on the financial statements and internal controls of the Turning Stone Casino for Fiscal Year 2000.**

**The meeting was adjourned at 12:55 p.m.**