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SENATE, No. 1302

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED MAY 18, 2000

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

Senator RICHARD J. CODEY

District 27 (Essex)

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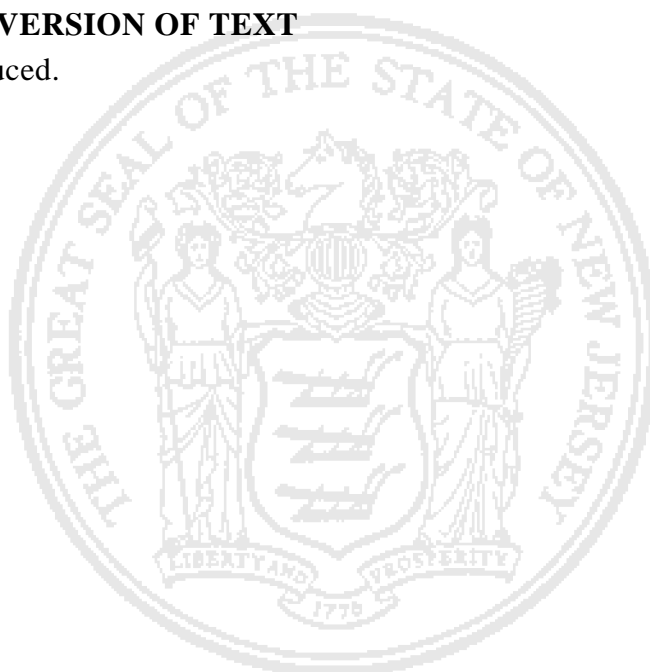
**Assemblymen Malone, Impreveduto, Greenwald, Arnone, Thompson,
Cottrell and Assemblywoman Farragher**

SYNOPSIS

Redirects distribution to improve and promote the State standardbred breeding industry from contributions and awards to breeders and owners to purse supplements.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2000)

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2

1 AN ACT concerning the distribution of the parimutuel pools generated
2 on standardbred horse races and amending P.L.1940, c.17,
3 P.L.1984, c.236, P.L.1982, c.201 and P.L.1971, c.137.

4

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

7

8 1. Section 46 of P.L.1940, c.17 (C.5:5-66) is amended to read as
9 follows:

10 46. Every permitholder engaged in the business of conducting
11 horse race meetings under this act, except the New Jersey Sports and
12 Exposition Authority established pursuant to P.L.1971, c.137
13 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in
14 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the
15 deposits remaining undistributed pursuant to section 44 as follows:

16 a. In the case of harness races:

17 (1) 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.1993, c.15
19 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
20 commission, at the time and in the manner prescribed by the
21 commission, 1.25% of so much of the total contributions to all
22 parimutuel pools conducted or made on any and every horse race,
23 except that for pools where the patron is required to select two horses,
24 the permitholder shall pay 2.25% of the total contributions and for
25 pools where the patron is required to select three or more horses, the
26 permitholder shall pay 5.25% of the total contributions;

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

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

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

38 (c) 5% thereof to the Sire Stakes Program for **[contributions and**
39 **awards]** purse supplements designed to improve and promote the
40 standardbred breeding industry in New Jersey **[through payment of**
41 **awards to]** by increasing purses for owners **[and breeders]** of horses
42 that are sired by a New Jersey **[bred horses which are registered with**

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.

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1 the Standardbred Breeders' and Owners' Association of New Jersey
2 and which earn portions of purses in open events on New Jersey
3 tracks, and to owners of stallions posted on the official stallion roster
4 of the Standardbred Breeders' and Owners' Association of New Jersey,
5 which sire such registered New Jersey bred money earners;] registered
6 stallion and are eligible to participate in the Sire Stakes Program. The
7 Sire Stakes Program board of trustees shall consult with the
8 Standardbred Breeders' and Owners' Association of New Jersey before
9 disbursing money for purse supplements;

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

12 (3) Retain 7.7875%, or in the case of races on a charity racing day
13 7.20%, of so much of such total contributions for his own uses and
14 purposes. Notwithstanding the foregoing, for pools where the patron
15 is required to select two horses, the permitholder shall retain 8.7575%,
16 or in the case of races on a charity racing day 7.70%, of the total
17 contributions and for pools where the patron is required to select three
18 or more horses, the permitholder shall retain 11.6675%, or in the case
19 of races on a charity racing day 9.20%, of the total contributions.
20 Each permitholder shall contribute out of its 11.6675% or 9.20% share
21 of pools, where the patron is required to select three or more horses,
22 a sum deemed necessary by the racing commission, to finance a
23 prerace blood testing program, and such other testing programs which
24 the commission shall deem proper and necessary and which shall be
25 subject to the regulation and control of said commission.

26 (4) Distribute as purse money and for programs designed to aid the
27 horsemen and the Standardbred Breeders' and Owners' Association of
28 New Jersey 7.69375%, or in the case of races on a charity racing day
29 7.40%, of such total contributions. Expenditures for programs
30 designed to aid the horsemen and the Standardbred Breeders' and
31 Owners' Association of New Jersey shall not exceed 3.2% of the sum
32 available for distribution as purse money. The formula for
33 distribution of the purse money as either overnight purses or special
34 stakes shall be determined by an agreement between the Standardbred
35 Breeders' and Owners' Association of New Jersey and the tracks.
36 Notwithstanding the foregoing, for pools where the patron is required
37 to select two or more horses, the permitholder shall distribute as purse
38 money 8.42875%, or in the case of races on a charity racing day
39 7.90%, of the total contributions and for pools where the patron is
40 required to select three or more horses, the permitholder shall
41 distribute as purse money 10.63375%, or in the case of races on a
42 charity racing day 9.40%, of the total contributions. Notwithstanding
43 the foregoing, for pools where a patron is required to select three or
44 more horses, each permitholder shall retain out of the 10.63375% or
45 9.40% to be distributed as purse money a sum deemed necessary by
46 the racing commission, for use by the commission to finance a prerace

1 blood testing program, and such other testing programs which the
2 commission shall deem proper and necessary and which shall be
3 subject to the regulation and control of said commission.

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

11 (6) In the case of races on a racing day other than a charity racing
12 day, distribute to the Sire Stakes Program for standardbred horses
13 .05% of such total contributions, except that for pools where the
14 patron is required to select two or more horses, the amount shall be
15 .09%, and for pools where the patron is required to select three or
16 more horses, the amount shall be .21%.

17 (7) In the case of races on a racing day other than a charity racing
18 day, distribute to the Backstretch Benevolency Programs Fund created
19 pursuant to P.L.1993, c.15 (C.5:5-44.8) .025% of such total
20 contributions, except that for pools where the patron is required to
21 select two or more horses, the amount shall be .045%, and for pools
22 where the patron is required to select three or more horses, the
23 amount shall be .105%.

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

29 b. In the case of running races:

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

34 (a) On a racing day designated or allotted as a charity racing day
35 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
36 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
37 commission, at the time and in the manner prescribed by the
38 commission, .30% of so much of the total contributions to all
39 parimutuel pools conducted or made on any and every horse race,
40 except that for pools where the patron is required to select three or
41 more horses, the permitholder shall pay 1.30% of the total
42 contributions.

43 (b) Hold and set aside in an account designated as a special trust
44 account 5% of 1% of such total contributions to be used and
45 distributed for State horse breeding and development programs,
46 research, fairs, horse shows, youth activities, promotion and

1 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

2 (c) Retain 9.991%, or in the case of races on a charity racing day
3 9.85%, of such total contributions for his own uses and purposes. For
4 pools where the patron is required to select two horses, the
5 permitholder shall retain 11.061%, or in the case of races on a charity
6 racing day 10.92%, of the total contributions and for pools where the
7 patron is required to select three or more horses, the permitholder
8 shall retain 13.941%, or in the case of races on a charity racing day
9 13.33%, of the total contributions. Each permitholder shall contribute
10 out of its 13.941% or 13.33% share of pools, where the patron is
11 required to select three or more horses, a sum deemed necessary by
12 the racing commission, to finance a prerace blood testing program, and
13 such other testing programs which the commission shall deem proper
14 and necessary and which shall be subject to the regulation and control
15 of the commission.

16 (d) Distribute as purse money and for programs designed to aid the
17 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
18 Association 6.141%, or in the case of races on a charity racing day
19 6.00%, of such contributions. Notwithstanding the foregoing, for
20 pools where the patron is required to select two horses, the
21 permitholder shall distribute as purse money 7.071%, or in the case of
22 races on a charity racing day 6.93%, of such contributions and for
23 pools where the patron is required to select three or more horses, the
24 permitholder shall distribute as purse money 9.631%, or in the case of
25 races on a charity racing day 9.02%, of the total contributions.
26 Expenditures for programs designed to aid the horsemen and the New
27 Jersey Thoroughbred Horseman's Benevolent Association shall not
28 exceed 2.5% of the sum available for distribution as purse money from
29 all parimutuel pools. The formula for distribution of the purse money
30 as either overnight purses or special stakes shall be determined by an
31 agreement between the New Jersey Thoroughbred Horseman's
32 Benevolent Association and the permitholder. Notwithstanding the
33 foregoing, for pools where a patron is required to select three or more
34 horses, each permitholder shall retain out of the 9.631% or 9.02% to
35 be distributed as purse money a sum deemed necessary by the racing
36 commission, for use by the commission to finance a prerace blood
37 testing program, and such other testing programs which the
38 commission shall deem proper and necessary and which shall be
39 subject to the regulation and control of the commission.

40 (e) 80% of 1% of all pools shall be deducted and set aside in a
41 special trust account for the establishment and support by the
42 commission of the thoroughbred breeding industry in New Jersey; to
43 improve purses for closed races; to provide awards for owners and
44 breeders of registered New Jersey bred horses who earn portions of
45 purses in open and closed races at New Jersey race tracks and to
46 owners of stallions posted on the official stallion roster of the

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1 Thoroughbred Breeders' Association of New Jersey, which sire such
2 New Jersey bred money earners and awards to the New Jersey
3 Thoroughbred Breeders' Association for programs beneficial to
4 thoroughbred breeding in this State. The New Jersey thoroughbred
5 award program shall be administered and disbursed by the
6 Thoroughbred Breeders' Association of New Jersey subject to the
7 approval of the commission. The special trust account to be
8 established pursuant to this paragraph shall be separate and apart from
9 the special trust account established and maintained pursuant to
10 subparagraph (b) of this paragraph.

