#### 5:12-195

#### LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2001 **CHAPTER:** 198

**NJSA:** 5:12-195 (Horse racing—increases number of simulcast)

BILL NO: A2598 (Substituted for S1590)

**SPONSOR(S):** LeFevre

**DATE INTRODUCED:** June 15, 2000

COMMITTEE: ASSEMBLY: Commerce

SENATE: ----

**AMENDED DURING PASSAGE: Yes** 

**DATE OF PASSAGE:** ASSEMBLY: June 28, 2001

**SENATE:** June 28, 2001

**DATE OF APPROVAL:** August 5, 2001

**FOLLOWING ARE ATTACHED IF AVAILABLE:** 

FINAL TEXT OF BILL (2nd reprint enacted)

(Amendments during passage denoted by superscript numbers)

A2598

SPONSORS STATEMENT: (Begins on page 2 of original bill)

Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

S1590

SPONSORS STATEMENT: (Begins on page 4 of original bill)

Yes

Bill and Sponsors Statement identical to A2598

**COMMITTEE STATEMENT:** ASSEMBLY: No

SENATE: Yes

Identical to Assembly Statement for A2598

Yes

FLOOR AMENDMENT STATEMENT: Yes

Identical to floor statement for A2598

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

#### **FOLLOWING WERE PRINTED:**

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REPORTS: No

HEARINGS: Yes

974.90 New Jersey. Legislature.Senate. State Government, Banking and Financial Institutions Committee.

H817 Public hearing, proposes Constitutional amendment on the results of live or simulcast horse races,

1998 held May 21, 1998. Trenton, 1998.

974.90 New Jersey. Legislature. Assembly. Commerce Committee

H817 Public hearing, control of wagering on the results of live or simulcast running and harness horse races,

1998a held 6-15-1998, Trenton, 1998

NEWSPAPER CLIPPINGS:

"State Oks off-track wagering," 8-6-2001 The Record, p. A1

"New law legalizes off-track betting sites, phone wagers," 8-6-2001 Asbury Park Press, p. A1

## ASSEMBLY, No. 2598

## STATE OF NEW JERSEY

### 209th LEGISLATURE

INTRODUCED JUNE 15, 2000

Sponsored by: Assemblyman KENNETH C. LEFEVRE District 2 (Atlantic)

#### **SYNOPSIS**

Increases number of simulcast horse races for which casino may pay out-of State sending track 6 % of parimutuel pool.

#### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning payments by casinos for transmission of certain

2	simulcast horse races and amending P.L.1992, c.19.
3	
4	BE IT ENACTED by the Senate and General Assembly of the State
5	of New Jersey:
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7	1. Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read
8	as follows:
9	11. a. Except as provided in subsection b. of this section, a casino
10	which receives a simulcast horse race from an out-of-State sending
11	track shall not pay the out-of-State sending track for the transmission
12	an amount equal to more than 3% of the parimutuel pool on each race.
13	If the casino negotiates an agreement to pay the out-of-State sending
14	track an amount equal to less than 3% of the parimutuel pool, the
15	casino shall be entitled to retain the difference between the amount
16	agreed upon and 3%.
17	b. Subject to the approval of the New Jersey Racing Commission
18	and with respect to no more than [26] 28 races per casino per
19	calendar year, a casino may pay an out-of-State sending track an
20	amount equal to not more than 6% of the parimutuel pool for the
21	transmission of a race. If the casino negotiates an agreement to pay
22	the out-of-State sending track an amount equal to less than 6% of the
23	parimutuel pool, the casino shall be entitled to retain the difference
24	between the amount agreed upon and 6%.
25	(cf: P.L.1993, c.292, s.37)
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27	2. This act shall take effect immediately.
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30	STATEMENT
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32	This bill increases from 26 to 28 the limit on the number of
33	simulcast horse races per calendar year for which a casino may pay to
34	an out-of-State sending track 6 percent of the parimutuel pool on each
35	race for the transmission of the race, subject to the approval of the
36	New Jersey Racing Commission. For all other simulcast horse races,
37	the casino is limited to a payment of not more than 3 percent of the
38	parimutuel pool on each race. The "Casino Simulcasting Act,"
39	P.L.1992, c.19 (C.5:12-191 et seq.), was originally enacted with a
40	limit of 20 on the number of races; this limit was increased to 26 in
41	1993 upon the recommendation of the Racing Commission.
42	Another increase in the limit is now necessitated to ensure that the
43	casino simulcasting industry can maintain a competitive edge in

 $\label{lem:explanation} \textbf{EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.}$ 

#### A2598 LEFEVRE

7

- 1 negotiations for simulcast horse races, continue to competitively
- 2 respond to growing interest from out-of-State tracks, meet future
- 3 challenges, and provide a quality and popular attraction for casino
- 4 visitors.

