

**NEW JERSEY RACING COMMISSION
WEDNESDAY, NOVEMBER 15, 2017
RACING COMMISSION OFFICE
140 EAST FRONT STREET, 8TH FLOOR
TRENTON, NEW JERSEY**

A meeting of the New Jersey Racing Commission was held on Wednesday, November 15, 2017 in the Racing Commission office located at 140 East Front Street in Trenton, New Jersey.

The following were present:

Pamela J. Clyne, Chairman
Michael J. Arnone, Commissioner
John A. Hoffman, Commissioner
Francis X. Keegan, Jr., Commissioner
Frank Zanzuccki, Executive Director
SDAG George Cohen

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called the ‘Open Public Meetings Act,’ 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 N.J.S.A. 10:4-12(b), the 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 related to the allocation of 2018 standardbred and thoroughbred permits, race dates and other related approvals for New Meadowlands Racetrack, Freehold Raceway, Monmouth Park (including the Far Hills special permit race meet) and the Meadowlands (thoroughbred);
2. Legal advice related to the initial decision issued in Alison Hassig v. New Jersey Racing Commission, OAL Docket No. RAC 13878-2016S;

3. Legal advice related to the matter of Joseph Minieri v. New Jersey Racing Commission, OAL Docket No. RAC 13879-2016S, that has been returned by the Office of Administrative Law for failure to appear at a scheduled hearing on July 13, 2017; and
4. Other matters requiring the advice of counsel.

Discussion of the above matters falls 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 his ethical duties as a lawyer, and/or matters involving pending or anticipated litigation."

Commissioner Keegan motioned to adopt the resolution to adjourn. Chairman Clyne seconded the motion. All of the Commissioners present voted to affirm. The Commission then adjourned to Executive Session.

Commissioner Keegan made a motion to adjourn from Executive Session into the Public Session. Chairman Clyne seconded the motion and the Commissioners voted to affirm. The Executive Session ended.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE SEPTEMBER 20, 2017 COMMISSION MEETING

Commissioner Keegan made a motion to approve the public and executive minutes of the September 20, 2017 public meeting. Chairman Clyne seconded the motion and all Commissioners voted yes.

APPROVAL OF A RESOLUTION IN MEMORY OF COMMISSIONER ANTHONY T. ABBATIELLO

Commissioner Keegan made a motion to adopt the following resolution:

WHEREAS, Anthony T. Abbatiello served for 12 years as a Commissioner of the New Jersey Racing Commission from 2005 until his recent passing, and;

WHEREAS, Anthony T. Abbatiello was an ardent supporter of horse racing in New Jersey, especially standardbred racing, having had an extremely successful career as an Owner/Trainer at his Five Point Farm in Colts Neck, and;

WHEREAS, Anthony T. Abbatiello was a skillful and very successful driver of standardbred horses having won over 1,000 races and earnings of \$2.5 million during his career, and;

WHEREAS, Anthony T. Abbatiello was known for his leadership abilities highlighted by his election as Chairman of the Board of the United States Trotting Association, appointment as Chairman of the New Jersey Sires Stakes Board of Directors, and as a co-founder of the Standardbred Breeders and Owners Association of New Jersey;

WHEREAS, Anthony T. Abbatiello received many honors including Harness Horse International and New Jersey Sports Writers Association's Man of the Year awards and in 1995 was inducted into the Harness Horseman Living Hall of Fame, and;

WHEREAS, Anthony T. Abbatiello was a highly decorated Korean war veteran whose honors include the Silver Star, the Combat Infantry Badge, three Purple Hearts, the Bronze Star with Valor, the Presidential Unit Citation, the Korean Silver Medal and a Korean Campaign Ribbon with four Battle Stars, and;

WHEREAS, Anthony T. Abbatiello was a true American hero who earned the respect of the entire racing community for his courage, dedication, knowledge, integrity and effective leadership, and;

WHEREAS, God, in His infinite wisdom, has now called him into His service, and;

WHEREAS, the entire racing community will miss him and his contributions to the industry.

