

Edited Automated Transcript of the  
STAFF HEARING regarding CONFLICTS IN SPORTS EVENTS  
UPON WHICH WAGERING OCCURS

January 11, 2022

Robert Williams, Executive Director, N.Y..S Gaming Commission

WEBVTT

1

00:00:17.399 --> 00:00:22.289

You tell me if you want to go.

2

00:00:22.289 --> 00:00:26.399

Okay.

3

00:00:27.629 --> 00:00:37.109

Good morning, and welcome to the New York State gaming commission staff hearing regarding conflicts and sports events upon which wagering occurs.

4

00:00:37.109 --> 00:00:42.689

Before we commence, I want to know if that participants have been scheduled in advance.

5

00:00:42.689 --> 00:00:47.100

Should anyone listening who is unregistered and unconfirmed.

6

00:00:47.100 --> 00:00:52.289

I'm interested in providing input they should promptly call 518. 3883407 to schedule a time.

8

00:00:57.390 --> 00:01:01.530

Again that number is 5183883407.

9

00:01:01.530 --> 00:01:11.849

3407, if anyone would like to provide written input, please email your material to our information mailbox.

10

00:01:11.849 --> 00:01:17.310

That info as gaming, dot Ny dot gov.

11

00:01:18.750 --> 00:01:22.739

My name is Robert Williams, and I serve as executive director of the commission.

12

00:01:22.739 --> 00:01:27.540

With me today from the commission's counsel office is Edmund Burns.

13

00:01:27.540 --> 00:01:31.079

From the division of horse racing and pari-mutuel wagering.

14

00:01:31.079 --> 00:01:38.340

Are Ronald Ochrym and John Googas from the division of gaming are Thomas Annapolis. James Googas.

15

00:01:38.340 --> 00:01:43.319

And Scott McLear clear, and from commission and central administration.

16

00:01:43.319 --> 00:01:46.920

Are Steve Lowenstein and Brad Maione.

17

00:01:46.920 --> 00:01:51.989

It is also my understanding that several commission members will be participating.

18

00:01:51.989 --> 00:02:02.670

Or listening to these proceedings, the intention of this hearing is to receive public input on the topic of regulation of potential conflicts.

19

00:02:02.670 --> 00:02:05.670

In sports events upon which wagering occurs.

20

00:02:05.670 --> 00:02:10.800

From which staff may craft proposals for rule operation.

21

00:02:10.800 --> 00:02:14.009

If we determine it is appropriate and necessary.

22

00:02:14.009 --> 00:02:21.659

As a point to background, governor, Kathy Hochul issue veto message number 49, late last year.

23

00:02:21.659 --> 00:02:25.229

Disapproving legislation that would have prohibited the commission.

24

00:02:25.229 --> 00:02:29.159

From requiring the coupling of entries and thoroughbred horse races.

25

00:02:29.159 --> 00:02:33.120

When a horse is trained are written by a spouse, parent.

26

00:02:33.120 --> 00:02:37.830

Issue or member of the household of another jockey in the race.

27

00:02:37.830 --> 00:02:45.120

Governor Hochul directed the commission to review the continued need for mandatory coupling.

28

00:02:45.120 --> 00:02:49.439

And the circumstances under which such a requirement might be relaxed.

29

00:02:49.439 --> 00:02:55.169

And to seek input from industry stakeholders in the wagering public regarding this topic.

30

00:02:56.759 --> 00:03:02.819

In thoroughbred horse racing commission rule 4025.10.

31

00:03:02.819 --> 00:03:10.530

Currently requires coupling, combining of related entries in a race into a single betting interest.

32

00:03:10.530 --> 00:03:14.639

Of entries in certain circumstances that might.

33

00:03:14.639 --> 00:03:18.599

Present a conflict of interest among competitors in the event.

34

00:03:18.599 --> 00:03:24.090

The policy behind the coupling rule appears to seek to mitigate concerns.

35

00:03:24.090 --> 00:03:29.699

Closely related parties may not expend maximum effort in the underlying contest.

36

00:03:29.699 --> 00:03:33.689

With 1 party, sacrificing to the interests of a related party.

37

00:03:33.689 --> 00:03:37.500

With the implementation of sports wagering.

38

00:03:37.500 --> 00:03:41.879

The same perceptions and concerns evident with horse racing coupling rules.

39

00:03:41.879 --> 00:03:45.840

May be present in wagering on other sports events.

40

00:03:45.840 --> 00:03:49.710

Accordingly, this hearing also seeks input on the topic.

41

00:03:49.710 --> 00:03:54.629

Of potential conflicts in all sports events upon which way DRM occurs.

42

00:03:54.629 --> 00:03:59.250

Including conflicts that may not have been considered in the context of horse racing.

43

00:03:59.250 --> 00:04:06.270

For example, internal discussion amongst the commission staff also find some concern with sporting competitors.

44

00:04:06.270 --> 00:04:10.439

Who have an ongoing, but not formal personal relationship.

45

00:04:10.439 --> 00:04:16.829

I note that the existing commission rules, governing sports wagering fail to address these concerns.

46

00:04:16.829 --> 00:04:21.720

And we've been unable to find a matter of formally addressed elsewhere in the United States.

47

00:04:22.949 --> 00:04:29.278

While the commission staff posed several questions and issues to consider while crafting input on these topics.

48

00:04:29.278 --> 00:04:32.399

We are interested in all opinions and views.

49

00:04:32.399 --> 00:04:36.869

At this time, I'd like to ask if any of my fellow commission employees.

50

00:04:36.869 --> 00:04:40.588

Would like to add any preliminary comments prior to that.

51

00:04:43.199 --> 00:04:53.189

Hearing none before calling our 1st participant. I would like to read into the record a brief statement submitted by Senator Joseph Addabbo.

52

00:04:53.189 --> 00:04:57.749

The chairman of the Senate Racing, Gaming and Wagering committee.

53

00:04:58.769 --> 00:05:10.288

As chair of the senate's racing, gaming and wagering committee I am extremely interested in hearing and evaluating the testimony given at the gaming commissions hearing on Monday, January, 11.

54

00:05:10.288 --> 00:05:13.439

After governor, Kathy Hochul vetoed my bill.

55

00:05:13.439 --> 00:05:21.449

Senate 6390, a bill that looks to end the mandatory coupling of entries in a race which married jockeys ride.

56

00:05:21.449 --> 00:05:26.728

I appreciate her suggestion that the gaming commission review the issue of mandatory coupling.

57

00:05:26.728 --> 00:05:35.098

I want to thank Governor Hochul and the gaming commission for presenting this hearing. So we may listen to testimony from individuals with knowledge of this matter.

58

00:05:35.098 --> 00:05:40.379

Assess the testimony and work in tandem with the governor's administration and the gaming commission.

59

00:05:40.379 --> 00:05:46.079

To fairly and equitably address, any related issues pertaining to mandatory coupling.

60

00:05:47.728 --> 00:05:52.499

At this point, I'd like to call our 1st hearing participant.

61

00:05:52.499 --> 00:06:02.668

Who is Bennett Liebman. Mr Liebman is a government lawyer in residence at Albany, law school, and an adjunct professor of law who is certainly well known to the commission.

62

00:06:02.668 --> 00:06:12.329

Among his long career in public service Mister Liebman served as a member of the New York state racing and wager on board for more than a decade, including a term as its.

63

00:06:12.329 --> 00:06:20.608

Acting Co chair, and he concluded his government service in 2014 after 3 years his deputy secretary to the governor for.

64

00:06:20.608 --> 00:06:27.869

Gaming and racing. For a decade he worked as the Albany law school's government law center coordinator of.

65

00:06:27.869 --> 00:06:33.178

Program on racing and wagering law and as the center's as executive director.

66

00:06:33.178 --> 00:06:37.168

He has written hundreds of articles on horse racing and gambling.

67

00:06:37.168 --> 00:06:40.499

And New York state government. Mr. Liebman.

68

### Bennett Liebman, Albany Law School

00:06:42.238 --> 00:06:45.988

Yeah, thank you very much for that. Uh.

69

00:06:45.988 --> 00:06:55.798

Extremely nice and unnecessary introduction when I learned that the gaming commission was going to explore.

70

00:06:55.798 --> 00:07:02.639

Holding a hearing into the topic of conflicts and sports events upon which wagering occurs.

71

00:07:02.639 --> 00:07:15.988

I thought this would be a great topic for a law review article and I've got a great title: family ties, divided royalties in horse racing and other sports.

72

00:07:15.988 --> 00:07:26.668

It is a good topic about 5,000 words into writing a law review article, but it has a problem.

73

00:07:26.874 --> 00:07:36.053

It's what I'd like to call the Sam Rayburn problem. You may remember Sam Rayburn. He was the long time speaker of the house of Representatives.

74

00:07:36.384 --> 00:07:43.644

He's famous for his quote, any Jack a\*\*, and kicked down a barn, but it takes a good carpenter to build one.

75

00:07:43.978 --> 00:07:56.788

And that's what I see looking at horse racing's rules, dealing with divided loyalty, based on familial, personal and business ties. It's easy to knock them down.

76

00:07:56.788 --> 00:08:11.694

They're ambiguous, they're over inclusive and under inclusive. I can knock down the barn, but I can't build a good replacement barn. I can construct a good 1st deck. I don't have a remotely decent.

77

00:08:11.723 --> 00:08:12.233

2nd.

78

00:08:12.778 --> 00:08:16.199

And as a long time state officials.

79

00:08:16.199 --> 00:08:23.939

I hate that attitude. It's not remotely helpful. It's saying you stink figure out how to fix it.

80

00:08:23.939 --> 00:08:29.968

Hopefully, I have a few suggestions that might be maybe a tad helpful.

81

00:08:31.139 --> 00:08:37.948

Now, Here's how we got to the specific problem of the requirements that married jockeys have to be coupled.

82

00:08:37.948 --> 00:08:46.198

It starts at 1969 when racing commissions across the country were forced to let female jockeys ride.

83

00:08:46.198 --> 00:08:53.188

You had an almost immediate problem, because jockey's Mary Bacon and Johnny bacon.

84

00:08:53.188 --> 00:08:58.229

Who were riding at Finger Lakes were married the answer from the.

85

00:08:58.229 --> 00:09:02.308

From the stewards in New York and across the country was simple.

86

00:09:02.604 --> 00:09:13.043

They can't race against each other. Stewards and racetrack everywhere rule that they couldn't testify against each other or claim foul against each other.

87

00:09:13.134 --> 00:09:18.443

A suspension of 1 of the rider also required the suspension of the rider's spouse.

88

00:09:18.688 --> 00:09:28.889

They just couldn't ride against each other the rules, governing spousal jockeys, likely forced the divorce of the Bacons in 1972.

89

00:09:28.889 --> 00:09:40.019

And that's where we stood in New York and from 1985, when the racing and wagering board placed all the divided loyalty, jockey questions into 1 rule.

90

00:09:40.403 --> 00:09:50.244

The board promulgated rule 4025.10, which has remained unchanged since that day, rather than banning jockeys with family ties from participating in races.

91

00:09:50.244 --> 00:09:56.063

It forced coupling of all horses where a jockey had a familial tie.

92

00:09:56.063 --> 00:10:06.833

The other participants in the race coupling was required where a jockey is competing against a spouse, parent issue, or member of the jockey's household.

93

00:10:08.849 --> 00:10:13.948

So the rule allowed spouses to ride against each other and.

94

00:10:13.948 --> 00:10:26.668

Coupling was not a huge deal in 1985 when a bettor was limited to wagering at an in state racetrack. It seemed to resolve most of the divided and loyalty Jockey family issues.

95

00:10:26.668 --> 00:10:32.639

The times have changed, the ambiguities have emerged.

96

00:10:32.639 --> 00:10:37.678

Are cohabiting licensees, members of the same household.

97

00:10:37.678 --> 00:10:48.269

When Angel Cordero in the early 80s provided a home for apprentice jockeys, Harry Vega and Lauren Ayoub were they part of his household?

98

00:10:48.269 --> 00:10:56.124

States now regularly, let spousal jockeys compete against each other in 998, the Massachusetts racing commission left spouses.

99

00:10:56.124 --> 00:11:07.403

Harry Vega the same Harry Vega who had lived with Angel Cordero and Harry and his wife Amy competed against each other nobody batted an eye.

100

00:11:07.734 --> 00:11:16.073

When Chantelle Sutherland and Mike Smith who were living together in California for several years, competed against each other.

101

00:11:18.509 --> 00:11:33.269

On the parent issue side, we even saw our race in California in 2015 with 54 year old C.C. Lopez competing against his sons, Erik and David without any coupling.

102

00:11:34.288 --> 00:11:42.778

And with setting aloud throughout the world, how are you protecting New York bettors when they can bet on Trevor McCarthy?

103

00:11:42.778 --> 00:11:47.938

Racing against Katie Davis and Maryland, but not when they're racing in New York.

104

00:11:48.714 --> 00:11:49.913

But at the same time,

105

00:11:50.124 --> 00:11:55.854

many of these same states that allow spousal jockeys to compete against each other,

106

00:11:55.974 --> 00:11:56.813

have rules,

107

00:11:57.053 --> 00:11:59.333

including the ACRI Model rules,

108

00:11:59.543 --> 00:12:01.163

the had a provision limiting,

109

00:12:01.313 --> 00:12:07.073

or banning a jockey from racing against a horse trained by his or her spouse.

110

00:12:08.458 --> 00:12:17.129

How do you justify the distinction between spousal jockey's and spousal jockey versus spousal trainer?

111

00:12:18.149 --> 00:12:23.698

Moreover, why in New York and elsewhere is the family competition rule.

112

00:12:23.698 --> 00:12:33.203

Seemingly only limited to jockeys. For years Family connected trainers have competed against each other without any need for coupling.

