

**NEW JERSEY RACING COMMISSION
WEDNESDAY, SEPTEMBER 17, 2025 MONMOUTH PARK
LIBRARY ROOM – ADMINISTRATION BUILDING – 2ND FLOOR
175 OCEANPORT AVE., OCEANPORT, NEW JERSEY**

A public meeting of the New Jersey Racing Commission (“NJRC” or “Commission”) was held on Wednesday, May 21, 2025 at Monmouth Park in the Library Room, Administration Building, 2nd Floor located at 175 Oceanport Avenue in Oceanport, New Jersey.

The following were present:

Jennifer Beck, Commissioner
Lawrence DeMarzo, Commissioner
Charles E. Tomaro, Commissioner
Michael Venuto, Commissioner
Sara Ben-David, Acting Executive Director
Levi Klinger-Christiansen, Deputy Attorney General
Samuel Kovach-Orr, Associate Counsel, Governor’s Authorities Unit (virtually)
Kari D’Ottavio, Sr. Counsel, Office of the Attorney General (virtually)

Acting Executive Director Ben-David read the following resolution:

This meeting today conforms with 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 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 concerning the request of Meadowlands Racetrack to amend its 2025 race dates.
2. Legal advice concerning the allocation of \$1.6 million in remaining purse subsidies for fiscal year 2025.
3. Legal advice concerning the approval of an order regarding the re-distribution of purse monies accumulated at Freehold Raceway.
4. Legal advice concerning the approval of amendments to the off-track wagering participation agreement.

5. Legal advice concerning the approval of amendments to the account wagering participation agreement.
6. Other legal advice.

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 Tomaro motioned to adjourn into Executive Session. Commissioner DeMarzo seconded the motion. All of the Commissioners voted to adjourn.

The Commission then adjourned to Executive Session at 12:32 p.m. There was a delay in beginning the Executive Session due to technical difficulties. The Executive Session started at 12:40 p.m.

Commissioner Tomaro motioned to move back to the public session. Commissioner Venuto seconded the motion. All of the Commissioners agreed.

Acting Executive Director Ben-David opened the public session of the meeting with some announcements. She advised that in addition to being conducted in person, the meeting was being live-streamed. She explained that through its website, the New Jersey Racing Commission has made a link and phone number available that members of the general public may use to attend the meeting virtually through Microsoft Teams. She also pointed out, for everyone's awareness, that Microsoft Teams was being used to record the meeting. Minutes will be available on the Commission's website following the Governor's review period, as required by *N.J.S.A. 5:5-22.1*.

Acting Executive Director Ben-David stated that it is the intent of the New Jersey Racing Commission to continue to conduct in-person meetings, with virtual attendance available as an option for members of the public to utilize as well as for any Commissioner who is unable to attend in person.

Acting Executive Director Ben-David thanked the Racing Commission's Executive Assistant Nanci Reid for her continued service as the moderator and Connor Martin for his assistance. She explained that Connor joined the Racing Commission in July as a Regulatory Officer and volunteered to serve as the back-up moderator.

CONSIDER APPROVAL OF THE PUBLIC MINUTES OF THE JULY 23, 2025 MEETING

Commissioner Beck made a motion to approve the public and executive minutes of the July 23, 2025 Commission meeting. Commissioner DeMarzo seconded the motion, and all other Commissioners voted yes.

CONSIDER THE APPROVAL OF THE FAR HILLS SPECIAL STEEPLECHASE MEET'S OFFICIALS, POOLS, POST-TIMES AND PRICES

Acting Executive Director Ben-David stated that Assistant Director Tom Salerno would be presenting this item to the Commission.

Assistant Director Salerno stated that Darby Development, LLC doing business as Monmouth Park has submitted a request seeking approval from the New Jersey Racing Commission of the officials, department heads, pools, and post-times as well as prices for admission, parking, and programs for the Monmouth at Far Hills Steeplechase Meet. Like last year, this one-day race meet will be held at Moorland Farm on the third Saturday in October. This year, the event falls on October 18, 2025.

Assistant Director Salerno advised that when the Commission approved the race date application of Monmouth Park last year, its approval was subject to several conditions. One condition requires Monmouth Park to file a request with the Commission for approval of its officials, pools, post-times, prices, and wagering format prior to the opening of a race meet. In addition, any members and employees of Monmouth Park involved in the management, oversight, or operation of the Far Hills Meet are required to secure licensure from the Commission before engaging in activities requiring licensure.

Assistant Director Salerno stated that management at the Far Hills Meet will be the same as last year, and Monmouth Park will once again manage all aspects of the pari-mutuel operations in addition to the television broadcast and transmission. The Far Hills Race Association will manage all staffing and management outside of the pari-mutuel operations.

Assistant Director Salerno explained that the persons serving as Far Hills Race Department Heads and Racing Officials are the same as last year, with two exceptions. William Gallo Jr. from the National Steeplechase Association, who had served last year as the Stewards Secretary, will serve this year as the Racing Secretary. Dove Ward will serve as the third Placing Judge. The required racing officials are listed in *N.J.A.C. 13:70-15.1*, and all required positions are addressed in Monmouth Park's request.

Assistant Director Salerno stated that race day details and the security plan will be the same as last year. Security will be provided by the Somerset County Prosecutor's Office and will include local Police Departments. Racing Commission Investigators will be on-site.