NOW, THEREFORE, BE IT RESOLVED, that the members and staff of the New Jersey Racing Commission, on behalf of the Governor and citizens of the State of New Jersey, extend to the family of Anthony T. Abbatiello, their heartfelt sympathy on his passing and their grateful appreciation for his outstanding public service to the sport of horse racing.

BE IT FURTHER RESOLVED, that this resolution be made part of the minutes of the November 15, 2017 meeting of the New Jersey Racing Commission and that a suitable copy be forwarded to his family.

Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF FREEHOLD RACEWAY TO AMEND THE 2017 RACING CALENDAR AS FOLLOWS:

- a) Elimination of four race dates scheduled on Thursdays, November 9, 16, 30 and December 7; and
- b) Addition of two race dates on Friday, December 15 and Saturday, December 16

It was noted that the elimination of the race dates is due to a shortage of horses to continue with the current race schedule, and the SBOA has provided written consent for the reduction in dates. Chairman Clyne motioned to ratify approval previously granted to Freehold to eliminate the November 9 date and motioned to approve Freehold's request to eliminate the dates of November 16, 30 and December 7 and to add December 15 and 16, 2017 race dates. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE ALLOCATION OF 2018 STANDARDTBRED AND THOROUGHBRED PERMITS, RACE DATES AND OTHER RELATED APPROVALS FOR NEW MEADOWLANDS RACETRACK, FREEHOLD RACEWAY, MONMOUTH PARK (INCLUDING THE FAR HILLS SPECIAL PERMIT RACE MEET) AND THE MEADOWLANDS (THOROUGHBRED)

Executive Director stated that the Commission will not be considering the Far Hills race permit because the 30-day notice period which the municipality has to object to the issuance of a special permit has not expired and therefore the matter cannot be considered.

The Executive Director then read the following statement:

“In preparation for this day, each Commissioner has been supplied with a complete set of the date allocations which were filed timely. Written consent of the horsemen’s associations, written comments submitted from the industry, and the law governing date allocations. Staff has reviewed the race date applications and has determined that each permit holder has made requests in accordance with the relevant statutes. The permit holders will now have an opportunity to summarize your position. We will begin in the following order:

We will begin with the thoroughbred date request. A representative of the THA will present Monmouth Park’s proposed thoroughbred schedule, followed by the Meadowlands’ thoroughbred schedule. We will entertain comments from the THA and the members of the public.

Following that, the Commission will then hear the presentation from Freehold Raceway, followed by the presentation from New Meadowlands concerning the standardbred proposed racing schedules. Again, we will then ask the SBOA for any comments and members of the public. The Commission will then consider a motion and vote on the requested dates.

In considering the allocation of 2018 racing dates for both thoroughbred and standardbred racing, the Commission will give due consideration to the public interest factors enumerated in the statute. Briefly, those factors are:

1. Protect the State’s revenue.
2. Provide for continuity of racing and year-round racing so as to promote the racing industry and maintain and enhance the employment which is provided to this State.
3. Provide recreational opportunity for residents.
4. Maintain and improve this State’s competitive position with regard to neighboring racing states.

While these are the main factors, the Commission must also recognize and address such issues as horse availability, the effect of overlapping racing dates, the financial situation of the various racetracks, the erosion of live racing dates, and the overall status of the racing industry.”

THOROUGHBRED RACE DATES

Monmouth Park and Meadowlands Racetrack (thoroughbred)

Michael Vukceвич, Director of Regulatory Affairs, on behalf of Darby, stated that the permit holder filed paperwork again this year seeking approval 59 dates—52 dates at Monmouth Park, 6 dates at the Meadowlands Racetrack and one at Far Hills which has been tabled. He noted that the 2018 schedule contains new innovative features, especially which concerns Monmouth Park in that the first day of live racing will be conducted on Kentucky Derby day. Commissioner Hoffman asked the permit holder why Friday race days were eliminated and William Knauf, Vice President of Darby, responded that Monmouth Park is seeking to capitalize on the horse population which is greater during the month of August by taking the Friday race dates in June and moving those dates to Thursdays in August.

