

5:5-44 et al

LEGISLATIVE HISTORY CHECKLIST

WASA 5:5-44 et al. (Horse racing--State pay--Days--Break)

LAWS OF 1980 CHAPTER 25

Bill No. A932

Sponsor(s) Codey

Date Introduced Feb. 11, 1980

Committee: Assembly State Govt., Federal & Interstate Relations & Veterans Affairs

Senate State Govt., Federal & Interstate Relations & Veterans Affairs

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ASSEMBLY, No. 932

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 11, 1980

By Assemblyman CODEY

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans Affairs

AN ACT concerning racing days and the parimutuel pool; amending
and supplementing P. L. 1940, c. 17; ***[and]*** amending P. L.
1967, c. 40*; and amending P. L. 1971, c. 137*.

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

1 1. Section 24 of P. L. 1940, c. 17 (C. 5:5-44) is amended to read
2 as follows:

3 24. a. In the event any person, partnership, association, corpora-
4 tion or public body corporate and politic is granted a permit
5 under this act to conduct a race meeting pursuant to provisions
6 thereof, such permit shall be renewed upon application of the
7 permitholder yearly for the next succeeding 10 years, for the same
8 dates allotted to such permitholder during the preceding year,
9 where it is in the public interest to do so, or for such other dates,
10 not exceeding 75 racing days in the aggregate for running racing
11 and not exceeding 100 days in the aggregate for harness racing,
12 as the commission shall designate; provided, however, that should
13 any permitholder reject any or all of the days to which they are
14 entitled, the commission may allot them, or any of them, among
15 the remaining permitholders. Such allotment shall be on a basis
16 which in the discretion of the commission appears most appro-
17 priate for the purpose of providing continuity of racing in the
18 State; and provided, further, that such permitholder has not
19 violated any of the provisions of this act.

20 b. In addition to the racing days aforesaid, the commission shall
21 allot equally among the four running racing permitholders an
22 additional 100 racing days. The commission may also allot among
23 the harness racing permitholders an additional **[100]** 200 days, in
24 any proportion it deems fit where it is in the public interest to do so.

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

25 For purposes of this section, the term public interest shall include
26 the following factors: (1) Protecting the State's revenues from
27 racing and generating additional revenues to the State, its agencies
28 and subdivisions; (2) ~~Providing~~ *Providing* for continuity of
29 racing and year-round racing so as to promote the racing industry
30 and maintain and enhance the employment which it provides in this
31 State; (3) Providing a recreational opportunity for residents in the
32 several areas of the State where licensed tracks are situate; (4)
33 Maintaining and improving this State's competitive position with
34 regard to neighboring racing states.

35 c. In the event any permitholder should reject any or all of the
36 days to which they are entitled or which they are allotted by the
37 commission, the commission may allot those days, or any of them,
38 among the remaining permitholders. Such allotment shall be on
39 a basis which in the discretion of the commission appears most
40 appropriate for the purpose of providing continuity of racing in
41 the State and where the commission finds such allotment to be in
42 the public interest; and provided, further, that such permitholder
43 has not violated any of the provisions of this act.

1 2. Section 44 of P. L. 1940, c. 17 (C. 5:5-64) is amended to read
2 as follows:

3 44. Each holder of a permit shall distribute all sums deposited
4 in any pool where the patron is required to select one horse to
5 the winners thereof, less an amount which in harness races shall
6 not exceed 17% of the total deposits plus the breaks and which in
7 other races shall not exceed 17% of the total deposits plus the
8 breaks. In every pool where the patron is required to select two
9 horses, the holder of each permit for either harness or running
10 track shall distribute all sums deposited in each pool to the winners
11 thereof, less an amount which shall not exceed 19% of the total
12 deposits plus the breaks. In every pool where the patron is re-
13 quired to select three or more horses, every holder of a permit shall
14 distribute all sums deposited in each pool to the winners thereof,
15 less an amount which shall not exceed 25% of the total deposits,
16 plus the breaks. Every permitholder shall distribute to the per-
17 sons holding winning tickets in any of the aforementioned pools,
18 as a minimum, a sum not exceeding \$0.10, calculated on the basis
19 of each dollar deposited in any pool after the deduction of the said
20 17%, 19% or 25%, as the case may be. Should the amount re-
21 maining in the pool be insufficient to pay the winners the minimum,
22 the breakage accruing in that race, or any necessary portion
23 thereof, shall be applied toward making up any such deficiency.
24 The breaks are hereby defined as the odd cents over any multiple

