

ASSEMBLY, No. 2355

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 19, 1996

By Assemblyman ARNONE

1 AN ACT authorizing a "Charity Racing Day for the Horse Park of New
2 Jersey and for the Care of Retired Horses," amending various parts
3 of the statutory law, and repealing P.L.1992, c.113.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) a. The New Jersey Racing Commission shall
9 designate one of the racing days authorized each year to a holder of a
10 permit to hold or conduct a horse race meeting pursuant to P.L.1940,
11 c.17 (C.5:5-22 et seq.) as "Charity Racing Day for the Horse Park of
12 New Jersey and for the Care of Retired Horses" or shall allot to each
13 such permit holder one additional racing day to be known as "Charity
14 Racing Day for the Horse Park of New Jersey and for the Care of
15 Retired Horses."

16 b. All moneys received by the commission as its share of the total
17 contributions to all parimutuel pools conducted or made on the racing
18 day designated or allotted pursuant to subsection a. of this section
19 shall be deposited in a separate fund to be known as the Horse Park of
20 New Jersey and the Care of Retired Horses Fund, which is hereby
21 created in the Department of the Treasury. Fifty percent of the
22 moneys in the fund shall be appropriated to the Department of
23 Agriculture to be used as a grant to the Horse Park of New Jersey, and
24 50% shall be appropriated to the Department of Agriculture for grants
25 to organizations which care for retired racehorses.

26
27 2. Section 46 of P.L.1940, c.17 (C.5:5-66) is amended to read as
28 follows:

29 46. Every permitholder engaged in the business of conducting
30 horse race meetings under this act, except the New Jersey Sports and
31 Exposition Authority established pursuant to P.L.1971, c.137
32 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in
33 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the
34 deposits remaining undistributed pursuant to section 44 as follows:

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 a. In the case of harness races:

2 (1) On a racing day designated or allotted as a charity racing day
3 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113
4 (C.5:5-44.7), or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. . . .
5 c. (C.) (now pending before the Legislature as this bill), pay to the
6 commission, at the time and in the manner prescribed by the
7 commission, 1.25% of so much of the total contributions to all
8 parimutuel pools conducted or made on any and every horse race,
9 except that for pools where the patron is required to select two horses,
10 the permitholder shall pay 2.25% of the total contributions and for
11 pools where the patron is required to select three or more horses, the
12 permitholder shall pay 5.25% of the total contributions;

13 (2) Hold and set aside in an account designated as a special trust
14 account 1.15% of such total contributions in all pools, to be used and
15 distributed as hereinafter provided and as provided in section 5 of
16 P.L.1967, c.40, for the following purposes and no other:

17 (a) 37% thereof to increase purses and grant awards for starting
18 horses, as provided or as may be provided by rules of the New Jersey
19 Racing Commission, with payment to be made in the same manner as
20 payment of other purses and awards;

21 (b) 55% thereof for the establishment of a Sire Stakes Program for
22 standardbred horses, with payment to be made to the Department of
23 Agriculture for administration as hereinbefore provided;

24 (c) 5% thereof for contributions and awards designed to improve
25 and promote the standardbred breeding industry in New Jersey
26 through payment of awards to owners and breeders of New Jersey
27 bred horses which are registered with the Standardbred Breeders' and
28 Owners' Association of New Jersey and which earn portions of purses
29 in open events on New Jersey tracks, and to owners of stallions posted
30 on the official stallion roster of the Standardbred Breeders' and
31 Owners' Association of New Jersey, which sire such registered New
32 Jersey bred money earners;

33 (d) 3% thereof for other New Jersey horse breeding and promotion
34 conducted by the New Jersey Department of Agriculture.

35 (3) Retain 7.7875%, or in the case of races on a charity racing day
36 7.20%, of so much of such total contributions for his own uses and
37 purposes. Notwithstanding the foregoing, for pools where the patron
38 is required to select two horses, the permitholder shall retain 8.7575%,
39 or in the case of races on a charity racing day 7.70%, of the total
40 contributions and for pools where the patron is required to select three
41 or more horses, the permitholder shall retain 11.6675%, or in the case
42 of races on a charity racing day 9.20%, of the total contributions.
43 Each permitholder shall contribute out of its 11.6675% or 9.20% share
44 of pools, where the patron is required to select three or more horses,
45 a sum deemed necessary by the racing commission, to finance a
46 prerace blood testing program, and such other testing programs which

1 the commission shall deem proper and necessary and which shall be
2 subject to the regulation and control of said commission.

3 (4) Distribute as purse money and for programs designed to aid the
4 horsemen and the Standardbred Breeders' and Owners' Association of
5 New Jersey 7.69375%, or in the case of races on a charity racing day
6 7.40%, of such total contributions. Expenditures for programs
7 designed to aid the horsemen and the Standardbred Breeders' and
8 Owners' Association of New Jersey shall not exceed 3.2% of the sum
9 available for distribution as purse money. The formula for distribution
10 of the purse money as either overnight purses or special stakes shall be
11 determined by an agreement between the Standardbred Breeders' and
12 Owners' Association of New Jersey and the tracks. Notwithstanding
13 the foregoing, for pools where the patron is required to select two or
14 more horses, the permitholder shall distribute as purse money
15 8.42875%, or in the case of races on a charity racing day 7.90%, of
16 the total contributions and for pools where the patron is required to
17 select three or more horses, the permitholder shall distribute as purse
18 money 10.63375%, or in the case of races on a charity racing day
19 9.40%, of the total contributions. Notwithstanding the foregoing, for
20 pools where a patron is required to select three or more horses, each
21 permitholder shall retain out of the 10.63375% or 9.40% to be
22 distributed as purse money a sum deemed necessary by the racing
23 commission, for use by the commission to finance a prerace blood
24 testing program, and such other testing programs which the
25 commission shall deem proper and necessary and which shall be
26 subject to the regulation and control of said commission.

