



**Task Force on the Future of Off-Track Betting in
New York State**

**MINUTES
MEETING OF MAY 14, 2009**

A meeting of the Task Force on the Future of Off-Track Betting in New York State was held on Thursday, May 14, 2009 at 11:00am at the Racing and Wagering Board's Manhattan Office located at 86 Chambers Street, Suite 201, New York, New York.

The meeting was called to order at 11:00 a.m.

In Attendance Were:

John Van Lindt
John Crotty
Jon J. McCloskey
Thomas Casaregola
Rick Goodell, NYSRWB

Also In Attendance Were:

Nick Antenucci, Wilson Elser
Marietta Seaman, (Suffolk) OTB
Maureen Flynn, Monticello Raceway
Leonard Allen, OTB District Council 37, AFSCME
Richard Steier, The Chief
Barry Yomtov, OTB Local 858
Jamie Lenbrauer, YNY
Lauren Iovino, PLA
Robert Palumbo, NYRA
Pat Viscusi, NYRA
Joe Faraldo, SOA of NY
Dan Wray, NYCOTB
Shuang Liu, United Journal
Ronald Ochrym, NYSRWB
Kristen Buckley, NYSRWB

Call to Order to Organize & Form Task Force

John Van Lindt acted as the organizing person and called the meeting to order. A motion was made by Jon McCloskey to elect John Van Lindt as Temporary Chairman. The motion was seconded by Thomas Casaregola and passed unanimously.

A motion was made by John Van Lindt to elect Thomas Casaregola as Temporary Secretary. The motion was seconded by John Crotty and passed unanimously.

Task Force – Summary of Enabling Legislation

Temporary Chairman Van Lindt asked Rick Goodell, assistant council for the New York State Racing and Wagering Board to read the mandate of the Task Force as stated in State law and describe the requirements of the Task Force. Mr. Goodell read the appropriate sections of Chapter 115 of the Laws of 2008 (§ 26) that created the Task Force and described general administrative requirements.

Resolutions

Temporary Chairman Van Lindt requested a motion to adopt the informal resolution dated May 13, 2009 to form the Task Force on the Future of Off-Track Betting in New York State. A motion was made by Thomas Casaregola to adopt the informal resolution dated May 13, 2009 to form the Task Force on the Future of Off-Track Betting in New York State. The motion was seconded by Jon McCloskey and passed unanimously.

Temporary Chairman Van Lindt requested a motion to adopt Resolution No. 2009-01 the by-laws of the Task Force. A motion was made by Thomas Casaregola to adopt Resolution No. 2009-01, by-laws. The motion was seconded by Jon McCloskey and passed unanimously.

A motion was made by Jon McCloskey to elect John Van Lindt as Chairman. The motion was seconded by John Crotty and passed unanimously.

A motion was made by Chairman Van Lindt to elect Thomas Casaregola as Secretary and Administrator. The motion was seconded by Jon McCloskey and passed unanimously.

A motion was made by Chairman Van Lindt to elect John Crotty as Vice-Chair. The motion was seconded by Thomas Casaregola and passed unanimously.

A motion was made by Chairman Van Lindt to appoint Rick Goodell as counsel. The motion was seconded by John Crotty and passed unanimously.

A motion was made by Chairman Van Lindt to appoint Joseph Mahoney as public information officer. The motion was seconded by John Crotty and passed unanimously.

A motion was made by Chairman Van Lindt to adopt Resolution No. 2009-02, resolution to meet in public. The motion was seconded by John Crotty and passed unanimously.

General Discussion – Task Force Mission

Chairman Van Lindt commented on the Task Force's purpose and stated that a review of the OTB operations and finances will be conducted including a review of the NY tracks as well. Chairman Van Lindt also stated that of the millions of dollars wagered in NY that 75% of it is wagered off-track and that NY wagering has a major impact nationally and to the States economy. The way he saw it there are four options to consider when looking at a possible overhaul to the OTB system in NYS;

- The first is consolidation to achieve cost savings by efficiency of operations,
- The second is merging one or two OTBs with a track- noting NYRA as a national leader in thoroughbred racing,
- The third option is to do nothing and let an OTB, like NYCOTB simply fail (he noted this is not a viable option),
- The fourth option is to privatize the OTBs.

Vice-chair Crotty stated that he appreciated the opportunity the Governor gave him by placing him on the committee. Mr. Crotty discussed the large volume of wagering noting the economic impact of wagering in NY with OTB being the major component. He stated that the Task Force needs to examine all stakeholders in trying to understand issues to make recommendations to protect jobs and growth of all sectors. Mr. Crotty noted that approximately \$10 billion is spent on buying movie tickets in the US while the total amount wagered on horse racing is approximately \$15 billion. He went on to say that the cost of movie tickets is much higher (\$10) than the cost of placing a typical bet (\$2). Clearly this is an important industry and we need to focus on this.

Member McCloskey discussed the need of getting all sectors of the New York racing industry to work together. He stated that OTB is a major component of the racing community and he agreed that allowing it to fail is not a viable option. He stated that the Task Force needs to get everyone to work together - to achieve growth. Mr. McCloskey noted that it is a difficult task but that it needs to be addressed; the State can no longer look at bandage approaches/solutions. Mr. Crotty and Mr. McCloskey discussed briefly role of OTB within the larger racing and wagering community.

Member Casaregola talked about the large task ahead for the Board and the need to look at all players in the New York racing industry.

Chairman Van Lindt again discussed the goals of the Task Force and the report that is to be issued and again noted the four options he previously discussed. Having noted the options, he listed the affected stakeholders - horsemen, breeders, presidents of OTB regions, state leaders (and committee chairs), tote companies, tracks, local governments and labor unions. Chairman Van Lindt stated that letters will go out to each of the mentioned stakeholders soliciting their opinion and input. Chairman Van Lindt also noted that the Task Force is also asking the OTBs not to enter into long term contracts while the Task Force is conducting its study and issuing its report.

New Business

Member Casaregola noted that the Task Force has received letters from Marvin Newberg representing Monticello Raceway and a letter from Joseph Faraldo representing the Standardbred Owners Association of New York. These letters were submitted for the Task Force's review and incorporated into the record. Mr. Casaregola also corrected a procedural issue regarding the adoption of the first resolution (this matter is correctly recorded in the minutes above).

The Task Force's next meeting will be the week of June 22, 2009 in Albany. The exact date, place and time has not yet been determined.

Public Comment

Chairman Van Lindt offered opportunity for public comment. Dan Wray- NYCOTB asked for a timetable for the report. Chairman Van Lindt noted that the Task Force will work as quickly as possible in completing its mission. Robert Palumbo-NYRA asked how appointments to the Task Force were made, why the Assembly did not have anyone at the meeting and if the Assembly knew about the meeting. Chairman Van Lindt and Mr. Crotty noted that the Speakers office was notified. Leonard Allen-OTB District Council 37, AFSCME asked why they were not included in list of entities to receive a letter. Chairman Van Lindt noted he would be sure to be added to the list and that his input is welcomed. Marietta Seaman-(Suffolk) OTB asked who the appointment representing OTB was on the Board. Chairman Van Lindt noted OTB did not have an appointment to the Board. There were no other comments

Adjournment

Chairman Van Lindt made a motion to adjourn the meeting, seconded by Member Casaregola. The meeting was adjourned at approximately 11:40am.

Respectfully Submitted,

Thomas Casaregola
Secretary to the Task Force