

**NEW JERSEY RACING COMMISSION
WEDNESDAY, MAY 27, 2026
MONMOUTH PARK RACETRACK
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 27, 2026 at Monmouth Park in the Library Room, Administration Building, 2nd Floor located at 175 Oceanport Avenue in Oceanport, New Jersey.

The following were present:

Charles E. Tomaro, Commissioner
Michael Venuto, Commissioner (virtually)
Glen Vetrano, Commissioner
Sara Ben-David, Acting Executive Director
Levi Klinger-Christiansen, Deputy Attorney General
Blair Gerold, Associate Counsel, Governor’s Authorities Unit
Samuel Dolinger, Sr. Counsel to the Attorney General

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 ratification of the approval of cancellations at Meadowlands Racetrack in January and February due to adverse weather conditions.
2. Legal advice concerning the request of Meadowlands Racetrack to make changes to the live racing calendar due to the World Cup at MetLife Stadium.
3. Legal advice concerning the request of the Thoroughbred Breeders’ Association of New Jersey to approve a new incentive awards program.
4. 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 Vetrano seconded the motion. All of the Commissioners voted to adjourn.

The Commission then adjourned to Executive Session at 12:04 p.m.

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

Acting Executive Director Ben-David opened the public session of the meeting by welcoming everyone. She advised that in addition to being in person, the meeting was being live streamed. She explained that through its website, the New Jersey Racing Commission ("NJRC" or "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 the NJRC will 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. She then thanked Executive Assistant Nanci Reid for her continued service as the NJRC moderator and State Investigators Kara Vesci and Joe Sczerbowicz for their assistance with the setup.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE APRIL 21, 2026 MEETING

Commissioner Tomaro made the motion to approve the public and executive minutes of the April 21, 2026 Commission meeting. Commissioner Vetrano seconded the motion, and all Commissioners voted yes.

CONSIDER RATIFICATION OF THE APPROVAL OF CANCELLATIONS AT MEADOWLANDS RACETRACK IN JANUARY AND FEBRUARY DUE TO ADVERSE WEATHER CONDITIONS

Assistant Director Tom Salerno stated that General Manager and Chief Operating Officer Jason Settlemyer submitted four separate requests to the Commission canceling racing due to severe winter weather. These requests resulted in six canceled race days.

The first cancellation was on January 18 when a National Weather Service advisory predicted black ice during early morning which would affect travel for Lasix administration. After discussions between the Meadowlands and the Standardbred Breeders and Owners Association ("SBOA"), the request to cancel the afternoon program was made.

Assistant Director Salerno advised that next, on January 25, racing was first delayed and then fully canceled because of a winter storm and statewide travel restrictions. Winners Bayonne was also temporarily closed as part of the travel restrictions.

A third request covered cancellations on January 30, 31, and February 1 due to dangerously cold temperatures affecting both horses and human participants.

Finally, on February 6, a request was made to cancel the February 7 program because of forecasted extreme cold with wind chills of -10 degrees.

Assistant Director Salerno advised that under New Jersey regulations, the Executive Director has the authority to cancel racing when conditions present safety risks. In each case, the Meadowlands and the SBOA consulted and jointly decided to request cancellations for the safety of everyone involved, including both on the racetrack and those traveling to and from the track. Acting Executive Director Sara Ben-David approved all six cancellations, subject to the Commission's ratification.

Assistant Director Salerno explained that this item was before the Commission at the April 21 meeting. At that meeting, a couple of questions and concerns were raised regarding the cancellations. A decision was made to table the ratification of the cancellations to allow staff time to address these concerns with the Meadowlands and the SBOA.

Assistant Director Salerno stated that one question raised at the April 21 meeting was whether changes could be made to the racing calendar to alleviate the negative impact on the horsemen. Staff met with the Meadowlands on April 28, and Mr. Settlemoir offered to add additional races when the horse population allows. The SBOA confirmed its support on May 7, and the Meadowlands successfully added an extra race to the May 23 card as part of this effort. These races will be for preference for New Jersey-owned horses.

Assistant Director Salerno advised that the Meadowlands has also provided an update regarding its use of purse subsidy money. The Meadowlands received purse subsidy money for races that otherwise would have been held at Freehold Raceway. One of those designated dates—January 30—was canceled, but the Meadowlands rescheduled that Freehold program to March 27. Meadowlands Director of Finance, Dave Stewart, confirmed that the \$1.6 million purse subsidy allocated to the Meadowlands for the designated Freehold dates on the 2026 calendar year has been used.

Assistant Director Salerno continued that in addition to receiving the \$1.6 million purse subsidy from Freehold Raceway, Meadowlands received \$6 million in purse subsidy money to fund its own overnight races. Mr. Stewart confirmed Meadowlands has spent approximately \$4.3 million in overnight and New Jersey bonus money so far, and it is expected the track will spend a total of approximately \$8.5 million on overnight races this year.

Assistant Director Salerno stated that staff is satisfied that the Meadowlands has addressed the concerns raised in April and recommends that the Commission ratify the cancellations with the understanding that the Meadowlands will continue good-faith efforts to add racing opportunities where possible.