27 (5) In the case of races on a racing day other than a charity racing
28 day, distribute to the Standardbred Breeders' and Owners' Association
29 of New Jersey for the administration of a health benefits program for
30 horsemen .29375% of such total contributions, except that for pools
31 where the patron is required to select two or more horses, the amount
32 shall be .52875%, and for pools where the patron is required to select
33 three or more horses, the amount shall be 1.23375%.

34 (6) In the case of races on a racing day other than a charity racing
35 day, distribute to the Sire Stakes Program for standardbred horses
36 .05% of such total contributions, except that for pools where the
37 patron is required to select two or more horses, the amount shall be
38 .09%, and for pools where the patron is required to select three or
39 more horses, the amount shall be .21%.

40 (7) In the case of races on a racing day other than a charity racing
41 day, distribute to the Backstretch Benevolency Programs Fund created
42 pursuant to P.L.1993, c.15 (C.5:5-44.8) .025% of such total
43 contributions, except that for pools where the patron is required to
44 select two or more horses, the amount shall be .045%, and for pools
45 where the patron is required to select three or more horses, the
46 amount shall be .105%.

1 Except as otherwise provided by law, no admission or amusement
2 tax, excise tax, license or horse racing fee of any kind shall be assessed
3 or collected from any permitholder by the State of New Jersey, or by
4 any county or municipality, or by any other body having power to
5 assess or collect license fees or taxes.

6 b. In the case of running races:

7 (1) Where the amount derived from the parimutuel handle,
8 excluding the handle derived from intertrack wagering, does not
9 exceed \$1 million per day based on such contributions accumulated
10 and averaged during the calendar year, the permitholder shall:

11 (a) On a racing day designated or allotted as a charity racing day
12 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113
13 (C.5:5-44.7), or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. ___,
14 c. (C.) (now pending before the Legislature as this bill), pay to the
15 commission, at the time and in the manner prescribed by the
16 commission, .30% of so much of the total contributions to all
17 parimutuel pools conducted or made on any and every horse race,
18 except that for pools where the patron is required to select three or
19 more horses, the permitholder shall pay 1.30% of the total
20 contributions;

21 (b) Hold and set aside in an account designated as a special trust
22 account 5% of 1% of such total contributions to be used and
23 distributed for State horse breeding and development programs,
24 research, fairs, horse shows, youth activities, promotion and
25 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

26 (c) Retain 9.991%, or in the case of races on a charity racing day
27 9.85%, of such total contributions for his own uses and purposes. For
28 pools where the patron is required to select two horses, the
29 permitholder shall retain 11.061%, or in the case of races on a charity
30 racing day 10.92%, of the total contributions and for pools where the
31 patron is required to select three or more horses, the permitholder
32 shall retain 13.941%, or in the case of races on a charity racing day
33 13.33%, of the total contributions. Each permitholder shall contribute
34 out of its 13.941% or 13.33% share of pools, where the patron is
35 required to select three or more horses, a sum deemed necessary by
36 the racing commission, to finance a prerace blood testing program, and
37 such other testing programs which the commission shall deem proper
38 and necessary and which shall be subject to the regulation and control
39 of the commission.

40 (d) Distribute as purse money and for programs designed to aid the
41 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
42 Association 6.141%, or in the case of races on a charity racing day
43 6.00%, of such contributions. Notwithstanding the foregoing, for
44 pools where the patron is required to select two horses, the
45 permitholder shall distribute as purse money 7.071%, or in the case of
46 races on a charity racing day 6.93%, of such contributions and for

1 pools where the patron is required to select three or more horses, the
2 permitholder shall distribute as purse money 9.631%, or in the case of
3 races on a charity racing day 9.02%, of the total contributions.
4 Expenditures for programs designed to aid the horsemen and the New
5 Jersey Thoroughbred Horseman's Benevolent Association shall not
6 exceed 2.5% of the sum available for distribution as purse money from
7 all parimutuel pools. The formula for distribution of the purse money
8 as either overnight purses or special stakes shall be determined by an
9 agreement between the New Jersey Thoroughbred Horseman's
10 Benevolent Association and the permitholder. Notwithstanding the
11 foregoing, for pools where a patron is required to select three or more
12 horses, each permitholder shall retain out of the 9.631% or 9.02% to
13 be distributed as purse money a sum deemed necessary by the racing
14 commission, for use by the commission to finance a prerace blood
15 testing program, and such other testing programs which the
16 commission shall deem proper and necessary and which shall be
17 subject to the regulation and control of the commission.

