

MINUTES
MEETING OF JUNE 18, 1998
NEW YORK STATE RACING AND WAGERING BOARD

A meeting of the New York State Racing and Wagering Board was held on Thursday, June 18, 1998, in the New York City office located at 1 Penn Plaza, 7th Floor, New York, New York 10119.

The meeting was called to order at 2:50 p.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman
Joseph P. Neglia, Member
Edward Martin, Executive Director
Stephanie L. Donato, Secretary to the Board
Robert Feuerstein, General Counsel
John Signor, Director of Audits and Investigations

Via Teleconference:

Bennett Liebman, Member

Also in Attendance Were:

George McHugh, NYSR&WB
Judy Crane, NYSR&WB
Clyde Hirt, Sports Eye

A The Board approved the Minutes of the Board Meeting held on May 28, 1998.

B ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE CHAIRMAN

1. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION REQUEST TO CONDUCT PROMOTION

For entry into the minutes, on May 28, 1998 approval was granted for the request by Capital OTB to conduct a mystery bet voucher promotion on Belmont Stakes Day, Saturday, June 6, 1998. Capital OTB will mail out 5,000 vouchers to customers on their mailing list. Vouchers must be redeemed on Belmont Stakes day at any CDROTB facility tote machine.

This approval is conditioned upon random distribution.

2. NEW YORK RACING ASSOCIATION INC. REQUEST TO CONDUCT PROMOTIONAL EVENTS

For entry into the minutes, on May 28, 1998 approval was granted for the request by NYRA to offer free grandstand admission to patrons presenting an AmTrak ticket upon arrival at Belmont Park on Belmont Stakes Day, Saturday, June 6, 1998.

The Board requested more information before rendering a decision on media-sponsored promotions at Saratoga Race Course specifically in regards to: Outlying Markets and Salute to Red, White, Blue.

3. FINGER LAKES RACING ASSOCIATION, INC.- SIMULCAST AGREEMENT

For entry into the minutes, on May 29, 1998 approval was granted for the request by Finger Lakes Racing Assoc., to simulcast its signal to The Sports Wire (SPW) and one (1) of its satellite sites for their 1998 live racing season.

4. FINGER LAKES RACING ASSOCIATION, INC.- SIMULCAST AGREEMENT

For entry into the minutes, on June 3, 1998 approval was granted for the request by Finger Lakes Racing Assoc., to simulcast its signal to Suffolk Regional Off-Track Betting Corporation for their 1998 live racing season.

5. MONTICELLO RACEWAY REQUEST TO CONDUCT PROMOTIONAL EVENT

For entry into the minutes, on June 3, 1998 approval was granted for the request by Monticello Raceway to conduct a promotional T-shirt giveaway on Wednesday, July 1, 1998. Monticello Raceway will give a T-shirt to any patron who wagers at least \$20.00 per race in any combination.

6. FINGER LAKES RACING ASSOCIATION, INC.- SIMULCAST AGREEMENT

For entry into the minutes, on June 3, 1998 approval was granted for the request by Finger Lakes Racing Assoc., to simulcast its signal to Fort Erie Race Track for their 1998 live racing season.

7. **NEW YORK RACING ASSOCIATION INC. REQUEST TO BROADCAST AUDIO ON WEBSITE**

For entry into the minutes, on June 5, 1998 approval was granted for the request by the New York Racing Association to broadcast the audio of NYRA races on their website @nyra.com for a trial period of three months excluding June 6th (Belmont Stakes) and August 29th (Travers Stakes), until the close of the Saratoga Race Course meet on September 7, 1998.

8. **FINGER LAKES RACING ASSOCIATION, INC. -SIMULCAST AGREEMENT**

For entry into the minutes, on June 12, 1998 approval was granted for the request by Finger Lakes Racing Assoc., to simulcast its signal to Harrah's Operating Company, Inc. d/b/a Harrah's Casino Hotel Reno for their 1998 live racing season.

9. **FINGER LAKES RACING ASSOCIATION, INC., BATAVIA DOWNS, BUFFALO RACEWAY AND VERNON DOWNS REQUEST FOR SUPERFECTA WAGERING**

For entry into the minutes, on June 12, 1998 approval was granted for the implementation of superfecta wagering at Finger Lakes Racetrack, Batavia Downs, Buffalo Raceway and Vernon Downs.