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

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

17 (h) In the case of races on a racing day other than a charity racing
18 day, distribute to the Backstretch Benevolency Programs Fund created
19 pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of such total
20 contributions, except that for pools where the patron is required to
21 select three or more horses, the amount shall be .026%.

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

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

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

35 (a) On a racing day designated or allotted as a charity racing day
36 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
37 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
38 commission, at the time and in the manner prescribed by the
39 commission, .50% of so much of the total contributions to all
40 parimutuel pools conducted or made on any and every horse race.

41 (b) 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 (c) Retain 9.305%, or in the case of races on a charity racing day

1 9.07%, of such total contributions for his own uses and purposes. For
2 pools where the patron is required to select two horses, the
3 permitholder shall retain 10.375%, or in the case of races on a charity
4 racing day 10.14%, of the total contributions and for pools where the
5 patron is required to select three or more horses, the permitholder
6 shall retain 13.545%, or in the case of races on a charity racing day
7 13.31%, of the total contributions. Each permitholder shall contribute
8 out of its 13.545% or 13.31% share of pools, where the patron is
9 required to select three or more horses, a sum deemed necessary by
10 the racing commission, to finance a prerace blood testing program, and
11 such other testing programs which the commission shall deem proper
12 and necessary and which shall be subject to the regulation and control
13 of the commission.

14 (d) Distribute as purse money and for programs designed to aid the
15 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
16 Association 6.815%, or in the case of races on a charity racing day
17 6.58%, of such contributions. Notwithstanding the foregoing, for
18 pools where the patron is required to select two horses, the
19 permitholder shall distribute as purse money 7.745%, or in the case of
20 races on a charity racing day 7.51%, of such contributions and for
21 pools where the patron is required to select three or more horses, the
22 permitholder shall distribute as purse money 10.085%, or in the case
23 of races on a charity racing day 9.85%, of the total contributions.
24 Expenditures for programs designed to aid the horsemen and the New
25 Jersey Thoroughbred Horseman's Benevolent Association shall not
26 exceed 2.5% of the sum available for distribution as purse money from
27 all parimutuel pools. The formula for distribution of the purse money
28 as either overnight purses or special stakes shall be determined by an
29 agreement between the New Jersey Thoroughbred Horseman's
30 Benevolent Association and the permitholder. Notwithstanding the
31 foregoing, for pools where a patron is required to select three or more
32 horses, each permitholder shall retain out of the 10.085% or 9.85% to
33 be distributed as purse money a sum deemed necessary by the racing
34 commission, for use by the commission to finance a prerace blood
35 testing program, and such other testing programs which the
36 commission shall deem proper and necessary and which shall be
37 subject to the regulation and control of the commission.

38 (e) 80% of 1% of all pools shall be deducted and set aside in a
39 special trust account for the establishment and support by the
40 commission of the thoroughbred breeding industry in New Jersey; to
41 improve purses for closed races; to provide awards for owners and
42 breeders of registered New Jersey bred horses who earn portions of
43 purses in open and closed races at New Jersey race tracks and to
44 owners of stallions posted on the official stallion roster of the
45 Thoroughbred Breeders' Association of New Jersey, which sire such
46 New Jersey bred money earners and awards to New Jersey

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1 thoroughbred breeders' associations for programs beneficial to
2 thoroughbred breeding in this State. The New Jersey thoroughbred
3 award program shall be administered and disbursed by the
4 Thoroughbred Breeders' Association of New Jersey subject to the
5 approval of the commission. The special trust account to be
6 established pursuant to this paragraph shall be separate and apart from
7 the special trust account established and maintained pursuant to
8 subparagraph (b) of this paragraph.

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

10 (g) In the case of races on a racing day other than a charity racing
11 day, distribute to the Thoroughbred Breeders' Association of New
12 Jersey .02% of such total contributions.

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

17 (i) Notwithstanding the foregoing, for pools where a patron is
18 required to select three or more horses, 49% of 1% of the total
19 contributions shall be held and set aside in the special trust account
20 referred to in subparagraph (e) of this paragraph.

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

26 (cf: P.L.1997, c.80, s.2)

27

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

30 2. Notwithstanding the provisions of section 46 of P.L.1940, c.17
31 (C.5:5-66) or any other law to the contrary, a holder of a permit to
32 conduct harness race meetings who operates a racetrack at which
33 harness race meetings were conducted during calendar year 1984 but
34 which were suspended for 30 days or more during that calendar year
35 because of fire, and a holder of a permit to conduct harness race
36 meetings who conducted harness race meetings at the aforementioned
37 racetrack during 1984 and who continues to conduct harness race
38 meetings at that racetrack, shall make disposition of the deposits
39 remaining undistributed pursuant to section 1 of this act as follows:

40 a. On a racing day designated or allotted as a charity racing day
41 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
42 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
43 commission, at the time and in the manner prescribed by the
44 commission, .50% of so much of the total contributions to all
45 parimutuel pools conducted or made on any and every horse race;

46 b. Hold and set aside in an account designated as a special trust

1 account 1.15% of such total contributions in all pools to be used and
2 distributed as hereinafter provided and as provided in section 5 of
3 P.L.1967, c.40, for the following purposes and no other:

4 (1) 37% thereof to increase purses and grant awards for starting
5 horses as provided or as may be provided by rules of the New Jersey
6 Racing Commission with payment to be made in the same manner as
7 payment of other purses and awards;

8 (2) 55% thereof for the establishment of a Sire Stakes Program for
9 standardbred horses with payment to be made to the Department of
10 Agriculture for administration as hereinbefore provided;

11 (3) 5% thereof to the Sire Stakes Program for [contributions and
12 awards] purse supplements designed to improve and promote the
13 standardbred breeding industry in New Jersey [through payment of
14 awards to] by increasing purses for owners [and breeders] of horses
15 that are sired by a New Jersey [bred horses which are registered with
16 the Standardbred Breeders' and Owners' Association of New Jersey
17 and which earn portions of purses in open events on New Jersey
18 tracks, and to owners of stallions posted on the official stallions roster
19 of the Standardbred Breeders' and Owners' Association of New Jersey
20 which sire such registered New Jersey bred money earners;] registered
21 stallion and are eligible to participate in the Sire Stakes Program. The
22 Sire Stakes Program board of trustees shall consult with the
23 Standardbred Breeders' and Owners' Association of New Jersey before
24 disbursing money for purse supplements;

25 (4) 3% thereof for other New Jersey horse breeding and promotion
26 conducted by the New Jersey Department of Agriculture.

27 c. Retain 7.935%, or in the case of races on a charity racing day
28 7.70%, of so much of such total contributions for his own uses and
29 purposes. Notwithstanding the foregoing, for pools where the patron
30 is required to select two horses, the permitholder shall retain 8.935%,
31 or in the case of races on a charity racing day 8.70%, of the total
32 contributions and for pools where the patron is required to select three
33 or more horses, the permitholder shall retain 11.935%, or in the case
34 of races on a charity racing day 11.70%, of the total contributions.
35 The permitholder shall contribute out of its 11.935% or 11.70% share
36 of pools, where the patron is required to select three or more horses,
37 a sum deemed necessary by the Racing Commission, to finance a
38 prerace blood testing program, and such other testing programs which
39 the commission shall deem proper and necessary and which shall be
40 subject to the regulation and control of the commission.

41 d. Distribute as purse money and for programs designed to aid the
42 horsemen and the Standardbred Breeders' and Owners' Association of
43 New Jersey 7.7675%, or in the case of races on a charity racing day
44 7.65%, of such total contributions. Expenditures for programs
45 designed to aid the horsemen and the Standardbred Breeders' and
46 Owners' Association of New Jersey shall not exceed 3.2% of the sum

1 available for distribution as purse money. The formula for distribution
2 of the purse money as either overnight purses or special stakes shall be
3 determined by an agreement between the Standardbred Breeders' and
4 Owners' Association of New Jersey and the tracks. Notwithstanding
5 the foregoing, for pools where the patron is required to select two or
6 more horses, the permitholder shall distribute as purse money
7 8.7675%, or in the case of races on a charity racing day 8.65%, of the
8 total contributions and for pools where the patron is required to select
9 three or more horses, the permitholder shall distribute as purse money
10 11.7675%, or in the case of races on a charity racing day 11.65%, of
11 the total contributions. Notwithstanding the foregoing, for pools
12 where a patron is required to select three or more horses, the
13 permitholder shall retain out of the 11.7675% or 11.65% to be
14 distributed as purse money, a sum deemed necessary by the racing
15 commission, for use by the commission to finance a prerace blood
16 testing program, and such other testing programs which the
17 commission shall deem proper and necessary and which shall be
18 subject to the regulation and control of the commission.

19 e. In the case of races on a racing day other than a charity racing
20 day, distribute to the Standardbred Breeders' and Owners' Association
21 of New Jersey for the administration of a health benefits program for
22 horsemen .1175% of such total contributions.

23 f. In the case of races on a racing day other than a charity racing
24 day, distribute to the Sire Stakes Program for standardbred horses
25 .02% of such total contributions.

