

**MINUTES OF THE
NEW YORK STATE
GAMING COMMISSION MEETING
JUNE 26, 2013
NEW YORK, NEW YORK**

A meeting of the New York State Gaming Commission was called to order on Wednesday June 26, 2013 at 11:00 a.m. at the Empire State Development Corporation located in New York, New York.

1. Call to Order.

The meeting was called to order by Acting Executive Director Robert Williams. Establishment of a quorum was noted by Acting Secretary Buckley. In physical attendance were Commissioners John Crotty, John Poklemba, Barry Sample and Todd Snyder.

2. Designation of Presiding Officer

Mr. Williams noted that by statute, the Governor is to designate a member of the Commission as Chair. He noted that no such designation has occurred; he requested the Commission determine a Presiding Officer for this meeting. Commissioner Sample moved that Commissioner Snyder preside over the meeting.

ON A MOTION BY: Commissioner Sample
APPROVED: 4-0

3. Introductions

Each of the Commissioners and Mr. Williams and Commission General Counsel Edmund Burns introduced themselves.

4. Summary of the Transition Process

Commissioner Snyder noted that section 103.1 of the Racing, Pari-Mutuel Wagering and Breeding Law directs the Commission to establish and supervise four divisions - Charitable Gaming, Gaming and Horse Racing, Pari-Mutuel Wagering, and Lottery - to carry out the functions of the

Commission. Mr. Williams noted in the absence of appointment by the Governor that he has designated acting directors for the four divisions. Each acting division director introduced him or herself and gave a brief description of their division.

5. Adoption of Mission Statement

Mr. Burns asked the Commission to consider for adoption a draft Mission Statement to inform the public of the purpose of the Commission and guide staff. He recommended a proposed Mission Statement for approval. Commissioner Snyder requested that the draft Mission Statement be amended to include recognition of the Commission's duty to regulate the safety and welfare of race horses. Mr. Williams and Mr. Burns confirmed that the Mission Statement would be so amended.

ON A MOTION BY: Commissioner Snyder

APPROVED: 4-0 (as amended to recognize the regulation of safety and welfare of race horses)

6. Adoption of Plan of Organization

Mr. Burns asked the Commission to consider a proposed Plan of Organization, which section 103.1 of the Racing, Pari-Mutuel Wagering and Breeding Law directs the Commission to establish.

ON A MOTION BY: Commissioner Snyder

APPROVED: 4-0

Mr. Burns then asked the Commission to consider a resolution, consistent with the Plan of Organization, setting forth that all final agency action in regard to rulemaking and adjudicatory proceedings shall be exercised by the Commissioners; that the policies and directives of the Commissioners, and the conduct of the administrative affairs of the Commission, shall be effected by the Acting Executive Director; and that the Acting Executive Director shall report regularly to the Commissioners in regard to the affairs of the Commission.

Commissioner Crotty asked about the scope of delegated duties and a discussion of this topic among the Commissioners, Mr. Williams and Mr.

Burns followed. The Commissioners agreed that the proposed resolution should be adopted, but that a more specific resolution recognizing the discretion of the Commissioners to reserve for themselves decisions they may deem, from time to time, appropriate for consideration by them and not Commission staff. Mr. Williams and Mr. Burns agreed to prepare such a resolution for consideration at a future Commission meeting.

ON A MOTION BY: Commissioner Snyder
APPROVED: 4-0

7. Report of Acting Executive Director

At the last meeting of the N.Y.S. Racing and Wagering Board held on January 31, 2013, the Board delegated responsibilities to the Commission Executive Director to implement racing and gaming policy and to take certain operational actions. This delegation supplemented certain statutory power of the Executive Director. Mr. Williams generally outlined the scope of decisions that had been undertaken pursuant to such authority.

8. Ratification of Action and Determinations of Staff

Mr. Burns asked the Commissioners to consider a proposed resolution in regard to the continuity of Commission operations from its legacy agencies. He noted that the proposed resolution recognizes the lawfulness of actions taken by Commission staff prior to Commissioner confirmation and, to the extent it may be deemed necessary, ratified such actions.

ON A MOTION BY: Commissioner Snyder
APPROVED: 4-0

9. Rulemaking

a. Promulgation of Emergency Rules and Notice of Proposed Rulemaking for the Transition.

Mr. Burns placed for consideration a rulemaking for standardizing former lottery and racing rules under the Commission. He described the proposal as a comprehensive reorganization of the rules of the two prior State gaming agencies into a set of rules for the Commission that

also makes numerous stylistic changes. He noted that the proposal did not implement any substantive rule changes and further noted that section 128 of the Racing, Pari-Mutuel Wagering and Breeding Law explicitly authorizes the Commission to promulgate regulations on an emergency basis to ensure the implementation of Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law. The rulemaking was proposed for implementation as emergency rules and also for publication in the State Register as permanent rules under a Notice of Proposed Rulemaking.

ON A MOTION BY: Commissioner Snyder
APPROVED: 4-0

b. Notice of Proposed Rulemaking for Lottery Rules.

Mr. Burns placed for consideration a proposed rulemaking for two Lottery games: Mega Millions and raffle games. The regulatory changes are necessary for the New York Lottery to continue to participate in consortiums of state and territorial lotteries throughout the United States that operate the Mega Millions game and enable the New York Lottery to conduct a planned Halloween Millions Raffle game. Mr. Burns explained the revisions to the Mega Millions game were necessary to conform to amendments that the multi-state consortium made to its odds of winning and prize payment structure, which will take effect in October, 2013. The start of the multi-state raffle game is September 29, 2013. Mr. Burns noted that the proposed rule would also give the New York Lottery the flexibility to operate future intrastate raffle games. At the request of Commissioner Snyder, Mr. Williams confirmed that Lottery staff has reviewed and recommended Commission adoption of the proposed rules.

ON A MOTION BY: Commissioner Snyder
APPROVED: 4-0

c. Future Rulemaking.

Mr. Burns noted that there were a number of Emergency Rules in effect in regard to horse racing that grew from recommendations made in 2012 by the New York Task Force on Racehorse Health and Safety.

Mr. Burns explained that the former Racing and Wagering Board had approved the proposal of these rules for adoption as permanent rules, which the Commission could consider at a future meeting.

10. Future Final Adjudications by Commission

Mr. Burns noted that the Commission would have before it, in due course, final decisions in a number of adjudicatory matters. Commissioner Snyder stated that the Commission would look forward to considering those matters in a fair and deliberate manner.

11. Other Business

None

12. Scheduling of Next Meeting

Mr. Williams suggested that the next meeting be held in New York City within the next thirty (30) days.

13. Adjournment

With no further business before the Commission, the meeting concluded.