Thoroughbred Horsemen’s Association

Michael Musto, Executive Director of the NJTHA applauded Darby Development, LLC for the changes in the race schedule and stated that the horsemen support the dates requested. It was noted for the record that the Commission has received written consent of the THA for the reduction in thoroughbred dates

There were no further comments on the thoroughbred race dates.

STANDARD BRED RACE DATES

Freehold Raceway

Howard Bruno, General Manager of Freehold Raceway, requested a 50-day meeting beginning on January 4 through May 26 and a 40-day summer/fall meeting beginning on August 24 through December 29. Mr. Bruno indicated a few changes were made as requested by the SBOA which include extending the meet to the end of May and opening the summer/fall meet two weeks earlier.

New Meadowlands Racetrack

Jason Settlemoir, General Manager for the New Meadowlands Racetrack, requested 90 days of racing beginning on January 5 through August 4 with a quick break while the thoroughbreds are racing in September, and returning October 12 through December 29. Mr. Settlemoir indicated that the New Meadowlands believes this is the best schedule for New Jersey and the racetrack as concerns the current horse population.

Standardbred Breeders' and Owners' Association

Al Ochsner, on behalf of the SBOA, indicated the standardbred horsemen are in agreement with the 2018 race dates at Freehold and the New Meadowlands Racetrack based on horse availability. It was noted for the record that the Commission has received written consent of the SBOA for the reduction in standardbred dates.

There were no further comments on the standardbred race dates.

Chairman Clyne moved that the Commission approve the renewal of the permits, allocate the requested race dates and authorize the Executive Director to issue Orders on the Commission's behalf. Commissioner Keegan seconded the motion. It was noted that the motion should be modified to include that action on the Far Hills permit be tabled. The Chairman amended her motion to table the request of the Far Hills permit. Commissioner Hoffman seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF FREEHOLD RACEWAY'S 2018 HARNESS WAGERING FORMAT, ADMISSION PRICES, DEPARTMENT HEADS, ETC.

Chairman Clyne motioned to approve the 2018 race format submitted by Freehold Raceway. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF NEW MEADOWLANDS RACING, LLC'S 2018 HARNESS WAGERING FORMAT, ADMISSION PRICES, DEPARTMENT HEADS, ETC.

Commissioner Keegan motioned to approve the 2018 race format submitted by the New Meadowlands Racetrack. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER APPLICATIONS TO RENEW THE OFF-TRACK WAGERING LICENSES FOR 2018 FOR THE OFF-TRACK WAGERING FACILITIES ("OTWS") LOCATED IN:

- A) VINELAND
- B) TOMS RIVER
- C) WOODBRIDGE
- D) BAYONNE
- E) GLOUCESTER TOWNSHIP
- F) HILLSBOROUGH

Chairman Clyne moved that the Commission approve the renewal of the off-track wagering licenses and authorize the Executive Director to issue Orders on the Commission's behalf. Commissioner Hoffman seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE APPLICATION OF THE N.J. SPORTS & EXPOSITION AUTHORITY TO RENEW THE ACCOUNT WAGERING LICENSE FOR 2018

The Executive Director stated that staff believes the Authority has met its burden of demonstrating that the requirements of the statute by clear and convincing evidence and that the account wagering license should be renewed for calendar year 2018 subject to conditions set forth in the draft final determination and order. Approval of this request will allow the continuation of account wagering services inclusive of telephone and internet wagering to New Jersey residents in 2018.

Chairman Clyne moved that the Commission approve the renewal of the account wagering license for calendar year 2018 subject to the conditions set forth in the draft Final Determination and Order which we have reviewed and approve. Commissioner Keegan seconded the motion and all Commissioners voted yes.”

