

[First Reprint]  
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

**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.**

**Matter enclosed in superscript numerals has been adopted as follows:**

**<sup>1</sup> Assembly ASI committee amendments adopted December 9, 1996.**

1 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in  
2 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the  
3 deposits remaining undistributed pursuant to section 44 as follows:

4 a. In the case of harness races:

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

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

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

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

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

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

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

1 of pools, where the patron is required to select three or more horses,  
2 a sum deemed necessary by the racing commission, to finance a  
3 prerace blood testing program, and such other testing programs which  
4 the commission shall deem proper and necessary and which shall be  
5 subject to the regulation and control of said commission.

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

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

37 (6) In the case of races on a racing day other than a charity racing  
38 day, distribute to the Sire Stakes Program for standardbred horses  
39 .05% of such total contributions, except that for pools where the  
40 patron is required to select two or more horses, the amount shall be  
41 .09%, and for pools where the patron is required to select three or  
42 more horses, the amount shall be .21%.

43 (7) In the case of races on a racing day other than a charity racing  
44 day, distribute to the Backstretch Benevolency Programs Fund created  
45 pursuant to P.L.1993, c.15 (C.5:5-44.8) .025% of such total  
46 contributions, except that for pools where the patron is required to

1 select two or more horses, the amount shall be .045%, and for pools  
2 where the patron is required to select three or more horses, the  
3 amount shall be .105%.

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

9 b. In the case of running races:

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

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

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

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

43 (d) Distribute as purse money and for programs designed to aid the  
44 horsemen and the New Jersey Thoroughbred Horseman's Benevolent  
45 Association 6.141%, or in the case of races on a charity racing day  
46 6.00%, of such contributions. Notwithstanding the foregoing, for

1 pools where the patron is required to select two horses, the  
2 permitholder shall distribute as purse money 7.071%, or in the case of  
3 races on a charity racing day 6.93%, of such contributions and for  
4 pools where the patron is required to select three or more horses, the  
5 permitholder shall distribute as purse money 9.631%, or in the case of  
6 races on a charity racing day 9.02%, of the total contributions.  
7 Expenditures for programs designed to aid the horsemen and the New  
8 Jersey Thoroughbred Horseman's Benevolent Association shall not  
9 exceed 2.5% of the sum available for distribution as purse money from  
10 all parimutuel pools. The formula for distribution of the purse money  
11 as either overnight purses or special stakes shall be determined by an  
12 agreement between the New Jersey Thoroughbred Horseman's  
13 Benevolent Association and the permitholder. Notwithstanding the  
14 foregoing, for pools where a patron is required to select three or more  
15 horses, each permitholder shall retain out of the 9.631% or 9.02% to  
16 be distributed as purse money a sum deemed necessary by the racing  
17 commission, for use by the commission to finance a prerace blood  
18 testing program, and such other testing programs which the  
19 commission shall deem proper and necessary and which shall be  
20 subject to the regulation and control of the commission.

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

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

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

44 (h) In the case of races on a racing day other than a charity racing  
45 day, distribute to the Backstretch Benevolency Programs Fund created  
46 pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of such total

1 contributions, except that for pools where the patron is required to  
2 select three or more horses, the amount shall be .026%.

3 (i) Notwithstanding the foregoing, for pools where a patron is  
4 required to select three or more horses, 50% of 1% of the total  
5 contributions shall be held and set aside in the special trust account  
6 referred to in subparagraph (e) of this paragraph.

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

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

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

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

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

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

1 permitholder shall distribute as purse money 7.745%, or in the case of  
2 races on a charity racing day 7.51%, of such contributions and for  
3 pools where the patron is required to select three or more horses, the  
4 permitholder shall distribute as purse money 10.085%, or in the case  
5 of races on a charity racing day 9.85%, of the total contributions.  
6 Expenditures for programs designed to aid the horsemen and the New  
7 Jersey Thoroughbred Horseman's Benevolent Association shall not  
8 exceed 2.5% of the sum available for distribution as purse money from  
9 all parimutuel pools. The formula for distribution of the purse money  
10 as either overnight purses or special stakes shall be determined by an  
11 agreement between the New Jersey Thoroughbred Horseman's  
12 Benevolent Association and the permitholder. Notwithstanding the  
13 foregoing, for pools where a patron is required to select three or more  
14 horses, each permitholder shall retain out of the 10.085% or 9.85% to  
15 be distributed as purse money a sum deemed necessary by the racing  
16 commission, for use by the commission to finance a prerace blood  
17 testing program, and such other testing programs which the  
18 commission shall deem proper and necessary and which shall be  
19 subject to the regulation and control of the commission.

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

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

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

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) .01% of such total  
44 contributions.

45 (i) Notwithstanding the foregoing, for pools where a patron is  
46 required to select three or more horses, 49% of 1% of the total

1 contributions shall be held and set aside in the special trust account  
2 referred to in subparagraph (e) of this paragraph.

