

**NEW JERSEY RACING COMMISSION
WEDNESDAY, APRIL 21, 2010
LIBRARY ROOM
MONMOUTH PARK
OCEANPORT, NEW JERSEY**

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

The following were present:

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

It is noted for the record that Commissioners Caputo and Gross 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:

Legal advice concerning the request of the New Jersey Sports and Exposition Authority to amend their 2010 thoroughbred and standardbred racing schedules and other related matters as contained in the March 15, 2010 agreement with the New Jersey Thoroughbred Horsemen's Association

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 Aaron 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 McGlynn moved to reconvene the public session. Commissioner Abbatiello seconded the motion and the Commission concurring, the public session resumed.

CONSIDER THE REQUEST OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO AMEND THEIR 2010 THOROUGHBRED AND STANDARD BRED RACING SCHEDULES AND OTHER RELATED MATTERS AS CONTAINED IN THE MARCH 15, 2010 AGREEMENT WITH THE NEW JERSEY THOROUGHBRED HORSEMEN'S ASSOCIATION

____ Commissioner McGlynn stated that the Racing Commission has requested and has received legal advice from the Attorney General's office concerning how the Commission should proceed with the request of the New Jersey Sports and Exposition Authority (NJSEA) to amend their 2010 thoroughbred and standardbred racing schedules and the agreement with the NJSEA and the Thoroughbred Horsemen's Association (THA). The advice provided indicates that the Racing Commission cannot approve the request to amend the NJSEA race schedule and the related agreement with the New Jersey thoroughbred and standardbred horsemen because certain terms are inconsistent with the law, and legislative changes must be enacted before the Commission can amend the NJSEA's permit without consequences affecting off-track and account wagering or consider these terms of the agreement which require Commission approval. to the Commission granting approval. The Commission indicated its willingness to cooperate with the NJSEA in granting approval of the agreement upon the enactment of the changes in the law.

_____ Commissioner Aaron indicated he is in favor of the industry succeeding in this amended race date schedule and agreement with the horsemen, however, he noted that the Commission has not received documentation from the SBOA in regard to their arrangement with the thoroughbred horsemen. The Commissioner asked that the SBOA provide proper documentation to the Commission so that a fiduciary review of the agreement can be made.

Commissioner Aaron raised the issue of the reduction in field size in turf races when inclement weather occurs. In particular, in anticipation of the 50-day, 50 million dollar meet at Monmouth Park, this meet will draw a larger number of horses and more competitive horses in a field. In the event of inclement weather, the fields, especially in turf races, will be reduced thereby creating a disaster for the wagering public. He noted that horses race in New York on soft, yielding turf tracks and the fields are much larger than in New Jersey when the races are taken off the turf and placed on the track. Commissioner Aaron welcomed recommendations from the horsemen in solving this practice. Commissioner Caputo strongly agreed with Commissioner Aaron and opined that the leniency in scratching horses and reducing field sizes could destroy the proposed 50-day, 50 million dollar meet at Monmouth Park. The Commissioner suggested that New Jersey should follow other jurisdictions in regard to the leniency of a scratch rule in New Jersey, especially at Monmouth Park, and the too strict rule of horse races on the turf. The statistics demonstrate that the handle increases dramatically in races with more than ten horses on the turf. Commissioner Caputo indicated that it will be difficult for the industry to support a million dollar-a-day meet with only six or seven horse fields and that the Commission must realize that there is more than the legal aspect of this issue, and that there are persons trying to support the industry by putting their dollar under the window. Commissioner Caputo indicated that he has continuously heard from individuals that if the proposed 50-day meet at Monmouth Park is to work, something has to change concerning the lenient scratch rule.

Maureen Gallagher-Bugdon, President of Atlantic City Race Course, addressed the Commission on their six-day turf festival which started on Sunday, April 18, 2010 with a crowd of more than 7,200 fans. Ms. Bugdon indicated that Greenwood Racing supports the reduction in the Monmouth Park dates, however, it is disappointed that more industry members were not included in the discussions. If involved in the agreement, the Atlantic City company could have changed its race dates to be scheduled closer to the opening of Monmouth Park to allow for warmer weather. She also indicated that she believed a shifting of purse monies to Atlantic City would have allowed for dates in the fall or additional dates in the spring of this year. Commissioner Aaron offered his assistance to the Atlantic City Race Course in their endeavors to conduct additional race dates.

Commissioner McGlynn advised that the Commission's Deputy Attorney General, is available to draft the statutory changes needed in the legislation, in consultation with certain Assistant Attorneys General in her office, so that the bill can go forward in its proper form. The Commissioner voiced concern as to whether the legislation can be enacted by May 22 because of the legislative schedule, and indicated that the Commission will work with the Legislature to try to ensure the passage of the bill by the May 22 date.

