

NYS Gaming Commission - Public Meeting Transcript

September 23, 2024 1 p.m.

655 3rd Avenue, 6th Floor Conference Room, New York, NY

Executive Director Robert Williams: Racing Pari-mutuel wagering and breeding along Section 102 provides that the New York State Gaming Commission shall consist of seven members appointed by the governor buying with the advice and consent of the Senate.

Four members confirmed by the New York State Senate are necessary to afford the Commission and ability to establish a quorum and undertake action. This present meeting of the Commission is now called to order.

The secretary, can you please call the roll?

Acting Secretary Kristin Buckley: John Crotty

John Crotty: Here.

Acting Secretary Kristin Buckley: Sylvia Hamer

Sylvia Hamer: Here.

Acting Secretary Kristin Buckley: Martin Mack

Martin Mack: Here.

Acting Secretary Kristin Buckley: Peter Moschetti

Peter Moschetti: Here.

Acting Secretary Kristin Buckley: Marisa Shorentein

Marisa Shorentein: Here.

Acting Secretary Kristin Buckley: Jerry Skurnick

Jerry Skurnick: Here.

Executive Director Williams: Ms. secretary, please have the record. She didn't call you?

Chairman Brian O'Dwyer: Let the record reflect that Brian O'Dwyer is here.

Acting Secretary Kristin Buckley: Chairman O'Dwyer.
My apologies, chairman.

Chairman Brian O'Dwyer: I've been, I've been I've been in worse. Thank you.

Executive Director Robert Williams: Ms. Secretary, please have the record reflect that a quorum of qualified members present, thus enabling the transaction of business. While all Commissioners are together in New York, many staff are in Schenectady.

We're not. We have no visual with Schenectady.

Need to turn your camera on, Kristen. You need to turn the camera on.

Executive Director Robert Williams: Though many staff are in Schenectady, bilateral, visual and oral communications between New York and Schenectady have been established.

Chairman Brian O'Dwyer: Minutes of the Commission meeting conducted on June 24, 2024 have been provided to the members in advance. At this time, I'd like to ask the Members if there are any edit corrections or comments.

Hearing none, Secretary, please let the record reflect the Minutes were accepted.

I now call upon our Executive Director, Mr. Williams. We have a report from our Executive Director, Mr. Williams?

Executive Director Robert Williams: I only have two short items to talk about today. One is a website refresh. Beginning on October 1st, the Commission will have a new public website with improved accessibility and functionality. The new site will feature regularly updated and organized content from each of the division of the agency, as well as a more consistent overall look and feel in line with the New York State Web and brand guidelines.

Overall, the Commission's new site will be more accurately showcased to the public, the substantial work that is done day-to-day by Commission staff. The current site, as anyone who visits it knows, is home to a wealth of information and documents, but it's disorganized and outdated. In addition to the three public popular databases that we maintain, the Commission's new website will also feature regularly updated databases of gaming division notices of violation.

The searchable sortable database will include the applicable notices of violation, so that interested parties may review the circumstances of any violation, resulting in a monetary fine against a licensed gaming operator.

Of main significance to the frequent visitors to the Commission's website is a change to the interface with the three public databases, horse racing, licensing, horse racing, license rulings and equine injury incident and death database.

Users will be directed to the same information, but it's now going to be hosted on the New York Open Data Portal at Open.dot.ny.gov.

The Open Data Portal gives users the ability to search, explore and download and share information from these databases. This also allows individuals more easily and an ability to export data and perform qualitative and quantitative analysis. Frequent users to the database.

Because you can go to open.ny.gov and familiarize themselves with the interface so that they can take advantage on the of the various benefits that offers. You will also want to update any bookmarks to the databases after our lives date, which remains October 1st.

The other item I want to mention is a little bit about Belmont redevelopment. We've talked about it on numerous occasions and while the Belmont redevelopment project itself is under the Franchise Oversight Board, so much of what we do on a day-to-day basis relative to horse racing involves Belmont. So I thought it would be of interest to everyone.

The franchise Oversight Board is going to soon conduct monthly web streamed public informational meetings regarding the redevelopment project progress.

These discussions are intended to provide a clear understanding of activity that has occurred in the previous 30 days and since it's occurring inside the Belmont property itself, it might be more difficult for individuals who don't have special access to understand what's going.

