

**NEW JERSEY RACING COMMISSION  
WEDNESDAY, SEPTEMBER 16, 2020  
TELEPHONE MEETING**

A public meeting of the New Jersey Racing Commission was held on Wednesday, September 16, 2020 by telephone.

The following were present:

Pamela J. Clyne, Chairman  
Francis X. Keegan, Jr., Commissioner  
Michael J. Arnone, Commissioner  
Glen Vetrano, Commissioner  
Judith A. Nason, Executive Director  
Lauren Nathan-LaRusso, Esq., Governor's Authorities Unit  
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. Legal advice concerning the adoption of the proposed repeal and new rule N.J.A.C.13:70-11.12 (Riding crop prohibited), new rule N.J.A.C. 13:70-11.12A (Emergency use of riding crop) and new rule N.J.A.C. 13:70-11.12B (Riding crops);
2. Legal advice concerning the adoption of amendments to N.J.A.C. 13:71-20.14 (Whips) and N.J.A.C. 13:71-20.15 (Restricted use of whip and prohibition of goading devices).
3. Legal advice concerning the adoption of new rules N.J.A.C. 13:70-1.43 and N.J.A.C. 13:71-1.38 (Cancellation of racing to protect the health, safety and welfare of racing participants).
4. Legal advice concerning the initial decision in the matter of Jorge Navarro v. New Jersey Racing Commission, OAL Docket No. RAC 15971-17;

5. Legal advice concerning the request of Freehold Raceway for an extension of time in which to pay racing program costs for fiscal year 2020 and to pay the assessment for prevention, education and treatment programs for compulsive gambling; and
6. Other legal advice.

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

Commissioner Arnone motioned to adopt the resolution 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 Keegan made a motion to adjourn from Executive Session into the Public Session. Commissioner Arnone seconded the motion and all of the Commissioners voted yes. The Executive Session ended.

CONSIDER APPROVAL OF THE PUBLIC SESSION MINUTES OF THE JULY 15, 2020 COMMISSION MEETING.

Commissioner Keegan made a motion to approve the public session minutes of the July 15, 2020 Commission meeting. Commissioner Arnone seconded the motion and all of the Commissioners voted yes.

CONSIDER APPROVAL OF THE PUBLIC SESSION MINUTES OF THE AUGUST 24, 2020 SPECIAL COMMISSION MEETING.

Commissioner Vetrano made a motion to approve the public session minutes of August 24, 2020 special Commission meeting. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER THE RATIFICATION OF THE CANCELLATION OF RACING AT MONMOUTH PARK ON JULY 10, 2020 DUE TO THE TROPICAL STORM.

Executive Director Nason stated that on July 10, 2020, Tropical Storm Fay produced extreme weather conditions in New Jersey. Racing Secretary John Heims emailed the Commission to request permission to cancel racing at Monmouth Park due to high winds and heavy rains, which were presenting unsafe racing conditions. Based upon the reported heavy rain and wind gusts up to 45 mph, the Executive Director approved the cancellation subject to the Commissioners' ratification.

Chairman Clyne made a motion to ratify the approval granted to Monmouth Park for the cancellation of racing on July 10, 2020 due to Tropical Storm Fay. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER RATIFICATION OF THE APPROVAL GRANTED TO FREEHOLD RACEWAY FOR THE RACING AND WAGERING FORMAT FOR THE SUMMER/FALL MEET.

Executive Director Nason explained that on August 7, 2020, Freehold Raceway filed a letter seeking Commission approval of the officials, pools, post times and prices for the racetrack's summer/fall meet which began on August 28<sup>th</sup> and will continue to December 31<sup>st</sup>. The officials, department heads and racing format remain the same as the winter/spring meet earlier this year. The wagering format also remains the same. However, parking will now be free and valet parking will no longer be offered. The Executive Director reviewed the request and sent a letter to Freehold Raceway, dated August 19, 2020, approving the racing and wagering format subject to the ratification of the Commission.

Commissioner Keegan made a motion to ratify the approval granted to Freehold Raceway for the racing and wagering format for the summer/fall meet. Commissioner Vetrano seconded the motion and all of the Commissioners voted yes.

