



# NEW JERSEY RACING COMMISSION 2017

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## SEVENTY - EIGHTH ANNUAL AND STATISTICAL REPORT

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FOR THE YEAR ENDING DECEMBER 31, 2017

Chris Christie  
*Governor*

Christopher S. Porrino  
*Attorney General*

Pamela J. Clyne  
*Chairman*

Anthony T. Abbatiello · Michael Arnone  
Peter J. Cofrancesco, III · John A. Hoffman  
Francis X. Keegan, Jr. · Peter T. Roselle  
*Commissioners*

Francesco Zanzuccki  
*Executive Director*

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## **Mission Statement**

The New Jersey Racing Commission ("Commission") regulates horse racing, pari-mutuel wagering, account wagering and exchange wagering in the State of New Jersey. The Commission is tasked with ensuring the integrity of the sport and the wagering thereupon through efficient oversight of all racing and wagering related entities and activities. The Commission also acts to promote the health and safety of the racing participants.

## New Jersey Racing Commissioners

**Pamela J. Clyne, LCSW, SAC**

**Chairman**

Appointed 2012 - Present

Appointed as Chairman April 17, 2014

Pamela J. Clyne is a resident of New Egypt in Ocean County, New Jersey where she resides with her husband, retired Superior Court Judge of the Ocean Vicinage, the Honorable James D. Clyne. Pamela and her husband own a 25-acre horse farm and are lifelong equine enthusiasts. Pamela has a Master's Degree in Social Work from Rutgers University and is certified in several behavioral healthcare disciplines.

Formerly, Chairman Clyne was the Executive Director of Reindancer Therapeutic Riding Center where she worked with a group of individuals with a wide range of special needs.

Chairman Clyne practices behavioral healthcare for veterans suffering from PTSD and children suffering from autism. Some of Chairman Clyne's practices involve therapeutic horseback riding and equine assisted psychotherapy.

**Anthony T. Abbatiello**

Appointed 2006 – October 19, 2017 (died in office)

Anthony T. Abbatiello's love for horses resulted in nearly 60 years of devoted service to the racing industry. Commissioner Abbatiello was a co-founder of the Standardbred Breeders and Owners Association of New Jersey and served as its president for 28 years. Commissioner Abbatiello was instrumental in establishing the Meadowlands Racetrack and was responsible for bringing the Hambletonian Stakes to the Meadowlands.

A national leader in the harness racing industry as well, Commissioner Abbatiello served as chairman of the board of directors for the United States Trotting Association and was chairman of its Finance Committee. He was an officer of the Harness Horsemen International, chairman of the board of the American Horse Council in Washington, DC, and a trustee of the Harness Racing Museum & Hall of Fame.

Commissioner Abbatiello received many accolades in recognition of his lifetime of service to the harness racing industry, including the Harness Horse International's Man of the Year Award, New Jersey Horse Council's Horseman of the Year in 1982, the 1988 Clem McCarthy Good Guy Award, the United States Harness Writers Association's 1992 Proximity Award and selection to the National Italian-American Sports Hall of Fame. In 2006, the Standardbred Breeders & Owners Association of New Jersey renamed the New Jersey Classic for Abbatiello. He was inducted into the Harness Racing Hall of Fame on July 2, 1995.

In addition to his many accomplishments in the harness racing industry, Commissioner Abbatiello distinguished himself in service of his country as well, becoming a decorated war veteran during the Korean War. Commissioner Abbatiello demonstrated courage under fire and

received numerous individual and unit citations including the Combat Infantry Badge, Silver Star, Bronze Star for Valor, two Purple Hearts, the Presidential Unit Citation, a Korean Campaign Ribbon with Four Battle Stars and the Korean Service Medal. During his time serving in Korea, Commissioner Abbatiello rose to the rank of Captain.

Sadly, Commissioner Abbatiello passed away on October 19, 2017 at the age of 89, bringing to a close a life and career filled with great accomplishments and meritorious deeds.

