

**NEW JERSEY RACING COMMISSION
WEDNESDAY, MARCH 20, 2013
“RENAISSANCE DINING ROOM”
FREEHOLD RACEWAY
FREEHOLD, NEW JERSEY**

A meeting of the New Jersey Racing Commission was held on Wednesday, March 20, 2013, in the Renaissance Dining Room of Freehold Raceway located in Freehold, New Jersey.

The following were present:

Anthony R. Caputo, Commissioner (by phone)
Pamela J. Clyne, Commissioner
Peter J. Cofrancesco, III, Commissioner
Francis X. Keegan, Jr., Commissioner
Frank Zanzuccki, Executive Director
DAG Julie Barnes

The following were absent:

Anthony T. Abbatiello, Commissioner
Manny E. Aponte, Commissioner

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called the “Open Public Meeting Law,” and as per the requirements of the statute, notification of this meeting has been filed with the Secretary of State and with the following newspapers: Daily Racing Form, Bergen Record, Asbury Park Press, Courier-Post and the Newark Star Ledger.

WHEREAS in order to protect the personal privacy and to avoid situations wherein the public interest might be disserved, the Open Public Meetings Act permits bodies to exclude the public from that portion of a meeting at which certain matters are discussed.

NOW, THEREFORE, be it resolved that consistent with the provision of N.J.S.A. 10:4-12(b), the New Jersey Racing Commission will now adjourn to executive session to obtain legal advice protected from disclosure by the attorney-client privilege on the following matters:

1. Legal advice concerning the adoption of proposed new running race (thoroughbred) and harness racing rules, Single-Pool Wagering, N.J.A.C. 13:70-29A and 13:74-27A;
2. Legal advice concerning the request of the New Meadowlands Racetrack, LLC to cancel live racing and simulcasting on Friday, February 8, 2013, pursuant to N.J.S.A. 5:12-195;
3. Legal advice concerning the request of Freehold Raceway to cancel live racing on Saturday, February 9, 2013, pursuant to N.J.S.A. 5:5-44; and
4. Other legal advice and/or status of pending litigation.

Discussion of the above matters fall within the exceptions under the law; specifically matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the Commission's attorney to exercise her ethical duties as a lawyer and/or matters involving pending or anticipated litigation."

It was noted that Commissioner Caputo was participating by telephone.

Commissioner Cofrancesco motioned to adopt the resolution to adjourn. Commissioner Keegan seconded the motion. The Commission then adjourned to Executive Session.

The Commission ended the executive session and Commissioner Cofrancesco moved to reconvene the public session. Commissioner Keegan seconded the motion and the Commission concurring, the public session resumed.

CONSIDER APPROVAL OF THE MINUTES OF THE PUBLIC AND EXECUTIVE SESSIONS OF THE JANUARY 16, 2103 COMMISSION MEETING

Commissioner Cofrancesco made a motion to approve the public and executive minutes of the January 16, 2013 public meeting. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE BILLS

Commissioner Cofrancesco made a motion to approve the bills as certified to by staff. Commissioner Keegan seconded the motion and all Commissioners voted to approve the bills as certified to by staff.

CONSIDER RATIFICATION OF THE APPROVAL GRANTED CONCERNING THE FOLLOWING HANDICAPPING CONTESTS:

a) Monmouth Park Racetrack:

- 2013 Simulcast Series Challenge on Saturday, February 2, 2013.
- 2013 Simulcast Series Challenge on Saturday, March 2, 2013.
- 2013 Simulcast Series Challenge on Saturday, March 30, 2013.

b) New Meadowlands Racetrack:

- World Harness Handicapping Championship Qualifier on Saturday, February 23, 2013.
- \$100 Harness Handicapping Contest on Saturday, March 23, 2013.
- World Harness Handicapping Championship Qualifier on Saturday, April 13, 2013.

c) New Meadowlands Racing, LLC Winners Bayonne OTW Facility:

- Winners Simulcast Series Challenge on Thursday, February 7, 2013.
- Winners Simulcast Series Challenge on Thursday, March 7, 2013.

d) Request of ACRA Racetrack and Favorites at Vineland OTW Facility to conduct handicapping contests on Saturdays beginning on February 23, 2013 and continuing through Saturday, May 4, 2013.

Commissioner Keegan motioned to ratify approval granted concerning the noted handicapping contests. Commissioner Cofrancesco seconded the motion and all Commissioners voted yes.

CONSIDER ADOPTION OF PROPOSED NEW RUNNING RACE (THOROUGHBRED) AND HARNESS RACING RULES, SINGLE-POOL WAGERING (N.J.A.C. 13:70-29A AND 13:71-27A)

Commissioner Keegan proposed the following motion:

In the event that the Commission approves these proposed new rules, which I through this motion am advocating, the introduction to our state of the innovative concept of single-pool wagering will be permitted. During the publication period for these proposed new thoroughbred and harness rules, one comment was received in opposition to each set of rules, which were received from Ms. Jean Public. Ms. Public opposes each rule for identical reasons. She writes that all racing should be shut down, and that racing is abusive to horses. She contends that the horse breeders are greedy, that they want to destroy the horses when they are done making money off them, and that the breeders run the horses to death. She further writes that there are many persons in New Jersey who despise the industry.