CONSIDER RATIFICATION OF THE APPROVAL GRANTED TO NEW MEADOWLANDS RACETRACK FOR THE REVISED WAGERING FORMAT.

Executive Director Nason stated that on August 27, 2020, General Manager Jason Settlemoir requested approval of proposed changes to the wagering format when racing resumed at New Meadowlands Racetrack on September 5<sup>th</sup>. The wagering format, which has been provided to the Commissioners, includes win, place, show, exacta and trifecta wagering on all races with superfecta, pentafecta, Pick 3, Pick 4, Pick 5 and Pick 6 wagering on selected races. The minimum wager for win, place, show, exacta, Daily Double and trifecta wagers has been reduced to \$1. The minimum wager for the Pick 5 has been reduced to 20 cents. The Executive Director reviewed the request and sent a letter to New Meadowlands Racetrack, dated September 2, 2020, approving the revised wagering format subject to the ratification of the Commission.

Commissioner Vetrano made a motion to ratify the approval granted to New Meadowlands Racetrack for the revised wagering format. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER ALLOCATION OF NINE THOROUGHBRED RACE DAYS TO THE THOROUGHBRED HORSEMEN'S ASSOCIATION FOR THE MEADOWLANDS-AT-MONMOUTH PARK MEET

Executive Director Nason explained that on August 26, 2020, John Heims, In-House Counsel for Darby Development, filed a letter requesting the approval of nine race dates pursuant to the Thoroughbred Horsemen's Association's permit at the Meadowlands. The nine race dates will be scheduled at Monmouth Park with racing to be conducted as the Meadowlands-at-Monmouth meet.

The Executive Director then explained at its November 20, 2019, the Commission allocated 19 thoroughbred race dates to the THA for the Meadowlands which were scheduled to be raced between October 2, 2020 and December 5, 2020. The Commission approved the cancellation of those race dates at the July 15, 2020 meeting, largely due to the agreement between the THA and New Meadowlands Racetrack, which allowed the scheduling of standardbred racing on Fridays at Saturdays at the racetrack through December 26<sup>th</sup>.

Executive Director Nason stated that the Meadowlands-at-Monmouth meet would be raced on October 3, 4, 7, 10, 12, 14, 17, 21 and 24 with a post time of 12:50 pm. The Grade 3 Monmouth Stakes race would be scheduled for October 10<sup>th</sup>.

Chairman Clyne made a motion to approve the allocation of nine thoroughbred race days to the Thoroughbred Horsemen's Association for the Meadowlands-at-Monmouth Park meet. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

#### CONSIDER APPROVAL OF THE RACING AND WAGERING FORMAT FOR THE MEADOWLANDS-AT-MONMOUTH MEET.

Executive Director Nason stated that the Commission is being asked to consider the approval of the racing and wagering format for the Meadowlands-at-Monmouth meet. She explained the format, provided to the Commissioners, mirrors that which was approved for Monmouth Park's 2020 meet. Mr. Heims has requested approval for up to 14 races per day. The request indicates that all races will offer win, place, show, exacta, trifecta, Daily Double, Pick 3 and superfecta wagering per management's discretion, Pick 4 and Pick 5 wagering on selected races and the continuation of the Jersey shore 6 jackpot wager.

Executive Director Nason then explained the request also seeks Commission approval for fixed odds wagering on horse racing (onsite and through mobile platform) and for certain sports betting wagers on horse races.

The Executive Director stated all previously submitted COVID-19 protocols for Monmouth Park will continue to apply to the Meadowlands-at-Monmouth meet.

Executive Director Nason then stated that staff recommend approval with the exception of the request related to fixed odds wagering and sports wagering on horse races. She indicated that the Department of Law and Public Safety has been conducting a policy review of this type of wagering on horse racing and that no fixed odds or sports wagering on horse racing should be approved until the matter has been fully examined and considered. She also stated that, as a result, staff recommend that the Commission approve the wagering and racing format but take no action on the request related to fixed odds or sports wagers on horse racing.