**Dr. Michael Arnone, DDS**

Appointed 2013 - Present

Dr. Michael Arnone attended Seton Hall University and St. Francis College. He received his D.D.S. from Temple University School of Dentistry and continues to practice dentistry in Red Bank, NJ. Dr. Arnone was a member of the New Jersey General Assembly from 1989 to 2004 and served as Mayor of Red Bank from 1978 to 1990. Commissioner Arnone has served on several other local government agencies and committees including service as a Commissioner of the Red Bank Fire and Police.

Dr. Arnone also served his country as a member of the United States Army from 1959-1961, achieving the rank of Captain.

**Peter J. Cofrancesco III**

Appointed 2001 – December 2008; Re-Appointed April 21, 2010 – August 1, 2017 (died in office)

Peter Cofrancesco served as Executive Officer of the Grinnell Group. Grinnell is a family-owned and operated business and has interests in manufacturing construction materials and transportation services, as well as commercial and residential real estate development. The company was named the 2003 New Jersey Family Business of the Year, an award that recognizes significant contributions to New Jersey's economy and community. Commissioner Cofrancesco attended Delaware Valley College and concentrated his studies in the field of business management. Commissioner Cofrancesco also received an Honorary Doctorate in Humane Letters from Centenary College in 2003. Other than his business and personal accomplishments, Commissioner Cofrancesco was active in many community and professional organizations, including serving as a Director of many college and hospital foundations, the New Jersey State Fair and the Interlocking Concrete Pavement Institute.

Commissioner Cofrancesco made a name for himself in the industry of American Quarter Horses and served as Director of the American Quarter Horse Association. Commissioner Cofrancesco, along with his family, owned an unprecedented 24 American Quarter Horse Association World Champions, and received the prestigious Leading Owner Award five times. Commissioner Cofrancesco served two terms on the New Jersey Racing Commission and was heavily involved in the New Jersey horse racing industry for many years. Commissioner Cofrancesco was inducted into the American Quarter Horse Hall of Fame in 2017.

Tragically, Commissioner Cofrancesco passed away on August 1, 2017. At the time of his passing, Commissioner Cofrancesco was the longest tenured Commissioner of the New Jersey Racing Commission.

**John A. Hoffman**

Appointed March 13, 2017 – Present

John A. Hoffman is chairman of the Board of Wilentz, Goldman & Spitzer P.A. and formerly served as the firm's managing partner and treasurer. Commissioner Hoffman is an esteemed member of the New Jersey legal and business communities and has practiced at Wilentz for over 50 years.

Commissioner Hoffman has served as general counsel to Middlesex County College for over 50 years and as special counsel to New Brunswick Housing Authority and New Brunswick Parking Authority in major redevelopment projects in the city since the 1970s. He has represented the Middlesex County Improvement Authority and Middlesex County in the acquisition of open space in the County, and the Middlesex County Utilities Authority for over 30 years. He serves on the Board of Directors of New Jersey American Water Company and New York American Water Company. Commissioner Hoffman has represented major public utilities in regulatory proceedings for many years and served as co-chair of the Board of Public Utilities Transition Committee for former Governor James E. McGreevey.

Commissioner Hoffman serves on the Boards of Directors of RWJ/Barnabas and Robert Wood Johnson University Hospital. He served as chairman of the Board of Robert Wood Johnson University Hospital from 2009-2012, and as chairman of the Board of Trustees for Robert Wood Johnson University Hospital Foundation from 2001-2004. In 2012, Commissioner Hoffman was named Hospital and Healthcare System Trustee of the Year by the New Jersey Hospital Association. He served on the Board of Trustees, legal and executive committees for the University of Medicine and Dentistry of New Jersey from 2003-2009.

Commissioner Hoffman was appointed to the Commission on March 13, 2017.