18 (e) 80% of 1% of all pools shall be deducted and set aside in a
19 special trust account for the establishment and support by the
20 commission of the thoroughbred breeding industry in New Jersey; to
21 improve purses for closed races; to provide awards for owners and
22 breeders of registered New Jersey bred horses who earn portions of
23 purses in open and closed races at New Jersey race tracks and to
24 owners of stallions posted on the official stallion roster of the
25 Thoroughbred Breeders' Association of New Jersey, which sire such
26 New Jersey bred money earners and awards to the New Jersey
27 Thoroughbred Breeders' Association for programs beneficial to
28 thoroughbred breeding in this State. The New Jersey thoroughbred
29 award program shall be administered and disbursed by the
30 Thoroughbred Breeders' Association of New Jersey subject to the
31 approval of the commission. The special trust account to be
32 established pursuant to this paragraph shall be separate and apart from
33 the special trust account established and maintained pursuant to
34 subparagraph (b) of this paragraph.

35 (f) (Deleted by amendment, P.L.1986, c.19.)

36 (g) In the case of races on a racing day other than a charity racing
37 day, distribute to the Thoroughbred Breeders' Association of New
38 Jersey .012% of such total contributions, except that for pools where
39 the patron is required to select three or more horses, the amount shall
40 be .052%.

41 (h) In the case of races on a racing day other than a charity racing
42 day, distribute to the Backstretch Benevolency Programs Fund created
43 pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of such total
44 contributions, except that for pools where the patron is required to
45 select three or more horses, the amount shall be .026%.

46 (i) Notwithstanding the foregoing, for pools where a patron is

1 required to select three or more horses, 50% of 1% of the total
2 contributions shall be held and set aside in the special trust account
3 referred to in subparagraph (e) of this paragraph.

4 (j) Except as otherwise provided by law, no admission or
5 amusement tax, excise tax, license or horse racing fee of any kind shall
6 be assessed or collected from any permitholder by the State of New
7 Jersey, or by any county or municipality, or by any other body having
8 power to assess or collect license fees or taxes.

9 (2) Where the amount derived from the parimutuel handle,
10 excluding the handle derived from intertrack wagering, exceeds \$1
11 million per day based on such contributions accumulated and averaged
12 during the calendar year, the permitholder shall:

13 (a) On a racing day designated or allotted as a charity racing day
14 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113
15 (C.5:5-44.7), or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. . . .
16 c. (C. . .) (now pending before the Legislature as this bill), pay to the
17 commission, at the time and in the manner prescribed by the
18 commission, .50% of so much of the total contributions to all
19 parimutuel pools conducted or made on any and every horse race;

20 (b) Hold and set aside in an account designated as a special trust
21 account 5% of 1% of such total contributions to be used and
22 distributed for State horse breeding and development programs,
23 research, fairs, horse shows, youth activities, promotion and
24 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

25 (c) Retain 9.305%, or in the case of races on a charity racing day
26 9.07%, of such total contributions for his own uses and purposes. For
27 pools where the patron is required to select two horses, the
28 permitholder shall retain 10.375%, or in the case of races on a charity
29 racing day 10.14%, of the total contributions and for pools where the
30 patron is required to select three or more horses, the permitholder
31 shall retain 13.545%, or in the case of races on a charity racing day
32 13.31%, of the total contributions. Each permitholder shall contribute
33 out of its 13.545% or 13.31% share of pools, where the patron is
34 required to select three or more horses, a sum deemed necessary by
35 the racing commission, to finance a prerace blood testing program, and
36 such other testing programs which the commission shall deem proper
37 and necessary and which shall be subject to the regulation and control
38 of the commission.

39 (d) Distribute as purse money and for programs designed to aid the
40 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
41 Association 6.815%, or in the case of races on a charity racing day
42 6.58%, of such contributions. Notwithstanding the foregoing, for
43 pools where the patron is required to select two horses, the
44 permitholder shall distribute as purse money 7.745%, or in the case of
45 races on a charity racing day 7.51%, of such contributions and for
46 pools where the patron is required to select three or more horses, the

1 permitholder shall distribute as purse money 10.085%, or in the case
2 of races on a charity racing day 9.85%, of the total contributions.
3 Expenditures for programs designed to aid the horsemen and the New
4 Jersey Thoroughbred Horseman's Benevolent Association shall not
5 exceed 2.5% of the sum available for distribution as purse money from
6 all parimutuel pools. The formula for distribution of the purse money
7 as either overnight purses or special stakes shall be determined by an
8 agreement between the New Jersey Thoroughbred Horseman's
9 Benevolent Association and the permitholder. Notwithstanding the
10 foregoing, for pools where a patron is required to select three or more
11 horses, each permitholder shall retain out of the 10.085% or 9.85% to
12 be distributed as purse money a sum deemed necessary by the racing
13 commission, for use by the commission to finance a prerace blood
14 testing program, and such other testing programs which the
15 commission shall deem proper and necessary and which shall be
16 subject to the regulation and control of the commission.

17 (e) 80% of 1% of all pools shall be deducted and set aside in a
18 special trust account for the establishment and support by the
19 commission of the thoroughbred breeding industry in New Jersey; to
20 improve purses for closed races; to provide awards for owners and
21 breeders of registered New Jersey bred horses who earn portions of
22 purses in open and closed races at New Jersey race tracks and to
23 owners of stallions posted on the official stallion roster of the
24 Thoroughbred Breeders' Association of New Jersey, which sire such
25 New Jersey bred money earners and awards to New Jersey
26 thoroughbred breeders' associations for programs beneficial to
27 thoroughbred breeding in this State. The New Jersey thoroughbred
28 award program shall be administered and disbursed by the
29 Thoroughbred Breeders' Association of New Jersey subject to the
30 approval of the commission. The special trust account to be
31 established pursuant to this paragraph shall be separate and apart from
32 the special trust account established and maintained pursuant to
33 subparagraph (b) of this paragraph.

