

New-York-State-Gaming-Commission_12-13-2016

Unidentified Male: New York State Racing Pari-Mutuel Wagering and Breeding law section 102 provides that the New York State Gaming Commission shall consist of seven members appointed by the governor, by and with the advice and consent of the senate. Five members having been confirmed by the New York State Senate affords the commission an ability to establish quorum and undertake action. This present meeting with the commission is now called to order. Ms. Secretary, will you please call the roll?

Ms. Secretary: John Crotty?

John Crotty: Here.

Ms. Secretary: Peter Moschetti?

Peter Moschetti: Here.

Ms. Secretary: John Poklemba?

John Poklemba: Here.

Ms. Secretary: Barry Sample?

Barry Sample: Here.

Ms. Secretary: Todd Snyder?

Todd Snyder: Here.

Unidentified Male: Ms. Secretary, please have the record reflect that a quorum of qualified members is present thus enabling the transaction of business. Please also note that two-way audio and visual communications have been established between the two meeting locations. Given the absence of a designated chair, would the members like to select someone for the purposes of presiding over today's meeting?

Unidentified Male: I would like to nominate Todd Snyder.

Unidentified Male: I'll second.

Todd Snyder: I'm so honored.

Unidentified Male: We didn't vote on it yet.

Todd Snyder: That's okay, don't vote. May I proceed?

Unidentified Male: By acclamation.

Todd Snyder: Let's start with approving the minutes from the November 1, 2016 meeting. Are there any edits or corrections or amendments at this time?

Unidentified Male: Just one, Mr. Chairman.

Todd Snyder: Yes?

Unidentified Male: 4-A Rule making.

Todd Snyder: Yes.

Unidentified Male: The first paragraph, the commission table considered...

Todd Snyder: Oh, yep, consideration.

Unidentified Male: ...should be changed to consideration.

Todd Snyder: Got it.

Unidentified Male: The record remains intact.

Todd Snyder: Anybody else? I'll entertain a motion to approve.

Unidentified Male: Approved.

Todd Snyder: _____ [00:01:44]. Barry, are you in?

Barry Sample: No.

Todd Snyder: Okay, those minutes are accepted.

Unidentified Male: Excellent.

Todd Snyder: Next on the agenda is, Rob, your report.

Rob: Yes, this afternoon I would like to discuss the opening of Tioga Downs Casino, provide an overview regarding the development of the other three commercial casino projects and also discuss the recent meeting of the Harry M. Zweig's fund for equine research.

Starting with Tioga, on December 1st, Tioga Downs became the first commercial casino facility open pursuant to Governor Cuomo's Upstate Gaming Economic Development Act of 2013. It opened with 461 slot machines and 35 table games and will, over the next 60 days, ramp up to full strength of 944 slots and 43 table games. An adjacent 161 room hotel facility is being constructed next door and is scheduled to open in the fall. I would like to acknowledge the incredible effort by commission staff in getting Tioga Downs to be in a position to open. In a relatively short period of time staff, with the gaming facility location board, developed the request for proposal, conducted a number of public hearings, shepherded the formal bidding process and application review, supervised and directed the licensing process and undertook the extensive rule making. The speed

and quality of the work product is a testament to staff's capabilities and I think they should be recognized.

As to casino development status, del Lago has a scheduled opening for February 1st, 2017. Casino construction is on schedule to be substantially completed by January 1st, 2017. At present, the hotel is one month ahead of schedule and should be completed in June. Slot machine installation has commenced in late November and approximately 40% of the devices have been installed. As for some specifics of their construction, all paving has been completed and landscaping is due to be completed by the end of this week. The exterior insulation finishing system is 98% complete and cultured stone is also at 98%. Window installation is also substantially complete. permanent heat, air conditioning and power are substantially complete and functioning as are permanent water and sanitary. All dry wall has been completed and painting, wallpapering, tiling, carpeting and mill work continues. As for the hotel, exterior metal framing is complete, the exterior insulation finishing system is 98% complete and the exterior stone is 90% complete. Interior metal framing is underway and is 95% complete on floors two through six. Finally, the parking garage is also substantially complete. Del Lago reports that the project is 100% bid out and they have executed contracts for the entire project that exceed the minimum spend threshold for the facility. Overall, 1.33 million construction hours have been worked on this Finger Lakes project with the last month seeing nearly 90,000 hours worked.

