

**MINUTES
NEW YORK STATE RACING AND WAGERING BOARD
MEETING OF MARCH 7, 2008**

A meeting of the New York State Racing and Wagering Board was held on Friday, March 7, 2008 at 1:00 p.m. at the Racing & Wagering Board's Schenectady Office located at 1 Broadway Center, Suite 600, Schenectady, New York.

The meeting was called to order at 1:05 p.m.

In Attendance Were:

Daniel D. Hogan, Chairman
John B. Simoni, Member
John Cansdale, Executive Director
Robert Feuerstein, General Counsel
Joseph Lynch, Director of Racing Operations
Thomas Casaregola, Director of Audits & Investigations
Gail Pronti, Secretary to the Board

Also in Attendance Were:

Daniel Toomey, NYSR&WB
Kristen Buckley, NYSR&WB
Vivian Davis, NYSR&WB
William Sekellick, NYSR&WB
Tom Spring, Capital District OTB
Tom Tocate, Vernon Downs/Tioga Downs
Jim Crane, Crane, Vacco, Parente

OPEN COMMENT PERIOD:

A. The Board approved the minutes of the Board meeting held on February 26, 2008.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIR

1. FINGER LAKES RACETRACK – REQUEST TO AMEND RACE DATES

For entry into the minutes, on February 21, 2008, the NYS Racing and Wagering Board approved the Finger Lakes Racetrack request to cancel racing on Sunday, September 7, 2008 and add Thursday, November 20, 2008 as the replacement date.

2. MONTICELLO RACEWAY – REQUEST TO AMEND RACE DATES IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved Monticello Raceway's request to cancel the scheduled race date of February 29, 2008.

The Board deferred action on the request to cancel March race dates and add July race dates.

3. MONTICELLO RACEWAY – REQUEST TO EXPORT TO VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved the Monticello Raceway Mgmt, Inc. request to simulcast its standardbred racing programs for wagering purposes for the year 2008 to the following additional entities associated with the Track Net Media Group, Kentucky:

1. Global Wagering Solutions, Delaware
2. Watch and Wager.com
3. Racelinebet.com.

4. NASSAU REGIONAL OTB – REQUEST TO OFFER PROMOTION AT POTTER'S PUB BRANCH

For entry into the minutes, on February 21, 2008, the NYS Racing and Wagering Board approved the request of the Nassau Regional Off-Track Betting Corporation to conduct the Potter's Pub promotion in which an advertisement would be placed in *The Long Island Press* with a coupon that could be redeemed for one free two dollar wager from March 17 through March 23, 2008. There is a limit of one coupon redemption per person and the name and address must be filled out on the coupon before redemption. Employees of Nassau OTB are not eligible to participate.

This approval is conditioned on compliance with the terms of the application to the Board and the promotion is subject to audit.

5. NASSAU REGIONAL OTB – REQUEST TO OFFER PROMOTION AT RACE PALACE TELETHEATRE INVOLVING NORTHFIELD PARK ON MARCH 14, 2008

For entry into the minutes, on February 21, 2008, the NYS Racing and Wagering Board approved the request of Nassau Off-Track Betting Corporation to hold a random drawing on March 14, 2008 after each of the first ten races from Northfield Park in Ohio for one fifty (\$50.00) dollar and one twenty-five (\$25.00) dollar betting vouchers. Employees of Nassau OTB are not eligible to participate.

This approval is conditioned on compliance with the terms of the application submitted to the Board and the promotion is subject to audit.

6. NASSAU REGIONAL OTB – REQUEST TO OFFER SPRING PHONE ACCOUNT BRANCH TOUR PROMOTION

For entry into the minutes, on February 21, 2008, the NYS Racing and Wagering Board approved the request of Nassau Off-Track Betting Corporation to conduct the Nassau OTB “Spring Phone Account Branch Tour” contest. This promotion will run from March 14 through May 19, 2008 with the random drawing held on or about May 20, 2008. Anyone signing up for a new telephone account will have his/her name entered in a random drawing for a Grand Prize of \$1,000.00 to be held on or about May 20, 2008. Existing account holders will be eligible to enter into a separate Grand Prize drawing for \$500.00 also to be awarded on May 20, 2008. Both winners will have the opportunity to attend the 2008 Belmont Stakes with all food and beverages included.

This approval is conditioned on compliance with the terms of the application to the Board and the promotion is subject to audit.

7. NEW YORK CITY OTB – REQUEST TO OFFER HANDICAPPING CONTEST ON MARCH 21, 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved the NYCOTB request dated February 7, 2008 to conduct a handicapping contest on March 21, 2008 limited to telephone/internet account customers. The entry fee is ten dollars (\$10.00) and there is a limit of one entry per person.