34 (f) (Deleted by amendment, P.L.1986, c.19.)

35 (g) In the case of races on a racing day other than a charity racing
36 day, distribute to the Thoroughbred Breeders' Association of New
37 Jersey .02% of such total contributions.

38 (h) In the case of races on a racing day other than a charity racing
39 day, distribute to the Backstretch Benevolency Programs Fund created
40 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
41 contributions.

42 (i) Notwithstanding the foregoing, for pools where a patron is
43 required to select three or more horses, 49% of 1% of the total
44 contributions shall be held and set aside in the special trust account
45 referred to in subparagraph (e) of this paragraph.

46 (j) Except as otherwise provided by law, no admission or

1 amusement tax, excise tax, license or horse racing fee of any kind shall
2 be assessed or collected from any permitholder by the State of New
3 Jersey, or by any county or municipality, or by any other body having
4 power to assess or collect license fees or taxes.

5 (cf: P.L.1993, c.353, s.2)

6

7 3. Section 2 of P.L.1984, c.236 (C.5:5-66.1) is amended to read as
8 follows:

9 2. Notwithstanding the provisions of section 46 of P.L.1940, c.17
10 (C.5:5-66) or any other law to the contrary, a holder of a permit to
11 conduct harness race meetings who operates a racetrack at which
12 harness race meetings were conducted during calendar year 1984 but
13 which were suspended for 30 days or more during that calendar year
14 because of fire, and a holder of a permit to conduct harness race
15 meetings who conducted harness race meetings at the aforementioned
16 racetrack during 1984 and who continues to conduct harness race
17 meetings at that racetrack, shall make disposition of the deposits
18 remaining undistributed pursuant to section 1 of this act as follows:

19 a. On a racing day designated or allotted as a charity racing day
20 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113
21 (C.5:5-44.7), or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. . . .
22 c. (C.) (now pending before the Legislature as this bill), pay to the
23 commission, at the time and in the manner prescribed by the
24 commission, .50% of so much of the total contributions to all
25 parimutuel pools conducted or made on any and every horse race;

26 b. Hold and set aside in an account designated as a special trust
27 account 1.15% of such total contributions in all pools to be used and
28 distributed as hereinafter provided and as provided in section 5 of
29 P.L.1967, c.40, for the following purposes and no other:

30 (1) 37% thereof to increase purses and grant awards for starting
31 horses as provided or as may be provided by rules of the New Jersey
32 Racing Commission with payment to be made in the same manner as
33 payment of other purses and awards;

34 (2) 55% thereof for the establishment of a Sire Stakes Program for
35 standardbred horses with payment to be made to the Department of
36 Agriculture for administration as hereinbefore provided;

37 (3) 5% thereof for contributions and awards designed to improve
38 and promote the standardbred breeding industry in New Jersey
39 through payment of awards to owners and breeders of New Jersey
40 bred horses which are registered with the Standardbred Breeders' and
41 Owners' Association of New Jersey and which earn portions of purses
42 in open events on New Jersey tracks, and to owners of stallions posted
43 on the official stallions roster of the Standardbred Breeders' and
44 Owners' Association of New Jersey which sire such registered New
45 Jersey bred money earners;

46 (4) 3% thereof for other New Jersey horse breeding and promotion

- 1 conducted by the New Jersey Department of Agriculture.
- 2 c. Retain 7.935%, or in the case of races on a charity racing day
3 7.70%, of so much of such total contributions for his own uses and
4 purposes. Notwithstanding the foregoing, for pools where the patron
5 is required to select two horses, the permitholder shall retain 8.935%,
6 or in the case of races on a charity racing day 8.70%, of the total
7 contributions and for pools where the patron is required to select three
8 or more horses, the permitholder shall retain 11.935%, or in the case
9 of races on a charity racing day 11.70%, of the total contributions.
10 The permitholder shall contribute out of its 11.935% or 11.70% share
11 of pools, where the patron is required to select three or more horses,
12 a sum deemed necessary by the Racing Commission, to finance a
13 prerace blood testing program, and such other testing programs which
14 the commission shall deem proper and necessary and which shall be
15 subject to the regulation and control of the commission.
- 16 d. Distribute as purse money and for programs designed to aid the
17 horsemen and the Standardbred Breeders' and Owners' Association of
18 New Jersey 7.7675%, or in the case of races on a charity racing day
19 7.65%, of such total contributions. Expenditures for programs
20 designed to aid the horsemen and the Standardbred Breeders' and
21 Owners' Association of New Jersey shall not exceed 3.2% of the sum
22 available for distribution as purse money. The formula for distribution
23 of the purse money as either overnight purses or special stakes shall be
24 determined by an agreement between the Standardbred Breeders' and
25 Owners' Association of New Jersey and the tracks. Notwithstanding
26 the foregoing, for pools where the patron is required to select two or
27 more horses, the permitholder shall distribute as purse money
28 8.7675%, or in the case of races on a charity racing day 8.65%, of the
29 total contributions and for pools where the patron is required to select
30 three or more horses, the permitholder shall distribute as purse money
31 11.7675%, or in the case of races on a charity racing day 11.65%, of
32 the total contributions. Notwithstanding the foregoing, for pools
33 where a patron is required to select three or more horses, the
34 permitholder shall retain out of the 11.7675% or 11.65% to be
35 distributed as purse money, a sum deemed necessary by the racing
36 commission, for use by the commission to finance a prerace blood
37 testing program, and such other testing programs which the
38 commission shall deem proper and necessary and which shall be
39 subject to the regulation and control of the commission.
- 40 e. In the case of races on a racing day other than a charity racing
41 day, distribute to the Standardbred Breeders' and Owners' Association
42 of New Jersey for the administration of a health benefits program for
43 horsemen .1175% of such total contributions.
- 44 f. In the case of races on a racing day other than a charity racing
45 day, distribute to the Sire Stakes Program for standardbred horses
46 .02% of such total contributions.