25 of \$0.10, calculated on the basis of \$1.00 otherwise payable to a
26 patron. Every permitholder engaged in the business of conducting
27 running or harness race meetings under this act, *except the New*
28 *Jersey Sports and Exposition Authority established pursuant to*
29 *P. L. 1971, c. 137 (C. 5:10-1 et seq.)*, shall **█**, retain the breaks as
30 herein defined, except as the same shall have been applied toward
31 making up a deficiency in a pool as herein provided, and shall allot
32 the breaks in the following manner:

33 a. 75% shall be deposited in a special trust account and dis-
34 tributed equally among the race permitholders, which moneys
35 shall be used exclusively for the purpose of increasing overnight
36 purses; and

37 b. 25% shall be deposited in a special trust account for the
38 establishment and support by the commission of sire stake or
39 breeders award programs, which moneys shall be distributed by
40 the commission for New Jersey bred thoroughbred stake races,
41 New Jersey thoroughbred breeder award payments, and awards to
42 New Jersey thoroughbred breeders associations for programs
43 beneficial to thoroughbred breeding in this State, standardbred
44 breeder award and sire stakes payments. The New Jersey
45 thoroughbred stake race moneys shall be administered and dis-
46 bursed by the commission while the thoroughbred breeder award
47 and standardbred breeder award and standardbred sire stakes
48 moneys shall be administered and disbursed by the New Jersey
49 Department of Agriculture. The special trust account to be estab-
50 lished pursuant to this paragraph b. shall be separate and apart
51 from any special trust account established and maintained pur-
52 suant to section 46 of P. L. 1940, c. 17 (C. 5:5-66);

53 c. The commission may authorize proportional payments from
54 the total funds specified in a. and b. above to any or all race permit-
55 holders for the purpose of assisting them in keeping their track
56 and stable facilities open during periods of time when they are
57 not normally in operation; and provided further, however, that any
58 permitholder engaged in the business of conducting harness race
59 meetings wherein the total contribution to all parimutuel pools
60 therefor did not exceed \$40,000,000.00 during the prior calendar
61 year shall retain 50% of said breaks for his own uses and purposes. **█**
62 *pay to the commission for the use of the State the breaks as herein*
63 *defined, except as the same shall have been applied toward making*
64 *up a deficiency in a pool as herein provided. The New Jersey Sports*
65 *and Exposition Authority shall retain all breaks ***█*** *com-*
66 *mencing on* May 10, 1971 as revenue to the authority, except as the*

67 *same shall have been applied toward making up a deficiency in a*
 67A *pool as herein provided.*

68 Payment of such breaks shall be made every seventh day of any
 69 and every race meeting and shall be accompanied by a report under
 70 oath showing the daily and total amount of such breaks together
 71 with such other information as the commission may require. All
 72 sums held by any permitholder for payment of outstanding pari-
 73 mutuel tickets not claimed by the person or persons entitled thereto
 74 within 6 months from the time such tickets are issued shall be paid
 75 to the commission upon the expiration of such 6-month holding
 76 period.

77 Where it is shown to the satisfaction of the commission that the
 78 reason for the parimutuel tickets being outstanding and unclaimed
 79 is the loss, misplacement or theft of said tickets within the confines
 80 and control of the parimutuel department of any permitholder,
 81 and it is further shown to the satisfaction of the commission that
 82 said parimutuel tickets have been cashed by such parimutuel de-
 83 partment, the commission may adjust and credit the permitholder's
 84 account accordingly and the permitholder shall reimburse any
 85 employee who has been held personally accountable and paid for
 86 such lost, stolen or misplaced tickets.

