



NEW YORK
STATE OF
OPPORTUNITY™

**Gaming
Commission**

August 24, 2015 Meeting Book



**MEETING AGENDA
AUGUST 24, 2015**

1. CALL TO ORDER AND ESTABLISHMENT OF QUORUM
2. CONSIDERATION OF MINUTES, MEETING OF JULY 6, 2015
3. REPORT OF EXECUTIVE DIRECTOR
4. RULEMAKING
 - A. PROPOSED AMENDMENT: BONDING OF VIDEO LOTTERY AGENTS
5. ADJUDICATIONS
 - A. IN THE MATTER OF BALWI FOOD MART #048168
 - B. IN THE MATTER OF FOOD KING #045916
 - C. IN THE MATTER OF NUMBER 1 CONVENIENT #049023
 - D. IN THE MATTER OF STOP N GO MARKET #024391
 - E. IN THE MATTER OF JEANETTE MCCALL
6. OLD BUSINESS/NEW BUSINESS
7. SCHEDULING OF NEXT MEETING
8. ADJOURNMENT

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**NEW YORK STATE
GAMING COMMISSION MEETING**

MINUTES

MEETING of JULY 6, 2015

BROOKLYN, NEW YORK

A meeting of the N.Y.S. Gaming Commission was conducted in Brooklyn, New York. Videoconference locations were maintained in Albany, New York and Avon, North Carolina.

1. Call to Order

The meeting was called to order at 1:15 p.m. by Executive Director Robert Williams. Establishment of a quorum was noted by Acting Secretary Kristen Buckley. In attendance in Brooklyn were Commissioners John Crotty, John Poklemba and Todd Snyder. Commissioner Barry Sample attended in Albany, New York; Commissioner Peter Moschetti attended in Avon, North Carolina. Bi-lateral audio and visual communications were maintained among all locations.

In the absence of Chairman Mark Gearan, Commissioner Snyder was unanimously elected presiding officer.

2. Consideration of the Minutes from May 26, 2015

The Commission considered previously circulated draft minutes of the meeting conducted on May 26, 2015. Commissioner Poklemba offered suggested amendments, which were unanimously accepted. The minutes were then accepted as amended.

3. Report of Executive Director

Executive Director Robert Williams provided an update on the “Start-the Conversation” problem gambling awareness event, the Lasix Forum and the Retired Racehorse meeting. The deadline for submissions relative to the Request For Applications to Develop a Commercial Casino Facility in Zone 2, Region 5 was also discussed.

4. Rulemaking

- a. **Adoption: SGC-19-15-00017-P: Permits Coupled Entries with Thoroughbred Superfecta Wagering**

The Commission considered adoption of a rule regarding superfecta wagering proposed April 27, 2015.

ON A MOTION BY: Commissioner Sample

APPROVED: 5-0

b. Adoption: SGC-20-15-00003-P: Amendments to Coupled Entries in Thoroughbred Wagering

The Commission considered adoption of amendments to a rule proposed April 27, 2015 regarding coupled entries in certain thoroughbred races, subject to no receipt of substantive comments before the close of the present business.

ON A MOTION BY: Commissioner Crotty

APPROVED: 5-0

c. Proposal: Definitions for Commercial Gaming Definitions

The Commission considered proposal of regulations regarding definitions related to the forthcoming Commercial Gaming Rules.

ON A MOTION BY: Commissioner Crotty

APPROVED: 5-0

d. Proposal: Commercial Gaming Entity Licensing

The Commission considered proposal of regulations regarding Commercial Gaming Entity Licensing.

ON A MOTION BY: Commissioner Moschetti

APPROVED: 5-0

e. Proposal: Commercial Gaming Employee and Vendor Licensing

The Commission considered proposal of regulations regarding Commercial Gaming Employee and Vendor Licensing.

ON A MOTION BY: Commissioner Crotty

APPROVED: 5-0

f. Proposal: Minority- and Women- owned Business Enterprises

The Commission considered proposal of regulations for Minority- and Women- owned Business Enterprises and for workforce enhancement.

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

g. Proposal: Powerball Matrix and Draw Games

The Commission considered proposal of regulations to allow for matrix changes necessary to prevent operational cessation of Powerball and definitions generally relative to all draw games.

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

h. Proposal: Video Lottery Terminal Capital Award Divestiture

The Commission considered proposal of regulations that would govern the operation of video lottery gaming's capital award program, namely recapture of assets divested before full depreciation.

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

5. Adjudication

a. In the Matter of John P. Corrieri. 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 agreed, on a 5-0 vote, to accept the Hearing Officer's recommendation that the denial of Mr. Corrieri's license be sustained. Commissioners also announced they were unanimous in not endorsing the Hearing Officer's speculation as to a potential future licensing determination should Mr. Corrieri choose to file a new application.

b. In the Matter of Samuel W. Williams. 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 agreed, on a 5-0 vote, to accept the Hearing Officer's recommendation that the denial of Mr. Williams's license be sustained. Commissioners also announced they were unanimous in not endorsing the Hearing Officer's speculation as to a potential future licensing determination should Mr. Williams choose to file a new application.

6. New Business/Old Business

No new or old business was presented.

7. Scheduling of Next Meeting

Consistent with practice, the next regular meeting was announced as being scheduled for July 27, 2015, the fourth Monday of the month. Commissioner Snyder asked all to review their schedules to see if such date could be accommodated.

8. Adjournment

The meeting was adjourned at 1:44 p.m.

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Gaming Commission

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Mark D. Gearan, Chair
John A. Crotty, Commissioner
Peter J. Moschetti, Jr., Commissioner
John J. Poklemba, Commissioner
Barry Sample, Commissioner
Todd R. Snyder, Commissioner

Robert Williams, Executive Director
Edmund C. Burns, General Counsel

To: Commissioners

From: Edmund C. Burns

Date: August 19, 2015

Re: Proposed Rulemaking for Bonding of Video Lottery Agents (9 NYCRR § 5103.5)

For Commission consideration is a draft amendment to the regulation governing bonding requirements for video lottery gaming agents. Since the commencement of video lottery gaming, agents have been required to provide a bond that corresponded with no less than a defined percentage of five days of estimated average daily net win. The percentage used for the last decade has been 65, set to mirror the State's statutory revenue retention from the facilities (that is, net win minus the 35 percent agent and vendor retention).

Since establishment of that initial percentage, laws have modified agent and vendor retention. In general, the agent and vendor retention is no longer 35 percent; the State retention is no longer 65 percent. The agent and vendor retention and the State retention now vary at each video gaming facility. Amendment of the existing rule will allow the flexibility to require bond coverage from each video gaming facility that is commensurate with the State retention percentage at such facility.

While the existing rule allows Commission staff to grant waivers of the 65 percent requirement for good cause, amendment of the rule would make the bonding requirement consistent with the original intent: to secure five days of the State's share of net win at a facility.

The text would be amended as follows:

§ 5103.5. Bonding of video lottery gaming agents.

(a) The commission shall require a bond or other surety agreement, including but not limited to a letter of credit, issued by a surety company or banking institution authorized to transact business in the state and approved by the [State Insurance] Department [or Banking Department] of Financial Services as to solvency and responsibility, from any licensed