On April 16, 1998 the NYS Department of Taxation and Finance conducted a pari-mutuel test of the superfecta wagering at Finger Lakes Racetrack on the Amtote "Spectrum" system. The test went according to plan and the wager may now be implemented.

10. **VERNON DOWNS REQUEST TO AMEND PREVIOUSLY APPROVED PROMOTIONAL EVENT**

For entry into the minutes, on June 12, 1998 approval was granted for the request by Vernon Downs to amend their original request dated May 19, 1998 to include the following in a promotional event to be held on Friday, June 19, 1998:

1. The first 700 patrons entering the track will receive a free Vernon Downs hat.
2. Representatives from KISS 102 will participate in a media race. This race will take place after the third race on the program. There will be no wagering on this race.
3. A drawing for a Jacuzzi Suite Giveaway sponsored by the Comfort Suites Hotel (open to paying and non-paying patrons).
4. Trophies from KISS 102 and Coors Light Beer will be awarded to the winners of races throughout the evening's program.
5. The United Bootie Foundation group will perform in the upper grandstand.

C ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY BOARD

1. MATTER OF TROY ROSSI

For entry into the minutes, on June 10, 1998, the Board summarily suspended Troy Rossi's license to participate in pari-mutuel harness racing effective June 10, 1998, pending the disposition of a hearing for failing to provide a urine sample on June 9, 1998, as directed by the Presiding Judge at Monticello Raceway.

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

1. USE OF BINGO COMPUTERS

"The Board determined that the staff level authorization provided to Bingotec on April 11, 1994 is in apparent conflict with the Opinion of the Attorney General No. F85-8, dated August 22, 1985, regarding computer equipment use at bingo occasions. The Board authorized a request for an opinion of the Attorney General as to whether the type of computer equipment at issue may be viewed as an aid to the conduct of bingo, and thus not within the prohibition addressed in the 1985 Opinion. The Board further directed that the prior authorization to Bingotec be rescinded upon ninety (90) days notice.

2. YONKERS RACEWAY REQUEST TO AMEND ITS PLAN OF OPERATION

The Board approved the request by Yonkers Raceway to amend its plan of operation to resume Wednesday racing throughout 1998 beginning July 1, 1998, with a post-time of 7:40 p.m.

3. BUFFALO RACEWAY REQUEST TO ISSUE IRD DECODER

The Board approved the request by Buffalo Trotting Association to issue an IRD (digital) decoder, for viewing purposes, only to Donald Cosgrove, an out-of-state licensed owner who races his horses at Buffalo Raceway.

4. FINGER LAKES RACING ASSOCIATION, INC. REQUEST TO ISSUE IRD DECODER

The Board approved the request by Finger Lakes Racing Assoc., Inc. to issue an IRD (digital) decoder, for viewing purposes only, to Stan Jablonski an out-of-state licensed owner who races his horses at Finger Lakes Race Track.

5. NEW YORK RACING ASSOCIATION INC. -RADIO AND VIDEO BROADCAST AGREEMENTS

The Board acknowledged, pursuant to Rule 4004.5, the submission by NYRA of radio and video broadcast agreements with the following:

ABC Sports
ABC Radio Networks
Winner Communications

Sports Channel (DBA Fox Sports New York) and
NTRA 2Day at the Races letter agreement.

In addition, the Board also acknowledged receipt of the request by NYRA to exempt the contracts from disclosure pursuant to the Public Officers Law.

6. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION REQUEST TO AMEND ITS PLAN OF OPERATION

The Board deferred action on the request by Capital OTB to amend its plan of operation with respect to the distribution of telephone betting handle derived from non-participating counties, pending a formal opinion of the NYS Attorney General as to whether an off-track betting corporation may distribute non-attributable telephone wagering handle to participating counties on a population only basis.

7. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION REQUEST TO AMEND ITS PLAN OF OPERATION

The Board approved the request by Capital OTB to amend its plan of operation to appoint George Traub as the new Madison County Director.

8. NEW YORK CITY OFF-TRACK BETTING CORPORATION REQUEST TO AMEND ITS PLAN OF OPERATION

The Board approved the request by New York City OTB to amend its plan of operation to appoint Ronald Ceisler as Vice President of Marketing and Media of the Corporation.

