

5:5-64.1 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:5-64.1 et al

(Horse racing-parimutuel
pools-distribution of
harness racing funds).

LAWS OF: 1984

CHAPTER: 236

Bill No: S1789

Sponsor(s): Codey, Gaghano and Pallone

Date Introduced: May 14, 1984

Committee: Assembly: -----

Senate: State Government, Federal & Interstate Relations and
Veterans affairs

Amended during passage: Yes Amendments denoted by asterisks
according to Governor's recommendations

Date of Passage: Assembly: October 22, 1984 Re-enacted 12-27-84

Senate: July 30, 1984 Re-enacted 12-17-84

Date of Approval: Decembewr 28, 1984

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly No

Senate Yes

Fiscal Note: No

Veto Message: Yes

Message on Signing: Yes

Following were printed:

Reports: No

Hearings: No

Sponsors' statement:

This bill applies to a harness recetrack which had to suspend operations in
1984 because of fire.

(OVER)

It continues through 1993 for the racetrack the changes made in the distribution and disposition of parimutuel pools under P.L. 1984, c....(now pending before the Legislature as S811).

See Newspaper clipping file in New Jersey Reference Department under "N.J.-
Horseracing- 1984".

12-28-84

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 1789

STATE OF NEW JERSEY

INTRODUCED MAY 14, 1984

By Senators CODEY, GAGLIANO and PALLONE

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans AffairsAN ACT concerning the distribution and disposition of the pari-
mutuel pool at certain horse race meetings.1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Notwithstanding the provisions of section 44 of P. L. 1940,
2 c. 17 (C. 5:5-64) or any other law to the contrary, a holder of a
3 permit to conduct harness race meetings who operates a racetrack
4 ***at which*** ****[and who *conducted]**** *harness race meetings*
5 ***were conducted*** *during calendar year 1984 but* ****[was required**
6 *to suspend operations]*** ***which were suspended*** ****[at any**
7 *time]*** **for 30 days or more** *during *that* calendar year* ****[1984]****
8 *because of fire*, and a holder of a permit to conduct harness race*
9 *meetings who conducted harness race meetings at the* ***aforemen-*
10 *tioned*** *racetrack* ****[of the aforementioned permitholder]****
11 *during 1984 and who continues to conduct harness race meetings at*
12 *that racetrack,** shall distribute all sums deposited in any pool
13 where the patron is required to select one horse to the winners
14 thereof, less an amount which shall not exceed 17% of the total
15 deposits plus the breaks. In every pool where the patron is re-
16 quired to select two horses, the holder of the permit shall distribute
17 all sums deposited in each pool to the winners thereof, less an
18 amount which shall not exceed 19% of the total deposits plus the
19 breaks. In every pool where the patron is required to select three
20 or more horses, the holder of the permit shall distribute all sums
21 deposited in each pool to the winners thereof, less an amount which

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

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Senate committee amendments adopted June 18, 1984.**

****—Senate amendments adopted in accordance with Governor's recommenda-
tions December 17, 1984.**

22 shall not exceed 25% of the total deposits, plus the breaks. The
 23 permitholder shall distribute to the persons holding winning tickets
 24 in any of the aforementioned pools, as a minimum, a sum not ex-
 25 ceeding \$0.10, calculated on the basis of each dollar deposited in
 26 any pool after the deduction of the 17%, 19% or 25%, as the case
 27 may be. Should the amount remaining in the pool be insufficient
 28 to pay the winners the minimum, the breakage accruing in that
 29 race, or any necessary portion thereof, shall be applied toward
 30 making up any such deficiency. The breaks are hereby defined as
 31 the odd cents over any multiple of \$0.10, calculated on the basis of
 32 \$1.00 otherwise payable to a patron. The permitholder shall retain
 33 for his own uses and purposes 50% of the breaks as herein defined,
 34 except as the same shall have been applied toward making up a
 35 deficiency in a pool as herein provided, and shall distribute as
 36 purse money the remaining 50%. The permitholder shall submit
 36A to the commission every seventh day of any and every race meet-
 36B ing a report under oath showing the daily and total amount of the
 36C breaks together with such other information as the commission may
 36D require. All sums held by the permitholder for payment of out-
 36E standing parimutuel tickets not claimed by the person entitled
 36F thereto within six months from the time such tickets are issued
 36G shall be paid to the commission upon the expiration of such six-
 36H month holding period.

37 Where it is shown to the satisfaction of the commission that the
 38 reason for the parimutuel tickets being outstanding and unclaimed
 39 is the loss, misplacement or theft of the tickets within the confines
 40 and control of the parimutuel department of the permitholder, and
 41 it is further shown to the satisfaction of the commission that the
 42 parimutuel tickets have been cashed by the parimutuel department,
 43 the commission may adjust and credit the permitholder's account
 44 accordingly and the permitholder shall reimburse any employee who
 45 has been held personally accountable and paid for such lost, stolen
 46 or misplaced tickets.

