

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF JANUARY 19, 2006

A meeting of the New York State Racing and Wagering Board was held on Thursday, January 19, 2006 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 11:00 a.m.

In Attendance Were:

Cheryl Buley, Acting Chairwoman

Michael J. Hoblock, Jr., Member

John Cansdale, Executive Director

Gail Pronti, Secretary to the Board

Robert Feuerstein, General Counsel

Thomas Casaregola, Director of Audits & Investigations

Joseph Lynch, Chief of Racing Operations

Also in Attendance Were:

Vivian Davis, NYSR&WB

Daniel Toomey, NYSR&WB

Kristen Buckley, NYSR&WB

James Kellogg, NYSR&WB

Kevin Molloy, Suffolk OTB

Paul D'Onofrio, Monticello Raceway

Jason Wheatley, Suffolk OTB

Dan Wray, NYC OTB

Bill Crowell, Hinman Straub

OPEN COMMENT PERIOD: None.

A. The Board approved the minutes of the Board meeting held on December 28, 2005.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. FINGER LAKES RACE TRACK – REQUEST TO SIMULCAST VARIOUS LOCATIONS

For entry into the minutes on December 19, 2005, the New York State Racing and Wagering Board approved an amendment to the Finger Lakes simulcast plan of operation enabling the import of the simulcast signal from Santa Anita through April 23, 2006.

2. For entry into the minutes on December 19, 2005, the New York State Racing and Wagering Board approved an amendment to the Finger Lakes simulcast plan of operation enabling the import of the simulcast signal from Philadelphia Park through the 2006 calendar year beginning January 1st.

3. For entry into the minutes on December 23, 2005, the New York State Racing and Wagering Board approved the Finger Lakes request to import simulcast thoroughbred racing programs from Beulah Park in Grove City, Ohio through an addendum that extends the terms of the current contract through December 22, 2006.

4. For entry into the minutes on December 23, 2005, the New York State Racing and Wagering Board approved the Finger Lakes request to import simulcast thoroughbred racing programs from the lone 2006 Gulfstream Park meet.

This simulcast may be imported and wagering conducted whenever in accordance with the Racing Law.

5. For entry into the minutes on January 3, 2006, the New York State Racing and Wagering Board officially approved the verbal confirmation of the amendment to the Finger Lakes simulcast plan of operation enabling Finger Lakes to import the simulcast signals and conduct wagering on January 1st & 2nd, 2006 from the Hawthorne Park (Illinois) race meeting. It is understood that the simulcasts of the above named racing program will be utilized as imported simulcasts only as permitted under the Racing Law.

6. For entry into the minutes on January 4, 2006, the New York State Racing and Wagering Board approved the Finger Lakes' request to import simulcast thoroughbred racing programs from the Maryland Jockey Club operating racetrack – Laurel Park through April 16, 2006, a date that coincides with the letter of permission from the State of Maryland Division of Labor, Licensing and Regulation.

This simulcast may be imported and wagering conducted whenever in accordance with the Racing Law.

7. **FINGER LAKES RACE TRACK – REQUEST TO SIMULCAST VARIOUS LOCATIONS (contd.)**

For entry into the minutes on January 5, 2006, the New York State Racing and Wagering Board approved the amendment to the Finger Lakes simulcast plan of operation enabling Finger Lakes to import the simulcast signals and conduct wagering through April 6, 2006 from the Turfway Park (Kentucky) race meeting. The date of April 6 coincides with the date on the letter of permission on file from the Kentucky Racing Authority and the Kentucky Thoroughbred Owners and Breeders, Inc.

To continue on this contract past April 6, 2006, new federally required letters of permission from the Kentucky Horse Racing Authority and the Kentucky Owners and Breeders, Inc. must be filed with the Board. It is understood that the simulcasts of Turfway Park will be utilized as imported simulcasts only as permitted under the Racing Law.

8. **MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS**
For entry into the minutes on December 19, 2005, the New York State Racing and Wagering Board approved an amendment to the Monticello simulcast plan of operation enabling the import of the simulcast signal from Philadelphia Park through the 2006 calendar year.