Assistant Director Salerno advised that pari-mutuel wagering onsite at the event will be available on-line only. There will be no pari-mutuel wagering machines onsite. Customer Service personnel will be on-site to assist patrons with the process of account wagering from their phones. He explained that the pool information and wagering format will remain the same as last year. All takeout rates at Far Hills in 2025 will mirror those of 2024. He noted that the exact post-time for the first race will be determined in consultation with NYRA and Fox regarding television coverage. Post-time for the first race is projected to be between 12:45 p.m. and 1:05 p.m. which is consistent with prior years.

Assistant Director Salerno explained that takeout rates are restricted by statute, *N.J.S.A. 5:5-64*. The takeout percentages in Monmouth Park's request comply with their applicable statutory limitations.

Commissioner Beck made a motion to approve the Far Hills Special Steeplechase meet's officials, pools, post-times, and prices. Commissioner Venuto seconded the motion, and all other Commissioners voted yes.

Dennis Drazin asked if he could ask a question. Acting Executive Director Ben-David advised that the Commission does not normally allow for Q & A during the voting and asked if it was a question that could wait until the end of the public session.

Dennis Drazin stated that he wanted to find out if patrons are limited to 4NJBets or whether NYRABets would be up and running. Acting Executive Director Ben-David advised that we know wagering will be on-line.

CONSIDER MONMOUTH PARK'S REQUEST FOR A WAIVER OF *N.J.A.C. 13:70-11.12* (RIDING CROP PROHIBITED) AND *N.J.A.C. 13:70-11.12A* (EMERGENCY USE OF THE RIDING CROP) FOR THE FAR HILLS SPECIAL STEEPLECHASE MEET

Acting Executive Director Ben-David advised that on August 10, 2025, John Heims as the General Manager and In-House Counsel for Monmouth Park filed a request asking the Commission to waive its two riding crop rules for the Far Hills Special Steeplechase Meet on October 18, 2025 in favor of house rules that are identical to HISA's riding crop rules.

Acting Executive Director Ben-David explained that the Commission's riding crop rules prohibit use of the riding crop except when necessary for the safety of the horse or rider. HISA's riding crop rules allow the jockey six overhand strikes and unlimited underhand strikes on the shoulder.

Acting Executive Director Ben-David stated that the Far Hills Steeplechase Meet will offer steeplechase races and one flat race. If a waiver is not granted, the Commission's riding crop rules will apply to the steeplechase races, and HISA's rules will apply to the flat race. A waiver would allow one set of riding crop rules to apply to all races at the Far Hills Meet.

Acting Executive Director Ben-David stated that a substantially similar request was made and granted in 2023 and 2024. She explained that Monmouth Park indicates in its request that it would implement the same enforcement measures and procedures as in past years. Monmouth Park will once again establish a committee comprised of racing officials who will review each race and impose the following mandatory penalties, all of which also include forfeiture of the jockey's percentage of the purse: a first offense will result in a \$500.00 fine and 3-day suspension from riding; a second offense will result in a \$2,500.00 fine and a 7-day suspension; and a third offense will result in a \$5,000.00 fine and dismissal from the grounds for the remainder of the race meeting. The suspensions will be imposed during Monmouth Park's 2026 race meet and will include the 2026 Far Hills Steeplechase Meet.

Acting Executive Director Ben-David stated that the Commission may waive *N.J.A.C. 13:70-11.12* and *-11.12A* if the Commission believes that the “waiver will benefit the horse racing industry in this State.” Staff recommends granting the request so that only one set of riding crop rules applies. Such uniformity would streamline compliance and avoid jockeys having to keep track of which riding crop rules apply to which races.

Commissioner DeMarzo made a motion to approve the waiver of *N.J.A.C. 13:70-11.12* and *N.J.A.C. 13:70-11.12A* for the Far Hills Special Steeplechase Meet. Commissioner Tomaro seconded the motion, and all other Commissioners voted yes.

CONSIDER RATIFICATION OF A REQUEST BY MONMOUTH PARK TO CANCEL LIVE RACING ON JULY 25, 2025 DUE TO EXTREME HEAT

Acting Executive Director Ben-David stated that Assistant Director Salerno would present this item to the Commission.

Assistant Director Salerno advised that on July 25, 2025, General Manager/In-House Counsel John F. Heims, Esq. submitted a request for approval to cancel the day’s racing card due to extreme heat levels. He explained that the New Jersey Racing Commission follows the heat management protocol of the New York Gaming Commission’s Equine Medical Director. This protocol advises that dangerous weather conditions exist when the heat index reaches 105° F. When extreme heat has been forecast, the Executive Director contacts the permit holder to discuss the possible options of delaying or cancelling races should the heat index reach 105° F.

Assistant Director Salerno advised that on July 25, 2025, Monmouth Park initially decided to delay the post-time for the first race from 2:00 pm. to 3:00 p.m. based on the weather forecast of the heat index dropping as the day progressed; however, the heat index remained the same and even reached 108° F, at which time Mr. Heims submitted the request for approval to cancel the day’s racing card. Acting Executive Director Ben-David approved the cancellation of racing on July 25, 2025 subject to ratification at the next public meeting.

Commissioner Tomaro made a motion to approve the cancellation of racing on July 25, 2025 due to extreme heat. Commissioner Venuto seconded the motion, and all other Commissioners voted yes.