## ASSEMBLY COMMERCE, TOURISM, GAMING AND MILITARY AND VETERANS' AFFAIRS COMMITTEE

#### STATEMENT TO

#### ASSEMBLY, No. 2598

with committee amendments

### STATE OF NEW JERSEY

DATED: JANUARY 18, 2001

The Assembly Commerce, Tourism, Gaming and Military and Veterans' Afairs Committee reports favorably and with committee amendments Assembly Bill No. 2598.

As amended by the committee, this bill permits Garden State Racetrack, the Meadowlands and the Atlantic City Race Course to simulcast their live thoroughbred races to a casino simulcasting facility as long as each tracks runs five days of thoroughbred racing. Under current law, each track is required to run a certain minimum number of thoroughbred race dates in order to be eligible to simulcast those races to a casino simulcasting facility. This bill reduces the minimum live thoroughbred race date requirement for Garden State Racetrack, the Meadowlands and the Atlantic City Race Course.

The intent of the minimum race date requirement was to serve as a disincentive for racetracks to cut live race dates. However, that requirement has not had its intended effect. Most thoroughbred tracks have cut their live thoroughbred meets well below the required minimum number of days. Furthermore, it is not likely that Garden State Racetrack, the Meadowlands or the Atlantic City Race Course will increase their live thoroughbred meets enough to become eligible to participate in casino simulcasting in the future. Because these tracks are not eligible to participate in casino simulcasting of thoroughbred races, the thoroughbred horsemen, already hurt by the decline in race dates, are further harmed by not receiving a share of casino simulcasting revenue. The purpose of a lower minimum requirement is to allow these tracks to resume casino simulcasting of thoroughbred races so that the thoroughbred horsemen may share in casino simulcasting revenue.

This bill also increases from 26 to 28 the limit on the number of simulcast horse races per calendar year for which a casino may pay to an out-of-State sending track 6 percent of the parimutuel pool on each race for the transmission of the race, subject to the approval of the New Jersey Racing Commission. For all other simulcast horse races, the casino is limited to a payment of not more than 3 percent of the

parimutuel pool on each race. The "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et seq.), was originally enacted with a limit of 20 on the number of races; this limit was increased to 26 in 1993 upon the recommendation of the Racing Commission.

Another increase in the limit is now necessitated to ensure that the casino simulcasting industry can maintain a competitive edge in negotiations for simulcast horse races, continue to competitively respond to growing interest from out-of-State tracks, meet future challenges, and provide a quality and popular attraction for casino visitors.

The committee adopted amendments to eliminate the minimum thoroughbred race day requirement for participation in casino simulcasting for Garden State Park, the Meadowlands and the Atlantic City Race Course. This amendment makes this bill identical to Senate Bill No. 1590.

## [First Reprint]

### ASSEMBLY, No. 2598

## STATE OF NEW JERSEY

### 209th LEGISLATURE

INTRODUCED JUNE 15, 2000

Sponsored by: Assemblyman KENNETH C. LEFEVRE District 2 (Atlantic)

Co-Sponsored by: Assemblyman Cottrell

#### **SYNOPSIS**

Eliminates certain minimum thoroughbred race date requirements for participation in casino simulcasting; increases number of simulcast horse races for which casino may pay out-of-State sending track 6% of parimutuel pool.

#### **CURRENT VERSION OF TEXT**

As reported by the Assembly Commerce, Tourism, Gaming and Military and Veterans' Affairs Committee on January 18, 2001, with amendments.



(Sponsorship Updated As Of: 1/24/2001)

1 AN ACT concerning <sup>1</sup> [payments by casinos for transmission of certain simulcast horse races] the casino simulcasting act <sup>1</sup> and amending P.L.1992, c.19.