9. For entry into the minutes on December 19, 2005, the New York State Racing and Wagering Board approved the Monticello Raceway request to import simulcast thoroughbred racing programs from the lone 2006 Gulfstream Park meeting and from Turfway Park in Florence, Kentucky through their initial 2005 race meeting to coincide with the current federally required letters of permission issued by the Kentucky horsemen's association. The Turfway Park horsemen's letter expresses simulcast permission through April 6, 2006.

To continue past April 6, 2006 with Turfway Park simulcast, a new federally required letter of permission from the duly representative horsemen's organizations at Turfway Park must be filed with the Board.

These simulcasts may be imported and wagering conducted whenever in accordance with the Racing Law.

10. For entry into the minutes on December 27, 2005, the New York State Racing and Wagering Board approved an amendment to the Monticello Raceway simulcast plan of operation enabling the import of the simulcast signal from Santa Anita through April 23, 2006.

11. For entry into the minutes on December 28, 2005, the New York State Racing and Wagering Board approved the amendment to the Monticello Raceway simulcast plan of operation enabling the continued import of the simulcasts from Aqueduct Race Track, one of the three New York Racing Association (NYRA) operated racetracks, during the initial three months of the Aqueduct Race Track first 2006 racing meet.

12. **MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS (contd.)**

For entry into the minutes on January 3, 2006, the New York State Racing and Wagering Board approved Monticello Raceway's request to amend its simulcast plan of operation by addendum enabling the continued import of the simulcast signals from the racetracks owned by Penn National, Inc. that include Penn National in Pennsylvania and The Charles Town Races in West Virginia. This approval is good through February 28, 2006, the date listed on the addendum.

13. For entry into the minutes on January 5, 2006, the New York State Racing and Wagering Board approved the request change in Monticello Raceway's plan of operation enabling the import of the year 2006 harness simulcasts from Lebanon Raceway in Kentucky through December 31, 2006. This simulcast may be utilized whenever in compliance with the Racing Law.

14. For entry into the minutes on January 5, 2006, the New York State Racing and Wagering Board approved an amendment to the Monticello Raceway's simulcast plan of operation enabling the import of the simulcast signals from the Maryland Jockey Club – Laurel Park simulcasts through April 16, 2006 to coincide with the length of the Maryland Racing Commission approval; the Delta Downs simulcasts through the end of its initial 2006 race meeting scheduled to conclude on March 16; the Bay Meadows meeting through February 5 to coincide with the federally required letters of permission for this interstate simulcast to occur; and the addendum to the New Jersey Sports and Exhibition Authority contract providing for simulcasts to Monticello from Monmouth Park and The Meadowlands during 2006.

Also approved is the agreement for the new Monticello Raceway export to Delaware Park during 2006.

15. **NASSAU DOWNS REGIONAL OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS**

For entry into the minutes on December 19, 2005, the New York State Racing and Wagering Board approved the amendment to the Nassau Regional OTB simulcast plan of operation enabling the importation of simulcasts from the year 2005 initial race meeting conducted at Beulah Park in Ohio through May 6th, 2006 ONLY.

This simulcast may be imported whenever permitted under the Racing Law. To continue with the Beulah Park simulcasts later in 2006, a new federally required simulcast permission letter from the representative horsemen's association must be filed with the Board.

This approval further extends to Suffolk Regional OTB.

16. **NEW YORK CITY OTB - REQUEST TO SIMULCAST VARIOUS LOCATIONS**

For entry into the minutes on January 5, 2006, the New York State Racing and Wagering Board approved an amendment to the NYCOTB simulcast plan of operation by approving the extension by letter/contract between the New York City Off-Track Betting Corporation and the Meadowlands. This approval is specific for the two “harness” race meetings during year 2006. A new letter of permission from the representative “thoroughbred” horsemen’s association must be filed with the Board before NYCOTB receives thoroughbred simulcasts from New Jersey in 2006.

This approval also extends to the Capital, Catskill, Nassau, Suffolk and Western Regional Off-Track Betting Corporations.

17. **SARATOGA HARNESS - REQUEST TO SIMULCAST VARIOUS LOCATIONS**

For entry into the minutes on December 23, 2005, the New York State Racing and Wagering Board approved an amendment to the Saratoga Gaming and Raceway simulcast plan of operation enabling the continued import of the thoroughbred simulcast signals from the thoroughbred racetrack known as Beulah Park in Grove City, Ohio through May 6th and Sunland Park in New Mexico through all of its 2006 race meetings. These simulcasts may be utilized whenever in compliance with the Racing Law.

