

**NEW JERSEY RACING COMMISSION
WEDNESDAY, JULY 20, 2022
"LIBRARY ROOM"
MONMOUTH PARK
OCEANPORT, NEW JERSEY**

A public meeting of the New Jersey Racing Commission ("NJRC" or "Commission") was held on Wednesday, July 20, 2022 in the Library Room located at Monmouth Park in Oceanport, New Jersey.

The following were present:

Pamela J. Clyne, Chairman (by phone)
Michael J. Arnone, D.D.S., Commissioner (by phone)
Lawrence DeMarzo, Commissioner
Francis X. Keegan, Jr., Commissioner (by phone)
Charles E. Tomaro, Commissioner (by phone)
Glen Vetrano, Commissioner
Judith A. Nason, Executive Director
Jeffry Nielsen, Esq., Associate Counsel, Governor's Authorities Unit (by phone)
SDAG George Cohen

Executive Director Nason 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. Consider ratification of a Voluntary Implementation Agreement between the Horseracing Integrity and Safety Authority and the New Jersey Racing Commission.
2. 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 Keegan motioned to adjourn into Executive Session. Commissioner Vetrano seconded the motion. All of the Commissioners voted to affirm. The Commission then adjourned to Executive Session.

Commissioner Vetrano made a motion to adjourn from Executive Session into the Public Session. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

The Public Session resumed. The Executive Director welcomed everyone and announced that the Commission is pleased to be able to return to in-person meetings.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE MARCH 23, 2022 MEETING.

Commissioner DeMarzo made a motion to approve the public and executive minutes of the March 23, 2022 Commission meeting. Chairman Clyne seconded the motion and all the Commissioners voted yes.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE APRIL 22, 2022 SPECIAL TELEPHONE MEETING.

Commissioner Vetrano made a motion to approve the public and executive minutes of the April 22, 2022 special telephone meeting. Commissioner DeMarzo seconded the motion and all the Commissioners voted yes.

CONSIDER APPROVAL OF THE OFFICIALS, POOLS, POST-TIME, PRICES AND WAGERING FORMAT FOR FREEHOLD RACEWAY'S 2022 SUMMER/FALL MEET.

Executive Director Nason explained that on June 24, 2022, General Manager Howard Bruno filed a request to approve the racing and wagering format for Freehold Raceway's summer/fall meet. The meet will begin on August 26th and continue through December 31st with racing on Fridays and Saturdays. Post-time will be 12:30 pm. She noted that the department heads and wagering format remain the same as those the Commission approved for winter/spring meet earlier this year.

Commissioner Vetrano moved that the Commission approve Freehold Raceway's racing and wagering format for the 2022 summer/fall meet. Commissioner Arnone seconded the motion and all of Commissioners voted yes.

CONSIDER RATIFICATION OF THE APPROVAL GRANTED TO MONMOUTH PARK TO CANCEL RACING ON MAY 7, 2022 DUE TO A COASTAL STORM.

Executive Director Nason explained that on May 7th, which was Monmouth Park's scheduled opening day, a slow-moving coastal storm brought heavy rain and high winds with

gusts up to 60 mph. Racing Secretary John Heims requested cancellation of racing because the hazardous conditions created by the storm caused significant safety concerns.

As a result of the hazardous conditions created by the storm, Executive Director Nason, approved the cancellation of racing subject to the Commission's ratification.

Executive Director Nason stated that there are two considerations before the Commission.

Chairman Clyne made a motion to ratify the cancellation of racing. Commissioner DeMarzo seconded the motion and all of the Commissioners voted yes.

Second, the Executive Director pointed out that May 7th was designated as a charity race date to benefit the Horse Park of New Jersey and for the care of retired race horses. She informed the Commission that due to the cancellation of racing, the Commission must select a new charity day for Monmouth Park to comply with the requirements of N.J.S.A. 5:5-44.9. She noted that staff recommend that the Commission designate Sunday, August 28th to benefit these two causes.