So what we're going to end up doing is an overview on the development timeline and any changes that have occurred since the previous meeting, material project changes, a spending overview at a very high level, a discussion in the major contracts executed, let and expired.

A minority owned women owned and service disabled Veteran owned business utilization discussion and a spend discussion, work force mobilization by industry and union representation and a discussion on the status of the 10 quality of life projects that NYRA has committed to developing.

The initial meeting is expected to shortly follow the turn of the calendar to October and when scheduled notice and links will be provided in the landing page of the

franchise Oversight Board, I presume Lee that will also put a link somewhere on our page as well for anyone looking for that.

Lee Park: Yes.

Chairman Brian O'Dwyer: Thank you, Mr. Williams for that. New York State Racing Pari-mutuel and Breeding Law. 104.19 authorizes the Commission to promulgate rules and regulations that it deems necessary to carry out its responsibility to that regard, the Commission will from time to time, promulgate rules and rule amendment pursuant to the state Administrative Procedure Act. Today we have one rule for adoption of the consideration, Mr. Williams.

Executive Director Robert Williams: For Commission consideration, as adoption of amendments to the existing rules regarding the use of whips and harness racing. The proposed amendments would require that a driver keep a line in each hand except as necessary to adjust equipment while racing or training, or at any time the horse is being driven on the track.

The proposal would also further define the allowable urging during a race and conduct that would be considered excessive or indiscriminate use of the whip. Kicking and foot out of stirrup will also be further defined for clarity, and that a driver who removes a foot from the stirrups would be treated as if a driver were found to have kicked the horse and conduct would be considered a kick violation if the driver makes contact with the horse, while of feet are in or out of the stirrups.

Finally, the proposal would establish penalties for these offenses, allow for consideration of offenses in other jurisdictions, and would constrain judge's discretion in setting such penalties. Commission rules currently provide the drivers may carry a whip of a certain length, which may be used in a conventional manner. Drivers are prohibited from kicking, and drivers must keep a line in each hand from the start of the race until 1/4 of one mile before the race finish.

Adding the requirements that lines must be kept in separate hands while racing, training or at any other time when driving a horse on track premises, and that use of the line must be restricted to forearm and wrist action and not raised above the shoulder will clearly provide what is permissible and will also bring New York in line with many other racing jurisdictions as well as the United States Trotting Association Model Rules.

Adding a set penalty structure for any violation of this rule would ensure that any successive offense within one year concerning whipping, kicking or urging, after an offense at any United States or Canadian racetrack, would result in an increased penalty.

Furthermore, the proposal would make clear that any indiscriminate use of the whip could subject the driver to license revocation. The proposed penalty structure would provide greater consideration of past offenses, establish uniformity across New York's tracks, and is intended as a further safeguard to ensure the health and welfare of racehorses.

The Commission published a Notice of Proposed Rulemaking in the State Register of June 18, 2024, meaning the public comment period expired on August 19, 2024.

No comments were received. Staff recommends that the Commission adopt this rulemaking.

Chairman O'Dwyer: Commissioners, any questions on the adoption of amendments regarding Whip Use in Harness Racing?

The next item on the agenda regards Discussion of Penn National Ownership Acquisition for Wynn Interactive. I asked Mr. Williams to set out the discussion by providing historical context regarding the Wynn consideration and approval, the proposed transaction, and the process of consideration of this transaction.

It is my understanding is that the license will remain with the same entity that currently holds it, and that Penn is seeking approval as the new owner of the ongoing license-holding entity.

Executive Director Robert Williams: Chapter 59 of the Laws of 2021 amended N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1367 and added § 1367-a to authorize mobile sports wagering when the sports wager is made through virtual or electronic means from a location within New York and is transmitted to and accepted by electronic equipment located at a Licensed Gaming Facility. The statute directed the Commission to conduct a competitive bidding process to award licenses to Mobile Sports Wagering Platform Providers.

Pursuant to that authority, on July 9, 2021 Commission staff issued a Request For Applications or RFA to award a license to at least two Mobile Sports Wagering Platform Providers such that the result would be the hosting of no less than four Mobile Sports Wagering Operators.

In response to the bids received, an Evaluation Committee advanced for licensing award as a Platform Provider Sports Information Services Limited dba Kambi, with American Wagering, Inc. dba Caesars Sportsbook; Empire Resorts, Inc. dba Resorts World Bet; PointsBet New York LLC dba PointsBet; Rush Street Interactive NY, LLC dba Rush Street Interactive; and WSI US, LLC dba WynnBET as Platform Providers and/or Operators and Betfair Interactive US LLC dba FanDuel Sportsbook as an additional Platform Provider and Operator with Bally's

Interactive, LLC dba Bally Bet; BetMGM, LLC; and DraftKings as Platform Providers and Operators.