To continue with the Beulah Park simulcasts for their scheduled Fall meeting that is to begin on October 6, 2006, a new federally required letter of permission from the representative Ohio State Racing Commission and Horsemen’s Organizations in relation to Beulah Park interstate simulcast must be filed with the Board.

18. **WESTERN REGIONAL OTB - REQUEST TO SIMULCAST VARIOUS LOCATIONS**

For entry into the minutes on January 5, 2006, the New York State Racing and Wagering Board approved the amendment to the Western Regional Off-Track Betting Corporation’s plan of operation/promotions allowing for handicapping contests to be conducted at various Western OTB branches during the period of February 12 through April 2, 2006 per the submitted rules.

C. ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE BOARD

1. **EMERGENCY ADOPTION – 3cc LASIX ADMINISTRATION RULE**

For entry into the minutes on December 23, 2005, the NYS Racing and Wagering Board approved the Notice of Emergency Rulemaking for the 3cc Lasix Administration Rule (Board Rules 4043.2 and 4120.2).

This rule became effective upon submission to the Department of State on December 23, 2005, and expired on January 4, 2006. The new Equine Medication Rule, which the Board adopted on December 15, 2005, includes the 3cc Lasix component of this rule. The Equine

Medication Rule went into effect on January 4, 2006, when it was published in the State Register.

This rulemaking will span the gap between the December 22, 2005 expiration date of the previous 3cc Lasix emergency rulemaking, and the January 4, 2006 adoption date for the Equine Medication rule.

2. **PROPOSED – HARNESS GRAND SLAM RULE**

For entry into the minutes on December 29, 2005, the NYS Racing and Wagering Board approved the submission to the Department of State of the Consensus Rulemaking to authorize Grand Slam wagering in harness racing. This rulemaking would renumber Section 4122.48 of Title 9 NYCRR as 4122.49 and add new Section 4122.48.

This is the harness counterpart to the adopted Grand Slam wager rule for thoroughbred racing.

The Board previously approved this proposal as a Proposed Rulemaking on July 22, 2005. This replaces that proposal because the Governor's Office of Regulatory Reform indicated that the Grand Slam Wager could be submitted as consensus rulemaking insofar as it was a technical amendment to an existing Pick Four rule.

3. **NYRA – REQUEST FOR APPROVAL OF RACING OFFICIALS FOR THE YEAR 2006**

For entry into the minutes on December 30, 2005, the New York State Racing and Wagering Board approved the NYRA request for approval of 18 of the 24 officials and employees, listed as belonging in Categories I, II, or III, to perform duties at the New York Racing Association's tracks during the 2006 racing season.

Conditionally approved were 6 additional officials and employees listed as belonging in Categories I, II, or III to perform duties at the New York Racing Association's tracks through January 31, 2006. The Board instructed the New York Racing Association to direct the individuals listed below to provide the Board with the necessary documentation to resolve their financial issues no later than January 26, 2006.

Brauilto Baeza, Jr.
Dr. Judson Butler
Jose Morales
Michael Muzio
Trinity Nemeti
William Nemeti

These full and conditional approvals are in compliance with Board Rule 4005.1

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

1. IN THE MATTER OF CLIVE BEECH

The New York State Racing and Wagering Board upheld Hearing Officer Russell H. Baller, Jr.'s recommendation that Jockey Clive Beech's license be suspended for fifteen (15) days for interference during the ninth race on August 12, 2005, in violation of Board Rule 4035.2.

2. IN THE MATTER OF KAWANNA COFFIE

The New York State Racing and Wagering Board upheld Hearing Officer Russell H. Baller, Jr.'s recommendation that thoroughbred mutuel clerk Kawanna Coffie's license be revoked based on events which involved betting while on duty, including misappropriation of funds from the New York Racing Association and related criminal charges.

3. IN THE MATTER OF FRANK MONTROSE

The New York State Racing and Wagering Board upheld the finding that thoroughbred general services licensee Frank Montrose had committed an act of gross disrespect toward the Board's investigator and an agent of the Thoroughbred Racing Protective Bureau at Finger Lakes Race Track, but reduced the fine from \$500 to \$50 upon a finding that the \$500 fine was disproportionate under the facts and circumstances.