Commissioner Tomaro made the motion to ratify the cancellations of racing on January 18, 25, 30, 31 and on February 1 and 7 at Meadowlands Racetrack with the understanding that Meadowlands will put forth good faith efforts towards scheduling additional races, giving New Jersey horsemen and women more racing opportunities when possible. Commissioner Vetrano seconded the motion and thanked the Commission, Mr. Settlemoir, Mr. Gural, and the SBOA. He stated that he supported canceling the races for the safety of all involved. Commissioner Vetrano also stated that he is fully aware of the horse population but, if there is an opportunity and that condition sheet has a class on it for Jersey owned and sired, then it is up to the horsemen to drop in the box for the additional races. He said he appreciated the effort to meet in the middle and make something a little better than it was. All Commissioners voted yes.

CONSIDER THE REQUEST OF MEADOWLANDS RACETRACK TO MAKE CHANGES TO THE LIVE RACING CALENDAR DUE TO THE WORLD CUP AT METLIFE STADIUM

Assistant Director Salerno stated that the Commission is being asked to consider a request from the Meadowlands General Manager and COO Jason Settlemoir. This request was submitted to the Commission on April 7, 2026. Part 1 of the request seeks approval from the Commission to cancel live racing on Saturday, June 13, 2026 and Saturday, June 27, 2026 and add live racing on Thursday, June 11, 2026 and Thursday, July 2, 2026. Part 2 of the request seeks approval to cancel all simulcasting at the Meadowlands on the following days: June 13, June 16, June 22, June 25, June 27, June 30, July 5, and July 19. The Commission must decide whether to approve the request.

Assistant Director Salerno advised that these requests are due to scheduling conflicts with World Cup soccer matches at MetLife Stadium. When the 2026 race date calendar for the Meadowlands was approved by the Commission at a public meeting on November 19, 2025, a condition in the approval was to require the Meadowlands to propose a makeup date for each date that it seeks to cancel due to conflicts with the World Cup.

Assistant Director Salerno stated that this request is similar to requests in years past when Meadowlands has sought approval to cancel or reschedule live racing due to NFL games taking place at MetLife Stadium. The World Cup is a major sporting event that is expected to draw large crowds of soccer fans from around the world. Holding live races at Meadowlands at the same time that MetLife Stadium is scheduled to host the World Cup soccer matches would create a severe logistical challenge as well as a major security issue for all involved.

Assistant Director Salerno advised that the SBOA does not oppose the request. It should be noted that Meadowlands and the SBOA have negotiated a World Cup-specific addendum to their existing contract to address any losses incurred to the horsemen due to the scheduling change and the cancellation of simulcasting on the dates mentioned. Staff has been informed that the contract was presented to, and approved by, the SBOA Board on May 20, 2026.

Assistant Director Salerno stated that staff recommends that the Commission approve the request from Meadowlands Racetrack to make changes to the live racing calendar and close simulcasting on these dates due to scheduling conflicts with the World Cup at MetLife Stadium.

Commissioner Tomaro made a motion to approve the cancellation of live racing on June 13 and 27 and add live racing on June 11 and July 2 and to close simulcasting on June 13, 16, 22, 25, 27 and 30 as well as July 5 and 19. Commissioner Vetrano seconded the motion, and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE THOROUGHBRED BREEDERS' ASSOCIATION OF NEW JERSEY TO APPROVE A NEW INCENTIVE AWARDS PROGRAM

Acting Executive Director Ben-David advised that, by statute, a percentage of handle from pari-mutuel wagering on thoroughbred races is set aside and deposited into a special trust account. The money in the special trust account must be used to establish and support the thoroughbred breeding industry in New Jersey. State law dictates three specific purposes for this money. One of those purposes is to provide awards to owners and breeders of registered New Jersey-bred horses who earn portions of purses in open and closed races at New Jersey racetracks. Money in the special trust account is paid to the Thoroughbred Breeders' Association of New Jersey ("TBA") for this purpose.

Acting Executive Director Ben-David explained that currently, the TBA's incentive awards program offers three types of awards: Breeders' Awards, Owners' Awards, and Stallion Awards. A Breeder's Award is paid to the breeder of a registered New Jersey-bred thoroughbred who finishes first, second, third, or fourth in a race run in New Jersey. The percentage is either 25% or 35% depending on the sire of the horse. An Owner's Award is paid to the owner of a registered New Jersey-bred thoroughbred finishing first, second, third, or fourth in an open company race in New Jersey. An Owner's Award is equal to 10% of the purse earned by the horse. A Stallion's Award is paid to the owner of a registered New Jersey stallion whose progeny finishes first, second, third, or fourth in a race run in New Jersey. The maximum award is determined annually and is subject to change based on revenue. For 2025, the maximum first-place award was \$10,000, and the maximum award for second, third, and fourth place finishes was \$5,000. Awards are paid twice a year.

Acting Executive Director Ben-David stated that under the proposed new program for 2026, the categories of awards and eligibility would remain the same; however, the

percentages to be paid under each award would be changed. A Breeder's Award would no longer depend on whether the sire is a registered New Jersey stallion. Rather, all breeders would be paid the same percentage depending on the place of finish. Those percentages would be 20% of the total purse earned by a first-place finisher, 15% of the total purse earned by a second-place finisher, 10% of the total purse earned by a third-place finisher, and 5% of the total purse earned by a fourth-place finisher. An Owner's Award would be 5% of the purse earned by the owner's horse. A Stallion's Award would be 5% of the purse earned by the foal of the owner's stallion. The maximum would continue to be determined annually and would continue to be subject to change based on revenue. For 2026, the maximum award would be \$10,000 for all finishers. Awards would continue to be paid twice a year.