47 All outstanding parimutuel ticket money shall be deposited in an
 48 account separate and apart from the track's mutuel or general
 49 treasury account. The outstanding parimutuel ticket account shall
 50 be subject to the rules and regulations prescribed by the Division
 51 of New Jersey Racing Commission.

1 2. Notwithstanding the provisions of section 46 of P. L. 1940,
 2 c. 17 (C. 5:5-66) or any other law to the contrary, a holder of a
 3 permit to conduct harness race meetings who operates a racetrack
 4 ***at which*** ****[and who *conducted]**** *harness race meetings*
 5 ***were conducted*** during calendar year 1984 but ****[was re-**

6 required to suspend operations]** *which were suspended*** *[at*
 7 *any time]* *for 30 days or more* during *that* calendar year
 7A *[1984]* because of fire*, and a holder of a permit to conduct har-
 7B ness race meetings who conducted harness race meetings at the
 7C *aforementioned*** racetrack *[of the aforementioned permit-*
 7D *holder]*** during 1984 and who continues to conduct harness race
 7E meetings at that racetrack,* shall make disposition of the deposits
 7F remaining undistributed pursuant to section 1 of this act as follows:

8 a. Pay to the commission 50% of 1% of so much of the total
 9 contributions to all parimutuel pools conducted or made during
 10 such calendar year on the horse race track granted a permit under
 11 P. L. 1940, c. 17 (C. 5:5-22 et seq.).

12 Payment on account of the sums to be paid to the commission
 13 shall be made every seventh day of any and every race meeting in
 14 the amount then due as determined in the manner provided above,
 15 and shall be accompanied by a report under oath showing the total
 16 of all such contributions, together with such other information as
 17 the commission may require. Except as otherwise provided by law,
 18 no admission or amusement tax, excise tax, license or horse racing
 19 fee of any kind shall be assessed or collected from the permit-
 20 holder by the State of New Jersey, or by any county or munici-
 21 pality, or by any other body having power to assess or collect
 22 license fees or taxes.

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

27 (1) 37% thereof to increase purses and grant awards for start-
 28 ing 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 (2) 55% thereof for the establishment of a Sire Stakes Pro-
 32 gram for standardbred horses with payment to be made to the
 33 Department of Agriculture for administration as hereinbefore
 34 provided;

35 (3) 5% thereof for contributions and awards designed to improve
 36 and promote the standardbred breeding industry in New Jersey
 37 through payment of awards to owners and breeders of New Jersey
 38 bred horses which are registered with the Standardbred Breeders'
 39 and Owners' Association of New Jersey and which earn portions of
 40 purses in open events on New Jersey tracks, and to owners of
 41 stallions posted on the official stallions roster of the Standardbred

42 Breeders' and Owners' Association of New Jersey which sire such
43 registered New Jersey bred money earners;

44 (4) 3% thereof for other New Jersey horse breeding and promo-
45 tion conducted by the New Jersey Department of Agriculture.

46 c. Retain 7.70% of so much of such total contributions for his
47 own uses and purposes. Notwithstanding the foregoing, for pools
48 where the patron is required to select two horses, the permitholder
49 shall retain 8.70% of the total contributions and for pools where the
50 patron is required to select three or more horses, the permitholder
51 shall retain 11.70% of the total contributions. The permitholder
52 shall contribute out of its 11.70% share of pools, where the patron
53 is required to select three or more horses, a sum deemed necessary
54 by the Racing Commission, to finance a prerace blood testing pro-
55 gram, and such other testing programs which the commission shall
56 deem proper and necessary and which shall be subject to the regula-
57 tion and control of the commission.

58 d. Distribute as purse money and for programs designed to
59 aid the horsemen and the Standardbred Breeders' and Owners'
60 Association of New Jersey 7.65% of such total contributions.
61 Expenditures for programs designed to aid the horsemen and the
62 Standardbred Breeders' and Owners' Association of New Jersey
63 shall not exceed 3.2% of the sum available for distribution as purse
64 money. The formula for distribution of the purse money as either
65 overnight purses or special stakes shall be determined by an agree-
66 ment between the Standardbred Breeders' and Owners' Association
67 of New Jersey and the tracks. Notwithstanding the foregoing, for
68 pools where the patron is required to select two or more horses,
69 the permitholder shall distribute as purse money 8.65% of the total
70 contributions and for pools where the patron is required to select
71 three or more horses, the permitholder shall distribute as purse
72 money 11.65% of the total contributions. Notwithstanding the fore-
73 going, for pools where a patron is required to select three or more
74 horses, the permitholder shall retain out of the 11.65% to be dis-
75 tributed as purse money, a sum deemed necessary by the racing
76 commission, for use by the commission to finance a prerace blood
77 testing program, and such other testing programs which the com-
78 mission shall deem proper and necessary and which shall be subject
79 to the regulation and control of the commission.

