

NEW YORK  
STATE  
SENATE

ALBANY, NEW YORK 12247



January 14, 2010

Charles Hayward, President & CEO  
New York Racing Association  
Aqueduct Raceway  
11000 Rockaway Boulevard  
South Ozone Park, NY 11420-1035

Dear Mr. Hayward:

We have been following with great interest the recent media dialogue between the New York Racing Association ("NYRA") and the State Comptroller's Office ("Comptroller") concerning the disclosure of NYRA's financial information. Two years ago, New York State made a policy decision to provide NYRA nearly \$105 million in funding *and* forgive nearly \$100 million in outstanding debt to enable the Association to emerge from bankruptcy and continue racing operations. Therefore, we were surprised to learn of NYRA's possible insolvency should a VLT operator for Aqueduct not be selected shortly.

We are encouraged by NYRA's decision to share much of its financial information with and open its books to the Comptroller. However, much more disclosure is required to shed light on the ways in which tax dollars have been spent and to explain the causes of NYRA's possible exhaustion of its funds.

In our oversight capacity as Chairmen of the Senate Standing Committees on Investigations and Government Operations and Racing, Gaming and Wagering, we formally request your cash statements, balance sheets, and lists of outstanding expenditures, liabilities, and debts for calendar years 2008, 2009, and 2010 to date. We additionally request federal and state tax returns for 2008, and all written correspondence, documents, and communications, dated, generated, authored, or created from January 2007 through and including the date of this letter that discuss, concern, address, or are about (1) the financial condition of NYRA, (2) NYRA's operations at Belmont Park in Elmont, New York or (3) the 2010 Belmont Stakes (the "Documents"). The Documents shall include, but be not limited to, any and all e-mail, memoranda, reports, letters, and board minutes, as well as all financial documents previously referenced in this letter.

It is our hope that this information will provide our respective committees with a more thorough understanding of the "new NYRA's" operation of thoroughbred racing in New York State and fulfill our oversight responsibilities. Please provide us with the aforementioned items within ten

days of the date of this letter. In the absence of the receipt of this data, we will be compelled to examine alternate means of obtaining this important information.

Further, we invite NYRA to testify at a joint hearing our committees will convene on the viability of thoroughbred racing in New York State and the ways in which the performance of our racing industry compares to the performance of similar enterprises in other states.

Please contact Kent Sopris, Director of the Senate Committee on Investigations and Government Operations, at 518-455-2622 to discuss further the hearing and to coordinate the transmission of our requested items.


Please do not hesitate to contact either of our offices to discuss further our request or the hearing.

Very truly yours,



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Eric Adams  
New York State Senator



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Craig M. Johnson  
New York State Senator