Acting Executive Director Ben-David advised that the TBA is seeking to implement the new program effective retroactively to the beginning of the thoroughbred meet. She advised that the request was filed by Mike Campbell, the TBA's Executive Director. In his request, Mr. Campbell stated that the proposed changes are necessary due to a decline in revenue. He notes that the TBA was able to pay only 88% of total awards in 2025.

Acting Executive Director Ben-David stated that Mr. Campbell was in attendance to answer any questions and asked if the Commissioners had anything they wanted to ask.

Commissioner Vetrano asked how the TBA is going to address the issue of the awards that have not been satisfied for 2025. Mr. Campbell replied that this is the difficult part. The TBA would pay if there is additional revenue at the end of this year, but he is unsure that there will be any. The Board will decide at that time to keep it as a payable until there are funds and then chip away at it. but, he does not foresee the TBA paying the additional \$200,000 at the end of this year.

Commissioner Vetrano stated that there is an obligation to satisfy them. That is why they bred. Mr. Campbell agreed that there is an obligation and stated that they should have lowered the caps last year, and that is his fault for not doing so. He continued that if they did that, the obligation would have been fulfilled. With the revenue where it is right now, the state revenue is expected to stay the same at \$1.4 million and, if you take out the TBA's budget, you are looking at \$1.1 million or \$1.2 million to distribute overall.

Commissioner Vetrano stated that he understands the lack of horses, and it's not a rosy picture - the industry as a whole. He continued that lowering the incentives would be a proactive position, and he would support it. but, he feels the breeders need to be made whole for investments that they made during the breeding season. Commissioner Tomaro agreed that they need to be paid. He stated he would agree to lower them, but he didn't know how much it would hurt the industry.

Commissioner Tomaro stated that it would help the industry, to breed in New Jersey and get those New Jersey-bred horses to race. He continued that it's sad what is happening in New Jersey because of the surrounding states and what they're doing to this industry.

Commissioner Venuto agreed with his fellow Commissioners. Commissioner Vetrano asked if there was anything else they could do. Mr. Campbell stated that if the Commission would like them to do so they would go back and lower the caps this year.

Commissioner Tomaro stated that we don't want the same problem next year if they are not lowered. Mr. Campbell stated that if they don't lower them, there will be the same issue. But, if the Commission is saying to make those people whole, then they would take out \$200,000 from this year's revenue and go back and pay those people and see what the cap would be at the end of the year. He can't state what that is because the TBA does not know what the revenue is.

Acting Executive Director Ben-David asked if the new program that was being proposed was approved, do they anticipate that would allow the TBA to accumulate enough surplus funds to pay the folks who are owed money in 2025 as well as 2026 awards? Mr. Campbell stated they would pay the 2026 awards. He stated that if the Commission is saying to go back and pay the other \$200,000, they would have to pay that out and, at the end of the year, see what revenue expense is left, probably lower the caps from this year to \$6,000 or \$7,000 instead of \$10,000. They would have to see what that is at the end of the year.

Acting Executive Director Ben-David asked how long the incentive awards program has maintained the current percentages. Mr. Campbell replied that it's been a long time. He advised it was before him, and he's been with the TBA over 20 years.

Acting Executive Director asked Mr. Campbell to elaborate on how this shortfall in 2025 arose. Mr. Campbell stated that coming into this year, there was a bit of a surplus from the prior year. The revenue since 2023 has decreased about \$115,000. The awards obligations were about \$1,600,000 so that is where the shortfall was. The budget also comes out of that total.

Commissioner Vetrano stated that the decrease is less breeding. Mr. Campbell agreed that there has been less breeding, but he is referring to the decrease in revenue that was received from the state. That was down \$150,000 dollars. Part of that was regular declines, and the other part was the closing of Freehold and the Freehold off-track wagering facilities.

Acting Executive Director Ben-David asked if 2025 is the only year that awards are owed. Mr. Campbell replied that it was.

Commissioner Tomaro asked if the Commission was to approve the request today can it be added in that they have to pay the \$200,000 from 2025? Acting Executive Director Ben-David stated that Mr. Campbell has explained that if the current percentages are approved, it doesn't leave space for the 2025 awards. They can't pay both if the current percentages are adopted. Mr. Campbell stated they would have to reduce the caps. The percentages could probably stay the same, but the caps would have to be reduced.

Acting Executive Director Ben-David asked if it's possible that breeders and owners may have relied on the existence of the current program when they made the decision to breed or purchase a New Jersey bred horse. Mr. Campbell asked if she was referring to them

relying on the current program to still be around. Acting Executive Director Ben-David asked if it's possible for the TBA to gradually phase out the current program, i.e. to have it effective this year, is it possible to gradually phase out the current program for horses sold or purchase prior to 2026 rather than having it apply to everyone right away.

Mr. Campbell stated the issue with that is that horses right now are currently seven or eight years old. If the TBA implemented it at the beginning of 2027, the new program would go into effect early in 2029. They don't know where the industry would be or where the revenue will be. He feels trying to pay out two programs at the same time would be difficult.

Commissioner Vetrano asked if there are no resources out there anywhere that the TBA could try to get. Mr. Campbell stated that the TBA is trying to get funding from the Ag Department, the Farm Bureau, and they are trying to some appropriation in the budget, but that won't be known until the budget passes.