This approval is conditioned upon compliance with the terms of the application submitted to the Board and the contest is subject to audit. Employees of NYCOTB are ineligible to participate in the contest.

8. NEW YORK CITY OTB – REQUEST TO IMPORT VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 25, 2008, the New York State Racing and Wagering Board approved amendments to the plans of operation of each New York State off-track betting corporation authorizing the simulcast for wagering purposes of races from Penn National Race Course during the year 2008.

9. NYRA – REQUEST TO EXPORT TO VARIOUS LOCATIONS IN 2008

For entry into the minutes, the New York State Racing and Wagering Board supplemented its approvals relating to the simulcast for wagering purposes of thoroughbred races conducted at Aqueduct Racetrack to TrackNet Media Group, LLC, which are effective through the earlier of (i) March 7, 2008 or (ii) further action of the Board.

The Board's prior approvals were supplemented and modified to the extent of authorizing the simulcast of the live races conducted at Aqueduct Racetrack and related horseracing content on TrackNet Media Group's affiliated television network (HRTV) and direct-to-home simulcasting network RTN) within New York State, and outside New York State (unless otherwise prohibited by applicable laws), through the earlier of (i) March 7, 2008 or (ii) further action of the Board. All other conditions set forth in the Board's January 4 and 15, 2008 letters remain in effect.

This approval does not extend to video streaming over the internet and is limited to over-the-air broadcasts, cable, phone company television services, and direct satellite transmissions only.

10. SARATOGA GAMING AND RACEWAY – REQUEST TO IMPORT VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved an amendment to the Saratoga Gaming & Raceway simulcast plan of operation authorizing the simulcast for wagering purposes of races from Track Net Media Group, in particular The Dubai International Racing Carnival and the Dubai World Cup at Nad Al Sheba Racecourse, Dubai to be raced on February 28, 2008, March 6, 2008, and March 29, 2008.

11. SARATOGA GAMING AND RACEWAY – REQUEST TO EXPORT VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved the Saratoga Gaming & Raceway request to simulcast its standardbred racing programs for wagering purposes during the year 2008 to Premier Turf Club, LLC, North Dakota.

12. For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved the Saratoga Gaming & Raceway request to simulcast its standardbred racing programs for wagering purposes during the year 2008 to Hawthorne Racecourse, Illinois.

13. TIOGA DOWNS – REQUEST TO IMPORT VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved an amendment to the Tioga Downs simulcast plan of operation authorizing the simulcast for wagering purposes of races from Northlands Park, Alberta, Canada through December 21, 2008.

14. VERNON DOWNS – REQUEST TO IMPORT VARIOUS LOCATIONS IN 2008

For entry into the minutes, on February 21, 2008, the New York State Racing and Wagering Board approved an amendment to the Vernon Downs simulcast plan of operation authorizing the simulcast for wagering purposes of races from Northlands Park, Alberta, Canada through December 21, 2008.

15. WESTERN REGIONAL OTB – REQUEST TO OFFER COUPON PROMOTION IN SPANISH NEWSPAPERS

For entry into the minutes, on February 15, 2008, the New York State Racing and Wagering Board approved the Western Regional OTB request to offer a two dollar (\$2.00) wager on any thoroughbred or harness race offered by Western Regional Off-Track Betting on Tuesdays, Wednesdays or Thursdays ONLY prior to the expiration time listed on the free ticket. This contest is available from Monday, February 25 through Monday, March 31, 2008. The bet must be made at the Grant Street branch in Buffalo, New York. There is available only one coupon per person during this promotion. No purchase is necessary. Customers must be eighteen years of age or older to participate.

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

None.

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

(All Board action was by unanimous vote of the members present unless otherwise stated.)

1. NEW YORK CITY OTB – SIMULCAST LICENSE APPLICATION FOR 2008

The New York State Racing and Wagering Board deferred action on New York City Off-Track Betting Corporation's 2008 simulcast license application pending [further review](#) of matters concerning NYC OTB's financial position.

NYC 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, including, submission to the Board of fire inspection reports on an ongoing basis and the filing with the Board no later than October 31, 2008 of an SAS-70 Type II audit for the current licensing period on the totalizator operations utilized and located at your facility.

2. MONTICELLO RACEWAY – 2008 RACE DATES

The New York State Racing and Wagering Board assigned to Monticello Raceway the amended race dates requested for the month of April 2008 only.

The conduct of racing is subject to all applicable laws and rules, as well as all orders and directives of the Board.