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

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- 8 11. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read as follows:
- 10 5. A permit holder which wishes to conduct casino simulcasting 11 shall request the approval of the New Jersey Racing Commission in its 12 annual application for horse race meeting dates filed with that 13 commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, if applying between the submittal of annual applications, through such 14 15 supplemental application as that commission shall deem appropriate. 16 The New Jersey Racing Commission shall not approve the request of 17 any permit holder to conduct casino simulcasting unless the permit holder will conduct a number of live racing programs during the period 18
  - a. in the case of harness races, each permit holder shall conduct at least 75% of the average number of live racing programs conducted by that permit holder during calendar years 1990 and 1991; and

for which the permit is issued which is equal to the following:

- b. in the case of running races, Monmouth Racetrack shall conduct at least the same number of live racing programs conducted in 1991[, Garden State Racetrack shall conduct at least 60% of the live racing programs conducted by that permit holder in calendar year 1990,] and each of the other permit holders conducting running races shall conduct at least [75% of the] five live racing programs [conducted by that permit holder in calendar year 1990].
  - For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.
- 35 (cf: P.L.1992, c.19, s.5)<sup>1</sup>

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- <sup>1</sup>[1.] <u>2.</u> Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read as follows:
- 11. a. Except as provided in subsection b. of this section, a casino which receives a simulcast horse race from an out-of-State sending track shall not pay the out-of-State sending track for the transmission

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup> Assembly ACT committee amendments adopted January 18, 2001.

#### **A2598** [1R] LEFEVRE

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- an amount equal to more than 3% of the parimutuel pool on each race.
  If the casino negotiates an agreement to pay the out-of-State sending
  track an amount equal to less than 3% of the parimutuel pool, the
  casino shall be entitled to retain the difference between the amount
  agreed upon and 3%.
  b. Subject to the approval of the New Jersey Racing Commission
- b. Subject to the approval of the New Jersey Racing Commission and with respect to no more than [26] 28 races per casino per calendar year, a casino may pay an out-of-State sending track an amount equal to not more than 6% of the parimutuel pool for the transmission of a race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 6% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%.
- 14 (cf: P.L.1993, c.292, s.37)

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<sup>1</sup>[2.] <u>3.</u> This act shall take effect immediately.

#### STATEMENT TO

## [First Reprint] ASSEMBLY, No. 2598

with Senate Floor Amendments (Proposed By Senator KYRILLOS)

ADOPTED: JUNE 7, 2001

This Senate amendment authorizes the New Jersey Racing Commission to permit horse racing permit holders and casino simulcasting licensees to conduct interstate or intrastate thoroughbred or standardbred handicapping contests.

The commission will have the power to prescribe rules, regulations and conditions under which a permit is issued, including commission review and revision of proposed contest rules, procedures to conduct the contest, and prize amounts. The commission will also exercise oversight of the conduct of handicapping contests.

## [Second Reprint]

### ASSEMBLY, No. 2598

## STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JUNE 15, 2000

Sponsored by: Assemblyman KENNETH C. LEFEVRE District 2 (Atlantic)

Co-Sponsored by: Assemblyman Cottrell, Senators Kyrillos and Bark

#### **SYNOPSIS**

Eliminates certain minimum thoroughbred races for casino simulcasting; increases number of simulcast horse races casino may pay 6% of parimutuel pool; authorizes handicapping contests.

#### **CURRENT VERSION OF TEXT**

As amended by the Senate on June 7, 2001.



(Sponsorship Updated As Of: 6/29/2001)