Chapter 59 of the Laws of 2021 did not create a new licensing scheme for Mobile Sports Wagering. Rather, the RFA and proposed rules by the Commission identified Platform Providers and Operators to be licensed equivalent to Casino Vendor Enterprises.

On November 2, 2021, the Commission met and accepted the licensure recommendations of the Evaluation Committee. Later that same meeting, the Commission adopted rules governing, among other things, various licensing requirements. Staff was left, consistent with practice, with evaluating and determining whether and when each Platform Providers and their Operators were qualified for the appropriate license.

A subsequent evaluation found all Platform Providers and their Operators suitable for conditional licensing and were accordingly licensed.

The lone substantive change in ownership occurred on October 3, 2023 when the Commission considered and unanimously approved FBG Enterprises Opco, LLC d/b/a Fanatics Betting and Gaming, a subsidiary of Fanatics Holdings, Inc. acquisition of PointsBet USA's subsidiary PointsBet New York LLC.

PENN Entertainment, Inc., which operates 43 gaming establishments, has, through its subsidiary Penn Sports Interactive, LLC, purchased WSI US, LLC, which includes the New York operation of WynnBET. Providing the Commission approves, PENN would be the new owner of the ongoing license-holding entity operating as a mobile sports wagering platform provider and mobile sports wagering operator.

PENN is a public corporation, trading on The NASDAQ Stock Market. Collectively, PENN operates 43 properties in 20 states, online sports wagering in 19 jurisdictions and iGaming in five jurisdictions. In August 2023, PENN entered an exclusive long-term strategic alliance with ESPN, Inc. and ESPN Enterprises, Inc. relating to online sports betting within the United States. As with their other mobile sports wagering ventures, if approved, they would operate in New York as ESPN Bet.

Penn Sports Interactive, LLC is a wholly-owned subsidiary of Penn Interactive Ventures, LLC, which in turn is a wholly owned subsidiary of PENN Entertainment, Inc.

As mentioned, PENN Entertainment, Inc., is publicly-owned, with the largest shareholders being FMR LLC, Vanguard Group, Inc., HG Vora Capital, BlackRock Inc., and BAMCO, Inc.

Following review, the Bureau of Licensing determined all but HG Vora Capital are passive owners and qualify for passive investor waiver. HG Vora Capital has submitted a full gaming application along with Penn Entertainment Inc., Penn Interactive Ventures, LLC, and Penn Sports Interactive, LLC.

Staff reviewed the license applications filed by each of against the criteria detailed in N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1318 and have identified no information that would reasonably prohibit the issuance of conditional approval of PENN Sports Interactive LLC to operate a mobile sports wagering platform or conduct mobile sports wagering operations in New York.

From an occupational licensing perspective, Commission standards for licensing require that each mobile sports wagering Platform Provider and Operator are licensed as a casino vendor enterprise using the standards found in N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1326 and Commission Rules Part 5303 and Part 5307.

Commission staff identified principals and key management officials requiring key occupational license and secured all necessary paperwork from over one dozen principals or key personnel. All materials have been reviewed by the Licensing Bureau pursuant to the Licensing criteria standards of N.Y. Racing, Pari-Mutuel Wagering and Breeding Law §§ 1323(2)(a) & 1323(2)(b), for informational deficiencies, criminal history, financial stability, and character and fitness.

After substantive review of all licensing material, consistent with the review conducted for all initial platform providers and operators, Commission Licensing Bureau Staff have determined the submissions are full and complete and no disqualifying elements have been identified.

ESPN Bet plans to launch using its proprietary technology stack on servers housed in Resorts World Catskill. This server has redundant network infrastructure provided by two different internet providers and is continually self-tested with System and Organization Controls Type 2 threat hunting and distributed denial-of-service attack detection. ESPN Bet will use Advanced Standard 256 Encryption for the communication to and from the server.

Penn Sports Interactive, LLC have provided internal controls, house rules, back-end reporting tools and Commission access, responsible gaming plan and Know Your Customer vendors for customer confirmation.

