

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF MAY 23, 2001

A meeting of the New York State Racing and Wagering Board was held on Wednesday, May 23, 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

Edward Martin, Executive Director

Maureen McGrath, Secretary to the Board

Robert Feuerstein, General Counsel

Tom Casaregola, Director of Audits & Investigations

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Walker, NYSR&WB

Denise Poole, NYSR&WB

Bill Crowell, NYRA

OPEN COMMENT PERIOD: None

A. The Board approved the minutes of the Board meeting held on April 30, 2001.

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 May 2, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the exportation of Finger Lakes simulcast signals to a new customer, Turf Paradise and its associated off-track locations in Arizona on Mondays, Tuesdays and some Fridays.

This approval is valid through December 4, 2001 as listed within the submitted contract.

* For entry into the minutes, on May 4, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the exportation of simulcasts of the year 2001 Finger Lakes thoroughbred race cards to the Western Regional Off-Track Betting Corporation.

The approved agreement between Western OTB and the Finger Lakes Racing Association covers the period of live Finger Lakes racing during the month of May in the 2001 season.

* For entry into the minutes, on May 11, 2001, approval was granted for the request by Finger Lakes to amend their simulcast plan of operation enabling the export of Finger Lakes simulcast signals to the Las Vegas Dissemination Company (LVDC) and to the New Jersey Sports and Exhibition Authority d/b/a The Meadowlands and Monmouth Park.

The one off-track betting facility handwritten onto the submitted agreement, The Cities of Gold Sports Bar in New Mexico, is *not approved* as it is not in good standing with the State of New Mexico (John Sullivan of the LVDC is aware of this situation).

2. FINGER LAKES REQUEST TO OFFER PROMOTIONS

For entry into the minutes, on May 2, 2001, approval was granted for the request by Finger Lakes to conduct various promotions at the track during May, June and July.

Specifically approved were the Memorial Day "Fortune Hunter" promotion; the Lucky 7th Race promotions on June 2nd; the Finger Lakes Handicapping

Challenge on June 16th & 17th; the Father's Day Cash Cube promotion on June 17th; the Cars and Cash Giveaway on July 4th with preliminaries beginning on June 23rd.

The Board also acknowledges the tee-shirt and binocular giveaways on June 2nd and June 23rd, neither of which requires Board approval.

3. **MONTICELLO RACEWAY LIST OF SIMULCAST LOCATIONS FOR 2001**

For entry into the minutes, on May 2, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the importation of simulcast signals and wagering upon such simulcasts furnished by the Churchill Downs Simulcast Network as stipulated within the year 2001 Monticello Raceway contract with Churchill Downs, Inc.

The contract provides for the import of the 2001 Arlington Park simulcasts of both year 2001 Churchill Downs meetings, the Calder Race Course simulcasts (all year 2001 race meetings), the Hollywood Park simulcasts (the Spring-Summer race meeting only) and the year 2001 Ellis Park and Hoosier Park (thoroughbred) simulcasts. Only Hoosier Park thoroughbred simulcasts commencing before 7:30 p.m. may be taken per Section 1017-a of the Racing Law. All imported simulcasts must conform to present Racing Law.

New letters of permission for the **Fall** year 2001 meeting from the Thoroughbred Owners of California (TOC) for Hollywood Park must be filed with the Board to fulfill the federal requirement for conducting interstate simulcasts.

* For entry into the minutes, on May 10, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of simulcasts from Vernon Downs, an in-state harness track, Scioto Downs, a harness racetrack in Ohio and from Delaware Park, a thoroughbred track in Delaware. This approval is effective immediately.

The out-of-state simulcasts may be utilized whenever permitted by the Racing Law.

4. **FINGER LAKES REQUEST FOR AN ADDITIONAL RACING OFFICIAL - CATO**

For entry into the minutes, on May 4, 2001, approval was granted for the request by Finger Lakes, as required under Board Rule 4005.1, for the addition of Susan Cato as paddock judge to the listing of racing officials to work during the 2001 live racing season.

