NYS Gaming Commission - Public Meeting Transcript
June 2, 2025 1:30 p.m.
655 3rd Avenue, 6th Floor Conference Room, New York, NY

New York Racing Pari-Mutuel Wagering and Breeding law Section 102 provides that the New York State Gaming Commission shall consist of seven members appointed by the governor by and with the advice and consent of the Senate. Four members having been confirmed by the New York State Senate are necessary to afford the Commission an ability to establish a quorum and undertake action.

This present meeting of the Commission is now called to order Ms. Buckley, will you please Call the roll?

Kristen Buckley: John Crotty.

Here.

Sylvia Hamer.

Here .

Martin Mack.

Here

Peter Moschetti

Here.

Brian O'Dwyer.

Here

Marissa Shorenstein.

Here

Jerry Skurnik.

Here

Executive Director Williams: Please have the record reflect that a quorum of qualified members present, thus enabling the transaction in business.

Mr. Chairman, minutes of the Commission meeting conducted on March 24, 2025, have been provided to the Members in advance.

Chairman O'Dwyer: At this time I'd ask for members, any edits, corrections or amendments.

Hearing none Madam Secretary, please let the record reflect. Edits were accepted as read.

The next item of business is the Executive Director's report. Mr. Williams?

Executive Director Williams: Today I'd like to touch upon the status of the additional casino licensing environmental review process for which the Commission serves as the Environmental Quality Review Act, Lead agency and also walk through the provisions of the recently passed state budget that have direct Commission implication.

I would however like to start my remarks today by observing the recent passing of former Commission Chairman Barry Sample. Mr. Sample served as an inaugural Commissioner of the first Gaming Commission and as its first chairman when we were formed in January of 2013. He also served a second tenure as chairman from 2017 to 2022. Chairman Sample's history of government service long preceded the Commission as he held offices of increasing responsibility over decades.

Barry served as deputy director of state operations in the office of Governor Andrew Cuomo, chief of staff in the office of State Comptroller H. Carl McCall, deputy budget director in the Division of Budget under director Pat Bulgaro and 1st Deputy Commissioner in the Division of Criminal Justice Services, primarily under commissioners Larry Kurlander and John Poklemba.

During his time at the Commission, Chairman Sample was integral to the agency's operation, providing an equal and considerable focus on all four divisions. He also regularly assisted in guiding his fellow commissioners through complex and controversial issues and substantially assisted with the development of rules and policies that uphold the integrity of the games, maximize revenue for education and instill responsible gaming practices among all operators.

On a personal level, anyone who encountered Barry can attest that he had a deep and sharp intellect, which was tempered by a wonderful sense of humor and compassion. Barry was a dedicated public servant who understood how government can and should function, and he worked every day to make our state better.

I think I can speak on behalf of all the Commission employees with whom he interacted, that it was a joy and privilege to have worked with him.

Chairman Brian O'Dwyer: Let me stop you there for a second.

I know some of the other Commissioners had asked that they could share some thoughts on Barry Sample. John Crotty?

Commissioner Crotty: Yes, there was a very appropriate tribute. Barry was a true gentleman in every sense of the word. He helped shape this commission in the very beginning and led to very sensible and reasoned outcomes. On a personal note, it was hard to have a better friend and the amount of learning and the generosity of his time

and spirit were really noteworthy to anyone who interacted with him. It's a great loss. He was a great person. He was a great servant here for the Commission and others, and it will be felt. It was sad to learn of his passing. We wish his family the most amount of comfort in this time.

Chairman O'Dwyer: Commissioner Moschetti?

Commissioner Moschetti: So, I met Barry when I first started in 2014. He had tremendous institutional knowledge. I had none so he was a great source of information for me, a great source of comfort, actually. He was a tremendous wit and a voice of reason. He would not back down from a fight, though. And I was on the other end of some of those fights, I can attest to that. Just a super great person. Big loss.

Chairman O'Dwyer: Thank you, Peter.

Commissioner Skurnick: I joined the Commission later than Commissioner Moschetti and Commissioner Crotty and Executive Director Williams, so I only knew Barry for a few years. I think back to one possibly, one sort of tense meeting the Commission had having to do with the license suspension of horse racing trainer and Barry's even temperament and quick wit alleviated that tension at that meeting. And I'm sure that all of us who were at that meeting will still be grateful to him for that.

And I'll just second, all the other remarks that's been made about him.

Chairman O'Dwyer: Thank you and I know that it has been a loss to the state of New York.

I knew him just briefly and not well, but I know of his experience and his reputation is stellar to this commission. I know that it has been a great loss to us all.

Executive Director Williams: Since our last meeting, the Commission has taken several substantial measures regarding the state Environmental Quality review for the three proposed projects under the additional gaming license requests for applications specifically for the Avenir, Caesar's Palace Times Square, and Freedom Plaza. The Commission issued a declaration of lead agency, reviewed full environmental assessment form part one for each proposal reviewed, and provided comment on a full environmental assessment form, part two, identification of the potential project impacts.

