

**NEW JERSEY RACING COMMISSION
WEDNESDAY, JUNE 15, 2016
“LIBRARY ROOM”
MONMOUTH PARK
OCEANPORT, NEW JERSEY**

A meeting of the New Jersey Racing Commission was held on Wednesday, June 15, 2016 in the Library Room, located at Monmouth Park, Oceanport, New Jersey.

The following were present:

Pamela J. Clyne, Chairman
Anthony T. Abbatiello, Commissioner
Michael J. Arnone, Commissioner
Peter J. Cofrancesco, III, Commissioner
Francis X. Keegan, Jr., Commissioner
Peter T. Roselle, Commissioner
Frank Zanzuccki, Executive Director
SDAG George Cohen

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called 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 Newark 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 the provision of N.J.S.A. 10:4-12(b), the New Jersey Racing 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 Letter Agreement of the New Jersey Sports and Exposition Authority, Darby Development, LLC and ODS Technologies, L.P. d/b/a TVG Network regarding ACH Processing for Account Wagering;
2. Legal advice concerning the Letter Agreement of the New Jersey Sports and Exposition Authority, Darby Development, LLC and Betfair US, LLC regarding ACH Processing for Exchange Wagering; and
3. Other matters requiring 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 Keegan motioned to adopt the resolution to adjourn. Chairman Clyne seconded the motion. All of the Commissioners present voted to affirm. The Commission then adjourned to Executive Session.

Commissioner Cofrancesco made a motion to adjourn from Executive Session into the Public Session. Commissioner Keegan seconded the motion and the Commissioners voted to affirm. The Executive Session ended.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE APRIL 6, 2016 COMMISSION MEETING

Commissioner Keegan made a motion to approve the public and executive minutes of the April 6, 2016 public meeting. Commissioner Cofrancesco seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF A RESOLUTION IN MEMORY OF COMMISSIONER ANTHONY G. DEPAOLA

Chairman Clyne proposed a motion to adopt the following resolution:

WHEREAS, Anthony G. DePaola was dedicated to public service having served in many government positions in Berkeley Township and Ocean County, and;

WHEREAS, Anthony G. DePaola served his Country as a member of the US Army and thereafter worked for the United States Post Office for 38 years, and;

WHEREAS, Anthony G. DePaola was appointed to the New Jersey Racing Commission on May 13, 2013, and;

WHEREAS, Commissioner DePaola was a strong advocate of promoting the Horse Racing Industry in New Jersey as a volunteer regulator and also as a fan of the sport, and;

WHEREAS, Commissioner DePaola, during his tenure as a Racing Commissioner, reviewed and participated in the approval process for the eventual opening of two Off-track Wagering Facilities and most recently the launching of the Exchange Wagering System, the first of its kind in North America, and;

WHEREAS, Commissioner DePaola's enthusiasm and dedication to sustaining and improving racing in the State will always be appreciated by his fellow Commissioners and industry members, and;

WHEREAS, God, in His infinite wisdom, has now called him into His service.

NOW, THEREFORE, BE IT RESOLVED, that the members and staff of the New Jersey Racing Commission, on behalf of the Governor and citizens of the State of New Jersey, extend to the family of Anthony G. DePaola, their heartfelt sympathy on his passing and their grateful appreciation for his distinguished public service and his involvement and dedication to the sport of racing.

BE IT FURTHER RESOLVED, that this resolution be made part of the minutes of this meeting of the New Jersey Racing Commission and that a suitable copy be forwarded to his family.

Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF NEW MEADOWLANDS RACING, LLC TO AMEND THE 2016 MEADOWLANDS' FALL STANDARDBRED RACING SCHEDULE

Commissioner Keegan made a motion to approve the amended 2016 Meadowlands' fall standardbred dates. Chairman Clyne seconded the motion and all Commissioners voted yes. There was no opposition from the New Jersey S.B.O.A. concerning the amended dates.

