



NEW YORK STATE SENATOR

Joseph P. Addabbo Jr.

Addabbo: Senate Committee Holds Hearing to Determine the Future of Horse Racing in the State and at Aqueduct

JOSEPH P. ADDABBO JR February 8, 2011

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Queens, NY, February 7, 2010 -- The Senate Committee on Racing, Gaming & Wagering held a hearing in Albany on the future of horse racing and gaming in New York State. Chaired by Senator John J. Bonacic (R-Middletown), the Senate panel included Senator Joseph P. Addabbo, Jr. (D-Queens), a member of the committee.

Continuing its commitment to improve the future of horse racing in New York, its second largest agri-business, the Committee discussed mid-summer opening of Aqueduct and the new Resorts World New York racino; a proposal for a constitutional amendment to permit table games; the funds that are allocated to education; competition from out-of-state casinos in Connecticut, New Jersey, Pennsylvania, and most likely Massachusetts in the near future; lessons to be learned from closing the NYC-OTBs; a unified OTB proposal; the teaching of bettors about horse racing history and increasing horse racing's fan base; technology/Internet TV/live video stream racing/simulcasting at sports bars, the so-called "purse tax" on horsemen; and the proposal to change Workers' Compensation law to cover more horse racing industry employees.

Noting the importance of the hearing to his district, Senator Addabbo said, "In recent years, New York State lost billions of dollars to other nearby states that could have gone to New

York--some 62 cents of every dollar, and 42 cents of every dollar to education.” Addabbo further stated that while the horseracing industry loses money, the state loses tourism, and tens of thousands of new job opportunities are lost, the legislature would consider the expansion of table games, which would require a state Constitutional amendment. As for Aqueduct, the senator is prepared to discuss the addition of night racing there, once Resorts World is fully operational. Addabbo expressed his appreciation for being able to have a role in saving Aqueduct as a racetrack and for working with the professionals at Genting New York regarding Resorts World.

There was a robust discussion concerning the future of the NYC OTB and the proposal to unify the entire OTB operation. The hearing laid the groundwork for upcoming legislation to address the OTB issue that affects thousands of current and former OTB employees, along with their benefits.

The Committee also received feedback on proposals about unfair competition due to tax advantages enjoyed by Native American casinos as compared to the racetrack racinos/VLTs. As an example, the proposed Wisconsin Stockbridge Munsee Casino in Sullivan County, a few miles from Empire Resorts-Monticello, would pay an effective tax rate of 12 to 18 percent, while Monticello Raceway pays an effective tax rate of 59 percent. Further, Indian tribes pay zero percent tax on table games.

Witnesses who testified at the hearing included Michael Speller, President, Resorts World New York; Charles Hayward, President & CEO, The New York Racing Association; Michael Amo, Chairman-Board of Directors, Thoroughbred Racing Fan Association; Donald Groth, President & CEO, Catskill Off-Track Betting Corporation; John Signor, President & CEO, Capital District Regional Off-Track Betting; Arthur T. Walsh, General Counsel, Nassau Regional Off-Track Betting Corp.; Joseph D’amato, CEO, and Charles Degliomini, Executive

Vice-President, Empire Resorts (Monticello Casino & Raceway); Phil Palermo, Sr. Director of Operations, Finger Lakes Race Track; Joseph Faraldo, President, Standardbred Owners Association of NY; Jeffrey Cannizzo, Executive Director, NY Thoroughbred Breeders; and Richard Violette, Jr., President, New York Thoroughbred Horsemen's Association, Inc. Written testimony was also provided by The City of Saratoga Springs in the form of a Resolution on the proposed Indian casino in the Catskills and by the Finger Lakes Horsemen's Benevolent & Protective Association, Inc.

For more information on the hearing, Senator Addabbo can be contacted at 718-738-1111.