AN ACT concerning <sup>1</sup>[payments by casinos for transmission of certain 1 simulcast horse races] <sup>2</sup>[the casino simulcasting act<sup>1</sup> and] horse 2 racing,<sup>2</sup> amending P.L.1992, c.19 <sup>2</sup>and supplementing P.L.1940, 3  $c.17 (C.5:5-22 \text{ et seq.})^2$ . 4 5 6 BE IT ENACTED by the Senate and General Assembly of the State 7 of New Jersey: 8 9 <sup>1</sup>1. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read 10 11 5. A permit holder which wishes to conduct casino simulcasting 12 shall request the approval of the New Jersey Racing Commission in its 13 annual application for horse race meeting dates filed with that commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, 14 if applying between the submittal of annual applications, through such 15 supplemental application as that commission shall deem appropriate. 16 17 The New Jersey Racing Commission shall not approve the request of any permit holder to conduct casino simulcasting unless the permit 18 19 holder will conduct a number of live racing programs during the period 20 for which the permit is issued which is equal to the following: 21 a. in the case of harness races, each permit holder shall conduct at 22 least 75% of the average number of live racing programs conducted by 23 that permit holder during calendar years 1990 and 1991; and 24 b. in the case of running races, Monmouth Racetrack shall conduct 25 at least the same number of live racing programs conducted in 1991[, Garden State Racetrack shall conduct at least 60% of the live racing 26 programs conducted by that permit holder in calendar year 1990,] and 27 each of the other permit holders conducting running races shall 28 29 conduct at least [75% of the] five live racing programs [conducted by 30 that permit holder in calendar year 1990]. 31 For the purpose of satisfying the requirements of this section for the 32 conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God 33 34 shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission. 35 36  $(cf: P.L.1992, c.19, s.5)^{1}$ 37

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

<sup>1</sup>[1.] <u>2.</u> Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to

11. a. Except as provided in subsection b. of this section, a casino

Matter underlined thus is new matter.

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read as follows:

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup> Assembly ACT committee amendments adopted January 18, 2001. <sup>2</sup> Senate floor amendments adopted June 7, 2001.

#### **A2598** [2R] LEFEVRE

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1 which receives a simulcast horse race from an out-of-State sending 2 track shall not pay the out-of-State sending track for the transmission 3 an amount equal to more than 3% of the parimutuel pool on each race. 4 If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 3% of the parimutuel pool, the 5 6 casino shall be entitled to retain the difference between the amount 7 agreed upon and 3%. 8 b. Subject to the approval of the New Jersey Racing Commission 9 and with respect to no more than [26] 28 races per casino per 10 calendar year, a casino may pay an out-of-State sending track an amount equal to not more than 6% of the parimutuel pool for the 11 transmission of a race. If the casino negotiates an agreement to pay 12 13 the out-of-State sending track an amount equal to less than 6% of the 14 parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%. 15 (cf: P.L.1993, c.292, s.37) 16 17 <sup>2</sup>3. (New section) The New Jersey Racing Commission is 18 19 authorized to permit a permit holder or casino simulcasting licensee to 20 conduct interstate or intrastate thoroughbred or standardbred 21 handicapping contests, if the commission determines that the holding 22 of such contests is in the best interest of horse racing and the State. 23 The commission shall have the power to prescribe rules, regulations 24 and conditions under which a permit to conduct handicapping contests 25 is issued, including commission review and revision of proposed 26 contest rules, procedures to conduct a contest, and prize amounts. 27 The commission shall also exercise oversight of the conduct of handicapping contests. The permit holder or casino simlucasting 28 29 licensee may impose an entry fee for participation in any such contest.

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<sup>1</sup>[2.]<sup>2</sup>[3.]<sup>1</sup>4.<sup>2</sup> This act shall take effect immediately.

seq.), to implement the provisions of this section.<sup>2</sup>

The commission shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

### **SENATE, No. 1590**

## STATE OF NEW JERSEY

### 209th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2000

Sponsored by:

Senator JOSEPH M. KYRILLOS, JR.

**District 13 (Middlesex and Monmouth)** 

Senator MARTHA W. BARK

**District 8 (Atlantic, Burlington and Camden)** 

#### **SYNOPSIS**

Eliminates certain minimum thoroughbred race date requirements for participation in casino simulcasting; increases number of simulcast horse races for which casino may pay out-of-State sending track 6% of parimutuel pool.

#### **CURRENT VERSION OF TEXT**

As introduced.



1 **AN ACT** concerning the casino simulcasting act and amending P.L.1992, c.19.