Chairman Clyne made a motion to approve the request of the racing and wagering format for the Meadowlands-at Monmouth meet with the exception that the Commission take no action on the request related to fixed odds or sports wagers on horse racing. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER APPROVAL OF THE REQUEST TO CANCEL THE FAR HILLS SPECIAL STEEPLECHASE MEET.

Executive Director Nason stated on August 26, 2020, John Heims, filed a letter with the Commission requesting approval of the cancellation of the special steeplechase meet at Moorland Farm, which was scheduled for October 17<sup>th</sup>. The letter indicates that the Far Hills Racing Association advised Darby Development that the Association wished to cancel the one-day steeplechase meet due to COVID-19 related restrictions on gatherings. She also informed the Commissioners that staff recommend approving the cancellation.

Commissioner Vetrano made a motion to approve the request to cancel the Far Hills special steeplechase meet. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER ADOPTION OF THE PROPOSED REPEAL AND NEW RULE N.J.A.C. 13:70-11.12 (RIDING CROP PROHIBITED), NEW RULE N.J.A.C. 13:70-11.12A (EMERGENCY USE OF RIDING CROP) AND NEW RULE N.J.A.C. 13:70-11.12B (RIDING CROPS).

Executive Director Nason stated that at the October 23, 2019 meeting, the Commission voted to propose the repeal and replacement of N.J.A.C. 13:70-11.12 as well as to propose new rule N.J.A.C. 13:70-11.12A and new rule N.J.A.C. 13:70-11.12B.

Executive Director Nason indicated that proposed new rule N.J.A.C. 13:70-11.12(a) states that “no jockey or exercise rider may use a riding crop at any time, or for any reason, except when necessary to control the horse for the safety of the horse or rider.” If a jockey does so, N.J.A.C. 13:70-11.12(b)(1) provides that “the jockey or exercise rider may be suspended and/or fined by the stewards.” In addition, N.J.A.C. 13:70-11.12(b)(2) requires that “the jockey’s share of the purse shall be forfeited if, in the opinion of the stewards, the unauthorized use of the crop caused the horse to achieve a better placing.”

She stated that as proposed, new rule N.J.A.C. 13:70-11.12A sets forth specific circumstances applicable to how a jockey or exercise rider may use the riding crop if necessary to avoid injury to the horse or rider. The proposed rule also requires that all horses undergo a post-race visual inspection, under the supervision or direction of the stewards, for evidence of excessive or brutal use of the riding crop.

Executive Director Nason also stated the proposed new rule N.J.A.C. 13:70-11.12B, which sets forth physical specifications for the riding crop, includes the requirements that the shaft and soft tube of the crop must be constructed with a shock absorbing material and that the crop must comply with the weight, length, compression factor and other specifications in the rule.

The Executive Director indicated that the rule proposal was published at 51 N.J.R. 1748 on December 2, 2019. The comment period closed on January 31, 2020 and the Commission considers the record to be closed as of that date.

She stated that the Commission received comments on behalf of 21 persons or entities. Comments were filed on behalf of Darby Development, LLC, The Jockey Club, the Jockey's Guild, Inc., and PETA. In addition, comments were filed by Ramon Dominguez and 16 members of the public. The comments, a summary of the comments and draft responses were provided to the Commissioners.

Executive Director Nason stated that staff believe that the proposed new rules will promote equine welfare and the rules will do so without jeopardizing the safety of the human or equine race participants as the rules allow use of the riding crop to control the horse when necessary for the safety of the horse or rider. As a result, staff recommend that the Commission approve the draft Notice of Adoption and vote to adopt the new rules.

Executive Director Nason asked if there was any discussion of the matter.

Chairman Clyne made the following statement to the Commission:

"I strongly support the adoption of these new rules. I think they are essential to equine welfare and will protect the horses that race in New Jersey. I agree with The Jockey's Club position, which has called for eliminating the use of the riding crop for encouragement but allowing its use to avoid dangerous situations to the horse and rider. I understand that the use of the riding crop may be necessary at times to control the horse for the safety of the horse or rider. The new rule allows for that but it's time to stop hitting our horses to make them run faster.