Rivers also reports that they are progressing on schedule for an opening on February 8th, 2017. If you recall, the building is constructed in two phases. Phase one is the low-rise building which consists of the casino, the house offices, the warehouse, the events center and the garage. Phase two is the hotel building. As for the low-rise steel and miscellaneous metals are 93% complete. Site work is at 84% and concrete is at 98% complete. They also report that they have progressed and are on schedule with roofing which is 94% complete, fireproofing which is complete, framing and drywall are 88% complete, plumbing at 84% and HVAC at 94%. They also report that the garage is 99% complete. For the hotel, Rivers reports the site work is 67% complete. To date, the Schenectady based casino project has produced 294,644 man hours. The hotel, which is 24% complete, has produced an additional 27,700 man hours.

Montreign reports that they have fully completed the mass excavation and are at 80% complete for the site retaining walls, 95% complete with site utilities, 95% complete with the foundations excavation and site rating, 98% complete with the precast concrete structural parking garage. They are also 68% complete with site electrical and underground plumbing and the structural steel for the hotel is at 86% complete. Overall, construction is at 39% complete and expects to be between 41 and 43% complete by the end of this year. Montreign still expects to open in 2018. Montreign reports during the month of November they expended over 52,000 union construction hours on the work site and have expended over 375,000 in all on this project which is located in the heart of the Catskills.

Finally, I'm going to touch upon the Zweig Fund. The annual meeting of the Zweig Fund was conducted at Cornell University's College of Veterinary Medicine in late November. By legislation, the Zweig Fund receives 2% of all monies accruing to the agricultural and New York State Breeding and Development Fund and the New York State Thoroughbred Breeding and Development Fund from the state's racetracks and off track betting. The fund was established to provide for research that helps protect and create prevention planning for the equine industry which

in turn helps ensure a health and positive future for horse racing. This year, in addition to administrative matters, the fund approved eight proposals for a total of \$683,404. Such funded studies include functional gene annotation in the horse, microencapsulated stem cells to promote wound healing, _____ [00:08:16] injection laryngoplasty, proof of principle, quantitative computed tomography and bone quality assessment for the prediction of fetlock breakdown injuries in racehorses, regenerative approach to recurrent laryngeal neuropathy and development of a multi-epitope chimeric fusion protein vaccine expressed as outer membrane vesicles in E. coli against tick-borne pathogens infection in equines.

Unidentified Male: Can you elaborate on that one?

Rob: I'll get you the proposal. I think its...all the studies benefit the health of the horses in New York. Several will provide direct research that will focus on lameness, equine herpes, viruses and fetlock breakdown injuries in racehorses itself. It's a very important program that has provided incredible amounts of research by Cornell University and it just doesn't seem to get the attention that it normally something of that program should receive and I feel it's important to at least mention it.

Todd Snyder: Thank you, Bob. New York State Racing Pari-Mutuel Wagering and Breeding law 104.19 authorizes the Commission to promulgate rules and regulations deemed necessary to carry out its responsibilities. The Commission will from time to time promulgate rules and amendments pursuant to the State Administrative Procedure Act. We have seven items for consideration today. Rob, will you call the first item please.

Rob: Yes, Sir. For Commission consideration is adoption of a rule regarding thoroughbred continuing trainer education. We call that consideration of this rule was deferred at our last meeting to review a late comment received from the president of the New York Thoroughbred Horseman's Association. This proposal would require that all thoroughbred trainers, including assistant and private trainers, have continuing education of at least four hours each year. The jockey club has developed and is offering free online programs for thoroughbred trainers and the stewards have been provided continuing education programs for interested trainers for many years at New York racetracks. This proposal also includes an exemption for trainers who rarely participate in New York racing subject to the permission of the state steward. The text of the proposed rule was published in the state register on September 14th meaning that the public comment period expired on October 31st. Three comments were received. One from the president of the Association of Racing Commissioners International, one from the Jockey Club and one, as I mentioned, from the president of NYTHA.