Approval is conditioned upon a satisfactory return of Mr. Ceisler's fingerprint cards.

9. NEW YORK CITY OFF-TRACK BETTING CORPORATION REQUEST TO AMEND ITS PLAN OF OPERATION

The Board approved the request by New York City OTB to amend its plan of operation to appoint Vincent Abato as Vice President of Information Technology of the Corporation.

Approval is conditioned upon a satisfactory return of Mr. Abato's fingerprint cards.

10. NEW YORK CITY OFF-TRACK BETTING CORPORATION REQUEST TO AMEND ITS PLAN OF OPERATION

The Board approved the request by New York City OTB to amend its plan of operation to appoint Dennis McManus as Vice President of Business Affairs of the Corporation.

Approval is conditioned upon a satisfactory return of Mr. McManus' fingerprint cards.

11. MATTER OF JOSE ESPINOZA

The Board approved the recommendation of Hearing Officer Liebman that the decision of the State Steward at Aqueduct Race Track, which suspended the license of Jose Espinoza for ten days based upon careless riding in the sixth race at Aqueduct Race Track on February 6, 1998, be upheld.

E ITEMS FOR BOARD INFORMATION/ DISCUSSION

- 1. OPEN FORUM PRIOR TO THE START OF MONTHLY BOARD MEETINGS -06-02-E**
Suggestion brought by Member Neglia to extend an invitation to interested parties to attend an open discussion period prior to Board meetings.

After discussion it was agreed to have a forum for public comment, not to exceed 30 minutes, at the beginning of Board meetings commencing with the August meeting.

- 2. NEW YORK STATE TAXATION AND FINANCE -06-26-E**
Inquiry on the reporting and withholding requirements related to winnings of Twin Trifecta and Tri-Superfecta Wagering.
- 3. THE NEW YORK RACING ASSOCIATION INC. -06-36-E**
Letter from Terry Meyocks regarding Belmont glass enclosure project.
- 4. THE NEW YORK RACING ASSOCIATION INC. -06-08-E**
Financial Statement for the 1998 Belmont Spring meet from the NYTHA.
- 5. THE NEW YORK RACING ASSOCIATION INC. -06-21-E**
Plan for repairs of the Aqueduct Race Track tunnel.
- 6. FINGER LAKES RACING ASSOCIATION, INC. -06-22-E**
Betting license for the Caymanas Park Racecourse.
- 7. FINGER LAKES RACING ASSOCIATION, INC. -06-28-E**
FL-HBPA consent to simulcast Saratoga 1998 meet.
- 8. BATAVIA DOWNS FINANCIAL SUBMISSION UPDATE -06-35-E**
Batavia Downs Comptroller, Barbara Mruczek, submitted to the Board the attached financial information on June 12, 1998. To date, the Board has not received the "Close-out" plan requested June 2, 1998 in writing, by Robert Feuerstein.
- 9. BUFFALO RACEWAY -06-09-E**
Job security agreement with Service Employees International Union, Local 235, AFL-CIO.

10. **MONTICELLO RACEWAY -06-34-E**
Withdrawn request for exotic wagering.
11. **CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION -06-04-E**
Notice of claim from William Johnson.
12. **CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION -05-66-E**
Robbery at Columbia/Washington Branch Office in Utica.
13. **WESTERN REGIONAL OFF-TRACK BETTING CORPORATION -06-11-E**
Robbery at West Ridge Road Branch Office, Rochester, NY.
14. **WESTERN REGIONAL OFF-TRACK BETTING CORPORATION -05-26-E**
Pool transmission problems.
15. **NEW YORK CITY OFF-TRACK BETTING CORPORATION -06-33-E**
New betting system.
16. **NEW YORK STATE REGISTER - JUNE 10, 1998 -RULE NOTICES -06-32-E**
 1. **Notice of Emergency/Proposed Rulemaking for Games of Chance regulations (Bell Jars); and**
 2. **Notice of Proposed Rulemaking to Repeal Obsolete Rule 4029.8****The 45 day comment periods for each expire July 25, 1998.**

The meeting adjourned at 3:55 p.m.