

**NEW JERSEY RACING COMMISSION
FRIDAY, MAY 21, 2010
LIBRARY ROOM
MONMOUTH PARK
OCEANPORT, NEW JERSEY**

A meeting of the New Jersey Racing Commission was held on Friday, May 21, 2010, in the Library Room of Monmouth Park, located in Oceanport, New Jersey.

The following were present:

Dennis A. Drazin, Chairman
James G. Aaron, Commissioner
Anthony T. Abbatiello, Commissioner
Peter J. Cofrancesco, III, Commissioner
Francis X. Keegan, Jr., Commissioner
Edward R. McGlynn, Commissioner
Frank Zanzuccki, Executive Director
DAG Judith A. Nason

The following were absent:

Anthony R. Caputo, Commissioner
Noel Love Gross, Commissioner

It is noted for the record that Commissioners Caputo and Cofrancesco participated by telephone.

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called the “Open Public Meeting Law,” 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:

Consider the request of the New Jersey Sports and Exposition Authority to amend their 2010 thoroughbred and standardbred race schedule for 2010;

Consider the distribution of the Casino Simulcasting Special Fund monies accumulated in 2009 in the amount of \$1,362,494.45 pursuant to N.J.S.A. 5:12-205d; and

Other matters requiring advice of counsel and update concerning pending litigation.

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 her ethical duties as a lawyer."

Commissioner McGlynn motioned to adopt the resolution to adjourn. Commissioner Abbatiello seconded the motion and the Commission adjourned to Executive Session.

The Commission ended the execution session and Commissioner Cofrancesco moved to reconvene the public session. Commissioner Abbatiello seconded the motion and the Commission concurring, the public session resumed.

It was noted that Commissioners Caputo and Cofrancesco were participating by conference call.

At this time, Chairman Dennis A. Drazin was introduced as Chairman of the Racing Commission. Commissioner McGlynn thanked Chairman Drazin and the Governor for the Chairman's appointment and acknowledged the Chairman's past legislative initiatives in regard to the horsemen. Commissioner McGlynn also congratulated Barbara DeMarco for her activities in enabling the passage of the legislation in regard to the Monmouth Park meet. The Commissioner indicated he will not be seeking reappointment as a Racing Commissioner and has enjoyed his fourteen years on the Commission.

CONSIDER APPROVAL OF THE MINUTES OF THE PUBLIC AND EXECUTIVE SESSIONS OF THE MARCH 21, 2010 AND APRIL 21, 2010 COMMISSION MEETINGS

Commissioner Abbatiello motioned to approve the public and executive session minutes of the March 21, 2010 and April 21, 2010 meetings. Commissioner McGlynn seconded the motion and all Commissioners voted yes, with the exception of Chairman Drazin who recused himself.

CONSIDER APPROVAL OF THE BILLS

Commissioner McGlynn made a motion to approve the bills as certified to by staff. Commissioner Keegan seconded the motion and all Commissioners voted to approve the bills as certified to by staff with the exception of Chairman Drazin who abstained.

CONSIDER RATIFICATION OF THE APPROVALS GRANTED TO THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO CONDUCT THE FOLLOWING HANDICAPPING CONTESTS:

National Harness Handicapping Championship Last Chance Qualifier on April 10, 2010 at the Meadowlands Racetrack;
National Harness Handicapping Championship on April 24, 2010 at the Meadowlands Racetrack

Commissioner Aaron motioned to ratify approval granted to the NJSEA for the noted handicapping contests. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE APPROVED CASINOS TO ENTER INTO AN AGREEMENT (WHICH MAY CALL FOR THE PAYMENT OF MORE THAN THREE PERCENT OF THE CASINO PARI-MUTUEL POOL TO THE SENDING TRACK) TO RECEIVE THE FOLLOWING (14) BREEDERS' CUP SIGNALS FROM CHURCHILL DOWNS PURSUANT TO N.J.S.A. 5:12-201(B)

- Six percent for the Ladies Classic on November 5, 2010
- Six percent for the Filly & Mare Turf on November 5, 2010
- Six percent for the Juvenile Fillies on November 5, 2010
- Six percent for the Filly & Mare Sprint on November 5, 2010
- Six percent for the (Grey Goose) Juvenile Fillies Turf on November 5, 2010
- Six percent for the Breeders Cup Classic on November 6, 2010
- Six percent for the Breeders Cup Turf on November 6, 2010
- Six percent for the Breeders Cup Mile on November 6, 2010
- Six percent for the Breeders Cup Sprint on November 6, 2010

