

MINUTES
SPECIAL BOARD MEETING OF JUNE 30, 1998
NEW YORK STATE RACING AND WAGERING BOARD

A special meeting of the New York State Racing and Wagering Board was held on June 30, 1998, in the Executive Office, located at 1 Empire State Plaza, Suite 1201, Albany, New York 12223.

The meeting was called to order at 3:00 p.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman
Bennett Liebman, Member
Edward Martin, Executive Director
Stephanie L. Donato, Secretary to the Board
Robert Feuerstein, General Counsel
James Gallagher, Chief of Racing Operations
John Signor, Director of Audits and Investigations

Via Teleconference:

Joseph Neglia, Member

Also in Attendance Were:

David Fellows, Governor's Office of State Operations
Heather Bennett, Counsel for Sen. William Larkin
Peter O'Connell, Western Regional Off-Track Betting
Kyle Hughes, Gannett News
Tom Precious, Buffalo News
Paul Ertelt, Watertown Times

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

1. CAPITAL DISTRICT REGIONAL OFF-TRACK BETTING CORPORATION – 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Capital District Regional Off-Track Betting Corporation Simulcast Plan of Operation for 1998-1999 and Application for fifty (50) Simulcast Facility licenses.

By August 1, 1998, CDROTB must furnish all contracts with in-state racetracks along with any out-of-state contracts exclusive to Capital OTB (not under the New York City OTB umbrella) to the Board. Further, they must provide any in-home simulcasting agreements, if applicable, to the Board.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the NYS Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

2. CATSKILL OFF-TRACK BETTING CORPORATION – 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Catskill Regional Off-Track Betting Corporation Simulcast Plan of Operation for 1998-1999 and Application for twenty-four (24) Simulcast Facility licenses.

By August 1, 1998, Catskill OTB must furnish all applicable in-state racetrack simulcast contracts (whether current or expired) to the NYS Racing and Wagering Board. Further, they must supply any out-of-state simulcast contracts not covered under the New York City OTB request.

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3. NASSAU OFF-TRACK BETTING CORPORATION – 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Nassau Regional Off-Track Betting Corp. Simulcast Plan of Operation for 1998-1999 and Application for fourteen (14) Simulcast Facility licenses.

By August 1, 1998, Nassau OTB must provide any in-home simulcasting agreements, if applicable, to the NYS Racing and Wagering Board.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the NYS Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

**4. NEW YORK CITY OFF-TRACK BETTING CORPORATION--
1998 SIMULCAST LICENSE APPLICATION**

The Board conditionally approved the New York City Off-Track Betting Corporation Simulcast Plan of Operation for 1998-1999 and Application for seventy-two (72) Simulcast Facility licenses.

By August 1, 1998, New York City OTB must furnish the NYS Racing and Wagering Board with all in-state racetrack simulcast contracts on which the corporation is conducting simulcasting. Further, they must provide all in-home simulcasting agreements; if expired, the contract in force and effect must be provided.

Regarding the two branches on which a \$500 fee was paid in 1997 but simulcasting never occurred, a credit cannot be applied to the following year. Consequently, the Board will require an additional check in the amount of \$1,000 for those facilities submitted in the 1998-99 period.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the NYS Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

**5. SUFFOLK OFF-TRACK BETTING CORPORATION--
1998 SIMULCAST LICENSE APPLICATION**

The Board conditionally approved the Suffolk Off-Track Betting Corporation Simulcast Plan of Operation for 1998-1999 and Application for fourteen (14) Simulcast Facility licenses.

By August 1, 1998, Suffolk OTB must forward to the NYS Racing and Wagering Board all in-state racetrack simulcast contracts upon which Suffolk OTB accepts the transmission of the signal. In addition, they must provide the in-home simulcast agreements where applicable.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the NYS Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

**6. WESTERN REGIONAL OFF-TRACK BETTING CORPORATION
- 1998 SIMULCAST LICENSE APPLICATION**

The Board approved the Western Regional Off-Track Betting Corporation Simulcast Plan of Operation for 1998-99 and Application for forty-four (44) Simulcast Facility licenses. It was noted at the Board meeting that of all the 1998 license submissions by regional off-track betting corporations and racetracks, Western OTB's application was the most complete and well presented.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

**7. NEW YORK RACING ASSOCIATION INC.- 1998 SIMULCAST
LICENSE APPLICATION**

The Board conditionally approved (with a notation as to the late arrival of the request), the New York Racing Association Inc. application for three (3) Simulcast Facility Licenses to simulcast and accept wagers on races run at Saratoga Race Course to Aqueduct Race Track, for the period of July 29, 1998 through September 7, 1998; and the right to conduct concurrent, bridge and special event simulcasting within the provisions of the Racing, Pari-Mutuel Wagering and Breeding Law at each of its facilities.

