

SENATE, No. 1348

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1996

By Senators PALAIA and CODEY

1 AN ACT concerning the New Jersey Racing Commission and amending
2 P.L.1992, c.19.

3

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

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7 1. Section 15 of P.L.1992, c.19 (C.5:12-205) is amended to read
8 as follows:

9 15. The New Jersey Racing Commission shall establish and
10 administer a separate fund to be known as the "Casino Simulcasting
11 Special Fund," into which shall be deposited the sums dedicated to the
12 fund by section 13 of this act.

13 Moneys deposited in the special fund shall be annually disbursed in
14 their entirety by the New Jersey Racing Commission and used for the
15 following purposes in the following order of priority:

16 a. Moneys in the special fund shall first be used to pay the
17 difference between the amount paid to the Atlantic City Racetrack
18 pursuant to subsection c. of section 13 of this act and \$2,000,000 in
19 each calendar year during calendar years 1993, 1994, and 1995, except
20 that if casino simulcasting in Atlantic City begins after January 1, 1993
21 and before January 1, 1994, the amount to be paid for calendar year
22 1993 shall be the difference between the amount paid pursuant to
23 subsection c. of that section 13 and that portion of \$2,000,000
24 determined by the following formula:

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$$A = C$$

27

.....

28

$$B \ D$$

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30 here: A = 365 minus (a) the number of racing days in 1993, other than
31 live racing days, prior to the commencement of casino simulcasting in
32 Atlantic City that the Atlantic City Racetrack conducts simulcasting
33 under the provisions of the "Simulcasting Racing Act," P.L.1985,
34 c.269 (C.5:5-110 et seq.) or the provisions of section 37 of P.L.1992,

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

Matter underlined thus is new matter.

1 c.19 (C.5:5-125), and (b) the number of live racing days conducted by
2 the Atlantic City Racetrack in 1993;

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4 B = 365 (the number of calendar days in 1993);

5 C = the total amount to be paid to the Atlantic City Racetrack;

6 D = \$2,000,000.

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8 b. From any amounts remaining after the payments required by
9 subsection a. of this section are made, the New Jersey Racing
10 Commission shall pay to each casino which began to conduct casino
11 simulcasting within six months after the effective date of this act an
12 amount equal to the breakage moneys and outstanding parimutuel
13 ticket moneys resulting from wagering at the casino on simulcast horse
14 races from out-of-State sending tracks during the first five years that
15 the casino conducts casino simulcasting and 50% of these amounts
16 thereafter.

17 c. From any amounts remaining after the payments required by
18 subsections a. and b. of this section are made, the New Jersey Racing
19 Commission shall pay to each casino which begins to conduct casino
20 simulcasting later than six months after this act's effective date,
21 including casinos established after that date, an amount equal to the
22 breakage moneys and outstanding parimutuel tickets moneys resulting
23 from wagering at the casino on simulcast horse races from
24 out-of-State sending tracks during the first two years that the casino
25 conducts casino simulcasting and 40% of these amounts thereafter.

26 d. From any amounts remaining after the payments required by
27 subsections a., b. and c. of this section are made, the New Jersey
28 Racing Commission shall compensate, in such amounts as that
29 commission deems appropriate, the following entities in the following
30 order of priority:

31 (1) the New Jersey Racing Commission to offset its costs
32 associated with the regulation of horse racing and parimutuel
33 wagering, as approved by the Director of the Division of Budget and
34 Accounting;

35 (2) any racetrack in this State which can demonstrate to the
36 satisfaction of that commission that its financial well-being has been
37 negatively affected by casino simulcasting;

38 [(2)] (3) any racetrack in this State which that commission finds
39 to be financially distressed;

40 [(3)] (4) any horsemen's organization which will use the money to
41 fund a project which that commission determines will be beneficial to
42 the racing industry; and

43 [(4)] (5) all racetracks located in this State on an equal basis.

44 (cf: P.L.1992,c.199,s.2)

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46 2. This act shall take effect immediately.

STATEMENT

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This bill allows for the reimbursement of New Jersey Racing Commission expenses from the Casino Simulcasting Special Fund. Under current law, certain moneys derived from casino simulcasting are deposited into the Casino Simulcasting Special Fund and then allocated to casinos that conduct casino simulcasting and the racetracks in the State.

Casino simulcasting has grown in this State as has the amount deposited into this fund. By allowing the Racing Commission to receive reimbursements for its costs of regulating the horse racing industry, more the of cost of regulating this industry would be made by the industry itself.



Allows reimbursement of New Jersey Racing Commission expenses from Casino Simulcasting Special Fund.