The AOC commentator noted that a requirement for continuing education for trainers was endorsed by the ARCI and is contained in the ARCI model rules at section 8.0.20. ARCI also noted that they have approved continuing education programs and recommends that the commission should allow such programs and other state approved programs to be used to its satisfaction of the CE requirement. Staff notes that the proposed rule does provide for continuing education courses to be approved by the commission in order to satisfy the rule. The Jockey club simply provided a letter of support of our proposed rule. The New York Thoroughbred Horseman's Association raised two concerns. That only thoroughbred horse trainers are subject to the rule while standard bred trainers are not and that there may be a lack of available approved courses. Staff reviewed the comment and

believes that existing training programs will readily meet the NYTHA concerns. As to standard bred trainers, commission staff are working on a similar rule proposal. The Jockey Club has five free modules presently available and it plans on supplementing the offerings. Additionally, on track presentations by the state equine medical director, undertaken before the commencement of each race week and also free of charge would be appropriate for satisfaction of the proposed continuing education requirements. Coupled, these free of charge materials are enough for two years continuing education satisfaction. For those trainers who are located downstate, it is my understanding that Cornell University's College of Veterinary Medicine Ruffian Center for Equine Sports Medicine and Critical Care located at Belmont, or just across the street from Belmont, makes public presentations throughout the year that we would likely endorse as appropriate for satisfaction of the proposed CE requirements. The state equine medical director intends to use established criteria for the approval of continuing ed programs. According to Dr. Palmer, continuing education programs offered by either the Jockey Club and Cornell University and have equine content would be automatically qualified for approval. Programs that qualify for approval by the ARCI will also qualify for approval. Other organizations would need to submit program content to the equine medical director to obtain approval. Acceptable continuing education topics may include but are not limited to equine health, safety and welfare as well as small business training, ethical topics and human resources topics. Creating a continuing education requirement for all trainers would bring knowledge and evidence based research to an audience that would otherwise generally not be exposed to that. Continuing education for trainers should improve the quality of the horsemanship at New York racetracks and enhance equine welfare. Staff recommends that the commission adopt this proposed rule making this a permanent rule.

Todd Snyder: Are there any questions about the proposed rule making?

Unidentified Male: I have one. The exemption for trainers who rarely participate in New York. Can you tell me how that can play out because it seems a little vague to me and seems like there's a lot of discretion there? So, what is the term rarely?

Unidentified Male: In the text of the rule we flush it out as trainers and assistant trainers who are not domiciled in New York and have twelve or fewer starts during the previous twelve months may then apply to the state steward for an exemption.

Unidentified Male: So, there are specific guidelines?

Unidentified Male: Yes, in the text of the rule.

Unidentified Male: And how does that work? They do that...they're going to race in New York so they have to go to the steward and say we want to race over to New York but I don't have the certification for the hours because I'm...

Rob: Anybody licensed in New York would be expected to complete the continuing education requirement so anyone seeking an exemption from that would have the duty to go to the steward and get an exemption.

Unidentified Male: Just to confirm, Rob, a similar rule making is contemplated for standard bred?

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Rob: Absolutely.

Unidentified Male: Okay.

Todd Snyder: Any other questions?

Unidentified Male: Nope.

Todd Snyder: May I have a motion to adopt the rule?

Unidentified Male: So moved.

Todd Snyder: Second?

Unidentified Male: Second.

Todd Snyder: Any opposed? Motion carries. Rob, would you call the next item, please?

Rob: For commission consideration as adoption of the technical revision to the standard bred racing rules definition of the term “wire” which denotes the finish line of the race. The proposed amendment uses a definition that is more flexible allowing greater use of technology when appropriate. The text of the proposed rule is published in the state register on September 21st meaning that the public comment period expired on November 7th. One public comment was received from the Empire State Harness Horseman’s Alliance. The alliance, which is comprised of representatives from Yonkers, Saratoga, Buffalo, Vernon and Monticello Raceway fully supports the proposed revision. Staff recommends that the commission adopt this proposed rulemaking as a permanent rule.

Todd Snyder: Commissioners, are there any questions about this proposed rule making? Hearing none may I have a motion to adopt the rule?

Unidentified Male: So moved.

Todd Snyder: Second?

Unidentified Male: Second.

Todd Snyder: Anyone opposed? The motion carries. Rob, will you call the next item, please?