4. IN THE MATTER OF MICHAEL STEELE

The New York State Racing and Wagering Board upheld Hearing Officer Russell H. Baller, Jr.'s recommendation that thoroughbred mutuel clerk Michael Steele's license be revoked based on events which involved betting while on duty, including misappropriation of funds from the New York Racing Association and related criminal charges.

5. CAPITAL OTB SIMULCAST LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board deferred action on the Capital District Regional Off-Track Betting Corporation's simulcast license application for 2006 pending:

- Receipt of copies of the actual inspection or a letter from the appropriate local official stating that a fire inspection was actually performed at the five remaining branches and that there were no violations.
- Verification of compliance with the Board directive on bet cancellations and with the policy that no cancellations are permitted after the start of a race.

The Board will consider further action at the next Board meeting.

Capital OTB will remain operational on the continuing rights of the 2005 simulcast license. Such rights are conditioned upon compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board.

6. NEW YORK CITY OTB SIMULCAST LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board deferred action on the New York City Off-Track Betting Corporation's simulcast license application for 2006 pending further staff review of matters concerning the SAS-70 Type II Report for 2005 and NYC OTB's financial position. The Board requires that an SAS-70 Type II report be performed on the totalizator operations utilized and located at NYCOTB facilities. This report is to be filed by April 28, 2006. The control objectives must be refined after discussion with Board staff.

The Board will consider further action at the next Board meeting.

NYC OTB will remain operational on the continuing rights of the 2005 simulcast license. Such rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board, including:

Receipt of fire inspection reports on an ongoing basis.

7. WESTERN OTB/BATAVIA DOWNS TRACK AND SIMULCASTS LICENSES FOR 2006

The New York State Racing and Wagering Board deferred action on the Western Regional Off-Track Betting Corporation and Batavia Downs' track and simulcast license applications for 2006 pending receipt of:

- Additional information regarding fire inspections of branches. Staff had difficulty in matching the submitted inspections to the locations of the branches.
- Receipt of Western OTB/Batavia Downs' September 30, 2005 quarterly report by January 30, 2006.
- Clarification of Batavia Downs' standing concerning CAFO requirements.

The Board did not assign any of the racing programs requested by Batavia Downs for 2006.

The Board will consider further action at the next Board meeting.

Western OTB/Batavia Downs will remain operational on the continuing rights of the 2005 simulcast license. Such rights are conditioned upon compliance with all applicable

provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board.

8. BUFFALO RACEWAY TRACK LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board deferred action on Buffalo Raceway's track and simulcast license applications for 2006 pending further staff review of matters concerning the SAS-70 Type II Report for 2005. The Board requires that an SAS-70 Type II report be performed on the totalizator operations utilized and located at Buffalo Raceway facilities. This report is to be filed by April 28, 2006. The control objectives must be refined after discussion with Board Staff. The Board assigned the racing programs requested by Buffalo Raceway for the month of February 2006 ONLY.

The Board will consider further action at the next Board meeting.

Buffalo Raceway will remain operational on the continuing rights of the 2005 track and simulcast license. Such rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - b. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - c. The Board has the authority to audit the out-of-state receiving site's books and records (including all secondary sites that receive your simulcast) and must be noted in any simulcast agreement entered into for your simulcast signal. Included within the agreement must be reference that the guest shall permit inspection of the totalizator facilities at the site where guest's wagers are subject to commingling and all related totalizator books and records by a representative of the host or of the host's Board. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.

Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.

9. BUFFALO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2006

See Board item number eight above.

10. FINGER LAKES RACING ASSOCIATION TRACK LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board approved the Finger Lakes Racetrack track and simulcast license applications for 2006. The Board assigned the 160 programs requested on the specified dates.

The 2006 track and simulcast licenses are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - b. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - c. The Board has the authority to audit the out-of-state receiving site's books and records (including all secondary sites that receive your simulcast) and must be noted in any simulcast agreement entered into for your simulcast signal. Included within the agreement must be reference that the guest shall permit inspection of the totalizator facilities at the site where guest's wagers are subject to commingling and all related totalizator books and records by a representative of the host or of the host's Board. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.
 - d. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
 - e. An SAS-70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2006.