3. YONKERS RACEWAY – 2008 RACE DATES

New York State Racing and Wagering Board assigned to Yonkers Raceway the race dates requested for the month of April 2008 only.

The conduct of racing is subject to all applicable laws and rules, as well as all orders and directives of the Board.

4. NYRA – 2008 RACE DATES

The New York State Racing and Wagering Board acted upon the March 5, 2008 request of The New York Racing Association, Inc. to extend the approval of 2008 race dates through April 27, 2008.

Based upon the request, and in consideration of the Board's receipt of the March 7, 2008 THIRD AMENDMENT TO STIPULATION RELATING TO, AMONG OTHER THINGS, THE OPERATION OF THE RACETRACKS, dated December 31, 2007 and the March 7, 2008 letter of the Non-Profit Racing Association Oversight Board, the Board approved the race dates requested through the earlier of (i) April 27, 2008 or (ii) further action of the Board.

5. NYRA – RACING OFFICIALS FOR 2008

The New York State Racing and Wagering Board acted upon the March 5, 2008 request of The New York Racing Association, Inc. to extend the approval of the racing officials previously approved in the Board's December 27, 2007, January 29, 2008 and February 14, 2008 letters. The Board approved an extension, which is valid only through the earlier of (i) April 27, 2008 or (ii) further action of the Board.

6. THE JOCKEY CLUB – RACING STEWARDS FOR 2008

Pursuant to Board Rules 4005.1 and 4023.1, the New York State Racing and Wagering Board approved The Jockey Club request to appoint Dr. Theodore Hill as Jockey Club Steward at Aqueduct Racetrack through April 27, 2008 only.

7. FINGER LAKES RACETRACK – RACING OFFICIALS FOR 2008

Pursuant to Board Rule 4005.1, the NYS Racing and Wagering Board approved sixteen (16) of the seventeen (17) officials listed in the Finger Lakes revised letter dated January 17, 2008. The name of Peter Brown, Veterinarian, had been removed from the roster of racing officials and the employment of Mary Hooten, Horse Identifier & Alternate Placing Judge, was deferred pending further review.

8. VERNON DOWNS – 2008 RACE DATES

The New York State Racing and Wagering Board assigned to Vernon Downs the race dates requested for the month of April 2008 only.

The conduct of racing is subject to all applicable laws and rules, as well as all orders and directives of the Board.

9. NASSAU REGIONAL OTB – REQUEST TO INCLUDE “TINY TIM” REMOTE WAGERING TERMINALS

The New York State Racing and Wagering Board approved the request by Nassau Regional Off-Track Betting Corporation to amend its plan of operation to offer Tiny Tim personal betting terminals as specified in its December 23, 2007 letter. The approval is conditioned on the following:

1. Nassau OTB periodically audit the location and use of the terminals;
2. The terminals are configured to allow wagers only from specified Nassau OTB account holder who was assigned the terminal.

10. YONKERS RACEWAY – REQUEST TO MODIFY INTERNET ACCOUNT WAGERING SYSTEM TO OFFER TOUCH TONE WAGERING

The New York State Racing and Wagering Board approved amendments to Yonkers Raceway Corp.’s plan of operation to begin offering touch tone telephone wagering in conjunction with their account wagering system and to modify their plan of operation regarding the opening of wagering accounts, as described in the submission dated February 12, 2008.

11. WESTERN REGIONAL OTB – REQUEST TO WITHDRAW \$20,534.00 FROM CIF

The New York State Racing and Wagering Board approved the February 6, 2008 Batavia Downs request to withdraw a total of \$20,534.00 from its Capital Improvement Fund for reimbursement of the following expenditure:

Backstretch (100%)

Replace Roof Barn #5 \$ 20,534.00.

12. CATSKILL REGIONAL OTB – REQUEST TO INSTALL BETTING TERMINALS AT LOG CABIN RESTAURANT – POUGHKEEPSIE, NEW YORK

The New York State Racing and Wagering Board approved an amendment to the Catskill Regional Off-Track Betting Corporation plan of operation to authorize the conduct of simulcasting and wagering at the Log Cabin Restaurant located at 7 South Clinton Street in Poughkeepsie, New York.

It is a condition of this approval that the wagering and simulcasting at this facility will be conducted in accordance with the terms of the operating agreement presented to the Board as well as all applicable statutes and Board rules, and that all wagering will be conducted through self-service terminals only.

This approval is also conditioned upon the requirement that Catskill Regional Off-Track Betting Corporation execute the Cash Receipt Agreement for Automatic Payment or Deposits and file a fully executed copy with the Board no later than five days after execution.

The Board's approval to operate a betting facility at this location shall expire and be of no force and effect in the event of any change in ownership or operation without the prior written approval of the Board.