Commissioner Vetrano made a motion to designate August 28th as a charity race day. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

CONSIDER THE ADOPTION OF AMENDMENTS TO THE SELF-EXCLUSION LIST RULES AT N.J.A.C. 13:74A-1.1, 2.1, 2.2, 3.1, 4.1, 4.2, 5.1, 5.2, 6.1 AND 6.2.

Executive Director Nason explained that the rules in Title 13, Chapter 74A allow persons who perceive themselves to be problem gamblers to request that their names be placed on the Commission's self-exclusion list. A person whose name is on the list is prohibited from placing pari-mutuel wagers on horse racing in person at the racetracks and OTWs and through the account wagering system.

She indicated that last year, Governor Murphy approved the Fixed Odds Wagering Act, which authorized fixed odds wagering on horse racing. Fixed-odds wagering is regulated by the Division of Gaming Enforcement. The Act required that the Commission amend its self-exclusion rules to apply to persons who wish to exclude themselves voluntarily from fixed odds wagering.

Executive Director Nason pointed out that at the November 17, 2021 meeting, the Commission approved the proposal of amendments to extend these rules to fixed odds wagering and the fixed odds wagering licensee. The Notice of Proposal was published at 54 N.J.R. 337 on February 22, 2022. The comment period closed and the Commission did not receive any comments regarding the proposed amendments.

Executive Director Nason explained that the proposed amendments, which were required by the Act, are now before the Commission to adopt. She advised the Commission that if adopted, persons would be able to choose to be excluded from placing fixed odds wagers at the racetracks, OTWs and through an account with 4NJBets and the fixed odds wagering system.

Commissioner Arnone motioned to adopt the amendments to the self-exclusion rules. Commissioner Vetrano seconded the motion and all of the Commissioners voted yes.

Commissioner Arnone asked if a mechanism is in place to ensure that individuals on the self-exclusion list are unable to participate in wagering. Executive Director Nason explained the self-exclusion notification process for the permit holders, OTW licensees, the account wagering licensee and, now, the fixed odds wagering licensee. She pointed out that participants on the self-exclusion list are not allowed on the premises of any wagering facility and that they cannot maintain an account for account wagering or fixed odds wagering.

Commissioner DeMarzo asked for an approximate number of individuals on the list. The Executive Director responded by stating approximately a couple hundred individuals, not including those on the gaming and sports wagering lists. Commissioner DeMarzo asked why the Division of Gaming Enforcement ("DGE") is involved. The Executive Director explained that the DGE is involved by statute. She further explained that fixed odds wagers are of the same type of wager as sports wagers. As a result, DGE regulates fixed odds wagering.

CONSIDER THE NOTICE OF READOPTION OF THE CASINO SIMULCASTING RULES SET FORTH IN N.J.A.C. 13:72.

Executive Director Nason informed the Commission that the rules in Title 13, Chapter 72 regulate casino simulcasting. These rules expire on November 18, 2022. She indicated that before the Commission is the draft Notice of Readoption. The Executive Director advised the Commission if approved, the Notice of Readoption would extend the validity of the casino simulcasting rules for seven more years. The rules would then expire in November 2029.

Commissioner Vetrano made a motion to approve the Notice of Readoption of the casino simulcasting rules. Commissioner DeMarzo seconded the motion and all of the Commissioners voted yes.

CONSIDER THE PROPOSAL OF AMENDMENTS TO N.J.A.C. 13:70-23.2 AND 23.3 AND THE REPEAL OF N.J.A.C. 13:70-23.4 TO REQUIRE THE PAYMENT OF FINES BY THE DATE SET FORTH IN THE APPLICABLE RULING

Executive Director Nason informed the Commission that N.J.A.C. 13:70-23.3 requires that all fines shall be paid to the horsemen's accountant within 48 hours after imposition and this rule is obsolete. Pursuant to established practice, fines must be paid to the Commission not the horsemen's accountant.

