

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF SEPTEMBER 20, 2001

A meeting of the New York State Racing and Wagering Board was held on Thursday, September 20, 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

Cheryl Buley, Member

Edward Martin, Executive Director

Maureen McGrath, Secretary to the Board

Robert Feuerstein, General Counsel

Gregg Schreffler, Chief of Audits & Investigations

Joe Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Walker, NYSR&WB

Jennifer Whalen, NYSR&WB

Denise Poole, NYSR&WB

Martin Tuczinski, Capital OTB

Paul D'Onofrio, Monticello Raceway

Heather Bennett, The Bennett Firm

Bill Crowell, NYRA

OPEN COMMENT PERIOD: No comments were made.

A. The Board approved the minutes of the Board meeting held on August 15, 2001.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. NYRA REQUEST TO OFFER RACES AS "SPECIAL EVENTS"

For entry into the minutes, on August 17, 2001, approval was granted for the request by NYRA to amend their simulcast plan of operation by the designation of the following out of state stakes races scheduled during September as "special events":

9/9	Atto Mile (I)	Woodbine
9/22	Turfway Breeders Cup Stakes (III)	Turfway
9/22	Kentucky Cup Classic (II)	Turfway
9/22	Kentucky Cup Sprint (II)	Turfway
9/23	Super Derby XXII (I)	Louisiana Downs
9/23	Kentucky Cup Mile	Kentucky Downs
9/23	Kentucky Cup Ladies Turf	Kentucky Downs
9/23	Kentucky Cup Turf Dash	Kentucky Downs
9/23	Kentucky Cup Turf (III)	Kentucky Downs
9/29	Ohio Derby (II)	Thistledown

2. MONTICELLO RACEWAY REQUEST FOR ADDITIONAL RACING DAY - 9/6/01

For entry into the minutes, on August 23, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation to add an additional race date on Thursday, September 6, 2001, with a first post time of 1:05 p.m.

3. SUFFOLK OTB REQUEST TO OFFER PROMOTION RACING DAY - 9/6/01

For entry into the minutes, on August 28, 2001, approval was granted for the request by Suffolk OTB to provide a two-dollar wagering voucher to each phone account customer who appears with his/her direct mailing coupon.

The two-dollar voucher is valid anytime during the month of September of 2001.

4. NEW YORK OTB SIMULCAST NETWORK REQUEST TO DESIGNATE RACES AS "SPECIAL EVENT"

For entry into the minutes, on August 28, 2001, approval was granted for the request by New York OTB Simulcast Network to designate as a thoroughbred "Special Event" in compliance with Section 905-a of the Racing Law, the following stakes race:

- Monday – September 3rd – the Pennsylvania Derby (GR. III) – Philadelphia Park

5. VERNON DOWNS REQUEST TO SIMULCAST FROM VARIOUS LOCATIONS IN 2001

For entry into the minutes, on September 7, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the year 2001 simulcasts from The Delaware County Fair in Ohio and the Red Mile in Lexington, Kentucky.

* For entry into the minutes, on September 17, 2001, approval was granted for the request by Vernon Downs to amend their simulcast plan of operation enabling the import of the year 2001 simulcasts from the thoroughbred racetrack in California known as Oak Tree at Santa Anita and from the Ohio harness track known as Raceway Park.

These imported simulcast signals may be used whenever permitted under the Racing Law.

6. BUFFALO RACEWAY REQUEST TO SIMULCAST FROM HARRINGTON RACEWAY AND THE RED MILE

For entry into the minutes, on September 17, 2001, approval was granted for the request by Buffalo Raceway to amend their simulcast plan of operation enabling the import of the harness simulcast signals from The Red Mile in Kentucky and from Harrington Raceway in Delaware.

These simulcast signals may be utilized whenever permitted under the Racing Law. This approval is effective immediately.

7. MONTICELLO RACEWAY LIST OF SIMULCAST LOCATIONS IN 2001

For entry into the minutes, on September 17, 2001, approval was granted for the request by Monticello Raceway to amend their simulcast plan of operation enabling the import of the year 2001 simulcasts from The Delaware County Fair in Ohio including the special event days of Wednesday, September 19th (Jugette Day) and Thursday, September 20th (Jug Day).

8. SARATOGA HARNESS REQUEST TO AMEND PLAN OF OPERATION - RACING DATES

For entry into the minutes, on September 17, 2001, approval was granted for the request by Saratoga Harness to amend their plan of operation enabling a transfer of the scheduled Tuesday night September 11th racing program to a new night, Wednesday, September 12th at the regular 7:40 p.m. first post time.

9. YONKERS RACEWAY REQUEST TO AMEND PLAN OF OPERATION - RACING DATES

For entry into the minutes, on September 17, 2001, approval was granted for the request by Yonkers Raceway to amend their plan of operation enabling the addition of a racing date for Wednesday, September 19th, normally a "dark day".

Also forwarded was the information that the year 2001 New York Sire Stakes finals will be contested on Saturday, September 29th.

10. NEW YORK CITY OTB REQUEST TO SIMULCAST TURFWAY PARK

For entry into the minutes, on September 17, 2001, approval was granted for the request by New York City OTB to amend their simulcast plan of operation enabling the import of thoroughbred simulcasts from Turfway Park in Florence, Kentucky during their Fall year 2001 meet.

Within the New York City OTB Turfway Park simulcast agreement is the provision for this contract to extend beyond the year 2001. Should this occur, new federally required letters of permission for importation of this simulcast after December 31, 2001 must be filed with the Board.

This approval extends to Capital, Catskill, Nassau, Suffolk and Western Regional OTBs.