**Francis X. Keegan, Jr.**

Appointed 2006 - Present

Francis X. Keegan, Jr., a lifelong horseman, was appointed to the Commission in 2006. Formerly, he was President of the New Jersey Thoroughbred Breeders' Association, President of the New Jersey Thoroughbred Horsemen's Association and has held esteemed membership in many national and international horsemen organizations, including the Thoroughbred Club of America, the Green Mountain Horse Association and the National Hunt Association. He was also a patron of the Monmouth County Hunt.

Commissioner Keegan has bred, owned and raced horses in New Jersey since 1963 and has been a successful consignor at numerous thoroughbred auction sales including Saratoga and Keeneland.

Commissioner Keegan is a graduate of Seton Hall University and attended Fordham Law School. He also served as an infantry officer in the United States Army. Commissioner Keegan is a Wealth Management Advisor and First-Vice President of Investments with UBS Financial Services, Inc. and in March 2016 celebrated 50 years with the firm. In addition to his public service, Commissioner Keegan has served on the board of numerous banks, including Carteret S & L Bank of Commerce and Monmouth Community Bank.

**Peter T. Roselle**

Appointed 2013 – August 15, 2017 (resigned)

Peter T. Roselle is currently the owner and CEO of: Meadowbrook Industries, LLC; Waste Industries, LLC; Regional Industries, LLC; and Premier Waste Services, Inc. He has 20 years experience in the solid waste and recycling collection and transportation industries.

Commissioner Roselle received a B.S. Degree in Business Management and Finance from Monmouth University. He joined the Board of Trustees of Riverview Medical Center in March 2011. He is an active volunteer in the community and serves on committees for several organizations, including Monmouth University, Jersey Shore University Medical Center, Meridian Health System and the NJDEP Clean Communities Council.

Commissioner Roselle resigned his position with the Racing Commission on August 15, 2017.

**Frank Zanzuccki**

Executive Director

Appointed 1992 – Present

Frank Zanzuccki received a B.S. Degree in Accounting from St. Francis College. He was the Chief Accountant for United Mine Workers of America from 1975-1978. He started his career with the New Jersey Racing Commission in 1978 and served in various positions before being appointed Executive Director in 1992.

Director Zanzuccki is nationally recognized as a prominent member of the horse racing industry. In 1998, Director Zanzuccki was awarded the prestigious Len Foote Award in recognition of his outstanding contributions to the horse racing industry. He has also served on the Board of Directors of the Association of Racing Commissioners International (ARCI), becoming the first non-commissioner to be elected to this position. Director Zanzuccki was subsequently elected as an officer of the ARCI and served as its chairman from April 2004 through April 2005. Director Zanzuccki currently serves as the Chairman of the New Jersey Horse Racing Injury Compensation Board.



## Overview

### Composition of Commission and Staff

In 2017, the State of New Jersey was one of the five largest racing jurisdictions in the United States when measured by wagering handle. During the year, there were over 2000 races conducted in New Jersey and the wagering handle amounted to \$631,072,959. Horse racing is conducted at three racetracks in the State and wagers can be placed at each of the racetracks, the six operating off-track wagering facilities and the Borgata Hotel and Casino, as well as over the internet or via telephone. In New Jersey, the body responsible for regulation and oversight of horse races and the wagering thereupon is the New Jersey Racing Commission.

The Commission is a bi-partisan body created by statute and consists of a maximum of nine members. Commissioners are appointed by the Governor, with the advice and consent of the Senate, for a term of six years. One such member shall be designated by the Governor to serve as chairman.

The Commission regulates horse and harness racing in the State and maintains the integrity of the racing industry. The Commission achieves these aims through the promulgation and enforcement of regulations. The Commission also oversees the wagering upon horse races in the State and employs staff members whose responsibility is to monitor the calculation and distribution of wagering handles, ensuring that such wagering is conducted without incident. Additional functions of the Commission include the issuance of permits and licenses allowing persons or entities to conduct horse racing-related activities and investigation of licensees and licensed facilities.