5. NYRA REQUEST TO DESIGNATE RACE AS "SPECIAL EVENT"

For entry into the minutes, on May 4, 2001, approval was granted for the request by NYRA to amend their simulcast plan of operation by designating a Hollywood Park guaranteed one million dollar pick-six wager on Monday, May 28, 2001 as a "special event".

If no one anywhere participating in this pick-six pool properly selects all six winners on Monday, May 28th, NYRA patrons may also participate in the carry-over pool on Wednesday, May 30, 2001.

6. NYRA REQUEST TO EXPORT SIMULCAST SIGNAL TO CHOCTAW RACING SERVICES

For entry into the minutes, on May 4, 2001, approval was granted for the request by NYRA to amend their simulcast plan of operation enabling the additional export to the Choctaw Racing Services, LLC in Durant, Oklahoma and its listed simulcast affiliates, effective immediately.

7. SUFFOLK OTB REQUEST TO RELOCATE SIMULCAST BRANCH & OFFER PROMOTIONS - HAUPPAUGE

For entry into the minutes, on May 4, 2001, approval was granted for the request by Suffolk Regional OTB to amend their plan of operation involving the closure of the original Tel-A-Race at 110 Adams Avenue and the opening of the newly constructed teletheater with the transfer of the one Suffolk OTB teletheater license to the location at 690 Motor Parkway, both in Hauppauge.

Upon receipt, a certificate of occupancy for the 690 Motor Parkway building from the Town of Islip is to be forwarded to the Board.

Also approved were promotions in conjunction with the opening of the new teletheater. Specifically approved are the promotions to distribute by direct mail, through newspaper advertising and distribution at Suffolk OTB branches, coupons good for one teletheater admission and a two-dollar wager. The coupons for the two-dollar wager are valid during the time period of June 15th through July 15th.

8. NYRA REQUEST TO OFFER SPECIAL DAILY DOUBLE WAGERING

For entry into the minutes, on May 10, 2001, approval was granted for the request by NYRA to add a double wager at Belmont Park combining the stakes races known as the Acorn Stakes on Friday, June 8th with the Belmont Stakes on Saturday, June 9th.

9. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2001

For entry into the minutes, on May 10, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the import of simulcasts from Vernon Downs in Vernon, New York, effective immediately.

* For entry into the minutes, on May 17, 2001, approval was granted for the request by Saratoga Harness to amend their simulcast plan of operation enabling the importation of the thoroughbred simulcasts from Lone Star Park, a thoroughbred race track in Texas.

These simulcasts may be utilized whenever in accordance with the Racing Law.

10. VERNON DOWNS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2001

For entry into the minutes, on May 10, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the thoroughbred simulcast signals from Turfway Park in Kentucky, Finger Lakes, Delaware Park in Delaware, Sportsman's Park in Illinois, Penn National in Pennsylvania, the Charles Town Races in West Virginia and the harness simulcast from Pocono Downs in Pennsylvania.

To be noted are the following:

- Under section 1016 of the Racing Law, no more than five imported out-of-state harness track simulcasts are permitted on any one racing date.
- No wagering on thoroughbred simulcasts starting after 7:30 p.m. is allowed by any New York simulcast licensees.

All simulcasts may be imported only when in accordance with the current New York State Racing Law.

11. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2001

For entry into the minutes, on May 10, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the import of simulcast signals from the thoroughbred tracks of Atlantic City in New Jersey, Penn National in Pennsylvania and on the second jewel of the thoroughbred Triple Crown known as the Preakness Stakes from the Maryland Jockey Club Racetrack and the Pimlico Racecourse in Maryland. Further approved is the Nassau OTB agreement with the harness racetrack in Ohio, Scioto Downs. The Atlantic City and Penn National, generally "bridge signal" simulcasts may be accepted whenever in accordance with the Racing Law.

The Hawthorne Race Course simulcast agreement is approved *through June 10th only* to coincide with the date of the federally required Illinois Thoroughbred Horsemen's Association's permission letter. To continue on this contract, a

horsemen's association permission letter for the separate Fall Hawthorne Race Course meeting must be filed with the Board prior to accepting the simulcast.

