

[First Reprint]
SENATE, No. 201

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senators SINGER and PALAIA

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. ¹[Twenty-five]Fifty¹
22 percent of the moneys in the fund shall be appropriated to the
23 Department of Agriculture to be used as a grant to the Horse Park of
24 New Jersey, and ¹[75%]50%¹ shall be appropriated to the Department
25 of Agriculture for grants to organizations which care for retired
26 racehorses.

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

30 46. Every permitholder engaged in the business of conducting
31 horse race meetings under this act, except the New Jersey Sports and

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 Senate SSV committee amendments adopted January 18, 1996.

1 Exposition Authority established pursuant to P.L.1971, c.137
2 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in
3 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the
4 deposits remaining undistributed pursuant to section 44 as follows:

5 a. In the case of harness races:

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

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

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

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

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

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

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

1 Each permitholder shall contribute out of its 11.6675% or 9.20% share
2 of pools, where the patron is required to select three or more horses,
3 a sum deemed necessary by the racing commission, to finance a
4 prerace blood testing program, and such other testing programs which
5 the commission shall deem proper and necessary and which shall be
6 subject to the regulation and control of said commission.

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

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

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

44 (7) 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) .025% of such total

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

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

10 b. In the case of running races:

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

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

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

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

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

1 6.00%, of such contributions. Notwithstanding the foregoing, for
2 pools where the patron is required to select two horses, the
3 permitholder shall distribute as purse money 7.071%, or in the case of
4 races on a charity racing day 6.93%, of such contributions and for
5 pools where the patron is required to select three or more horses, the
6 permitholder shall distribute as purse money 9.631%, or in the case of
7 races on a charity racing day 9.02%, of the total contributions.
8 Expenditures for programs designed to aid the horsemen and the New
9 Jersey Thoroughbred Horseman's Benevolent Association shall not
10 exceed 2.5% of the sum available for distribution as purse money from
11 all parimutuel pools. The formula for distribution of the purse money
12 as either overnight purses or special stakes shall be determined by an
13 agreement between the New Jersey Thoroughbred Horseman's
14 Benevolent Association and the permitholder. Notwithstanding the
15 foregoing, for pools where a patron is required to select three or more
16 horses, each permitholder shall retain out of the 9.631% or 9.02% to
17 be distributed as purse money a sum deemed necessary by the racing
18 commission, for use by the commission to finance a prerace blood
19 testing program, and such other testing programs which the
20 commission shall deem proper and necessary and which shall be
21 subject to the regulation and control of the commission.

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

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

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

45 (h) 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) .006% of such total
2 contributions, except that for pools where the patron is required to
3 select three or more horses, the amount shall be .026%.

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

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

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

17 (a) On a racing day designated or allotted as a charity racing day
18 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), [P.L.1992, c.113
19 (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
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;

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 9.305%, or in the case of races on a charity racing day
30 9.07%, 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 10.375%, or in the case of races on a charity
33 racing day 10.14%, of the total contributions and for pools where the
34 patron is required to select three or more horses, the permitholder
35 shall retain 13.545%, or in the case of races on a charity racing day
36 13.31%, of the total contributions. Each permitholder shall contribute
37 out of its 13.545% or 13.31% 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 6.815%, or in the case of races on a charity racing day
46 6.58%, 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 7.745%, or in the case of
3 races on a charity racing day 7.51%, 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 10.085%, or in the case
6 of races on a charity racing day 9.85%, 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 10.085% or 9.85% 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 New Jersey
30 thoroughbred breeders' associations 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 .02% of such total contributions.

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

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

1 required to select three or more horses, 49% of 1% of the total
2 contributions shall be held and set aside in the special trust account
3 referred to in subparagraph (e) of this paragraph.

