

NEW JERSEY RACING COMMISSION
WEDNESDAY, JULY 15, 2020
TELEPHONE MEEETING
1:00 P.M. PUBLIC SESSION

A public meeting of the New Jersey Racing Commission was held on Wednesday, July 15, 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
SDAG George Cohen
Lauren Nathan-LaRusso, Esq., Governor's Authorities Unit
Christina Broderick, DAG, Office of the Attorney General

Executive Director Nason called the meeting to order.

CONSIDER APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF THE MARCH 18, 2020 COMMISSION MEETING

Commissioner Arnone made a motion to approve the public and executive minutes of the March 18, 2020 Commission meeting. Commissioner Keegan seconded the motion and the Commissioners voted yes.

CONSIDER NEW MEADOWLANDS RACETRACK'S REQUEST TO AMEND ITS 2020 RACE DATES

Executive Director Nason introduced the matter by stating on May 26, 2020, New Meadowlands Racetrack (NMR) filed a request to amend its race dates for the remainder of 2020. NMR seeks to cancel live racing on July 16, August 6, 14, 15, 21, 22, 28, 29, September 4, December 3, 10, 17 and 31. NMR seeks to add live race dates on September 25, 26, October 2, 3, 9, 10, 16, 17, 23, 24, 30, 31, November 6, 7, 13, 14, 20 and 21. The requested changes would result in a net increase of 5 standardbred race dates and allow the standardbreds to race Fridays and Saturdays in October and November.

Executive Director Nason stated when the Commission received New Meadowlands' request to amend its race dates, she contacted Darby Development and asked whether the Thoroughbred Horsemen's Association (THA) had altered its plans for thoroughbred racing at the Meadowlands this year. Dennis Drazin, Chairman and CEO of Darby Development responded that in view of the loss of race dates due to the COVID-19 pandemic, the THA has agreed to the New Meadowlands Racetrack's Managing Partner, Jeffrey Gural's request that the THA put off the conversion of the main track at the Meadowlands. Mr. Drazin indicated that the THA intended to

file a request to cancel the thoroughbred race dates at the Meadowlands. Executive Director Nason forwarded the New Meadowlands Racetracks request to the Standardbred Breeders & Owners Association (SBOA) on July 8, 2020. SBOA President, Mark Ford filed a letter stating that the SBOA agrees to the amended race dates as proposed by NMR.

Executive Director Nason asked the Commissioners if they had any questions on this matter. Hearing none, she informed the Commissioners that this matter involves a significant change to the 2020 race dates and she asked for public comment.

Mr. Drazin stated that the THA did not want to lose its permit for the Meadowlands and this is a condition of their consent. Executive Director Nason informed Mr. Drazin that the next item on the agenda will address his concerns.

There were no additional questions or comments.

Commissioner Keegan moved that the Commission approve the request of New Meadowlands Racetrack, LLC to amend their race dates for 2020. Chairman Clyne seconded the motion and all Commissioners voted yes.

Commissioner Vetrano thought it was a positive move for the standardbreds to add the additional race dates. He thanked Mr. Drazin and Mr. Gural for making this happen.

CONSIDER THE THOROUGHBRED HORSEMEN'S ASSOCIATION'S REQUEST TO CANCEL THE 2020 THOROUGHBRED RACE DATES AT THE MEADOWLANDS RACETRACK

Executive Director Nason stated at a prior meeting the Commission allocated 19 thoroughbred race dates to the THA for the New Meadowlands Racetrack on Fridays and Saturdays between October 2 and December 5, 2020. In requesting these race dates, the THA indicated its plan to convert the main track at the Meadowlands to dirt. In his submission on behalf of Darby Development and the THA, Mr. Drazin explained that the THA has postponed its contractual right to convert main racing surface at the request of Mr. Gural and the SBOA so that the standardbreds will be able to race. Mr. Drazin pointed out that the unprecedented cancellation of racing due to the COVID-19 pandemic and the result of the economic struggles of both the thoroughbred and standardbred industries, the thoroughbred leadership had agreed not to change the main track to dirt. Mr. Drazin went on to explain that Mr. Gural and the thoroughbred leadership both wanted to race at the Meadowlands at night because racing during the day would be impractical from an economic view point. He said they considered the possibility of alternating racing between the two breeds each evening but thought it unwise given the health risks presented by the COVID-19 pandemic. He also stated that in consideration of the goodwill between the two industries, Mr. Gural and Mr. Drazin believed that the cancellation of the thoroughbred meet at the Meadowlands was the best way to proceed.