3

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

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19

2021

- 7 1. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read as 8 follows:
- 9 5. A permit holder which wishes to conduct casino simulcasting 10 shall request the approval of the New Jersey Racing Commission in its 11 annual application for horse race meeting dates filed with that 12 commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, if applying between the submittal of annual applications, through such 13 supplemental application as that commission shall deem appropriate. 14 15 The New Jersey Racing Commission shall not approve the request of 16 any permit holder to conduct casino simulcasting unless the permit 17 holder will conduct a number of live racing programs during the period 18 for which the permit is issued which is equal to the following:
  - a. in the case of harness races, each permit holder shall conduct at least 75% of the average number of live racing programs conducted by that permit holder during calendar years 1990 and 1991; and
- b. in the case of running races, Monmouth Racetrack shall conduct at least the same number of live racing programs conducted in 1991[, Garden State Racetrack shall conduct at least 60% of the live racing programs conducted by that permit holder in calendar year 1990,] and each of the other permit holders conducting running races shall conduct at least [75% of the] five live racing programs [conducted by that permit holder in calendar year 1990].
  - For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.
- 34 (cf: P.L.1992, c.19, s.5)

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- 36 2. Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read as follows:
- 11. a. Except as provided in subsection b. of this section, a casino which receives a simulcast horse race from an out-of-State sending track shall not pay the out-of-State sending track for the transmission an amount equal to more than 3% of the parimutuel pool on each race. If the casino negotiates an agreement to pay the out-of-State sending
- 42 If the casmo negotiates an agreement to pay the out-of-state sending
- 43 track an amount equal to less than 3% of the parimutuel pool, the

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

#### S1590 KYRILLOS, BARK

casino shall be entitled to retain the difference between the amount agreed upon and 3%.

b. Subject to the approval of the New Jersey Racing Commission and with respect to no more than [26] 28 races per casino per calendar year, a casino may pay an out-of-State sending track an amount equal to not more than 6% of the parimutuel pool for the transmission of a race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 6% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%.

(cf: P.L.1993, c.292, s.37)

3. This act shall take effect immediately.

#### **STATEMENT**

This bill permits Garden State Racetrack, the Meadowlands and the Atlantic City Race Course to simulcast their live thoroughbred races to a casino simulcasting facility as long as each tracks runs five days of thoroughbred racing. Under current law, each track is required to run a certain minimum number of thoroughbred race dates in order to be eligible to simulcast those races to a casino simulcasting facility. This bill reduces the minimum live thoroughbred race date requirement for Garden State Racetrack, the Meadowlands and the Atlantic City Race Course.

The intent of the minimum race date requirement was to serve as a disincentive for racetracks to cut live race dates. However, that requirement has not had its intended effect. Most thoroughbred tracks have cut their live thoroughbred meets well below the required minimum number of days. Furthermore, it is not likely that Garden State Racetrack, the Meadowlands or the Atlantic City Race Course will increase their live thoroughbred meets enough to become eligible to participate in casino simulcasting in the future. Because these tracks are not eligible to participate in casino simulcasting of thoroughbred races, the thoroughbred horsemen, already hurt by the decline in race dates, are further harmed by not receiving a share of casino simulcasting revenue. The purpose of a lower minimum requirement is to allow these tracks to resume casino simulcasting of thoroughbred races so that the thoroughbred horsemen may share in casino simulcasting revenue.

This bill also increases from 26 to 28 the limit on the number of simulcast horse races per calendar year for which a casino may pay to an out-of-State sending track 6 percent of the parimutuel pool on each race for the transmission of the race, subject to the approval of the New Jersey Racing Commission. For all other simulcast horse races,

#### **S1590** KYRILLOS, BARK

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- 1 the casino is limited to a payment of not more than 3 percent of the
- 2 parimutuel pool on each race. The "Casino Simulcasting Act,"
- 3 P.L.1992, c.19 (C.5:12-191 et seq.), was originally enacted with a
- 4 limit of 20 on the number of races; this limit was increased to 26 in
- 5 1993 upon the recommendation of the Racing Commission.
- 6 Another increase in the limit is now necessitated to ensure that the
- 7 casino simulcasting industry can maintain a competitive edge in
- 8 negotiations for simulcast horse races, continue to competitively
- 9 respond to growing interest from out-of-State tracks, meet future
- 10 challenges, and provide a quality and popular attraction for casino
- 11 visitors.

## SENATE ECONOMIC GROWTH, AGRICULTURE AND TOURISM COMMITTEE

#### STATEMENT TO

#### **SENATE, No. 1590**

### STATE OF NEW JERSEY

DATED: MAY 24, 2001

The Senate Economic Growth, Agriculture and Tourism Committee reports favorably Senate Bill No. 1590.