1 g. In the case of races on a racing day other than a charity racing
2 day, distribute to the Backstretch Benevolency Programs Fund created
3 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
4 contributions.

5 Except as otherwise provided by law, no admission or amusement
6 tax, excise tax, license or horse racing fee of any kind shall be assessed
7 or collected from the permitholder by the State of New Jersey, or by
8 any county or municipality, or by any other body having power to
9 assess or collect license fees or taxes.

10 (cf: P.L.1993, c.353, s.3)

11

12 4. Section 5 of P.L.1982, c.201 (C.5:5-98) is amended to read as
13 follows:

14 5. The permitholder shall distribute the sums deposited in
15 parimutuel pools to winners thereof in accordance with section 44 of
16 P.L.1940, c.17 (C.5:5-64) and shall dispose of the deposits remaining
17 undistributed as follows:

18 a. In the case of harness races:

19 (1) Hold and set aside in an account designated as a special trust
20 account 1% of such total contributions in all pools, to be used and
21 distributed as hereinafter provided and as provided in section 5 of
22 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

23 (a) 42 1/2% thereof to increase purses and grant awards for
24 starting horses, as provided or as may be provided by rules of the New
25 Jersey Racing Commission, with payment to be made in the same
26 manner as payment of other purses and awards;

27 (b) 49% thereof for the establishment of a Sire Stakes Program for
28 standardbred horses, with payment to be made to the Department of
29 Agriculture for administration as provided;

30 (c) 5 1/2% thereof for contributions and awards designed to
31 improve and promote the standardbred breeding industry in New
32 Jersey through payment of awards to owners and breeders of New
33 Jersey bred horses, which are registered with the Standardbred
34 Breeders' and Owners' Association of New Jersey and which earn
35 portions of purses in open events on New Jersey tracks, and to owners
36 of stallions posted on the official stallion roster of the Standardbred
37 Breeders' and Owners' Association of New Jersey, which sire such
38 registered New Jersey bred money earners;

39 (d) 3% thereof for other New Jersey horse breeding and promotion
40 conducted by the New Jersey Department of Agriculture.

41 Payment of the sums held and set aside pursuant to subparagraphs
42 (c) and (d) shall be made to the commission every seventh day of any
43 and every race meeting in the amount then due, as determined in the
44 manner provided above, and shall be accompanied by a report under
45 oath showing the total of all such contributions, together with such
46 other information as the commission may require.

1 (2) Distribute as purse money and for programs designed to aid the
2 horsemen and the Standardbred Breeders' and Owners' Association of
3 New Jersey 5.1175%, or in the case of races on a charity racing day
4 5%, of such total contributions. Expenditures for programs designed
5 to aid the horsemen and the Standardbred Breeders' and Owners'
6 Association of New Jersey shall not exceed 3.5% of the sum available
7 for distribution as purse money. The formula for distribution of the
8 purse money as either overnight purses or special stakes shall be
9 determined by an agreement between the Standardbred Breeders' and
10 Owners' Association of New Jersey and the permitholder.
11 Notwithstanding the foregoing, for pools where the patron is required
12 to select two or more horses, the permitholder shall distribute as purse
13 money 5.6175%, or in the case of races on a charity racing day 5.5%,
14 of the total contributions and for pools where the patron is required to
15 select three or more horses, the permitholder shall distribute as purse
16 money 7.1175%, or in the case of races on a charity racing day 7%, of
17 the total contributions. Notwithstanding the foregoing, for pools
18 where a patron is required to select three or more horses, the
19 permitholder shall retain out of the 7.1175% or 7% to be distributed
20 as purse money a sum deemed necessary by the racing commission, for
21 use by the commission to finance a prerace blood testing program, and
22 such other testing programs which the commission shall deem proper
23 and necessary and which shall be subject to the regulation and control
24 of the commission.

25 (3) In the case of races on a racing day other than a charity racing
26 day, distribute to the Standardbred Breeders' and Owners' Association
27 of New Jersey for the administration of a health benefits program for
28 horsemen .1175% of such total contributions.

29 (4) In the case of races on a racing day other than a charity racing
30 day, distribute to the Sire Stakes Program for standardbred horses
31 .02% of such total contributions.

32 (5) In the case of races on a racing day other than a charity racing
33 day, distribute to the Backstretch Benevolency Programs Fund created
34 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
35 contributions.