CONSIDER THE APPROVAL OF THE NEW JERSEY RACING COMMISSION’S FY2026 PRELIMINARY PROGRAM BUDGET

Acting Executive Director Ben-David explained that in recent years, the Racing Commission has considered approval of a budget at the public meeting in March after its revenue for the prior calendar year was known. This practice resulted in the Commission approving a budget several months into the state fiscal year, which begins on July 1. She stated that beginning this year, staff has shifted the timing for consideration of a preliminary budget to the September meeting to more closely align with the state fiscal year. Having an

approved budget at this time of year also would allow the Commission to send estimated billings to the industry for the first half of FY2026 before the end of calendar year 2025, to be followed by final billings in February or March.

Acting Executive Director Ben-David noted that the Commission's projected net operating budget is \$7,612,047.27. This is an increase of 6.2% from the FY2025 net operating budget which was \$7,170,709.53. She explained that the Commission's net operating budget consists of expenditures for salaries and benefits plus inter-departmental assessments, replacement vehicles, and voucher obligations, minus the carry-forward from the prior fiscal year. The projected increase is due primarily to a significant decrease in the carry-forward. Increases in salaries and benefits and interdepartmental assessments as well as the new obligations for vehicles and vouchers are additional factors contributing to the overall increase.

Acting Executive Director Ben-David stated that the Commission earns interest from its bank accounts, and it also takes in revenue from licensing and permitting fees. Both interest and revenue are down since last year. Taking the Commission's net operating budget of \$7,612,047.27 and subtracting those interest and revenue amounts yields a total operating budget "net of revenue of interest" of \$6,163,972.71 which is an increase from \$5,129,259.21 in FY2025.

Commissioner Tomaro made a motion to approve the New Jersey Racing Commission's FY2026 preliminary program budget. Commissioner DeMarzo seconded the motion, and all other Commissioners voted yes.

CONSIDER THE DISTRIBUTION OF THE CASINO SIMULCASTING SPECIAL FUND MONIES ACCUMULATED IN 2024

Acting Executive Director Ben-David stated that Assistant Director Salerno would present this item to the Commission.

Assistant Director Salerno explained that each year the New Jersey Racing Commission disburses the monies that accumulate in the Casino Simulcasting Special Fund during the prior calendar year. The Commission must decide to whom these monies should be distributed to and in what quantities. For 2024, \$277,098.80 is now available for disbursement.

Assistant Director Salerno stated that the disbursement of CSSF monies is governed by N.J.S.A. 5:512-205d and this statute requires a certain amount of the CSSF to be distributed to the casinos conducting casino simulcasting, after which the remaining funds may be distributed to eligible racetracks and horsemen's associations. This statute specifically provides that any amounts remaining, the New Jersey Racing Commission shall compensate, in such amounts as the commission deems appropriate, the following entities in the following order of priority:

- 1) Any racetrack in this state which can demonstrate to the satisfaction of the commission that its financial well-being has been negatively affected by casino simulcasting;
- 2) Any racetrack in this state which the commission finds to be financially distressed;
- 3) Any horsemen's organization which will use the money to fund a project which the commission determines will be beneficial to the racing industry; and
- 4) All racetracks located in this state on an equal basis.

Assistant Director Salerno stated that a letter was sent to the permit holders and horsemen on August 6, 2025 informing them of the monies available and asking them to file their written submissions. A follow-up letter was sent on August 21, 2025 to circulate the submissions and allow for further written comments. No further comments were received.

Assistant Director Salerno stated that typically, no verbal comments are offered at the public meeting and anticipating this will be the case again this year, the Commission may close the record and refer the written submissions to the CSSF Committee to discuss the matter and make recommendations to the full Commission.

Assistant Director Salerno stated that staff recommends that the Commission may close the record, determine who will serve on the CSSF Committee, and refer the matter to the CSSF Committee to formulate recommendations.

Assistant Director Salerno stated that as there are currently six sitting Commissioners, not more than three can participate on the CSSF Committee as four or more would constitute a quorum, which would subject the Committee meeting to the requirements of the Open Public Meetings Act. He advised that at this time last year, the Commission was composed of only five commissioners and as a result, only two could serve on the CSSF Committee. The two who served on the CSSF Committee were Commissioner DeMarzo and Commissioner Vetrano.

Assistant Director Salerno advised that Commissioner Vetrano was not available to attend this meeting, but he has advised staff that he would be interested in serving on the Committee again this year. Assistant Director Salerno asked for two more commissioners to join Commissioner Vetrano as members of the CSSF Committee. Commissioner DeMarzo and Commissioner Beck volunteered to serve on the Committee.

Acting Executive Director Ben-David asked if the Commissioners were ready to close the record. Commissioner Beck made a motion to close the record. Commissioner Venuto seconded the motion, and all other Commissioners voted yes.

Acting Executive Director Ben-David next asked for a motion to appoint Commissioner Vetrano, Commissioner DeMarzo, and Commissioner Beck to the CSSF Committee. Commissioner Venuto made a motion to appoint the Commissioners to the Committee. Commissioner Tomaro seconded the motion, and all other Commissioners voted yes.

CONSIDER THE REQUEST OF MEADOWLANDS RACETRACK TO AMEND ITS 2025 RACE DATES

Acting Executive Director Ben-David stated that items 8 and 9 on the agenda are related. Item 8 is the request of Meadowlands Racetrack to amend its 2025 race dates. She stated that race dates were approved by the Commission at a public meeting on January 22, 2025. Meadowlands Racetrack is seeking to amend its calendar due to the enactment of P.L. 2025, c. 11 which occurred after the January 22, 2025 public meeting.