The Commission has a full-time staff of dedicated employees charged with conducting its daily functions. In addition to these full-time employees, the Commission maintains a pool of per-diem employees to supplement staff as needed. Many of these part-time and seasonal employees only work on days when racing is conducted. The full-time staff consists of administrative functionaries, investigators, race officials, financial analysts, veterinarians, regulatory staff and support personnel. The staff is led by Executive Director Frank Zanzucchi who has served in that role since his appointment in 1992.

New Jersey currently has three racetracks in operation and each has its own unique features and history. Monmouth Park is the only exclusive thoroughbred racetrack in the State and hosts the Haskell Invitational, an annual Grade 1 Stakes Race. The Meadowlands conducts both standardbred and thoroughbred racing at its new state-of-the-art facility opened in 2013. The Meadowlands has hosted the annual Hambletonian Stakes every year since 1981. Freehold Raceway is the oldest and longest continuously operating racetrack in the United States, having been officially opened for operation in 1854, although races were conducted on the site starting in the mid-1830s.

Legislation enacted in 2002 authorized up to fifteen off-track wagering facilities, providing members of the wagering public additional locations to place bets and watch simulcast

racas. As of December 31, 2017, there are six off-track wagering facilities open for business in the State. They are located in Vineland, Toms River, Woodbridge, Bayonne, Gloucester Township and Hillsborough. A seventh location in Egg Harbor Township is expected to be operational in the early months of 2018. In addition to the off-track wagering facilities, patrons are able to place bets on simulcast races at the Borgata Hotel and Casino, as well as on the internet and over the telephone by utilizing New Jersey's account wagering system or exchange wagering system.

### **Commissioners**

During the calendar year of 2017, the following persons served on the Commission: Anthony T. Abbatiello, Dr. Michael Arnone, Pamela Clyne, Peter J. Cofrancesco III, John A. Hoffman, Francis X. Keegan, Jr. and Peter Roselle.

On April 17, 2014, Commissioner Pamela Clyne was designated chairman and has served in that capacity since that time.

On August 15, 2017, Commissioner Peter Roselle resigned his post and was not involved in any Commission matters after that date.

Tragically, Commissioner Peter Cofrancesco, both the youngest and longest tenured member of the Commission, died suddenly on August 1, 2017 due to complications from a heart attack. He is mourned and missed by his fellow Commissioners and Commission Staff.

No less tragically, Commissioner Anthony Abbatiello died on October 19, 2017 at the age of 89, bringing closure to a life and career filled with great accomplishments and meritorious deeds.

As of December 31, 2017, there are four sitting Commissioners and five vacancies awaiting appointment.

## 2017 Budget

The Total Operating Budget for the 2017 fiscal year was \$7,678,075. This represents an increase of \$57,725, or 0.767%, from the total operating budget of fiscal year 2016 which was \$7,620,350. The increase in budget for the current year is attributed to a 6.7% increase in the fringe benefit rate. Also, the budget includes the annual assessment for the work and efforts of the Division of Law related to sports wagering litigation in the amount of \$375,000.

For budgetary purposes, operational activities are broken down into four functional areas. The 2017 Fiscal Year Budget for each area is as follows (with the 2016 budget numbers in parenthesis):

Administrative/Regulatory:		\$2,360,303	(\$2,151,628)
Racing Operations:		\$4,396,235	(\$4,565,351)
Licensing:	\$1,243,223		(\$1,368,931)
Veterinarians:	\$1,114,758		(\$1,163,958)
Chemical Testing:	\$1,179,920		(\$1,171,691)
Officials:	\$ 858,334		(\$860,771)
Pari-Mutuels:		\$ 318,403	(\$331,700)
Investigations:		\$ 603,134	(\$571,671)
Total Operating Budget:		\$7,678,075	(\$7,620,350)

## **Racing Operations**

Oversight of the races conducted in the State and of the racing participants is the responsibility of the group of employees comprising the racing operations staff. This group includes executive staff, racing officials, licensing personnel, veterinary staff and administrative staff.