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

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

9

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

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

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

29 b. Hold and set aside in an account designated as a special trust  
30 account 1.15% 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 (1) 37% 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 (2) 55% 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 (3) 5% thereof for contributions and awards designed to improve  
41 and promote the standardbred breeding industry in New Jersey  
42 through payment of awards to owners and breeders of New Jersey  
43 bred horses which are registered with the Standardbred Breeders' and  
44 Owners' Association of New Jersey and which earn portions of purses  
45 in open events on New Jersey tracks, and to owners of stallions posted  
46 on the official stallions roster of the Standardbred Breeders' and

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

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

5 c. Retain 7.935%, or in the case of races on a charity racing day  
6 7.70%, of so much of such total contributions for his own uses and  
7 purposes. Notwithstanding the foregoing, for pools where the patron  
8 is required to select two horses, the permitholder shall retain 8.935%,  
9 or in the case of races on a charity racing day 8.70%, of the total  
10 contributions and for pools where the patron is required to select three  
11 or more horses, the permitholder shall retain 11.935%, or in the case  
12 of races on a charity racing day 11.70%, of the total contributions.  
13 The permitholder shall contribute out of its 11.935% or 11.70% share  
14 of pools, where the patron is required to select three or more horses,  
15 a sum deemed necessary by the Racing Commission, to finance a  
16 prerace blood testing program, and such other testing programs which  
17 the commission shall deem proper and necessary and which shall be  
18 subject to the regulation and control of the commission.

19 d. Distribute as purse money and for programs designed to aid the  
20 horsemen and the Standardbred Breeders' and Owners' Association of  
21 New Jersey 7.7675%, or in the case of races on a charity racing day  
22 7.65%, of such total contributions. Expenditures for programs  
23 designed to aid the horsemen and the Standardbred Breeders' and  
24 Owners' Association of New Jersey shall not exceed 3.2% of the sum  
25 available for distribution as purse money. The formula for distribution  
26 of the purse money as either overnight purses or special stakes shall be  
27 determined by an agreement between the Standardbred Breeders' and  
28 Owners' Association of New Jersey and the tracks. Notwithstanding  
29 the foregoing, for pools where the patron is required to select two or  
30 more horses, the permitholder shall distribute as purse money  
31 8.7675%, or in the case of races on a charity racing day 8.65%, of the  
32 total contributions and for pools where the patron is required to select  
33 three or more horses, the permitholder shall distribute as purse money  
34 11.7675%, or in the case of races on a charity racing day 11.65%, of  
35 the total contributions. Notwithstanding the foregoing, for pools  
36 where a patron is required to select three or more horses, the  
37 permitholder shall retain out of the 11.7675% or 11.65% to be  
38 distributed as purse money, a sum deemed necessary by the racing  
39 commission, for use by the commission to finance a prerace blood  
40 testing program, and such other testing programs which the  
41 commission shall deem proper and necessary and which shall be  
42 subject to the regulation and control of the commission.

43 e. In the case of races on a racing day other than a charity racing  
44 day, distribute to the Standardbred Breeders' and Owners' Association  
45 of New Jersey for the administration of a health benefits program for  
46 horsemen .1175% of such total contributions.

1 f. In the case of races on a racing day other than a charity racing  
2 day, distribute to the Sire Stakes Program for standardbred horses  
3 .02% of such total contributions.

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

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

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

14

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

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

21 a. In the case of harness races:

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

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

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

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

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

44 Payment of the sums held and set aside pursuant to subparagraphs  
45 (c) and (d) shall be made to the commission every seventh day of any  
46 and every race meeting in the amount then due, as determined in the

1 manner provided above, and shall be accompanied by a report under  
2 oath showing the total of all such contributions, together with such  
3 other information as the commission may require.

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

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

32 (4) In the case of races on a racing day other than a charity racing  
33 day, distribute to the Sire Stakes Program for standardbred horses  
34 .02% of such total contributions.

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

39 b. In the case of running races:

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

45 (2) Distribute as purse money and for programs designed to aid the  
46 horsemen and the New Jersey Thoroughbred Horseman's Benevolent

1 Association 4.475%, or in the case of races on a charity racing day  
2 4.24%, of such total contributions. Expenditures for programs  
3 designed to aid the horsemen and the New Jersey Thoroughbred  
4 Horseman's Benevolent Association shall not exceed 2.9% of the sum  
5 available for distribution as purse money. The formula for distribution  
6 of the purse money as either overnight purses or special stakes shall be  
7 determined by an agreement between the New Jersey Thoroughbred  
8 Horseman's Benevolent Association and the permitholder.  
9 Notwithstanding the foregoing, for pools where the patron is required  
10 to select three or more horses, the permitholder shall distribute as  
11 purse money 7.475%, or in the case of races on a charity racing day  
12 7.24%, of the total contributions.