This bill permits Garden State Racetrack, the Meadowlands and the Atlantic City Race Course to simulcast their live thoroughbred races to a casino simulcasting facility as long as each tracks runs five days of thoroughbred racing. Under current law, each track is required to run a certain minimum number of thoroughbred race dates in order to be eligible to simulcast those races to a casino simulcasting facility. This bill reduces the minimum live thoroughbred race date requirement for Garden State Racetrack, the Meadowlands and the Atlantic City Race Course.

The intent of the minimum race date requirement was to serve as a disincentive for racetracks to cut live race dates. However, that requirement has not had its intended effect. Most thoroughbred tracks have cut their live thoroughbred meets well below the required minimum number of days. Furthermore, it is not likely that Garden State Racetrack, the Meadowlands or the Atlantic City Race Course will increase their live thoroughbred meets enough to become eligible to participate in casino simulcasting in the future. Because these tracks are not eligible to participate in casino simulcasting of thoroughbred races, the thoroughbred horsemen, already hurt by the decline in race dates, are further harmed by not receiving a share of casino simulcasting revenue. The purpose of a lower minimum requirement is to allow these tracks to resume casino simulcasting of thoroughbred races so that the thoroughbred horsemen may share in casino simulcasting revenue.

This bill also increases from 26 to 28 the limit on the number of simulcast horse races per calendar year for which a casino may pay to an out-of-State sending track 6 percent of the parimutuel pool on each race for the transmission of the race, subject to the approval of the New Jersey Racing Commission. For all other simulcast horse races, the casino is limited to a payment of not more than 3 percent of the parimutuel pool on each race. The "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et seq.), was originally enacted with a limit of 20 on the number of races; this limit was increased to 26 in

1993 upon the recommendation of the Racing Commission.

Another increase in the limit is now necessitated to ensure that the casino simulcasting industry can maintain a competitive edge in negotiations for simulcast horse races, continue to competitively respond to growing interest from out-of-State tracks, meet future challenges, and provide a quality and popular attraction for casino visitors.

As reported, Senate Bill, No. 1590, is identical to Assembly Bill No. 2598 (1R).

#### STATEMENT TO

#### **SENATE, No. 1590**

with Senate Floor Amendments (Proposed By Senator KYRILLOS)

ADOPTED: JUNE, 7, 2001

This Senate amendment authorizes the New Jersey Racing Commission to permit horse racing permit holders and casino simulcasting licensees to conduct interstate or intrastate thoroughbred or standardbred handicapping contests.

The commission will have the power to prescribe rules, regulations and conditions under which a permit is issued, including commission review and revision of proposed contest rules, procedures to conduct the contest, and prize amounts. The commission will also exercise oversight of the conduct of handicapping contests.

# [First Reprint] **SENATE, No. 1590**

## STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2000

**Sponsored by:** 

Senator JOSEPH M. KYRILLOS, JR.
District 13 (Middlesex and Monmouth)
Senator MARTHA W. BARK
District 8 (Atlantic, Burlington and Camden)

#### **SYNOPSIS**

Eliminates certain minimum thoroughbred races for casino simulcasting; increases number of simulcast horse races casino may pay 6% of parimutuel pool; authorizes handicapping contests.

#### **CURRENT VERSION OF TEXT**

As amended by the Senate on June 7, 2001.



AN ACT concerning <sup>1</sup>[the casino simulcasting act and] horse racing, <sup>1</sup>
amending P.L.1992, c.19 <sup>1</sup>and supplementing P.L.1940, c.17
(C.5:5-22 et seq.) <sup>1</sup>.

4

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

7

- 8 1. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read as 9 follows:
- 5. A permit holder which wishes to conduct casino simulcasting shall request the approval of the New Jersey Racing Commission in its annual application for horse race meeting dates filed with that commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, if applying between the submittal of annual applications, through such supplemental application as that commission shall deem appropriate.
- supplemental application as that commission shall deem appropriate.

