

STATE RACING AND WAGERING BOARD

MISSION

The Racing and Wagering Board regulates all legalized gambling activities in New York except the State Lottery. Horse racing, off-track betting (OTB) and Indian casino gaming are directly regulated by the Board. The responsibility for oversight of bingo and other permitted games of chance conducted by religious and not-for-profit organizations is shared with municipalities, which collect license fees and ensure that the Board's rules and regulations are followed.

ORGANIZATION AND STAFFING

A three-member Board oversees agency activities. The Governor appoints each member to a six-year term with the consent of the Senate.

The Chair and central office staff are in Albany with additional staff operating from the New York City regional office. The agency also employs on-site inspectors at the Oneida Indians' Turning Stone Casino in Verona, Oneida County and the Mohawk Indians' Akwesasne Mohawk Casino in Hogansburg, Franklin County. Temporary and full time employees oversee horse racing at New York's four thoroughbred race tracks — Aqueduct, Belmont, Saratoga and Finger Lakes — and six harness tracks — Buffalo, Monticello, Saratoga, Syracuse, Vernon Downs and Yonkers. The Racing and Wagering Board will have a workforce of 123 full time and 160 per diem staff in 2001-02. Approximately 34 percent of full time staff and all per diem staff will be supported by State tax dollars; the remaining staff will be supported by revenues generated by Indian casinos and charitable gaming activities.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The 2001-02 Executive Budget recommends \$9.42 million in General Fund support for staff and related costs associated with the processing of racing licenses; the review of financial statements submitted by regional OTBs; legal hearings to suspend or fine violators of racing regulations; seasonal employees at the thoroughbred and harness tracks; and the testing of race horses for prohibited drugs.

In addition, \$2 million in existing fees collected by the State from charitable gaming proceeds is recommended to support the regulation of these games. This funding will support oversight of "bell jar" games, which are games of chance in which players remove "pull tabs" from randomly drawn tickets to reveal potential winning combinations of three or more matching items. The Budget also authorizes \$3 million in revenues from fees charged to Indian casinos to pay for on-site monitoring and investigation of these casinos.

PROGRAM HIGHLIGHTS

REGULATION OF GAMES OF CHANCE

The Racing and Wagering Board promulgates rules and regulations governing bingo and other games of chance operated by more than 15,000 charitable and not-for-profit organizations throughout the State. The Board establishes standards for issuing licenses to suppliers and manufacturers of gaming equipment; reviews financial statements of

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charitable gaming operations; and, in conjunction with local law enforcement officials, investigates illegal gaming activities. In accordance with legislation enacted in 1996, the Board will continue its oversight of "bell jar" games in order to decrease illegal activity.

INDIAN GAMING

The State has negotiated compacts or protocols with the Oneida Nation and St. Regis Mohawk Tribe to conduct gaming activities. Under these compacts, the Racing and Wagering Board is responsible for supervising gaming activities operating on these Indian lands. The Board maintains 22 employees that oversee activities at the Oneida Nation's Turning Stone Casino and 28 employees at the St. Regis Mohawk Tribe's Akwesasne Casino.

REGULATION OF RACING

The Board's permanent staff oversee 160 temporary employees who ensure that horse races at the State's race tracks are conducted legally. As part of this effort, the Board has a contract with Cornell University to conduct research and to carry out post-race testing of blood and urine samples taken from race horses.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2000-01	Appropriations Recommended 2001-02	Change	Reappropriations Recommended 2001-02
State Operations	15,213,300	14,739,000	(474,300)	0
Aid To Localities	200,000	0	(200,000)	0
Capital Projects	0	0	0	0
Total	15,413,300	14,739,000	(674,300)	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2000-01 Estimated FTEs 03/31/01	2001-02 Estimated FTEs 03/31/02	FTE Change
Administration			
General Fund	15	15	0
Audit and Investigation			
General Fund	23	23	0
Regulation of Racing and Off-Track Betting			
General Fund	4	4	0
Regulation of Wagering			
Special Revenue Funds - Other	81	81	0
Total	123	123	0

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**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	9,948,000	9,427,000	(521,000)
Special Revenue Funds - Other	5,265,300	5,312,000	46,700
Total	15,213,300	<u>14,739,000</u>	<u>(474,300)</u>

Adjustments:

Transfer(s) From			
Special Pay Bill			
General Fund	(220,000)		
Special Revenue Funds - Other	(286,000)		
Appropriated 2000-01	<u>14,707,300</u>		

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration			
General Fund	1,651,857	1,305,000	(346,857)
Audit and Investigation			
General Fund	1,191,963	1,168,000	(23,963)
Regulation of Racing and Off-Track Betting			
General Fund	7,104,180	6,954,000	(150,180)
Regulation of Wagering			
Special Revenue Funds - Other	5,265,300	5,312,000	46,700
Total	<u>15,213,300</u>	<u>14,739,000</u>	<u>(474,300)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total Personal Service</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	715,000	4,543	715,000	4,543
Audit and Investigation	1,115,000	7,337	1,115,000	7,337
Regulation of Racing and Off-Track Betting	4,444,000	25,120	4,444,000	25,120
Total	<u>6,274,000</u>	<u>37,000</u>	<u>6,274,000</u>	<u>37,000</u>

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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total Nonpersonal Service</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	590,000	(351,400)	210,300	(125,300)
Audit and Investigation	53,000	(31,300)	8,800	(5,200)
Regulation of Racing and Off-Track Betting	2,510,000	(175,300)	35,400	(20,700)
Total	<u>3,153,000</u>	<u>(558,000)</u>	<u>254,500</u>	<u>(151,200)</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	23,800	(14,000)	355,900	(212,100)
Audit and Investigation	23,500	(13,900)	19,300	(11,400)
Regulation of Racing and Off-Track Betting	5,900	(3,500)	2,465,100	(149,100)
Total	<u>53,200</u>	<u>(31,400)</u>	<u>2,840,300</u>	<u>(372,600)</u>

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Audit and Investigation	1,400	(800)
Regulation of Racing and Off-Track Betting	3,600	(2,000)
Total	<u>5,000</u>	<u>(2,800)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation of Wagering	5,312,000	46,700	3,228,000	33,300
Total	<u>5,312,000</u>	<u>46,700</u>	<u>3,228,000</u>	<u>33,300</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Regulation of Wagering	2,084,000	13,400
Total	<u>2,084,000</u>	<u>13,400</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	200,000	0	(200,000)
Total	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Regulation of Racing and Off-Track Betting			
General Fund	75,000	0	(75,000)
Legislative Initiatives			
General Fund	125,000	0	(125,000)
Total	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>