I read carefully all of the written comments. I understand the concerns raised by the Jockey's Guild, Dennis Drazin and other commenters. The jockeys who race in this State are very talented and extremely professional. I believe that the jockeys will adapt to this rule and develop new, safe and permissible ways to encourage and communicate with the horses.

I understand that other states are taking a different approach by restricting the number of times the riding crop can be used to hit the horse. I understand that the New Jersey Racing Commission would be the first regulatory body in this country to prohibit the use of the riding crop, except when necessary for safety reasons, but it's time to stop hitting our horses to make them run faster.

I also believe that the new rules will benefit New Jersey racing by increasing the number of fans who watch and wager on our thoroughbred races. I like that the rules require a visual inspection of each horse after each race for evidence excessive or brutal use of the riding crop that also helps protect the horses. It's important to let the public know that equine welfare is of the utmost importance to this Commission.

As Commissioners, it is our duty to protect these amazing animals. This Commission is responsible for ensuring the welfare of the race horses that compete in this State. I believe these rules do exactly that, while also protecting the race participants by allowing the use of the riding crop when necessary for the safety for the horse or rider. I support the adoption of these new rules. I hope you agree."

Executive Director Nason then asked the Commissioners if there was any additional discussion.

There being no additional discussion, Chairman Clyne made a motion that the Commission accept the draft Notice of Adoption and approve the adoption of the new rules. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER ADOPTION OF AMENDMENTS TO N.J.A.C. 13:71-20.14 (WHIPS) AND N.J.A.C. 13:71-20.15 (RESTRICTED USE OF WHIP AND PROHIBITION OF GOADING DEVICES).

Executive Director Nason stated that at the October 23, 2019 meeting, the Commission voted to propose amendments to N.J.A.C. 13:71-20.14 and N.J.A.C. 13:71-20.15. Most notably, the amendments ban one-handed whipping completely by requiring the drivers to keep a line of the reins in each hand through the finish of the race. The amendments permit the use of the whip using wrist action only while holding the reins reasonably taut. Drivers will not be able to raise the whip above the shoulder or use elbow action while using the whip.

Executive Director Nason explained that the amendments prohibit the use of the whip in an excessive or indiscriminate manner and specifically restrict the use of the whip more than three times in succession. The amendments also prohibit repetitive use of the whip when the horse is not responding or advancing its position in the race. Pursuant to the amendments, a driver cannot use the whip below the level of the arch or shaft or forward of the race bike's wheels. In permissible locations, the driver may only use the whip in a sliding, gliding or tapping manner. The amendments require that there shall be a visual inspection of each horse following each race for evidence of excessive or brutal use of the whip, which if evidence is found, will result in a hearing before the Board of Judges to determine if a penalty should be assessed on the driver.

She continued to explain that the proposed amendments to N.J.A.C. 13:71-20.14 set forth the physical specifications that are permissible for whips. The amendments require that whips shall be no longer than four feet in length with a snapper not longer than six inches. No leather or unusual materials may be used and the conventional snapper may not be knotted or altered in any way.

Executive Director Nason stated that the proposal was published at 51 N.J.R. 1753 on December 2, 2019. The comment period closed on January 31, 2020 and the Commission considers the record to be closed. The Commission received comments from fourteen persons or entities. Comments were filed on behalf of New Meadowlands Racetrack, Freehold Raceway, the Hambletonian Society, PETA, and from ten members of the public. The comments, a summary of the comments and draft responses were provided to the Commissioners.

Executive Director Nason noted that staff recommend that the Commission approve the draft Notice of Adoption and vote to adopt the rule amendments. Staff believe that the amendments will promote equine welfare by protecting the horses from harm.

Executive Director Nason asked if there was any discussion on this matter.

There being no discussion, Commissioner Vetrano made a motion to approve the draft Notice of Adoption and adopt the rule amendments. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

CONSIDER ADOPTION OF NEW RULES N.J.A.C. 13:70-1.43 AND N.J.A.C. 13:71-1.38 (CANCELLATION OF RACING TO PROTECT THE HEALTH, SAFETY AND WELFARE OF RACING PARTICIPANTS).