It is expected that Catskill Regional OTB will arrange for the occasional inspection of this facility to assure compliance with the plan of operation and relevant laws and Board rules, and certify to the Board on a periodic ongoing basis that the conduct of wagering at this facility is in compliance with the foregoing.

13. NASSAU REGIONAL OTB – REQUEST FOR NEW FAST TRACK – BELLMORE, NEW YORK

The New York State Racing and Wagering Board approved an amendment to the Nassau Regional Off-Track Betting Corporation plan of operation to authorize the opening of a Fast Track at the Pool House Corporation d/b/a The Pool House Billiards & Sports Pub located at 2732 Grand Avenue in Bellmore, New York, in Nassau County.

It is a condition of this approval that the wagering and simulcasting at this facility will be conducted in accordance with the terms of the operating agreement presented to the Board as well as all applicable statutes and Board rules, and that all wagering will be conducted through self-service terminals only.

The Board's approval to operate a Fast Track facility at this location shall expire and be of no force and effect in the event of any change in ownership or operation without the prior written approval of the Board.

It is expected that Nassau Regional OTB will arrange for the occasional inspection of this facility to assure compliance with the plan of operation and relevant laws and Board rules, and certify to the Board on a periodic ongoing basis that the conduct of wagering at this facility is in compliance with the foregoing.

14. SUFFOLK REGIONAL OTB – REQUEST FOR NEW QWIK BET – COPIAGUE, NEW YORK

The New York State Racing and Wagering Board approved an amendment to the Suffolk Regional Off-Track Betting Corporation plan of operation to authorize the opening of a Qwik Bet at the Signal 8 Corporation d/b/a Cousin Craig's Signal 8 Saloon located at 80-F Montauk Highway, Copiague, New York in Suffolk County.

It is a condition of this approval that the wagering and simulcasting at this facility will be conducted in accordance with the terms of the operating agreement presented to the Board as well as all applicable statutes and Board rules, and that all wagering will be conducted through self-service terminals only.

This approval is also conditioned upon the requirement that Suffolk Regional Off-Track Betting Corporation execute the Qwik Bet Facility Authorization Agreement for Automatic Payment or Deposits and file a fully executed copy with the Board no later than five days after execution.

The Board's approval to operate a Qwik Bet facility at this location shall expire and be of no force and effect in the event of any change in ownership or operation without the prior written approval of the Board.

It is expected that Suffolk Regional OTB will arrange for the occasional inspection of this facility to assure compliance with the plan of operation and relevant laws and Board rules, and certify to the Board on a periodic ongoing basis that the conduct of wagering at this facility is in compliance with the foregoing.

15. CATSKILL REGIONAL OTB – REQUEST TO OFFER PROMOTION TO ENCOURAGE TELEPHONE BETTING ACCOUNT DEPOSITS

The NYS Racing and Wagering Board approved the Catskill Regional Off-Track Betting Corporation request to conduct an Account Deposit Promotional Bonus Program of ten (10%) percent of net deposits into its telephone wagering accounts in accordance with the terms of the January 25, 2008 request and supplemental submissions.

Approval is conditioned upon compliance with the terms of the application to the Board including the prior approval of the Board before implementation of any revisions to the program.

16. NASSAU REGIONAL OTB – REQUEST TO AMEND ACCOUNT WAGERING/PLAYER REWARDS/TOTE COMPANY

The New York State Racing and Wagering Board approved the request by Nassau Regional Off-Track Betting Corporation to amend its plan of operation to include internet wagering and to offer Player Rewards as described in the submission dated February 6, 2008 and further supplemented in correspondence dated February 28, 2008. This approval is conditioned upon the following:

1. NROTB must verify that the official addresses of those individuals who utilize the video streaming provided pursuant to this application are within Nassau County no less than once every calendar year.
2. The approval is limited to include telephone and Internet account wagering only. If NROTB wishes to expand operations to include other electronic means, that approval must be requested separately.
3. Individuals are required to provide acceptable identification consistent with Federal standards contained in OMB No. 1115-136 (pertaining to form I-9) and a record of such must be maintained by NROTB.
4. The Scientific Games Racing LLC computer servers that are responsible for the “Racing Data and Transaction Management” services for all of NROTB’s pari-mutuel wagering must continue to be located at NROTB’s current location.
5. A report of the satisfactory test and test results must be submitted to Board staff no later than seven days prior to the system being made available to the public. The system shall not be implemented prior to receipt by NROTB of a Board letter authorizing implementation.