The Scioto Downs simulcast may be accepted whenever in accordance with the Racing Law. No more than five out-of-state harness simulcasts may be imported on any one day of the year.

These approvals further extend to Suffolk Regional OTB.

* For entry into the minutes, on May 11, 2001, approval was granted for the request by Nassau OTB to amend their simulcast plan of operation enabling the importation of the simulcasts from Yavapai Downs in Arizona during their 2001 meeting that begins on May 26th and concludes on September 7th.

This approval to import the Yavapai Downs simulcasts also applies to Suffolk Regional OTB. The Yavapai Downs simulcasts may be imported and utilized for wagering whenever in accordance with the Racing Law.

12. **WESTERN OTB REQUEST TO SIMULCAST VERNON DOWNS**

For entry into the minutes, on May 10, 2001, approval was granted for the request by Western OTB to amend their simulcast plan of operation enabling the importation of simulcasts from the year 2001 Vernon Downs harness season.

13. **BUFFALO RACEWAY REQUEST TO CANCEL THURSDAYS IN JUNE**

For entry into the minutes, on May 16, 2001, approval was granted for the request by Buffalo Raceway to amend their plan of operation by canceling all four scheduled Thursday race programs during the month of June in the year 2001.

14. **FINGER LAKES REQUEST TO CANCEL RACING ON 5/20/01**

For entry into the minutes, on May 16, 2001, approval was granted for the request by Finger Lakes to amend their plan of operation enabling the cancellation of the scheduled racing program for Sunday, May 20th.

15. **MONTICELLO RACEWAY REQUEST TO CHANGE POST TIME**

For entry into the minutes, on May 16, 2001, approval was granted for the request by Monticello Raceway to amend their plan of operation by changing the first post time on Mondays and Tuesdays to 1:05 p.m. (from the current 3:30 p.m.).

All matinee Monticello Raceway race programs will now have a 1:05 p.m. first post. This change is to take place effective Monday, June 4, 2001.

16. **NYRA REQUEST TO DESIGNATE RACES AS "SPECIAL EVENTS"**

For entry into the minutes, on May 16, 2001, approval was granted for the request by NYRA to amend their simulcast plan of operation by designating the following races as "special events":

May 28th Lone Star Park Handicap (III) Lone Star Park

June 23rd New Hampshire Sweepstakes (III) Rockingham Park

June 24th Queen's Plate (I) Woodbine

These three "special events" continue the annual listing of the additional 35 specials that are taxed at the lower rate.

17. CAPITAL OTB REQUEST FOR NEW CONCESSIONAIRE - UTICA

For entry into the minutes, on May 17, 2001, approval was granted for the request by Capital OTB to amend their plan of operation and appoint Thomas D. Powers, Jr. as the concessionaire at the Jerzees branch of the Capital District Regional Off-Track Betting Corporation located in Utica.

18. YONKERS RACEWAY REQUEST TO CANCEL LIVE RACING - 6/1/01

For entry into the minutes, on May 22, 2001, approval was granted for the request by Yonkers Raceway to amend their plan of operation enabling the cancellation of the scheduled Friday, June 1, 2001 live racing program.

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

1. VERNON DOWNS REQUEST TO EXTEND PURSE DISTRIBUTION RULE

For entry into the minutes, on May 4, 2001, the Board approved the request by Vernon Downs for a waiver of Board Rule 4118.1(b) concerning the distribution of purse checks within a seventy-two (72) hour timeframe after a race at Vernon Downs is made official. This is effective throughout the year 2001 racing season.

2. IN THE MATTER OF HARRY NIEBERG

For entry into the minutes, on May 7, 2001, the Board summarily suspended the license of Harry Nieberg upon a finding that the public safety and welfare imperatively require this emergency action because on May 5, 2001 Mr. Nieberg refused to allow investigators to search his vehicle in violation of Board Rule 4120.6(d).

The suspension remains in effect pending further disposition by the Board after a hearing.