Howard Bruno, General Manager of Freehold Raceway, indicated support of the Monmouth Park, proposed 50-day meet. Mr. Bruno indicated concern regarding whether the change in the NJSEA's date schedule would impact the off-track wagering license issued to Freehold Raceway. Mr. Bruno was advised that the Commission has not taken any action which would jeopardize the off-track wagering license of Freehold Raceway.

Michael Musto, Executive Director of the T.H.A., asked the Commission if any aspect of the agreement between the THA and the NJSEA would be approved that day. Mr. Musto was advised that the Commission is constrained from issuing any approvals today and is issuing a resolution which will address the Commission's position.

In response to Commissioner Aaron's comments earlier, the SBOA President, Thomas Luchento, advised the Commission that the association will provide all documents to the Commission for its review.

There were no further comments and Executive Director Zanzuccki read the following resolution:

WHEREAS, on February 3, 2010, Governor Chris Christie signed Executive Order No. 11, creating a "New Jersey Gaming, Sports, and Entertainment Advisory Commission" to focus on a number of critical issues which include the need to ensure that horse racing becomes self-sustaining;" and

WHEREAS, in Executive Order No. 11, the Governor charged the Advisory Commission with developing recommendations for a comprehensive, statewide approach regarding the issues and financial needs of New Jersey's professional sports and with making proposals for the implementation of its recommendations; and

WHEREAS, the New Jersey's horse racing industry is confronting unprecedented financial and structural challenges that require immediate and decisive action to restore financial accountability for the benefit of New Jersey's taxpayers; and

WHEREAS, a healthy and viable sports industry is crucial to the State's economy and provides funding for many essential programs that enhance the way of life of its citizens; and

WHEREAS, the Advisory Commission has elicited substantial input from the horsemen's organizations that race and breed horses in this State as well as input from New Jersey's racetracks; and

WHEREAS, an agreement has been reached regarding the conduct of horse racing in 2010 which the Advisory Committee and participants in racing industry recommend as an important step in ensuring that horse racing becomes self-sustaining; and

WHEREAS, the New Jersey Sports and Exposition Authority, New Jersey Thoroughbred Horsemen's Association, Thoroughbred Breeders Association of New Jersey, Standardbred Breeders and Owners Association of New Jersey all support the agreed-upon changes in the 2010 racing season; and

WHEREAS, in order to authorize and carry out certain terms of the agreement, the applicable statutes must be amended; and

WHEREAS, the involved members of the racing industry are in the process of seeking legislative changes necessary to conduct the 2010 racing season pursuant to the terms of the agreement; and

WHEREAS, the New Jersey Racing Commission believes that the measures contemplated will, upon enactment, work to further the preservation and growth of horse racing in New Jersey;

WHEREAS the New Jersey Sports and Exposition Authority, by letter dated April 9, 2010, has requested that its revised racing permits be amended contingent upon the enactment of necessary statutory amendments;

IT IS HEREBY RESOLVED THAT:

1. The New Jersey Racing Commission will act expeditiously, once the necessary legislative changes are enacted, to grant the application of the New Jersey Sports and Exposition Authority ("Authority") to amend its three racing permits as follows:

- a) the total number of thoroughbred race dates for 2010 will be reduced from 141 to 71 days;

- b) the Authority's racing permit for Monmouth Park will be amended to reduce the number of thoroughbred race dates from 93 to 50, all of which will be conducted at that track beginning on May 22, 2010 through September 6, 2010 and on September 18, 2010;
- c) the Authority's thoroughbred racing permit for the Meadowlands Racetrack will be amended to reduce the number of thoroughbred race dates from 48 to 21, all of which will be conducted at Monmouth Park beginning on September 11, 2010 through November 21, 2010;
- d) the Authority's standardbred racing permit for the Meadowlands Racetrack will be amended to reschedule 12 race dates currently scheduled in December 2010 to create a fall standardbred meet beginning on October 29, 2010 through December 4, 2010.

2. The Commission also will act expeditiously, upon the enactment of the necessary changes in the law, to approve those provisions in the Agreement and its Exhibits, dated March 15, 2010, among the Authority, New Jersey Thoroughbred Horsemen's Association, Thoroughbred Breeders Association of New Jersey and Standardbred Breeders and Owners Association that require the Commission's regulatory approval; and

3. The Commission expresses its support for these measures designed to promote and preserve horse racing in New Jersey.

Commissioner McGlynn motioned to approved the resolution. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

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

ATTEST:

Executive Director Frank Zanzuccki