- Six percent for the Breeders Cup Juvenile on November 6, 2010
- Six percent for the Breeders Cup Dirt Mile on November 6, 2010
- Six percent for the (Grey Goose) Juvenile Turf on November 6, 2010
- Six percent for the Breeders Cup Marathon on November 6, 2010
- Six percent for the Breeders Cup Turf Sprint on November 6, 2010

Commissioner Aaron motioned to approve the casinos receive of the (14) events. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO AMEND THE THOROUGHBRED AND STANDARD BRED RACE SCHEDULE FOR 2010

Acting upon legal advice, Commissioner McGlynn motioned to table this agenda item until the public meeting scheduled on May 26, 2010. Commissioner Abbatiello seconded the motion and all Commissioners voted yes with the exception of Chairman Drazin who recused himself.

CONSIDER DISTRIBUTION OF THE CASINO SIMULCASTING SPECIAL FUND MONIES ACCUMULATED IN 2009 IN THE AMOUNT OF \$1,362,494.45 PURSUANT TO N.J.S.A. 5:12-205d

It was indicated for the record that Chairman Drazin has recused himself from this matter.

At this time, Lennon Register, Senior Vice President, representing the New Jersey Sports and Exposition Authority was called upon to address the Commission. Mr. Register presented his comments to the Commission.

The Commission then called upon Freehold Raceway. Mr. Bruce Garland indicated that he had been asked by Howard Bruno, General Manager of Freehold Raceway, to advise the Commission that due to a traffic situation, he is unable to be present. Mr. Garland then indicated he was also asked by Mr. Bruno to advise the Commission that Freehold Raceway is requesting funds under the first two priority distributions and he would be willing to answer any questions of the Commission, however, he may not be prepared to do so. No questions were asked of Mr. Garland.

The next to be heard was Maureen Bugdon, President, of Atlantic City Race Course, who addressed the Commission. Ms. Bugdon discussed how Atlantic City Race Course is the only track that qualifies under the first priority of being negatively impacted by casino simulcasting.

Michael Musto, Executive Director of the Thoroughbred Horsemen's Association then addressed the Commission and reiterated his comments contained in the THA's submission letter addressed to the Commission.

The Commission then heard from the standardbred horsemen's group. Thomas Luchento, President of the Standardbred Breeders' and Owners' Association, relied on the SBOA's written submission letter to the Commission.

Finally, Michael Campbell, President of the Thoroughbred Breeders' Association, indicated that he had no comments.

A question was posed by Tim Williams of the NJ THA, inquiring as to why an off-track wagering facility is not being developed in Cherry Hill, New Jersey. The Executive Director indicated Pennwood Racing, the owner of Freehold Raceway, is the entity that has the rights to the off-track wagering facilities in that location and elsewhere.

There were no further comments from the racetracks, horsemen's groups or members of the public. Executive Director Zanzuccki closed the record and indicated that a transcript of the additional oral comments made before the Commission today would be forwarded to each Commissioner. The Executive Director stated the Commission will defer decision on this matter until the next scheduled meeting in July 2010.

Commissioner Aaron motioned to close the record and defer action until July 2010. Commissioner Keegan seconded the motion and all Commissioners voted yes, with the exception of Commissioner McGlynn who voted no and Chairman Drazin who recused himself.

CONSIDER THE REQUEST OF THE NEW JERSEY THOROUGHBRED HORSEMEN'S ASSOCIATION TO WAIVE A SECTION OF N.J.A.C. 13:70-12.4 (CLAIMED HORSE) PURSUANT TO 13:70-1.39 (WAIVER OF THE COMMISSION'S RULES)

It was indicated for the record that Chairman Drazin has recused himself from this agenda item.

The New Jersey Thoroughbred Horsemen's Association (THA) has requested approval to waive the provision of the claimed horse rule which requires claimed horses to race for a price 25 percent higher than the price for which they were claimed, also known as "racing on the rise." The THA is requesting this waiver to make more horses available for the Monmouth Park meet. The THA indicated that it is also requesting with the elimination of the 25 percent "racing on the rise" requirement, that the Commission prohibit horsemen from dropping horses in races less than the price for which they are claimed. Michael Musto, Executive Director of the New Jersey THA, provided an explanation as to how this waiver will be beneficial for the horsemen. Comments on this issue were also heard from Robert Kulina, General Manager of Monmouth Park.

Commissioner Aaron motioned to approve waiving the 25 percent "racing on the rise" requirement and prohibit horses from being claimed lower than the price in which they were claimed. Commissioner Abbatiello seconded the motion and all Commissioners voted yes with the exception of Chairman Drazin who recused himself.