Commissioner Vetrano asked if it was necessary to take action on this today. Mr. Campbell stated that they aren't paying any awards right now. He stated that he didn't think it would be paid out twice this year due to the revenue. They've only received money from January and February, and we are already in May. He doesn't expect to have a ton of revenue to pay awards twice this year. He stated it has been done in the past, but he doesn't foresee it happening. Mr. Campbell stated that he had to wait until the end of the Meadowlands meet. He advised that he will go back to the Board, talk it over with them, come back at the July meeting, and have some answers as to maybe how it can happen. He stated that then he will have a different idea of how they can go back and distribute the money from last year and move forward from there.

Acting Executive Director Ben-David asked if Mr. Campbell can elaborate on what grants or appropriations he was seeking. Mr. Campbell advised that he was seeking anything he can get his hands on. He stated that the Ag Department has funding, but its budget is being cut just like everyone else. He advised that the Farm Bureau doesn't have any grants it can give, but it is supportive of the TBA getting something. The TBA also has talked to a number of different legislators, and they are all supportive. He reiterated that it is difficult to get money from the state revenue, but they are continuously trying.

Acting Executive Director Ben-David advised if the Commission were to table this item, it would be known by the July meeting whether the TBA was successful in getting something out of the state budget because the budget has to be passed by June 30. She stated there would be updated information at that time. She advised that she didn't know about how the other grants work or what the timing on those is.

Acting Executive Director Ben-David asked, getting back to the potential reliance factor, when the TBA Board of Trustees approved what it being proposed (the new incentive program), was that meeting public or attended by general membership? Mr. Campbell replied that it was not. It was just the Board. He advised that there will be a general membership meeting on June 24. Mr. Campbell explained one of the reasons for the meeting is to discuss the proposal and get the members' input.

Commissioner Vetrano stated that having more discussion in July would be appropriate. Acting Executive Director Ben-David stated she would recommend tabling this item to allow additional time for addressing the payment of the outstanding awards from 2025. She also felt the TBA should proceed with having the general membership meeting on June 24 to get some feedback on the proposed changes, in particular, the effective date of May 9, 2026. She stated that unless there is additional direction the Commission wants to offer, those are the issues that they'd like to see more information on.

Commissioner Tomaro made a motion to table this item. Commissioner Vetrano seconded the motion, and all Commissioner voted yes. Dennis Drazin, Chairman and Chief Executive Officer of Darby Development, LLC, stated that he is aware that members of the public cannot participate in discussion, but he would like to address this subject at the end of the public session.

CONSIDER THE RATIFICATION OF AN EXECUTED VETERINARY SERVICES AGREEMENT BETWEEN THE NEW JERSEY RACING COMMISSION AND KUNZ EQUINE, LLC

Assistant Director Salerno explained that regulatory agencies, racetracks, and private practices are all drawing from a limited pool of qualified equine veterinarians. This has created a competitive landscape that makes recruitment challenging.

Assistant Director Salerno advised that NJRC staff has been extremely proactive in numerous ways to address this issue including both short- and long-term solutions that will enhance the Commission's Veterinary Unit and aid in fulfilling our mission. On May 7, 2026, Acting Executive Director Ben-David successfully executed an agreement with Kunz Equine, LLC. This agreement is subject to ratification by the Commission.

Assistant Director Salerno stated that an agreement between the Commission and Kunz Equine was listed on the agenda at the last public meeting on April 21, 2026. The item was tabled as significant terms of a written agreement were still being negotiated at that time. Negotiations continued until May 7, 2026 shortly before the beginning of the thoroughbred meet at Monmouth Park on May 9, 2026. Due to the time sensitivity, the agreement was executed by the Acting Executive Director on May 7, 2026 subject to ratification.

Assistant Director Salerno explained that under the agreement, Kunz Equine has been providing the Commission with qualified equine veterinarians who are licensed by the New Jersey Board of Veterinary Medical Examiners, licensed by the NJRC, and certified under HISA/HIWU requirements. Kunz Equine is led by Dr. Celeste Kunz who brings extensive experience as a regulatory veterinarian and has a longstanding involvement in both New Jersey's thoroughbred and standardbred racing industries. The veterinarians available through this company have no affiliations with racing stables and do not treat racehorses in private practice, ensuring full compliance with conflict of interest standards.

Assistant Director Salerno stated that these veterinarians are intended to supplement, not replace, our highly qualified, experienced and dedicated Veterinary Unit. Rather, they will

serve as additional professional resources working as a unified team to uphold the Commission's standards of equine welfare, safety, and integrity.

Assistant Director Salerno explained the principal terms of the agreement are provided in your meeting packet as well as the previously written memo. The NJRC will compensate Kunz Equine on a biweekly basis at an hourly rate specified in the agreement in accordance with hours reported and verified by Racing Commission staff. These veterinarians would primarily support the Commission during the summer months when the Monmouth Park thoroughbred meet overlaps with the Meadowlands standardbred meet which creates our peak demand for veterinary coverage. The final cost to the racing industry will be comparable to the cost of full staffing and will assist with the retention of current staff.

Assistant Director Salerno advised that this agreement is non-exclusive. The recruitment of full-time veterinarians will continue, and the Commission retains the ability to enter other arrangements related to veterinary staffing. The term of this agreement is from May 7, 2026 to May 6, 2027.

