

[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:

¹ 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 ¹~~[July 1, 1997]~~July 1, 1998¹.

12

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14

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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."