36 b. In the case of running races:

37 (1) Hold and set aside in an account designated as a special trust
38 account 5% of 1% of such total contributions, to be used and
39 distributed for State horse breeding and development programs,
40 research, fairs, horse shows, youth activities, promotion and
41 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

42 (2) Distribute as purse money and for programs designed to aid the
43 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
44 Association 4.475%, or in the case of races on a charity racing day
45 4.24%, of such total contributions. Expenditures for programs
46 designed to aid the horsemen and the New Jersey Thoroughbred

1 Horseman's Benevolent Association shall not exceed 2.9% of the sum
2 available for distribution as purse money. The formula for distribution
3 of the purse money as either overnight purses or special stakes shall be
4 determined by an agreement between the New Jersey Thoroughbred
5 Horseman's Benevolent Association and the permitholder.
6 Notwithstanding the foregoing, for pools where the patron is required
7 to select three or more horses, the permitholder shall distribute as
8 purse money 7.475%, or in the case of races on a charity racing day
9 7.24%, of the total contributions.

10 (3) 60% of 1% of all pools shall be deducted and set aside in the
11 special trust account established pursuant to section 46b.(1)(e) and
12 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66). The commission may,
13 however, reduce this amount for a period of time to be determined by
14 the commission upon a request by the permitholder and a
15 determination by the commission that the payment of that amount
16 would cause extreme financial hardship for the permitholder. In no
17 event shall the commission reduce the amount to less than 10% of 1%
18 of total contributions to all parimutuel pools at running race meetings
19 at the racetrack. The permitholder may request an extension of the
20 period of reduction or a further reduction or, subsequent to any
21 restoration of the amount specified above, another reduction.

22 (4) In the case of races on a racing day other than a charity racing
23 day, distribute to the Thoroughbred Breeders' Association of New
24 Jersey .02% of such total contributions.

25 (5) In the case of races on a racing day other than a charity racing
26 day, distribute to the Backstretch Benevolency Programs Fund created
27 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
28 contributions.

29 For pools where a patron is required to select three or more horses,
30 50% of 1% of the total contributions shall be held and set aside in the
31 special trust account established pursuant to section 46b.(1)(e) and
32 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

33 Payment of the sums held and set aside pursuant to paragraphs (1)
34 and (3) of this subsection shall be made to the commission every
35 seventh day of any and every race meeting in the amount then due, as
36 determined in the manner provided above, and shall be accompanied
37 by a report under oath showing the total of all such contributions,
38 together with such other information as the commission may require.

39 In addition to the amounts above, in the case of races on a racing
40 day designated or allotted as a charity racing day pursuant to
41 P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113 (C.5:5-44.7),
42 or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. , c. (C.)
43 (now pending before the Legislature as this bill), an amount equal to
44 1/2 of 1% of all parimutuel pools shall be paid to the commission at
45 the time and in the manner prescribed by the commission.

46 All amounts remaining in parimutuel pools, including the breaks,

1 after the distribution and payments required by this section shall
2 constitute revenues of the permitholder. Except as otherwise provided
3 in this section, the permitholder shall not be required to make any
4 payments to the commission or others in connection with contributions
5 to parimutuel pools.

6 (cf: P.L.1995, c.64, s.1)

7

8 5. Section 7 of P.L.1971, c.137 (C.5:10-7) is amended to read as
9 follows:

10 7. a. The authority is hereby authorized, licensed and empowered
11 to apply to the Racing Commission for a permit or permits to hold and
12 conduct, at any of the projects set forth in paragraphs (1) and (5) of
13 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), horse race
14 meetings for stake, purse or reward, and to provide a place or places
15 on the race meeting grounds or enclosure for wagering by patrons on
16 the results of such horse races by the parimutuel system, and to receive
17 charges and collect all revenues, receipts and other sums from the
18 ownership and operation thereof; provided that only the authority
19 through its employees shall conduct such horse race meetings and
20 wagering and the authority is expressly prohibited from placing in the
21 control of any other person, firm or corporation the conduct of such
22 horse race meetings, or wagering.

23 b. Except as otherwise provided in this section, such horse race
24 meetings and parimutuel wagering shall be conducted by the authority
25 in the manner and subject to compliance with the standards set forth
26 in P.L.1940, c.17 (C.5:5-22 et seq.) and the rules, regulations and
27 conditions prescribed by the Racing Commission thereunder for the
28 conduct of horse race meetings and for parimutuel betting at such
29 meetings.

30 c. Application for said permit or permits shall be on such forms and
31 shall include such accompanying data as the Racing Commission shall
32 prescribe for other applicants. The Racing Commission shall proceed
33 to review and act on any such application within 30 days after its filing
34 and the Racing Commission is authorized in its sole discretion to
35 determine whether a permit shall be granted to the authority. If, after
36 such review, the Racing Commission acts favorably on such
37 application, a permit shall be granted to the authority without any
38 further approval and shall remain in force and effect so long as any
39 bonds or notes of the authority remain outstanding, the provisions of
40 any other law to the contrary notwithstanding. In granting a permit to
41 the authority to conduct a horse race meeting, the Racing Commission
42 shall not be subject to any limitation as to the number of tracks
43 authorized for the conduct of horse race meetings pursuant to any
44 provision of P.L.1940, c.17 (C.5:5-22 et seq.). Said permit shall set
45 forth the dates to be allotted to the authority for its initial horse race
46 meetings. Thereafter application for dates for horse race meetings by

1 the authority and the allotment thereof by the Racing Commission,
2 including the renewal of the same dates theretofore allotted, shall be
3 governed by the applicable provisions of P.L.1940, c.17 (C.5:5-22 et
4 seq.). Notwithstanding the provisions of any other law to the
5 contrary, the Racing Commission shall allot annually to the authority
6 (1) for the Meadowlands Complex, in the case of harness racing, not
7 less than 100 racing days, and in the case of running racing, not less
8 than 56 racing days, if and to the extent that application is made
9 therefor, and (2) for any other project which is set forth in paragraph
10 (5) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), and
11 which was previously operated by a permitholder other than the
12 authority, racing days shall be limited, in type of racing and amount of
13 days, to those allotted by the Racing Commission to the prior
14 permitholder for the year 1985, as of December 13, 1984; except that
15 the authority may apply to the Racing Commission for an extension of
16 the number and type of racing days pursuant to section 2 of P.L.1984,
17 c.247 (C.5:5-43.1).

