S T A T E O F N E W Y O R K

7918--A

I N S E N A T E

May 25, 2016

Introduced by Sens. BONACIC, MARCHIONE -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York racing association, and to repeal certain provisions of such law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 1 of section 207 of the racing, pari-mutuel wagering and breeding law is REPEALED and a new subdivision 1 is added to read as follows:

1. A. THE BOARD OF DIRECTORS, TO BE CALLED THE NEW YORK RACING ASSOCIATION BOARD, SHALL CONSIST OF FIFTEEN MEMBERS, EIGHT OF WHOM SHALL BE ELECTED BY THE EXECUTIVE COMMITTEE OF THE NEW YORK RACING ASSOCIATION REORGANIZATION BOARD OF WHICH AT LEAST ONE SHALL BE A FULL TIME RESIDENT OF EACH OF NASSAU, QUEENS AND SARATOGA COUNTIES, ONE SHALL BE THE CHIEF EXECUTIVE OFFICER OF THE NEW YORK RACING ASSOCIATION, TWO SHALL BE APPOINTED BY THE GOVERNOR, ONE SHALL BE APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE, ONE SHALL BE APPOINTED BY THE SPEAKER OF THE ASSEMBLY, ONE SHALL BE APPOINTED BY THE NEW YORK THOROUGHBRED BREEDERS INC. PROVIDED THAT A CURRENT BOARD MEMBER OF THE NEW YORK RACING ASSOCIATION SHALL SERVE ON THE BOARD OF DIRECTORS OF THE NEW YORK THOROUGHBRED BREEDERS INC., AND ONE SHALL BE APPOINTED BY THE NEW YORK THOROUGHBRED HORSEMEN'S ASSOCIATION (OR SUCH OTHER ENTITY AS IS CERTIFIED AND APPROVED PURSUANT TO SECTION TWO HUNDRED TWENTY-EIGHT OF THIS ARTICLE) PROVIDED THAT A CURRENT BOARD MEMBER OF THE NEW YORK RACING ASSOCIATION SHALL SERVE ON THE BOARD OF DIRECTORS OF THE NEW YORK THOROUGHBRED HORSEMEN'S ASSOCIATION (OR SUCH OTHER ENTITY AS IS CERTIFIED AND APPROVED PURSUANT TO SECTION TWO HUNDRED TWENTY-EIGHT OF THIS ARTICLE).

(I) THE GOVERNOR SHALL NOMINATE A MEMBER TO SERVE AS THE FIRST CHAIR, SUBJECT TO CONFIRMATION BY MAJORITY VOTE OF THE BOARD OF DIRECTORS. ALL MEMBERS SHALL HAVE EQUAL VOTING RIGHTS.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD15607-03-6

(II) IN THE EVENT OF A MEMBER VACANCY OCCURRING BY DEATH, RESIGNATION OR OTHERWISE, THE RESPECTIVE APPOINTING OFFICER OR OFFICERS SHALL APPOINT A SUCCESSOR WHO SHALL HOLD OFFICE FOR THE UNEXPIRED PORTION OF THE TERM. A VACANCY FROM THE MEMBERS APPOINTED FROM THE PRESENT BOARD OF THE NEW YORK RACING ASSOCIATION REORGANIZATION BOARD, SHALL BE FILLED BY THE REMAINING SUCH MEMBERS.

(III) EACH BOARD MEMBER, OTHER THAN THE CHIEF EXECUTIVE OFFICER OF THE NEW YORK RACING ASSOCIATION, SHALL SERVE A TERM OF THREE YEARS. HOWEVER, THE FIRST TERMS OF FIVE OF THE MEMBERS ELECTED BY THE EXECUTIVE COMMITTEE OF THE NEW YORK RACING ASSOCIATION REORGANIZATION BOARD SHALL EXPIRE DECEMBER THIRTY-FIRST, TWO THOUSAND SEVENTEEN; THE FIRST TERMS OF THE REMAINING THREE MEMBERS ELECTED BY THE EXECUTIVE COMMITTEE OF THE NEW YORK RACING ASSOCIATION REORGANIZATION BOARD, THE MEMBER APPOINTED BY THE NEW YORK THOROUGHBRED BREEDERS INC., AND THE MEMBER APPOINTED BY THE NEW YORK THOROUGHBRED HORSEMEN'S ASSOCIATION SHALL EXPIRE DECEMBER THIRTY-FIRST, TWO THOUSAND EIGHTEEN; AND THE FIRST TERMS OF THE MEMBERS APPOINTED BY THE GOVERNOR, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY SHALL EXPIRE DECEMBER THIRTY-FIRST, TWO THOUSAND NINETEEN.

B. THE FRANCHISED CORPORATION SHALL ESTABLISH A COMPENSATION COMMITTEE TO FIX SALARY GUIDELINES, SUCH GUIDELINES TO BE CONSISTENT WITH AN OPERATION OF OTHER FIRST CLASS THOROUGHBRED RACING OPERATIONS IN THE UNITED STATES; AN EQUINE SAFETY COMMITTEE, TO REVIEW INDUSTRY BEST PRACTICES TO IMPROVE THE SAFETY OF HORSES RACING AT EACH OF THE THREE RACETRACKS; A FINANCE COMMITTEE, TO REVIEW ANNUAL OPERATING AND CAPITAL BUDGETS FOR EACH OF THE THREE RACETRACKS; A NOMINATING COMMITTEE, TO NOMINATE ANY NEW DIRECTORS TO BE DESIGNATED BY THE FRANCHISED CORPORATION TO REPLACE ITS EXISTING DIRECTORS; A RACING COMMITTEE, TO REVIEW INDUSTRY BEST PRACTICES TO IMPROVE THE QUALITY OF RACING AT THE THREE RACETRACKS; AND AN EXECUTIVE COMMITTEE. EACH OF THE COMPENSATION, FINANCE, NOMINATING AND EXECUTIVE COMMITTEES SHALL INCLUDE AT LEAST ONE OF THE DIRECTORS APPOINTED BY THE GOVERNOR, AND THE EXECUTIVE COMMITTEE SHALL INCLUDE THE DIRECTOR APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE AND THE DIRECTOR APPOINTED BY THE SPEAKER OF THE ASSEMBLY.

C. UPON THE EFFECTIVE DATE OF THIS PARAGRAPH, THE STRUCTURE OF THE BOARD OF THE FRANCHISED CORPORATION SHALL BE DEEMED TO BE INCORPORATED WITHIN AND MADE PART OF THE CERTIFICATE OF INCORPORATION OF THE FRANCHISED CORPORATION, AND NO AMENDMENT TO SUCH CERTIFICATE OF INCORPORATION SHALL BE NECESSARY TO GIVE EFFECT TO ANY SUCH PROVISION, AND ANY PROVISION CONTAINED WITHIN SUCH CERTIFICATE INCONSISTENT IN ANY MANNER SHALL BE SUPERSEDED BY THE PROVISIONS OF THIS SECTION. SUCH BOARD SHALL, HOWEVER, MAKE APPROPRIATE CONFORMING CHANGES TO ALL GOVERNING DOCUMENTS OF THE FRANCHISED CORPORATION INCLUDING BUT NOT LIMITED TO CORPORATE BY-LAWS. FOLLOWING SUCH CONFORMING CHANGES, AMENDMENTS TO THE BY-LAWS OF THE FRANCHISED CORPORATION SHALL ONLY BE MADE BY UNANIMOUS VOTE OF THE BOARD.

S 2. This act shall take effect October 18, 2016.