11. FINGER LAKES RACING ASSOCIATION SIMULCAST LICENSE APPLICATION FOR 2006

See Board item number ten above.

12. MONTICELLO RACEWAY TRACK LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board deferred action on the Monticello Raceway track and simulcast license applications for 2006 pending:

- Receipt of information concerning a horsemen's contract for 2006.
- Receipt of documentation from Monticello Raceway management in support of its position that a CAFO permit is not required.

The Board assigned the racing programs requested through February 16, 2006 ONLY, with 12 races as a maximum with the ability to seek permission from the presiding judge for additional races on a "case-by-case" basis.

The Board will consider further action at or before the scheduled February 2006 Board meeting.

Monticello Raceway may remain operational on the basis of continuing rights. Such rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - b. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - c. The Board has the authority to audit the out-of-state receiving site's books and records (including all secondary sites that receive your simulcast) and must be noted in any simulcast agreement entered into for your simulcast signal. Included within the agreement must be reference that the guest shall permit inspection of the totalizator facilities at the site where guest's wagers are subject to commingling and all related totalizator books and records by a representative of the host or of the host's Board. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of

your simulcast transactions, if not included within individual contracts, must be supplied to the Board.

- d. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
- e. An SAS-70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2006.

13. MONTICELLO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2006

See Board item number twelve above.

14. NEW YORK RACING ASSOCIATION, INC. SIMULCAST LICENSE APPLICATION FOR 2006

The New York State Racing and Wagering Board deferred action on the New York Racing Association, Inc.'s simulcast license application for 2006 pending receipt and review of information concerning application questions 1, 2, 5a, 5b, and 15 (noted below):

- Question 1- needs to be completed.
- Question 2- Clarification as to when the Belmont backstretch was last inspected and when it will be inspected and when the Aqueduct facility will be inspected.
- Question 5a- The Tote and ITSP software versions.
- Question 5b - Clarification of the simulcast list; whether this is a complete list including primary or secondary guests, etc..
- Question 15 - Provide a copy of the contract with Stevenson and Associates, Inc.

In addition, action was deferred pending receipt and review of the following:

- Financial projections for the period requested for licensure (2006) that demonstrates how NYRA plans to meet its financial obligations during the license period.
- Aged accounts payable listing (i.e., listing of accounts payable that indicate how many days each liability has been outstanding. Typically aged payables list liabilities that are under 30 days; under 60 days; under 90 days and over 90).
- Draft balance sheet, income statement and statement of cash flows for the ten months ended October 31, 2006.

The Board will consider further action at the next Board meeting.

NYRA will remain operational on the basis of continuing rights. Such rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - b. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - c. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.
 - d. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
 - e. An SAS-70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2006.

15. TAX RATE CERTIFICATION OF YEAR 2005 RACE DATES/RACES

The New York State Racing and Wagering Board certified pursuant to Section 228 (3)(b)(ii) and Section 318 (5)(b)(ii) of the Racing, Pari-Mutuel Wagering and Breeding Law that Finger Lakes Racetrack, Monticello Raceway, Saratoga Raceway, and The Syracuse Mile did conduct during the year 2005 at least 90% of programs/races in 1985 or 1986 (whichever year had the fewer).

For 2005, the Board found that for Batavia Downs and Buffalo Raceway, it would have been uneconomical or impractical for these corporations to be assigned the prescribed number of racing dates, pursuant to Section 318(5)(b)(ii). Therefore, such finding entitles these harness racetracks to be classified as if they did comply with such requirements.

Accordingly, the Board certified that Finger Lakes, Batavia Downs, Buffalo Raceway, Monticello Raceway, and Saratoga Raceway have complied with Section 228(3)(b)(ii) or Section 318(5)(b)(ii) of the Racing, Pari-Mutuel Wagering and Breeding Law for the purpose of establishing the 2005 pari-mutuel tax rate.

16. TAX RATE CERTIFICATION OF YEAR 2006 ASSIGNED RACING DATES

The New York State Racing and Wagering Board certified pursuant to Section 228 (3)(b)(ii) and Section 318 (5)(b)(ii) of the Racing, Pari-Mutuel Wagering and Breeding Law that both Saratoga Gaming and Raceway and Finger Lakes Racetrack were granted year 2006 track licenses. All other track license applications have been deferred pending Board receipt of additional information.