CONSIDER A PETITION FOR RULEMAKING RECEIVED FROM JEFFREY POCARO TO AMEND N.J.A.C. 13:71-14.3 (CLAIMED HORSE)

Petitioner Jeffrey Pocaro submitted a petition for rulemaking asking that horses which have been claimed at a New Jersey racetrack to race outside of the state within the sixty-day period provided that the race is a stakes race or a late-closing event. The petitioner is concerned that the existing rule is being applied inconsistently and alleges that there is an exception for stake races to allow horses to race in other jurisdictions that have been claimed at a meet. A discussion occurred regarding the rule petition and the allegations of the petitioner that exceptions are routinely granted by the race secretary to allow horses to participate out-of-state or at another racetrack within the sixty-day period.

The Commissioners were advised of a prior meeting with the officials and racetrack management, wherein it was the consensus that the existing regulation is adequate, protects the racetrack from horses being claimed and moved out of the state, and the racetrack management is comfortable with the presiding judge having the discretion to allow a claimed horse to leave a track or the state. It was noted for the record that the presiding judge, not the race secretary, makes the determination to allow a claimed horse to race outside of the state within the required sixty-day period.

Commissioner McGlynn made a motion to deny the petition for rulemaking. Commissioner Aaron seconded the motion and all Commissioners voted yes.

CONSIDER A PETITION FOR RULEMAKING FROM THE HORSE RACING INJURY COMPENSATION BOARD TO AMEND N.J.A.C. 13:70-9.12 (SAFETY HELMET) AND N.J.A.C. 13:70-8.18 (ITEMS INCLUDED IN JOCKEY'S WEIGHT; SAFETY VEST REQUIREMENT)

The representative of the Jockey's Guild, Jeff Johnston, Regional Manager, commented that he has not yet seen the petition, however, if the proposal reflects that of the ARCI and rules adopted in other states, he would support the petition.

Commissioner McGlynn motioned to approve the petition for rulemaking of the Horse Racing Injury Compensation Board which will reflect updates to the safety standards regarding safety helmets and vests worn by jockeys and exercise riders. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO DEEM FOUR CANCELED RACE DATES (FEBRUARY 10, 25, 26 AND MARCH 13, 2010) AS BEING CONDUCTED PURSUANT TO N.J.S.A. 5:12-195

Commissioner Aaron made a motion to approve the request of the NJSEA to deem four canceled races dates (noted above) as being conducted pursuant to N.J.S.A. 5:12-195. Commissioner Abbatiello seconded the motion and all Commissioners voted yes. There was no objection from the New Jersey Standardbred Breeders' and Owners' Association.

CONSIDER THE REQUEST OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO CONDUCT EACH SATURDAY A MULTI-STATE PICK SIX WAGER WITH YONKERS RACEWAY (METRO 6 SHOOTER) BEGINNING ON JUNE 5, 2010

Commissioner McGlynn motioned to approve the NJSEA to offer the Metro 6 Shooter wager. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE NEW JERSEY RACING COMMISSION'S FY 2011 BUDGET

Commissioner Aaron motioned to table this item due to staff's recommendation. Commissioner Abbatiello seconded the motion and all Commissioners voted yes with the exception of Chairman Drazin who abstained.

OTHER BUSINESS

Executive Director Zanzuccki informed the Commissioners that the Commission is in receipt of a letter from the THA indicating that simulcasting approval has been granted by the THA for Monmouth Park to simulcast their signal to racetracks except for Atlantic City Race Course, New Jersey, Rockingham Park and Rosecroft Raceway.

Michael Musto, Executive Director of the Thoroughbred Horsemen's Association addressed the Commission and stated that based upon discussions between counsel for the THA and Atlantic City Race Course, the THA will approve the Monmouth Park signal being transmitted to Atlantic City Race Course until June 15, 2010, which is also the date that approval has been granted to the NJSEA.

At this time, there was a brief discussion concerning the ability of Atlantic City Race Course to develop an off-track wagering facility in Wildwood without jeopardizing the establishment an off-track wagering site in the Atlantic City area.

The Commission was provided with an update on the Jockey's Health and Welfare Trust Program by Elizabeth Pelicki, Esq., counsel for the Trust.

There being no further discussion or comments from the public, Commissioner Abbatiello moved that the meeting be adjourned subject to the provisions of the "Open Public Meeting Act." Commissioner McGlynn seconded the motion and it was approved unanimously.

ATTEST:

Executive Director Frank Zanzuccki