87 All outstanding parimutuel ticket money shall be deposited in
 88 an account separate and apart from the track's mutuel or general
 89 treasury account. *The outstanding parimutuel ticket account shall*
 90 *be subject to the rules and regulations prescribed by the Division*
 91 *of New Jersey Racing Commission.*

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

3 46. Every permitholder engaged in the business of conducting
 4 horse race meetings under this act, *except the New Jersey Sports*
 5 *and Exposition Authority established pursuant to P. L. 1971, c. 137*
 6 *(C. 5:10-1 et seq.),* shall make disposition of the deposits remain-
 7 ing undistributed pursuant to section 44 as follows:

8 a. In the case of harness races:

9 (1) Pay to the commission **[5%]** 3.30% of so much of the total
 10 contributions to all parimutuel pools conducted or made during
 11 such calendar year on any and every horse race track granted a
 12 permit under this act. Notwithstanding the foregoing, for pools
 13 where the patron is required to select two horses, the permitholder
 14 shall pay to the commission **[6%]** 4.30% of the total contributions
 15 and for pools where the patron is required to select three or more
 16 horses, the permitholder shall pay to the commission **[9%]** 7.30%
 17 of the total contributions.

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

29 (2) Hold and set aside in an account designated as a special trust
 30 account **【1%】** 1.15% of such total contributions in all pools to be
 31 used and distributed as hereinafter provided and as provided in
 32 section 5 of P. L. 1967, c. 40, for the following purposes and no
 33 other:

34 (a) **【42½%】** 37% thereof to increase purses and grant awards
 35 for starting horses as provided or as may be provided by rules of
 36 the New Jersey Racing Commission with payment to be made in
 37 the same manner as payment of other purses and awards;

38 (b) **【49%】** 55% thereof for the establishment of a Sire Stakes
 39 Program for standardbred horses with payment to be made to the
 40 Department of Agriculture for administration as hereinbefore pro-
 41 vided;

42 (c) **【5½%】** 5% thereof for contributions and awards designed
 43 to improve and promote the standardbred breeding industry in New
 44 Jersey through payment of awards to owners and breeders of
 45 New Jersey bred horses which are registered with the Standardbred
 46 Breeders' and Owners' Association of New Jersey and which earn
 47 portions of purses in open events on New Jersey tracks, and to
 48 owners of stallions posted on the official stallions roster of the
 49 Standardbred Breeders' and Owners' Association of New Jersey
 50 which sire such registered New Jersey bred money earners;

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

53 (3) Retain 6% of so much of such total contributions for his own
 54 uses and purposes. Notwithstanding the foregoing, for pools where
 55 the patron is required to select two horses, the permitholder shall
 56 retain 6.5% of the total contributions and for pools where the
 57 patron is required to select three or more horses, the permitholder
 58 shall retain 8% of the total contributions. Each permitholder shall
 59 contribute out of its 8% share of pools, where the patron is required

60 to select three or more horses, a sum deemed necessary by the
61 Racing Commission, to finance a prerace blood testing program,
62 and such other testing programs which the commission shall deem
63 proper and necessary and which shall be subject to the regulation
64 and control of said commission.

65 (4) Distribute as purse money and for programs designed to aid
66 the horsemen and the Standardbred Breeders' and Owners' Asso-
67 ciation of New Jersey ~~5%~~ 6.55% of such total contributions.
68 Expenditures for programs designed to aid the horsemen and the
69 Standardbred Breeders' and Owners' Association of New Jersey
70 shall not exceed ~~3.5%~~ 3.2% of the sum available for distribution
71 as purse money. The formula for distribution of the purse money
72 as either overnight purses or special stakes shall be determined
73 by an agreement between the Standardbred Breeders' and Owners'
74 Association of New Jersey and the tracks. Notwithstanding the
75 foregoing, for pools where the patron is required to select two or
76 more horses, the permitholder shall distribute as purse money
77 ~~5.5%~~ 7.05% of the total contributions and for pools where the
78 patron is required to select three or more horses, the permitholder
79 shall distribute as purse money ~~7%~~ 8.55% of the total contribu-
80 tions. Notwithstanding the foregoing, for pools where a patron is
81 required to select three or more horses, each permitholder shall
82 retain out of the ~~7%~~ 8.55% to be distributed as purse money, a
83 sum deemed necessary by the racing commission, for use by the
84 commission to finance a prerace blood testing program, and such
85 other testing programs which the commission shall deem proper
86 and necessary and which shall be subject to the regulation and
87 control of said commission.