The Board also approved amendments to NROTB's plan of operation to include the following contracts provided with the February 6, 2008 submission:

1. NROTB's contract with Global Cash Access Holdings Inc. to facilitate account holders ability to obtain cash advances from valid credit cards and depositing such funds in their NROTB wagering account.
2. NROTB's new service agreement with Scientific Games Racing LLC for tote services through December 31, 2013.

17. IN THE MATTER OF TIMOTHY CASE

The New York State Racing and Wagering Board adopted the Hearing Officer's findings and conclusions except as to the penalty to be imposed. The Board revoked the harness racing license of Timothy Case and declared him ineligible to reapply for five (5) years based upon the finding he violated Board Rules 4120.16 [now 4120.13] and 4120.4 because on May 23, 2006 the horse "Famous Last Words", trained by him and entered to race at Monticello Raceway, had a pre-race TCO2 level of 39 millimoles per liter or more- not physiologically normal-, and that this violation together with his history of Board rule violations, including multiple equine drug violations since 2000, established that his character and fitness are unsuitable within the meaning of Racing, Pari-Mutuel Wagering and Breeding Law Section 309(2) and Board Rule 4119.7(b). The Board made an additional finding that the full range of known factors, apart from alkalizing agents that may affect TCO2 levels in the horse on race day are part of the various horse population studies upon which the threshold levels are based.

18. IN THE MATTER OF ALESSANDRO SPANO

The New York State Racing and Wagering Board adopted the Hearing Officer's findings and conclusions except as to the penalty to be imposed. The Board imposed a license suspension of ninety (90) days based upon violation of Board Rules 4120.6(a)1 and 4120.6(c) in relation to the possession of equipment which may be used for hypodermic injection into a horse, which was not labeled and contained a drug, upon the premises of Tioga Downs on September 8, 2006.

19. IN THE MATTER OF WILLIAM BAILEY

The Board found, in relation to the 5th race on September 13, 2007 at Monticello Raceway, that there is insufficient evidence that driver William Bailey caused interference in violation of Board Rule 4117.4(b) while driving "Isosceles" in that race. The Board dismissed the appeal of the determination that placed "Isosceles" second in the race on the basis that this was a non-reviewable judgment call.

20. IN THE MATTER OF JOSHUA R. MARKS

The New York State Racing and Wagering Board adopted the Hearing Officer's findings and conclusions except as to the penalty to be imposed. The Board imposed a license suspension of ninety (90) days and a fine of \$1,000 based upon violation of the conditions of his license due to multiple violations, and violation of Board Rules 4104.8(a), 4101.24(i) and 4101.24(j) in relation to an incident at Saratoga Raceway on September 23, 2006. The Board further ordered, that after service of the ninety (90)

day suspension, Mr. Marks shall be subject to a 24 month probationary period during which any violation of Board Rules Parts 4119 or 4120 or Rules 4116.8, 4116.9(b) or (c) or the accumulation of an excessive number of violations of Part 4117 as determined in the discretion of Board staff, shall trigger the revocation of any licenses or racing privileges.

21. IN THE MATTER OF RALPH D’ALESSANDRO

The New York State Racing and Wagering Board upheld Hearing Officer Russell H. Baller, Jr.’s recommendation to dismiss the appeal on the basis that it is a non-reviewable judgment call.

22. IN THE MATTER OF BURTON GINTHER

The New York State Racing and Wagering Board upheld Hearing Officer Russell H. Baller, Jr.’s recommendation to dismiss the appeal on the basis that it is not subject to appeal pursuant to Board Rules and Precedent.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. GAMES OF CHANCE/BELL JAR TICKETS

List of bell jar tickets authorized/denied by the Charitable Gaming Unit between February 1, 2008 – February 25, 2008.

2. GAMES OF CHANCE/BINGO REGISTRATION NUMBERS

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between February 9, 2008 – February 25, 2008.

3. LICENSING/CURRENT LICENSE COUNT

The current racing licensing counts as of February 29, 2008 since January 1, 2008 are as follows: total receipts 1,985 and total licenses 1,242 for the year 2008.

4. 2008 LICENSED SUPPLIERS

List of licensed suppliers and manufacturers for the time period of February 1, 2008 through February 25, 2008.

F. FOLLOW-UP ON ITEMS PREVIOUSLY APPROVED

1. NEW YORK CITY OTB – REQUEST FOR APPROVAL OF NEW MEMBER MICHAEL J. MANSFIELD

On December 27, 2007, the Board approved the appointment of Michael J. Mansfield as a director of the NYCOTB, subject to the satisfactory review of a federal fingerprint based criminal history report. The federal fingerprint report was received on February 21, 2008.

Meeting adjourned at 2:05 p.m.