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

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

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

32 For pools where a patron is required to select three or more horses,  
33 50% of 1% of the total contributions shall be held and set aside in the  
34 special trust account established pursuant to section 46b.(1)(e) and  
35 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

42 In addition to the amounts above, in the case of races on a racing  
43 day designated or allotted as a charity racing day pursuant to  
44 P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113 (C.5:5-44.7),  
45 or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. , c. (C. )  
46 (now pending before the Legislature as this bill), an amount equal to

1 1/2 of 1% of all parimutuel pools shall be paid to the commission at  
2 the time and in the manner prescribed by the commission.

3 All amounts remaining in parimutuel pools, including the breaks,  
4 after the distribution and payments required by this section shall  
5 constitute revenues of the permitholder. Except as otherwise provided  
6 in this section, the permitholder shall not be required to make any  
7 payments to the commission or others in connection with contributions  
8 to parimutuel pools.

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

10

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

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

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

33 c. Application for said permit or permits shall be on such forms and  
34 shall include such accompanying data as the Racing Commission shall  
35 prescribe for other applicants. The Racing Commission shall proceed  
36 to review and act on any such application within 30 days after its filing  
37 and the Racing Commission is authorized in its sole discretion to  
38 determine whether a permit shall be granted to the authority. If, after  
39 such review, the Racing Commission acts favorably on such  
40 application, a permit shall be granted to the authority without any  
41 further approval and shall remain in force and effect so long as any  
42 bonds or notes of the authority remain outstanding, the provisions of  
43 any other law to the contrary notwithstanding. In granting a permit to  
44 the authority to conduct a horse race meeting, the Racing Commission  
45 shall not be subject to any limitation as to the number of tracks  
46 authorized for the conduct of horse race meetings pursuant to any

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

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

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

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

31 (1) In the case of harness races:

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

36 (i) 42 1/2% thereof to increase purses and grant awards for starting  
37 horses, as provided or as may be provided by rules of the New Jersey  
38 Racing Commission, with payment to be made in the same manner as  
39 payment of other purses and awards;

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

43 (iii) 5 1/2% thereof for contributions and awards designed to  
44 improve and promote the standardbred breeding industry in New  
45 Jersey through payment of awards to owners and breeders of New  
46 Jersey bred horses, which are registered with the Standardbred

1 Breeders' and Owners' Association of New Jersey and which earn  
2 portions of purses in open events on New Jersey tracks, and to owners  
3 of stallions posted on the official stallion roster of the Standardbred  
4 Breeders' and Owners' Association of New Jersey, which sire such  
5 registered New Jersey bred money earners;

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

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

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

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

42 (d) In the case of races on a racing day other than a charity racing  
43 day, distribute to the Sire Stakes Program for standardbred horses  
44 .02% of such total contributions.

45 (e) In the case of races on a racing day other than a charity racing  
46 day, distribute to the Backstretch Benevolency Programs Fund created

1 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total  
2 contributions.

3 (2) In the case of running races:

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

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

23 (c) 10% of 1% of all pools shall be deducted and set aside in the  
24 special trust account established pursuant to section 46b.(1)(e) and  
25 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

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

33 For pools where a patron is required to select three or more horses,  
34 50% of 1% of the total contributions shall be held and set aside in that  
35 special trust account.

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

42 In addition to the amounts above, in the case of races on a racing  
43 day designated or allotted as a charity racing day pursuant to  
44 P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113 (C.5:5-44.7),  
45 or] P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L. , c. (C. )  
46 (now pending before the Legislature as this bill), an amount equal to

1 1/2 of 1% of all parimutuel pools shall be paid to the commission at  
2 the time and in the manner prescribed by the commission.

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

9 In the event that a written agreement between the authority and the  
10 respective horsemen's associations shall require the distribution of  
11 additional sums of money to increase purses or contributions to the  
12 special trust accounts hereinabove provided, or both, any such  
13 distribution to be made in the year 1981 shall be made by the authority  
14 only from, and to the extent of, available moneys from the preceding  
15 year set aside for such purpose, after application of the authority's  
16 revenues, moneys or other funds as provided in subsection c.(1), (2),  
17 (3), (4), (5), (6) and (7) of section 6 of P.L.1971, c.137 (C.5:10-6).

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

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

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

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

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

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

42 j. Each employee of the authority engaged in the conducting of  
43 horse race meetings shall obtain the appropriate license from the  
44 Racing Commission, subject to the same terms and conditions as is  
45 required of similar employees of other permitholders. The Racing  
46 Commission may suspend any member of the authority upon approval

1 of the Governor and the license of any employee of the authority in  
2 connection with the conducting of horse race meetings, pending a  
3 hearing by the Racing Commission, for any violation of the New Jersey  
4 laws regulating horse racing or any rule or regulation of the  
5 commission.such hearing shall be held and conducted in the manner  
6 provided in said laws.

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

8

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

10

11 7. This act shall take effect on <sup>1</sup>~~[July 1, 1997]~~July 1, 1998<sup>1</sup>.

12

13

14

15

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