113

00:12:33.474 --> 00:12:43.644

We had the Martin's Hall of Fame, father Frank, Son Jose and grandson. Greg all competing without any conflicts in the 80s in New York.

114

00:12:43.823 --> 00:12:53.783

We even had the Sedlacek family: husband, Woody, wife, Sue and kids Roy and Mike all training horses without rules, requiring coupling.

115

00:12:54.058 --> 00:12:59.399

Why had riders has been treated more harshly than trainers. Our rules.

116

00:12:59.423 --> 00:13:13.703

Or are all over the place, any jackass can get kick down our current rules. And now we have betting in New York on all sports and we have the same divided loyalties in these sports. Look at tennis.

117

00:13:15.028 --> 00:13:22.948

You have families playing against each other MacEnroes, Williams. Pliskovas, Murrays.

118

00:13:22.948 --> 00:13:27.839

Players competing against each other who are coached by the same individual.

119

00:13:28.344 --> 00:13:40.224

You have people playing against your double partners in singles look at the seventies, Billie Jean King playing against Rosie Casale. Martina Navratilova against Chris Evert.

120

00:13:40.703 --> 00:13:48.594

Pam Shriver Tom Off they're playing Marty Reason John Newcombe beat Tony Roche. You may remember that Chris Evert.

121

00:13:48.594 --> 00:13:57.953

Stopped being Martina Navratilova's doubles partner and average to all of his doubles, because there was a feeling that it might affect how she played against Martina in singles.

122

00:13:58.254 --> 00:14:04.703

You have people playing against players who are your teammates and major international competitions.

123

00:14:05.489 --> 00:14:10.708

Players playing against spouses or partners and mixed doubles or other matches.

124

00:14:10.708 --> 00:14:22.139

Back in the seventy's, you had ownership of control of tournaments by, by somebody like Donald Dell, who was the agent and lawyer for a large number of players.

125

00:14:22.139 --> 00:14:25.558

Conflicts were everywhere.

126

00:14:25.558 --> 00:14:31.739

And we have the same friends, families and business divided loyalty issues and other sports.

127

00:14:31.913 --> 00:14:46.254

Look at the friends Michael Strahan in 2001 was gifted the season sack record by Brett Favre, and the Green Bay Packers. That's now a bettable a little event. Just look at T.J. Watt, tying that record this past Sunday.

128

00:14:47.668 --> 00:14:59.788

In baseball, we've seen purposely grew pictures to friends from Don Drysdale, who was long time teammate, Duke Snider for a home run in 63.  
129

00:14:59.788 --> 00:15:12.989

And Adam Wainwright, grooving a pitch to Derek Jeter for a double to start off the 2014 all star game. We've had parent child conflicts where Philippe Alou managed against his son Moises.

130

00:15:12.989 --> 00:15:20.578

And between conflicts among the Shulas, Bowdens, Rivers, Sutters, Pitinos and Dunleaveys.

131

00:15:20.578 --> 00:15:24.328

We've had the business divided loyalty issues.

132

00:15:24.328 --> 00:15:38.188

Look at the fifties, Kansas City, athletics, and the 1920 Boston Braves they were operated as the vassal states of the New York Yankees and the New York Giants respectively.

133

00:15:38.188 --> 00:15:51.208

Sports owners have own pieces of other franchises. Charles Bidwell, who owned the Chicago cardinals had helped George Halas owned a part of the Bears.

134

00:15:51.208 --> 00:15:54.509

There's all kinds of mixed ownership and the old.

135

00:15:54.509 --> 00:16:06.719

The old NFL, so the sports, we can now bed on have the same divided loyalties, uses horse racing if they don't ban these conflicts, or even announce these conflicts.

136

00:16:06.719 --> 00:16:11.578

And while on a terrible Carpenter, who can barely hammer a nail.

137

00:16:11.578 --> 00:16:19.859

Let alone build the barn. Let me suggest several ways to approach this defined as loyalty issue. 1.

138

00:16:19.859 --> 00:16:24.568

Who should regulate the divided loyalty issue.

139

00:16:24.568 --> 00:16:30.119

Should it be regulated by operators of the sport itself or by the organization.

140

00:16:30.119 --> 00:16:35.129

Which regulates the gambling on the sport should the conflict of interest issue.

141

00:16:35.129 --> 00:16:46.134

Interest is you simply be banned, for example, the spousal jockey competitors issue would you simply ban the spouses from ever competing against each other? That was number 23?

142

00:16:46.344 --> 00:16:50.303

Do you regulate the conflict of interest by coupling that conflicted?

143

00:16:51.448 --> 00:16:57.028

Participants as a single entry, like we do with with 4025.10

144

00:16:57.028 --> 00:17:08.939

or do you allow the conflicted participants to compete against each other without any coupling but notify the public or the potential conflict?

145

00:17:08.939 --> 00:17:11.939

Do you take no action on the conflict?

146

00:17:11.939 --> 00:17:19.314

And simply let the conflicted competitors compete against each other.

They're by instituting a laissez faire.

147

00:17:19.493 --> 00:17:20.513

Let the bettor

148

00:17:20.513 --> 00:17:35.334

Beware policy for conflicts. 6 are the answers to these questions affected by whether the wagering is pari-mutuel with a wagering involving the players betting against each other or just the public policy change when the

149

00:17:35.334 --> 00:17:39.624

bets are banked and being placed against a mega gambling firm,

150

00:17:39.743 --> 00:17:41.753

such as Fan Duel of Draft Kings.

151

00:17:42.358 --> 00:17:49.104

7, does the state has a greater obligation to act against the potential conflict of interest

152

00:17:49.104 --> 00:17:58.104

When it involves a sport like, horse racing, boxing, or mixed martial arts where the participants are subject to specific state regulation.

153

00:17:58.824 --> 00:18:11.513

And 8, rather than limiting entries for wagering, would it be preferable to follow the example of legalized sports wagering and restrict actual sports participants and their proxies from wagering?

154

00:18:12.023 --> 00:18:19.433

Similarly should they be more formalized penalties for disclosing inside information on sporting events?

155

00:18:19.709 --> 00:18:24.239

I do have some very candid suggestions here.

156

00:18:24.239 --> 00:18:28.378

In horse racing, we need uniform.

157

00:18:28.378 --> 00:18:32.759

Rules of the race to govern the actual conduct of horse racing.

158

00:18:32.784 --> 00:18:33.834

Throughout this country,

159

00:18:34.644 --> 00:18:38.273

we're now set to have uniform national drug and safety rules,

160

00:18:38.544 --> 00:18:43.284

but there's absolutely no reason not to have uniform rules on the race,

161

00:18:43.433 --> 00:18:49.284

which would govern the full conduct of the race and the eligibility of

all the participants in the race,

162

00:18:49.584 --> 00:18:52.493

why should Maryland's rule on this subject,

163

00:18:52.493 --> 00:18:54.804

be different than New York.

164

00:18:55.469 --> 00:19:02.548

2, while disclosure of major conflicts may be necessary, it's nowhere near sufficient.

165

00:19:02.548 --> 00:19:15.084

Disclosure doesn't work well, disclosure failed that the breeders cup in November in the juvenile turf. Few knew the betting status of the eventual winner, modern games.

166

00:19:15.443 --> 00:19:30.354

We've had ample experience in New York to know that late rider equipment and gelding changes have never been communicated well, even where nearly all the bettors were at the track or an OTB branch.

167

00:19:30.628 --> 00:19:35.219

Giving an announcement as a track it's like getting an announcement

168

00:19:35.219 --> 00:19:44.189

At a subway station, and these days of mobile betting, these announcements are even less likely to reach the intended audience.

169

00:19:44.963 --> 00:19:55.854

3, let's begin to put a cap on who can bet and how we convey insider information. I know that racing 1 seems to feed on inside or play.

170

00:19:56.094 --> 00:20:06.324

Everybody wants to think they've got the horse right here, but it's time to stop horse racing from further devolving into an insider's game. I would direct you to the rules.

171

00:20:06.354 --> 00:20:12.084

The British Horse Racing Authority has been already on the limits on communications of insider information.

172

00:20:12.419 --> 00:20:22.048

By 4, finally, we do need to look closer at the instances where horses that share the same owners and or trainers.

173

00:20:22.048 --> 00:20:27.148

Assist each other in the course of a race I would add to this list.

174

00:20:27.148 --> 00:20:35.249

Oh, in proper assistance, those, those races where there's a close familial interest involved in the race.

175

00:20:35.249 --> 00:20:44.038

Again, I would direct you to the rules of the BHA on assisting another horse in a race if we want to avoid.

176

00:20:44.038 --> 00:20:52.229

Even the perception of conflicted loyalties, we need to have stronger rules and greater enforcement here.

177

00:20:53.153 --> 00:21:08.034

I've talked enough I know my limitations. I'm not raising a barn. I'm barely constructing a fence. I don't know what the ultimate answers here are. I do know however, this is the most important subject and it merits. Everyone's.

178

00:21:08.548 --> 00:21:14.398

Best efforts in work here you staff of the Gaming Commission, and it's members.

179

00:21:14.398 --> 00:21:19.888

You can begin to construct a new barn, and you can write a better ending.

180

00:21:19.888 --> 00:21:23.429

The proper ending for the for the 2nd act here.

181

00:21:23.429 --> 00:21:28.169

Thank you for letting me.

182

00:21:28.169 --> 00:21:32.098

Ben, thank you very much for your, uh, your participation here.

183

00:21:32.098 --> 00:21:35.939

Does anyone have any questions from Mr Liebman.

184

00:21:38.009 --> 00:21:45.118

Rob Rob Ed Burns, I'll jump in with a question.

185

00:21:47.219 --> 00:21:54.689

Ben, uh, thank you for your, uh, for your input, uh, which is very helpful to the commission.

186

00:21:54.689 --> 00:21:59.519

If to take up your metaphor, the gaming commission were to.

187

00:21:59.519 --> 00:22:02.759

Construct a new beautiful barn.

188

00:22:02.759 --> 00:22:10.588

Would we be the only building standing in the world in this space? You know, would we be outliers and trying to.

189

00:22:10.588 --> 00:22:17.489

Undertake that that type of, uh, project of, of thinking through all of these in.

190

00:22:17.489 --> 00:22:21.749

Compared to the regulatory regimes in other jurisdictions around the world.

191

00:22:23.273 --> 00:22:36.683

The answer is that hopefully it would, it would learn begin to be part of the uniform, the uniform national rules on the actual running of races that I.

192

00:22:37.019 --> 00:22:47.548

I pray for it in the racing industry, so yeah, you'd be you initially be by yourself, but hopefully the other.

193

00:22:47.548 --> 00:22:54.088

Other commissions, other groups would see the, would see the path.

194

00:22:55.499 --> 00:23:08.398

Thank you and can you shed some light on the historical carve out that that we've had in this particular rule for stakes races and why it was relaxed in those circumstances.

195

00:23:09.538 --> 00:23:12.659

This is a.

196

00:23:12.659 --> 00:23:22.558

W, W, W. what's comfortably deleted as total as possible in the racing industry is that racing handle is, uh.

197

00:23:22.558 --> 00:23:31.048

Largely is to a certain extent, it determined and we certainly in a particular race by the number of betting interest in the race.

198

00:23:31.048 --> 00:23:35.729

So that the greater number of interest in the race.

199

00:23:35.729 --> 00:23:50.693

Uh, the greater, the betting handle. It's very important. Other in in a lot of races now. Especially in thoroughbred racing. Certain dominant trainers are there.

200

00:23:50.693 --> 00:24:02.844

How many Pletchers will you see in a major stake ways if you, if, if you reduce the number. If you if you couple all the Pletchers, all the Bafferts.

201

00:24:03.479 --> 00:24:13.769

And suddenly you have a race that's far less interesting to bet. You may even have in very major races that is unbettable. That's unbelievable.

202

00:24:13.769 --> 00:24:14.693

Because you have,

203

00:24:14.933 --> 00:24:20.634

you're not going to be able to get any wagering on on exotics when,

204

00:24:20.663 --> 00:24:23.124

when you're dealing with that it's getting this started,

205

00:24:23.124 --> 00:24:23.273

like,

206

00:24:23.273 --> 00:24:23.423

say,

207

00:24:23.423 --> 00:24:27.144

the 90 s when Wayne Lucas was the dominant trainer,

208

00:24:27.413 --> 00:24:29.814

you just don't have the entries because of this.

209

00:24:29.963 --> 00:24:34.973

So the idea was that, in order to, to, to, to make sure there was, there was.

210

00:24:35.308 --> 00:24:46.798

A considerable betting on these races, you know, we relaxed the rule.

Otherwise I mean, we have enough problems in racing, finding full fields for major stake races.

211

00:24:46.798 --> 00:24:53.699

Would that be an issue with respect to jockeys with familial relationships, as opposed to trainers.

212

00:24:53.699 --> 00:25:01.648

Offhand I don't think so. Right and I'm almost, I'm curious about, um, the history of, um.

213

00:25:01.648 --> 00:25:05.128

Harness racing, which I know you have expertise in as well.

214

00:25:05.128 --> 00:25:11.189

Did these types of excuse historically come up in in the hardest racing context as well?

215

00:25:11.189 --> 00:25:25.378

Not in the same way, but if you look at horse, it harness racing, which is always just and there's a.

216

00:25:25.378 --> 00:25:37.259

Again, harness racing if you, I think if it, what the running of the Hambletonian is where, where you actually saw the issue of, of a, of.

217

00:25:37.259 --> 00:25:46.409

Oh, a horse of a driver living another course part of what would have been a mutual combination in the past.

218

00:25:46.409 --> 00:25:56.003

Uh, get through, um, you have it, but far less what you had in harness racing was so many dominant families.