Division of Gaming staff have reviewed all operational components of the proposed ESPN Bet operation in a manner consistent with the review conducted for initial platform providers and operators and have determined that they meet all standards necessary for operation.

Accordingly, Staff recommends approval of the transaction.

Should there be any questions, with us today in Schenectady are the Manager of Licensing Krystie Phillips, Division of Gaming Director Tom Anapolis, and Division Deputy Directors Jim Googas and Scott McLear.

Chairman Brian O'Dwyer: I'd like to recognize that with us today is Chris Rogers the Executive Vice President Chief strategy and legal officer and secretary at Penn Entertainment.

I want to ask just a couple of questions and then maybe some of the Commissioners have some as well. This this commission has been very very worried and upset about the promotion of sports betting on college campus um I'd like to know what your company's thoughts on that and whether you would give us a representation that you will not enter into any agreements on college campuses.

Chris Rogers, Penn Entertainment: So first all first of all I'd just like to thank you for the consideration of the commission and recognize all the hard work for staff that has going planning for this meeting.

We as a company are committed to avoiding promotion of sports betting on college campuses um this is a an issue very um near to our heart given our partnership with ESPN which has various College activities including college game day our commitment at Penn in addition to our partners at ESPN is to make sure that we are in in adherence with all requirements related to promotion of sports betting on college campuses.

Chairman Brian O'Dwyer: In that line we were also we were also concerned about underage gambling particularly of young men in college you know who are probably underage and what have your what are your thoughts and what have you done to ensure that that is done.

Chris Rogers, Penn Entertainment: While we do engage in some general promotion of betting across uh linear media um our targeted marketing messages are for those that we've identified as being 21 or over an age and that is um that's the case both on the side as well as our partners at ESPN.

Chairman Brian O'Dwyer: Commissioners? Any other questions.

Commissioner Martin Mack: I just have one question. I've been reading that ESPN is going to use their brand as a means of promoting you know the effort of ... Will that promotion include as you use the term generalized promotion of on coverage of college games just their other programming. Is that going to be if you do

promote it during general programming, college football games or college basketball games?

Chris Rogers, Penn Entertainment: I think we take it very seriously about not targeting college students in our in our marketing efforts. There's obviously discussion around betting and sporting events as part of the editorial and from the ESPN perspective I think that is one thing that that leads to an increased engagement from the audience who's interested in betting. There are restrictions around promotion of sports betting with college athletics both from a conference standpoint and network standpoint um and so our commitment would be to make sure that we adhere to those standards well. I mean it could change but the conferences do not permit advertising during some of the college games and during there would be no integrations well on I'm referring to on TV we've not done any sort of promotions on college campus. I think I know there's a few operators who've done stuff part hopefully partner with colleges. That's not something we've ever done or would consider.

Commissioner Martin Mack: Does ESPN get into any name, image and likeness?

Chris Rogers, Penn Entertainment: Not to my knowledge.

Commissioner John Crotty: My question is more for Rob. um how many did we originally approve when this whole thing started.

Executive Director Robert Williams: If I remember correctly it was eight platforms and nine operators.

Commissioner John Crotty: nine operators and now we've Consolidated by two so we're at seven is that right

Executive Director Robert Williams: No it's still it's still eight and nine as the two that have Consolidated or not Consolidated but changed switched to new operators ERS

Commissioner John Crotty: In the review and I read a lot of it but not all of it I don't remember seeing it but certainly not all of it I don't remember seeing in there what the net benefit was to the state about sort of this consolidation generally

Executive Director Robert Williams: Again I don't think it's a consolidation at this point because it's a like Penn is not operating in New York right now so with them taking over when who's leaving it's a one for one exchange so I wouldn't refer to that as a consolidation it's just a swap of the ownership of the license.

Commissioner John Crotty: Do we think there'll be increased handle because of it overall or is it just as a new competitor they're taking they're reordering the pie that exists?

Executive Director Robert Williams: Wynn had not been particularly successful in the New York market so we would anticipate that a new platform coming in with a highly recognized name like ESPN be might do better than they have been whether that is simply dividing the pie or whether it's growing the pie I think I would leave that to the different entities are that are considering that.

Chairman Brian O'Dwyer: And may maybe we should hear from you on that.