Executive Director Nason stated that at the October 23, 2019 meeting, the Commission voted to propose new rules N.J.A.C. 13:70-1.43 and N.J.A.C. 13:71-1.38. She explained that the new rules, which are substantially the same for the thoroughbred and standardbred chapters, would grant the Executive Director the authority to order the postponement or cancellation of racing for any reason determined to pose a serious risk to the health, safety and welfare of the race participants including, but not limited to, extreme weather conditions, such as high heat and humidity.

Executive Director Nason indicated that the proposal was published at 51 N.J.R. 1745 and 51 N.J.R. 1750 on December 2, 2019. The comment period closed on January 31, 2020 and the Commission considers the record to be closed. The Commission received comments from three persons, which included Dennis Drazin on behalf of Darby Development, Howard Bruno on behalf of Freehold Raceway and one member of the public. She noted the comments, a summary of the comments and draft responses were provided to the Commissioners.

Executive Director Nason stated that staff recommend the Commission approve the draft Notice of Adoption and vote to adopt the new rules. She explained the Commission is responsible for ensuring the health, safety and welfare of the race participants. Should a permit holder decide to move forward with racing during extreme weather conditions, such as high heat and humidity, the new rules will allow the Commission to step in to cancel or postpone races for any reason determined to pose a serious risk to the health, safety and welfare of the equine and human race participants. Prior to deciding to cancel or postpone races, the Executive Director may consult with the Commission's staff, including our veterinarians, members of the industry, regulatory bodies from neighboring states and other relevant experts.

Executive Director Nason noted that staff believe that the new rules, if adopted, will provide clarity and reassure the public that a regulatory process is in place for protecting the equine and human participants during extreme weather conditions.

Executive Director Nason asked if there was any discussion on this matter.

Chairman Clyne stated that she did not know how often the proposed new rules will need to be used but she thinks it is important that the rules be put in place in case they are necessary.

Chairman Clyne then made a motion to approve the draft Notice of Adoption and to adopt the new rules regarding the cancellation of racing to protect the health, safety and welfare of racing participants. Commissioner Keegan seconded the motion. Chairman Clyne, Commissioner Keegan and Commissioner Arnone voted yes. Commissioner Vetrano voted no.



CONSIDER THE DISTRIBUTION OF THE CASINO SIMULCASTING SPECIAL FUND MONIES ACCUMULATED IN 2019.

Executive Director Nason stated that the Commission received written requests from each of the racetracks and the horsemen's organizations regarding the Casino Simulcasting Special Fund ("CSSF") monies accumulated in 2019. Noting that the distribution of these monies is not at issue today, she indicated that the question before the Commissioners is whether the Commission is ready to close the record. Executive Director Nason explained that in past years, the Commission has appointed two Commissioners to the CSSF Committee. The Committee then considers the requests and reports back to the full Commission with recommendations at the next public meeting. The distribution of the monies is then considered at that meeting.

Executive Director Nason stated that she contacted the racetracks and horsemen's organizations by email on September 10, 2020 to ask whether they would like to make verbal comments at the meeting to supplement their written submissions or to add any information. She noted no racetrack or horsemen's organization asked to make verbal comments.

Executive Director Nason asked the Commissioners if they wanted to close the record.

Chairman Clyne made a motion to close the record, Commissioner Keegan seconded the motion. All of the Commissioners voted yes.

Executive Director Nason then asked the Commissioners if they wanted to appoint two Commissioners to the CSSF Committee to review the submissions and report back to the full Commission with recommendations. She stated that in the past, Chairman Clyne and Commissioner Keegan have served on the CSSF Committee.

Commissioner Keegan indicated that he was willing to serve again on the CSSF Committee.

Chairman Clyne moved to reappoint herself and Commissioner Keegan to the CSSF Committee. Commissioner Arnone seconded the motion and all of the Commissioners voted yes.

CONSIDER APPROVAL OF REVISED CHARITY DATES FOR 2020.

Executive Director Nason stated that pursuant to statute, the Commission must designate five race days per permit as charity racing days. She explained that at the January 22, 2020 meeting, the Commission approved charity race days for 2020. However, the COVID-19 pandemic thereafter caused material changes to the permitholders' racing schedules.