219

00:25:56.003 --> 00:25:56.213

So,

220

00:25:56.453 --> 00:25:56.604

I mean,

221

00:25:56.604 --> 00:26:09.923

you had so many Filions owns in the 60 s and 70 s who were driving you look at all the relatives of Stanley Dancer from the fifties to the 70s,

222

00:26:09.923 --> 00:26:10.493

where you had,

223

00:26:10.763 --> 00:26:11.003

you know,

224

00:26:11.243 --> 00:26:11.693

brother,

225

00:26:11.723 --> 00:26:13.884

uncle son.

226

00:26:14.513 --> 00:26:18.084

There were so many dancers. They were all not couples.

227

00:26:19.648 --> 00:26:32.548

But, um, we had a number of Houghtons for years racing because you've had in harness racing a lot of families that were that were extremely dominant in the sport.

228

00:26:35.669 --> 00:26:40.108

But harness racing has, has, I think.

229

00:26:40.108 --> 00:26:43.528  
Been less resistant to coupling.  
230

00:26:43.528 --> 00:26:49.949  
Hello.  
231

00:26:49.949 --> 00:26:54.929  
Thank you very much. Anyone else have any.  
232

00:26:54.929 --> 00:27:05.818  
Questions for Mr. Liebman then we appreciate your participation in this  
and we appreciate the time and effort you've taken and actually thinking  
about this issue.  
233

00:27:05.818 --> 00:27:09.449  
I know you and I, I've had a number of conversations.  
234

00:27:09.449 --> 00:27:22.588  
If I ever come up with if I ever finished this article, I will forward it  
to everybody. I'm not sure however that I will come up to any better  
conclusions then I already have.  
235

00:27:22.588 --> 00:27:26.128  
Just more examples of conflicts.  
236

00:27:26.128 --> 00:27:30.868  
Again, I appreciate your efforts Thank you. Thank you.  
237

#### N.Y.S. Assembly Member Carrie Woerner

00:27:30.868 --> 00:27:40.199  
Thank you all our next schedule participant is the honorable Carrie  
Woerner, who represents the 113rd assembly district?  
238

00:27:40.199 --> 00:27:46.078  
Assembly woman Warner is the chair of the subcommittee and agricultural  
production in technology.  
239

00:27:46.078 --> 00:27:49.138  
And as a member of the assembly racing and wager and committee.  
240

00:27:49.138 --> 00:27:52.648  
Most importantly, for the purposes of today's topic.  
241

00:27:52.648 --> 00:27:56.848  
Assemblywoman, Werner was the sponsor of legislation that sought to  
eliminate.  
242

00:27:56.848 --> 00:28:01.169  
The commissions interested party, coupling, rule: Assembly woman.  
243

00:28:02.334 --> 00:28:15.864

Thank you, Rob, and thank you to the commission for inviting me to speak with you today on the pressing issue of integrity in sports, and specifically of integrity in sports wagering as the representative of 113rd assembly district. A district that includes the historic Saratoga race.

244

00:28:15.864 --> 00:28:23.453

Course, I am particularly focused on promoting and ensuring the integrity of the iconic and much beloved sport of horse racing.

245

00:28:25.104 --> 00:28:38.304

While we convene today to talk about the overarching and amplifying national and international threat of corruption in sports and sports wagering, involving numerous sports, such as soccer, basketball, football, tennis, and horse racing. Today.

246

00:28:38.334 --> 00:28:51.114

I am here to speak specifically on 1, small aspect of the commission's fight for integrity in New York, horse racing industry, the history application and consequences of the rule mandating coupled entries from Mary jockeys.

247

00:28:51.388 --> 00:29:03.628

As, as, you know, and as Mr Liebman has described a couple of entries represents 2 or more entries considered to be a single bed bedding entry historically. Why? And when does coupling occur.

248

00:29:04.824 --> 00:29:05.334

For the,

249

00:29:05.364 --> 00:29:08.574

for the non racing participant in this hearing,

250

00:29:08.574 --> 00:29:09.294

I would say that,

251

00:29:09.324 --> 00:29:12.324

that we could look at 1 of the horse racing blogs description,

252

00:29:13.044 --> 00:29:17.544

which says the idea is if a trainer or owner is entering more than 1 horse race,

253

00:29:17.723 --> 00:29:26.814

he or she knows which which 1 of the 2 horses is better and could exploit that fact by using the other horse tactically to set up the race for the better horse.

254

00:29:27.114 --> 00:29:40.523

The purpose of coupling the horses into 1 vetting entry is to protect those betting on the other horse. So, even if the other words isn't given his best chance of winning and the better horse does, in fact, when the person placing the bet on the other horses protected.

255

00:29:40.858 --> 00:29:51.298

The commission's current regulations on coupling reach significantly beyond these traditional concerns by establishing for distinct, mandatory coupling scenarios.

256

00:29:51.298 --> 00:29:55.078

1, with respect to, to entries with common ownership.

257

00:29:55.314 --> 00:29:55.794

2,

258

00:29:55.824 --> 00:29:59.034

with respect to 3 or more horses trained by the same person,

259

00:29:59.034 --> 00:29:59.574

3,

260

00:30:00.054 --> 00:30:05.213

with respect to all horses trained or written by a spouse parent issue,

261

00:30:05.243 --> 00:30:12.084

or members of a jockey household and for any time the commission Steward finds it necessary in the public interest.

262

00:30:12.959 --> 00:30:24.298

Although mandatory coupling automatically applies to all horses involving Married jockeys or a jockey Married, to a trainer entries coupled by reason of common ownership for training do not.

263

00:30:24.503 --> 00:30:24.983

In fact,

264

00:30:24.983 --> 00:30:25.854

into in 2015,

265

00:30:25.854 --> 00:30:40.673

the commission substantially relaxed the conditions under which entries with common ownership or training must be coupled specifically the commission lowered the threshold for mandatory coupling in stakes races from \$1 Million to 50,000 according to the notice of proposed rulemaking published in

266

00:30:40.673 --> 00:30:41.663

the state register,

267

00:30:41.663 --> 00:30:45.084

the change was made to improve wagering opportunities and thoroughbred parent,

268

00:30:45.114 --> 00:30:46.344

mutual racing.

269

00:30:46.344 --> 00:30:57.324

Additionally, the notice indicated that quote, the proposal is consistent with recent amendments of a similar nature in other major racing jurisdictions, such as Kentucky and Texas.

270

00:30:57.534 --> 00:31:06.114

The racing stewards can closely monitor each race and have the authority to place any horse and finishing position that is appropriate. If collusion is observed.

271

00:31:06.114 --> 00:31:15.564

And the rule proposal requires further, that betters be informed by the racetrack of any comment ownership or trainer among horses in the same race.

272

00:31:17.128 --> 00:31:25.348

In addition the commission Steward has the authority to order that horse is be coupled if necessary in a public interest pursuant to regulation.

273

00:31:25.348 --> 00:31:38.189

Similarly, although there was a blanket mandate to couple spousal entries. Trainers, not married to a jockey, have carte blanche to run 2 horses in any race completely unencumbered by the strictures of mandatory coupling.

274

00:31:38.513 --> 00:31:52.074

So, why do marry jockeys and trainers not in gender, the same level of professional respect as unmarried, Jackie's and trainers, even though the regulations confer flexibility on the commission steward to make a case by case determination for coupling.

275

00:31:52.284 --> 00:31:55.584

Whenever such Steward finds it necessary in the public interest.

276

00:31:55.828 --> 00:32:01.409

The regulations distinctly exempt siblings of a jockey from mandatory coupling.

277

00:32:01.409 --> 00:32:07.554

In fact, there are numerous historical instances of siblings competing against 1, another at the highest level of sport.

278

00:32:08.183 --> 00:32:09.233

Examples include,

279

00:32:09.233 --> 00:32:09.624

of course,

280

00:32:09.624 --> 00:32:10.523

Jose and Irad,

281

00:32:10.554 --> 00:32:12.713

Ortiz of Saratoga horse racing theme,

282

00:32:13.193 --> 00:32:19.763

Eli and Peyton Manning the well-known NFL quarterbacks whose opposing team clashed 3 times and of course,  
283

00:32:19.763 --> 00:32:21.023

Venus and Serena Williams,  
284

00:32:21.023 --> 00:32:23.784

the tennis sisters who shared a household for many years,  
285

00:32:23.784 --> 00:32:26.634

and ultimately met in 8 grand slam finals.  
286

00:32:26.939 --> 00:32:30.538

Why then do siblings can 1st, such professional respect?  
287

00:32:30.538 --> 00:32:41.183

Whereas spouses do not, anyone can plainly see the regulations established a double standard. Why does the commission automatically presume match fixing tendency and spouses?  
288

00:32:41.663 --> 00:32:48.203

Nothing in the history of the origins of New York's regulation, nor the experience of other states suggests a basis for that fear.  
289

00:32:48.509 --> 00:32:54.838

New York's mandatory coupled entries. Regulation came into effect over 35 years ago in 1985.  
290

00:32:55.134 --> 00:33:09.144

The New York state racing and re, drawing board added the rule with little explanation. The notice of rulemaking from August 15th 1984 stated that the rules are needed to quote, insure integrity and the appearance thereof in thoroughbred races upon which pair mutual betting is conducted.  
291

00:33:11.098 --> 00:33:19.618

As a way of explanation, the note is simply identified the legislative objective to restrict the participation in racing of members of the jockey's household.  
292

00:33:19.618 --> 00:33:31.798

Minutes from contemporary meetings of the racing and wagering board either failed to mention the rule change or simply acknowledge the board's approval of the change as noted earlier the change did not include siblings.  
293

00:33:31.798 --> 00:33:46.163

Siblings have always been exempt from the rule, other prominent horse racing States, including Kentucky, California, Florida, and Texas do not mandate couple of entries from married jockeys or members of a jockey's household and no scandals have arisen from their failure to do.  
294

00:33:46.163 --> 00:33:57.354

So, notably the Model rules of racing promoted by the association of racing commissioners, international also contain no provision, mandating couple of entries based on jockeying relationships.

295

00:33:58.854 --> 00:34:11.063

In discussions earlier this past year with Executive Director Williams, concerning the conditions perceived need for the mandatory coupling rule for married jockeys. I learned that the commission believe New York's evidentiary laws on the marital communications.

296

00:34:11.063 --> 00:34:21.414

Privilege likely presented a barrier to its investigators, preventing them from thoroughly examining potential allegations of match, fixing or collusion between jockey's spouses.

297

00:34:21.659 --> 00:34:30.659

As I set forth in it in detail in a memo to director Williams on August 20th 2021. my research indicates current New York law presents. No such barrier.

298

00:34:30.659 --> 00:34:45.358

The current mandatory coupling rule from Married Jockeys and members of a jockey's household is unfair and unjust. It treats married jockeys and members of their household differently than other participants in racing. And it does so based solely on marital status.

299

00:34:45.358 --> 00:34:55.583

The rule presupposes match with fixing proclivities and married persons and assesses a penalty in advance of guilt, even in advance of the couple actually taking prohibited actions.

300

00:34:56.003 --> 00:35:09.233

It reminds me of the Tom Cruise movie Minority report, and that film set in, in 2054, the police tried to erase to arrest Tom Cruise for murder, even though he hasn't committed one. instead they based the warrant on a suspicion that he will commit murder on a future date.

301

00:35:11.153 --> 00:35:24.503

The current mandatory coupling rule for married jockeys is also outdated and tone deaf. All of the couples I know. Want to beat 1 another when they're placed in direct competition this rule targets, elite athletes who happen to be married.

302

00:35:24.954 --> 00:35:34.554

If anyone is likely to be competitive with their spouse, it is certainly a fine-tuned athlete who has dedicated years of their life to honing skills to compete at their highest level.

303

00:35:34.889 --> 00:35:45.898

Modern girls and boys are no different in this respect. They each want to win. No matter who the opponent is. The competitor doesn't want to lose even lesser when pitted against their spouse.

304

00:35:45.898 --> 00:35:52.708

The current mandatory coupling you will for married jockeys is also inconsistent with other rules in New York racing.

305

00:35:52.708 --> 00:35:59.938

In fact, just this summer, a father and son competed against 1 another at the Saratoga harness track and they did. So as separate entries.

306

00:35:59.938 --> 00:36:14.639

The son won and the betting public loved the human interest story. I can't imagine the father wanted to lose to the son and I also can't imagine the son didn't want to beat the father. In fact, he was quoted in a newspaper article that says.

307

00:36:14.639 --> 00:36:19.949

That says there's no one I want to be more than my dad and that's just the business.

308

00:36:19.949 --> 00:36:22.949

You have to crave winning in order to succeed.

309

00:36:23.963 --> 00:36:35.333

The current mandatory couple coupling rule for married jockeys is also detrimental to New York's horse racing industry, because it suppresses opportunity and competition for both members of the marriage and doing.

310

00:36:35.333 --> 00:36:40.614

So the rule does more damage to the quality of New York horse racing than it does to protect its integrity.

311

00:36:41.213 --> 00:36:52.313

The risk posed to the integrity of horse racing and wagering by permitting married jockeys to freely compete against 1 another is incredibly minuscule and compared to the encroaching forces of corruption,

312

00:36:52.313 --> 00:36:55.253

being monitored by being monitored by Interpol sports,

313

00:36:55.253 --> 00:36:56.003

integrity unit,

314

00:36:56.153 --> 00:36:57.503

and others throughout the world.

315

00:36:58.253 --> 00:37:11.273

Finally, the current mandatory coupling rule for married jockeys is redundant racing stewards have vast power over the conduct of a race, and today's technology gives towards tools they didn't have in 1985 at the Investigatory stage stores and commission.

316

00:37:11.273 --> 00:37:26.003

Investigators may interview witnesses, search the grounds and review video footage from the race removing the current mandate to couple entries from married jockeys will not curtail these Investigatory powers.

