



NEW YORK STATE SENATOR

Martin J. Golden

## Senator Golden Criticizes Governor's Lack of Leadership on Otb; Offers Proposal to Reopen Profitable Nyc Otb Parlors, Put People Back to Work

MARTIN J. GOLDEN December 14, 2010

Brooklyn – State Senator Martin Golden (R-C-I, Brooklyn) is strongly criticizing Governor Paterson today for refusing to provide any real leadership in an effort to reopen New York City Off- Track Betting, get OTB employees back to work, and develop a long term solution to help OTB and the racing industry statewide.

In response to the Governor's paralysis, Senator Golden highlighted existing state authority that would allow profitable New York City OTB parlors to re-open as soon as tomorrow and rehire displaced workers.

Under the authority cited by Senator Golden, OTBs outside of the city and the New York Racing Association (NYRA) could reopen and operate -- on a temporary basis -- the NYC OTBs that were turning a profit. The plan would not require legislative approval.

"The Governor could re-open about 30 of the 50 OTB parlors he closed and put people back to work tomorrow," Senator Golden said. "However, his attitude proves nothing more than the fact that he favors shut down over solution. The Governor forced a vote on his own bill that did not have bipartisan support and he has consistently refused to negotiate, listen or

compromise and the bettors and employees are the losers because of his stubbornness.”

Last week, Governor Paterson abruptly and irrationally shut down NYC OTB while refusing to even consider legislation sponsored by Senator Andrew Lanza (R-Staten Island) that would have preserved hundreds of jobs at New York City OTB, and brought parity with regional OTB's outside of New York City at no cost to state taxpayers. Senator Lanza's bill had the support of race track operators and others in the horse racing industry.

Governor Paterson's bill also completely ignored the advice of his own OTB Task Force that issued recommendations for a global, long-term solution to benefit all OTBs and the racing industry. The Governor's OTB Task Force issued its 197-page report on January 25, 2010.

This would preserve hundreds of millions of dollars in handle flowing through licensed, established OTB operators and allow New York City bettors a convenient physical location in which to wager. The plan would also put OTB employees back to work as soon as this week. New York City OTB's could be run under a temporary agreement until a long-term solution can be worked out.

“This plan is a win-win for everyone affected by the OTB shutdown and will provide a short-term solution to reopen NYC OTB,” Senator Golden said. “The Governor can put this plan in place himself, without Legislative approval so OTB employees can get back to work.”

Senator Golden added, “This is a realistic and fiscally sound plan to immediately reopen the betting parlors and put people back to work tomorrow. The Governor should immediately bring all the parties together to finalize this short-term solution to keep NYC OTB running as

we develop long-term improvements to ensure the viability of the racing industry in New York State.”

The OTBs outside of the city have indicated they would partner with the state and NYRA, as well as the existing creditors, to operate the betting parlors in the five boroughs of New York City through a preexisting Joint Venture Agreement with New York State.

This arrangement would ensure that the hundreds of millions of dollars bet by New Yorkers would remain here, continue to provide funds to the horsemen, breeders and the racing industry, ease the property tax burden for all New Yorkers, and preserve the right of the creditors to the remaining assets of NYC OTB.

Senator Golden was also recently named to a Senate Republican Task Force on the Revitalization of the Racing Industry that will be conducting public hearings and will develop long-term solutions to strengthen the racing industry, and encourage job retention and creation.