For racetracks in the year 2006 to continue to be eligible for tax relief, they are required to race at least ninety per cent (90%) of the programs/races raced in 1985 or 1986 (whichever year had the fewer programs/races), pursuant to Section 228(3) and Section 318(5) of the Racing Law.

The Board assigned racing programs for the calendar year 2006 to Finger Lakes Racetrack and Saratoga Gaming and Raceway that conform to the statutory standard. Thus each has met their statutory obligation as to approved racing dates for 2006 and are eligible for tax relief as provided for within the Racing Law of New York State.

17. PROPOSED RULEMAKING – SYRINGE RULE

The New York State Racing and Wagering Board approved the Proposed Rulemaking to add sections 4043.11 and 4120.16 to the Board Rules and Regulations. These amendments would require the single-service use of syringes and needles in the administration of equine medication at racetracks. The rule would also make track veterinarians and practicing veterinarians responsible for the disposal of such syringes and needles.

As a proposed rulemaking, this rule will require Executive Order 20 review by the Governor's Office of Regulatory Reform. Board staff will also distribute the proposal for public comment from the racing industry.

18. NYRA REQUEST TO AMEND BID PROCEDURES

The New York State Racing and Wagering Board approved the following specific changes, as requested in NYRA's October 18, 2005 letter, to NYRA's Competitive Bidding Procedures (as approved on January 23, 1998):

1. The following language was approved and added to the section regarding Bid Requests: In the event the CFO or his Administrative Assistant are unavailable, the bid envelopes can then be received by the Purchasing Department, where they will be date stamped upon receipt.
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2. The following language was approved and added to the section regarding Bid Evaluation and Awards: The Finance Committee will approve a listing of all capital projects with expenditure greater than \$250,000.
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3. The following language was approved and added to the existing specified sentence in the section regarding Bid Evaluation and Awards: In instances where time is of the essence, a contract may be awarded to a bidder who is able to complete the work or deliver merchandise according to NYRA's required schedule, even though the bidder may not be the lowest bidder.

The above changes were effective immediately. NYRA's Competitive Bidding Procedures approved in 1998 have been amended to reflect these changes.

The Board denied, without prejudice, the remainder of the changes requested in NYRA's October 18, 2005 letter, pending receipt of further explanation from NYRA.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. NATIONAL SURVEY OF ACCOUNT WAGERING – 12/05-52-E

Earlier this year the Board requested that staff perform a survey of what information various racing jurisdictions required tracks and off-track betting facilities to obtain from individuals who open accounts for wagering. The results of this study reflected a fairly uniform requirement for traditional telephone account wagering and temporary wagering accounts. The result was less conclusive regarding what jurisdictions require for "debit card" account wagering.

2. INDIAN GAMING - LICENSING STATISTICS – 0106-04-E

Licensing statistics for December 1, 2005 through December 31, 2005. Also included are the certifications for Mohawk, Seneca Allegany, Seneca Niagara and Oneida.

3. **2006 LICENSED SUPPLIERS – 0106-07-E**

List of 2006 licensed suppliers and manufacturers for the time period of December 1, 2005 through December 31, 2005.

4. **GAMES OF CHANCE/BELL JAR TICKETS – 0106-08-E**

List of bell jar tickets authorized/denied by the Charitable Gaming Unit between December 8, 2005 – January 4, 2006.

5. **GAMES OF CHANCE/BINGO REGISTRATION NUMBERS – 0106-09-E**

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between November 30, 2005 – January 5, 2005.

6. **LICENSING – CURRENT RACING LICENSING COUNT – 0106-10-E**

The current racing licensing counts as of December 31, 2005 since January 1, 2005 are as follows: total receipts 15,446 and total licenses 13,342 for the year 2005.

F. FOLLOW-UP ON ITEMS PREVIOUSLY APPROVED

CONDITIONS MET X

Date:

Conditioned date: 12/06/05

**1. NASSAU OTB – REQUEST TO AMEND PLAN
OF OPERATION FOR APPROVAL OF NEW
PRESIDENT - AMOROSO**

This approval is conditioned upon a receipt of the print report with no disqualifying information from the Federal Bureau of Investigation on Mr. Dino Amoroso.

The meeting was adjourned at 12:23 p.m.