### **Thoroughbred Racing Officials**

The persons who officiate thoroughbred races are known as racing stewards. The Commission employs a Chief State Steward of thoroughbred racing and several associate stewards to officiate the thoroughbred races at Monmouth Park and the Meadowlands. It is the responsibility of these stewards to watch every race from start to finish and ensure that all races are conducted according to the Commission's rules. However, the duties of the stewards extend well beyond the actual running of the races.

A few days prior to a race day, Commission stewards are responsible for verifying entries into each race and verifying claims upon any of the entrants. On the morning of a race day, prior to any races being run, the stewards are in regular contact with trainers, owners and veterinarians to determine if any horses need to be scratched from that day's races. During each race, three stewards are present in the officiating booth at all times. Two stewards watch the race with binoculars while another studies the live video feeds. These three stewards work in concert to determine if a foul occurs during the race and, if a foul occurs, to determine the appropriate action to be taken.

The Commission has jurisdiction over all licensees when acting in the manner for which they are licensed, as well as all licensed tracks, farms, training facilities and any premises in the State where a racehorse is located. The stewards are empowered to make judgments and issue penalties on all matters involving violations of the Commission's rules which relate to thoroughbred racing. When a violation of a Commission rule occurs, three stewards are empaneled to conduct a hearing at which the violator is present and has an opportunity to explain his or her side of the incident. At the conclusion of the hearing, the panel of stewards determines if a penalty is warranted.

### **Standardbred Racing Officials**

The persons who officiate standardbred races are known as judges. The Commission employs a State Steward of standardbred racing, as well as two presiding judges and several associate judges to officiate standardbred races at Freehold Raceway and the Meadowlands. The job responsibilities of standardbred judges are similar to those of thoroughbred stewards, although there are some minor differences between the two industries. Judges verify the entries into each race and also pick the starting draw. Similar to the thoroughbred stewards, standardbred judges are in contact with the trainers, owners and veterinarians pre-race to determine if any horse must be scratched. Further, there are three judges in the officials' booth

during each standardbred race who work together to view the race to ensure that no violations occur during a race and, should a violation occur, confer amongst themselves as to the circumstances involving the violation and the appropriate action to be taken.

Judges are responsible for levying penalties upon licensees and other persons for violations of the Commission's rules which relate to standardbred racing. When a violation of one or more of the Commission's rules occurs, three judges are empaneled to conduct a hearing at which the violator is present and has an opportunity to explain his or her side of the incident. At the conclusion of the hearing, the panel of judges determines if a penalty is warranted.

### **Licensing Personnel**

Every person involved in thoroughbred or standardbred racing in New Jersey must be licensed by the Commission. This includes, but is not limited to, owners, trainers, jockeys, drivers, veterinarians, exercise riders, and grooms. Further, all vendors, farms, stables and other entities involved in thoroughbred or standardbred racing in New Jersey, including racetrack employees, must be licensed as well.

The responsibilities of granting licenses, overseeing the licensing process and ensuring that all persons required to be licensed have been issued a license, are the responsibilities of the Commission's licensing staff. Licensing staff are present at each of the three racetracks during racing meets and are present year-round at the central office in Trenton.

In order to obtain a license, each prospective licensee must fill out an application, have his or her photo taken by a member of the Commission's licensing staff and be fingerprinted for a criminal background check. The application is then reviewed by staff and photo identification is given to the licensee. Each licensee is required to have photo identification on his or her person while on the grounds of a racetrack, farm, or other area under the jurisdiction of the Commission.

Certain licenses require approval of the State Steward, while others require the taking and passing of a written examination. It is the responsibility of the licensing staff to keep track of this process and maintain such records.

In the calendar year 2017, a total of 9,521 licenses were issued by the Commission. A breakdown of each individual license granted for both thoroughbred and standardbred racing is attached to this report. When submitting an application for a racing license, each applicant is required to pay a licensing fee, the amount of which differs for each respective class of license. In 2017, the total revenue generated through the licensing process was \$410,325, representing a 0.22% decrease from the 2016 licensing revenue of \$411,220.