Assistant Director Salerno stated that staff has made this one of the top priorities to fulfill our statutory requirements as well as the goal and mission of the NJRC. He indicated that staff feels the addition of this agreement with Kunz Equine is an important part of boosting the NJRC Veterinary Unit which will benefit the safety of both the equine and human athletes as well as allow New Jersey horse racing to maintain its reputation as a leader in the regulation of horse racing.

Commissioner Tomaro made a motion to ratify the executed services agreement subject to further ratification by the Attorney General. Commissioner Vetrano seconded the motion, and all Commissioner voted yes.

CONSIDER THE RATIFICATION OF AN APPROVED REQUEST BY MONMOUTH PARK TO REDUCE THE TAKEOUT RATE FOR ALL DAILY DOUBLE AND PICK 3 WAGERS

Acting Executive Director Ben-David stated that at its April 21, 2026 public meeting, the Commission approved the racing and wagering format for the 2026 Monmouth Park meet. That approval included Daily Double and Pick 3 wagers. The minimum wager for the Daily Double is \$1 with a takeout of 19%. The minimum wager for the Pick 3 is 50 cents with a takeout of 25%. In addition, the Commission approved a \$5 late Daily Double and a \$3 late Pick 3, each with a takeout of 15%.

Acting Executive Director Ben-David explained that by email dated May 15, 2026, John Heims on behalf of Monmouth Park submitted a request to lower the takeout rate for all Daily Double and Pick 3 wagers to 15% for the entirety of the 2026 Monmouth Park meet, beginning with the live racing card scheduled for Saturday, May 16, 2026. She stated that Mr. Heims advised that the varying takeout rates for similar bet types across the same racing card posed potential issues with certain tote providers and that the issue could be rectified by adopting a flat takeout rate across the board for all Daily Double and Pick 3 wagers. A lower takeout rate

is advantageous for the patron as it increases the return to patrons, leading to the chance for higher payouts. She concluded that by reducing the takeout rate, the racetrack makes its wagering format more competitive. She advised that she approved the request by email on May 15, 2026 subject to the Commission's ratification at a public meeting.

Commissioner Tomaro made a motion to ratify the approval of a request by Monmouth Park to reduce the takeout rate for all Daily Double and Pick 3 wagers to 15% for the duration of the 2026 Monmouth Park meet. Commissioner Vetrano seconded the motion, and all Commissioners voted yes.

ITEMS FOR DISCUSSION AND INFORMATION

Acting Executive Director stated that this concluded part A of the agenda. Part B contains items for discussion or information. These items include the breakdown of wagering on the Kentucky Derby and the Preakness.

Finally, the Executive Director asked if anyone would like to comment or bring new business to the Commission's attention.

Mr. Drazin stated that he has been approached again by Mike Musto from the New Jersey Thoroughbred Horsemen's Association who represents owners and trainers of horses who run at Monmouth Park and later on at Meadowlands. Mr. Drazin stated that he suggested that the people who are complaining come to the meeting and speak directly, but maybe they had other commitments. The issue is vet scratches that reduce Monmouth Park's race card. This is a problem they've had probably since HISA came around, but it's the State Vets that make scratches, not technically the HISA vets. Mr. Drazin stated that Monmouth Park will have a card with six entries – for example, a 2 year old race with six entries - it got scratched down to four. The trainers feel that the vets are not letting horses run that are sound that have been running elsewhere. Dennis believes there should have been – and it was asked last year but the permission was denied – to have a meeting to communicate between the State Vets and the trainers so that everyone can get on the same page. Mr. Drazin stated that he certainly does not want to see a horse run that isn't supposed to because it is not sound. That is a safety issue that he takes very seriously. Mr. Drazin continued that it seems as though a lot of trainers feel that the vets are too tough on certain situations, and they could explain this better themselves to the vets. Mr. Drazin stated that the trainers have requested that a meeting be set up in the rec hall at some point in the near future to have some communication between the State Vets and the trainers so that everyone can get on the same page. Mr. Drazin stated that he is not asking for horses to be allowed to run that should not be running. He is simply asking for some communication so people can express their frustrations and have some dialogue about it. Mr. Drazin stated that Mike Musto from the New Jersey Thoroughbred Horsemen's Association ("NJTHA") was in attendance and can speak further on the issue.

Mr. Musto stated that he tracks a lot of numbers and, in the first seven days, there were 30 vet scratches. He stated that is a little over two horses per race. Mr. Musto explained he is not a vet, and he doesn't pretend to know about horses like other people do, but trainers are very comfortable with how their horses go about and move. State Vets sometimes will say

this horse doesn't go right. The horse is a five-year-old, and he's been going that way for five years. Mr. Musto explained that the trainer can go to other locations such as Gulfstream, Delaware, or Laurel, Maryland with no problem but, when they are here in New Jersey, there is an issue. Mr. Musto feels there is an issue, and he feels a conversation needs to be had with the State vets. Mr. Musto stated that he is not saying the vets are not right, but there are different situations on an individual basis that need to be addressed and the dialogue needs to be had with the trainer a lot of the time. Mr. Musto advised that he is being told that the State Vet walks into the barn, grabs a horse, a little heat, and scratch. No conversation. He would ask if the vets can get together with some of the horsemen. Mr. Musto advised that some of their vets would like to attend and maybe put together a committee of the THA vets that are on the backside, have them go to the barn with the State vets, and they can all examine the horse at the same time and maybe come up with a decision. Mr. Musto concluded that if they could possibly get a meeting with the State Vets, that would be outstanding. He feels it would help with the dialogue and calm the waters a bit.