CONSIDER THE REQUEST OF THE NEW JERSEY RACETRACK PERMIT HOLDERS TO CONDUCT SENDING AND RECEIVING, INTRA AND INTERSTATE SIMULCASTING WITH THEIR RACETRACKS, OTWS, AND THE ACCOUNT WAGERING SYSTEM IN 2018 AND APPROVAL TO CONDUCT COMMON POOL AND SEPARATE POOL PARIMUTUEL WAGERING THEREUPON

Commissioner Keegan made a motion to approve the request of the racetrack permit holders, their off-track wagering facilities and the account wagering system to conduct intra and interstate simulcasting and to conduct pari-mutuel wagering thereupon subject to Commission Schedules F, G and H, and the Federal Interstate Horse Racing Act. Commissioner Arnone seconded the motion. Chairman Clyne amended the motion to table the simulcast of the Far Hills race to any wagering locations. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF MARINA DISTRICT DEVELOPMENT COMPANY, LLC (DOING BUSINESS AS THE BORGATA HOTEL, CASINO & SPA (“BORGATA”)) TO ACCEPT INTRA AND INTERSTATE SIMULCASTING FROM APPROVED RACING FACILITIES AND TO CONDUCT INTRA AND INTERSTATE COMMON POOL AND SEPARATE POOL PARIMUTUEL WAGERING IN 2018

Chairman Clyne motioned to approve the request of the Borgata Hotel Casino & Spa to accept intra and interstate simulcasting from approved racing facilities and to conduct pari-mutuel wagering from those facilities subject to Commission Schedules A, B and C. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF SPORTECH RACING, INC. TO CONTINUE TO PROVIDE TOTALISATOR SERVICES AND ACT AS THE HUB FACILITY AT THE MOUNT LAUREL DATA CENTER IN 2018 FOR THE APPROVED RACING FACILITIES, THE OTWS, THE BORGATA AND THE ACCOUNT WAGERING SYSTEM

Commissioner Keegan motioned to approve Sportech Racing, Inc. to continue to provide totalisator services and act as the hub facility in 2018. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE RACETRACK PERMIT HOLDERS, THE OTWS, THE BORGATA AND THE ACCOUNT WAGERING SYSTEM TO CONDUCT ADVANCE WAGERING (FULL OR PARTIAL CARD) ON THE FOLLOWING RACES OF NATIONAL INTEREST IN 2018: ARC DE TRIOMPHE, BELMONT STAKES, BREEDERS CROWN DAY, BREEDERS CUP (ULTRA PICK 6), CANE PACE, CLAIMING CROWN, DUBAI RACING, ELITOPP (SWEDEN), FLORIDA DERBY, KENTUCKY DERBY, HAMBLETONIAN ELIMINATIONS DAY, HAMBLETONIAN DAY, HASKELL INVITATIONAL, JAPAN CUP, MEADOWLANDS PACE DAY, MELBOURNE CUP, PENNSYLVANIA DERBY, PREAKNESS, PRIX D' AMERIQUE RACE, SANTA ANITA DERBY, SANTA ANITA HANDICAP, TRAVERS, AND WOODFORD RESERVE

The Executive Director indicated that staff recommends approval subject to the conditions that no advance wagering shall commence until the program information has been received from the host track and is approved by the supervisor of mutuels and that all wagering shall be in compliance with common pool procedures and regulations of the Commission.

Commissioner Arnone motioned to approve the request which was seconded by Commissioner Keegan. Commissioner Hoffman asked for clarification concerning the Borgata's request for permission to take any advance wagers that they may have missed or have been added during the race meet. The Executive Director advised the Borgata is asking for blanket approval to offer advance wagering on any other race of national interest and further advised the Commission has the authority to grant such a request.