18 d. No hearing, referendum or other election or proceeding, and no
19 payment, surety or cash bond or other deposit, shall be required for
20 the authority to hold or conduct the horse race meetings with
21 parimutuel wagering herein authorized.

22 e. The authority shall determine the amount of the admission fee
23 for the races and all matters relating to the collection thereof.

24 f. Distribution of sums deposited in parimutuel pools to winners
25 thereof shall be in accordance with the provisions of section 44 of
26 P.L.1940, c.17 (C.5:5-64) pertaining thereto. The authority shall
27 make disposition of the deposits remaining undistributed as follows:

28 (1) In the case of harness races:

29 (a) Hold and set aside in an account designated as a special trust
30 account 1% of such total contributions in all pools, to be used and
31 distributed as hereinafter provided and as provided in section 5 of
32 P.L.1967, c.40, for the following purposes and no other:

33 (i) 4 1/2% thereof to increase purses and grant awards for starting
34 horses, as provided or as may be provided by rules of the New Jersey
35 Racing Commission, with payment to be made in the same manner as
36 payment of other purses and awards;

37 (ii) 49% thereof for the establishment of a Sire Stakes Program for
38 standardbred horses, with payment to be made to the Department of
39 Agriculture for administration as hereinbefore provided;

40 (iii) 5 1/2% thereof for contributions and awards designed to
41 improve and promote the standardbred breeding industry in New
42 Jersey through payment of awards to owners and breeders of New
43 Jersey bred horses, which are registered with the Standardbred
44 Breeders' and Owners' Association of New Jersey and which earn
45 portions of purses in open events on New Jersey tracks, and to owners
46 of stallions posted on the official stallion roster of the Standardbred

1 Breeders' and Owners' Association of New Jersey, which sire such
2 registered New Jersey bred money earners;

3 (iv) 3% thereof for other New Jersey horse breeding and
4 promotion conducted by the New Jersey Department of Agriculture.

5 Payment of the sums held and set aside pursuant to subparagraphs
6 (iii) and (iv) shall be made to the commission every seventh day of any
7 and every race meeting in the amount then due, as determined in the
8 manner provided above, and shall be accompanied by a report under
9 oath showing the total of all such contributions, together with such
10 other information as the commission may require.

11 (b) Distribute as purse money and for programs designed to aid the
12 horsemen and the Standardbred Breeders' and Owners' Association of
13 New Jersey 5.1175%, or in the case of races on a charity racing day
14 5%, of such total contributions. Expenditures for programs designed
15 to aid the horsemen and the Standardbred Breeders' and Owners'
16 Association of New Jersey shall not exceed 3.5% of the sum available
17 for distribution as purse money. The formula for distribution of the
18 purse money as either overnight purses or special stakes shall be
19 determined by an agreement between the Standardbred Breeders' and
20 Owners' Association of New Jersey and the authority. Notwithstanding
21 the foregoing, for pools where the patron is required to select two or
22 more horses, the authority shall distribute as purse money 5.6175%,
23 or in the case of races on a charity racing day 5.5%, of the total
24 contributions and for pools where the patron is required to select three
25 or more horses, the authority shall distribute as purse money 7.1175%,
26 or in the case of races on a charity racing day 7%, of the total
27 contributions. Notwithstanding the foregoing, for pools where a
28 patron is required to select three or more horses, the authority shall
29 retain out of the 7.1175% or 7% to be distributed as purse money a
30 sum deemed necessary by the racing commission, for use by the
31 commission to finance a prerace blood testing program, and such other
32 testing programs which the commission shall deem proper and
33 necessary and which shall be subject to the regulation and control of
34 said commission.

35 (c) In the case of races on a racing day other than a charity racing
36 day, distribute to the Standardbred Breeders' and Owners' Association
37 of New Jersey for the administration of a health benefits program for
38 horsemen .1175% of such total contributions.

39 (d) In the case of races on a racing day other than a charity racing
40 day, distribute to the Sire Stakes Program for standardbred horses
41 .02% of such total contributions.

42 (e) In the case of races on a racing day other than a charity racing
43 day, distribute to the Backstretch Benevolency Programs Fund created
44 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
45 contributions.

46 (2) In the case of running races:

1 (a) Hold and set aside in an account designated as a special trust
2 account 5% of 1% of such total contributions, to be used and
3 distributed for State horse breeding and development programs,
4 research, fairs, horse shows, youth activities, promotion and
5 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

6 (b) Distribute as purse money and for programs designed to aid the
7 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
8 Association 4.475%, or in the case of races on a charity racing day
9 4.24%, of such total contributions. Expenditures for programs
10 designed to aid the horsemen and the New Jersey Thoroughbred
11 Horseman's Benevolent Association shall not exceed 2.9% of the sum
12 available for distribution as purse money. The formula for distribution
13 of the purse money as either overnight purses or special stakes shall be
14 determined by an agreement between the New Jersey Thoroughbred
15 Horseman's Benevolent Association and the authority.
16 Notwithstanding the foregoing, for pools where the patron is required
17 to select three or more horses, the authority shall distribute as purse
18 money 7.475%, or in the case of races on a charity racing day 7.24%,
19 of the total contributions.