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

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

35 (cf: P.L.1997, c.80, s.3)

36

37 3. Section 5 of P.L.1982, c.201 (C.5:5-98) is amended to read as
38 follows:

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

43 a. In the case of harness races:

44 (1) Hold and set aside in an account designated as a special trust
45 account 1% of such total contributions in all pools, to be used and

1 distributed as hereinafter provided and as provided in section 5 of
2 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

10 (c) 5 1/2% thereof to the Sire Stakes Program for [contributions
11 and awards] purse supplements designed to improve and promote the
12 standardbred breeding industry in New Jersey [through payment of
13 awards to] by increasing purses for owners [and breeders] of horses
14 that are sired by a New Jersey [bred horses, which are registered with
15 the Standardbred Breeders' and Owners' Association of New Jersey
16 and which earn portions of purses in open events on New Jersey
17 tracks, and to owners of stallions posted on the official stallion roster
18 of the Standardbred Breeders' and Owners' Association of New Jersey,
19 which sire such registered New Jersey bred money earners;] registered
20 stallion and are eligible to participate in the Sire Stakes Program. The
21 Sire Stakes Program board of trustees shall consult with the
22 Standardbred Breeders' and Owners' Association of New Jersey before
23 disbursing money for purse supplements;

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

26 Payment of the sums held and set aside pursuant to subparagraphs
27 (c) and (d) shall be made to the commission every seventh day of any
28 and every race meeting in the amount then due, as determined in the
29 manner provided above, and shall be accompanied by a report under
30 oath showing the total of all such contributions, together with such
31 other information as the commission may require.

32 (2) Distribute as purse money and for programs designed to aid the
33 horsemen and the Standardbred Breeders' and Owners' Association of
34 New Jersey 5.1175%, or in the case of races on a charity racing day
35 5%, of such total contributions. Expenditures for programs designed
36 to aid the horsemen and the Standardbred Breeders' and Owners'
37 Association of New Jersey shall not exceed 3.5% of the sum available
38 for distribution as purse money. The formula for distribution of the
39 purse money as either overnight purses or special stakes shall be
40 determined by an agreement between the Standardbred Breeders' and
41 Owners' Association of New Jersey and the permitholder.
42 Notwithstanding the foregoing, for pools where the patron is required
43 to select two or more horses, the permitholder shall distribute as purse
44 money 5.6175%, or in the case of races on a charity racing day 5.5%,
45 of the total contributions and for pools where the patron is required to
46 select three or more horses, the permitholder shall distribute as purse

1 money 7.1175%, or in the case of races on a charity racing day 7%, of
2 the total contributions. Notwithstanding the foregoing, for pools
3 where a patron is required to select three or more horses, the
4 permitholder shall retain out of the 7.1175% or 7% to be distributed
5 as purse money a sum deemed necessary by the racing commission, for
6 use by the commission to finance a prerace blood testing program, and
7 such other testing programs which the commission shall deem proper
8 and necessary and which shall be subject to the regulation and control
9 of the commission.

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

14 (4) In the case of races on a racing day other than a charity racing
15 day, distribute to the Sire Stakes Program for standardbred horses
16 .02% of such total contributions.

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

21 b. In the case of running races:

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

27 (2) Distribute as purse money and for programs designed to aid the
28 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
29 Association 4.475%, or in the case of races on a charity racing day
30 4.24%, of such total contributions. Expenditures for programs
31 designed to aid the horsemen and the New Jersey Thoroughbred
32 Horseman's Benevolent Association shall not exceed 2.9% of the sum
33 available for distribution as purse money. The formula for distribution
34 of the purse money as either overnight purses or special stakes shall be
35 determined by an agreement between the New Jersey Thoroughbred
36 Horseman's Benevolent Association and the permitholder.
37 Notwithstanding the foregoing, for pools where the patron is required
38 to select three or more horses, the permitholder shall distribute as
39 purse money 7.475%, or in the case of races on a charity racing day
40 7.24%, of the total contributions.

41 (3) 60% of 1% of all pools shall be deducted and set aside in the
42 special trust account established pursuant to section 46b.(1)(e) and
43 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66). The commission may,
44 however, reduce this amount for a period of time to be determined by
45 the commission upon a request by the permitholder and a
46 determination by the commission that the payment of that amount

1 would cause extreme financial hardship for the permitholder. In no
2 event shall the commission reduce the amount to less than 10% of 1%
3 of total contributions to all parimutuel pools at running race meetings
4 at the racetrack. The permitholder may request an extension of the
5 period of reduction or a further reduction or, subsequent to any
6 restoration of the amount specified above, another reduction.

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

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

14 For pools where a patron is required to select three or more horses,
15 50% of 1% of the total contributions shall be held and set aside in the
16 special trust account established pursuant to section 46b.(1)(e) and
17 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

24 In addition to the amounts above, in the case of races on a racing
25 day designated or allotted as a charity racing day pursuant to
26 P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or
27 section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of
28 1% of all parimutuel pools shall be paid to the commission at the time
29 and in the manner prescribed by the commission.

30 All amounts remaining in parimutuel pools, including the breaks,
31 after the distribution and payments required by this section shall
32 constitute revenues of the permitholder. Except as otherwise provided
33 in this section, the permitholder shall not be required to make any
34 payments to the commission or others in connection with contributions
35 to parimutuel pools.

36 (cf: P.L.1997, c.80, s.4)

37

38 4. Section 7 of P.L.1971, c.137 (C.5:10-7) is amended to read as
39 follows:

40 7. a. The authority is hereby authorized, licensed and empowered
41 to apply to the Racing Commission for a permit or permits to hold and
42 conduct, at any of the projects set forth in paragraphs (1) and (5) of
43 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), horse race
44 meetings for stake, purse or reward, and to provide a place or places
45 on the race meeting grounds or enclosure for wagering by patrons on
46 the results of such horse races by the parimutuel system, and to receive

1 charges and collect all revenues, receipts and other sums from the
2 ownership and operation thereof; provided that only the authority
3 through its employees shall conduct such horse race meetings and
4 wagering and the authority is expressly prohibited from placing in the
5 control of any other person, firm or corporation the conduct of such
6 horse race meetings, or wagering.

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

14 c. Application for said permit or permits shall be on such forms and
15 shall include such accompanying data as the Racing Commission shall
16 prescribe for other applicants. The Racing Commission shall proceed
17 to review and act on any such application within 30 days after its filing
18 and the Racing Commission is authorized in its sole discretion to
19 determine whether a permit shall be granted to the authority. If, after
20 such review, the Racing Commission acts favorably on such
21 application, a permit shall be granted to the authority without any
22 further approval and shall remain in force and effect so long as any
23 bonds or notes of the authority remain outstanding, the provisions of
24 any other law to the contrary notwithstanding. In granting a permit to
25 the authority to conduct a horse race meeting, the Racing Commission
26 shall not be subject to any limitation as to the number of tracks
27 authorized for the conduct of horse race meetings pursuant to any
28 provision of P.L.1940, c.17 (C.5:5-22 et seq.). Said permit shall set
29 forth the dates to be allotted to the authority for its initial horse race
30 meetings. Thereafter application for dates for horse race meetings by
31 the authority and the allotment thereof by the Racing Commission,
32 including the renewal of the same dates theretofore allotted, shall be
33 governed by the applicable provisions of P.L.1940, c.17 (C.5:5-22 et
34 seq.). Notwithstanding the provisions of any other law to the
35 contrary, the Racing Commission shall allot annually to the authority
36 (1) for the Meadowlands Complex, in the case of harness racing, not
37 less than 100 racing days, and in the case of running racing, not less
38 than 56 racing days, if and to the extent that application is made
39 therefor, and (2) for any other project which is set forth in paragraph
40 (5) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), and
41 which was previously operated by a permitholder other than the
42 authority, racing days shall be limited, in type of racing and amount of
43 days, to those allotted by the Racing Commission to the prior
44 permitholder for the year 1985, as of December 13, 1984; except that
45 the authority may apply to the Racing Commission for an extension of
46 the number and type of racing days pursuant to section 2 of P.L.1984,

1 c.247 (C.5:5-43.1).

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

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

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

12 (1) In the case of harness races:

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

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

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

24 (iii) 5 1/2% thereof to the Sire Stakes Program for [contributions
25 and awards] purse supplements designed to improve and promote the
26 standardbred breeding industry in New Jersey [through payment of
27 awards to] by increasing purses for owners [and breeders] of horses
28 that are sired by a New Jersey [bred horses, which are registered with
29 the Standardbred Breeders' and Owners' Association of New Jersey
30 and which earn portions of purses in open events on New Jersey
31 tracks, and to owners of stallions posted on the official stallion roster
32 of the Standardbred Breeders' and Owners' Association of New Jersey,
33 which sire such registered New Jersey bred money earners;] registered
34 stallion and are eligible to participate in the Sire Stakes Program. The
35 Sire Stakes Program board of trustees shall consult with the
36 Standardbred Breeders' and Owners' Association of New Jersey before
37 disbursing money for purse supplements;

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

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

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

1 horsemen and the Standardbred Breeders' and Owners' Association of
2 New Jersey 5.1175%, or in the case of races on a charity racing day
3 5%, of such total contributions. Expenditures for programs designed
4 to aid the horsemen and the Standardbred Breeders' and Owners'
5 Association of New Jersey shall not exceed 3.5% of the sum available
6 for distribution as purse money. The formula for distribution of the
7 purse money as either overnight purses or special stakes shall be
8 determined by an agreement between the Standardbred Breeders' and
9 Owners' Association of New Jersey and the authority. Notwithstanding
10 the foregoing, for pools where the patron is required to select two or
11 more horses, the authority shall distribute as purse money 5.6175%,
12 or in the case of races on a charity racing day 5.5%, of the total
13 contributions and for pools where the patron is required to select three
14 or more horses, the authority shall distribute as purse money 7.1175%,
15 or in the case of races on a charity racing day 7%, of the total
16 contributions. Notwithstanding the foregoing, for pools where a
17 patron is required to select three or more horses, the authority shall
18 retain out of the 7.1175% or 7% to be distributed as purse money a
19 sum deemed necessary by the racing commission, for use by the
20 commission to finance a prerace blood testing program, and such other
21 testing programs which the commission shall deem proper and
22 necessary and which shall be subject to the regulation and control of
23 said commission.

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

28 (d) In the case of races on a racing day other than a charity racing
29 day, distribute to the Sire Stakes Program for standardbred horses
30 .02% of such total contributions.