And as noted earlier the commission steward may mandate coupling at anytime.

317

00:37:26.003 --> 00:37:32.634

If the steward finds it necessary in the public interest, thank you for your attention to this matter. And I'm happy to answer questions.

318

00:37:35.278 --> 00:37:45.449

Well, thank you very much for your viewpoint assembly woman before we open up for questions, would it be possible for you to send me a copy of you were prepared remarks.

319

00:37:45.449 --> 00:37:49.619

Absolutely, we will do that momentarily. I appreciate that.

320

00:37:49.619 --> 00:37:52.829

Staff any questions for the assemblywoman1.

321

00:37:54.929 --> 00:37:58.378

Robin said, I'll, I'll jump in with a quick 1.

322

00:37:58.378 --> 00:38:01.588

Assemblywoman would you.

323

00:38:01.588 --> 00:38:14.460

Recommend that the commission not regulate in this area at all? Or do you think disclosure or other steps would be appropriate? I'm just curious about your views on on.

324

00:38:14.460 --> 00:38:19.800

Where you think the regulatory end game should be on this topic?

325

00:38:20.969 --> 00:38:26.219

Thank you. I, I think that I think that transparency is always.

326

00:38:26.219 --> 00:38:35.789

A positive and so I would absolutely recommend that there be disclosure. In fact, the, the bill that was vetoed in included a disclosure requirement.

327

00:38:38.489 --> 00:38:43.559

Thank you have any idea how this, how a disclosure would work.

328

00:38:43.559 --> 00:38:50.789

Well, I think it would work the same way that disclosure works and the other in the other coupling regulations.

329

00:38:50.789 --> 00:38:54.840

You noted in the program. Okay.

330

00:38:58.139 --> 00:39:01.170

Anyone else have any questions for the Assemblywoman.

331

00:39:01.170 --> 00:39:07.289

We appreciate you taking the time to address and the thoroughness of your, your comments.

332

00:39:07.289 --> 00:39:14.849

I look forward to adding those to the formal record. Thank you very much. And I appreciate the commissions interest in this topic.

333

00:39:14.849 --> 00:39:20.190

Thank you, our next participant.

334

**Scott Sadin and Matthew Holt, U.S. Integrity**

00:39:20.190 --> 00:39:25.530

Is Scott Sadin from the U. S. Integrity.

335

00:39:25.530 --> 00:39:34.500

He is the chief operating officer us integrity as a technology driven integrity and fraud monitoring and prevention company.

336

00:39:34.500 --> 00:39:40.050

Who has professional and collegiate sports leagues as well as regulated sports book operators.

337

00:39:40.050 --> 00:39:49.800

And regulators as clients, Mr. Sadin has served in operational management or capacities with financial services institutions.

338

00:39:49.800 --> 00:39:52.949

Such as Apollo Global Management.

339

00:39:52.949 --> 00:39:56.280

4Billion Capitol and partners.

340

00:39:56.280 --> 00:40:05.130

While working in financial services, he assisted with the developing of trading surveillance programs, aimed at identifying potentially suspicious.

341

00:40:05.130 --> 00:40:13.199

Equity and debt transactions. Mr. Sadin is Mr. Holt also with you or are you representing us? Integrity?

342

00:40:13.199 --> 00:40:21.659

Hello, thank you. Yeah, thank you very much. Rob. I appreciate it. I'm going to introduce my partner and the CEO and Co, founder of us. Integrity. Matthew Holt.

343

00:40:21.659 --> 00:40:25.469

He'll give a quick background on himself.

344

00:40:25.469 --> 00:40:34.260

Uh, and then a background on us integrity, and then I can comment on a couple of things at the tail end of, of his presentation. But I do want to thank.

345

00:40:34.260 --> 00:40:39.090

Um, the New York State gaming commission for the interest in the topic, and for allowing us to speak today.

346

00:40:39.090 --> 00:40:45.719

Thank you Matt. Matt Holt is the founder and president of U. S. integrity I'll turn it over to you. Thank you.

347

00:40:45.835 --> 00:41:00.264

Thank you and again, thank you to the New York State gaming commission to allow us to speak today on this topic. We think it's a really relevant topic and I think a brief history of U. S integrity sorta curtails into how important independence and conflict free is.

348

00:41:00.264 --> 00:41:00.565

So,

349

00:41:00.925 --> 00:41:01.344

I was,

350

00:41:01.405 --> 00:41:06.144

I worked for a company called Canter gaming we launched a 1st regulated mobile sports,

351

00:41:06.144 --> 00:41:11.304

betting app in the country and I was also the CEO of their sister company cgg analytics,

352

00:41:11.605 --> 00:41:15.445

which was a licensed information service provider in the state of Nevada.

353

00:41:15.894 --> 00:41:16.525

And in doing,

354

00:41:16.525 --> 00:41:16.795

so,

355

00:41:16.795 --> 00:41:18.054

we worked with the NFL,

356

00:41:18.054 --> 00:41:18.655

NBA,

357

00:41:18.655 --> 00:41:20.094

NCAA NFL,

358

00:41:20.094 --> 00:41:23.875

and basically everybody for game integrity in fraud prevention services,

359

00:41:23.875 --> 00:41:29.065

and understood the importance and the value not just to those in those leagues teams,

360

00:41:29.065 --> 00:41:36.114

universities and conferences but to the industry as a whole to have the leagues and teams and universities participating,

361

00:41:36.114 --> 00:41:38.635

and getting educated on sports betting,

362

00:41:38.635 --> 00:41:41.724

and what it meant to them and what the associated risks were.

363

00:41:41.905 --> 00:41:54.565

So I started U. S. integrity in 2018, because I understood that there needed to be truly independent conflict, free technology and data driven, sports, betting compliance, game, integrity and fraud prevention firm.

364

00:41:54.565 --> 00:41:58.704

And when we were 2 months old, we participated in an RFP with.

365

00:42:00.715 --> 00:42:14.755

Basically, all the big companies that are now, suddenly publicly traded that. I'm sure you've heard of it at the New York State gaming commission to be the official integrity provider to the SCC and we want because of the 13 companies in that RFP.

366

00:42:15.054 --> 00:42:18.534

We were the only 1 that was truly independent and conflict free.

367

00:42:19.105 --> 00:42:27.054

We always tell people, you wouldn't allow an arresting officer to be a judge. In the same case. You can't allow your odds, make it or be your integrity provider.

368

00:42:27.385 --> 00:42:41.875

We now work with the FCC Pac, 12, Big, 12, NBA, major league baseball, just about every major, professional and collegian sports league as some of you all may have seen. We also recently just released a deal today with Leo field where we work with.

369

00:42:42.355 --> 00:42:55.074

I have access to their 4,500 universities across the country, because we think it's important that everyone is educated and up to speed with game integrity, fraud prevention in what regulated gambling means to them and the risks associated.

370

00:42:55.074 --> 00:43:01.945

But we always say that conflict free is the most important thing independence is the most important thing,

371

00:43:01.945 --> 00:43:06.144

sports betting, horse racing is often compared to the financial services world,

372  
00:43:06.144 --> 00:43:10.675  
even in terminology of its employees risk managers traders.  
373  
00:43:10.704 --> 00:43:13.585  
But at the end of the day,  
374  
00:43:13.585 --> 00:43:14.724  
imagine in the financial services world,  
375  
00:43:14.724 --> 00:43:21.204  
rather than having to file trades with FINSA or FINRA or SEC,  
376  
00:43:21.204 --> 00:43:22.525  
you just said,  
377  
00:43:22.525 --> 00:43:22.675  
oh,  
378  
00:43:22.675 --> 00:43:23.005  
we'll let,  
379  
00:43:23.034 --> 00:43:23.304  
you know,  
380  
00:43:23.304 --> 00:43:29.275  
if something's wrong the idea of there needs to be independent monitoring  
there needs to be independent reporting,  
381  
00:43:29.275 --> 00:43:40.554  
and I think that that's kind of where we're getting to today the idea of  
independence conflict free and what it means to the ability to not just  
alert the public to potential conflict,  
382  
00:43:40.554 --> 00:43:46.675  
but to make sure that the folks independently monitoring it also don't  
have those conflicts,  
383  
00:43:46.675 --> 00:43:51.505  
so I'll turn it over to Scott who has prepared some stuff to talk about  
with,  
384  
00:43:51.505 --> 00:43:52.284  
with our company.  
385  
00:43:52.764 --> 00:43:55.344  
But thank you all again. Very much for the time today.  
386  
00:43:56.815 --> 00:44:07.284  
Thanks Scott. Yeah, thank you Matt. And I, you know, I just want to kind  
of reiterate the importance of independence and how we sort of commit at  
least from perspective to be in conflict free.  
387  
00:44:07.284 --> 00:44:12.505

I recognize this is not necessarily a plea to the commission, but instead more of a.

388

00:44:14.034 --> 00:44:21.925

A, sort of a representation of what we do in the industry and why we think independence is important.

389

00:44:21.925 --> 00:44:32.635

So it's Matt mentioned conflict free to us means that our core business is 100% dedicated to integrity, monitoring and fraud prevention. We don't create distribute or offer any odds for wagering.

390

00:44:32.635 --> 00:44:41.244

Our only risk management tools are related to identifying anomalies in the wagering market. That that may indicate potentially nefarious behavior.

391

00:44:43.105 --> 00:44:52.284

The way we enforced that all starts with policy right? So every employee subcontractor is required to review and agree certain policies that are very much specific.

392

00:44:52.284 --> 00:45:06.744

They require disclosure of any potential conflict of interest and outline our expectations on confidentiality, ethics, personal conduct obviously background checks around etc. and ultimately, this allows you aside a sensitively handle investigations.

393

00:45:07.079 --> 00:45:12.389

The all key stakeholders across the industry, whether it be sports book operators, regulators.

394

00:45:12.389 --> 00:45:21.239

Or collegiate conferences, universities, professional sports teams, and leads for circumstances in which there may have been betting related to business activities.

395

00:45:21.239 --> 00:45:25.380

So, I think that really is what we wanted to cover today, just to kind of show.

396

00:45:25.380 --> 00:45:30.630

Some of the things that we take super seriously at us, integrity and of course, are available for any questions.

397

00:45:30.630 --> 00:45:36.659

Uh, but we wanted to make sure we kept it tight and we do appreciate the, the New York State gaming commission for allowing us to speak to that.

398

00:45:37.949 --> 00:45:46.980

Matt, I think you're still on mute. Yeah, I remember the 1st speaker talked about inside information. I could tell you as, you know, the I licensed in.

399

00:45:46.980 --> 00:45:47.219

Uh,  
400

00:45:47.215 --> 00:45:49.045  
integrity provider and 33 States,  
401

00:45:49.045 --> 00:46:03.744  
and we work with 99 of the regulated sports betting operators in the  
country to his point that misuse of inside information is the biggest  
issue we deal with it is almost a weekly occurrence that we deal with  
people profiting off the  
402

00:46:03.744 --> 00:46:09.474  
misuse of inside information through sports betting so I thought he  
brought up a great point on that 1st,  
403

00:46:09.474 --> 00:46:09.655  
1,  
404

00:46:09.655 --> 00:46:10.914  
and it's 1 that we combat constantly,  
405

00:46:10.914 --> 00:46:17.005  
and I hope that through policy procedures and more monitoring down the  
road,  
406

00:46:17.005 --> 00:46:23.695  
we could sort of curtail some of that insight information misuse that  
currently takes place and thank you again.  
407

00:46:23.695 --> 00:46:24.835  
Everybody for the time today.  
408

00:46:25.769 --> 00:46:32.789  
We appreciate your participation, uh, anyone have any questions for your  
lesson. Integrity.  
409

00:46:32.789 --> 00:46:46.889  
Robin said, again for the U. S. integrity folks, have you seen to the  
extent you're, you're able to discuss publicly in your investigations.  
410

00:46:46.889 --> 00:46:50.070  
Issues in which.  
411

00:46:50.070 --> 00:46:54.269  
People with familial relationships, or or.  
412

00:46:55.344 --> 00:47:08.994  
Who share the same household may or may not have given the effort that  
better is expected in placing a wager is that is that kind of issue? Come  
up in various sports globally in your experience?  
413

00:47:09.804 --> 00:47:24.054

Yes, to some extent. But I think what's more prominent right now? Is those familiar issues affecting inside information? Someone may not be able to participate because they have a pending suspension, covet issue sickness.

414

00:47:24.054 --> 00:47:37.675

Suddenly even an injury. That's lingering. That means that they won't be effectively be able to participate at 100%. And then those people utilize that information in the betting markets to take advantage of those situations.

415

00:47:37.675 --> 00:47:44.215

So it's not just a matter of the actual integrity of the events themselves in the participants in those events.

416

00:47:44.215 --> 00:47:53.755

But the bedding markets being affected by the fact that there's inside information being placed, due to that, for male, familial issue, going on.

417

00:47:56.755 --> 00:48:06.835

And trying to figure out, which is inappropriate and appropriate is the most difficult thing right? A college quarterback calls his brother and tells them, hey, don't bother coming to the game.

418

00:48:06.835 --> 00:48:13.614

Bro, because I'm heard and I won't be able to play and then the brother takes that information and inappropriately uses it.

419

00:48:13.795 --> 00:48:21.954

It doesn't mean that the original athlete had any misintention, but somewhere down the stream, sometimes this information gets misappropriated.

420

00:48:22.289 --> 00:48:28.409

But for more ongoing type of relationships are there.

421

00:48:28.409 --> 00:48:42.000

Jurisdictions in the round around the world in various sports, are they concerned with that type of thing for an example? You know, spouses playing against each other and tennis doubles or or that type of thing or is that.

422

00:48:42.000 --> 00:48:46.980

Generally considered a buyer the, where situation from the perspective.