Executive Director Nason indicated that in most instances, fines cannot be paid within 48 hour of imposition. She explained that the Commission issues rulings to impose penalties, including fines. Licensees have the right to appeal these penalties. Initially, the Commission specifies a due date for the fine in the ruling. However, most fines and suspensions are appealed and licensees routinely request that the penalties be stayed. She noted that if warranted, the Commission grants most stay requests. She explained that after the appealed case proceeds

through the Office of Administrative Law, the Commission issues a subsequent ruling imposing the affirmed penalties and indicating the due date for any fine.

She explained that the proposed amendments to N.J.A.C. 13:70-23.3 would require that fines shall be paid to the Commission's licensing office on or before the due date indicated in the applicable ruling.

Executive Director Nason pointed out that N.J.A.C. 13:70-23.2 requires that a racing official imposing a fine or suspension shall report it to the racing secretary. She explained that the proposed amendment would require that notice shall also be given to the Commission's Executive Director.

Executive Director Nason indicated that N.J.A.C. 13:70-23.4 requires that fines collected by the horsemen's accountant shall be paid to the Commission. She noted that NJRC staff recommend that the Commission propose the repeal of this rule. The rule would be rendered obsolete as the proposed amendment to N.J.A.C. 13:70-23.3 and would require that fines shall be paid directly to the Commission's licensing office.

Executive Director Nason informed the Commission that NJRC staff is asking the Commission to approve the advertisement of these proposed amendments and the proposed repeal for public comment.

Commissioner DeMarzo made a motion to approve the proposed amendments and the proposed repeal. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER THE PROPOSAL OF AMENDMENTS TO N.J.A.C. 13:71-1.20 TO REQUIRE THE PAYMENT OF FINES BY THE DATE SET FORTH IN THE APPLICABLE RULING

The Executive Director indicated that the standardbred version of the rule requires that fines shall be paid to the race secretary within 48 hours after imposition and this rule is also obsolete. For the reasons just discussed, the proposed amendments to N.J.A.C. 13:71-1.20 would require that fines shall be paid to the Commission's licensing office on or before the due date indicated in the applicable ruling.

Commissioner Vetrano motioned to approve the proposed amendment. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

CONSIDER THE ADOPTION OF AMENDMENTS TO THE THOROUGHBRED COUPLING RULE AT N.J.A.C. 13:70-6.5

Executive Director Nason indicated that each year since 2018, the Commission has granted the thoroughbred permit holder's request to waive the coupling rule and allow horses with common owners or common trainers to race uncoupled, with no negative effects being observed. She pointed out that at the January 26th meeting, the Commission approved the publication of amendments for comment. The Notice of Proposal was published at 54 N.J.R.

527 on April 4, 2022. The comment period closed and the Commission did not receive any comments on the proposed coupling amendments.

Executive Director Nason noted that the thoroughbred coupling rule currently requires that all horses trained by the same trainer or owned by the same owner, or the spouse of any such owner, shall be coupled as an entry for wagering purposes when entered in the same race. She advised that if adopted, the amendments would require that all horses owned by the same owner, spouse of any such owner, or trained by the same trainer shall run as separate wagering interests. The amendments would grant the presiding steward the discretion to require coupling where the presiding steward believes it necessary to protect the public interest.

Executive Director Nason informed the Commission that the amendments would require the racetrack to take such actions as are necessary to adequately inform the public regarding common owners or trainers by prominently publishing the name of the owner(s) or trainer in the official program and announcing the common trainer or ownership interests over the public address system.

Commissioner DeMarzo made a motion to adopt the amendments to the thoroughbred coupling rule. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

CONSIDER THE ADOPTION OF AMENDMENTS TO THE STANDARDBRED COUPLING RULES AT N.J.A.C. 13:71-4.1, 7.13, 16.5, 20.8 and 27.

Executive Director Nason pointed out that at the January 26th meeting, the Commission also approved proposed amendments to the standardbred coupling rules. She noted that each year since 2019, the Commission has granted the standardbred permit holders' requests to waive the coupling rules. No negative effects have been observed.