20 (c) 10% of 1% of all pools shall be deducted and set aside in the
21 special trust account established pursuant to section 46b.(1)(e) and
22 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

23 (d) In the case of races on a racing day other than a charity racing
24 day, distribute to the Thoroughbred Breeders' Association of New
25 Jersey .02% of such total contributions.

26 (e) In the case of races on a racing day other than a charity racing
27 day, distribute to the Backstretch Benevolency Programs Fund created
28 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
29 contributions.

30 For pools where a patron is required to select three or more horses,
31 50% of 1% of the total contributions shall be held and set aside in that
32 special trust account.

33 Payment of the sums held and set aside pursuant to subparagraphs
34 (a) and (c) of this subsection shall be made to the commission every
35 seventh day of any and every race meeting in the amount then due, as
36 determined in the manner provided above, and shall be accompanied
37 by a report under oath showing the total of all such contributions,
38 together with such other information as the commission may require.

39 In addition to the amounts above, in the case of races on a racing
40 day designated or allotted as a charity racing day pursuant to
41 P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113 (C.5:5-44.7),
42 or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. , c. (C.)
43 (now pending before the Legislature as this bill), an amount equal to
44 1/2 of 1% of all parimutuel pools shall be paid to the commission at
45 the time and in the manner prescribed by the commission.

46 All amounts remaining in parimutuel pools, including the breaks,

1 after such distribution and payments shall constitute revenues of the
2 authority. Except as otherwise expressly provided in this section 7, the
3 authority shall not be required to make any payments to the Racing
4 Commission or others in connection with contributions to parimutuel
5 pools.

6 In the event that a written agreement between the authority and the
7 respective horsemen's associations shall require the distribution of
8 additional sums of money to increase purses or contributions to the
9 special trust accounts hereinabove provided, or both, any such
10 distribution to be made in the year 1981 shall be made by the authority
11 only from, and to the extent of, available moneys from the preceding
12 year set aside for such purpose, after application of the authority's
13 revenues, moneys or other funds as provided in subsection c.(1), (2),
14 (3), (4), (5), (6) and (7) of section 6 of P.L.1971, c.137 (C.5:10-6).

15 g. All sums held by the authority for payment of outstanding
16 parimutuel tickets not claimed by the person or persons entitled
17 thereto within the time provided by law shall be paid upon the
18 expiration of such time, without further obligation to such
19 ticketholder, as follows:

20 (1) In the case of running and harness races, 50% of those sums
21 shall be paid to the Racing Commission;

22 (2) In the case of running races, 50% of those sums shall be paid
23 to the commission and set aside in the special trust account established
24 pursuant to section 46b.(1)(e) and section 46b.(2)(e) of P.L.1940, c.17
25 (C.5:5-66); and

26 (3) In the case of harness races, 25% of those sums shall be
27 retained by the permitholder to supplement purses for sire stakes races
28 on which there is parimutuel wagering, and 25% shall be retained by
29 the permitholder to supplement overnight purses.

30 h. No admission or amusement tax, excise tax, license or horse
31 racing fee of any kind shall be assessed or collected from the authority
32 by the State of New Jersey, or by any county or municipality, or by
33 any other body having power to assess or collect license fees or taxes.

34 i. Any horse race meeting and the parimutuel system of wagering
35 upon the results of horse races held at such race meeting shall not
36 under any circumstances, if conducted as provided in the act and in
37 conformity thereto, be held or construed to be unlawful, other statutes
38 of the State to the contrary notwithstanding.

39 j. Each employee of the authority engaged in the conducting of
40 horse race meetings shall obtain the appropriate license from the
41 Racing Commission, subject to the same terms and conditions as is
42 required of similar employees of other permitholders. The Racing
43 Commission may suspend any member of the authority upon approval
44 of the Governor and the license of any employee of the authority in
45 connection with the conducting of horse race meetings, pending a
46 hearing by the Racing Commission, for any violation of the New Jersey

1 laws regulating horse racing or any rule or regulation of the
2 commission.such hearing shall be held and conducted in the manner
3 provided in said laws.

4 (cf: P.L.1993, c.353, s.6)

5

6 6. P.L.1992, c.113 (C.5:5-44.7) is repealed.

7

8 7. This act shall take effect on July 1, 1997.

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STATEMENT

12

13 This bill repeals the law establishing a "Charity Racing Day for the
14 Vietnam Veterans' Memorial" and replaces that charity day with a
15 "Charity Racing Day for the Horse Park of New Jersey and for the
16 Care of Retired Horses." Fifty percent of the funds received by the
17 Racing Commission from its share of the parimutuel pools on those
18 charity racing days at the New Jersey racetracks shall be appropriated
19 to the Department of Agriculture to be used as a grant to the Horse
20 Park of New Jersey, and 50% shall be appropriated to the Department
21 of Agriculture for grants to organizations which care for retired
22 racehorses. The bill would take effect on July 1, 1997.

23

24

25

26

27 Provides for "Charity Racing Day for the Horse Park of New Jersey
28 and for the Care of Retired Horses"; repeals law establishing "Charity
29 Racing Day for the Vietnam Veterans' Memorial."