423

00:48:46.980 --> 00:48:59.425

What we try to do for licensed operators in regulated jurisdictions, where we work is just to alert the betting public. So that the regulators are aware the operators are aware that there is this situation.

424

00:48:59.724 --> 00:49:12.625

Because we always talk about the integrity of events. What normally happens is people get mad when they lose a bet and then find out there's

a familial issue. Well, hey, I didn't know. This was the case before I made the bet. Now I want my money back.

425

00:49:12.925 --> 00:49:24.985

So, at least if the regulators are aware, the operators are aware number 1, they could combat it with lower wagering limits. They could lower the limits on those events. So they're not taking as high stakes.

426

00:49:24.985 --> 00:49:33.025

And then number 2, at least they can be prepared to deal with potential consumer complaints when they come because they were alerted to them ahead of time.

427

00:49:33.204 --> 00:49:47.275

So, when we try to do is make sure everybody's alerted and aware of the situations so that they can be prepared for potential black backlash that could come from betters who lost money in those situations, and claim that they weren't aware of the familial issues.

428

00:49:47.610 --> 00:50:02.514

So so, in those situations is the action generally taken by the sports books, as opposed to the regulators, or do regulators get involved as well? I think a lot of times it starts with the sports books themselves, making, you know, we send out an alert.

429

00:50:02.724 --> 00:50:14.784

It goes out to all regulators and operators across the country and now they have the ability than themselves to act on that alert and say, hey, either we want to take down the event because we know it could be problematic. Be.

430

00:50:14.784 --> 00:50:17.155

We're going to lower wagering limits on the event,

431

00:50:17.155 --> 00:50:17.784

because again,

432

00:50:17.784 --> 00:50:19.885

it could be problematic or see,

433

00:50:19.885 --> 00:50:25.375

at the very least we're gonna have we're going to be aware of it so that if consumer complaints come in,

434

00:50:25.375 --> 00:50:25.644

we can,

435

00:50:25.644 --> 00:50:29.215

at least have a prepared disclosure to them that yes,

436

00:50:29.215 --> 00:50:29.965

we were aware.

437

00:50:29.965 --> 00:50:35.244

Yes, we still thought it was fair. Yes, we still maintain the same wagering limits and here's why it's okay.

438

00:50:35.485 --> 00:50:49.644

But I think that it's important that there is a disclosure, and that they are made aware so that they have the opportunity to either suspend betting, discontinue betting, not offer wagering, or at least be prepared to deal with customers who may have a poor experience.

439

00:50:49.644 --> 00:50:51.925

Because they weren't aware when they placed a wager.

440

00:50:53.849 --> 00:50:57.239

Thank you for your perspective, thank you very much.

441

00:50:57.239 --> 00:51:08.369

Again, we appreciate your taking the time to participate today. Anyone, Tom Mr Anapolis when you put out the notice on an integrity issues.

442

00:51:08.369 --> 00:51:13.559

What percentage of would you say that the familiar issues represent?

443

00:51:14.364 --> 00:51:25.525

Related to your integrity alerts very small, I would say less than 5%. The vast majority of our alerts are right now are match fixing around the world tennis. Obviously being the highest rated sport.

444

00:51:25.525 --> 00:51:40.405

We also have an obligation to resend any alerts that other integrity providers from around the world may have located. May may have discovered. So, I would say, match fixings number 1, misuse of potential inside information number 2.

445

00:51:40.405 --> 00:51:53.184

and when it comes to the percentage of those alerts that have to do with familial issues, I, or conflicts of interest, let's call them conflicts of interest in the events. I would say, literally, it's probably 123. it's a very small percentage.

446

00:51:54.630 --> 00:51:57.630

Thank you. You're welcome.

447

00:51:57.630 --> 00:52:02.789

Again, we appreciate you taking the time to assist us on this issue.

448

00:52:02.789 --> 00:52:06.239

Thanks very much. Thank you. All. Thank you.

449

Terry Meyocks and Mindy Coleman, The Jockeys' Guild

00:52:06.239 --> 00:52:12.570

The next participants are Terry Meyocks and Mindy Coleman.

450

00:52:12.570 --> 00:52:17.969

Terry makes sir presently serves as the National manager of the Jackie's Guild.

451

00:52:17.969 --> 00:52:25.440

And he's maintained to distinguish career in racing having worked in some capacity since 1972.

452

00:52:25.440 --> 00:52:32.610

Among the positions he has held include special assistants to the commissioner of the National Thoroughbred Racing Association.

453

00:52:32.610 --> 00:52:36.750

And vice president for the NTRA racing and industry memberships.

454

00:52:36.750 --> 00:52:39.750

He's also held positions of presidents.

455

00:52:39.750 --> 00:52:44.159

And chief operating officer of the New York Racing Association.

456

00:52:44.159 --> 00:52:51.929

And his worked at such high profile racetracks as Calder, Gulf stream Keeneland, Oakland park.

457

00:52:51.929 --> 00:52:56.309

Arlington park Churchill Downs. Hialeah.

458

00:52:56.309 --> 00:53:01.949

Mindy Coleman has served as counsel to the jockeys guild for over a decade.

459

00:53:01.949 --> 00:53:08.670

Previous to the guild Miss Coleman had a private law practice, focusing on bankruptcy and construction litigation.

460

00:53:08.670 --> 00:53:15.150

And she has been very involved in the permanently disabled jockeys fund, and the brain injury alliance of Kentucky.

461

00:53:18.059 --> 00:53:22.739

Thank you Rob. Me.

462

00:53:22.739 --> 00:53:28.320

Terry, are you.

463

00:53:31.739 --> 00:53:44.010

Rob, can you hear me? We, we can hear it. Sorry and we heard, and I appreciate it and appreciate the New York State gaming commission and asking for the gill's input on this matter.

464

00:53:44.010 --> 00:53:50.219

At this time I would like to refer to the, our guilds counsel Mindy Coleman.

465

00:53:50.219 --> 00:53:53.219

Cause, she's been more involved in this, um.

466

00:53:53.219 --> 00:53:57.750

You know, with her comments, and if need be, I'll follow up.

467

00:53:57.750 --> 00:54:01.769

Thank you.

468

00:54:01.769 --> 00:54:05.969

Good morning the New York State gaming commission and staff. Um.

469

00:54:05.969 --> 00:54:09.030

And any, all other participants on this panel.

470

00:54:09.030 --> 00:54:22.110

We appreciate you conducting today's staff hearing for the state of purpose to receive public input on the topic of regulations of potential conflicts and sports events upon which way during occurs while we're here today. Um.

471

00:54:22.110 --> 00:54:35.550

To speak with a broad topic with regards to those conflicts and sporting events with all due respect. The guild is specifically here to address the concerns regarding the mandatory coupling of entries and horse racing as those are our participants in our membership.

472

00:54:35.550 --> 00:54:39.300

Our membership is regular participant in racing.

473

00:54:39.300 --> 00:54:47.190

As many of you are familiar, the jockeys guild is the organization that represents professional jockeys, an American and thoroughbred quarter horse racing.

474

00:54:47.190 --> 00:54:52.920

And has approximately 1050, active, retired and permanently disabled members.

475

00:54:52.920 --> 00:54:59.519

For since the inception, the guild has served as a voice for jockeys when it concerns.

476

00:54:59.519 --> 00:55:04.769

Any sort of regulatory issues on a state level as well as a national level.

477

00:55:04.769 --> 00:55:10.860

Over a get year, the guild has expressed concerns regarding the New York commission rule.

478

00:55:10.860 --> 00:55:16.409

4025.10, which is a rule that was promulgated many years ago.

479

00:55:16.409 --> 00:55:24.389

Requiring coupling of entries in certain circumstances that might present a conflict of interest among the competitors in the race.

480

00:55:24.389 --> 00:55:29.730

While we appreciate, uh, there is significant amount of history.

481

00:55:29.730 --> 00:55:33.000

With regards to this rule, and when it was promulgated.

482

00:55:33.000 --> 00:55:36.420

Obviously, that history has been previously addressed by.

483

00:55:36.420 --> 00:55:40.440

2 prior speakers, however.

484

00:55:40.440 --> 00:55:44.579

Currently, um, this rule came to.

485

00:55:44.579 --> 00:55:47.579

Consideration.

486

00:55:47.579 --> 00:55:52.500

With regards to spouses being coupled for Betty purposes.

487

00:55:52.500 --> 00:55:59.159

Last winter, this rule with Kate when it came to Katie Davis and Trevor McCarthy.

488

00:55:59.159 --> 00:56:02.639

At the beginning of the winter meet and aqueduct of 2020.

489

00:56:02.639 --> 00:56:06.269

Katy, and Trevor had moved their tack from Maryland to New York.

490

00:56:06.269 --> 00:56:11.550

As had been widely reported in the media, Katie and Trevor married in December of 2020.

491

00:56:11.550 --> 00:56:19.260

Although they had been previously able to ride against 1 another while engaged and living in the same household.

492

00:56:19.260 --> 00:56:22.829

Once they read a strict enforcement of this rule was applied.

493

00:56:22.829 --> 00:56:26.550

Requiring any horse written by 2 donkeys in the same race be coupled.

494

00:56:26.550 --> 00:56:29.909

Such actions resulted in financial harm.

495

00:56:29.909 --> 00:56:33.179

To both jockeys in the form of reduced mounts and earnings.

496

00:56:33.179 --> 00:56:39.630

Both jockeys were essentially unable to fully unfairly engage in their careers as jockeys.

497

00:56:39.630 --> 00:56:48.539

As the regulation is enforced, created a significant disadvantage to both jockeys when they were attempting to further their careers in business in New York.

498

00:56:48.539 --> 00:56:55.289

Prior to arriving in New York, both jockeys were coming off of 2, very strong and successful years and.

499

00:56:55.289 --> 00:56:58.769

Where they had been competing regularly in Maryland.

500

00:56:58.769 --> 00:57:06.750

Mr. McCarthy was leading writer at Laurel park while Katie Davis was 7th and the standings prior to arriving.

501

00:57:06.750 --> 00:57:19.019

For them to say that both jockeys were disappointed in this role that the rule played in their arrival upon New York was a severe understatement. There were reasons that they had come to New York.

502

00:57:19.019 --> 00:57:28.320

Racing is full of families who have made our sport, their way of life, running the gamut of relationships from fathers and mothers, aunts and uncles, siblings, cousins.

503

00:57:28.320 --> 00:57:37.710

And so forth, both jockeys come from racing families with Katie Davis, being the retired jockey. Now, trainer of Robbie Davis.

504

00:57:37.710 --> 00:57:41.159

2 of Katie siblings are also New York jockeys.

505

00:57:41.159 --> 00:57:47.099

Dylan Davis and Jackie Davis, and 1 of her brothers admin is currently training in New York.

506

00:57:47.099 --> 00:57:53.070

The reason they wanted to come to New York is because once they were when they wanted to be closer to their families.

507

00:57:54.719 --> 00:58:03.599

It should also be noted Trevor's father. Trevor also has family relations and horse racing as his father was a retired mid Atlantic jockey. Mike McCarthy.

508

00:58:05.309 --> 00:58:13.860

Now, when they came, they were not anticipating this role to be in in place, or in effect are enforced against them as.

509

00:58:13.860 --> 00:58:19.650

Alluded earlier, there's not a regular, not a consistency in the uniformity of regulations throughout.

510

00:58:19.650 --> 00:58:24.780

The United States, although they had been able to ride against 1 another.

511

00:58:24.780 --> 00:58:30.599

While engaged in other jurisdictions, once married, New York prohibited them from doing. So.

512

00:58:30.599 --> 00:58:38.010

This role not only affected both riders, but also nira the owners, the trainers and the betting public.

513

00:58:38.010 --> 00:58:41.909

Impacting the field size and the number of vetting entries.

514

00:58:41.909 --> 00:58:51.059

In light of the importance of field sizes, when trying to provide a top product, this role, as applied created issues, limiting the field size.

515

00:58:51.059 --> 00:58:56.849

And as I said, reducing the number of betting entries, thereby potentially impacting the handle.

516

00:58:58.019 --> 00:59:03.360

While the guild acknowledges and appreciates the policy behind the current rule.

517

00:59:03.360 --> 00:59:06.360

As indicated by previous speakers.

518

00:59:06.360 --> 00:59:11.039

This rule has seemed to become a bit outdated due to our current.

519

00:59:11.039 --> 00:59:14.519

Racing environment.

520

00:59:14.519 --> 00:59:19.199

This was originally found to mitigate the concerns that related parties may not have.

521

00:59:19.199 --> 00:59:26.070

Spend their maximum efforts in the underlying race with 1 party, sacrificing the interests of a related party.

522

00:59:26.070 --> 00:59:32.250

However, we firmly believe that a more flexible rule should be in place to address these conflicts.

523

00:59:32.250 --> 00:59:39.750

As we've indicated specifically, we believe the stewards as the trained and qualified individuals overseeing racing.

524

00:59:39.750 --> 00:59:49.349

Should be afforded the opportunity to use their discretion and allowing for spouses to compete against 1 another as jockeys while still requiring that a Jackie.

525

00:59:49.349 --> 00:59:54.809

Let's ride for a horse must right or that that is trained by his or her spouse.

526

00:59:54.809 --> 01:00:06.389

If stewards do allow spouses to compete against 1, another in a specific race we also support any in all majors to ensure that the betting public is adequately informed with regards to such relationship.

527

01:00:06.389 --> 01:00:15.869

Additionally, the stewards would still have the ability to couple entries in the event. It is deemed necessary. Or if there's any concerns with inappropriate actions.

528

01:00:15.869 --> 01:00:20.159

Of between the 2 parties that as related.

529

01:00:20.159 --> 01:00:28.949

The Gil believes this approach is a win win for all parties. Mary jockeys should have the ability to fully and fairly engage in their careers.