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

35 (2) In the case of running races:

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

41 (b) Distribute as purse money and for programs designed to aid the
42 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
43 Association 4.475%, or in the case of races on a charity racing day
44 4.24%, of such total contributions. Expenditures for programs
45 designed to aid the horsemen and the New Jersey Thoroughbred
46 Horseman's Benevolent Association shall not exceed 2.9% of the sum

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

9 (c) 10% of 1% of all pools shall be deducted and set aside in the
10 special trust account established pursuant to section 46b.(1)(e) and
11 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

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

19 For pools where a patron is required to select three or more horses,
20 50% of 1% of the total contributions shall be held and set aside in that
21 special trust account.

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

28 In addition to the amounts above, in the case of races on a racing
29 day designated or allotted as a charity racing day pursuant to
30 P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or
31 section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of
32 1% of all parimutuel pools shall be paid to the commission at the time
33 and in the manner prescribed by the commission.

34 All amounts remaining in parimutuel pools, including the breaks,
35 after such distribution and payments shall constitute revenues of the
36 authority. Except as otherwise expressly provided in this section 7, the
37 authority shall not be required to make any payments to the Racing
38 Commission or others in connection with contributions to parimutuel
39 pools.

40 In the event that a written agreement between the authority and the
41 respective horsemen's associations shall require the distribution of
42 additional sums of money to increase purses or contributions to the
43 special trust accounts hereinabove provided, or both, any such
44 distribution to be made in the year 1981 shall be made by the authority
45 only from, and to the extent of, available moneys from the preceding
46 year set aside for such purpose, after application of the authority's

1 revenues, moneys or other funds as provided in subsection c.(1), (2),
2 (3), (4), (5), (6) and (7) of section 6 of P.L.1971, c.137 (C.5:10-6).

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

8 (1) In the case of running and harness races, beginning July 1, 1997
9 50% of those sums shall be paid to the Racing Commission for
10 deposit in the general fund of the State and disposition in accordance
11 with section 4 of P.L.1997, c.29 (C.5:5-68.1);

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

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

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

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

29 j. Each employee of the authority engaged in the conducting of
30 horse race meetings shall obtain the appropriate license from the
31 Racing Commission, subject to the same terms and conditions as is
32 required of similar employees of other permitholders. The Racing
33 Commission may suspend any member of the authority upon approval
34 of the Governor and the license of any employee of the authority in
35 connection with the conducting of horse race meetings, pending a
36 hearing by the Racing Commission, for any violation of the New Jersey
37 laws regulating horse racing or any rule or regulation of the
38 commission. Such hearing shall be held and conducted in the manner
39 provided in said laws.

40 (cf: P.L.1997, c.80, s.5)

1 5. This act shall take effect immediately and shall be retroactive to
2 January 1, 2000.

3

4

STATEMENT

5

6 Currently, certain distributions from parimutuel pools generated by
7 wagers on standardbred horse races are dedicated for contributions
8 and awards to breeders and owners of certain New Jersey bred horses
9 that are money earners and to owners of stallions which sire those
10 horses, in order to improve and promote the standardbred breeding
11 industry in New Jersey. This bill redirects those distributions to the
12 Sire Stakes Program for use instead to supplement purses for stakes
13 races involving New Jersey sired horses.

14 If enacted, the change will be retroactive to January 1, 2000;
15 therefore, the money from standardbred parimutuel pools earmarked
16 for breeders' and owners' contributions and awards from January 1,
17 2000 to the enactment date will instead be distributed as purse
18 supplements through the Sire Stakes Program.

SENATE ECONOMIC GROWTH, AGRICULTURE AND
TOURISM COMMITTEE

STATEMENT TO

SENATE, No. 1302

STATE OF NEW JERSEY

DATED: JUNE 15, 2000

The Senate Economic Growth, Agriculture and Tourism Committee reports favorably Senate Bill No. 1302.

Currently, certain distributions from parimutuel pools generated by wagers on standardbred horse races are dedicated for contributions and awards to breeders and owners of certain New Jersey bred horses that are money earners and to owners of stallions which sire those horses, in order to improve and promote the standardbred breeding industry in New Jersey. This bill redirects those distributions to the Sire Stakes Program for use instead to supplement purses for stakes races involving New Jersey sired horses.

If enacted, the change will be retroactive to January 1, 2000; therefore, the money from standardbred parimutuel pools earmarked for breeders' and owners' contributions and awards from January 1, 2000 to the enactment date will instead be distributed as purse supplements through the Sire Stakes Program.

P.L. 2000, CHAPTER 123, *approved September 14, 2000*

Senate, No. 1302

1 **AN ACT** concerning the distribution of the parimutuel pools generated
2 on standardbred horse races and amending P.L.1940, c.17,
3 P.L.1984, c.236, P.L.1982, c.201 and P.L.1971, c.137.

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

7
8 1. Section 46 of P.L.1940, c.17 (C.5:5-66) is amended to read as
9 follows:

10 46. Every permitholder engaged in the business of conducting
11 horse race meetings under this act, except the New Jersey Sports and
12 Exposition Authority established pursuant to P.L.1971, c.137
13 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in
14 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the
15 deposits remaining undistributed pursuant to section 44 as follows:

16 a. In the case of harness races:

17 (1) 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.1993, c.15
19 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
20 commission, at the time and in the manner prescribed by the
21 commission, 1.25% of so much of the total contributions to all
22 parimutuel pools conducted or made on any and every horse race,
23 except that for pools where the patron is required to select two horses,
24 the permitholder shall pay 2.25% of the total contributions and for
25 pools where the patron is required to select three or more horses, the
26 permitholder shall pay 5.25% of the total contributions;

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

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

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

38 (c) 5% thereof to the Sire Stakes Program for **[contributions and**
39 **awards]** purse supplements designed to improve and promote the
40 standardbred breeding industry in New Jersey **[through payment of**
41 **awards to]** by increasing purses for owners **[and breeders]** of horses

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 that are sired by a New Jersey [bred horses which are registered with
2 the Standardbred Breeders' and Owners' Association of New Jersey
3 and which earn portions of purses in open events on New Jersey
4 tracks, and to owners of stallions posted on the official stallion roster
5 of the Standardbred Breeders' and Owners' Association of New Jersey,
6 which sire such registered New Jersey bred money earners;] registered
7 stallion and are eligible to participate in the Sire Stakes Program. The
8 Sire Stakes Program board of trustees shall consult with the
9 Standardbred Breeders' and Owners' Association of New Jersey before
10 disbursing money for purse supplements;

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

13 (3) Retain 7.7875%, or in the case of races on a charity racing day
14 7.20%, of so much of such total contributions for his own uses and
15 purposes. Notwithstanding the foregoing, for pools where the patron
16 is required to select two horses, the permitholder shall retain 8.7575%,
17 or in the case of races on a charity racing day 7.70%, of the total
18 contributions and for pools where the patron is required to select three
19 or more horses, the permitholder shall retain 11.6675%, or in the case
20 of races on a charity racing day 9.20%, of the total contributions.
21 Each permitholder shall contribute out of its 11.6675% or 9.20% share
22 of pools, where the patron is required to select three or more horses,
23 a sum deemed necessary by the racing commission, to finance a
24 prerace blood testing program, and such other testing programs which
25 the commission shall deem proper and necessary and which shall be
26 subject to the regulation and control of said commission.

27 (4) Distribute as purse money and for programs designed to aid the
28 horsemen and the Standardbred Breeders' and Owners' Association of
29 New Jersey 7.69375%, or in the case of races on a charity racing day
30 7.40%, of such total contributions. Expenditures for programs
31 designed to aid the horsemen and the Standardbred Breeders' and
32 Owners' Association of New Jersey shall not exceed 3.2% of the sum
33 available for distribution as purse money. The formula for
34 distribution of the purse money as either overnight purses or special
35 stakes shall be determined by an agreement between the Standardbred
36 Breeders' and Owners' Association of New Jersey and the tracks.
37 Notwithstanding the foregoing, for pools where the patron is required
38 to select two or more horses, the permitholder shall distribute as purse
39 money 8.42875%, or in the case of races on a charity racing day
40 7.90%, of the total contributions and for pools where the patron is
41 required to select three or more horses, the permitholder shall
42 distribute as purse money 10.63375%, or in the case of races on a
43 charity racing day 9.40%, of the total contributions. Notwithstanding
44 the foregoing, for pools where a patron is required to select three or
45 more horses, each permitholder shall retain out of the 10.63375% or
46 9.40% to be distributed as purse money a sum deemed necessary by

1 the racing commission, for use by the commission to finance a prerace
2 blood testing program, and such other testing programs which the
3 commission shall deem proper and necessary and which shall be
4 subject to the regulation and control of said commission.

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

12 (6) In the case of races on a racing day other than a charity racing
13 day, distribute to the Sire Stakes Program for standardbred horses
14 .05% of such total contributions, except that for pools where the
15 patron is required to select two or more horses, the amount shall be
16 .09%, and for pools where the patron is required to select three or
17 more horses, the amount shall be .21%.

18 (7) In the case of races on a racing day other than a charity racing
19 day, distribute to the Backstretch Benevolency Programs Fund created
20 pursuant to P.L.1993, c.15 (C.5:5-44.8) .025% of such total
21 contributions, except that for pools where the patron is required to
22 select two or more horses, the amount shall be .045%, and for pools
23 where the patron is required to select three or more horses, the
24 amount shall be .105%.

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

30 b. In the case of running races:

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

35 (a) On a racing day designated or allotted as a charity racing day
36 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
37 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
38 commission, at the time and in the manner prescribed by the
39 commission, .30% of so much of the total contributions to all
40 parimutuel pools conducted or made on any and every horse race,
41 except that for pools where the patron is required to select three or
42 more horses, the permitholder shall pay 1.30% of the total
43 contributions.

44 (b) Hold and set aside in an account designated as a special trust
45 account 5% of 1% of such total contributions to be used and
46 distributed for State horse breeding and development programs,

1 research, fairs, horse shows, youth activities, promotion and
2 administration, as provided in section 5 of P.L.1967, c.40 (C.5:5-88).