CONSIDER THE REQUEST OF DARBY DEVELOPMENT, LLC ON BEHALF OF THE THOROUGHBRED HORSEMEN'S ASSOCIATION TO AMEND THE 2016 MEADOWLANDS FALL THOROUGHBRED RACING SCHEDULE

Chairman Clyne motioned to approve the 2016 amended Meadowlands' thoroughbred dates. Commissioner Abbatiello seconded the motion and all Commissioners voted yes. There was no opposition from the New Jersey T.H.A. concerning the amended dates.

CONSIDER THE REQUEST OF THE NEW MEADOWLANDS RACING, LLC FOR APPROVAL OF A NEW WAGER CALLED THE "SURVIVOR WAGER"

Executive Director Zanzuccki stated that staff recommends approval of this new wager subject to conditions contained in Schedule G and other conditions that will be disclosed in the approval letter, including notification to the wagering public concerning the specifics of the new wager. Chairman Clyne made a motion to approve the request of the New Meadowlands Racetrack to offer the Survivor Wager. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER THE LETTER AGREEMENT OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY, DARBY DEVELOPMENT, LLC AND ODS TECHNOLOGIES, L.P. d/b/a TVG NETWORK REGARDING ACH PROCESSING FOR ACCOUNT WAGERING

The Executive Director stated that this matter arose as a result of a situation concerning the requirements of Commission statutes that a patron must deposit money into his or her account before he or she can place a wager in connection with account and exchange wagering. It was brought to the Commission's attention that this requirement was not being met in that ACH transfers were taking approximately five days before the money deposit actually cleared the banking process but TVG was crediting wagering accounts upon receiving notice of an ACH transfer.

The Executive Director indicated that as a result of this action, discussions occurred between TVG, the New Jersey Sports and Exposition Authority and Darby Development concerning corrective action needed to be taken in order for the deposit process to be consistent with existing statutes and regulations. As a result of those discussions, letter agreements have been filed with the Commission and are now being considered for approval. The agreements include that TVG will guarantee all ACH deposits. The Executive Director stated that after consultation with counsel, staff is recommending approval as the letter agreement will, therefore, ensure compliance with the mandates that the monies actually be available within the wagering account.

The Executive Director indicated there was one area of concern regarding deposit and wagering limitations designed to aid in the prevention of compulsive gambling. Jeff Lowich, Key Account Manager for TVG, confirmed and explained the restrictions contained in the Internal Control Procedures concerning deposits and wagers. Mr. Lowich also indicated that TVG customer service representatives are highly trained to recognize and handle problem gamblers.

Chairman Clyne motioned to approve the letter agreement of the New Jersey Sports and Exposition Authority, Darby Development, LLC and TVG Network regarding ACH processing for account wagering. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER THE LETTER AGREEMENT OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY, DARBY DEVELOPMENT, LLC AND BETFAIR US LLC REGARDING ACH PROCESSING FOR EXCHANGE WAGERING

Executive Director Zanzuccki stated that the same letter agreement that was previously considered by the Commission regarding account wagering, has been submitted by Betfair US LLC and in this letter agreement, Betfair is guaranteeing the ACH deposits as they are the computer platform provider for the exchange wagering system. It was confirmed by Jeff Lowich, on behalf of Betfair, that the same restrictions concerning deposits and wagers apply to exchange wagering.

Chairman Clyne motioned to approve the letter agreement of the New Jersey Sports and Exposition Authority, Darby Development, LLC and Betfair US LLC regarding ACH processing for account wagering. Commissioner Keegan seconded the motion and all Commissioners voted yes.

ITEMS FOR DISCUSSION AND INFORMATION

The Racing Commission extended its heartfelt sympathies to the family and friends of Leo McNamara in regard to his recent passing.

The Executive Director announced that the ARCI will be conducting a “Town Hall” meeting at the Meadowlands Racetrack on Saturday, June 18, 2016 beginning at 1:00 p.m. He stated that all persons are welcome to attend and while the meeting is primarily focusing on harness issues, thoroughbred industry representatives are welcome to attend.

There being no further discussion or comments from the public, Commissioner Keegan moved that the meeting be adjourned. Commissioner Roselle seconded the motion and it was approved unanimously.

ATTEST:



Executive Director Frank Zanzuccki