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

1. IN THE MATTER OF DAVID GEORGE

For entry into the minutes, on August 22, 2001, the Board summarily suspended the thoroughbred groom license of David George upon a finding that the public safety and welfare imperatively require this emergency action. On August 5, 2001, he submitted a urine sample for testing which produced a test result positive for cocaine in violation of Board Rule 4042.5 and a Consent to Conditions for Relicensing, dated July 21, 1993.

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

2. WESTERN OTB REQUEST FOR ONE YEAR BOND ANTICIPATION NOTES (BANS)

For entry into the minutes, on September 18, 2001, the Board approved the request by Western Regional Off-Track Betting Corporation for the issuance of two Bond Anticipation Notes pursuant to Section 508 (1) and (2) of the New York Racing, Pari-Mutuel Wagering and Breeding Law.

The first request relates to the construction of the Phoenix branch office located in the Town of Schroepfel, Oswego County.

The second request relates to the renovation of real property located in the Town of Amherst, Erie County.

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

1. IN THE MATTER OF LISA AITCHISON

The Board approved Hearing Officer Dranichak's recommendation that the Board uphold the violation of Board Rules 4043.2(f) and 4043.4 as a result of the January 22, 2000 post-race ergonovine positive test of the horse NEVER CAN TELL at Aqueduct Race Track. The Board suspended the thoroughbred trainer license of Lisa Aitchison for 120 days provided that 30 days of the 120 day suspension shall be deemed waived if she does not incur any additional equine drug related violation within one year from September 20, 2001.

2. IN THE MATTER OF THOMAS JACKSON

The Board approved Hearing Officer Baller's recommendation that the license of thoroughbred groom Thomas Jackson be revoked based upon the finding that a urine specimen provided by him on June 9, 2001 had tested positive for cocaine, in violation of Board Rule 4042.5.

3. IN THE MATTER OF CLEOPHUS LEWIS

The Board approved Hearing Officer Baller's recommendation that the license of thoroughbred groom Cleophus Lewis be revoked based upon the finding that a urine specimen provided by him on June 27, 2001 had tested positive for cocaine, in violation of Board Rule 4042.5 and the January 2000 Consent to Conditions for Relicensing.

4. IN THE MATTER OF DAVID RIVERA

The Board approved Hearing Officer Dranichak's recommendation that the decision of the State Steward at Finger Lakes Race Track, which suspended Mr. Rivera's license for ten (10) days for causing interference during the second race on May 19, 2001, in violation of Board Rule 4035.2 be confirmed.

5. FALCONER LOYAL ORDER OF MOOSE LODGE 2301 LICENSE REINSTATEMENT APPLICATION

The Board reinstated the registration identification number of the Falconer pursuant to a stipulation dated September 6, 2001. This action will enable the Falconer to obtain a loan whereby it will make charitable contributions in the amount of arrearages. Falconer will not conduct any games of chance until the charitable contributions are paid at the closing of the loan and proof is furnished to the Board.

6. REVISIONS TO PROPOSED ELECTRONIC BINGO AIDS RULES AND REGULATIONS

The Board approved the changes suggested by the Governor's Office of Regulatory Reform for the proposed rules and regulations for the use and distribution of Electronic Bingo Aids.

7. NYRA REQUEST FOR APPROVAL OF RACING OFFICIAL - BAEZA

The Board approved the request by The New York Racing Association, Inc. to assign Braulio Baeza as a Category III racing official. The individuals listed in Category III may serve as alternate stewards and would serve in the absence of the regularly designated steward appointed by NYRA or the Jockey Club.

This approval is in compliance with Board Rule 4005.1.

8. CAPITAL OTB REQUEST TO ADD E-Z BET LOCATION - DANDEMORA

The Board approved the Capital District Regional OTB request, dated April 25, 2001, to conduct wagering and display simulcasts at Ruthies Tavern at the Gate in Dannemora, New York (Clinton 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).

Capital OTB, using its own "North Country" security and audit employees, will occasionally inspect Ruthies Tavern at the Gate 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 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.

9. CAPITAL OTB REQUEST TO ADD E-Z BET LOCATION - ALBANY

The Board approved the request by Capital District Regional OTB, dated May 9, 2001, to conduct wagering and display simulcasts at Broadway Joe's located at 51 South Street, Albany, New York (Albany 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).

Capital OTB, using its own security and audit employees, will inspect Broadway Joe's

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 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.

10. CATSKILL OTB REQUEST TO OPEN E-Z BET LOCATION - GOSHEN

The Board approved the request by Catskill District Regional OTB, dated April 25, 2001, to conduct wagering and display simulcasts at Frankie and Johnny's Café a/k/a Delaneys in Goshen, New York (Orange 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).

Catskill OTB, using its own personnel, will occasionally inspect Frankie and Johnny's (Delaneys) 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 Board is to be notified in writing, in a timely manner, should a change in procedure be implemented that affects the operation of this approved E-Z Bet facility.

11. CATSKILL OTB REQUEST TO APPOINT NEW MEMBER TO THE BOARD OF DIRECTORS - AUGOSTINI

The Board approved the request for the appointment of Thomas Augustini to the Board of Directors of the Catskill Regional Off-Track Betting Corporation as a participating member from Broome County.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. FINGER LAKES 2000 ANNUAL DESK REVIEW - 09/01-12-E

Staff conducted its annual desk review of the Finger Lakes Racing Association's 2000 financial statements.

2. SARATOGA HARNESS 2000 ANNUAL DESK REVIEW - 09/01-13-E

Staff conducted its annual desk review of the Saratoga Harness Racing, Inc.'s 2000 financial statements.

3. CAPITAL REGIONAL OTB 2000 ANNUAL DESK REVIEW - 09/01-18-E

Staff conducted its annual desk review of Capital OTB's 2000 financial statements.

The meeting was adjourned at 12:15 p.m.