Chris Rogers, Penn Entertainment: Look our view is that um ESPN Bet will expand the market. That's been our experience in other jurisdictions where we've launched. We think we're attracting a new bettor and while there could be some shifting cannibalization with existing operators, we think we are growing the market said other jurisdictions in other jurisdictions we when there. We saw initially a large wave adoptions and sign ups, first time depositors. I think we've seen handle go up. I think some of this is anecdotal but based on the surveys we've done of customers, we believe we are attracting new customers who are new to betting.

Commissioner Jerry Skurnick: When do you expect to be operating in New York?

Chris Rogers, Penn Entertainment: Assuming that we get approval here today, we do have a couple of boxes to check um and make sure that we are right from a technology standpoint and ready, but we would be prepared to launch in a matter of several days, perhaps even ass soft launch in advance of the weekend.

Chairman Brian O'Dwyer: Thank you. May I have a motion to approve the transaction? (Approved unanimously)

At the June meeting I issued a call for volunteers to serve on a Commission-established advisory board to assist in evaluating the proper use of monies received by the Thoroughbred Breeding and Development Fund and Agriculture & New York State Horse Breeding Development Fund to be allocated for the care of retired horses.

Specifically, the Funds receive fines assessed pursuant to § 382 of the Agriculture and Markets Law, contributions made pursuant to §§ 209-n and 209-o of the Tax Law, and contributions made pursuant to §§ 630-i and 630-j of the Tax Law.

I am pleased to report that we received nearly 30 statements of interest in response. While staff culled the list to a manageable dozen ... I believe the Commission would be best served by establishing a small committee to evaluate statements of interest and the experience and qualifications of those last dozen applicants.

Accordingly, before us is a Resolution that would allow for the establishment of a committee of Commissioners to select persons to serve on such an advisory board and create a process to effect the appointments of the members of the Advisory Board, as selected by the Commissioner committee.

Therefore, may I have a Motion to approve Resolution 1 of 2024 regarding the Delegation of Authority to Establish an Advisory Board. I have polled the Commissioners and Commissioners Moschetti and Skurnick have kindly volunteered to be a part of this committee to serve along with me to evaluate the many, many people and again I want to thank everyone who applied because it was really wonderful that we got such great interest and then to appoint an advisory board pursuant to law. So, would someone move than motion? (Motion approved)

Mr. Williams?

Over 25 years ago, the American Gaming Association dedicated a specific week each year to increase awareness of problem gambling among the gaming industry and to promote responsible gaming nationwide. A few years ago, their initiative was expanded to cover the entire month of September as Responsible Gaming Education Month. As has been discussed at previous meetings, the Commission has deep relationships with The New York Council on Problem Gambling and the Office of Addiction Services and Supports, or OASAS. We also seek to increase public awareness of the issue and promote the growing availability of prevention, treatment, and recovery services for those in need. Additionally, we try to recognize the myriad organizations and gaming operators that incorporate problem gambling prevention and responsible gaming practices into their everyday operations.

Given today's meeting occurs during 2024's Responsible Gaming Education Month, we thought it appropriate to highlight the work Commission staff have been conducting in the responsible gaming arena. Over the past few months, such work has recently earned national recognition.

In July, the National Council on Problem Gambling selected the Commission's "Small Risk & Big Gamble" Campaign for the annual Gift Responsibly Campaign Award.

This month, the North American Association of State and Provincial Lotteries announced its 2024 Award recipients for the most creative, innovative, and inspiring work produced across the North American lottery industry. Within the

Responsible Gaming category, four awards are given to communications campaigns that best convey the message and/or raise awareness of problem gambling or treatment resources.

This year, the Commission's Division of the Lottery won three of the four Responsible Gambling Communications awards: for Radio, Digital/Social Media, and Coordinated Campaign.

At this time, I'd like to introduce Carolyn Hapeman and Dana Idema - who are joining us from Schenectady - to provide a brief overview of the campaigns.

Ms. Hapeman works in our Office of Public Information and serves as the primary liaison to the problem gambling and responsible gambling industries, while Ms. Idema works as the Director of Lottery Advertising.

Before we begin, I also want to recognize the team at our Lottery advertising partner McCann and particularly Cara Wang, for their outstanding work. McCann works very closely with Carolyn and Dana on developing and executing the campaigns.

Carolyn?

Carolyn Hapeman: Thank you Executive Director Williams, Chair O'Dwyer, and Commissioners for highlighting this strategic campaign that continues to resonate with stakeholders across the country.

The goal of the Small Risk / Big Gamble campaign is to bring practical meaning to the gaming industry's all-too-familiar call to "Please Play Responsibly."