88 ~~[(5) Payment on account of such sums to be paid to the commis-~~
89 ~~sion shall be made every seventh day of any and every race meeting~~
90 ~~in the amount then due as determined in the manner provided~~
91 ~~above, and shall be accompanied by a report under oath showing~~
92 ~~the total of all such contributions, together with such other informa-~~
93 ~~tion as the commission may require. Except as otherwise provided~~
94 ~~by law, no admission or amusement tax, excise tax, license or horse~~
95 ~~racing fee of any kind shall be assessed or collected from any~~
96 ~~permitholder by the State of New Jersey, or by any county or~~
97 ~~municipality, or by any other body having power to assess or collect~~
98 ~~license fees or taxes.]~~

99 [b. In the case of other races :

100 (1) Pay to the commission 8.15% of so much of the total contri-
101 butions to all parimutuel pools conducted or made during such
102 calendar year on any and every horse race track granted a permit
103 under this act. Notwithstanding the foregoing, for pools where the
104 patron is required to select three or more horses, the permitholder
105 shall pay to the commission 9.15% of the total contributions.

106 (2) Hold and set aside in an account designated as a special
107 trust account .15% of such total contributions to be used and
108 distributed as hereinafter provided and as provided in section 5
109 of P. L. 1967, c. 40, for the following purposes and no other :

110 (a) 10% of 1% thereof for contributions and awards designed to
111 improve and promote the thoroughbred breeding industry in New
112 Jersey through payment of awards to owners and breeders of
113 registered New Jersey bred horses which earn portions of purses
114 in open events on New Jersey tracks, and to owners of stallions
115 posted on the official stallion rosters of the Thoroughbred Breeders'
116 Association of New Jersey which sire such registered New Jersey
117 bred money earners;

118 (b) 5% of 1% thereof for State horse breeding and development
119 programs, research, fairs, horse shows, youth activities, promotion
120 and administration.

121 (3) Distribute as purse money and for programs designed to
122 aid the horsemen and the New Jersey Horsemen's Benevolent and
123 Protective Association 4.24% of such total contributions. Expendi-
124 tures for programs designed to aid the horsemen and the New
125 Jersey Horsemen's Benevolent and Protective Association shall not
126 exceed 2.9% of the sum available for distribution as purse money.
127 The formula for distribution of the purse money as either over-
128 night purses or special stakes shall be determine by an agreement
129 between the New Jersey Horsemen's Benevolent and Protective
130 Association and the tracks. Notwithstanding the foregoing, for
131 pools where the patron is required to select three or more horses,
132 the permitholder shall distribute as purse money 7.24% of the
133 total contributions.

134 (4) Retain 4.46% of such total contributions for his own uses
135 and purposes. Notwithstanding the foregoing, for pools where
136 the patron is required to select two horses, the permitholder shall
137 retain 6.46% of the total contributions and for pools where the
138 patron is required to select three or more horses, the permitholder
139 shall retain 7.96% of the total contributions.

140 Payment on account of such sums to be paid to the commission
141 shall be made every seventh day of any and every race meeting in
142 the amount then due as determined in the manner provided above,
143 and shall be accompanied by a report under oath showing the total
144 of all such contributions, together with such other information as
145 the commission may require. Except as otherwise provided by law,
146 no admission or amusement tax, excise tax, license or horse racing
147 fee of any kind shall be assessed or collected from any permitholder
148 by the State of New Jersey, or by any county or municipality, or
149 by any other body having power to assess or collect license fees or
150 taxes.