3 (c) Retain 9.991%, or in the case of races on a charity racing day
4 9.85%, of such total contributions for his own uses and purposes. For
5 pools where the patron is required to select two horses, the
6 permitholder shall retain 11.061%, or in the case of races on a charity
7 racing day 10.92%, of the total contributions and for pools where the
8 patron is required to select three or more horses, the permitholder
9 shall retain 13.941%, or in the case of races on a charity racing day
10 13.33%, of the total contributions. Each permitholder shall contribute
11 out of its 13.941% or 13.33% share of pools, where the patron is
12 required to select three or more horses, a sum deemed necessary by
13 the racing commission, to finance a prerace blood testing program, and
14 such other testing programs which the commission shall deem proper
15 and necessary and which shall be subject to the regulation and control
16 of the commission.

17 (d) Distribute as purse money and for programs designed to aid the
18 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
19 Association 6.141%, or in the case of races on a charity racing day
20 6.00%, of such contributions. Notwithstanding the foregoing, for
21 pools where the patron is required to select two horses, the
22 permitholder shall distribute as purse money 7.071%, or in the case of
23 races on a charity racing day 6.93%, of such contributions and for
24 pools where the patron is required to select three or more horses, the
25 permitholder shall distribute as purse money 9.631%, or in the case of
26 races on a charity racing day 9.02%, of the total contributions.
27 Expenditures for programs designed to aid the horsemen and the New
28 Jersey Thoroughbred Horseman's Benevolent Association shall not
29 exceed 2.5% of the sum available for distribution as purse money from
30 all parimutuel pools. The formula for distribution of the purse money
31 as either overnight purses or special stakes shall be determined by an
32 agreement between the New Jersey Thoroughbred Horseman's
33 Benevolent Association and the permitholder. Notwithstanding the
34 foregoing, for pools where a patron is required to select three or more
35 horses, each permitholder shall retain out of the 9.631% or 9.02% to
36 be distributed as purse money a sum deemed necessary by the racing
37 commission, for use by the commission to finance a prerace blood
38 testing program, and such other testing programs which the
39 commission shall deem proper and necessary and which shall be
40 subject to the regulation and control of the commission.

41 (e) 80% of 1% of all pools shall be deducted and set aside in a
42 special trust account for the establishment and support by the
43 commission of the thoroughbred breeding industry in New Jersey; to
44 improve purses for closed races; to provide awards for owners and
45 breeders of registered New Jersey bred horses who earn portions of
46 purses in open and closed races at New Jersey race tracks and to

1 owners of stallions posted on the official stallion roster of the
2 Thoroughbred Breeders' Association of New Jersey, which sire such
3 New Jersey bred money earners and awards to the New Jersey
4 Thoroughbred Breeders' Association for programs beneficial to
5 thoroughbred breeding in this State. The New Jersey thoroughbred
6 award program shall be administered and disbursed by the
7 Thoroughbred Breeders' Association of New Jersey subject to the
8 approval of the commission. The special trust account to be
9 established pursuant to this paragraph shall be separate and apart from
10 the special trust account established and maintained pursuant to
11 subparagraph (b) of this paragraph.

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

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

18 (h) In the case of races on a racing day other than a charity racing
19 day, distribute to the Backstretch Benevolency Programs Fund created
20 pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of such total
21 contributions, except that for pools where the patron is required to
22 select three or more horses, the amount shall be .026%.

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

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

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

36 (a) On a racing day designated or allotted as a charity racing day
37 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
38 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
39 commission, at the time and in the manner prescribed by the
40 commission, .50% of so much of the total contributions to all
41 parimutuel pools conducted or made on any and every horse race.

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

1 (c) Retain 9.305%, or in the case of races on a charity racing day
2 9.07%, of such total contributions for his own uses and purposes. For
3 pools where the patron is required to select two horses, the
4 permitholder shall retain 10.375%, or in the case of races on a charity
5 racing day 10.14%, of the total contributions and for pools where the
6 patron is required to select three or more horses, the permitholder
7 shall retain 13.545%, or in the case of races on a charity racing day
8 13.31%, of the total contributions. Each permitholder shall contribute
9 out of its 13.545% or 13.31% share of pools, where the patron is
10 required to select three or more horses, a sum deemed necessary by
11 the racing commission, to finance a prerace blood testing program, and
12 such other testing programs which the commission shall deem proper
13 and necessary and which shall be subject to the regulation and control
14 of the commission.

15 (d) Distribute as purse money and for programs designed to aid the
16 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
17 Association 6.815%, or in the case of races on a charity racing day
18 6.58%, of such contributions. Notwithstanding the foregoing, for
19 pools where the patron is required to select two horses, the
20 permitholder shall distribute as purse money 7.745%, or in the case of
21 races on a charity racing day 7.51%, of such contributions and for
22 pools where the patron is required to select three or more horses, the
23 permitholder shall distribute as purse money 10.085%, or in the case
24 of races on a charity racing day 9.85%, of the total contributions.
25 Expenditures for programs designed to aid the horsemen and the New
26 Jersey Thoroughbred Horseman's Benevolent Association shall not
27 exceed 2.5% of the sum available for distribution as purse money from
28 all parimutuel pools. The formula for distribution of the purse money
29 as either overnight purses or special stakes shall be determined by an
30 agreement between the New Jersey Thoroughbred Horseman's
31 Benevolent Association and the permitholder. Notwithstanding the
32 foregoing, for pools where a patron is required to select three or more
33 horses, each permitholder shall retain out of the 10.085% or 9.85% to
34 be distributed as purse money a sum deemed necessary by the racing
35 commission, for use by the commission to finance a prerace blood
36 testing program, and such other testing programs which the
37 commission shall deem proper and necessary and which shall be
38 subject to the regulation and control of the commission.

39 (e) 80% of 1% of all pools shall be deducted and set aside in a
40 special trust account for the establishment and support by the
41 commission of the thoroughbred breeding industry in New Jersey; to
42 improve purses for closed races; to provide awards for owners and
43 breeders of registered New Jersey bred horses who earn portions of
44 purses in open and closed races at New Jersey race tracks and to
45 owners of stallions posted on the official stallion roster of the
46 Thoroughbred Breeders' Association of New Jersey, which sire such

1 New Jersey bred money earners and awards to New Jersey
2 thoroughbred breeders' associations for programs beneficial to
3 thoroughbred breeding in this State. The New Jersey thoroughbred
4 award program shall be administered and disbursed by the
5 Thoroughbred Breeders' Association of New Jersey subject to the
6 approval of the commission. The special trust account to be
7 established pursuant to this paragraph shall be separate and apart from
8 the special trust account established and maintained pursuant to
9 subparagraph (b) of this paragraph.

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

11 (g) In the case of races on a racing day other than a charity racing
12 day, distribute to the Thoroughbred Breeders' Association of New
13 Jersey .02% of such total contributions.

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

18 (i) Notwithstanding the foregoing, for pools where a patron is
19 required to select three or more horses, 49% of 1% of the total
20 contributions shall be held and set aside in the special trust account
21 referred to in subparagraph (e) of this paragraph.

22 (j) Except as otherwise provided by law, no admission or
23 amusement tax, excise tax, license or horse racing fee of any kind shall
24 be assessed or collected from any permit holder by the State of New
25 Jersey, or by any county or municipality, or by any other body having
26 power to assess or collect license fees or taxes.

27 (cf: P.L.1997, c.80, s.2)

28

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

31 2. Notwithstanding the provisions of section 46 of P.L.1940, c.17
32 (C.5:5-66) or any other law to the contrary, a holder of a permit to
33 conduct harness race meetings who operates a racetrack at which
34 harness race meetings were conducted during calendar year 1984 but
35 which were suspended for 30 days or more during that calendar year
36 because of fire, and a holder of a permit to conduct harness race
37 meetings who conducted harness race meetings at the aforementioned
38 racetrack during 1984 and who continues to conduct harness race
39 meetings at that racetrack, shall make disposition of the deposits
40 remaining undistributed pursuant to section 1 of this act as follows:

41 a. On a racing day designated or allotted as a charity racing day
42 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
43 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
44 commission, at the time and in the manner prescribed by the
45 commission, .50% of so much of the total contributions to all
46 parimutuel pools conducted or made on any and every horse race;

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

5 (1) 37% thereof to increase purses and grant awards for starting
6 horses as provided or as may be provided by rules of the New Jersey
7 Racing Commission with payment to be made in the same manner as
8 payment of other purses and awards;

9 (2) 55% thereof for the establishment of a Sire Stakes Program for
10 standardbred horses with payment to be made to the Department of
11 Agriculture for administration as hereinbefore provided;

12 (3) 5% thereof to the Sire Stakes Program for [contributions and
13 awards] purse supplements designed to improve and promote the
14 standardbred breeding industry in New Jersey [through payment of
15 awards to] by increasing purses for owners [and breeders] of horses
16 that are sired by a New Jersey [bred horses which are registered with
17 the Standardbred Breeders' and Owners' Association of New Jersey
18 and which earn portions of purses in open events on New Jersey
19 tracks, and to owners of stallions posted on the official stallions roster
20 of the Standardbred Breeders' and Owners' Association of New Jersey
21 which sire such registered New Jersey bred money earners;] registered
22 stallion and are eligible to participate in the Sire Stakes Program. The
23 Sire Stakes Program board of trustees shall consult with the
24 Standardbred Breeders' and Owners' Association of New Jersey before
25 disbursing money for purse supplements;

26 (4) 3% thereof for other New Jersey horse breeding and promotion
27 conducted by the New Jersey Department of Agriculture.

28 c. Retain 7.935%, or in the case of races on a charity racing day
29 7.70%, of so much of such total contributions for his own uses and
30 purposes. Notwithstanding the foregoing, for pools where the patron
31 is required to select two horses, the permitholder shall retain 8.935%,
32 or in the case of races on a charity racing day 8.70%, of the total
33 contributions and for pools where the patron is required to select three
34 or more horses, the permitholder shall retain 11.935%, or in the case
35 of races on a charity racing day 11.70%, of the total contributions.
36 The permitholder shall contribute out of its 11.935% or 11.70% share
37 of pools, where the patron is required to select three or more horses,
38 a sum deemed necessary by the Racing Commission, to finance a
39 prerace blood testing program, and such other testing programs which
40 the commission shall deem proper and necessary and which shall be
41 subject to the regulation and control of the commission.