And Part three, the evaluation of the magnitude and importance of project impacts and determination of significance and issued a determination of positive significance. Accordingly, we also made available the proposed draft scope of work for each project and conducted public scoping sessions for each. The scoping sessions that were conducted were for Freedom Plaza on May 20th.

The Caesars Palace Times Square project on May 21st, with a continuation on May 28th and the Avenir project on May 22nd with a continuation on May 29th. There is a tremendous amount of material including video and transcripts of each of the scoping

sessions posted on the Commission's home page on the environmental review materials for additional casino license applicants button.

We're in the process of evaluating all the comments that were, those from the virtual public scoping sessions and those received in writing. After review, we will decide what changes, if any, need to be made to the draft scopes of work, and then we will issue a final scope of work.

I want to remind people that there's still time to submit written comments for our evaluation on each of the three projects. They can be submitted by mail or by sending them by electronic mail to addresses that are posted on our website.

They all, however, must be received no later than 5 p.m. on June 12th, 2025.

Finally, today I want to provide a brief overview of the recently enacted fiscal year '26 state budget.

The law contains seven parts with specific applicability to Commission operations. One provision affected the parimutuel tax. The enacted legislation was a modification of the governor's proposal, which was a modest revenue neutral set of tax simplification changes to how New York collects parimutuel revenues on horse wagering.

Included within the enactment was an attempt to better equalize the state tax on wagers between in state tracks and out of state advanced deposit accounts. Industry sources indicate that out of state advanced deposit wagering platforms handle nearly 40 percent of the parimutuel wagering in New York State.

The enactment also reforms the breakage system, wherein bettors would have their winnings rounded down from the nearest nickel to 50 cents depending upon the type of wager and the amount of the payout. The new law also requires rounding of winnings to the nearest penny for most bets.

As you might recall, Chapter 59 of the laws of 2021 authorized Article 13 licensed gaming facilities to petition for a reduction in the tax rate imposed upon the operation of slot machines. Such a chapter was set to expire and deem repealed five years after its effective date. Today, this budget extended the expiration for an additional five years.

For the past several years, the law has enabled certain regional off track betting corporations to apply to use capital acquisition funds for limited corporate purposes. This year, only the Capital District Regional Off Track Betting Corporation received such authorization.

The budget also included funding for advanced image research program to be conducted at the Cornell Ruffian Equine Specialist Hospital near Belmont Park.

The proposal requires NYRA to invest $2 million for advanced imaging equipment at the equine hospital, while the state will provide operating funds for an initiative totaling approximately $18 million over the next three years.

Functionally, the research will refine risk factor assessments for fatal muscular skeletal injuries in thoroughbreds, basically in the fetlock joint, building upon work conducted in Hong Kong, Australia and the University of California at Davis.

The budget also reduced the state retention from video lottery gaming devices located at Batavia Gaming, which is operated by the Western Regional Off Track Betting Corporation, from 49 percent to 44 percent.

The additional revenue is required to be used to reduce costs of non-executive and non-managerial employees' health care coverage, to increase salaries, wages or benefits paid to non-executive or non-managerial employees, and to increase payments to the corporation's member municipalities. Western estimates the tax savings will equal about four and a half million dollars annually.

The budget also included a change of terms to some members of NYRA's board of directors, extending them to keep continuity of leadership through the conclusion of the rebuilding of Belmont Park.

The enactment also sets minimum professional experience or involvement in thoroughbred racing for some members of the board.

And finally, since commencement, six million from mobile sports wagering revenue has been dedicated to problem gambling, education and treatment purposes. This year's budget increases that amount to $12 million, provided that the increased amount may only be expended pursuant to a plan approved by the Director of the Budget. Mr. Chairman?

Chairman O'Dwyer: I think we are up to rulemaking.

Executive Director Williams: For Commission consideration are amendments to the Commission's rules for two existing commercial casino games: Ultimate Texas Hold'em poker and Heads Up Hold'em poker table games. Current Ultimate Texas Hold'em poker rules may be found at 5324.36 while Heads Up Hold'em poker rules may be located at 5324.43.

The proposal would add a new optional wager called the ultimate payers wager, to the Ultimate Texas Hold'em poker table game and make changes to the Heads Up Hold'em poker table game for organizational consistency with other table game rules.

With respect to the proposed ultimate payer's wager the bet would pay the player in the Ultimate Texas Hold'em poker table game if the player's two hole cards contain a pair or an ace with a face card without regard to the outcome of the primary games.

This additional wager was brought to our attention by a licensed casino as it has been authorized for play in several other jurisdictions, including Pennsylvania, Illinois, Colorado and Maryland.

Staff reviewed its addition and determined its addition would likely be attractive to patrons, thereby enhancing revenue to both the casinos and to the state.

The amendments for the proposed Heads Up Hold'em poker table game would keep definitions of wagers consistent within the table games definition section, structure consistently the organization of the rules for the Heads Up Hold'em, poker table game and to make other technical recommendations. Staff recommends that the Commission propose this rule.

Chair O'Dwyer: Commissioners, any questions on the proposal of or amendments to Ultimate Texas, Hold'em, poker and Heads Up Hold'em?

I have a motion to propose a rule.