  The New Jersey Racing Commission shall not approve the request of any permit holder to conduct casino simulcasting unless the permit holder will conduct a number of live racing programs during the period for which the permit is issued which is equal to the following:
- a. in the case of harness races, each permit holder shall conduct at least 75% of the average number of live racing programs conducted by that permit holder during calendar years 1990 and 1991; and
- b. in the case of running races, Monmouth Racetrack shall conduct at least the same number of live racing programs conducted in 1991[, Garden State Racetrack shall conduct at least 60% of the live racing programs conducted by that permit holder in calendar year 1990,] and each of the other permit holders conducting running races shall conduct at least [75% of the] five live racing programs [conducted by that permit holder in calendar year 1990].
- For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.
- 35 (cf: P.L.1992, c.19, s.5)

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- 37 2. Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read 38 as follows:
- 39 11. a. Except as provided in subsection b. of this section, a casino 40 which receives a simulcast horse race from an out-of-State sending 41 track shall not pay the out-of-State sending track for the transmission

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup> Senate floor amendments adopted June 7, 2001.

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1 an amount equal to more than 3% of the parimutuel pool on each race. 2 If the casino negotiates an agreement to pay the out-of-State sending 3 track an amount equal to less than 3% of the parimutuel pool, the 4 casino shall be entitled to retain the difference between the amount agreed upon and 3%. 5 6 b. Subject to the approval of the New Jersey Racing Commission 7 and with respect to no more than [26] 28 races per casino per 8 calendar year, a casino may pay an out-of-State sending track an 9 amount equal to not more than 6% of the parimutuel pool for the 10 transmission of a race. If the casino negotiates an agreement to pay 11 the out-of-State sending track an amount equal to less than 6% of the 12 parimutuel pool, the casino shall be entitled to retain the difference 13 between the amount agreed upon and 6%. 14 (cf: P.L.1993, c.292, s.37) 15 16 <sup>1</sup>3. (New section) The New Jersey Racing Commission is 17 authorized to permit a permit holder or casino simulcasting licensee to conduct interstate or intrastate thoroughbred or standardbred 18 19 handicapping contests, if the commission determines that the holding 20 of such contests is in the best interest of horse racing and the State. 21 The commission shall have the power to prescribe rules, regulations 22 and conditions under which a permit to conduct handicapping contests is issued, including commission review and revision of proposed 23 24 contest rules, procedures to conduct a contest, and prize amounts. 25 The commission shall also exercise oversight of the conduct of 26 handicapping contests. The permit holder or casino simlucasting 27 licensee may impose an entry fee for participation in any such contest. 28 The commission shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 29

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<sup>1</sup>[3.]  $\underline{4.}^{1}$  This act shall take effect immediately.

seq.), to implement the provisions of this section.<sup>1</sup>

#### P.L. 2001, CHAPTER 198, approved August 5, 2001 Assembly, No. 2598 (Second Reprint)

ANACT concerning <sup>1</sup>[payments by casinos for transmission of certain simulcast horse races] <sup>2</sup>[the casino simulcasting act<sup>1</sup> and] horse racing, <sup>2</sup> amending P.L.1992, c.19 <sup>2</sup> and supplementing P.L.1940, c.17 (C.5:5-22 et seq.)<sup>2</sup>.

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

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- 9 11. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read as follows:
- 5. A permit holder which wishes to conduct casino simulcasting 11 12 shall request the approval of the New Jersey Racing Commission in its annual application for horse race meeting dates filed with that 13 commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, 14 15 if applying between the submittal of annual applications, through such 16 supplemental application as that commission shall deem appropriate. 17 The New Jersey Racing Commission shall not approve the request of 18 any permit holder to conduct casino simulcasting unless the permit holder will conduct a number of live racing programs during the period 19 20 for which the permit is issued which is equal to the following:
  - a. in the case of harness races, each permit holder shall conduct at least 75% of the average number of live racing programs conducted by that permit holder during calendar years 1990 and 1991; and
- b. in the case of running races, Monmouth Racetrack shall conduct at least the same number of live racing programs conducted in 1991[, Garden State Racetrack shall conduct at least 60% of the live racing programs conducted by that permit holder in calendar year 1990,] and each of the other permit holders conducting running races shall conduct at least [75% of the] five live racing programs [conducted by that permit holder in calendar year 1990].
- For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.

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<sup>1</sup>[1.] <u>2.</u> Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read as follows:

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

Matter underlined thus is new matter.

(cf: P.L.1992, c.19, s.5) $^{1}$ 

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup> Assembly ACT committee amendments adopted January 18, 2001.

<sup>&</sup>lt;sup>2</sup> Senate floor amendments adopted June 7, 2001.