42 d. Distribute as purse money and for programs designed to aid the
43 horsemen and the Standardbred Breeders' and Owners' Association of
44 New Jersey 7.7675%, or in the case of races on a charity racing day
45 7.65%, of such total contributions. Expenditures for programs
46 designed to aid the horsemen and the Standardbred Breeders' and

1 Owners' Association of New Jersey shall not exceed 3.2% of the sum
2 available for distribution as purse money. The formula for distribution
3 of the purse money as either overnight purses or special stakes shall be
4 determined by an agreement between the Standardbred Breeders' and
5 Owners' Association of New Jersey and the tracks. Notwithstanding
6 the foregoing, for pools where the patron is required to select two or
7 more horses, the permitholder shall distribute as purse money
8 8.7675%, or in the case of races on a charity racing day 8.65%, of the
9 total contributions and for pools where the patron is required to select
10 three or more horses, the permitholder shall distribute as purse money
11 11.7675%, or in the case of races on a charity racing day 11.65%, of
12 the total contributions. Notwithstanding the foregoing, for pools
13 where a patron is required to select three or more horses, the
14 permitholder shall retain out of the 11.7675% or 11.65% to be
15 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. In the case of races on a racing day other than a charity racing
21 day, distribute to the Standardbred Breeders' and Owners' Association
22 of New Jersey for the administration of a health benefits program for
23 horsemen .1175% of such total contributions.

24 f. In the case of races on a racing day other than a charity racing
25 day, distribute to the Sire Stakes Program for standardbred horses
26 .02% of such total contributions.

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

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

36 (cf: P.L.1997, c.80, s.3)

37

38 3. Section 5 of P.L.1982, c.201 (C.5:5-98) is amended to read as
39 follows:

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

44 a. In the case of harness races:

45 (1) Hold and set aside in an account designated as a special trust
46 account 1% of such total contributions in all pools, to be used and

1 distributed as hereinafter provided and as provided in section 5 of
2 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

10 (c) 5 1/2% thereof to the Sire Stakes Program for [contributions
11 and awards] purse supplements designed to improve and promote the
12 standardbred breeding industry in New Jersey [through payment of
13 awards to] by increasing purses for owners [and breeders] of horses
14 that are sired by a New Jersey [bred horses, which are registered with
15 the Standardbred Breeders' and Owners' Association of New Jersey
16 and which earn portions of purses in open events on New Jersey
17 tracks, and to owners of stallions posted on the official stallion roster
18 of the Standardbred Breeders' and Owners' Association of New Jersey,
19 which sire such registered New Jersey bred money earners;] registered
20 stallion and are eligible to participate in the Sire Stakes Program. The
21 Sire Stakes Program board of trustees shall consult with the
22 Standardbred Breeders' and Owners' Association of New Jersey before
23 disbursing money for purse supplements;

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

26 Payment of the sums held and set aside pursuant to subparagraphs
27 (c) and (d) shall be made to the commission every seventh day of any
28 and every race meeting in the amount then due, as determined in the
29 manner provided above, and shall be accompanied by a report under
30 oath showing the total of all such contributions, together with such
31 other information as the commission may require.

32 (2) Distribute as purse money and for programs designed to aid the
33 horsemen and the Standardbred Breeders' and Owners' Association of
34 New Jersey 5.1175%, or in the case of races on a charity racing day
35 5%, of such total contributions. Expenditures for programs designed
36 to aid the horsemen and the Standardbred Breeders' and Owners'
37 Association of New Jersey shall not exceed 3.5% of the sum available
38 for distribution as purse money. The formula for distribution of the
39 purse money as either overnight purses or special stakes shall be
40 determined by an agreement between the Standardbred Breeders' and
41 Owners' Association of New Jersey and the permitholder.
42 Notwithstanding the foregoing, for pools where the patron is required
43 to select two or more horses, the permitholder shall distribute as purse
44 money 5.6175%, or in the case of races on a charity racing day 5.5%,
45 of the total contributions and for pools where the patron is required to
46 select three or more horses, the permitholder shall distribute as purse

1 money 7.1175%, or in the case of races on a charity racing day 7%, of
2 the total contributions. Notwithstanding the foregoing, for pools
3 where a patron is required to select three or more horses, the
4 permitholder shall retain out of the 7.1175% or 7% to be distributed
5 as purse money a sum deemed necessary by the racing commission, for
6 use by the commission to finance a prerace blood testing program, and
7 such other testing programs which the commission shall deem proper
8 and necessary and which shall be subject to the regulation and control
9 of the commission.

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

14 (4) In the case of races on a racing day other than a charity racing
15 day, distribute to the Sire Stakes Program for standardbred horses
16 .02% of such total contributions.

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

21 b. In the case of running races:

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

27 (2) Distribute as purse money and for programs designed to aid the
28 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
29 Association 4.475%, or in the case of races on a charity racing day
30 4.24%, of such total contributions. Expenditures for programs
31 designed to aid the horsemen and the New Jersey Thoroughbred
32 Horseman's Benevolent Association shall not exceed 2.9% of the sum
33 available for distribution as purse money. The formula for distribution
34 of the purse money as either overnight purses or special stakes shall be
35 determined by an agreement between the New Jersey Thoroughbred
36 Horseman's Benevolent Association and the permitholder.
37 Notwithstanding the foregoing, for pools where the patron is required
38 to select three or more horses, the permitholder shall distribute as
39 purse money 7.475%, or in the case of races on a charity racing day
40 7.24%, of the total contributions.

41 (3) 60% of 1% of all pools shall be deducted and set aside in the
42 special trust account established pursuant to section 46b.(1)(e) and
43 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66). The commission may,
44 however, reduce this amount for a period of time to be determined by
45 the commission upon a request by the permitholder and a
46 determination by the commission that the payment of that amount

1 would cause extreme financial hardship for the permitholder. In no
2 event shall the commission reduce the amount to less than 10% of 1%
3 of total contributions to all parimutuel pools at running race meetings
4 at the racetrack. The permitholder may request an extension of the
5 period of reduction or a further reduction or, subsequent to any
6 restoration of the amount specified above, another reduction.

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

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

14 For pools where a patron is required to select three or more horses,
15 50% of 1% of the total contributions shall be held and set aside in the
16 special trust account established pursuant to section 46b.(1)(e) and
17 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

24 In addition to the amounts above, in the case of races on a racing
25 day designated or allotted as a charity racing day pursuant to
26 P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or
27 section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of
28 1% of all parimutuel pools shall be paid to the commission at the time
29 and in the manner prescribed by the commission.

30 All amounts remaining in parimutuel pools, including the breaks,
31 after the distribution and payments required by this section shall
32 constitute revenues of the permitholder. Except as otherwise provided
33 in this section, the permitholder shall not be required to make any
34 payments to the commission or others in connection with contributions
35 to parimutuel pools.

36 (cf: P.L.1997, c.80, s.4)

37

38 4. Section 7 of P.L.1971, c.137 (C.5:10-7) is amended to read as
39 follows:

40 7. a. The authority is hereby authorized, licensed and empowered
41 to apply to the Racing Commission for a permit or permits to hold and
42 conduct, at any of the projects set forth in paragraphs (1) and (5) of
43 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), horse race
44 meetings for stake, purse or reward, and to provide a place or places
45 on the race meeting grounds or enclosure for wagering by patrons on
46 the results of such horse races by the parimutuel system, and to receive

1 charges and collect all revenues, receipts and other sums from the
2 ownership and operation thereof; provided that only the authority
3 through its employees shall conduct such horse race meetings and
4 wagering and the authority is expressly prohibited from placing in the
5 control of any other person, firm or corporation the conduct of such
6 horse race meetings, or wagering.

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

14 c. Application for said permit or permits shall be on such forms and
15 shall include such accompanying data as the Racing Commission shall
16 prescribe for other applicants. The Racing Commission shall proceed
17 to review and act on any such application within 30 days after its filing
18 and the Racing Commission is authorized in its sole discretion to
19 determine whether a permit shall be granted to the authority. If, after
20 such review, the Racing Commission acts favorably on such
21 application, a permit shall be granted to the authority without any
22 further approval and shall remain in force and effect so long as any
23 bonds or notes of the authority remain outstanding, the provisions of
24 any other law to the contrary notwithstanding. In granting a permit to
25 the authority to conduct a horse race meeting, the Racing Commission
26 shall not be subject to any limitation as to the number of tracks
27 authorized for the conduct of horse race meetings pursuant to any
28 provision of P.L.1940, c.17 (C.5:5-22 et seq.). Said permit shall set
29 forth the dates to be allotted to the authority for its initial horse race
30 meetings. Thereafter application for dates for horse race meetings by
31 the authority and the allotment thereof by the Racing Commission,
32 including the renewal of the same dates theretofore allotted, shall be
33 governed by the applicable provisions of P.L.1940, c.17 (C.5:5-22 et
34 seq.). Notwithstanding the provisions of any other law to the
35 contrary, the Racing Commission shall allot annually to the authority
36 (1) for the Meadowlands Complex, in the case of harness racing, not
37 less than 100 racing days, and in the case of running racing, not less
38 than 56 racing days, if and to the extent that application is made
39 therefor, and (2) for any other project which is set forth in paragraph
40 (5) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), and
41 which was previously operated by a permitholder other than the
42 authority, racing days shall be limited, in type of racing and amount of
43 days, to those allotted by the Racing Commission to the prior
44 permitholder for the year 1985, as of December 13, 1984; except that
45 the authority may apply to the Racing Commission for an extension of
46 the number and type of racing days pursuant to section 2 of P.L.1984,

1 c.247 (C.5:5-43.1).