Rob: For Commission consideration as adoption of a rule regarding alcoholic beverages for casinos. New York State Racing Pari-Mutuel Wagering and Breeding Law Section 1340 gives the Commission jurisdiction over casino alcoholic beverage licenses and requires the Commission to regularly consult with the state liquor authority or its designee on all licensing and enforcement matters. Additionally, the law incorporates the state alcoholic beverage control law, the rules and regulations, bulletins, orders and advisories promulgated by the state liquor authority while allowing the Commission the ability to grant variances to accommodate the uniqueness of the

gaming facilities. The proposed part addresses the issuance of casino alcoholic beverage licenses by the Commission, the restrictions and limitations that may be placed on the license and the duration of the license. The text of the proposed rule was published in the state register on October 19th meaning that the public comment period expired on December 5th. One comment was timely received from Capital Region Gaming LLC, the licensee developing Rivers. The comment suggests revisions are necessary to provide flexibly that would enable host counties to extend service hours. Staff reviewed the requested change and finds it unnecessary. While New York alcoholic beverage control law generally prohibits sales during certain times, Racing Pari-Mutuel Wagering and Breeding Law provides the Commission the power to make “special rulings and findings as may be necessary for the proper enforcement, regulation and control of alcoholic beverages in gaming facilities when the Commission finds that the uniqueness of the gaming facility operation and the public interest require that such rulings and findings are appropriate.” The proposed rule reflects that language, allowing the Commission to impose such conditions, restrictions, limitation or covenants upon a casino alcohol beverage license as the Commission may deem appropriate in its discretion to serve the best interest of gaming in the state including allowing extended alcoholic service if the Commission deems it appropriate to do so under the circumstance. An additional comment was prematurely received from the state liquor authority certified alcohol training awareness program trainer who suggested requiring all servers to complete ATAP training and that all serving employees maintain a current certification. Commission staff reviewed the comment and believe that changes are unnecessary as all casino licensees will conduct or have conducted specific alcoholic beverage service training as part of their employee training and the proposed rule requires servers to remain current with certifications. Staff recommends the Commission adopt this rule making as proposed in the state register.

Todd Snyder: Commissioners, any questions on the proposed rule making?

Unidentified Male: Who asked for the change?

Rob: The initial comment was from Rivers.

Unidentified Male: Rivers had asked the Commission to consider opening up from 4-8?

Rob: I don't know offhand whether they have.

Unidentified Male: They want to put in the rule having 4-8...

Unidentified Male: Rivers?

Unidentified Male: Rivers. And the way the structure of the proposed rule is, it would give the Commission the ability in the context of the specific alcohol casino license to consider the facts and circumstances and make whatever superseding provisions to the alcohol beverage control that might be appropriate for that particular facility.

Unidentified Male: And then they commented on it that they wanted more specificity and now the staff is suggesting that that is unnecessary because we have all the authority we need to make...

Unidentified Male: Right but the rule is broad enough to encompass what they want to accomplish.

Unidentified Male: Correct and it would be done with specificity for their particular facility is going...contemplated to be accomplished in the particular license that will eventually be issued to them so, it...

Unidentified Male: I'm interested by the parts they wanted to add. If it was just an extension of time that would seem simple enough. There's a body of rules, those rules say that it ends at four. Why are they pulling out different concepts of what else they want? For instance, _____ [00:20:53] that involve alcoholic beverages. They're permitted or not permitted at three versus five, right? Why did they go to the trouble to lineate these as an extension of the 4:00am?

Unidentified Male: You're asking me to answer what a particular entity thought when they were writing it. I just don't have that _____ [00:21:13]

Unidentified Male: It's pretty specific.

Unidentified Male: Those concepts are in the rules we proposed in relation to complimentary alcoholic beverage service and that's meant to mirror some of the restrictions that are in the alcoholic beverage control generally.

Unidentified Male: An extension of time, literally just with the extension of time whether you said yes or no beforehand can't change. They're pulling it out differently as if it needs to be addressed separately. Am I reading more into this than is there?

Unidentified Male: Yes.

Unidentified Male: If they just want it to be open from four to eight, why not just say, I need to be open from four to eight? They're highlighting these other things about contests and games, minors...presumably minors aren't allowed to drink now, right?

Unidentified Male: Perhaps this is...

[Inaudible cross talk from 00:22:07 to 00:22:17]

Unidentified Male: If the Commission determines that you wanted to put the hours thing explicitly in the rule, you might want to accomplish it in a different fashion than the proposal suggested and not put it section related to the various contest restrictions and things like that in connection with complimentary beverage service.

Unidentified Male: I presume they didn't do it on a whim is really where I'm going. They put it in specifically. You don't know their motivation.

Unidentified Male: I think that's better addressed with the individual commentator. If you'd like I can certainly have them call you.