Executive Director Nason asked the Commissioners if they had any questions on this matter. Hearing none, she informed the Commissioners that this matter involves a significant change in the 2020 race dates and asked if there was public comment.

Michael Campbell, Executive Director of the Thoroughbred Breeders' Association asked if there is consideration of the cancellation of race dates to be added to the Monmouth Park meet. Executive Director Nason informed Mr. Campbell that the THA has not filed a request with the Commission and asked Mr. Drazin if he wanted to respond. Mr. Drazin stated he thought it was premature to discuss this matter but it is being considered. At the present time, they do not have additional dates planned but this could change based on a variety of factors.

Mr. Drazin asked if the racetracks will receive credit for the lost race days because COVID-19 could be considered an act of God. Executive Director Nason responded she received his request a few days ago and forwarded it to the Division of Law for legal advice on the matter. She stated it will likely be on the agenda for the September 2020 meeting.

Commissioner Vetrano moved that the Commission approve the Thoroughbred Horsemen's Association's request to cancel the 2020 thoroughbred race dates at the New Meadowlands Racetrack with the permit remaining active. Chairman Clyne seconded the motion and all Commissioners voted yes.

CONSIDERATION RATIFICATION OF NEW MEADOWLANDS RACETRACK'S REQUEST FOR AN 18 RACE WAGERING FORMAT

Executive Director Nason pointed out that the New Meadowlands Racetrack resumed live racing on June 5, 2020. For the weekend of June 12th, there were 770 horses entered to race. In an effort to maximize racing opportunities, NMR filed several requests with the Commission. Although some of these requests were later withdrawn, Executive Director Nason approved the following requests subject to the Commission's ratification at today's meeting.

On June 10, 2020, NMR requested approval to hold 18 races on June 19, 20, 26, 27, July 3 and 4 and requested that post-time be changed from 7:15 pm to 6:00 pm. On June 13, 2020, NMR also requested approval of the wagering format for the 18 race card as outlined in the meeting packet.

Chairman Clyne moved that the Commission ratify the New Meadowlands Racetrack's request for an 18 race wagering format. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER RATIFICATION OF NEW MEADOWLANDS RACETRACK'S REQUEST TO RETURN TO A 7:15 P.M. POST-TIME AND 13 RACE WAGERING FORMAT

Executive Director Nason stated on June 17, 2020, New Meadowlands Racetrack requested approval to return to a 13 race format with a 7:15 pm post-time starting on June 26, 2020. In his request, COO/General Manager Jason Settlemoir stated that the change was necessary citing the

decrease in the number of horses entered to race due to the reopening of the racetracks in Pennsylvania and New York.

Executive Director Nason approved the requested change on June 17, 2020, subject to the Commission's ratification at today's meeting.

Commissioner Vetrano moved that the Commission ratify the approval of the changes in post-time and wagering format. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE THOROUGHBRED HORSEMEN'S ASSOCIATION'S 2.9% STATUTORY BUDGET FOR 2020

Executive Director Nason stated the New Jersey Thoroughbred Horsemen's Association has submitted its proposed 2.9% statutory budget for calendar year 2020. The statutory budget is funded by statutes, such as N.J.S.A. 5:10-7, which direct that a portion of sums deposited in pari-mutuel wagering pools be directed for programs designed to aid the horsemen. She explained earlier in 2020, the THA had anticipated \$754,000 in revenue for the statutory budget. However, the THA revised its budget with a reduced expectation in revenue totaling \$464,000 due to the COVID-19 pandemic. As a result, the THA made corresponding reductions in projected expenditures to meet the reduction in revenue.

Executive Director Nason explained that the 2.9% statutory budget appears to be in compliance with N.J.A.C. 13:70-1.30 which requires that a minimum of 70% of the statutory revenue be spent on benevolence programs. Pursuant to the revised budget, the THA reports that 80.6% of the statutory revenue will be spent on benevolence programs.