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

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

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

12 (1) In the case of harness races:

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

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

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

24 (iii) 5 1/2% thereof to the Sire Stakes Program for [contributions
25 and awards] purse supplements designed to improve and promote the
26 standardbred breeding industry in New Jersey [through payment of
27 awards to] by increasing purses for owners [and breeders] of horses
28 that are sired by a New Jersey [bred horses, which are registered with
29 the Standardbred Breeders' and Owners' Association of New Jersey
30 and which earn portions of purses in open events on New Jersey
31 tracks, and to owners of stallions posted on the official stallion roster
32 of the Standardbred Breeders' and Owners' Association of New Jersey,
33 which sire such registered New Jersey bred money earners;] registered
34 stallion and are eligible to participate in the Sire Stakes Program. The
35 Sire Stakes Program board of trustees shall consult with the
36 Standardbred Breeders' and Owners' Association of New Jersey before
37 disbursing money for purse supplements;

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

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

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

1 horsemen and the Standardbred Breeders' and Owners' Association of
2 New Jersey 5.1175%, or in the case of races on a charity racing day
3 5%, of such total contributions. Expenditures for programs designed
4 to aid the horsemen and the Standardbred Breeders' and Owners'
5 Association of New Jersey shall not exceed 3.5% of the sum available
6 for distribution as purse money. The formula for distribution of the
7 purse money as either overnight purses or special stakes shall be
8 determined by an agreement between the Standardbred Breeders' and
9 Owners' Association of New Jersey and the authority. Notwithstanding
10 the foregoing, for pools where the patron is required to select two or
11 more horses, the authority shall distribute as purse money 5.6175%,
12 or in the case of races on a charity racing day 5.5%, of the total
13 contributions and for pools where the patron is required to select three
14 or more horses, the authority shall distribute as purse money 7.1175%,
15 or in the case of races on a charity racing day 7%, of the total
16 contributions. Notwithstanding the foregoing, for pools where a
17 patron is required to select three or more horses, the authority shall
18 retain out of the 7.1175% or 7% to be distributed as purse money a
19 sum deemed necessary by the racing commission, for use by the
20 commission to finance a prerace blood testing program, and such other
21 testing programs which the commission shall deem proper and
22 necessary and which shall be subject to the regulation and control of
23 said commission.

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

28 (d) In the case of races on a racing day other than a charity racing
29 day, distribute to the Sire Stakes Program for standardbred horses
30 .02% of such total contributions.

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

35 (2) In the case of running races:

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

41 (b) Distribute as purse money and for programs designed to aid the
42 horsemen and the New Jersey Thoroughbred Horseman's Benevolent
43 Association 4.475%, or in the case of races on a charity racing day
44 4.24%, of such total contributions. Expenditures for programs
45 designed to aid the horsemen and the New Jersey Thoroughbred
46 Horseman's Benevolent Association shall not exceed 2.9% of the sum

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

9 (c) 10% of 1% of all pools shall be deducted and set aside in the
10 special trust account established pursuant to section 46b.(1)(e) and
11 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

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

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

19 For pools where a patron is required to select three or more horses,
20 50% of 1% of the total contributions shall be held and set aside in that
21 special trust account.

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

28 In addition to the amounts above, in the case of races on a racing
29 day designated or allotted as a charity racing day pursuant to
30 P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or
31 section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of
32 1% of all parimutuel pools shall be paid to the commission at the time
33 and in the manner prescribed by the commission.

34 All amounts remaining in parimutuel pools, including the breaks,
35 after such distribution and payments shall constitute revenues of the
36 authority. Except as otherwise expressly provided in this section 7, the
37 authority shall not be required to make any payments to the Racing
38 Commission or others in connection with contributions to parimutuel
39 pools.

40 In the event that a written agreement between the authority and the
41 respective horsemen's associations shall require the distribution of
42 additional sums of money to increase purses or contributions to the
43 special trust accounts hereinabove provided, or both, any such
44 distribution to be made in the year 1981 shall be made by the authority
45 only from, and to the extent of, available moneys from the preceding
46 year set aside for such purpose, after application of the authority's

1 revenues, moneys or other funds as provided in subsection c.(1), (2),
2 (3), (4), (5), (6) and (7) of section 6 of P.L.1971, c.137 (C.5:10-6).

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

8 (1) In the case of running and harness races, beginning July 1, 1997
9 50% of those sums shall be paid to the Racing Commission for
10 deposit in the general fund of the State and disposition in accordance
11 with section 4 of P.L.1997, c.29 (C.5:5-68.1);

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

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

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

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

29 j. Each employee of the authority engaged in the conducting of
30 horse race meetings shall obtain the appropriate license from the
31 Racing Commission, subject to the same terms and conditions as is
32 required of similar employees of other permitholders. The Racing
33 Commission may suspend any member of the authority upon approval
34 of the Governor and the license of any employee of the authority in
35 connection with the conducting of horse race meetings, pending a
36 hearing by the Racing Commission, for any violation of the New Jersey
37 laws regulating horse racing or any rule or regulation of the
38 commission. Such hearing shall be held and conducted in the manner
39 provided in said laws.

40 (cf: P.L.1997, c.80, s.5)

41

42 5. This act shall take effect immediately and shall be retroactive to
43 January 1, 2000.

1 STATEMENT

2

3 Currently, certain distributions from parimutuel pools generated by
4 wagers on standardbred horse races are dedicated for contributions
5 and awards to breeders and owners of certain New Jersey bred horses
6 that are money earners and to owners of stallions which sire those
7 horses, in order to improve and promote the standardbred breeding
8 industry in New Jersey. This bill redirects those distributions to the
9 Sire Stakes Program for use instead to supplement purses for stakes
10 races involving New Jersey sired horses.

11 If enacted, the change will be retroactive to January 1, 2000;
12 therefore, the money from standardbred parimutuel pools earmarked
13 for breeders' and owners' contributions and awards from January 1,
14 2000 to the enactment date will instead be distributed as purse
15 supplements through the Sire Stakes Program.

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20 Redirects distribution to improve and promote the State standardbred
21 breeding industry from contributions and awards to breeders and
22 owners to purse supplements.

CHAPTER 123

AN ACT concerning the distribution of the parimutuel pools generated on standardbred horse races and amending P.L.1940, c.17, P.L.1984, c.236, P.L.1982, c.201 and P.L.1971, c.137.

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

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

C.5:5-66 Disposition of undistributed deposits.

46. Every permitholder engaged in the business of conducting horse race meetings under this act, except the New Jersey Sports and Exposition Authority established pursuant to P.L.1971, c.137 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of the deposits remaining undistributed pursuant to section 44 as follows:

- a. In the case of harness races:

- (1) On a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the commission, at the time and in the manner prescribed by the commission, 1.25% of so much of the total contributions to all parimutuel pools conducted or made on any and every horse race, except that for pools where the patron is required to select two horses, the permitholder shall pay 2.25% of the total contributions and for pools where the patron is required to select three or more horses, the permitholder shall pay 5.25% of the total contributions;

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

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

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

- (c) 5% thereof to the Sire Stakes Program for purse supplements designed to improve and promote the standardbred breeding industry in New Jersey by increasing purses for owners of horses that are sired by a New Jersey registered stallion and are eligible to participate in the Sire Stakes Program. The Sire Stakes Program board of trustees shall consult with the Standardbred Breeders' and Owners' Association of New Jersey before disbursing money for purse supplements;

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

- (3) Retain 7.7875%, or in the case of races on a charity racing day 7.20%, of so much of such total contributions for his own uses and purposes. Notwithstanding the foregoing, for pools where the patron is required to select two horses, the permitholder shall retain 8.7575%, or in the case of races on a charity racing day 7.70%, of the total contributions and for pools where the patron is required to select three or more horses, the permitholder shall retain 11.6675%, or in the case of races on a charity racing day 9.20%, of the total contributions. Each permitholder shall contribute out of its 11.6675% or 9.20% share of pools, where the patron is required to select three or more horses, a sum deemed necessary by the racing commission, to finance a prerace blood testing program, and such other testing programs which the commission shall deem proper and necessary and which shall be subject to the regulation and control of said commission.

- (4) Distribute as purse money and for programs designed to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey 7.69375%, or in the case of races on a charity racing day 7.40%, of such total contributions. Expenditures for programs designed to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey shall not exceed 3.2% of the sum available for distribution as purse money. The formula for distribution of the purse money as either overnight purses or special stakes shall be determined by an agreement between the Standardbred Breeders' and Owners' Association of

New Jersey and the tracks. Notwithstanding the foregoing, for pools where the patron is required to select two or more horses, the permitholder shall distribute as purse money 8.42875%, or in the case of races on a charity racing day 7.90%, of the total contributions and for pools where the patron is required to select three or more horses, the permitholder shall distribute as purse money 10.63375%, or in the case of races on a charity racing day 9.40%, of the total contributions. Notwithstanding the foregoing, for pools where a patron is required to select three or more horses, each permitholder shall retain out of the 10.63375% or 9.40% to be distributed as purse money a sum deemed necessary by the racing commission, for use by the commission to finance a prerace blood testing program, and such other testing programs which the commission shall deem proper and necessary and which shall be subject to the regulation and control of said commission.

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

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

(7) In the case of races on a racing day other than a charity racing day, distribute to the Backstretch Benevolency Programs Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8).025% of such total contributions, except that for pools where the patron is required to select two or more horses, the amount shall be.045%, and for pools where the patron is required to select three or more horses, the amount shall be.105%.

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

b. In the case of running races:

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

(a) On a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the commission, at the time and in the manner prescribed by the commission,.30% of so much of the total contributions to all parimutuel pools conducted or made on any and every horse race, except that for pools where the patron is required to select three or more horses, the permitholder shall pay 1.30% of the total contributions.

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

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

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

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

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

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

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

(h) In the case of races on a racing day other than a charity racing day, distribute to the Backstretch Benevolency Programs Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8).006% of such total contributions, except that for pools where the patron is required to select three or more horses, the amount shall be.026%.

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

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

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

(a) On a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the commission, at the time and in the manner prescribed by the commission,.50% of so much of the total contributions to all parimutuel pools conducted or made on any and every horse race.

(b) Hold and set aside in an account designated as a special trust account 5% of 1% of such total contributions to be used and distributed for State horse breeding and development programs, research, fairs, horse shows, youth activities, promotion and administration, as

provided in section 5 of P.L.1967, c.40 (C.5:5-88).