530

01:00:28.949 --> 01:00:33.659

And still allowing for the public per the wagering public to be protected.

531

01:00:33.659 --> 01:00:37.050

I was indicated previously.

532

01:00:37.050 --> 01:00:42.179

In 2015 regulation, 4, 0, 2 5.10.

533

01:00:42.179 --> 01:00:49.380

Section g was amended that notwithstanding the other limitations within the regulation. No injury should be coupled.

534

01:00:49.380 --> 01:00:54.269

By reason of common ownership or training in any stakes in which the gross versus over.

535

01:00:54.269 --> 01:01:03.059

50,000 or more provided that the stores may require any horses entered in a race to be coupled for betting purposes prior to the commencement of wagering.

536

01:01:03.059 --> 01:01:06.090

If the stewards deemed it to be necessary in the.  
537  
01:01:06.090 --> 01:01:09.809  
Best entrance to the public to the best of our knowledge.  
538  
01:01:09.809 --> 01:01:14.159  
Since that rule was amended there have not been any concerns reported or  
addressed.  
539  
01:01:14.159 --> 01:01:20.400  
With regards to that specific, uh, uh, change to the regulation.  
540  
01:01:20.400 --> 01:01:26.550  
While mutual and couple mutual coupling varies from state to state. Many  
changes. Have either.  
541  
01:01:26.550 --> 01:01:31.769  
Many states have either changed or eliminated their entry coupling rules.  
542  
01:01:31.769 --> 01:01:35.940  
It should be noted there have been and are currently jockeys who are  
married.  
543  
01:01:35.940 --> 01:01:39.179  
Or cohabitating together in other jurisdictions.  
544  
01:01:39.179 --> 01:01:44.219  
Who are permitted to compete against 1 another without the entries that  
they are already being coupled.  
545  
01:01:44.219 --> 01:01:47.610  
With regards to the Model rules.  
546  
01:01:47.610 --> 01:01:52.920  
Which are the, the rules are silent on the mandatory coupling of married  
jockeys in a given him and race.  
547  
01:01:52.920 --> 01:01:57.000  
However, they do say that a jockey shall not compete.  
548  
01:01:57.000 --> 01:02:00.840  
In any race against a horse, which is trained.  
549  
01:02:00.840 --> 01:02:06.900  
By the jockey's spouse, and as previously mentioned, we had agreed with  
that as well.  
550  
01:02:06.900 --> 01:02:13.619  
Additionally, um, we have provided information with a survey that was  
conducted by the.  
551  
01:02:13.619 --> 01:02:18.780  
Model rules and provided that to the commission if at any time I can, um.  
552

01:02:18.780 --> 01:02:21.960

Provide the additional results from that if.

553

01:02:21.960 --> 01:02:28.769

If so requesting, thank you again for your time, and we're happy to address any and all questions you may have.

554

01:02:30.030 --> 01:02:43.860

I want to thank both of you for participating in today's, uh, hearing. I got 11 very quick question here. Uh, you had indicated that you thought it, you're fine with coupling if the Stewards deem necessary.

555

01:02:43.860 --> 01:02:48.780

And under what circumstances would you think that would be appropriate and be triggered?

556

01:02:50.099 --> 01:02:55.559

If in the event that there had been any concerns that the stewards had any concerns based on.

557

01:02:57.389 --> 01:03:02.610

The 2 jockeys being permitted, whatever, the familiar relationship being permitted.

558

01:03:02.610 --> 01:03:07.260

To compete against each other. Had there been a concern presented to.

559

01:03:07.260 --> 01:03:12.090

The stewards whether it be anonymously or otherwise.

560

01:03:12.090 --> 01:03:15.239

They have the authority to address those.

561

01:03:15.239 --> 01:03:23.010

This is, as I said, that's actually reading the language from the rule as it was adopted with regards to the owners.

562

01:03:23.010 --> 01:03:32.070

We simply said that that would also apply meaning that would also apply in the event that that spousal jockeys were allowed to compete against 1 another.

563

01:03:32.070 --> 01:03:36.780

No, I appreciate Robin just check this, Terry, you know, again.

564

01:03:36.780 --> 01:03:45.780

You got qualified Stewarts in New York. They know the history of the Davis family. They know the history of the McCarthy family.

565

01:03:45.780 --> 01:03:52.920

You know, I would think it'd be a, you know, for them in this particular case, it'd be a no brainer if, uh.

566

01:03:52.920 --> 01:04:03.625

It's the stewards, there's 2 jobs that came from New Mexico or Oklahoma or something you know, there's no familiarity with them. That'd be the Stewart's discretion.

567

01:04:03.954 --> 01:04:10.614

You know, if there's some background issues, whether it be through the or other state investigators.

568

01:04:10.829 --> 01:04:20.400

Then, you know, that's where the commission, the commission, and the stewards are in charge of all lights and D and it should be no difference between the jocks and or trainers.

569

01:04:20.400 --> 01:04:26.940

You know, is been alluded to, you know, the Frank Martin's and the Jose Martin's and today the angle hearts.

570

01:04:26.940 --> 01:04:34.769

If there is some history of, you know, collusion in the background, they should be coupled or whatever it may be. So.

571

01:04:34.769 --> 01:04:38.519

Same thing with non coupling of entries and stake races.

572

01:04:38.519 --> 01:04:47.250

You know, I don't think it's much of a difference here, you know, whether it be, I think it integrity is very important and protecting, you know.

573

01:04:47.250 --> 01:04:56.760

The industry, um, but I think it's more transparency and uncovering and stake races, you know, and you get.

574

01:04:56.760 --> 01:05:01.139

You know, virus packet as refer to handle.

575

01:05:01.139 --> 01:05:09.510

But the same time, I think it's the integrity and come into if you uncouple entries and stake races and one's used for a rabbit.

576

01:05:09.510 --> 01:05:17.579

And the others are not aware of it, you know, what is being used for then it should be the Stewart's discretion.

577

01:05:19.650 --> 01:05:26.610

Well, thank you very much. Uh, any of the staff here have any questions for for the Gil.

578

01:05:27.929 --> 01:05:30.989

Oh, Mr Barnes on it.

579

01:05:34.289 --> 01:05:38.909

No, no, I just I like to add my thanks for their perspective and input.

580

01:05:38.909 --> 01:05:45.150

Well, we appreciate it. Thank you. We greatly appreciate you guys taking the time, and including us in this.

581

01:05:45.150 --> 01:05:50.219

Discussion, well, thanks again for your, your participation.

582

01:05:51.300 --> 01:05:56.699

Our next participants are from the New York thoroughbred horseman Association.

583

01:05:56.699 --> 01:06:00.059

Joe Apple bomb and will.

584

01:06:00.059 --> 01:06:06.659

Joe Apple bomb has been president of the New York thoroughbred divorcements association since 2013.

585

01:06:06.659 --> 01:06:10.500

Is a partner in off the hook, the partners.

586

01:06:10.500 --> 01:06:16.650

A breeding racing and sales company with farm with a farm and training center and Ocala, Florida.

587

01:06:16.650 --> 01:06:24.000

In offices in New York City will is the executive director of the New York thoroughbred horseman Association.

588

01:06:24.000 --> 01:06:29.099

Previous to this employment. Mr. Allan was the director of business development.

589

01:06:29.099 --> 01:06:33.300

Director of guest services and then the director of racing analytics.

590

01:06:33.300 --> 01:06:42.840

In Iraq, prior to coming to New York will was with Portland meadows for nearly a decade serving as the director of wagering and guest services and general manager.

591

01:06:42.840 --> 01:06:52.110

He has a long history of racing serving on, on both sides, including in the hardest industry as well. Up in Canada.

592

01:06:52.110 --> 01:06:56.309

Gentlemen, appreciate your, uh, your input.

593

01:06:56.815 --> 01:07:10.795

Great Rob. Thanks for having us will's going to start and talk specifically about the rule and then I'm going to give a perspective and answer 1 of the questions gaming posed more as a consumer advocate.

594

01:07:11.340 --> 01:07:14.369

So well, why don't you take it away?

595

01:07:14.369 --> 01:07:27.269

Great Thank you. Rob, thank you. Joe. Really appreciate it. We're here representing the 6,000 plus members who own and train horses racing at the NY racing circuit.

596

01:07:27.269 --> 01:07:40.170

I've appreciated also listening to all the other testimony, especially recently from Mindy Coleman, from The Jockey Guild and Ben Liebeman they covered a lot of the topics that we would like to cover.

597

01:07:41.304 --> 01:07:53.275

Unequivocally integrity is paramount for our, our industry. There's a lot of instances there and the importance of keeping our customers playing with confidence is important.

598

01:07:54.894 --> 01:08:06.894

And, um, you know, when when people wager on the races that generates handle, and from that handle there generates revenue for both the racetrack. And us as Horseman.

599

01:08:07.494 --> 01:08:11.695

The predominant source of our purse account is, um.

600

01:08:12.000 --> 01:08:18.930

Is the money generated from betting so, uh, if our customers aren't betting with confidence.

601

01:08:18.930 --> 01:08:30.149

They're probably not betting, and we're directly impacted that means our owners and trainers will run for less prize money and then That'll decrease investment in the industry.

602

01:08:30.149 --> 01:08:40.949

Um, beyond the integrity, we have to put out a good product and, uh, 1 of the key indicators of a good betting product for customer is field size.

603

01:08:40.949 --> 01:08:47.609

And when horses are coupled that impacts field size, it reduces the amount of betting interests.

604

01:08:48.024 --> 01:09:02.064

That a customer can bet on individually or an exotic wagers horizontal wager as such as the exact top 2 to affect the top 3. sorry? Vertical majors. And then horizontal wagers such as the pick.

605

01:09:02.064 --> 01:09:05.364

2 pick 3, 4, 5, 6.

606

01:09:05.609 --> 01:09:20.609

And at this stage, in the game, after New York has expanded the rule. We're at a point now where we feel that it is, uh, the time to end all.

607

01:09:20.609 --> 01:09:23.760

Coupling in horse racing in New York.

608

01:09:24.414 --> 01:09:39.234

1 of the reasons why we're able to come up with this conclusion is that people in New York are currently betting horse races in other jurisdictions that don't couple entries at all. And so if our customers are betting races from California.

609

01:09:39.569 --> 01:09:51.685

Illinois and other jurisdictions, major jurisdictions, including Florida, where there aren't any, uh, couple of entries under any circumstances. Their expectation from New York can be the same.

610

01:09:51.715 --> 01:10:04.104

So, we are going above and beyond and reducing the amount of betting interests to all of our detriment that being the Perse account, the racetrack and any additional tax revenue.

611

01:10:05.215 --> 01:10:09.414

This is a little bit of a esoteric example,

612

01:10:09.564 --> 01:10:22.225

but 1 of the ways that New York protects the betting public or tries to protect the betting public with betting inch with a couple of entries is that if there's a late scratch at the gate.

613

01:10:22.560 --> 01:10:27.689

Um, to 1 of the horses in, in, in in the couple of entry.

614

01:10:27.689 --> 01:10:35.460

The other course is also scratch for betting purposes and runs for purse money only so now.

615

01:10:35.460 --> 01:10:39.000

Suppose that there was a really good horse.

616

01:10:39.000 --> 01:10:49.859

And a, not so good horse in that in that couple of entry. Suppose the not so good worse scratches at the gate. The really good horse still runs for purse money. Only.

617

01:10:49.944 --> 01:11:01.585

It wins the race betting. Public might not seem to be directly impacted because they didn't lose any money but of course, they don't cash their winning tickets.

618

01:11:01.854 --> 01:11:05.694

Uh, the reason why I mentioned this is in the horizontal majors.

619

01:11:05.880 --> 01:11:13.949

If if your entry is scratched, you move to the post time favorite. So, if the post name favorite doesn't finish 2nd, in that example.

620

01:11:13.949 --> 01:11:22.770

You now have a losing ticket, despite the fact that you correctly selected the betting interest. So you are directly impacted.

621

01:11:22.770 --> 01:11:36.989

So, there's a lot of negative consequences to coupling entries and we're at this stage now where major jurisdictions don't couple entries at all. And we believe New York should move towards that avenue as well.

622

01:11:36.989 --> 01:11:46.710

Looking at the questions that were provided in advance what rules and model rules exist in horse racing and other sports to deal with potential conflicts.

623

01:11:46.710 --> 01:11:55.770

It's not directly a recommendation on our behalf, but the New York State gaming commission already has rule 4. 0, 3 5.2.

624

01:11:55.770 --> 01:12:00.869

File writing, penalized and under subsection.

625

01:12:00.869 --> 01:12:05.609

It currently allows for stewards to potentially disqualified.

626

01:12:05.609 --> 01:12:10.949

Uh, and potentially disqualify an uncouples entry for the same trainer.

627

01:12:10.949 --> 01:12:17.760

So this is a good place to start. If the New York State gaming commission was going to look at rules.

628

01:12:17.760 --> 01:12:31.020

That provides for some type of penalty to ensure that the integrity of uncouple entries continues, uh, in all races. Um, should we be uncovered for all entries?

629

01:12:31.020 --> 01:12:36.449

Definitely been talked about the issues with disclosure of relationships.

630

01:12:36.449 --> 01:12:42.390

I agree with those comments, but I also believe that we should try our best.

631

01:12:42.390 --> 01:12:52.854

And be as transparent as possible. Carrie Woerner, Assemblywoman Woerner, brought up a good point, the host track that is conducting the race.

632

01:12:53.064 --> 01:13:06.715

Belmont, Aqueduct, Saratoga or Finger Lakes could absolutely put this information on their website on their video displays. And in the program, our customers utilize the host tracks. Um.

633

01:13:06.989 --> 01:13:15.810

Program TV display and website for almost all of their information and that is a great place to share the information.