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

1. IN THE MATTER OF THE UKRAINIAN AMERICAN NATIONAL CLUB, INC.

The Board approved the recommendation of Hearing Officer Ritchko-Buley that the Ukrainian American National Club, Inc. of Elmira Heights violated 9E NYCRR 5624.21(c) (2) by failing to donate games of chance proceeds in the cumulative amount of \$45,760.00 to charitable organizations for the calendar years 1998, 1999 & 2000 and that their games of chance license or bell jar license issued by the Village of Elmira Heights be declared null and void. The suspension of their games of chance registration identification number shall remain in effect until such time as the Racing and Wagering Board determines, after application and a showing of affirmative proof by the Club, that the Club has donated the \$45,760 to worthy causes in satisfaction of its arrearages. A copy of the Board's decision in this matter will be forwarded to the Chemung County District Attorney's office for consideration.

2. NYRA REQUEST TO APPOINT NEW BOARD OF TRUSTEE MEMBER - BOUTIN

The Board approved the election of Lucy Young Boutin, an owner of the Overbrook Farm, to the NYRA Board of Trustees.

3. CAPITAL OTB REQUEST FOR NEW E-Z BET LOCATION - GRANVILLE

The Board approved the Capital District Regional OTB request, dated February 28, 2001, to conduct wagering and display simulcasts at the Granville Recreation Center at 17 East Main Street in Granville, New York (Washington County).

At this new E-Z 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).

It is expected that Capital OTB, using its own security employees, will occasionally inspect the Granville Recreation Center E-Z Bet facility and certify that all rules and laws concerning the conduct of wagering in New York State are being followed.

The Secretary to the Racing and Wagering Board is to be notified in writing, in a timely manner, whenever a change in procedure affects the operation of this approved E-Z Bet facility.

4. CAPITAL OTB REQUEST FOR NEW E-Z BET LOCATION - OGDENSBURG

The Board approved the Capital District Regional OTB request, dated February 28, 2001, to conduct wagering and display simulcasts at the Ogdensburg Bowling Center at 1121 Patterson Street in Ogdensburg, New York (St. Lawrence County).

It is expected that Capital OTB, using its own "North Country" security employees, will occasionally inspect the Ogdensburg Bowling Center E-Z Bet facility and certify that all rules and laws concerning the conduct of wagering in New York State are being followed. Due to the expected high volume of wagering expected at this branch, frequent security checks are in order.

The Secretary to the Racing and Wagering Board is to be notified in writing, in a timely manner, whenever a change in procedure affects the operation of this approved E-Z Bet facility.

5. NEW YORK CITY OTB REQUEST TO APPOINT SENIOR VICE PRESIDENT - DePRIMA

The Board approved the appointment of Denise DePrima as the new senior vice-president and chief operating officer of the New York City Off-Track Betting Corporation.

6. WESTERN OTB REQUEST FOR APPROVAL OF HANDICAPPING SERVICES AGREEMENT - HAIGHT

The Wagering Board approved the contract between Western Regional Off-Track Betting and Mr. Todd Haight, a public handicapper.

Mr. Haight will provide independent handicapping services for Western OTB mainly on the live racing simulcast from Finger Lakes Racetrack. When Finger Lakes is dark, Mr. Haight will utilize the operating NYRA track.

Approval by the Board of the Western OTB contract with Todd Haight is necessary under Section 520(3) of the Racing Law and under Section 5204.7 of the Board Rules.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. CAPITAL OTB THEFT AT GLOVERSVILLE BRANCH - 05/01-18-E

After review of the surveillance cameras, it was discovered that a customer had reached over the counter and took \$360 while the clerk momentarily went to the back with the manager.

**2. VERNON DOWNS SUBMITTAL OF ACCOUNTS PAYABLE AGING
SCHEDULE PER CONDITIONS - 05/01-22-E**

Per conditions set forth at the March 28th Board meeting requiring Vernon to demonstrate financial stability by bringing all racing related payables into current status (less than 90 days as calculated from the original date of billing) within 30 days, we are in receipt of an Aged Payable Schedule which shows that there are no payables over 90 days old. This brings Vernon into compliance on this condition.

The meeting was adjourned at 11:55 a.m.