(c) Retain 9.305%, or in the case of races on a charity racing day 9.07%, of such total contributions for his own uses and purposes. For pools where the patron is required to select two horses, the permitholder shall retain 10.375%, or in the case of races on a charity racing day 10.14%, of the total contributions and for pools where the patron is required to select three or more horses, the permitholder shall retain 13.545%, or in the case of races on a charity racing day 13.31%, of the total contributions. Each permitholder shall contribute out of its 13.545% or 13.31% share of pools, where the patron is required to select three or more horses, a sum deemed necessary by the racing commission, to finance a prerace blood testing program, and such other testing programs which the commission shall deem proper and necessary and which shall be subject to the regulation and control of the commission.

(d) Distribute as purse money and for programs designed to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association 6.815%, or in the case of races on a charity racing day 6.58%, of such contributions. Notwithstanding the foregoing, for pools where the patron is required to select two horses, the permitholder shall distribute as purse money 7.745%, or in the case of races on a charity racing day 7.51%, of such contributions and for pools where the patron is required to select three or more horses, the permitholder shall distribute as purse money 10.085%, or in the case of races on a charity racing day 9.85%, of the total contributions. Expenditures for programs designed to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association shall not exceed 2.5% of the sum available for distribution as purse money from all parimutuel pools. The formula for distribution of the purse money as either overnight purses or special stakes shall be determined by an agreement between the New Jersey Thoroughbred Horseman's Benevolent Association and the permitholder. Notwithstanding the foregoing, for pools where a patron is required to select three or more horses, each permitholder shall retain out of the 10.085% or 9.85% to be distributed as purse money a sum deemed necessary by the racing commission, for use by the commission to finance a prerace blood testing program, and such other testing programs which the commission shall deem proper and necessary and which shall be subject to the regulation and control of the commission.

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

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

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

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

(i) Notwithstanding the foregoing, for pools where a patron is required to select three or more horses, 49% of 1% of the total contributions shall be held and set aside in the special trust account referred to in subparagraph (e) of this paragraph.

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

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

C.5:5-66.1 Undistributed deposits.

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

a. On a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the commission, at the time and in the manner prescribed by the commission, .50% of so much of the total contributions to all parimutuel pools conducted or made on any and every horse race;

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

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

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

(3) 5% thereof to the Sire Stakes Program for purse supplements designed to improve and promote the standardbred breeding industry in New Jersey by increasing purses for owners of horses that are sired by a New Jersey registered stallion and are eligible to participate in the Sire Stakes Program. The Sire Stakes Program board of trustees shall consult with the Standardbred Breeders' and Owners' Association of New Jersey before disbursing money for purse supplements;

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

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

d. Distribute as purse money and for programs designed to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey 7.7675%, or in the case of races on a charity racing day 7.65%, of such total contributions. Expenditures for programs designed to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey shall not exceed 3.2% of the sum available for distribution as purse money. The formula for distribution of the purse money as either overnight purses or special stakes shall be determined by an agreement between the Standardbred Breeders' and Owners' Association of New Jersey and the tracks. Notwithstanding the foregoing, for pools where the patron is required to select two or more horses, the permitholder shall distribute as purse money 8.7675%, or in the case of races on a charity racing day 8.65%, of the total contributions and for pools where the patron is required to select three or more horses, the permitholder shall distribute as purse money

11.7675%, or in the case of races on a charity racing day 11.65%, of the total contributions. Notwithstanding the foregoing, for pools where a patron is required to select three or more horses, the permitholder shall retain out of the 11.7675% or 11.65% to be distributed as purse money, a sum deemed necessary by the racing commission, for use by the commission to finance a prerace blood testing program, and such other testing programs which the commission shall deem proper and necessary and which shall be subject to the regulation and control of the commission.

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

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

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

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

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

C.5:5-98 Garden State Racetrack.

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

a. In the case of harness races:

(1) Hold and set aside in an account designated as a special trust account 1% of such total contributions in all pools, to be used and

distributed as hereinafter provided and as provided in section 5 of P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

(c) 5 1/2% thereof to the Sire Stakes Program for purse supplements designed to improve and promote the standardbred breeding industry in New Jersey by increasing purses for owners of horses that are sired by a New Jersey registered stallion and are eligible to participate in the Sire Stakes Program. The Sire Stakes Program board of trustees shall consult with the Standardbred Breeders' and Owners' Association of New Jersey before disbursing money for purse supplements;

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

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

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

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

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

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

b. In the case of running races:

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

(2) Distribute as purse money and for programs designed to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association 4.475%, or in the case of races on a charity racing day 4.24%, of such total contributions. Expenditures for programs designed to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association shall

not exceed 2.9% of the sum available for distribution as purse money. The formula for distribution of the purse money as either overnight purses or special stakes shall be determined by an agreement between the New Jersey Thoroughbred Horseman's Benevolent Association and the permitholder. Notwithstanding the foregoing, for pools where the patron is required to select three or more horses, the permitholder shall distribute as purse money 7.475%, or in the case of races on a charity racing day 7.24%, of the total contributions.

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

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

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

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

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

In addition to the amounts above, in the case of races on a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of 1% of all parimutuel pools shall be paid to the commission at the time and in the manner prescribed by the commission.

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

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

C.5:10-7 Authority race permit.

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

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

parimutuel betting at such meetings.

c. Application for said permit or permits shall be on such forms and shall include such accompanying data as the Racing Commission shall prescribe for other applicants. The Racing Commission shall proceed to review and act on any such application within 30 days after its filing and the Racing Commission is authorized in its sole discretion to determine whether a permit shall be granted to the authority. If, after such review, the Racing Commission acts favorably on such application, a permit shall be granted to the authority without any further approval and shall remain in force and effect so long as any bonds or notes of the authority remain outstanding, the provisions of any other law to the contrary notwithstanding. In granting a permit to the authority to conduct a horse race meeting, the Racing Commission shall not be subject to any limitation as to the number of tracks authorized for the conduct of horse race meetings pursuant to any provision of P.L.1940, c.17 (C.5:5-22 et seq.). Said permit shall set forth the dates to be allotted to the authority for its initial horse race meetings. Thereafter application for dates for horse race meetings by the authority and the allotment thereof by the Racing Commission, including the renewal of the same dates theretofore allotted, shall be governed by the applicable provisions of P.L.1940, c.17 (C.5:5-22 et seq.). Notwithstanding the provisions of any other law to the contrary, the Racing Commission shall allot annually to the authority (1) for the Meadowlands Complex, in the case of harness racing, not less than 100 racing days, and in the case of running racing, not less than 56 racing days, if and to the extent that application is made therefor, and (2) for any other project which is set forth in paragraph (5) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), and which was previously operated by a permitholder other than the authority, racing days shall be limited, in type of racing and amount of days, to those allotted by the Racing Commission to the prior permitholder for the year 1985, as of December 13, 1984; except that the authority may apply to the Racing Commission for an extension of the number and type of racing days pursuant to section 2 of P.L.1984, c.247 (C.5:5-43.1).

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

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

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

(1) In the case of harness races:

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

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

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

(iii) 5 1/2% thereof to the Sire Stakes Program for purse supplements designed to improve and promote the standardbred breeding industry in New Jersey by increasing purses for owners of horses that are sired by a New Jersey registered stallion and are eligible to participate in the Sire Stakes Program. The Sire Stakes Program board of trustees shall consult with the Standardbred Breeders' and Owners' Association of New Jersey before disbursing money for purse supplements;

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

Payment of the sums held and set aside pursuant to subparagraphs (iii) and (iv) shall be made to the commission every seventh day of any and every race meeting in the amount then due, as determined in the manner provided above, and shall be accompanied by a report under oath

showing the total of all such contributions, together with such other information as the commission may require.

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

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

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

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

(2) In the case of running races:

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

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

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

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

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

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

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

information as the commission may require.

In addition to the amounts above, in the case of races on a racing day designated or allotted as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), an amount equal to 1/2 of 1% of all parimutuel pools shall be paid to the commission at the time and in the manner prescribed by the commission.

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

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

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

(1) In the case of running and harness races, beginning July 1, 1997 50% of those sums shall be paid to the Racing Commission for deposit in the general fund of the State and disposition in accordance with section 4 of P.L.1997, c.29 (C.5:5-68.1);

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

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

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

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

j. Each employee of the authority engaged in the conducting of horse race meetings shall obtain the appropriate license from the Racing Commission, subject to the same terms and conditions as is required of similar employees of other permitholders. The Racing Commission may suspend any member of the authority upon approval of the Governor and the license of any employee of the authority in connection with the conducting of horse race meetings, pending a hearing by the Racing Commission, for any violation of the New Jersey laws regulating horse racing or any rule or regulation of the commission. Such hearing shall be held and conducted in the manner provided in said laws.

5. This act shall take effect immediately and shall be retroactive to January 1, 2000.

Approved September 14, 2000.

PO BOX 004
TRENTON, NJ 08625

Office of the Governor
NEWS RELEASE

CONTACT: Jayne O'Connor
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609-777-2600

RELEASE: September 14, 2000

Governor Christie Whitman today signed the following legislation:

S-1302, sponsored by Senator Singer (R-Burlington/Monmouth/Ocean) and Assembly Members Malone (R-Burlington/Monmouth/Ocean) and Impreveduto (D-Bergen/Hudson), redirects money from one standardbred breeding fund to another standardbred account to encourage standardbred breeding in New Jersey.

S-982, sponsored by Senator Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Gregg (R-Sussex/ Hunterdon/Morris) and Wolfe (R-Monmouth/Ocean), requires each public school to test for the presence of radon gas every five years and temporarily exempts certain childcare centers in public school buildings from radon testing and certain other requirements through the end of the 2000-2001 school year.

S-786, sponsored by Senator Sinagra (R-Middlesex) and Assembly Members Bateman (R-Morris/Somerset) and Cohen (D-Union), requires managed care plans to contract with providers that meet certain standards when providing services for hemophiliacs.

S-421, sponsored by Senators Bucco (R-Morris) and Singer (R-Burlington/Monmouth/Ocean) and Assembly Member Merkt (R-Morris), makes certain amendments to the law establishing the comprehensive enforcement program.