634

01:13:17.185 --> 01:13:30.774

Independently, but also did mention an issue with incomplete information he brought up the Mike Smith and Chantelle Sutherland example, where they weren't exactly married and that's just a great example.

635

01:13:30.835 --> 01:13:41.244

And people are betting on California races uncouples, knowing full well, that that situation presented itself at the time, when it did.

636

01:13:42.779 --> 01:13:50.880

And then there's 1 other question about the commission's rules for compelling, be synchronized for thoroughbred harness and quarter horse racing.

637

01:13:50.880 --> 01:13:55.470

I strongly advocate for synchronizing all rules.

638

01:13:55.470 --> 01:14:02.279

Bennett Liebeman talked about that as well. I just wanted to echo those sentiments that to make it, uh.

639

01:14:02.279 --> 01:14:13.109

Going back to the customer and making it easy and simple for them as possible. If we look at for our customers, we're looking after our industry. And so that's in our best interest.

640

01:14:14.635 --> 01:14:15.114

Joe,

641

01:14:15.864 --> 01:14:16.645

thanks well,

642

01:14:16.734 --> 01:14:21.774

I appreciate it in the notice that gaming sent out 1 of the questions was,

643

01:14:21.774 --> 01:14:31.225

should the regulatory regime be uniform across all sports or should wagering uncertain sports be regulated differently than wagering on other sports and if so,

644

01:14:31.225 --> 01:14:31.645

how?

645

01:14:32.274 --> 01:14:42.385

So the short answer to your question is it should largely be uniform with select differences, taking account of actual wagering systems. Uh.

646

01:14:42.689 --> 01:14:53.760

And the differences between multi participant events and BI, modal events, um, not the actual sports themselves, not the action on the field so to speak.

647

01:14:53.760 --> 01:14:55.255

The longer answer though,  
648

01:14:55.494 --> 01:15:04.585

is that gaming regulation in general needs to be thoroughly modernized as  
the emergence of sports wagering has largely been unregulated,  
649

01:15:05.454 --> 01:15:14.725

or left to self interested leagues or gaming companies to enforce rules  
that are designed to protect their share price their ownership interest.  
650

01:15:14.994 --> 01:15:26.604

And not necessarily the integrity of the wagering contest, which I would  
suggest is more in line with what gaming interests lie for example.  
651

01:15:26.850 --> 01:15:37.409

Gaming zone notice it has a question that begins what are the proper  
penalties for a competitor failing to expend maximum effort.  
652

01:15:37.409 --> 01:15:49.529

Well, in professional sports, basketball, football, et cetera this basic  
integrity concept is violated all the time. It's actually a strategy  
called tanking.  
653

01:15:50.125 --> 01:15:54.385

Most famously in the last game of the last NFL season,  
654

01:15:54.385 --> 01:15:56.244

not this year season the previous season,  
655

01:15:56.604 --> 01:16:05.814

the Philadelphia Eagles inserted 3rd string quarterback field in the  
game's 4th quarter in a blatant attempt to lose and secure a higher  
draft.  
656

01:16:06.600 --> 01:16:21.060

Well, this makes a lot of sense for the eagles organization in a very way  
and it may have even helped them make the play offs this year. But it's  
an, it's inherently unfair to the wagering public.  
657

01:16:21.060 --> 01:16:32.965

Well, in horse racing, there is actual rules that we have to govern this  
behavior not a lawyer, but I love to quote a good rule 403 5.4  
instructions to jockeys.  
658

01:16:32.965 --> 01:16:39.505

All horses are expected to give their best efforts and races in which  
they are run.  
659

01:16:39.505 --> 01:16:53.875

And any instructions or advice to jockeys to ride, or handle their mounts  
otherwise and for the purpose of winning or forbidden, and will be  
subject all persons giving, or following such instructions or advice to  
disciplinary action by the stewards. And the commission.

660

01:16:56.220 --> 01:17:06.659

This is blatantly untrue of many professional sports. So what am I actually saying here? It's what I'm saying is that.

661

01:17:06.659 --> 01:17:18.000

Intake we have to decide is integrity, the most important thing that we're talking about, and enforce that across all sports instead of just in 1 sport.

662

01:17:18.000 --> 01:17:32.520

Horse racing in many ways has had a much higher regulatory structure, a much higher bar across, even though that may not be the popular perception. That's the actual truth. We have to answer to all of you.

663

01:17:32.520 --> 01:17:36.779

Who did the NBA have to answer to about the Tim Donnie scandal?

664

01:17:36.779 --> 01:17:39.779

I would say no, so.

665

01:17:39.805 --> 01:17:43.914

Our recommendation in addition to having no,

666

01:17:45.324 --> 01:17:56.814

no couple of entries at all would be to have a thorough review of all the gaming regulations revolving wagering to make sure they're consistent across sports.

667

01:17:57.060 --> 01:18:02.520

Thank you.

668

01:18:02.520 --> 01:18:10.500

Will and Joe, I appreciate your participating here. Does anyone have any questions for a.

669

01:18:10.500 --> 01:18:15.420

For for for did do you have any questions.

670

01:18:17.130 --> 01:18:22.439

No, again, gentlemen, thank you for your input and participation. It's very useful to us.

671

01:18:22.439 --> 01:18:34.109

Our pleasure, I mean, Joe, you raised some really interesting points about the, the dichotomy between approach and and treating, and perhaps over treating.

672

01:18:34.109 --> 01:18:37.470

The way that we look at things and horse racing.

673

01:18:37.470 --> 01:18:48.090

Do you think as a general sense it, the industry or or what? Sports while you're in general should move towards horse racing or horse race and move towards.

674

01:18:48.090 --> 01:18:56.489

The way that, uh, that there's been a hands off approach and letting the market decide who's competing strongly or not.

675

01:18:57.024 --> 01:18:57.354

It's,

676

01:18:57.385 --> 01:18:59.005

it's my general impression,

677

01:18:59.005 --> 01:18:59.664

and I say this,

678

01:18:59.664 --> 01:19:01.585

not only as an industry participant,

679

01:19:01.795 --> 01:19:13.765

but as a wagering participant that the most fundamentally fair systems are systems where the house so to speak does not have an interest in 1 side or the other.

680

01:19:14.274 --> 01:19:18.864

And so a power mutual system is inherently that Nope,

681

01:19:18.895 --> 01:19:23.335

people like to fight about what the proper tax rate on that should be but,

682

01:19:23.364 --> 01:19:23.755

uh,

683

01:19:23.784 --> 01:19:25.194

other systems exist,

684

01:19:25.435 --> 01:19:25.704

uh,

685

01:19:25.704 --> 01:19:27.954

what they call optimal systems,

686

01:19:28.194 --> 01:19:28.914

um,

687

01:19:29.425 --> 01:19:31.614

similar to exchange wagering,

688

01:19:31.795 --> 01:19:32.185

uh,

689

01:19:32.215 --> 01:19:32.875

or,  
690  
01:19:32.904 --> 01:19:33.324  
you know,  
691  
01:19:33.324 --> 01:19:35.664  
a stock market or bond market structure,  
692  
01:19:35.904 --> 01:19:36.534  
um,  
693  
01:19:36.774 --> 01:19:37.314  
that.  
694  
01:19:37.590 --> 01:19:44.970  
Doesn't have the power of the league or the power of a bookmaker, uh,  
against the power of the consumer.  
695  
01:19:44.970 --> 01:19:54.145  
Which I think is important. My sense is on the sports themselves. There's  
some relief that can be given to horse racing.  
696  
01:19:54.175 --> 01:20:00.234  
As you all know, you've heard me speak probably too much about the  
licensing disparities.  
697  
01:20:00.954 --> 01:20:11.454  
That could make it more competitive and some more attention also given to  
the sports leagues in general and their actions in terms of, uh.  
698  
01:20:12.000 --> 01:20:22.800  
Shining a light on integrity issues and making sure that they are totally  
transparent with the public in terms of their investigations.  
699  
01:20:24.869 --> 01:20:29.670  
Again, I really appreciate the 2 of you, uh, participating today.  
700  
01:20:29.670 --> 01:20:33.539  
And taking the time to provide your your input.  
701  
01:20:33.539 --> 01:20:37.739  
As we consider these issues, it's always our pleasure up.  
702

Joi Garner, Jeffrey Cannizzo and Joseph Longo, The New York Racing  
Association, Inc.

01:20:37.739 --> 01:20:45.449  
Thank you, uh, next step we have representatives from the New York Racing  
Association.  
703  
01:20:45.449 --> 01:20:50.069  
Is is Joi you say.  
704

01:20:50.069 --> 01:20:55.350

No, Joe is not certain whether joy is on, but I'll introduce her anyway.  
705

01:20:55.350 --> 01:21:01.949

Joi Garner is a senior vice president in general counsel for the New York racing Association.  
706

706

01:21:01.949 --> 01:21:06.989

She had early in her career served as the associate general counsel at NYRA.  
707

707

01:21:06.989 --> 01:21:14.970

Prior to her return, deny or miss Gardner served as a board member executive, vice president, general counsel and corporate secretary.  
708

708

01:21:14.970 --> 01:21:21.630

For think 450, the National Basketball Players Association, licensing and marketing subsidiary.  
709

709

01:21:21.630 --> 01:21:26.520

Overall, she has nearly 20 years of experience in the sports and entertainment law.  
710

710

01:21:26.520 --> 01:21:38.069

Jeff is the senior director of government affairs at NYRA. Previous to his present position Jeff served as the executive director of the New York for bread breeders for over a decade.  
711

711

01:21:38.069 --> 01:21:47.880

Mr. Cannizzo is the 3rd generation horseman from the finger lakes region of New York state with his family being involved in the thoroughbred industry for the past 50 years.  
712

712

01:21:47.880 --> 01:21:53.430

Joseph Longo is the manager of content management solutions at.  
713

713

01:21:53.430 --> 01:21:56.579

An accountant in finance professional.  
714

714

01:21:56.579 --> 01:22:01.409

Prior to Mr. Longo was an auditor financial analyst.  
715

715

01:22:01.409 --> 01:22:04.829

And served as a chief financial officer.  
716

716

01:22:04.829 --> 01:22:14.970

Relate the park, thank you for your participation here and we look forward to hearing your comments. I know that. Mr. Cannizzo. You did.  
717

717

01:22:14.970 --> 01:22:22.560

Circulate a, a, a slide to guide the discussion and we all have copies of that.  
718

718

01:22:23.875 --> 01:22:27.715

Thank you Rob and thank you for having us.

719

01:22:27.744 --> 01:22:28.284

Um,

720

01:22:28.375 --> 01:22:31.465

we are going to talk through some of these pieces much of,

721

01:22:31.465 --> 01:22:34.854

which is already stated by some of our partners here,

722

01:22:34.854 --> 01:22:35.454

but,

723

01:22:35.515 --> 01:22:35.965

um,

724

01:22:35.994 --> 01:22:50.845

annual economic indicators for the racing industry highlight that field sizes steadily declined over the years in an effort to mitigate the downward trend racing jurisdictions have pushed to eliminate the coupling of boundaries for the race cards

725

01:22:51.534 --> 01:22:57.085

coupling of entries has been around for some time and originally it was put in place to protect the fighting public lives right now,

726

01:22:57.685 --> 01:23:00.984

at high level horses in the same race that belong to 1,

727

01:23:00.984 --> 01:23:03.114

another or 1 owner,

728

01:23:03.145 --> 01:23:05.635

or under 1 trainer or coupled together,

729

01:23:06.175 --> 01:23:08.965

having the horses coupled allows us steward stack.

730

01:23:09.270 --> 01:23:18.329

Against the entry in an event that they feel the ban in public was harm. It also serves as the parent to the entry concluding against other vetting interest.

731

01:23:18.329 --> 01:23:30.000

Several rates and jurisdictions have since eliminated or uncontrolled entries altogether. There are no longer couple of entries in California, Florida, Illinois.

732

01:23:30.000 --> 01:23:38.755

West Virginia, and Maryland outside of the United States Ontario has eliminated couple of entries as well as most major racing countries in Europe.

733

01:23:39.265 --> 01:23:47.515

The change the changes yielded an increase in field size and handle and resulted in subsequent increase, betting interest, New York as we know.  
734

01:23:47.515 --> 01:23:54.234

Is 1 state that must couple of horses at certain criteria as we stated sections 4025.10,  
735

01:23:54.444 --> 01:24:08.215

the limitation on entries and New York state per mutual wage and Britain law specifically addresses when to couple entries criteria include common ownership forces trained are written by spouse parent or a member of Jackie's household.  
736

736

01:24:10.289 --> 01:24:16.109

And at the request of the commission Stewart, if they find it's be necessary for the public interest.  
737

737

01:24:17.274 --> 01:24:28.524

In 2010 has been stated New York amended the rules to allow a trainer to enter. 2. horses is an uncomfortable entry. As long as the horses don't have the same owner as a result.  
738

738

01:24:29.125 --> 01:24:36.145

The horses are considered separate, betting interest 5 years later the same commission in 2015 amended the rules.  
739

739

01:24:38.850 --> 01:24:43.859

So that horses would not be coupled in stakes races with persons of 50,000 dollars or more.  
740

740

01:24:43.859 --> 01:24:55.260

The chance positively impacted handle and field size and stakes races. Ron says, 2015 through the state schedule and 1st structure in New York. I think it's very important to note.  
741

741

01:24:55.260 --> 01:25:06.569

Since both of those changes race in wager, integrity has not been affected by either of those changes, nor has there been any evidence or concerns for the betting public.  
742

742

01:25:06.569 --> 01:25:18.569

What I want to emphasize on now is what this would mean to uncouple fully uncouple entries in the state of New York specifically to NYRA in 2021.  
743

743

01:25:18.569 --> 01:25:31.734

This would mean that there would have been 168 entries that actually were coupled. Uh, that would be point 85 per day on overnight races. If you extrapolated that over an estimated 200 days of racing, the neurons are moving the stakes races.  
744

744

01:25:34.619 --> 01:25:45.270

The average hand handle per betting interest, which is about 150,000 holding everything equal. That will result in roughly 25Million dollars.