Having considered the proposals, as well as the received comment, I move that the Commission adopt each set of rules, N.J.A.C. 13:70-29A and 13:71-27A. I believe that the implementation of these rules will increase the diversity of wagering opportunities within our state, will increase wagering revenues, and will expand the recreational opportunities which legalized horse race wagering presents to our residents. In terms of the comment received, I believe that it should not be accepted by the Commission. It appears to me that Ms. Public's comments, rather than directed to the specifics of these proposed new rules, are directed to a general dislike for horse racing and horse race betting. However, horse racing and wagering thereupon are specifically authorized by law, and single-pool wagering, which is the subject of each rule proposal, has been specifically authorized by our legislature. Moreover, I disagree with her comments. I do not believe that any reasonable basis has been presented to indicate that the adoption of these rules will result in abuse to horses, and further, I do not believe that the adoption of these rules will in fact present any of the concerns expressed through the received comments.

Accordingly, I propose to my fellow Racing Commissioners that the rules each be adopted, as published in the New Jersey Register.

Dennis Dowd, on behalf of Longitude, LLC, extended his appreciation to the Racing Commission staff in preparation of the rule proposal. He indicated that single-pool wagering is a major change in the way wagers will be conducted, and informed the Commission that testing of the wagering is in fact contained in the rules and is not problematic and is supported. Mr. Dowd continued that Longitude has an agreement with Sportech Racing to begin single-pool wagering in Europe this summer followed by its implementation in New Jersey.

Commissioner Cofrancesco seconded the motion and all Commissioners voted to approve the single-pool proposal as adopted.

CONSIDER THE REQUEST OF NEW MEADOWLANDS RACING, LLC TO CANCEL LIVE RACING AND SIMULCASTING ON FRIDAY, FEBRUARY 8, 2013, PURSUANT TO N.J.S.A. 5:5:44

Commissioner Cofrancesco motioned to approve the cancellation of live racing on February 8, 2013 at the New Meadowlands Racetrack. It was noted that the cancellation of these dates does not implicate the minimum number of dates required to race in New Jersey. Commissioner Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF FREEHOLD RACEWAY TO CANCEL LIVE RACING ON SATURDAY, FEBRUARY 9, 2013, PURSUANT TO N.J.S.A. 5:5-44

Commissioner Clyne motioned to approve the cancellation of live racing on February 9, 2013 at Freehold Raceway. It was noted that the cancellation of these dates does not implicate the minimum number of dates required to race in New Jersey. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF 2013 CHARITY DAYS

Commissioner Keegan motioned to approve the designated 2013 charity dates (as appended to these minutes). Commissioner Clyne seconded the motion and all Commissioners voted yes.

CONSIDER ADOPTION OF A RESOLUTION RECOGNIZING PROBLEM GAMBLING AWARENESS MONTH

Executive Director Zanzuccki made the following statement:

“The Governor has declared March 2013 as Problem Gambling Awareness Month. The Racing Commission fully supports this effort to increase awareness regarding problem gambling.

The Commission has been quite active over time in helping to educate the betting public regarding the dangers of compulsive wagering. With cooperation from our racetracks, off-track wagering facilities and Account Wagering System, continuous reference to potential problem gambling symptoms and places to go for help have been advertised at these facilities, on their web sites and in Racing Programs.

One of the more important tools that the Commission has implemented to assist individuals with their gambling problem is the Self-Exclusion List. Established by statute in 2004, this allows an individual to voluntarily exclude him or herself from the premises of all locations where pari-mutual wagering exists as well as from the Account Wagering System. To date, about 85 people have made application to be placed on this confidential list.

Applications are taken at Monmouth Park, Freehold Raceway and Meadowlands Racetrack during regular business hours as well as at the Commission's Trenton Office. In addition, applications may be mailed to Trenton office.

This year we have agreed to partner with our fellow gaming regulator, the Gaming Commission, to cross accept applications for each agency's self exclusion list. This provides individuals the opportunity to complete applications for casino self exclusion at locations in Central and Northern New Jersey and provides the Racing Commission a location in South Jersey for individuals to complete its self exclusion list application.

The Racing Commission's Backstretch Community Assistance Program has been helping racing licensees with their compulsive gambling problems for decades. An on-site counselor is available to provide problem gamblers with educational materials and referrals to treatment programs.

The horse racing industry has also given financial support to Problem Gambling programs. Over the last decade, Racing has contributed two million dollars for prevention, education and treatment programs.

We will continue to support these much needed programs and applaud the efforts of those dedicated to prevention and treatment of this officially recognized addiction."