Acting Executive Director Ben-David advised that P.L. 2025 amended *N.J.S.A. 5:5-99.1*. She explained that the statute allows \$20 million to be allocated annually for horse racing purse subsidies and divided equally between the thoroughbred and standardbred industries. In the event \$20 million is allocated, this allows for \$10 million to be given to the thoroughbred industry and \$10 million to be given to the standardbred industry. For the \$10 million given to the standardbred industry, *N.J.S.A. 5:5-99.1* allows 16% (or \$1.6 million) to be allocated to Freehold Raceway for overnight purses.

Acting Executive Director Ben-David stated that on June 28, 2024, Governor Murphy signed an appropriations bill that allocated \$20 million for horse racing purse subsidies as part of the FY2025 budget. The allocation of the \$20 million purse subsidy for FY2025 was considered at a public meeting on October 2, 2024. At the time, Freehold Raceway had recently announced that it planned to close by the end of the year. As a result, the Commission decided to table a decision regarding the \$1.6 million for Freehold Raceway. All remaining portions were allocated.

Acting Executive Director Ben-David advised that on January 20, 2025, *N.J.S.A. 5:5-99.1* was amended. As amended, *N.J.S.A. 5:5-99.1* now allows the Commission to re-allocate 16% of the \$10 million standardbred purse subsidy to Meadowlands Racetrack in the event live racing has ceased at Freehold Raceway, subject to certain requirements. She explained that any re-allocated funds must be used “for the sole purpose of conducting not less than 35 standardbred race dates at the Meadowlands Racetrack that otherwise would have been conducted at Freehold Raceway.” However, the minimum of 35 standardbred race dates may be decreased upon agreement and written consent from the Standardbred Breeders’ and Owners’ Association of New Jersey.

Acting Executive Director Ben-David stated that Meadowlands Racetrack is seeking approval from the Commission to amend its calendar so that it may qualify to receive a re-allocation of the \$1.6 million purse subsidy pursuant to *N.J.S.A. 5:5-99.1*, as amended. Meadowlands Racetrack has identified a total of 11 dates when it would utilize the re-allocated funds. Those dates are: September 5, 6, 12, and 13, which were previously approved by the Commission and have already been run, plus Saturday, October 18; Thursdays, November 6, 13, 20; and Thursdays, December 4, 11, and 18, which would be seven new racing days.

Acting Executive Director Ben-David advised that the Commission has two items to consider. First, the Commission must decide whether to approve the request by Meadowlands

Racetrack to add seven new dates of live harness racing to its calendar. Second, if the new dates are approved, the Commission will consider as item 9 on the agenda whether to approve the re-allocation of \$1.6 million to Meadowlands Racetrack for overnight purses on the 11 Freehold dates.

Acting Executive Director Ben-David advised that when considering an application for race dates, the Commission typically considers whether it is in the public interest. The Commission specifically considers the protection of State revenues, the continuity of racing and year-round racing to promote the racing industry and the employment it provides, the recreational opportunity that the presence of live horse racing provides for members of the public, and the State's competitive position in relation to neighboring racing jurisdictions.

Nancy Grbelja from the New Jersey Sire Stakes commented that she supports the additional days and stated it is extremely important that any days that can be added to the Meadowlands for harness racing are extremely important for the industry. She stated she would appreciate a yes vote on the motion and the information being presented.

Commissioner Beck made a motion to approve the request of Meadowlands Racetrack to amend its 2025 race dates. Commissioner Tomaro seconded the motion, and all Commissioners voted yes.

CONSIDER THE ALLOCATION OF \$1.6 MILLION IN REMAINING PURSE SUBSIDIES FOR FISCAL YEAR 2025

Acting Executive Director Ben-David explained that *N.J.S.A. 5:5-99.1* as amended now allows for the \$1.6 million purse subsidy set aside for overnight purses at Freehold Raceway to be re-allocated to Meadowlands Racetrack, if live racing has ceased at Freehold Raceway. Meadowlands Racetrack is specifically eligible to receive such re-allocated funds if it schedules either 35 standardbred race dates or a lesser amount with the agreement and consent of the SBOA.

Acting Executive Director Ben-David stated that because Freehold Raceway ceased racetrack operations at the end of 2024 and remains closed, the re-allocation of its purse subsidy to Meadowlands Racetrack is appropriate and allowable under the amended statute.

Acting Executive Director Ben-David noted that although the 11 dates are less than the 35 standardbred dates set forth in the statute, staff believes the proposed quantity of days is appropriate under the circumstances. The racing office has a limited purse account to use to card races and stay competitive with racetracks in neighboring states. Also, the current horse population may not be sufficient to support an additional 35 dates of harness racing this year. She stated that Meadowlands Racetrack has a statutory obligation to race at least 75 days, and it is going above that statutory obligation by racing a total of 99 days.

Acting Executive Director Ben-David advised that if a re-allocation is approved, \$1.6 million would be used by Meadowlands Racetrack for overnight purses on the 11 Freehold

dates. Meadowlands Racetrack estimates that it will conduct 10 races on each of the six Thursdays and 14 races on the five Fridays and Saturdays. Acting Executive Director Ben-David this would result in the Freehold horsemen racing for an average purse of \$12,307.69 per race, by her own rough calculation. This amount is higher than the purses they would have received at Freehold Raceway.

Commissioner Tomaro made a motion to approve the re-allocation of \$1.6 million in remaining purse subsidies for fiscal year 2025 to Meadowlands Racetrack. Commissioner Venuto seconded the motion, and all Commissioners voted yes.