So moved second. Any discussion.

All in favor? Aye, opposed.

Time for my chairman's report.

I've traditionally used this portion of the agenda to provide updates on my activities during the time since our last meeting and to focus on attentions on items I believe important.

In a little over a month, the Commission will be receiving applications to obtain one of the three potential licensees for the operation of a casino in New York. A vital part of the selection process as enacted by the legislature is the Community Advisory Committee.

The committee appointed by certain public officials in an area in which the casino seeks to operate, must vote by a 2/3 majority to advance an application to the Gaming Facilities Location Board to consider the application. An abstention or absence from the CAC is considered a no vote.

This procedure was enacted by the legislature to ensure that only those casinos that were desired by their communities to operate in their midst would be considered. This is a vital point to the process. If the CAC does not agree that that application gets denied.

I have asked our staff to identify public officials who represent sites that have a reasonable expectation of hosting an applicant for a commercial casino and alert them to the provisions of the law.

That will provide them an appointment to the Community Advisory Committee. I urge each one of those public officials to exercise their appointment power at the appropriate time.

It is truly vital that the voice of the community be heard in this in this process.

The proliferation of mobile sports betting has provided significant revenue to the state and has provided a convenient method for those who wish to wager on sports.

Nevertheless, we must be cognizant of the downside of problem gambling, and I, along with our Executive Director, working with the industry to address the issue.

Whilst mobile sports betting has been a contributing problem, it is not alone. We cannot and should not ignore the other areas of gaming which until now have gone largely unregulated: fantasy sports leagues and so-called sweepstakes casinos. I know the legislature under chairs, Addabbo and Woerner, has the matter under consideration and I welcome their efforts.

The Commission as well has taken steps to assure that these industries abide by the law and we will continue to do so in the future looking toward further regulation.

The present tariff dispute between the EU and the United States is fraught with peril for the equine industry in New York. The United States has proposed tariffs on the import of horses from the EU. The EU is considering imposing retaliatory tariffs, which would substantially harm the free flow of horses between the two jurisdictions, to the detriment of the industry in New York.

I'm working with the Thoroughbred fund towards the EU through our counterparts in the Irish horse racing industry to not impose these tariffs on us horses, New York horses, and I'm also working with for the industry to educate our elected representatives about the immense harm that such a course of tariffs would impose on the thousands of constituents that rely on the horse racing industry for a living.

I'm happy to report that as I had discussed with you in the past that the agency has renewed efforts to bring on seasonal college interns so as to better prepare the next generation of gaming regulators.

I am pleased to announce that two individuals have joined us for the summer and hopefully we can have more. James Donovan, who just graduated from the University of Buffalo, has joined our lottery customer service center in Buffalo to support the office and help prepare for the lottery's annual presence at the Erie County Fair in August and Isabella Richards a junior at Florida State University has joined our Counsel's office in Schenectady this summer to start the important legal work done at the agency.

We welcome both to the Commission and remind college students that we still have internships positions available for this summer and urge them to get in touch with our office in that regard.

I want to put a plug in now for Saturday, which marks the 157th Belmont Stakes being conducted once again at Saratoga Race Course while Belmont Park is being redeveloped. As with last year, the final leg of the Triple Crown is the centerpiece of the four day Belmont Stakes Racing Festival, which kicks off this Wednesday, with the New York Showcase Day.

The race card is phenomenal. Wednesday there are six New York bred restricted stakes races, plus the Grade 1 Beverly R Steinman steeplechase. Thursday's card features Grade 2 International and Grade 3 Poker. Friday's card features the Grade 1 Acorn, Grade 1 New York, Grade 1 Ogden Phipps, Grade 1, Just a Game, Grade 2 Belmont Gold Cup, Grade 2 A Bed of Roses. Belmont Stakes Day will see graded stakes Grade 1, Metropolitan Handicap and Grade 3 Union Ridge, Grade 3 True North, Grade 1 Woody Stevens, Grade 1 Jaipour, Grade 2, wonder again. And, of course, the Grade 1 Belmont Stakes. Sunday, we'll see Grade 3 Soaring Softly.

Having seen all these great races, I don't know whether I should be happy or sad that I am prohibited by law from betting on any of them.

I'm sure that all of us here at the commission welcome the good news that we read in the papers that the Breeders Cup would be hosted at Belmont in 2027. That is terrific news for the industry and for all of us.

Finally, I wanted to weigh in on the on something that is very personal to me. I did want to weigh in on the enforcement of the whipping rule in stakes races. I understand that this Commission has been preempted by federal legislation from enforcing any standards regarding the whipping of horses. Nevertheless, at a time when racing has under increased scrutiny regarding the treatment of RE coined athletes, the imposition of minimal fines for violation of the rule provides increasing incentives to jockeys.

To violate the rule as they seek to spur the amounts to greater speed, the industry and its regulators need to understand that lax enforcement of the rule will ultimately create, cause great harm to racing as we know it.

I look forward to hearing from all of you in the future and I will take a motion to adjourn.

So moved.

2nd.

All in favor?

The meeting is adjourned. Thank you.

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