Acting Executive Director Ben-David thanked Mr. Musto for the feedback and asked Mr. Drazin if he would like to comment on the breeding program as well.

Mr. Drazin stated that now he was not speaking for Monmouth Park but instead as a breeder in the State of New Jersey who has bred a significant amount of horses. Mr. Drazin stated that he has talked to other breeders who are upset about the breeding program. He advised that they've had a number of meetings trying to talk to the breeders about doing something that could improve the quantity of horses that are bred here in New Jersey. Mr. Drazin stated that he is not being critical of anyone, but prior President Millie Fleming worked very hard to increase the foal crop and managed to do so. Unfortunately, Millie has passed. Mr. Drazin stated that there is a new president in the breeders' group the past couple of years, but the foal crop is falling off. Mr. Drazin stated that this is not a new problem. This problem has existed for a long time. He advised that there was a point in time in the past where the breeders' group owed the breeders of horses in New Jersey and owners several million dollars. Mr. Drazin advised that they got into this every year. They never paid it, and the backlog got to an unreasonable number. Mr. Drazin explained that the NJTHA had funds at that point that were generated from a number of sources, and those sources enabled them to lend money to the Breeders. Mr. Drazin thought the number was about \$4 million that was loaned to the Breeders so they could pay all their awards, and they did pay the THA back over a period of time. Mr. Drazin advised that he went to the Commission first to ask for the approval to be able to lend the money and develop a system like you would pay off a mortgage. Mr. Drazin stated that at that point in time, they recognized there was a problem with the ability to pay breeder awards, and they attempted to find a solution.

Mr. Drazin continued that the revenues are less and less, and it's become difficult for the Breeders. Speaking as a breeder in the state, he has spoken with a number of others, some of which were in attendance at today's meeting. Mr. Drazin advised that if he bred a horse in 2026, he's been promised by the Breeders' organization that he is going to receive awards when that horse runs. So, if the horse was bred in 2026, the foal hits the ground in 2027, it will be a yearling in 2028, and becomes a two-year-old when it's eligible to run. He stated that maybe the horse doesn't run until it's a three-year-old, so now it's 2030. He counted on the award program that's in effect when he decided to breed here in New Jersey.

Mr. Drazin stated he breeds in New Jersey because he lives here and this is where Monmouth Park is. He advised that he could go to New York or Pennsylvania and make a lot more money and breeders' awards but he doesn't want to lose our horses.

Mr. Drazin advised that there are a lot of breeders who were not consulted about the changes. There was no general meeting, and no information was passed on. Mr. Drazin stated he knew about the change because he requested a copy of what was submitted to the Commission by way of the new program. He received it and had a chance to look at it, but a lot of breeders didn't even know these requests were being made, and the request is to make it retroactive to this year. Mr. Drazin stated that one of the problems that's happened over the years is breeders, trainers, and owners come in and they request that races be written. Statutorily, they are only required to write one race per day if it's competitive. Mr. Drazin explained that when breeders come in and demands come in, and they ask for extra races, each time it requires more breeders' awards to be paid out. He stated that this year, they are trying to keep a tight limit on this given that they haven't been able to pay last year and only write one race per day. Mr. Drazin stated that the breeders are not happy about it because they like spots for their horses to run and they'd rather run in Jersey-bred company than open company.

Mr. Drazin stated that there is legal exposure not only to the breeders but perhaps to the Commission as well if this is approved given that people rely upon what the current system is. Mr. Drazin also stated that there is an agreement with the breeders, although Mr. Campbell is stating it's not in writing. They hired lobbyists for \$60,000. That is monies that would otherwise be paid to the breeders. When they submit their budget, that budget is including money that was never paid before, so that creates a shortfall. Mr. Drazin noticed that some requests now affect Monmouth Park. He stated that they are requesting that the component of the Owner's Award goes down from 10% to 5%. Monmouth Park pays 40% in open company, and there is no obligation to do that. The agreement with the Breeders in the past is to encourage the breeders to breed in New Jersey so collectively they get them 50% to run in open company. If you are not writing restricted races, they can run in the open races and, if they're getting an extra bonus, it encourages you to go in that spot. He continued that the restricted races all have a component of the purse has to be 25% higher, and now the Breeders want to change their program to reduce the owner component, and Monmouth Park may not give the 40%. Mr. Drazin feels that to make these decisions without discussing it with the general membership is flawed.

Mr. Drazin stated that he respects what the Breeders' Board has asked them to do, thinking that they polled their membership. Recently, members of the Breeders have complained, stating they knew nothing of this issue, and there has been no discussion regarding it. The concern is that breeders were supposed to receive certain numbers, and now they will get a lot less. Mr. Drazin is concerned that he may never see the 12% that wasn't paid out last year. Not only is the problem in the breeding industry but at Monmouth Park also with the foal crops being reduced and the handle being reduced.

Mr. Drazin is hoping the Governor sees it in the budget to go back to \$20 million, but right now the proposed budget is \$5 million which means instead of Monmouth Park getting \$10 million next year, it will receive \$2.5 million, so the loss is \$7.5 million. Where does that

put us next year if the Commission doesn't have \$20 million to give to both breeds? Mr. Drazin is hopeful regarding the lobbyists and legislators that support horse racing, but Governor Sherill may find that she doesn't have enough revenue in the state to hand out that money.