CONSIDER APPROVAL OF AN ORDER REGARDING THE RE-DISTRIBUTION OF PURSE MONIES ACCUMULATED AT FREEHOLD RACEWAY

Acting Executive Director Ben-David advised that each permit holder is required by statute to withhold from pari-mutuel pools a certain percentage of money called “the takeout.” The takeout is set aside and used for certain purposes specified by statute, including for the purpose of supplementing purses. She explained that because Freehold Raceway has ceased all racetrack operations, it has become impossible for the money set aside for purses to be used by Freehold Raceway for its intended statutory purpose. Accordingly, the Commission must decide to whom this money should be re-distributed and how it should be used.

Acting Executive Director Ben-David stated that state racing law does not specifically address the process for re-distributing a purse account in the context of a racetrack closure. However, the re-distribution of purse money is addressed in other contexts by *N.J.S.A. 5:5-188*. She explained that those statutes allow a “permit holder” to enter an agreement with the relevant horsemen’s association to use money that is statutorily dedicated for purses for another use. She advised that under *N.J.S.A. 5:5-188*, it must be a use “that the New Jersey Racing Commission approves as directly advancing, preserving, and enhancing the overall economic well-being of the standardbred horse racing and breeding industry in New Jersey.”

Acting Executive Director Ben-David stated that in the absence of a statute specifically addressing a racetrack closure, it is appropriate for the Commission to a look at the standard set forth by the Legislature in *N.J.S.A. 5:5-188* in evaluating whether to approve the use of purse money for another use. She stated that the last time the Commission had to consider the re-distribution of a purse account was after the closure of the thoroughbred racetrack at Atlantic City Race Course on January 16, 2015. In that instance, the Commission was asked to approve the re-distribution of purse money from Atlantic City Race Course to the Thoroughbred Horsemen’s Association so that the money could be used to pay for workers’ compensation insurance for thoroughbred horsemen.

Acting Executive Director Ben-David explained that in this case, the Commission is being asked to consider the re-distribution of purse money from Freehold Raceway to the SBOA so that the money could be used to reimburse the SBOA for payments it has made to the Health Benefit Plan and to address a shortfall in the Retirement Plan for Drivers and Trainers. Both Freehold Raceway and Meadowlands Racetrack do not object to this proposal.

Acting Executive Director Ben-David stated that staff recommends approval. In the case of Atlantic City Race Course, the Commission found the proposed use was consistent with New Jersey policy. The New Jersey Horse Racing Injury Compensation Board Act specifically authorizes assessments to be imposed on certain purses as a means of raising the funds necessary to purchase workers' compensation insurance. There was also testimony that statutory sources were insufficient to cover the cost of insurance premiums in 2016.

Acting Executive Director Ben-David advised that in this instance, the proposed use is once again consistent with New Jersey policy as expressed in legislation. Several statutes require a percentage of the takeout to be used for purses while allowing for some of that purse share to be carved out and used for horsemen's programs. Also similar to the Atlantic City Race Course case, the SBOA's proposal would use purse money to fund programs that benefit the horsemen where other revenue sources have fallen short.

Acting Executive Director Ben-David advised that the Commission has two questions to consider. The first question is whether to approve a re-distribution of the purse account to the SBOA for the Health Benefit Plan reimbursements and Retirement Plan shortfall. The second question is how much of the total amount that is currently available should be used for each plan. She explained that the amount of money currently available for re-distribution is \$613,088.45. This amount is insufficient to cover both the Health Benefit Plan reimbursements and Retirement Plan shortfall.

Acting Executive Director Ben-David stated that the Health Benefit Plan reimbursements are \$1,322,856, and the shortfall in the Retirement Plan is \$375,000. At least five options exist for distribution:

- (1) The money could be distributed pro rata which would result in 78% going toward reimbursements for the Health Benefit Plan and 22% going toward the shortfall in the Retirement Plan;
- (2) The money could be distributed using a different percentage such as 50-50;
- (3) The Commission could require the SBOA to first apply \$375,000 to the Retirement Plan in order to completely address that program and then take the remaining \$238,088.45 as reimbursement for the Health Benefit Plan contributions;
- (4) The money could be used in full for the Health Benefit Plan, with no money going to the Retirement Plan; or
- (5) The Commission could distribute the money to the SBOA for the Health Benefit Plan and Retirement Plan and leave it to the SBOA to determine how to use the money.

Acting Executive Director Ben-David advised that staff recommends a pro rata distribution.

Commissioner DeMarzo made a motion to approve the redistribution of the purse account from Freehold Raceway to the SBOA to be divided pro rata between the Health Benefit Plan and the Retirement Plan. Commissioner Venuto seconded the motion.

Commissioner Beck asked if the Commission was selecting which way to distribute the money and if pro rata was the option they agreed upon. Acting Executive Director Ben-David responded yes.

Commissioner Beck and all other Commissioners voted yes on the motion to approve the redistribution of the purse account from Freehold Raceway to the SBOA for a pro rata distribution between the Health Benefit Plan and the Retirement Plan.

Acting Executive Director stated that having resolved the current funds that are in Freehold Raceway's purse account, there is an additional matter to consider which is future funds payable to that account. She explained that state law requires any sums held for the payment of tickets or vouchers to be distributed upon their expiration dates, if they remain unclaimed at that time. By statute, a certain portion of unclaimed ticket and voucher money must be distributed to the purse account. Tickets and vouchers expire after 12 months and three years, respectively.

Acting Executive Director Ben-David stated that to the extent tickets and vouchers remain unclaimed on their expiration dates, staff recommends that any sums held for their payment which would have been payable to the purse account should be re-distributed to the SBOA at that time and used for the Health Benefit Plan and Retirement Plan in accordance with the percentages adopted by the Commission for distributing currently available purse funds.