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

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

10

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

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

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

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

34 (1) 37% thereof to increase purses and grant awards for starting
35 horses as provided or as may be provided by rules of the New Jersey
36 Racing Commission with payment to be made in the same manner as
37 payment of other purses and awards;

38 (2) 55% thereof for the establishment of a Sire Stakes Program for
39 standardbred horses with payment to be made to the Department of
40 Agriculture for administration as hereinbefore provided;

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

1 on the official stallions roster of the Standardbred Breeders' and
2 Owners' Association of New Jersey which sire such registered New
3 Jersey bred money earners;

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

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

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

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

1 horsemen .1175% of such total contributions.

2 f. In the case of races on a racing day other than a charity racing
3 day, distribute to the Sire Stakes Program for standardbred horses
4 .02% of such total contributions.

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

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

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

15

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

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

22 a. In the case of harness races:

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

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

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

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

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

45 Payment of the sums held and set aside pursuant to subparagraphs
46 (c) and (d) shall be made to the commission every seventh day of any

1 and every race meeting in the amount then due, as determined in the
2 manner provided above, and shall be accompanied by a report under
3 oath showing the total of all such contributions, together with such
4 other information as the commission may require.

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

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

33 (4) In the case of races on a racing day other than a charity racing
34 day, distribute to the Sire Stakes Program for standardbred horses
35 .02% of such total contributions.

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

40 b. In the case of running races:

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

46 (2) Distribute as purse money and for programs designed to aid the

1 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
2 Association 4.475%, or in the case of races on a charity racing day
3 4.24%, of such total contributions. Expenditures for programs
4 designed to aid the horsemen and the New Jersey Thoroughbred
5 Horseman's Benevolent Association shall not exceed 2.9% of the sum
6 available for distribution as purse money. The formula for distribution
7 of the purse money as either overnight purses or special stakes shall be
8 determined by an agreement between the New Jersey Thoroughbred
9 Horseman's Benevolent Association and the permitholder.
10 Notwithstanding the foregoing, for pools where the patron is required
11 to select three or more horses, the permitholder shall distribute as
12 purse money 7.475%, or in the case of races on a charity racing day
13 7.24%, of the total contributions.

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

26 (4) 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 (5) 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 the
35 special trust account established pursuant to section 46b.(1)(e) and
36 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

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

1 (now pending before the Legislature as this bill), an amount equal to
2 1/2 of 1% of all parimutuel pools shall be paid to the commission at
3 the time and in the manner prescribed by the commission.

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

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

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

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

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

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

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

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

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

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

32 (1) In the case of harness races:

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

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

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

44 (iii) 5 1/2% thereof for contributions and awards designed to
45 improve and promote the standardbred breeding industry in New
46 Jersey through payment of awards to owners and breeders of New

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

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

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

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

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

43 (d) In the case of races on a racing day other than a charity racing
44 day, distribute to the Sire Stakes Program for standardbred horses
45 .02% of such total contributions.

46 (e) In the case of races on a racing day other than a charity racing

1 day, distribute to the Backstretch Benevolency Programs Fund created
2 pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such total
3 contributions.

4 (2) In the case of running races:

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

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

24 (c) 10% of 1% of all pools shall be deducted and set aside in the
25 special trust account established pursuant to section 46b.(1)(e) and
26 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

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

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

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

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

1 (now pending before the Legislature as this bill), an amount equal to
2 1/2 of 1% of all parimutuel pools shall be paid to the commission at
3 the time and in the manner prescribed by the commission.

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

10 In the event that a written agreement between the authority and the
11 respective horsemen's associations shall require the distribution of
12 additional sums of money to increase purses or contributions to the
13 special trust accounts hereinabove provided, or both, any such
14 distribution to be made in the year 1981 shall be made by the authority
15 only from, and to the extent of, available moneys from the preceding
16 year set aside for such purpose, after application of the authority's
17 revenues, moneys or other funds as provided in subsection c.(1), (2),
18 (3), (4), (5), (6) and (7) of section 6 of P.L.1971, c.137 (C.5:10-6).

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

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

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

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

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

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

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

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

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

9

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

11

12 7. This act shall take effect ¹[immediately] on July 1, 1997¹.

13

14

15

16

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