745

01:25:45.270 --> 01:25:55.800

An additional handle that would positively impact. Both NYRA it's horsemen in the state of New York. Some interest in other numbers wrapped around a couple of entries.

746

01:25:56.125 --> 01:26:00.864

61% of our couple entries took place in claiming races of which,

747

01:26:01.854 --> 01:26:03.685

as we know would have the greatest,

748

01:26:03.685 --> 01:26:03.774

uh,

749

01:26:03.774 --> 01:26:12.324

impact and largest to New York state racing where we need entries on top of that 50% of total couple entries occurred at Aqueduct.

750

01:26:12.324 --> 01:26:25.345

Um, so as stated simply put Nara is believes and has believed for a long time. Now that it is time to fully uncouple entries to align us with.

751

01:26:26.729 --> 01:26:40.380

The various other jurisdictions around the country itself to be under 1 umbrella for our customer sets has been has been outlined by some of our other speakers here today. And, uh, we're here to address any questions you may have. So, thank you.

752

01:26:51.210 --> 01:27:05.699

Be taken to a form to bank public, go back and do it again. Well, can you start over? Sure. Coupling was, uh, eliminated what additional steps do you think should be taken to implement the building? Public.

753

01:27:08.664 --> 01:27:08.814

Well,

754

01:27:08.814 --> 01:27:09.324

I think it's,

755

01:27:09.324 --> 01:27:14.935

it's the common answer that you've heard already today we have various media sources of course,

756

01:27:14.935 --> 01:27:17.244

at NYRA be at our website,

757

01:27:17.244 --> 01:27:21.625

our program and other information that's distributed on track and virtually,

758

01:27:21.625 --> 01:27:22.494

I think that that's,

759

01:27:22.854 --> 01:27:23.215

uh,  
760

01:27:23.215 --> 01:27:25.015

the mechanisms as.

761

01:27:25.350 --> 01:27:34.409

Have been outlined that we would use to inform the public of any information that's pertinent to wagering. That's going to occur on our races at NYRA.

762

01:27:40.979 --> 01:27:45.869

Thank you anyone else have any questions for, for, for NYRA relative to this.

763

01:27:47.520 --> 01:27:51.119

Nope, no thanks.

764

01:27:51.119 --> 01:27:58.649

Okay, um, we appreciate your your input relative to the, the couple of entries.

765

01:27:58.649 --> 01:28:05.250

Position here, which, as you mentioned, it's consistent with some other individuals that have spoken.

766

01:28:05.250 --> 01:28:10.079

And we appreciate your the time you've taken to to address this.

767

**William Gotimer, Attorney-at-Law**

01:28:10.079 --> 01:28:18.390

Thank you thanks. Our next participant is, uh, William Gotimer.

768

01:28:18.390 --> 01:28:24.239

Mister Gotimer is an attorney and business consultant with a long history of horse racing interest.

769

01:28:24.239 --> 01:28:28.680

As a fan as a commentator, and as a horse owner.

770

01:28:28.680 --> 01:28:33.689

In his career, he has also held professional positions at McLean industries.

771

01:28:33.689 --> 01:28:39.000

British Airways and American world Airways and trailer bridge.

772

01:28:39.000 --> 01:28:43.739

Of most importance to today's hearing Mister Gotimer has represented.

773

01:28:43.739 --> 01:28:51.119

Katy Davis jockey who has alleged NYRA's racing office had requested trainers not to use her to ride.

774

01:28:51.119 --> 01:28:56.909

To avoid the necessity to couple entries and thereby reduce vetting interest.

775

01:28:56.909 --> 01:29:03.630

Mister, he's not muted.

776

01:29:03.630 --> 01:29:07.920

You got him on hold on a 2nd. We're having a little difficulty hearing. Yeah.

777

01:29:09.989 --> 01:29:13.289

Try again, is that better.

778

01:29:13.289 --> 01:29:26.125

We got you perfect. Okay, great. So, I want to thank the commission and the other panelists for the time this afternoon. I apologize if some of some of my presentation is repetitive from from what some of the other participants have put forth.

779

01:29:26.694 --> 01:29:38.425

But as you know, my name is William Gotimer, and I'm an attorney for representing Katie Davis and Katie Davis is a tremendously gifted athlete. And the impetus for the legislation that was recently vetoed by government local.

780

01:29:39.210 --> 01:29:51.359

Katie Davis is a licensed jockey in New York state and elsewhere, and as a member of the Davis family of jockeys, and trainers that include a father, Robby, a brother and 2, and a sister Jackie, all of whom are gifted athletes.

781

01:29:51.359 --> 01:29:55.829

And collectively had written in New York and elsewhere for more than 4 decades.

782

01:29:55.829 --> 01:30:08.880

Each of them has dedicated their lives to caring for and protecting thoroughbred athletes despite her and her family's pristine reputation in the industry. She has seen her professional career severely damaged.

783

01:30:08.880 --> 01:30:15.779

By this commission in this role, because she exercise to constitutionally right protected right. To marry and begin a family.

784

01:30:15.779 --> 01:30:25.619

She ran afoul of this commission, and this rule when she chose to marry similarly gifted professional athlete with a pristine reputation as the aforementioned travel McCarthy.

785

01:30:25.619 --> 01:30:29.550

This damage was inflicted on her career.

786

01:30:29.550 --> 01:30:33.149

By the commission, and this rule, not due to lack of talent.

787

01:30:33.175 --> 01:30:34.824

Not to to a political stance,

788

01:30:35.425 --> 01:30:37.194

not to to a lack of work ethic,

789

01:30:37.404 --> 01:30:40.404

not due to a lack of acceptance by owners and trainers,

790

01:30:40.404 --> 01:30:43.494

or a female and an overwhelmingly male dominated profession,

791

01:30:43.854 --> 01:30:45.175

not due to personality,

792

01:30:45.475 --> 01:30:46.975

not due to ignoring or dishonor,

793

01:30:46.975 --> 01:30:51.354

erasing rules for 2 entirely to the commissions stated,

794

01:30:51.354 --> 01:30:55.465

believe that a spouse may not put forth an honest effort.

795

01:30:55.739 --> 01:31:00.119

Against their spouse, we need to let that sink in for a moment.

796

01:31:00.119 --> 01:31:04.319

This commission has a regulation that has has its underpinning.

797

01:31:04.319 --> 01:31:07.590

The assumption that spouses our untrustworthy.

798

01:31:07.590 --> 01:31:11.909

Or, at the very least, the jockeys who are married are inherently trustworthy.

799

01:31:11.909 --> 01:31:17.460

Let's be clear. My client's career was damaged by this regulation.

800

01:31:17.460 --> 01:31:21.779

Owners and trainers who wish to avail themselves of her tremendous talent.

801

01:31:21.779 --> 01:31:26.220

Were burdened by the negative consequence of using her services under this regulation.

802

01:31:26.220 --> 01:31:33.090

In a business as competitive as race riding, any negative consequences causes considerable damage.

803

01:31:33.090 --> 01:31:39.270

For the reasons already outlined repeatedly to the commission, this regulation hurts taxpayers.

804

01:31:39.270 --> 01:31:43.470

Horsemen race track operators without any discernible benefits.

805

01:31:43.470 --> 01:31:52.590

In fact, it is regularly and openly mocked by commentators on TVG, a television channel dedicated, almost exclusively in a horse racing.

806

01:31:53.635 --> 01:31:58.914

While the commission takes great umbrage at the suggestion that this discriminatory regulation is aimed at women.

807

01:31:59.454 --> 01:32:10.675

There is no question that it has a disproportionate impact on women and most likely will have a disproportionate impact on same sex marriage jockeys when that situation inevitably arises.

808

01:32:10.918 --> 01:32:19.649

As such it is, my belief that it likely violates both the United States and New York States Constitution, and as an example of government overreach.

809

01:32:19.649 --> 01:32:25.378

The commission seeks to justify the harm this regulation rains down on married riders.

810

01:32:25.378 --> 01:32:33.328

And the racing industry, biologically destroyed regulation, protects the betting public against design a, to marry this honest married writers.

811

01:32:33.328 --> 01:32:44.578

It is a little more than telling that the commission seeks to assure gamblers that it is protecting them by admitting it is impotent.

Otherwise effectively police dishonesty or wrong doing.

812

01:32:44.578 --> 01:32:58.139

Professed concern for the betting public is strongly under cut by the commissions willingness to allow it's in state franchise holders to aggressively accept bets on racist from jurisdictions, which have no similar requirement.

813

01:32:58.644 --> 01:33:12.923

To be clear, it is perfectly acceptable to the commission to have New York residents wager on Katie Davis, and her husband in the same race without protection of the suspicious regulation. So, as long as the raises conducted outside New York state.

814

01:33:14.309 --> 01:33:20.969

Therefore, this rule only inhibits New York state competition while granting out of state raises an advantage.

815

01:33:20.969 --> 01:33:27.479

New York state legislature sought to correct this anomaly by taking Swift, overwhelming action.

816

01:33:27.479 --> 01:33:32.548

Only to see the governor who herself is married Peter women refer back to the commission.

817

01:33:32.548 --> 01:33:44.668

As the commission now seeks input on this and decent sports, betting oversight, it's laughable to think that they will implement restrictions on the NBA Cory, or at the coupon brothers.

818

01:33:44.668 --> 01:33:57.298

Sports history, including horse racing is replete with examples of relatives and those with familial and relationships competing honestly and honestly against 1 another and structure of victory and excellence.

819

01:33:58.679 --> 01:34:07.769

This regulation is directly aimed at and enforced against spouses and by extension in an industry that is male dominated specifically at married women.

820

01:34:07.769 --> 01:34:11.488

Content otherwise as simply intellectually dishonest.

821

01:34:11.488 --> 01:34:19.738

New York, which is lovely among the leaders in assuring gender. Equality is woefully retrograde and its insistence on this rest regulation.

822

01:34:19.738 --> 01:34:26.309

Commission should've see to the legislators clearly stated position on this matter and rescind the regulation.

823

01:34:26.309 --> 01:34:39.868

The commissioner raising authorities, Ken, and should protect the wage republic for which considerable power without resorting to this blunt instrument, which is discriminatory, outdated and particularly harmful to my client.

824

01:34:39.868 --> 01:34:43.738

And with that all in, by Reeboks, thank you.

825

01:34:43.738 --> 01:34:51.538

I appreciate you letting us know publicly your your position relative to this.

826

01:34:51.538 --> 01:34:56.969

Obviously, we're in the midst of of undertaking this particular hearing.

827

01:34:56.969 --> 01:35:04.378

At the request of, uh, of the governor so that should give you some indication of, uh, how seriously we are.

828

01:35:04.378 --> 01:35:09.779

Taking this issue, does anyone have any questions from Mr?

829

01:35:11.038 --> 01:35:22.408

Rob, I do. So Mr. or do you think this is an area that the commission should not regulate at all? Or are there other measures that you would advocate.

830

01:35:22.408 --> 01:35:26.878

That would advance protection of the betting public.

831

01:35:26.878 --> 01:35:31.078

I think the burning public is adequately protected.

832

01:35:31.078 --> 01:35:45.054

By the inherent power that the stewards and the racing commission have to police wrong doing. I've heard and I originally suggested and I've heard another people embrace my original suggestion. That disclosure would be helpful.

833

01:35:45.774 --> 01:35:46.854

I'm not really.

834

01:35:47.158 --> 01:36:01.948

I don't really believe that the disclosure will be all that important disclosure is always good. So a notation on the bottom of the racing program, or in the entries, I guess would would be marginally helpful but I think the, the racing public.

835

01:36:01.948 --> 01:36:08.038

Is is generally aware, or can be made generally aware of their marriage status. Certainly.

836

01:36:08.038 --> 01:36:11.158

Certainly, this instance.

837

01:36:11.158 --> 01:36:20.639

Has has had plenty of plenty of publicity and plenty of play. And I think the, I think the vetting walk in place makes up for for, for a.

838

01:36:20.639 --> 01:36:26.849

A whole multitude of variables and and I guess to some betters the fact that.

839

01:36:26.849 --> 01:36:31.198

Katie Davis and Trevor McCarthy would be 1 of those to go into that selection.

840

01:36:31.198 --> 01:36:40.948

Thank you again, I appreciate you sharing your your viewpoints relative to this particular issue.

841

01:36:40.948 --> 01:36:47.368

And obviously you'll be playing close attention to what the commission does in the future.

842

01:36:47.368 --> 01:37:00.298

Thank you my understanding that we've reached the end of our, uh, our scheduled speakers. So I want to thank everyone for their time in preparing and participating.

843

01:37:00.298 --> 01:37:06.179

In today's hearing, I also want to remind people that they still may provide written input.

844

01:37:06.179 --> 01:37:09.599

By sending material to our information mailbox.

845

01:37:09.599 --> 01:37:16.618

That info at gaming dot dot com. That's info.

846

01:37:16.618 --> 01:37:20.069

And gaming dot N. Y. dot. Gov.

847

01:37:20.069 --> 01:37:27.779

Procedurally staff will Garrett gather the various information we receive today? And via written submissions.

848

01:37:27.779 --> 01:37:32.939

And ultimately make a recommendation to our commissioners regarding the existing regulation.

849

01:37:32.939 --> 01:37:36.029

And whether its prohibitions need to be reconsidered.

850

01:37:36.029 --> 01:37:41.519

Again, I think you all for participating in this staff hearing is now concluded.

851

01:37:42.748 --> 01:37:45.228

Bye bye. Bye. Bye.