

5:5-98

LEGISLATIVE HISTORY CHECKLIST
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(Garden State Park Racetrack--
continue present distribution)

NJSA: 5:5-98

LAWS OF: 1995 **CHAPTER:** 64

BILL NO: A2586

SPONSOR(S): Rocco and Solomon

DATE INTRODUCED: February 23, 1995

COMMITTEE: **ASSEMBLY:** Economic Development

SENATE: ---

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** March 13, 1995

SENATE: March 30, 1995

DATE OF APPROVAL: March 31, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

FISCAL NOTE: Yes

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

P.L.1995. CHAPTER 64. approved March 31, 1995
1995 Assembly No. 2586

1 AN ACT concerning the distribution of the parimutuel pool
2 applicable to horse racing at Garden State Park and amending
3 P.L.1982, c.201.

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

7 1. Section 5 of P.L.1982, c.201 (C.5:98) is amended to read as
8 follows:

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

13 a. In the case of harness races:

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

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

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

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

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

38 Payment of the sums held and set aside pursuant to
39 subparagraphs (c) and (d) shall be made to the commission every
40 seventh day of any and every race meeting in the amount then
41 due, as determined in the manner provided above, and shall be
42 accompanied by a report under oath showing the total of

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 underlined thus is new matter.

1 all such contributions, together with such other information as
2 the commission may require.

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

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

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

36 (5) In the case of races on a racing day other than a charity
37 racing day, distribute to the Backstretch Benevolency Programs
38 Fund created pursuant to P.L.1993, c.15 (C.5:5-41.8) .01% of such
39 total contributions.

40 b. In the case of running races:

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

47 (2) Distribute as purse money and for programs designed to aid
48 the horsemen and the New Jersey Thoroughbred Horseman's
49 Benevolent Association 4.475%, or in the case of races on a
50 charity racing day 4.24%, of such total contributions.
51 Expenditures for programs designed to aid the horsemen and the
52 New Jersey Thoroughbred Horseman's Benevolent Association
53 shall not exceed 2.9% of the sum available for distribution as
54 purse money. The formula for distribution of the purse money as

1 either overnight purses or special stakes shall be determined by
2 an agreement between the New Jersey Thoroughbred Horseman's
3 Benevolent Association and the permitholder. Notwithstanding
4 the foregoing, for pools where the patron is required to select
5 three or more horses, the permitholder shall distribute as purse
6 money 7.475%, or in the case of races on a charity racing day
7 7.24%, of the total contributions.

8 (3) 60% of 1% of all pools shall be deducted and set aside in
9 the special trust account established pursuant to section
10 46b.(1)(e) and 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66). The
11 commission may, however, reduce this amount for a period of
12 time to be determined by the commission upon a request by the
13 permitholder and a determination by the commission that the
14 payment of that amount would cause extreme financial hardship
15 for the permitholder. In no event shall the commission reduce
16 the amount to less than 10% of 1% of total contributions to all
17 parimutuel pools at running race meetings at the racetrack. The
18 permitholder may request an extension of the period of reduction
19 or a further reduction or, subsequent to any restoration of the
20 amount specified above, another reduction.

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

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

28 For pools where a patron is required to select three or more
29 horses, 50% of 1% of the total contributions shall be held and set
30 aside in the special trust account established pursuant to section
31 46b.(1)(e) and 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

39 In addition to the amounts above, in the case of races on a
40 racing day designated or allotted as a charity racing day pursuant
41 to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
42 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), an amount equal to
43 1/2 of 1% of all parimutuel pools shall be paid to the commission
44 at the time and in the manner prescribed by the commission.

45 All amounts remaining in parimutuel pools, including the
46 breaks, after the distribution and payments required by this
47 section shall constitute revenues of the permitholder. Except as
48 otherwise provided in this section, the permitholder shall not be
49 required to make any payments to the commission or others in
50 connection with contributions to parimutuel pools.

51 [The provisions of this section shall apply each year for 10
52 years after the commencement of horse race meetings at the
53 Garden State Racetrack. At the end of the 10-year period, the
54 provisions of section 46 of P.L.1940, c.17 (C.5:5-66) concerning

1 the distribution of undistributed deposits shall apply.]

2 (cf: P.L.1993, c.353, s.4)

3 2. This act shall take effect immediately.

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STATEMENT

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8 The law under which Garden State Park has operated since its
9 opening in 1985 provides a specific distribution formula regarding
10 the portion of the parimutuel wagering pool that is set aside for
11 the track, purses, horsemen, and breeders' funds. This formula
12 parallels the one for the racetracks at the Meadowlands and
13 Monmouth Park operated by the New Jersey Sports and
14 Exposition Authority and is due to expire on April 1, 1995. This
15 bill eliminates that expiration date and makes the present
16 formula permanent for Garden State Park. The effect is to
17 enable Garden State Park to retain a larger share of the pool than
18 would be the case if the law is permitted to expire; the
19 additional amount is crucial to maintaining the viability of
20 Garden State Park as an operating racetrack.

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25 Eliminates expiration of present distribution formula of
26 parimutuel pool applicable to horse racing at Garden State Park.

ASSEMBLY ECONOMIC DEVELOPMENT, AGRICULTURE, AND
MILITARY AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2586

STATE OF NEW JERSEY

DATED: MARCH 9, 1995

The Assembly Economic Development, Agriculture, and Military and Veterans' Affairs Committee reports favorably Assembly Bill No. 2586.

The law under which Garden State Park has operated since its opening in 1985 provides a specific distribution formula regarding the portion of the parimutuel wagering pool that is set aside for the track, purses, horsemen, and breeders' funds. This formula parallels the one for the racetracks at the Meadowlands and Monmouth Park operated by the New Jersey Sports and Exposition Authority and is due to expire on April 1, 1995. As reported, this bill eliminates the expiration date of April 1, 1995 and thereby makes the present distribution formula permanent for Garden State Park. The effect is to enable Garden State Park to retain a larger share of the pool than would be the case if the law is permitted to expire; the additional amount is crucial to maintaining the viability of Garden State Park as an operating racetrack.

LEGISLATIVE FISCAL ESTIMATE TO
ASSEMBLY BILL, No. 2586
STATE OF NEW JERSEY

DATED: April 3, 1995

Assembly Bill No. 2586 of 1994 makes permanent the present distribution formula regarding the portion of the parimutuel wagering pool that is set aside for the track, purses, horseman, and breeder's fund at Garden State Park. Under current law, this formula is due to expire on April 1, 1995. This bill permits Garden State Park to retain a larger share of the pool than would be the case if the law is permitted to expire.

The New Jersey Racing Commission, estimates that enactment of this bill will have no fiscal impact on the State.

The Office of Legislative Services (OLS) concurs.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.