Commissioner Keegan motioned to approve the Thoroughbred Horsemen's Association's revised 2.9% statutory budget for 2020. Commissioner Arnone seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE WAGERING FORMAT FOR MEADOWLANDS' PACE NIGHT

Executive Director Nason stated she received an email on July 7th from NMR requesting approval of the wagering format for July, 18, 2020, which is Meadowlands' Pace night. The wagering format includes win, place and show wagering with exacta and trifecta wagering on all races. The wagering format includes superfecta wagering on nearly all races. In addition, there will be Pick 3, 4, 5 and 6 wagering and Super High Five wagering as indicated in the packet.

Commissioner Keegan motioned to approve the New Meadowlands Racetrack's request of wagering format for Meadowlands' Pace night. Chairman Clyne seconded the motion and all the Commissioners voted yes.

Indicating the conclusion of the items on the formal part of the agenda, Executive Director Nason acknowledged receipt of two documents important to racing.

Administrative Order 2020-14, dated May 29, 2020, issued by the Office of Emergency Management allowed the racetracks to conduct racing activities and stabling starting on June 1, 2020 in accordance with the provisions detailed in the Administrative Order. However, Administrative Order 2020-14 did not allow the racetracks to open to the public.

Administrative Order 2020-16, dated July 2, 2020, also issued by the Office of Emergency Management, authorized the racetracks to open their premises to the public as provided in the Administrative Order and in compliance with all applicable Executive Orders.

Executive Director Nason asked if anyone had any new business to bring to the Commission's attention.

Commissioner Vetrano mentioned that he had attended several of the Meadowlands' qualifiers when they were allowed to start up again as well as some of the first nights of racing. He said it was evident by the number of protocols and policies put in place that Mr. Gural and Mr. Settlemoir and their team did a phenomenal job doing everything they could to provide grooms, trainers and drivers a safe and healthy environment. He also attended qualifiers at Gaitway and thought they did a phenomenal job as well.

Executive Director Nason thanked Commissioner Vetrano for his comments and pointed out the difficulty of the past few months. Executive Director Nason thanked the Racing Commission staff and employees who were involved with getting the qualifiers and live racing up and running. She also thanked the racetracks for taking the pandemic seriously, for submitting plans that would allow them to begin racing and open to the public safely, and for enforcing those plans. She thanked all of the industry participants for pulling together and getting racing reopened.

Mr. Settlemoir thanked Commissioner Vetrano for his nice words and support. He also thanked Executive Director Nason, along with John Tomesello and the rest of the New Jersey Racing Commission staff and the Commissioners and everyone for their support of the New Meadowlands Racetrack during this very difficult time. He appreciates everyone's help in resuming racing without spectators and then returning with customers. Mr. Settlemoir also thanked the SBOA and Linda Toscano who helped with qualifiers and was instrumental in quite a few things during week leading up to the reopening.

Executive Director Nason thanked Mr. Settlemoir and stated Governor Murphy and Attorney General Grewal have also been working tremendously hard and providing us with exceptional, strong leadership. She stated her belief that we are very lucky to have the leadership that we have in New Jersey.

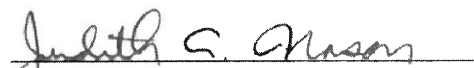
Mr. Drazin thanked Executive Director Nason for all she has done for racing. He stated he knows how hard she has personally worked on this and thinks she worked a lot of hours before the pandemic and even more hours now. He also stated he is aware that Executive Director Nason has been working with the Attorney General's office and the Governor's staff.

Al Ochsner, Executive Administrator of the SBOA, stated that the horsemen also appreciate the sentiments expressed by others. He appreciates all the help they received from everyone including the thoroughbreds and the racetracks. He also mentioned they decided to do live streaming of all of the qualifiers at both Gaitway and Magical Acres this year. Mr. Ochsner said the live streaming went very well. He said it gave the owners that bought young horses a chance to see them without being there. Everyone liked the streaming and mentioned they may do it again next year to help people see the horses they have when they're outside of NJ and live in other parts of the country.

Hearing no further questions or comments Executive Director Nason asked if there was a motion to adjourn the meeting.

Commissioner Keegan made the motion to adjourn the meeting, Chairman Clyne seconded the motion and the Commissioners approved the motion unanimously.

ATTEST:



Judith A. Nason, Executive Director