By August 1, 1998, NYRA must furnish the Board with copies of all simulcast agreements with all in-state racetracks and regional OTB's (whether current or expired).

Further, pursuant to provisions of Section 1003(4) the Board amended NYRA's plan of operation and approved it with the following modifications:

"NYRA has never had any job security agreement with employees of another racetrack or off-track betting corporations within the simulcast district where applicant is located.

Lacking any such agreements, NYRA hereby provides for job security by undertaking to indemnify the losses sustained by employees of off-track betting corporation or the racetrack within the district due to adverse impact on job security from simulcasting pursuant to this plan of operation.

In determining whether adverse impact to job security of the off-track betting corporation and racetrack employees have occurred as a result of simulcasting, the applicant will consider all factors relating to the loss of a job by a covered employees".

**8. FINGER LAKES RACING ASSOCIATION, INC.-
1998 SIMULCAST LICENSE APPLICATION**

The Board conditionally approved the Finger Lakes Race Track Simulcast Plan of Operation for 1998-1999 and Application for a Simulcast Facility License.

By August 1, 1998, Finger Lakes must furnish the Board with a copy of the NYRA contract, and copies of all executed contracts with other in-state racetracks for simulcasting.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the NYS Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

9. SARATOGA RACEWAY -- 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Saratoga Harness Racing, Inc. Simulcast Plan of Operation for 1998-99 and Application for a Simulcast Facility License for track-to-track simulcasting from July 1, 1998 through and inclusive of June 30, 1999.

By August 1, 1998, Saratoga must furnish the Board with the contracts with NYRA and Yonkers Raceway.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

10. MONTICELLO RACEWAY- 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Monticello Raceway Simulcast Plan of Operation for 1998-99 and Application for a Simulcast Facility License for track-to-track simulcasting for the period of July 1, 1998 through and inclusive of June 30, 1999.

By August 1, 1998, Monticello must furnish the Board with contracts with all other racetracks involved in simulcasting program (both instate and out-of-state). The NYRA and Finger Lakes' contracts need not be filed.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

11. YONKERS RACEWAY- 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved (with the notation of the lateness of the request), the Yonkers Raceway Simulcast Plan of Operation 1998-99 and Application for a Simulcast Facility License to simulcast and accept wagers on New York Racing Association Inc. races and other harness tracks for the period of July 1, 1998 to June 30, 1999.

By August 1, 1998, Yonkers must furnish all applicable simulcast contracts for instate and out-of-state tracks (whether current or expired) that are part of the Yonkers simulcast program, contracts with regional OTB corporations and a copy of a valid agreement with the local horsemen's association.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

12. VERNON DOWNS - 1998 SIMULCAST LICENSE APPLICATION

The Board approved the Vernon Downs Simulcast Plan of Operation for 1998-99 and Application for a Simulcast Facility License for track-to-track simulcasting from July 1, 1998, through and inclusive of June 30, 1999, pursuant to Sections 1003, 1007 and 1010 of the Racing, Pari-Mutuel Wagering and Breeding Law.

This license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders that from time to time are prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time as prescribed by the Commissioner of Taxation and Finance.

13. BUFFALO RACEWAY- 1998 SIMULCAST LICENSE APPLICATION

The Board conditionally approved the Buffalo Raceway Simulcast Plan of Operation for 1998-1999 and Application for a Simulcast Facility License for track-to-track simulcast of races for the period of July 1, 1998 through June 30, 1999.

By August 1, 1998, Buffalo must furnish the Board with copies of all simulcast contracts with instate tracks except Finger Lakes Racing Association. In addition, copies of any out-of-state simulcast contracts that have been entered into for the upcoming simulcasting year must be provided.

This conditional license is issued pursuant to the provisions of Article X of the Racing, Pari-Mutuel Wagering and Breeding Law. All simulcasting conducted shall be subject to the supervision of, and the reasonable rules, regulations, directives and orders, from time to time prescribed by the New York State Racing and Wagering Board, and the pari-mutuel betting conducted shall also be subject to the supervision of, and the reasonable regulations from time to time prescribed by, the Commissioner of Taxation and Finance.

14. BATAVIA DOWNS- 1998 SIMULCAST AND TRACK LICENSE APPLICATION

The Board considered the application of Genesee Monroe Racing Association, Inc. for a 1998 track license as well as the simulcast facility license for 1998-99.

Based upon the applications and the failure of GMRA to provide additional information required, including that requested in a June 24, 1998 letter from the Secretary to the Board on behalf of the Board, no further licenses were issued to GMRA. Instead, the Board confirmed its prior action dated January 30, 1998, which had granted a track license to GMRA through June 30, 1998 only.

The meeting was adjourned at 4:30 p.m.