

# OTB Unions to Ask Albany to Revive Part of Operation

By RICHARD STEIER

Even as Governor Cuomo has targeted an expansion of casino gambling as a state priority in the new year, the leaders of the unions representing former workers at the defunct New York City Off-Track Betting Corporation said last week that they are hoping to obtain both health coverage for them and a revived OTB presence in the five boroughs during the legislative session that begins Jan. 4.

The head of the Assembly's committee dealing with horse-racing said he remained optimistic that something could be achieved, but noted that the timetable for action will be compressed if primary elections for all legislators are scheduled in June, as is anticipated.

"If that does happen, it's going to be difficult to do anything after June 1," said Assemblyman J. Gary Pretlow of Westchester. That would be a sharp

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contrast from the norm, when aside from a budget agreement few bills are approved before late June.

### Too Urgent to Wait on Casinos

He said he agreed with the union leaders, District Council 37 Local 2021 President Lenny Allen and Barry Yomtov of Teamsters Local 707, that the issues confronting not only those workers but employees at most of the other five regional OTBs statewide could not be dealt with as part of the casino-gambling expansion. Under state law, changes in the current casino set-up would need to be approved by two consecutive sessions of the Legislature; the union leaders say most if not all of the regional OTBs would have difficulty surviving into 2014—the earliest the casino expansion could happen if it was passed in a voter referendum—without financial relief.

"They're not combinable," Mr. Pretlow said of the OTB and casino issues.

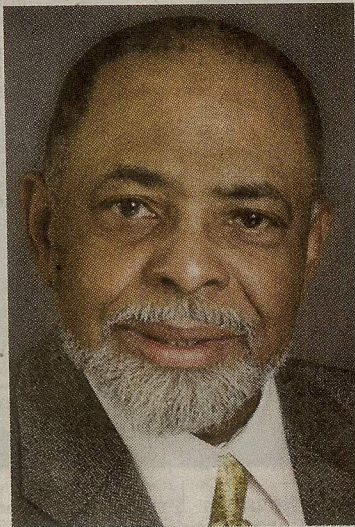
City OTB workers lost their jobs on Dec. 8, 2010, when the corporation closed its doors after the State Senate failed to act on a labor-management deal that could have rescued it from bankruptcy. The Bloomberg administration, which had continued paying for the health coverage of the workers—contingent on reimbursement from New York City OTB—even after the operation was transferred to state control in mid-2008, sought to end those payments as of Jan. 1, 2011, and after a union lawsuit delayed that action, was granted the right to cease payments several months later under an appeals court ruling.

A bill that would have restored health coverage for retirees at a cost of roughly \$5 million a year was approved by the Legislature but vetoed by Governor Cuomo because it would have required funding by the state. The unions are hoping to find an alternative funding source so that the bill can be resubmitted, and they are also backing a proposal under which the Catskill Regional OTB, which operates from north of Westchester to the Catskills area, would be permitted to expand its operations and open branches in the five boroughs.

### Calls It Most-Viable Option

Mr. Allen said in a Dec. 28 phone interview that the head of Catskill OTB, Donald J. Groth, is "the only one that has the money without asking for a loan from the state" to establish branches here.

The New York Racing Association, which operates the state's major thor-



LENNY ALLEN: 'This is job creation, too.'

oughbred tracks at Aqueduct, Belmont and Saratoga, has expressed interest in opening a limited number of off-track facilities.

Mr. Pretlow said regarding the possibility of the racing association getting the franchise, "I would hope they would use people that are trained already, but my experience with NYRA is that they try to go on the cheap." He said that NYRA had originally sought to use an Oregon-based phone-betting operation until legislators balked, and said his priority would be to ensure a unionized OTB operation where at least some of the displaced workers could be rehired.

Mr. Yomtov, whose union represents OTB managers in both the city and Nassau County, said, "We'll take the best deal that's available," although he indicated he shares Mr. Allen's view that Catskill OTB would be more likely than NYRA to meet their members' needs.

### 'No Reason to Exclude City'

Mr. Allen said that despite the series of legislative and court disappointments the unions and their members have encountered since OTB shut its doors, "One reason I'm feeling positive is that [the Governor and legislative leaders are] talking about job creation. If they're putting casinos throughout the state, there's no reason that New York City should be the only place without an OTB."

Mr. Yomtov said declining wagering revenues were severely hurting every regional OTB except the Western one in the Buffalo area, which has benefited from its ownership of harness tracks that have been fortified by money from their video-lottery terminals, the primary form of casino gambling now permitted by the state. No-



BARRY YOMTOV: OTBs statewide need help.

ting that the Suffolk Regional OTB filed for bankruptcy last spring and pointing to the struggles of the Nassau OTB as well as the others north of the city, he said, "I don't think we can last another year unless they do something in terms of funding. We can't afford to wait" for a comprehensive legislative package that would also cover the casino-gambling expansion favored by Mr. Cuomo, Senate Majority Leader Dean Skelos and Assembly Speaker Sheldon Silver.

The shuttering of the city OTB brought with it the end of dues payments by the workers he represents. That led to the disbanding of the union Mr. Yomtov had headed, Teamsters Local 858, in favor of affiliating with IBT Local 707, a 3,000-member union that, in addition to the 334 OTB managers—nearly two-thirds of them employed by Nassau OTB—represents more than 3,000 private-sector truckers.

### 'Depleted Our Reserves'

"We had to do it," Mr. Yomtov said of folding Local 858, "because of the financial situation with the closing of New York City OTB. When you lose 51 or 52 percent of your dues base, you deplete your reserves pretty quickly."

The unions are hopeful that their legislation will be addressed during the negotiations on a new state budget that is to take effect April 1, in part because of concern that after that legislators will be preoccupied with their re-election campaigns.

Mr. Pretlow acknowledged, "If the Governor is interested, putting it in the budget would be the easiest way to do it." If the primaries are held in June, he said, aside from getting a budget done, "I don't see a lot happening in this legislative session."