



NEW YORK STATE SENATOR

Joseph P. Addabbo Jr.

Addabbo Announces Franchise Oversight Board for Nyc Otb

JOSEPH P. ADDABBO JR June 15, 2010

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State Senator Joseph P. Addabbo, Jr. (D-Queens) today announced committee passage of legislation which would create a New York State Franchise Oversight Board (FOB).

“For approximately 40 years, New York City OTB has operated as an independent public benefit corporation not answering in large measure to any officially established panel with the authority to make determinations to approve or disapprove many of OTB’s functions”, explained Addabbo, a member of the Racing, Gaming and Wagering Senate Committee. “This

legislation amends the Racing, Pari-mutuel and Breeding law to provide that NYC OTB shall transfer all wagering accounts to the oversight board. In addition, this proposal would prohibit the appointment of any former or current OTB director to the FOB”.

Under the provisions of the legislation, a public bidding process would be undertaken to award the ability to conduct and manage account wagering to a third party.

Any management fee derived from such management would be dedicated to any outstanding obligations and/or liabilities. OTB would be required to retain a unionized workforce pursuant to collective bargaining agreements.

Senator Addabbo stressed that this legislation would provide much needed oversight of OTB, while increasing revenues to the state as a result of a new and efficient NYC OTB business plan.

“By assigning authority to the Franchise Oversight Board, NYC OTB as a state owned public benefit corporation, will have a state established entity reviewing its policies, capital and operating plans, simulcasting and other contracts, as well as budgets. This is a win-win situation for both taxpayers and the racing industry in New York State”, the Senator concluded.