She informed the Commission that the proposed amendments to the coupling rules were advertised for public comment at 54 N.J.R. 528 on April 4, 2022. The comment period closed and the Commission did not receive any comments on the proposed coupling amendments.

Executive Director Nason explained that the standardbred coupling rules currently require that horses owned by the same owner, or the spouse of any such owner, or trained in the same stable or management, be coupled as an entry for wagering purposes when entered in the same race in New Jersey. She advised that if adopted, the amendments would require horses with common interests to run as separate wagering interests. The amendments grant discretion to the presiding judge to require coupling where the presiding judge believes it necessary to protect public interest. Like the thoroughbred amendments, the amendments require that the racetrack adequately inform the public of the common interests.

Commissioner Vetrano made a motion to adopt the amendments to the standardbred coupling rules. Commissioner DeMarzo seconded the motion and all of the Commissioners voted yes.

CONSIDER RATIFICATION OF A VOLUNTARY IMPLEMENTATION AGREEMENT BETWEEN THE HORSERACING INTEGRITY AND SAFETY AUTHORITY AND THE NEW JERSEY RACING COMMISSION.

Executive Director Nason informed the Commission that on July 1st, the Horseracing Integrity and Safety Authority (“HISA”) assumed jurisdiction over racetrack safety at thoroughbred racetracks. Earlier this year, HISA adopted racetrack safety rules that require the presence of regulatory veterinarians at all thoroughbred racetracks to conduct pre-race examinations of the horses, maintain a Veterinarians’ List and perform other duties. HISA also adopted other rules, such as the riding crop rule, claiming rule and human drug testing rule, which need stewards to enforce them.

She pointed out that the federal Act, which created HISA, authorized the Authority to enter into services agreements with State racing commissions to provide the needed veterinarians and stewards. NJRC staff negotiated an agreement with HISA, which is subject to the Commission’s ratification or rejection at today’s public meeting.

Executive Director Nason explained that in the agreement before the Commissioners, the Commission agrees to provide the services of its regulatory veterinarians, who will continue to perform the services they performed at Monmouth Park in June 2022 and to undertake reasonable efforts to carry out the duties and responsibilities of the Regulatory Veterinarian in HISA’s racetrack safety rules. The Commission also agrees to provide the services of its stewards to enforce HISA’s racetrack safety rules, conduct hearings for violations that occur in New Jersey and perform other specified duties.

She further explained that in return, HISA agrees to compensate the NJRC for the actual cost and expenses incurred by the Commission for the services performed by its veterinarians and stewards. HISA also agrees to indemnify the Commission and its employees from claims, loss, liability and costs connected with the services provided.

The Executive Director advised the Commissioners that the agreement requires ratification or rejection by the Commission at a public meeting.

She informed the Commission that this agreement allowed racing to continue at Monmouth Park without interruption by ensuring the continued presence of regulatory veterinarians at the racetrack. It also ensured that stewards would be present to enforce HISA’s racetrack safety rules. As a result, staff recommend ratification of the agreement.

Commissioner Keegan made a motion to ratify the agreement between HISA and the NJRC. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

Executive Director Nason indicated that Part A of the formal agenda is concluded and stated Part B contains items for discussion and information.

AGENDA ITEMS FOR DISCUSSION AND INFORMATION

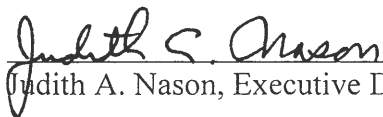
Executive Director Nason pointed out that the breakdown of New Jersey wagering on the 2022 Kentucky Derby day, Preakness Stakes day and Belmont Stakes day is available.

She announced that the next scheduled Racing Commission meeting is September 21st at Freehold Raceway. The November 16th meeting will be held in the Commission's Trenton office.

Executive Director Nason then opened the meeting to the public for any questions, comments or new business. There were no additional questions or comments.

Commissioner Vetrano moved that the meeting be adjourned. Commissioner DeMarzo seconded the motion and all of the Commissioners voted yes.

ATTEST:



Judith A. Nason, Executive Director