After further discussion among the Commissioners, Commissioner Arnone's motion was withdrawn and Commissioner Keegan motioned to grant approval to the racetracks, OTW's, the Borgata and the account wagering system to offer advance wagering on all requested races subject to the conditions recommended by staff, but to require approval by the Executive Director before advance wagering is permitted on other such races. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE RACETRACK PERMIT HOLDERS, THE OTWS, THE BORGATA AND THE ACCOUNT WAGERING SYSTEM TO OFFER 2018 SPECIAL WAGERS OF NATIONAL INTEREST AND CONDUCT ADVANCE WAGERING

Commissioner Keegan motioned to approve the request of the permit holders, their off-track wagering facilities, the Borgata and the account wagering system to offer special races of national interest and to conduct advance wagering on those races and future requests to offer special wagers of national interest and conduct advance wagering on those wagers shall be made to the Executive Director. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDER THE APPLICATION OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY FOR THE RENEWAL OF THE EXCHANGE WAGERING LICENSE, THE APPLICATION OF DARBY DEVELOPMENT LLC FOR THE RENEWAL OF THE EXCHANGE MANAGEMENT AGENT LICENSE AND THE APPLICATION OF BETFAIR US LLC FOR THE RENEWAL OF THE EXCHANGE SERVICES AGENT LICENSE AND RELATED ISSUES

Chairman Clyne made the following motion:

“I move that the Commission approve the renewal of the exchange wagering license, the exchange management agent license and the exchange services agent license for calendar year 2018 subject to the conditions set forth in the draft Final Determination and Order which we have reviewed and approved. Although the exchange wagering license applied for a two-year license, the Commission believes that a one-year license is warranted as we must continue to be vigilant in ensuring that integrity of the exchange is maintained.” Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE INITIAL DECISION ISSUED IN ALISON HASSIG V. NEW JERSEY RACING COMMISSION, OAL DOCKET NO. RAC 13878-2016-2016S

Chairman Clyne motioned to adopt the initial decision as the final decision in the matter of Alison Hassig v. NJRC. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE MATTER OF JOSEPH MINIERI V. NEW JERSEY RACING COMMISSION, OAL DOCKET NO. RAC 13879-2016S, THAT HAS BEEN RETURNED BY THE OFFICE OF ADMINISTRATIVE LAW FOR FAILURE TO APPEAR AT A SCHEDULED HEARING ON JULY 13, 2017

Chairman Clyne motioned to re-impose the penalty ordered by the Board of Stewards on the license of Joseph Minieri, and to forward the matter to the Board of Stewards for consideration of a frivolous appeal. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE 2018 BACKSTRETCH ADVISORY COMMITTEE BUDGET

Chairman Clyne asked the THA if scholarship funds have been awarded. Michael Musto responded that there have been no requests for scholarship funds in the past two years. He indicated that the scholarship fund has been promoted, however, there has not been any interest shown in the fund. Chairman Clyne motioned to approve the 2018 Backstretch Advisory Committee budget as submitted to the Commission. Commissioner Keegan seconded the motion and all Commissioners voted yes. Executive Director Zanzuccki commended the work performed by the Backstretch Program.

CONSIDER APPROVAL OF THE 2018 PROGRAM BUDGETS

The Executive Director stated the program budget is projected to be \$7,517,983 which shows a 2 percent reduction compared to the 2017 budget. The budget has been reviewed by the Office of the Attorney General and Commission staff, and staff recommends approval of the budget as submitted. Commissioner Keegan made a motion to approve the 2018 program budgets. Chairman Clyne seconded the motion and all Commissioners voted yes.

ITEMS FOR DISCUSSION AND INFORMATION

The Executive Director stated that notice of the 2018 Racing Commission meeting dates is available and will be provided to the industry.

Jason Settlemaier, General Manager of the New Meadowlands Racetrack inquired as to the status of his petition for rulemaking concerning the ineligibility of horses as a result of a positive test. The Executive Director responded that at the September public meeting, the matter was considered and was deferred for review for 90 days. He indicated that the Commission will seek an extension of the 90-day period in order for the petition to be considered at the Commission's January 2018 meeting.

There being no further discussion or comments from the public, Commissioner Arnone moved that the meeting be adjourned. Chairman Clyne seconded the motion and it was approved unanimously.

ATTEST:



Frank Zanzuccki, Executive Director