Donald Weinbaum, Executive Director of the Council on Compulsive Gambling, addressed the Commission. Mr. Weinbaum stated that the reason he is present today is because March is problem gambling awareness month and is the month in which many agencies and departments come together, in conjunction with his office, to draw attention to compulsive gambling. Mr. Weinbaum explained what his council does and why and presented statistics relating to the different forms of gambling. Mr. Weinbaum concluded that the core message is that help is available to whoever is struggling with a gambling addiction and to educate the public on what gambling addiction is about. He thanked the Racing Commission for the good relationship they have experienced throughout the years.

Commission Clyne read the following motion:

WHEREAS, Governor Chris Christie has issued a Proclamation recognizing March 2013 as Problem Gambling Awareness Month, and;

WHEREAS, The New Jersey Racing Commission is cognizant of the need for education, treatment and prevention of Compulsive Gambling, and;

WHEREAS, The Racing Industry fully supports gambling addiction awareness efforts through posting of educational materials at their facilities and on their web sites, and;

WHEREAS, The Racing Industry financially supports the Gambling addiction programs having donated two million dollars to the cause over the last decade, and;

WHEREAS, The Commission and Gaming Enforcement have agreed to cross accept each agency's applications for inclusion on a self exclusion list thus expanding locations for the convenience of the applicant, and;

WHEREAS, The Racing Commission will continue to work with the Council on Compulsive Gambling of New Jersey to provide assistance in combating this addiction especially as regards pari-mutuel wagering.

NOW THEREFORE, BE IT RESOLVED that the members of the New Jersey Racing Commission, on behalf of all its members past and present and the citizens which it serves, recognize the need for education, prevention, and treatment of Compulsive Gambling Addiction and pledge to continue its support of programs dedicated to these efforts.

BE IT FURTHER RESOLVED, that this resolution be spread upon the permanent records of the New Jersey Racing Commission.

Commissioner Keegan seconded the motion and all Commissioners voted yes to accept the resolution.

ITEMS FOR DISCUSSION AND INFORMATION

STATISTICS REGARDING THE 2012 EQUINE AND HUMAN DRUG TESTING PROGRAMS

The Executive Director announced the following statistics:

Human Drug Testing Program:

286 samples tested with no positives

(In 2011, 466 samples were tested resulting in 1 positive)

Equine Testing Program:

21,341 samples were tested producing 14 positives

(In 2011, 26,951 samples were tested producing 28 positives)

ACKNOWLEDGE RECEIPT OF OFF-TRACK WAGERING PROGRESS REPORTS.

The Executive Director indicated that the Commissioners have been provided copies of off-track wagering progress reports that were filed with the Commission.

ACKNOWLEDGE RECEIPT OF THE STANDARD BRED BREEDERS & OWNERS ASSOCIATION'S 2012 AUDITED FINANCIAL STATEMENTS AND THE THOROUGHBRED BREEDER'S ASSOCIATION OF NEW JERSEY'S 2012 AUDITED FINANCIAL STATEMENTS

The Commission acknowledged the receipt of the 2012 Audited Financial Statements of the SBOA and the TBA.

ACKNOWLEDGE RECEIPT OF RESOLUTION A2013 ADOPTED BY THE NEW JERSEY JOCKEY'S HEALTH AND WELFARE TRUST BOARD OF DIRECTORS

The Commission acknowledged the receipt of Resolution A2013 adopted by the New Jersey Jockey's Health and Welfare Trust Board of Directors. The Resolution provided details of currently enrolled active riders, new enrollees, injured riders and retired riders.

FANTASY SPORTS WAGERING

Executive Director Zanzuccki indicated that the Commission has received requests from the industry that the subject of fantasy sports wagering at casinos be placed on the March agenda for the Commission's consideration. The Executive Director stated that the item could not be considered at the March meeting because the agenda had been issued. He then opened the floor for comments on the subject.

Dennis Dowd, stated that on behalf of the SBOA, he has not had an opportunity to review the regulations or research the topic, however, he believes that the racing industry will benefit from this type of wagering, as well as the casinos. He added that the wager is a new frontier that has attracted the attention of young people and may expand the market and put New Jersey tracks in a strong position. Mr. Dowd then asked the Commission to appoint a subcommittee on this issue and move forward quickly in drafting regulations.

Michael Musto, Executive Director of the THA echoed Mr. Dowd's comments and stated that the wager will be an advantage to the racetracks in generating new monies. He also supports moving forward with drafting regulations as soon as possible.

Robert Kulina, President of Monmouth Park racetrack, agreed with the comments of Dennis Dowd and Michael Musto and believes that fantasy sports wagering as a major marketing tool. He asked the Commission to move on implementing regulations as quickly as possible and would like to see the wagering begin with the start of the National Football League season.

Mary Jo Coutts, on behalf of Atlantic City Race Course, voiced support for fantasy sports wagering and believes it will enable them to be competitive with the casinos.

There being no further discussion or comments from the public, Commissioner Keegan moved that the meeting be adjourned subject to the provisions of the "Open Public Meeting Act." Commissioner Clyne seconded the motion and it was approved unanimously.

ATTEST:



Executive Director Frank Zanzuccki