New York State Gaming Commission

Minutes

Meeting of October 3, 2023

A meeting of the Commission was conducted in New York, New York.

1. Call to Order and Establishment of Quorum

Executive Director Robert Williams called the meeting to order at 2:16 p.m. Establishment of a quorum was noted by Acting Secretary Kristen Buckley. In attendance were Chairman Brian O'Dwyer, and Commissioners John Crotty, Sylvia Hamer, Peter Moschetti and Jerry Skurnik.

2. Consideration of Minutes for Meeting of August 3, 2023

The Commission considered previously circulated draft minutes of the meeting conducted on August 3, 2023. The minutes were accepted as circulated.

3. Report of the Executive Director

The Executive Director addressed the process and decision making that surrounded the Pick-5 wagering at Saratoga Race Course on August 6, 2023 and the number of equine fatalities that occurred during this past summer's racing meet at the Saratoga Race Course. His report was supplemented with a presentation by Commission Equine Medical Director Scott Palmer. The Director also provided a status regarding the Request For Applications for additional casino licenses process.

4. Rulemaking

Prior to taking up the rulemaking agenda, the Chairman requested an update on rule GC-29-23-00004-P, Attending Veterinarian Examinations in Thoroughbred Racing proposal, which came off public comment on September 18, 2023 but was not advanced by staff. Mr. Williams provided an overview of circumstance changes and comments that require additional time for consideration before a staff recommendation can be finalized.

A. SGC-29-22-00010-RP, Comprehensive Regulations for Interactive Fantasy Sports.

The Commission considered adoption of proposed rules to govern interactive fantasy sports, first addressing formal acceptance of public comments received for placement in the record.

ON A MOTION BY: Commissioner Moschetti APPROVED: 5-0

The Commission then considered adoption of the proposed rulemaking.

ON A MOTION BY: Commissioner Skurnik APPROVED: 5-0

B. SGC-31-23-00010-P, Sports Wagering Advertising and Marketing

The Commission considered adoption of rules to regulate sports wagering advertising, marketing, and promotion, with two proposed staff recommendations regarding clarifying. Commissioners first addressed formal acceptance of public comments received for placement in the record.

ON A MOTION BY: Commissioner Crotty APPROVED: 5-0

The Commission then considered adoption of the proposed rulemaking.

ON A MOTION BY: Commissioner Hamer APPROVED: 5-0

C. Proposal: Claiming Rules Revisions in Thoroughbred Racing

The Commission considered withdrawal of a previously proposed consensus rulemaking and proposal of the same as a standard rulemaking.

ON A MOTION BY: Commissioner Skurnik APPROVED: 5-0

5. Adjudication: In the Matter of Linda Rice

The Commission, having considered this matter at a meeting conducted pursuant to the judicial or quasi-judicial proceedings exemption of N.Y. Public Officers Law § 108.1, announced that it had determined upon a 6-0 vote to fine Ms. Rice \$100,000 for transgressions evidenced in the hearing officer report.

In announcing the decision, the Chairman noted that the Appellate Division, Third Department had agreed with the Commission's finding that Ms. Rice blatantly broke the rules of racing by conspiring with others to choose the optimal races for her horses but determined that the Commission's previously imposed revocation was unwarranted. The Chairman noted that the Commission respectfully disagreed with the decision but was compelled to follow it. He concluded that based on the record, the Commission determined to increase the fine since the initial fine was predicated on a three-year license revocation.

6. Discussion of Fanatics Ownership Acquisition

The Commission considered approval of FBG Enterprises Opco, LLC d/b/a Fanatics Betting and Gaming, a subsidiary of Fanatics Holdings, Inc. acquisition of PointsBet USA's subsidiary PointsBet New York LLC, a Platform Provider and Operator licensed in New York since January 24, 2022.

ON A MOTION BY: Commissioner Moschetti

APPROVED: 5-0

7. New & Old Business

No New or Old Business was discussed.

8. Adjournment

Before concluding, Chairman O'Dwyer noted displeasure with DraftKings insensitive promotion on September 11, 2023, and had requested DraftKings make a presentation regarding their promotion filtering and approval processes. He advised that DraftKings President Matt Kalish would be meeting with he and Commission staff to have a dialogue. Chairman O'Dwyer further noted that he had directed staff to examine the matter of licensed trainers owing significant back pay to their employees, several of whom hold H2-B visas. He also announced that the Commission had forged a partnership with the N.Y.S. Department of Labor, so the Commission is

notified when complaints regarding a trainer's business practices spur a labor investigation. The Chairman thanked Labor Commissioner Roberta Reardon for continuing to partner to protect the thousands of workers who take care of racehorses.

The meeting was adjourned at 3:26 p.m.

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