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Unidentified Male: I guess maybe one way to ask the question is do you have any idea what kind of reaction we expect from them when we adopt the rule as is?

Unidentified Male: Considering the rule does what they want to accomplish I don't think it should be an issue.

Unidentified Male: That's not saying that we're agreeing that they can serve alcohol from four to eight.

Unidentified Male: Correct, it's just the option.

Unidentified Male: It gives us some rule making authority.

Unidentified Male: _____ [00:23:17] planning on doing it, right?

[Inaudible cross talk from 00:23:21 to 00:23:30]

Unidentified Male: The approval to do it along with the approval to have it...

Unidentified Male: It just gives us the ability to rule on it should the need be expressed. It doesn't mean that we have to grant it. Some of us may be opposed to 4:00am.

Unidentified Male: I was just interested. I didn't understand.

Unidentified Male: Are there any other questions?

Unidentified Male: No.

Todd Snyder: Hearing none I will, with some trepidation, ask for a motion to approve.

Unidentified Male: So moved.

Todd Snyder: Do I have a second?

Unidentified Male: I'll second it.

Todd Snyder: Is anyone opposed to the approval of the motion? The motion carries. Rob, the next item.

Rob: For commission consideration for adoption of proposed additions to the general section of casino gaming regulation to address certain matters that statutes either direct the Commission to regulate or give the Commission discretion to regulate. The first of these amendments concerns a statutory requirement to provide the method of notice to be provided to an applicant, registrant or licensee in regard to the release of information or data provided to the Commission from any applicant, registrant or licensee. The proposed rule sets forth posting on the Commission's website as to the method of such notice. The second of these amendments addresses how the Commission

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will interpret which gaming facility employees are subject to the prohibitions on employee wagering. The text of the proposed rule was published in the state register on October 19th meaning public commentary expired on December 5th. No public comments were received. Staff recommends that the Commission adopt this proposed rule making as a permanent rule.

Todd Snyder: Are there any questions in regard to this rule making? Barry, are you good?

Barry Sample: Yep.

Todd Snyder: May I have a motion to approve the rule?

Unidentified Male: So, moved.

Todd Snyder: Second?

Unidentified Male: Sure.

Todd Snyder: Then the motion carries. Rob, will you call the next item, please.

Rob: Did you vote on that?

Todd Snyder: All in favor?

Group: Aye.

Todd Snyder: The motion carries.

Rob: For Commission consideration is adoption for a rule regarding standards for electronic table gaming systems. Electronic table games are similar to table games but players make wagers through electronic systems rather than with dealers. The proposed rule addresses technical standards for the certification of such systems, sets forth requirements for communication protocol, system integrity, random number generators, maintenance of critical memory, player interface terminals, and notification in case of nonconformance. The text of the proposed rule was published in the state register on October 19th meaning the public comment period expired on December 5th. No public comments were received. Staff recommends that the Commission adopt this proposed rule making as a permanent rule.

Todd Snyder: Commissioners, any questions in regard to this rule making? May I have a motion to adopt the rule?

Unidentified Male: So moved.

Todd Snyder: Second?

Unidentified Male: Second.

Todd Snyder: All in favor, please say aye.

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Group: Aye.

Todd Snyder: The motion carries. Rob, we have a proposal for new rule making?

Rob: We do. For Commission considerations is a proposed revision to the current Pari-Mutuel Wagering rules in regard to show wagers. Current rules require show wagers to be offered in all races with five or more betting interests except sweepstakes races. The proposal would make show wagers optional in all races of four or more betting interests. This change would help the racetracks minimize the risk of loss on a race with an anticipated heavy favorite as a racetrack is required to pay a minimum of \$2.10 on a \$2.00 wager regardless of how many betters are in the pool and how many select the show horse. This occurrence is colloquially referred to as a minus pool. The Division of Horse Racing and Pari-Mutuel Wagering formulated the proposal after discussion of the concern with representatives of the New York Racing Association. NYRA fully supports the proposal. Staff has also been informed that Finger Lakes Racetrack has no objection to the proposed rule making. Staff recommends that the Commission propose this rule making.

Todd Snyder: Are there any questions in regard to this proposed rule making? Rob, my understanding is that this is going to be put out in public comment, right?

Rob: Yes, so this would be published in the state register and go through a 45-day public comment period before we can consider further action.

Unidentified Male: It doesn't matter what quality the race is?