Commissioner Beck made a motion to approve any money from unclaimed tickets and vouchers which becomes payable to the purse account at Freehold Raceway should be re-distributed upon their expirations to the SBOA and used for the Health Benefit Plan and Retirement Plan in accordance with the same percentages adopted for funds currently in the purse account. Commissioner DeMarzo Commissioner Venuto seconded the motion, and all Commissioners voted yes.

CONSIDER THE APPROVAL OF AMENDMENTS TO THE OFF-TRACK WAGERING PARTICIPATION AGREEMENT

Acting Executive Director Ben-David explained that the Commission is authorized to issue an OTW license to the New Jersey Sports and Exposition Authority, provided certain requirements are satisfied. One requirement is that the Authority must enter into a participation agreement with each person or successor-in-interest that: "(1) held a valid permit to hold or conduct a race horse meeting within this State in the calendar year 2000; (2) has complied with the terms of such permit; and (3) is in good standing with the commission and the State of New Jersey." The participation agreement and any modification thereto must be reviewed and approved by the Commission and the Attorney General.

Acting Executive Director Ben-David advised that the OTW participation agreement was executed on September 8, 2003 between and among the Authority; Freehold Raceway Off-Track, LLC which is affiliated with the former Freehold Raceway; and ACRA Turf Club, LLC

which is affiliated with the former Atlantic City Race Course. She advised that New Meadowlands Racetrack, LLC and Darby Development, LLC became parties through joinder agreements executed on later dates.

Acting Executive Director Ben-David explained that the proposed amendment, Amendment No. 2, proposes to make several changes to the OTW participation agreement. Most notably, the amendment would change the allocation of OTW licenses. As originally executed, the OTW participation agreement allocated and assigned 9 OTW licenses to the Authority; 4 to Freehold Off-Track, LLC; and 2 to ACRA Turf Club, LLC, with each party entitled to all economic interests, ownership interests, and operational responsibilities for its licensed facilities.

Acting Executive Director Ben-David stated that the proposed amendment would allocate all 15 OTW licenses to the Authority, recognizing that the Authority has already assigned 4 OTW licenses to New Meadowlands Racetrack, LLC and 5 OTW licenses to Darby Development, LLC.

Acting Executive Director Ben-David advised that staff recommends approval of the proposed amendment. Freehold Raceway and Atlantic City Race Course are no longer running and in good standing with the Commission. Accordingly, it is appropriate for their affiliates to be removed from the OTW participation agreement at this time.

Commissioner Tomaro made a motion to approve Amendment No. 2 to the OTW participation agreement. Commissioner DeMarzo seconded the motion, and all Commissioners voted yes.

CONSIDER THE APPROVAL OF AMENDMENTS TO THE ACCOUNT WAGERING PARTICIPATION AGREEMENT

Acting Executive Director Ben-David explained that similar to the OTW licenses, the Commission is authorized to issue an account wagering license to the New Jersey Sports and Exposition Authority, provided certain requirements are satisfied. One requirement is that the Authority must enter into a participation agreement with each person or successor-in-interest that: “(1) held a valid permit to hold or conduct a race horse meeting within this State in the calendar year 2000; (2) has complied with the terms of such permit; and (3) is in good standing with the commission and the State of New Jersey.” The participation agreement and any modification thereto must be reviewed and approved by the Commission and the Attorney General.

Acting Executive Director Ben-David stated that the account wagering participation agreement was executed on June 15, 2004 between and among the Authority and New Jersey Account Wagering, LLC. New Jersey Account Wagering, LLC had two members: Freehold Raceway Off-Track, LLC and ACRA Turf Club, LLC. The account wagering participation agreement requires the Authority to manage day-to-day operations for the account wagering

system through an Operating Board, with certain members appointed by the Authority and others appointed by New Jersey Account Wagering, LLC.

Acting Executive Director Ben-David stated that the proposed amendment, Amendment No. 1, proposes to make several changes to the account wagering participation agreement. She explained that all changes are reviewed in the Commissioners' meeting packet. Most notably, the amendment would change how revenue from account wagering is divided among the parties and who is entitled to appoint members to the Operating Board. She explained that as originally executed, the account wagering participation agreement required all revenue from account wagering, net of certain expenses, to be paid 70% to the Authority. In its lease agreements with Meadowlands Racetrack and Monmouth Park, the Authority agreed each tenant would be entitled to half of the Authority's share of account wagering revenue. As a result, each of Meadowlands Racetrack and Monmouth Park was receiving a 35% share in account wagering revenue. The remaining 30% was allocated to New Jersey Account Wagering, LLC, whose only active member was Freehold Raceway Off-Track, LLC. The proposed amendment would change the allocation so that all revenues are distributed to the Authority and all Operating Board members are appointed by the Authority.

Acting Executive Director Ben-David advised that staff recommends approval of the proposed amendment. Freehold Raceway and Atlantic City Race Course are no longer running and in good standing with the Commission. Accordingly, it is appropriate for the 30% share in account wagering revenue previously allocated to their affiliates to be absorbed by the Authority.

Acting Executive Director Ben-David advised that the SBOA has raised concerns with the proposed change. She explained that account wagering revenue is distributed 35% to Meadowlands Racetrack, 35% to Monmouth Park, and 30% to an affiliate of Freehold Raceway under the original account wagering participation agreement and lease agreements. Meadowlands Racetrack is a harness track. Freehold Raceway also had been a harness track. Thus, harness racing was receiving in the aggregate 65% of account wagering revenue. Under the proposed amendment, and existing lease agreements, this 65% share is reduced to 50% for Meadowlands Racetrack.