151 (5) Notwithstanding the foregoing, for pools where a patron is
152 required to select three or more horses, 50% of 1% of the total
153 contributions shall be held and set aside in the special trust account
154 referred to in paragraph b. of section 44 of this act.

155 c. Winter racing days:

156 Notwithstanding any other provision of this section, every
157 permitholder engaged in the business of conducting horse race
158 meetings or portions of horse race meetings under this act, during
159 the period of November 1 to March 31 (hereinafter referred to as
160 winter racing days), shall make disposition of the deposits remain-
161 ing undistributed pursuant to section 44 as follows:

162 (1) In the case of harness races:

163 (a) Pay to the commission 4% of so much of the total contri-
164 butions to all parimutuel pools conducted or made during such
165 calendar year on any and every horse race track granted a permit
166 under this act. Notwithstanding the foregoing, for pools where
167 the patron is required to select two horses, the permitholder shall
168 pay to the commission 5% of the total contributions and for pools
169 where the patron is required to select three or more horses, the
170 permitholder shall pay to the commission 8% of the total contri-
171 butions.

172 (b) Hold and set aside in an account designated as a special
173 trust account 1% of such total contributions in all pools to be used
174 and distributed as hereinafter provided and as provided in section
175 5 of P. L. 1967, c. 40, for the following purposes and no other:

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

180 (ii) 49% thereof for the establishment of a Sire Stakes
181 Program for standardbred horses with payment to be made to

182 the Department of Agriculture for administration as herein-
183 before provided;

184 (iii) 5½% thereof for contributions and awards designed
185 to improve and promote the standardbred breeding industry in
186 New Jersey through payment of awards to owners and
187 breeders of New Jersey bred horses which are registered with
188 the Standardbred Breeders' and Owners' Association of New
189 Jersey of purses in open events on New Jersey tracks, and to
190 owners of stallions posted on the official stallions roster of the
191 Standardbred Breeders' and Owners' Association of New
192 Jersey which sire such registered New Jersey bred money
193 earners;

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

197 (c) Retain 7% of so much of such total contributions for his own
198 uses and purposes. Notwithstanding the foregoing, for pools where
199 the patron is required to select two horses, the permitholder shall
200 retain 7.5% of the total contributions and for pools where the
201 patron is required to select three or more horses, the permitholder
202 shall retain 9% of the total contributions. Each permitholder shall
203 contribute out of its 9% share of pools, where the patron is re-
204 quired to select three or more horses, a sum deemed necessary by
205 the Racing Commission, to finance a prerace blood testing program,
206 and such other testing programs as the commission shall deem
207 proper and necessary, and which shall be subject to the regulation
208 and control of said commission.

209 (d) Distribute as purse money and for programs designed to aid
210 the horsemen and the Standardbred Breeders' and Owners' Asso-
211 ciation of New Jersey 5% of such total contribution. Expenditures
212 for programs designed to aid the horsemen and the Standardbred
213 Breeders' and Owners' Association of New Jersey shall not exceed
214 3.5% of the sum available for distribution as purse money. The
215 formula for distribution of the purse money as either overnight
216 purses or special stakes shall be determined by an agreement
217 between the Standardbred Breeders' and Owners' Association of
218 New Jersey and the tracks. Notwithstanding the foregoing, for
219 pools where the patron is required to select two or more horses,
220 the permitholder shall distribute as purse money 5.5% of the total
221 contributions and for pools where the patron is required to select
222 three or more horses, the permitholder shall distribute as purse
223 money 7% of the total contributions. Notwithstanding the fore-

224 going, for pools where a patron is required to select three or more
225 horses, each permitholder shall retain out of the 6.5% to be dis-
226 tributed as purse money, a sum deemed necessary by the racing
227 commission, for use by the commission to finance a prerace blood
228 testing program and such other testing programs as the commis-
229 sion shall deem proper and necessary and which shall be subject to
230 the regulation and control of said commission.