Executive Director Nason stated that staff have submitted a revised charity race date schedule, which takes into account cancelled and newly scheduled race dates for the Commissioners' consideration.

Commissioner Vetrano made a motion to approve the revised charity dates for 2020. Chairman Clyne seconded the motion and all of the Commissioners voted yes.

CONSIDER THE INITIAL DECISION IN THE MATTER OF JORGE NAVARRO V. NEW JERSEY RACING COMMISSION, OAL DOCKET NO. RAC 15971-17.

Executive Director Nason stated that the Commission must determine whether to adopt, reject or modify the Initial Decision. She indicated that on June 17, 2017, the horse "George Cross," trained by Jorge Navarro, won the 5<sup>th</sup> race at Monmouth Park. Post-race testing of the horse's urine sample indicated the presence of morphine, cocaine and benzoylecgonine, a metabolite of cocaine. The presence of the three substances was confirmed in split sample testing by the racing laboratory at Texas A&M. In Ruling No. 17MON65, the Commission's Board of Stewards imposed a \$2500 fine, disqualified the horse and ordered loss of purse. The Board of Stewards did so, in part, based upon the level of the foreign substances and other mitigating circumstances. The trainer appealed and the matter was transmitted to the Office of Administrative Law for a hearing. On August 19, 2020, the OAL issued an Initial Decision concluding that the trainer violated N.J.A.C. 13:70-14A.1, 14A.6 and 20.7. The ALJ upheld the penalties imposed by the Board of Stewards. No exceptions were filed with the Commission and the record closed.

Executive Director Nason indicated that staff recommend that the Commission adopt the Initial Decision.

Chairman Clyne made a motion to adopt the Initial Decision. Commissioner Keegan seconded the motion and all of the Commissioners voted yes.

CONSIDER THE REQUEST OF FREEHOLD RACEWAY FOR AN EXTENSION OF TIME IN WHICH TO PAY RACING PROGRAM COSTS FOR FISCAL YEAR 2020 AND TO PAY THE ASSESSMENT FOR PREVENTION, EDUCATION AND TREATMENT PROGRAMS FOR COMPULSIVE GAMBLING.

Executive Director Nason explained that Freehold Raceway has filed requests seeking an extension of time in which to pay the FY2020 racing costs assessment totaling \$1,285,703.38 and the 2020 compulsive gambling program assessment totaling \$80,000. In the extension requests, Freehold Raceway stated that it is making the requests due to the severe financial hardship the racetrack has experienced as a result of COVID-19, which resulted in an extended shutdown of the racetrack and its off-track wagering facilities starting in March. Referencing the lost income due to the shutdown, the extension requests indicated that Freehold Raceway was compelled to continue to pay ongoing fixed costs, instituted significant and severe cost cutting measures, such as the furlough of nearly all employees, and deferred most vendor payments. The extension requests stated that even with these actions, Freehold Raceway continues to face significant cash flow issues. The racetrack resumed live racing on August 28<sup>th</sup>.

Executive Director Nason explained further that upon receiving legal advice and necessary departmental approvals allowing the Commission to move forward in considering the extension requests, staff sent a proposed payment schedule, which included certain necessary conditions established by the Department, to General Manager Howard Bruno in a letter dated September 1, 2020. By letter dated September 3<sup>rd</sup>, Mr. Bruno indicated that Freehold Raceway agreed to make monthly payments by the due dates outlined in the Commission's September 1<sup>st</sup> letter. Mr. Bruno

also indicated that he understood the Commission cannot grant any further extension and that Freehold Raceway agrees not to request one.

Executive Director Nason stated that staff recommend approval of the extension requests if the approval is conditioned upon the terms set forth in the Commission's September 1, 2020 letter.

Commissioner Vetrano made a motion to approve the request of Freehold Raceway for an extension of time in which to pay racing program costs for fiscal year 2020 and to pay the assessment for prevention, education and treatment programs for compulsive gambling condition. The motion included the provision that such approval is conditioned upon the terms set forth in the Commission's September 1<sup>st</sup> letter. Commissioner Keegan seconded the motion and all of the Commissioner's voted yes.