Mr. Drazin stated that he has tried over the years to merge the organizations and create a new policy with five owners, five trainers, and five breeders on the Board. He suggested setting up committees that would have effectively done away with the Breeders' organization and could have had \$200,000 extra to pay out which would have solved the deficit. He understands the reasons for not wanting to do it, not wanting someone on the Board who was not a Jersey breeder.

Mr. Drazin stated that the NJTHA intends to have an election this year. If a new category is created, they are going to be required to have a general membership meeting, propose new bylaws, and have at least 50 members attend. Mr. Drazin stated that, by the time those bylaws get changed, it would be into the next year.

Mr. Drazin concluded that he is pleased that the Commission has decided to put this off for another meeting so that more discussions can be had at the Breeders' membership meeting. Mr. Drazin stated that there are a number of problems that not only the breeders have but in the racing industry as well in order to make the purses competitive to other states. He explained that Monmouth Park has over 1600 stalls, and they average about 1,000 horses. To date, there are only about 700, and Monmouth Park is struggling to fill the race card.

Commissioner Vetrano asked Acting Executive Director Ben-David if some dialogue can take place regarding the scratches. He continued that the industry is at a crossroads, and dialogue is extremely important. He hoped the Commission can gather with the vets and Mr. Musto and have a conversation. Acting Executive Director Ben-David stated she would be in touch to set that up.

Commissioner Venuto thanked Mr. Drazin for the information. He stated that he has noticed the scratches, and he does recognize that there is an issue.

Gerry Kromann, a horse breeder, asked if a few members of the horsemen's group could attend the meeting that Mr. Campbell spoke of. She stated that maybe a dialogue needs to be had to merge the two organizations. Ms. Kroman stated that she has Virginia certified horses. She stated that all you had to do was spend 180 days in Virginia, and then you become a certified horse. Many people took advantage, and then they didn't have the money to pay out the way they had intended. She stated there is nothing worse than getting told after you thought you would reap the benefits to hear them say they are going to cut back, and now New Jersey is in that position too since we are fighting for every horse.

James Frangella, a breeder, stated that what Mr. Drazin stated was very positive. He stated that he doesn't believe he is on the Breeders' board, and he isn't aware how the dollars come to the Breeders. He is being told that there is no set figure and asked if that is correct.

Acting Executive Director Ben-David explained that by statute, there is a percentage that gets carved out of the handle on parimutuel wagering, and that is the source of the TBA's funding. It's a percentage, not a flat number.

Mr. Frangella stated that if the wagering is down, then the money received is down. Mr. Frangella stated that when things are slow, you try to cut expenses and bring things down. He feels the horsemen, the Jersey breeders, and the track should all be together. Sometimes it appears they are at odds with each other, and it shouldn't be. He stated he doesn't know how the inter-workings work, but it makes sense to put everyone together to work together. What we're doing right now is not working, so maybe we need to try something else.

Mr. Frangella stated that last year the purses did not get paid on time. He asked if there is any reason that the Commission didn't advance Monmouth Park the money and then try to get it back from the State.

Acting Executive Director Ben-David asked if he was asking if Monmouth Park could borrow money in advance. Mr. Frangella stated that maybe the Commission could give it to them, not necessarily borrow it. He stated that he heard the dollars were late coming to the horsemen coming from the State. Did they wait for money coming from the state because of audits?

Acting Executive Director Ben-David explained that there is a Racing Industry Special Fund ("RISF"). The RISF is funded from wagering dollars from off-track and account wagering. There are certain payments that the Commission has to receive from the off-track wagering facilities and from the account wagering system in order to fund that fund. Once the money is received from those entities, the money is then distributed to those that are entitled to receive it, including Monmouth Park. She explained that if the Commission is late paying, it's because somebody else is late paying. There is no delay on the Commission's side.

Mr. Frangella asked if there was an emergency fund somewhere where money can be lent out and get paid back later. Acting Executive Director Ben-David stated that the money is paid timely when the money is available to pay. Mr. Frangella stated that the horse racing industry is a unique industry where for a lot of people this is their livelihood. These guys have to pay the vets, the feed guy, and their help, and it makes people leery to come back if they aren't getting paid.

Acting Executive Director Ben-David stated she appreciates the view of the horsemen, and she is aware of the problem from last year. Mr. Frangella stated that he sees the Governor approving millions to redo a building but can't give pennies to the horsemen. He continued that people put their farms in farmland preservation because they want to breed and raise horses so they sold for pennies on the dollar. If something happens to Monmouth Park, these people gave up all that money and land, and it goes down the drain. He stated this is a giant industry with a lot of people working.

Mr. Frangella stated that as far as the vets go, he is sure that everyone is doing the best they can under the circumstances. He suggested that maybe a person could be out on the racetrack from the time it opens until the time it closes to see if a horse is nodding. If they

are, stop them, get their name, and at that point go to the barn before they are entering and try to do something to get it right before entering them. He indicated that sometimes guys get paid per horse, so sometimes they overlook things so they get paid.