We accomplished that by pointing out some of the risky behaviors that can turn that fun experience into a frustrating one, thus increasing the potential for problem play and possibly opening the door to problem gambling.

The risky behaviors we highlighted include:

- Gambling without a budget or pre-set time limit
- Prioritizing gambling over other recreational options
- Hiding time spent gambling from family and friends
- Giving a lottery ticket to someone under the age of 18 when there's research that shows the earlier a person begins to gamble, the higher the likelihood that they will develop a gambling problem later in life

Since the campaign's launch, we've received positive feedback from our colleagues in the responsible gaming space and social services fields, as well as from gaming

operators. We've fielded multiple requests from clinicians and licensed operators to display the campaign – well beyond its intended scope.

I'll now turn it over to Dana Idema to discuss the specific elements of the Small Risk / Big Gamble campaign.

IDEMA: Thank you. As Executive Director Williams noted, the award-winning public-service campaign was produced by our advertising agency partner McCann NY.

Building on what Carolyn said, this campaign uses humor to distinguish minor everyday risks from the more serious issue of problem gambling. For example, in one ad, we presented the Small Risk of "Drinking coffee while driving" compared with the Big Gamble of "Driving up your gambling debt." By framing the message in that positive way, it makes a lasting impression.

"Small Risk / Big Gamble" connected with New Yorkers through a variety of media channels in English and Spanish, including radio, online video, television, out-of-home, digital, social media and at approximately 14,000 New York Lottery retailers. Since its launch last November, the campaign achieved substantial reach across New York State with over 78 million media impressions and nearly \$785,000 in media value.

Our research shows that the pieces are making an impact, as awareness of the Lottery promoting responsible gaming has been steady for the past two years, with a slightly higher rate against players versus all respondents.

We have two brief examples of the campaign to display, starting with Sushi. (Lee plays Sushi video)

The second piece is Drool. (Lee plays Drool video)

These and other public service announcements may be viewed on the Lottery's YouTube page. Thank you.

Chairman Brian O'Dwyer: I just want to thank you to Carolyn and Dana for your work you have done. We are obviously quite proud of the work that we have presented and the fact that this is an award-winning presentation um you represent the best of State service. Thank you very much for your work on this regard we are extremely and extraordinarily proud of you and the work that you have done for this commission. Thank you.

Any new or old business before commission? Before we adjourn, I'd have a few comments that I'd like to report on many of the activities that I've done on behalf of

the commission and concern. Of particular concern to me are that two of our VLT licensees and potential bidders for a new casino license have been cited in Las Vegas for various violations of the law.

In August the Nevada Gaming Control Board filed a 12-count complaint against Resorts World International Resort World Las Vegas for allegedly violating the anti-laundering law by allowing illegal book bookmakers to gamble in the millions of dollars. The allegations to complain are particularly disturbing in that that alleges a culture of non-compliance in that information on illegal or suspicious activity was either negligently or worse willfully disregarded to promote financial gain. Another of our potential licensees Wynn Resorts through a subsidiary Wynn Las Vegas entered into agreement with the United States Department of Justice wherein it forfeited \$130 million relating to an investigation of when which revealed that Wynn was involved with an unlicensed money agent using foreign bank accounts to funnel money to China and other countries to patrons who were ineligible to access cash in the United States. These allegations are serious but I must emphasize that in one instance the complaint is still pending and in the other the USD Department of Justice settled the matter without filing criminal charges. Nevertheless, it is the responsibility of this commission to assure that our licensees exhibit the utmost integrity and have established robust procedures with their employees to assure strict compliance with our laws and regulations.

As many are aware the last step in awarding the licensing of the three potential casinos in New York lays not with the casino with the light with the location board but with us and I can assure all our Stakeholders that this commission will conduct a thorough review of all candidates forward to us in this at by the site selection Committee. In doing so we will review all relevant data as to whether a potential licensing possesses the qualifications to hold a casino license and we will thoroughly review all relevant material, including of course, the allegations lodged against Wynn and Resorts World.

Each day thousands of New Yorkers enjoy betting on sports and the state reaps enormous benefits from that activity as we saw during the meeting the commission takes seriously its responsibility to aid those who have difficulty in managing their gambling in addition to our activities in dealing with problem gambling each day our staff reviews potential betting opportunities presented by our licensees. No betting is allowed or publicized without our prior approval and we have blocked entire categories of betting as inappropriate, including as we well know proposition betting on College sports. It is our responsibility to protect the consumers in these Transactions.