Executive Director Nason announced the conclusion of Part A of the formal agenda and that Part B contains items for discussion and information.

#### ITEMS FOR DISCUSSION AND INFORMATION

Executive Director Nason opened the phone line to allow the public to comment and bring new business to the Commission's attention.

Executive Director Nason stated that the following items are available for the Commissioners' information:

1. Financial Status.
2. Breakdown of wagering on the 2020 Meadowlands Pace.
3. Breakdown of New Jersey wagering on 2020 Haskell Stakes.
4. Breakdown of New Jersey wagering on 2020 Hambletonian Day.
5. Breakdown of New Jersey wagering on 2020 Kentucky Derby Day.
6. New Jersey exchange wagering wind down of operations.

Executive Director Nason highlighted the New Jersey exchange wagering wind down of operations. She explained that on August 26, 2020, the Commission received a letter from John Hindman, who is the EVP and General Counsel for Betfair. The letter outlined Betfair's schedule for winding down the New Jersey exchange wagering system and ensuring that customers are treated correctly.

Executive Director Nason further explained that as of September 30, 2020, there will no longer be races available on the New Jersey exchange for wagering. Customers will have until October 16<sup>th</sup> to withdraw the funds from their accounts, at which time the funds will be transferred to the customers' 4NJBets accounts where the funds will remain available for withdrawal.

The Executive Director then asked if there was anyone in the queue who wanted to make a comment or bring new business to the Commission's attention.

Dennis Drazin, Chairman and CEO of Darby Development, LLC added a clarification regarding the exchange wagering item. He indicated that while Betfair wants out of the exchange wagering business, Darby Development does not. Although Betfair is winding down its exchange wagering operations, Mr. Drazin explained that Darby Development intends to look for a new service provider to continue, at some point, exchange wagering in New Jersey.

Executive Director Nason thanked Mr. Drazin.

Commissioner Arnone asked why Betfair wanted to wind down exchange wagering. Mr. Drazin responded that that he thinks the failure of exchange wagering, from Betfair's perspective, was that the major jurisdictions would not give the exchange access to their signals.

Executive Director Nason asked if there was anyone else in the queue that would like to make a comment.

Mr. Drazin asked when the new whip rule will take effect for thoroughbreds.

Executive Director Nason pointed out that the Commission's minutes must first clear the Governor's Office. The Commission must also file the Notice of Adoption with the Office of Administrative Law for publication, which could take about a month or so. She indicated that she will contact Mr. Drazin to discuss the timing and suggested that the Commission may be looking toward implementing the rule when Monmouth Park starts up next year as that would give the Commission ample time to meet with the jockeys regarding the new rules and answer questions. The Executive Director thanked Mr. Drazin.

Executive Director Nason asked if anyone else had a question or comment.

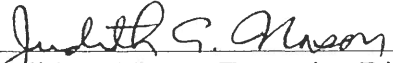
Al Ochsner, Executive Administrator of the SBOA, asked if the timing would be the same for implementing the standardbred whipping rule amendments. Executive Director Nason responded that the rule amendments may make the New Jersey Register that will be published on October 19<sup>th</sup>. She informed him that Commission staff is planning to meet with the drivers to make sure that there is a good understanding of the rule amendments. Mr. Ochsner stated that he would like to make sure the drivers are available to meet with the Commission. The Executive Director thanked Mr. Ochsner.

Moira Fanning, Director of Publicity and COO of The Hambletonian Society, asked about the new cancellation of racing rules and asked if there are any specific temperatures or parameters in the rules. Executive Director Nason stated that the new rules do not specify temperatures or other parameters. She pointed out that the New Jersey Racing Commission has been utilizing protocols for the past year, which were developed by the New York State Gaming Commission. Pursuant to the protocols, if the heat index at the racetrack reaches 105 or above, the Commission would step in and consider cancelling racing. Ms. Fanning thanked the Executive Director.

There were no additional callers in the queue and Executive Director Nason thanked everyone.

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

ATTEST:

  
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Judith A. Nason, Executive Director