#### A2598 [2R]

1 11. a. Except as provided in subsection b. of this section, a casino 2 which receives a simulcast horse race from an out-of-State sending 3 track shall not pay the out-of-State sending track for the transmission 4 an amount equal to more than 3% of the parimutuel pool on each race. 5 If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 3% of the parimutuel pool, the 6 7 casino shall be entitled to retain the difference between the amount 8 agreed upon and 3%. 9 b. Subject to the approval of the New Jersey Racing Commission 10 and with respect to no more than [26] 28 races per casino per calendar year, a casino may pay an out-of-State sending track an 11 12 amount equal to not more than 6% of the parimutuel pool for the transmission of a race. If the casino negotiates an agreement to pay 13 14 the out-of-State sending track an amount equal to less than 6% of the 15 parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%. 16 (cf: P.L.1993, c.292, s.37) 17 18 19 <sup>2</sup>3. (New section) The New Jersey Racing Commission is 20 authorized to permit a permit holder or casino simulcasting licensee to 21 conduct interstate or intrastate thoroughbred or standardbred 22 handicapping contests, if the commission determines that the holding of such contests is in the best interest of horse racing and the State. 23 24

The commission shall have the power to prescribe rules, regulations and conditions under which a permit to conduct handicapping contests is issued, including commission review and revision of proposed contest rules, procedures to conduct a contest, and prize amounts. The commission shall also exercise oversight of the conduct of handicapping contests. The permit holder or casino simlucasting

licensee may impose an entry fee for participation in any such contest. The commission shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the provisions of this section.<sup>2</sup>

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 $^{1}[2.]^{2}[\underline{3.}]^{1}\underline{4.}^{2}$  This act shall take effect immediately.

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Eliminates certain minimum thoroughbred races for casino 40 simulcasting; increases number of simulcast horse races casino may 41 42 pay 6% of parimutuel pool; authorizes handicapping contests.

#### **CHAPTER 198**

**AN ACT** concerning horse racing, amending P.L.1992, c.19 and supplementing P.L.1940, c.17 (C.5:5-22 et seq.).

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

1. Section 5 of P.L.1992, c.19 (C.5:12-195) is amended to read as follows:

C.5:12-195 Application to conduct casino simulcasting, conditions of approval.

- 5. A permit holder which wishes to conduct casino simulcasting shall request the approval of the New Jersey Racing Commission in its annual application for horse race meeting dates filed with that commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, if applying between the submittal of annual applications, through such supplemental application as that commission shall deem appropriate. The New Jersey Racing Commission shall not approve the request of any permit holder to conduct casino simulcasting unless the permit holder will conduct a number of live racing programs during the period for which the permit is issued which is equal to the following:
- a. in the case of harness races, each permit holder shall conduct at least 75% of the average number of live racing programs conducted by that permit holder during calendar years 1990 and 1991; and
- b. in the case of running races, Monmouth Racetrack shall conduct at least the same number of live racing programs conducted in 1991 and each of the other permit holders conducting running races shall conduct at least five live racing programs.

For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.

2. Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read as follows:

C.5:12-201 Payment to out-of-State sending track.

- 11. a. Except as provided in subsection b. of this section, a casino which receives a simulcast horse race from an out-of-State sending track shall not pay the out-of-State sending track for the transmission an amount equal to more than 3% of the parimutuel pool on each race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 3% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 3%.
- b. Subject to the approval of the New Jersey Racing Commission and with respect to no more than 28 races per casino per calendar year, a casino may pay an out-of-State sending track an amount equal to not more than 6% of the parimutuel pool for the transmission of a race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 6% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%.

C.5:5-63.2 Interstate, intrastate handicapping contests, certain, authorized.

3. The New Jersey Racing Commission is authorized to permit a permit holder or casino simulcasting licensee to conduct interstate or intrastate thoroughbred or standardbred handicapping contests, if the commission determines that the holding of such contests is in the best interest of horse racing and the State. The commission shall have the power to prescribe rules, regulations and conditions under which a permit to conduct handicapping contests is issued, including commission review and revision of proposed contest rules, procedures to conduct a contest, and prize amounts. The commission shall also exercise oversight of the conduct of handicapping contests. The permit holder or casino simulcasting licensee may impose an entry fee for participation in any such contest.

The commission shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the provisions of this section.

4. This act shall take effect immediately.

Approved August 5, 2001.