In that regard I looked with great alarm about the recent proposal by Draft Kings to implement a 20% surcharge on any payout of winning bets. I view that proposal as both misleading and detrimental to the consumer. I am of course pleased that the

proposal has been withdrawn and I remind all our licensees, however, that this commission is committed to protecting the consuming public and that any proposal such as the one advanced by Draft Kings will be a subject to the strictest scrutiny and if appropriate be rejected.

Today we approved a new Corporation to participate in the New York market. Obviously New York remains an attractive venue for those who are in the bet in the business of sports betting and I see no reason why we should alter our present regulatory or taxing environment.

I also wanted to bring to attention the question of the New York State Lottery as we know the New York State Lottery continue to be North America's largest and most profitable Lottery. Surprisingly many people are unaware where those profits go. The state constitution mandates that all lottery profits go directly to education and since 1967 our Lottery has generated over 86 billion dollars for our public schools. Generations after generations of New York have walked in Halls, sat in classrooms, played Sports and performed at these schools all because of the New York state lottery or to put it another way every time we play the New York Lottery even if we lose our Public Schools win. Earlier this year understanding that I requested our Lottery Division and its advertisers McCann New York come up with a plan to increase the awareness of this important mission and to have each New Yorker know that when they play that that money went directly to education.

But while the benefiting public schools campaign initially started in March with some free advertising today's meeting coincidentally marks the next step of the campaign with television and radio ads and I refer you now to the Win promotional tickets that are very clearly state it benefits public schools and then shows how much the lottery supported education 3.7 million in last year.

I'd like to ask Deputy Executive Lee Park to briefly go over the campaign and show us one of the commercials.

Deputy Executive Director lee Park: Thank you. At chairman O'Dwyer's direction the division of the lottery under the leadership of Director Gweneth Dean and Marketing Sales Director Richard Oettinger and executive staff worked with McCann New York to build a comprehensive campaign to remind New Yorkers how Lottery revenue helps support New York schools. The campaign as we said began spring with existing assets including a benefiting New York Public School web page where users can see how much money their school district has received the Lottery revenue and we've incorporated similar theme messaging on all of our public facing assets including the daily live drawings, player newsletters, draw game tickets, and retailer displays and we've also been uh doing organic social media posts. The next phase which launched at the beginning of the summer included paid elements throughout the summer including Link NYC ads across

Manhattan, sponsorship for the Summer Stage concert series, online advertising and expanded social media and again draw games, play slips and sip game ticket back. We had a display at the New York State Fair that was focused on education kind of matching along with the theme of the ticket including the educational promotional scratch off itself and today we launched a full integrated campaign including television messaging at retail out of home print digital display social and more.

The television and radio spots were airing in English and Spanish and were produced by McCann New York. Before we show the spot the lottery has been conducting research to accurately gauge the public's perception of where Lottery revenue goes and whether it impacts their decision to play. Among the notable findings the percentage of the population accurately identifying education as the New York Lottery beneficiary increased four points between March and August from 24.3% to 28.3% and those who view aid education advertising such as this campaign as a major reason to play grew two times since the campaign launched. It is reasonable to expect that these numbers will only continue to grow as the campaign enters its next phase. So I think we're to try to bring up the ad in New York all that anyone is looking for is was a chance in a place with endless possibility New York public schools give students the chance to find their voice in a chorus of millions to play their first notes before striking a cord with the rest of the world to learn small lessons in the gym before shining in the league to not just study the stars but see them with place and every time you take a chance on the New York Lottery our schools win those on TV and during the course of the next couple of months.

Chairman Brian O'Dwyer: I have the last thing I'd like to report and just is that as Mr. Williams indicated that work is progressing in Belmont, among that is the new workers housing that we have promoted and I expect that to be open relatively soon. As that is open of course I hope we can all go out and visit. It it's truly a remarkable facility. We saw the one up in Saratoga just opened and is a major in a major improvement for the workers out there and we look for the same in in Belmont. Mr. Williams and I continue to work with the racetrack chaplaincy, we have regular meetings with them to assure that the workers at the racetrack on both racetracks are taken care of and we expect to similarly work with Finger Lakes to significantly improve workers housing in that facility.

And with that I will take a motion to adjourn.