1 3. This act shall take effect January 1, 1986 and shall expire
2 December 31, 1993.

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76 commission, for use by the commission to finance a prerace blood
77 testing program, and such other testing programs which the com-
78 mission shall deem proper and necessary and which shall be subject
79 to the regulation and control of the commission.

1 3. This act shall take effect January 1, 1986 and shall expire
2 December 31, 1993.

STATEMENT

This bill applies to a harness racetrack which had to suspend operations in 1984 because of fire. It continues through 1993 for that racetrack the changes made in the distribution and disposition of parimutuel pools under P. L. 1984, c. . . . (now pending before the Legislature as S-811).

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO

SENATE, No. 1789

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JUNE 11, 1984

This bill applies to a harness racetrack which had to suspend operations in 1984 because of fire. It continues through 1993 the changes made in the distribution and disposition of parimutuel pools as provided by P. L. 1984, c. 42.

The committee amended the bill to include a holder of a permit to conduct harness race meetings who conducted harness race meetings at the aforementioned track during 1984 and who continues to conduct harness race meetings at that racetrack.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

December 13, 1984

SENATE BILL NO. 1789 (OCR)

To the Senate:

Pursuant to Article V, Section 1, Paragraph 14 of the Constitution, I herewith return Senate Bill No. 1789 (OCR) with my recommendations for reconsideration.

On May 23, 1984 I signed S-811 (P.L. 1984, c. 42), which reduced the State pari-mutuel tax on New Jersey's privately owned racetracks to one half of one percent for a two-year period running January 1, 1984 through December 31, 1985. This bill extends for an additional eight-year period the reduced tax structure for the Freehold Racetrack, which was recently destroyed by fire but is scheduled for rebuilding next year.

I support this legislation because it will aid in the rebuilding of a racing facility that positively impacts on the Monmouth County economy, but I am concerned that it contains a technical deficiency resulting from the unforeseen pending change in ownership of the racetrack. As passed by the Legislature, this bill is limited in application to the present racing permit holder for the Freehold racing facility, and would not apply to any future permit holders. Therefore, I believe that it should be amended to apply to a new permit holder for the Freehold Racetrack, thereby eliminating an unintended exclusion of the new permit holder in the event the pending change in ownership is finalized.

Accordingly, I herewith return Senate Bill No. 1789 (OCR) and recommend that it be amended as follows:

Page 1, Section 1, Line 3: After "racetrack" insert "at which"

Page 1, Section 1, Line 4: Omit "and who conducted" and after "meetings" insert "were conducted"

Page 1, Section 1, Line 5: Omit "was required to suspend operations" and insert "which were suspended"

Page 1, Section 1, Line 5c: After "the" insert "aforementioned"

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

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Page 1, Section 1, Line 5D: Omit "of the aforementioned permit holder"

Page 2, Section 2, Line 3: After "racetrack" insert "at which"

Page 2, Section 2, Line 4: Omit "and who conducted" and after
"meetings" insert "were conducted"

Page 2, Section 2, Line 4A: Omit "was required to suspend operations"
and insert "which were suspended"

Page 3, Section 2, Lines 5A-5B: After "the" insert "aforementioned"
and omit "of the aforementioned
permit holder"

Respectfully,
/s/ Thomas H. Kean
GOVERNOR

[seal]

Attest:

/s/ W. Cary Edwards
Chief Counsel

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OFFICE OF THE GOVERNOR
TRENTON, N. J.



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OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

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Release: MONDAY, DEC. 31, 1984

Governor Thomas H. Kean has signed legislation extending a reduced pari-mutuel tax on fire-damaged Freehold Raceway for an additional eight years. The racetrack's tax break, enacted earlier this year, was originally scheduled to end December 31, 1985.

The bill, S-1789, sponsored by State Senator Richard J. Codey, D-Essex, was designed to provide an economic incentive for the rebuilding of the track, which was extensively damaged by fire earlier this year.

Kean had conditionally vetoed the bill because its original language would not have permitted new owners, who recently acquired the track, to take advantage of the tax break.

The bill sets the pari-mutuel tax at one half of one percent on all bets. Previously, the tax could range from 1.7 to 5.2 percent, depending on the size and type of wager.

"The horse industry is a vital part of New Jersey's agricultural economy, and we must do everything we can to keep it strong," Kean said. "Additionally, Freehold Raceway, as a major employer, has a significant impact on the economy of the borough, and on Monmouth County as well.

"It is my hope that this bill will provide a needed economic incentive, and that Freehold Raceway will again become the economic force it has been in the past for the county," Kean added.

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