Acting Executive Director Ben-David stated that staff recommends approval of the proposed amendment. The reduction from 65% to 50% is logical given the closure of Freehold Raceway and the altered composition of the New Jersey horse racing industry from an industry of three racetracks (two of which are harness tracks) to an industry of two racetracks (only one of which is a harness track). A 50-50 split would reflect not only the current composition of the industry, it also would be consistent with New Jersey policy as implemented in other contexts like the purse subsidy and Casino Simulcasting Special Fund. It should be noted that most account wagering is actually on thoroughbred racing.

Commissioner Venuto made a motion to approve Amendment No. 1 to the account wagering participation agreement. Commissioner Tomaro seconded the motion, and all Commissioners voted yes.

CONSIDER THE ADOPTION OF A RESOLUTION IN TRIBUTE TO COMMISSIONER FRANCIS X. KEEGAN, JR.

Acting Executive Director Ben-David stated that Commissioner Keegan passed away on June 5, 2025. Known to us as Commissioner “Buddy” Keegan, he was first nominated by the Governor and confirmed by the Senate on December 8, 2005 to replace former Commissioner Lawrence Codey. Commissioner Keegan took office in January 2006 and served on the Commission through January 2011. Commissioner Keegan continued to serve in holdover status until he was nominated by the Governor to serve a second term and confirmed by the Senate on May 13, 2013. Having served continuously since 2006 until his passing, Commissioner Keegan was our second longest-serving Commissioner.

Acting Executive Director Ben-Davide advised that although his health did not always allow him to attend public meetings in person, Commissioner Keegan remained actively engaged and interested in the Commission’s activities until his passing. His son Mickey has shared that his father considered his service on the Commission to be one of the greatest joys and privileges of his life.

Acting Executive Director Ben-David stated that at the request of the Commissioners, a resolution was prepared by staff in tribute to Commissioner Keegan. His son Mickey was present to accept the resolution, if approved.

Commissioner Tomaro made a motion to adopt the resolution in tribute to Commissioner Francis X. Keegan, Jr. Commissioner DeMarzo seconded the motion, and all Commissioners voted yes.

Commissioner DeMarzo stated that he would like to say a few words. He explained that he met Buddy Keegan over 40 years ago through his brother Phil who was very prominent in Essex County politics. Commissioner DeMarzo stated that they formed a small stable (himself, Buddy, and ex-Governor Codey), and Buddy taught him a lot about racing and he transmitted his love of racing through to the Commissioner. He stated that he will miss Buddy.

Commissioner DeMarzo stated that Buddy was a great businessman and a great horsemen, but most of all he was a real gentlemen. Anyone who knew him would agree that he was a great person and great for the industry. Commissioner DeMarzo thanked the Acting Executive Director for going through with the resolution.

Acting Executive Director Ben-David invited Commissioner Keegan’s son Mickey Keegan to come up to present the resolution. She invited Mickey to take a picture with the Commissioners. Mickey Keegan accepted the resolution and stated that his father loved serving on the Commission.

ITEMS FOR DISCUSSION AND INFORMATION

Acting Executive Director Ben-David advised that there were items on the agenda for discussion or informational purposes. The first item is the breakdown of New Jersey wagering on Haskell Day, Saturday July 19, 2025 and a breakdown of wagering on Hambletonian Day, Saturday, August 2, 2025.

Acting Executive Director Ben-David asked if anyone would like to comment or bring new business to the Commission's attention. She advised those attending virtually that they could use the "raise hand" button to be acknowledged and unmuted.

Acting Executive Director Ben-David apologized to Dennis Drazin for cutting him off in the voting session and asked if he would like to be heard. Dennis Drazin stated that he is receiving a lot of calls that NYRA is starting to reach out to people with Far Hills coming up. He stated that they haven't spoken in a while regarding the progress and transition. It does affect people trying to sign up for the accounts. He stated he is curious where things stand.

Acting Executive Director Ben-David stated that the Commission has given the project top priority, and everyone is eager to see NYRABets launch. Far Hills has been discussed. There are certain aspects of the launch that are being discussed and being finalized. Acting Executive Director Ben-David stated that it is being worked on.

A member of the public asked what that means for New Jersey Bets. Acting Executive Director Ben-David stated that 4NJBets remains up, and they will have wagering on Far Hills.

Dennis Drazin asked for more clarity. If NYRABets is not up for Far Hills, he asked if it can be up for Breeder's Cup. Acting Executive Director Ben-David replied that she would like it up as soon as possible, but there are still things being worked on.

Commissioner Beck asked if there was anything they could do as Commissioners to move the project forward due to the urgency. Acting Executive Director Ben-David stated that right now it's being worked on at a staff level issue, and she will continue to work on it. Staff meets with NYRABets weekly.

Dennis Drazin offered a warning that if NYRABets is not up and running by March, the TVG contract expires, and there will be no account wagering. Acting Executive Director Ben-David replied that she is aware, and we definitely don't want that.

Commissioner Beck asked if it is a technical issue? She asked if he could pinpoint the matter. Dennis Drazin stated that an employee was lost, and the staff and Acting Executive Director have worked hard to fill in the gap, but he feels it is a hiring issue more than a technical issue.