Unidentified Male: That would be correct.

Unidentified Male: So, why do you think...what's the _____ [00:28:28] NYRA is for it and Finger Lakes is for it because...

Rob: Because of the potential liability that they may have when there's a minus pool. They are required by law right now to pay out. On certain occasions, they will actually have not enough money to pay the wagers themselves and have to actually make up that money out of their own reserves in order to satisfy the state minimum requirement of \$2.10

Unidentified Male: Do we have a sense of how much that costs per year?

Rob: Ron, would you have any idea on that?

Ron: Yeah, NYRA has indicated that over the last five years they've lost \$2,027,192 for an average of \$405,000 a year...minus breakage.

Unidentified Male: Can we take a look at what that means? You say that and I believe you but they have a different way of defining losses sometimes, right?

Unidentified Male: Sure.

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Unidentified Male: I'm not trying to be a jerk it just...that seems like a huge number they would have lost, right?

Unidentified Male: Well, yeah but we can get the pool information to show what they paid out and what was actually put in.

Unidentified Male: I think we should make an informed decision before you go to rule making, putting it out as rule making. I wouldn't mind waiting on this just to understand what the number is. Is it that big of a deal, Rob? To wait?

Unidentified Male: You want to table this?

Unidentified Male: Just until we see what the math is.

Unidentified Male: Well, remember you can still go to public comment on this one and even at the next meeting in January you wouldn't have the time frame that _____ [00:30:02] in order to take up the rule again so we can certainly get the information in the interim.

Unidentified Male: Why don't we do that? Why don't we put out for proposal to see what people are saying? As a group, we have to remember what we're saying today when it comes in if there are comments and then Ron has the ability to get us more information and we can table the vote then if we don't have it or have a more informed vote.

Unidentified Male: That's fine.

Unidentified Male: But, I agree with you, I agree.

Unidentified Male: Is that something you think we can get by the next meeting, Ron?

Ron: Yes, they already have some data already available.

Unidentified Male: Yeah, we should have that by the end of the week.

Unidentified Male: Before the next meeting, okay.

Todd Snyder: May I have a motion to propose the rule for public comment?

Unidentified Male: So moved.

Todd Snyder: Second?

Unidentified Male: Second.

Todd Snyder: All in favor?

Group: Aye.

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Todd Snyder: The motion carries. Rob, can you call the next item, please?

Rob: For the Commission considerations is a proposed revision to the thoroughbred pari-mutuel wagering rules in regard to pick 5 and pick 6 wagers. Current rules prohibit a racetrack from displaying wagering information about pick 5 or pick 6 combinations other than will-pays after the penultimate race in the sequence. The proposed revision would permit a racetrack to disclose publicly combinations wagered upon, the amounts wagered upon such combinations, the number of tickets sold or the number of tickets that are still capable of winning a pick 5 or pick 6 pool. The Division of Horse Racing and Pari-Mutuel Wagering formulated the proposal after discussion with the New York Racing Association which supports the proposal. Staff is informed that Finger Lakes Racetrack has no objection to the proposal. The change is intended to enhance overall interest in the pick 5 and pick 6 wagers. Staff recommends the Commission propose this rule making.

Unidentified Male: What are they going to show?

Rob: They would show, for instance, how much was wagered into each on different odds or different combinations and how many tickets are still...

Unidentified Male: For race night or...after which race?

Rob: After each they would be able to illustrate what the pools are and also how many tickets are still available. I think the main interest will be as it goes through, how many live tickets are on each particular...

Unidentified Male: The last couple wins, maybe. In the beginning...

Rob: It will be large. Obviously until the first race is run.

Unidentified Male: But they would have discretion as to which races they want to...

[Inaudible cross talk from 00:32:45 to 00:32:53]

Rob: It's just a public information element that they've been prohibited from doing before.

Todd Sydney: Any other discussion?

Unidentified Male: How would you do it after the third race? I'm just wondering...how would you do it? You did three legs of a pick 6 and you have three legs left, same seven horses in each one of those races...

Rob: Mathematically, the wagers already ended.

[Inaudible cross talk 00:33:14]

Unidentified Male: ...the number of outcomes, right, at that point? Isn't that how that works?

Rob: But the number...the wagering element is already closed for that race so it's just a matter of seeing what's alive for each particular leg. It's not like it's a moving target like...

Unidentified Male: Does it tell you in the fourth leg there are this many horses alive with this much money bet on them?