Mr. Drazin clarified that Monmouth Park did not say that the Commission hasn't paid the money. He stated that Monmouth Park said what the statutes require, and not everyone sends their money in timely. He advised that the purse subsidy moneys requires a report. If the report had been done in a more timely fashion, which is not on the Commission, and if Monmouth and Meadowlands worked together with the cooperation of Karyn Malinowski from Rutgers, then the Commission awards the money. Mr. Drazin stated that there was a subsidy that they didn't get to borrow against. The Governor last year gave the operators \$3.5 million at Monmouth Park and Meadowlands. They could've taken that money and put it into the purse account if the money was received. The money still hasn't been received. Mr. Drazin gave an example of the Breeders asking them to write a stake and then not being able to pay the entire amount promised. Mr. Drazin stated that this causes stakes to be canceled, and he doesn't intend to cancel a stake that's been advertised by Monmouth Park. Mr. Drazin stated he doesn't appreciate that breeders stating the race is canceled because they aren't going to pay it and the Board members stating they weren't consulted about it. Monmouth Park will pay the money so the race will not be canceled. Monmouth Park wants to encourage an Eclipse Award, and the purse is required to be a certain number to run here, so Monmouth Park will get that money to have the horse run there. He stated they are trying to encourage people to breed in New Jersey. He stated he is attacked on social media with people stating they should borrow the money and then figure out how they will pay it back. Horses shouldn't be run and then not paid. He stated he knows the Commission has investigated the problem, but he has not seen a report yet. He stated that he recognizes the struggles of the horsemen, and it's a tough business to make a living in, and they are doing the best they can to preserve racing forever which is not an easy job.

Nancy Grbelja stated that as the chair of the New Jersey Sire Stakes Board they are concerned about making sure they have enough racing in New Jersey and races for their sire horses. She thanked the Commission for its support of New Jersey-sired horses, New Jersey-bred horses, New Jersey-owned horses, and New Jersey-trained horses. She feels they were successful this year working with the Meadowlands and the SBOA in expanding the program for New Jersey-sired horses. She stated there was a successful night on Saturday with 12 races of New Jersey-sired horses, and she is hoping the funding will be available for them to continue the program.

Alice Allen addressed the Commission and stated that she sent the Commission 900 pages of canceled checks from purchasing drugs for the race horses. Those checks proved the purchases in Exhibit 3705. She stated that she has come to the Commission for two years asking for help for all of the decent, honest, hard-working people in the industry, and she has received no response. She stated that she spoke with the Commissioners at the Meadowlands meeting. She asked that everyone quit pretending that it didn't happen and to understand the demise and the lack of horses and the lack of participation because it falls on the working class people.

Commissioner Vetrano asked if he is the only one who can't hear. Acting Executive Director Ben-David explained that the Commissioner is using new technology for this meeting and briefly described what Ms. Allen has stated so far.

Ms. Allen again stated that she sent 900 pages of canceled checks and asked the Commission to hold this seriously. Ms. Allen stated that the middle-class people are trying to compete, and the horses do not deserve morphine or Epogen. She stated that she took the time to compile a file. If she can get the exhibits, then the Commission can get the exhibits and do their job. Ms. Allen stated that if there's a problem, then tell her because the next exhibits with all of the credit card purchases will be sent to the media. Ms. Allen stated that there is a law that says you are there to protect the integrity. These people, with 10 years of drugging horses, that's not integrity. She stated that you write about them in magazines and give them trophies, but she questioned: what about the people that don't have the right to earn because they can't compete against these untouchable products? She suggested creating a thyroid level because horses don't deserve 10 pounds of thyroid.

Ms. Allen stated that people need to start doing their job, and when a person tries to reach the Director of Racing, and they don't receive a reply, it's insulting. She stated that she gives her heart and soul for the sport and can't get the satisfaction of a return email or a review of the exhibits. Ms. Allen stated that there are wiretaps, yet these people are racing, and the NJRC is licensing these people. Ms. Allen stated these are not her words but the words of the United States Government, and the only choice she has is to give the comprehensive file, exhibits, and the thumb drives to the media. She stated the Commission has the means and the ability to ask the Governor to change the structure. Ms. Allen stated that she has seen what this has done to the sport in the last 10 years and it is no different now. She asked to at least show the working class the same respect that is given to each other when it is noted that there is not a problem or you didn't educate the Commissioners. Ms. Allen claimed that there are 20,000 pages that are going to be filed with every newspaper in the country if people don't get up and do their job.

Ms. Allen stated that New Jersey was known as the epitome of racing. Meadowlands, Monmouth Park, and everyone sitting in the room are all part of a responsibility. It is owed more than anything to the horses. She stated there are champions, and there are drug champions. She asked for the right to work. She advised that she sent the exhibits to Ms. Ben-David and didn't ask for a dime in return. She advised that it wasn't her job to read the transcripts and devour every piece of information to help an industry because she saw the decline. She concluded with this is her last tour. She will walk out the front door, and everyone will know the truth of what happened to the horses and the regulators that failed to do their jobs. She thanked the Commission for having the phone lines open. She stated that she wished she was there to look everyone in the eye. Ms. Allen stated that these words come from her heart, not from malice. She stated that the head of the Standardbred Association of New Jersey has canceled check after canceled check and GX3705 and the Commission should ask why.

Commissioner Vetrano asked to have the record reflect that the audio was horrible. Acting Executive Director Ben-David stated that all of Ms. Allen's remarks will be reflected in the minutes.

There were no further comments. Commissioner Vetrano made a motion to adjourn. Commissioner Tomaro seconded the motion, and all Commissioner voted yes.

ATTEST:

Sara Ben-David

Sara Ben-David, Acting Executive Director