Acting Executive Director Ben-David stated that there is a lot of excitement regarding this launch, and the parties have been licensed. She stated it is the most exciting project she's

worked on since coming to the Commission. She also explained that the Commission has only ever had one tote. Once it launches, it will be an exciting time.

Michael DeLoreto, counsel to the SBOA, stated that he wanted to thank the Commission for their actions today, particularly the distribution of the purse money from Freehold Raceway. It is something that has been discussed previously, and the SBOA greatly appreciates the Commission considering it at today's meeting. He said it goes a long way with the breeders and owners, and he looks forward to working with the Commission particularly as it pertains to the racing dates moving forward.

Nancy Grbelja stated that the New Jersey Sire Stakes Board of Trustees met, and they passed a resolution to develop a pilot program to offer more racing opportunities for New Jersey horsemen. The goal is to have new races for New Jersey sired horses. They want to amend the premier series to have an A and a B series. It is dependent on funding which is being investigated. The B series would be for the horses that are a little bit less than the A series. It would offer a potential for 32 more opportunities of races for horses which are sired by New Jersey stallions. She believes this is important if we want to increase the standardbred industry in New Jersey. It would not impact on the Standardbred Development Fund or the Renaissance Series. It would be a series just below. She feels this is important in keeping some of the horses in New Jersey as well as fostering growth in the New Jersey economy, create more opportunities for growth, and increase the interest in bringing stallions to New Jersey. She said the New Jersey Sires Stakes is hoping to get the pilot off the ground. They are investigating the opportunities for people to stay here. They have spoken with the Meadowlands regarding assisting with the funding of the B series. They were hoping to make an announcement prior to the Lexington Sale which is coming up, but unfortunately the Lexington Sale is September 29-October 3. There are approximately 200 yearlings that will be sold in that sale which are New Jersey bred horses. The funding has to be secured by that point if they want to impact the sale and make sure those horses are sold at a value they should be. They are working diligently to get out information. It is a pilot program so there would be no impact on the regulations. They have gone through the legal process to make sure what they are doing is appropriate. They will make the announcement as soon as the funding is in place. She wanted to let the Racing Commission know. She said Al Ochsner has given them assurance that the SBOA supports what they are looking for long term, and they are happy to have the support of the SBOA as well.

Geraldine Kromann, thoroughbred breeder, owner, and farm owner in New Jersey stated that she had a question regarding HISA and the Racing Commission. She stated that she spoke with Tom Salerno regarding state vets which she understands are in the employ of the Racing Commission. Since they are state employees, they are not contracted year to year, so they are on the payroll forever. Her question is: the industry pays HISA fees, licensing fees to the Racing Commission, and she understands accreditation and testing are outsource by HISA and the Racing Commission who used to do testing. She asked if there is an overlap there or if the Commission is working on that.

Acting Executive Director Ben-David stated that the Racing Commission works cooperatively with HISA. In terms of the federal legislation, it contemplates that HISA is

permitted to enter cooperative agreements with state racing commissions. In terms of their anti-doping and medication control program, HISA runs that program separately from the Commission; it's HISA's program.

Ms. Kromann asked if it was the Commission's employees in the detention barn. Acting Executive Director Ben-David stated that the Commission has a cooperative agreement with HISA with respect to the racetrack safety program, so the Commission's employees (the veterinarians and stewards) perform services in support of that program. Anti-doping and medication control for thoroughbred racing is done by HISA.

Ms. Kromann asked if HISA has anything to do with the standardbreds. Acting Executive Director Ben-David stated not at this time. She explained that the federal statute allows for state racing commissions or the breed governing organization to opt in for other breeds like standardbreds or quarter horse. New Jersey has not opted into that nor, to her knowledge, has any state. At this time, HISA is only thoroughbred, and she doesn't believe HISA has any regulations for standardbreds yet.

Ms. Kromann asked about the \$7 million budget for next year and what it includes as far as thoroughbred racing and the fees. She stated that she remembered reading a year ago that they paid \$1.7 million. Acting Executive Director Ben-David said she could offer more information regarding the budget, if that is what Ms. Kromann is looking for.

Ms. Kromann stated that she would like to mimic what some of the people on the backside are feeling about the state vets. She stated that she spoke with Tom Salerno. She realizes we are in need of vets, but she feels the program going forward is not the way it was, and it is a little encumbering to the horsemen. It's impacting racing because there are so many scratches after horsemen diligently enter them. Ms. Kromann said you have to assume that the horsemen have a fair amount of professionalism as to which horse should or shouldn't run. There are private vets on the backside. She said she is wondering if the private vets can be overseers to the state vets because they do have experience, and some of the younger people that have been hired do not have horse experience or horse racetrack experience. She asked if there is some way that could be brought up. She feels there is a definite need to look into how the process is working.


Acting Executive Director stated she appreciated the feedback, and she felt that the Commission's vets do a good job.

Ms. Kromann stated that she is not saying they do not do a good job, they are doing their job. She stated that the goal is to have a good race product. She said she doesn't want a horse to fall in front of the public. but, she feels the vets are a little overzealous and not understanding the age of the horse. Horses are allowed to run up to a certain age and that comes with arthritis and certain ailments. Otherwise, they are going to empty out the backside, and there will be no horses to run at all.

Acting Executive Director Ben-David asked if there were any further comments from those attending in person. There being none, she moved to those attending virtually. There

being no comments, Acting Executive Director Ben-David asked for a motion to adjourn. Commissioner Tomaro made a motion to adjourn. Commissioner Venuto seconded the motion.

ATTEST:



Sara Ben-David, Acting Executive Director