

TDN & A



John Sabini
NYSRWB

Few people in the racing industry knew much about John Sabini in August 2008 when he was approved as the chairman of the New York State Racing and Wagering Board. Four and a half busy years later, Sabini, 56, retires from state service Friday--and his post as the chairman of the Association of Racing Commissioners International--with a very high national profile as a regulator who had to deal with a number of difficult issues.

Sabini, a former Congressional staffer, New York City Council member and state senator from Queens, said he will start making phone calls Monday to lay the groundwork to establishing a lobbying business.

During an interview with Mike Kane Thursday, Sabini laughed at a question about whether he knew what he was getting himself into with the Racing and Wagering Board post.

"No," said. "And the tumultuous times. No."

Sabini's term included:

- The board's investigation into the exotic wagering takeout scandal that led to the firing of NYRA CEO Charles Hayward and counsel Patrick Kehoe and the state's takeover of the association. Sabini said he regretted that his agency did not discover that bettors were being overcharged an extra 1% for over a year, but could not comment further because the state is still investigating the matter.

- A series of nearly two dozen breakdowns at Aqueduct during the 2012 winter meet, the resulting investigation and the adoption of new rules that are among the toughest in the nation.

- Dealing with the closing in Dec. 2010 of the bankrupt New York Off-Track Betting Corporation, the biggest OTB in the country.

- The animal cruelty case in which owner-breeder Ernie Paragallo was handed a lifetime ban from the sport because many horses were found to have been mistreated at his farm.

- The board's decision to revoke trainer Richard Dutrow Jr.'s license for 10 years and fine him \$50,000 for a lengthy series of violations during his career.

- The opening of the Resorts World Casino at Aqueduct in October 2011 that produced the long-awaited purse increases at the NYRA tracks and a revival of New York's Thoroughbred breeding business.

- The decision to require all of the runners in the 2012 Belmont S.--in which I'll Have Another was bidding for a sweep of the Triple Crown--to be housed in a special stakes barn and have their veterinarian records made public.

By coincidence, news that Sabini was leaving his post with the board before it becomes part of the new New York State Gaming Commission Feb. 1 become public on Tuesday, the day the Court of Appeals announced that it would not hear Dutrow's final chance to appeal in state court.

MK: What is your feeling about the Dutrow case, which involved personal attacks on you, questioning whether your involvement prevented him from receiving due process?

JS: When someone's career is on the line they are going to look at whatever straw they can grasp at. I think if it wasn't that it would have been something else.

The fact of the matter is that the decision is what it is. The idea is that we get the people who treat animals in a cavalier fashion in order to win.

Repeat offenders should be punished with surety and speed. Unfortunately, there wasn't speed on this one. There needs to be a swift and sure punishment for people that cheat. I think that the industry is moving in that direction.

MK: What led to the approach of looking at Dutrow's entire career when determining the penalty for the two violations at Aqueduct in November 2010?

JS: We went at it with the idea that at some point the license becomes a responsibility. It's not a right to have a license. It's a privilege to have a license and if you repeatedly abuse the rules then the license shouldn't be there for you.

MK: Why do you feel that the handling of the New York City OTB closing was a major success story of your administration?

JS: We were in a profound position because a 45% hole in the hull of the ship was happening in one day. We took measures to bring the industry and the state together.

First of all, I was told it was the first time that everyone in the industry was in the same room at the same time, which I found amazing. I was able to compel the industry to work as one for everyone's benefit, which usually doesn't occur in racing.

We got the video streaming for NYRA and we got the OTBs and tracks who had on-line accounts to allow people to open up accounts without having to go to a branch with an ID and cash. As an emergency rule we allowed them to do it over the phone or the Internet. Before that, in order to open an account, you had to show up somewhere at a bricks and mortar location.

When New York City OTB when belly-up, we were a little frightened that the off-shore companies, which didn't have to play by that rule, would garner all the business. We moved very quickly on that, to the point that by post time of the first race at Aqueduct on the first day of no New York City OTB, people could have been ready to go. In fact, Yonkers was. They had already programmed their computers for our rule. So we tried to mitigate whatever crisis was going to happen as a result of New York City OTB being such a big player and blowing up. I thought that was important.

We couldn't afford to be slow to react to it because in a business that is on a downward trend anyway that would have been a death blow, I think. I really believe that a lot of dominoes would have fallen and had we not done the things that we did in the wake of New York City OTB closing, that racing in New York would look a lot different today. It would still be around, but I think it would have taken a long time to find an equilibrium

I don't think NYRA would have been sustainable at the model it is at now. And I don't think there was going to be any bailouts from government, like there were in the post. I don't know what would have happened, but I wasn't going to wait around to figure it out. My attitude was to do what you've got to do to get this done, as best you can.

MK: What are your biggest regrets as you leave the job?

JS: There are a number of things. The fact that the NYRA takeout situation wasn't caught earlier. We take responsibility on that. There is an investigation going on to see who was pro-actively doing it or who is to blame, but we had some obligation as well, and that's a disappointment.

The other major disappointment is that we couldn't get the Assembly to sign onto an Interstate Racing Compact, which I believe would streamline and help the industry regulate itself nationwide.

One of complaints you hear from horsemen is that these rules are different in every state. Well, it's hard to change the rules uniformly. That would have allowed us to do it. It passed the Senate largely because I had been a member and Governor [David] Paterson pushed it, but we couldn't get it through the Assembly, largely because of the harness horsemen. That was a missed opportunity.

MK: What is your feeling about the investigation by the outside panel of racing experts into the breakdowns at Aqueduct and the changes that were made?

JS: I think the report that was done was good. It put measures in that frankly would have been harder to get in had we not had the alacrity of the situation of the breakdowns. There were things that we did that I wanted to do for some time, but that forces in the industry would have opposed. That opposition was harder to do in light of the breakdowns and in light of the task force. The changes in the claiming rules and the claiming prices were things we talked about doing before, but we knew we were going to get blowback from the industry. This sort of underlined the need for it.

MK: What are items are on your list of accomplishments?

JS: Getting the lab moved to SUNY Morrisville allowed us to do things more economically. And shrinking the size of the agency.

We've made the RWB staff in Schenectady leaner and more economical. The number of full-time employees is down about 30%.

Drug testing is our number one non-personnel expense and I brought the cost of that down. We also have a lab that can do testing for other entities. Every time that we sign a new entity it will bring the cost down. The industry is talking about moving toward regional labs and by doing that it allowed us to start to market the lab. We hope to do some testing for other states.



60 Broad St.
Suite 100
Red Bank, NJ 07701
Fax (732) 747-8955
Phone (732) 747-8060
mediavista@aol.com