Rob: Correct.

Unidentified Male: Or as many betting...

Rob: Interests.

Unidentified Male: Yeah.

Unidentified Male: In a multi-event bet it doesn't matter sort of in that leg, it matters what's connected in that leg to the other two legs.

Unidentified Male: So, you may say after the fourth race of a pick 6 there are 600 tickets still alive and then after the fifth leg there are 20 tickets still alive if you have a large carrier for a pool and they create some interest in...

Unidentified Male: It sounds like a great idea I just physically don't know how...I mean I know you can do it with a computer but I mean it's a lot of tickets, right?

Rob: Is this being done in California right now?

Unidentified Male: It's being done in a few states, California, Florida, Kentucky....and it's really just how many people won the first race, second race, third race, fourth race that would be alive so it's not really a difficult mathematical process.

Unidentified Male: It's looking backwards, not looking forwards?

Unidentified Male: Yeah, because everybody has already paid in.

Unidentified Male: I see. Okay, yeah.

Todd Sydney: May I have a motion to propose the rule? This goes up for public comment, right?

Rob: That is correct.

Todd Sydney: May I have a motion to propose the rule to public comment?

Unidentified Male: So moved.

Todd Sydney: Second?

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Unidentified Male: Second.

Todd Sydney: All in favor?

Group: Aye.

Todd Sydney: The motion carries. I think that brings us to the judication.

Rob: It does.

Todd Sydney: The next item of scheduled business regard judication. Today we have one item for judication. Rob, would you please describe the item?

Rob: On June 17, 2016, the Commissions bureau of licensing issued a notice of license suspension and ordered the immediate temporary suspension of the lottery sales agent license of Whitestone Auto Center Inc located at 150-55 Cross Island Pkwy. The notice informed Whitestone that the suspension was for fraud, deceit, misrepresentation or conduct prejudicial to the public confidence in the state lottery. Specifically, the notice stated that the owner of record, Luigi Romano, had been indicted by the United States District Court in the Southern District of New York for conspiracy to commit murder for hire in violation of 18 USC 1958 and use of a firearm for murder for hire conspiracy in violation of 18 USC 924(c) 1 and 924(c) 2. The notice stated that the suspension could become a revocation unless Whitestone Auto Center requested a hearing. Pursuant to New York tax law section 1607d, a lottery license may be suspended or revoked for fraud, deceit, misrepresentation or conduct prejudicial to the public confidence in the state lottery. A lotter license may be suspended or revoked upon a finding by the Commission that the lottery agent's experience, character and general fitness are such that the agent's participation as a lottery sales agent is inconsistent with the public interests for convenience or for any other reason within the discretion of the Commission. At the request by Whitestone a hearing was conducted on September 14th. The hearing officer submitted a report to the Commission's acting secretary which was received on November 14th. The hearing officer recommends that the license be revoked and that the period from the date of suspension to the Commission's decision to suspension of a license. The Commission considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of the public offer's law section 108.1.

Todd Sydney: The Commission deliberated, considered this matter and determined by unanimous vote to sustain the hearing officer's report and recommendation. The next order of business is old business. I don't think there's any on the agenda.

Rob: There's not.

Todd Sydney: Does anyone have any business to consider under old business? Hearing none we have also no items that I'm aware of on new business. Anyone else have items of new business they would like to be considered? Barry, you good? Barry, none?

Barry Sample: Yeah.

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Todd Sydney: We have a scheduling item. I understand that we need a couple of dates, is that right?

Rob: Traditionally we meet on the 4th Monday of each month which this month would require another meeting on December 26th.

Todd Sydney: Yeah, if we don't have urgent business do you want to schedule in January instead?

Unidentified Male: Yes.

Todd Sydney: January 23rd, does that work for everybody? January 23rd.

Unidentified Male: 23rd, _____ [00:38:21].

Unidentified Female: No.

Unidentified Male: I think it's the week before.

Unidentified Male: I've got to send you some study notes.

Unidentified Male: What's that?

Unidentified Male: I've got to send you some study notes.

Unidentified Male: Study notes.

Unidentified Male: Hey maybe what we can do is ask these two just circulate a couple of dates that might work because we all really would like to have Commissioner Crotty here with us.

Todd Sydney: That concludes our published agenda. Any Commissioners have items they would like to present for consideration? Hearing none. This meeting...