231 (e) Payment on account of such sums to be paid to the commis-
232 sion shall be made every seventh day of any and every race meeting
233 in the amount then due as determined in the manner provided
234 above, and shall be accompanied by a report under oath showing
235 the total of all such contributions, together with such other in-
236 formation as the commission may require. Except as otherwise
237 provided by law, no admission or amusement tax, excise tax, license
238 or horse racing fee of any kind shall be assessed or collected from
239 any permitholder by the State of New Jersey, or by any county
240 or municipality, or by an other body having power to assess or
241 collect license fees or taxes.

242 (2) In the case of other races:

243 (a) Pay to the commission 7.15% of so much of the total con-
244 tributions to all parimutuel pools conducted or made during such
245 calendar year on any and every horse race track granted a permit
246 under this act. Notwithstanding the foregoing, for pools where the
247 patron is required to select three or more horses, the permitholder
248 shall pay to the commission 8.15% of the total contributions.

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

253 (i) 10% of 1% thereof for contributions and awards
254 designed to improve and promote the thoroughbred breeding
255 industry in New Jersey through payment of awards to owners
256 and breeders of registered New Jersey bred horses which earn
257 portions or purses in open events on New Jersey tracks, and
258 to owners of stallions posted on the official stallion rosters of
259 the Thoroughbred Breeders' Association of New Jersey which
260 sire such registered New Jersey bred money earners;

261 (ii) 5% of 1% thereof for State horse breeding and develop-
262 ment programs, research, fairs, horse shows, youth activities,
263 promotion and administration.

264 (c) Distribute as purse money and for programs designed to aid
265 the horsemen and the New Jersey Horsemen's Benevolent and

266 Protective Association 4.24% of such total contributions. Expendi-
267 tures for programs designed to aid the horsemen and the New
268 Jersey Horsemen's Benevolent and Protective Association shall
269 not exceed 2.9% of the sum available for distribution as purse
270 money. The formula for distribution of the purse money as either
271 overnight purses or special stakes shall be determined by an agree-
272 ment between the New Jersey Horsemen's Benevolent and Protec-
273 tive Association representing the horsemen and the tracks. Not-
274 withstanding the foregoing, for pools where the patron is required
275 to select three or more horses, the permit holder shall distribute as
276 purse money 7.24% of the total contributions.

277 (d) Retain 5.46% of such total contributions for his own uses
278 and purposes. Notwithstanding the foregoing, for pools where the
279 patron is required to select two horses, the permit holder shall
280 retain 7.46% of the total contributions and for pools where the
281 patron is required to select three or more horses, the permit-
282 holder shall retain 3.96% of the total contributions.

283 (e) Notwithstanding the foregoing, for pools where a patron is
284 required to select three or more horses, 50% of 1% of the total
285 contributions shall be held and set aside in the special trust account
286 referred to in paragraph b. of section 44 of this act.

287 (f) Payment on account of such sums to be paid to the commis-
288 sion shall be made every seventh day of any and every race meet-
289 ing in the amount then due as determined in the manner provided
290 above, and shall be accompanied by a report under oath showing
291 the total of all such contributions, together with such other infor-
292 mation as the commission may require. Except as otherwise pro-
293 vided by law, no admission or amusement tax, excise tax, license or
294 horse racing fee of any kind shall be assessed or collected from any
295 permit holder by the State of New Jersey, or by any county or
296 municipality, or by any other body having power to assess or
297 collect license fees or taxes.

298 d. Night racing days:

299 Notwithstanding any other provision of this section, every
300 permit holder engaged in the business of conducting horse race
301 meetings or portions of horse race meetings under this act, wherein
302 the first race of each day's meeting shall commence after 6 p.m.
303 (hereinafter referred to as night racing days) shall make disposi-
304 tion for each such day as shall qualify under this subsection, of the
305 deposits remaining undistributed pursuant to section 44 in accord-
306 ance with the provisions of subsection c., entitled winter racing
307 days.

308 e. Night racing during winter racing days:

309 If any permitholder is engaged in the business of conducting
 310 horse race meetings or portions of horse race meetings under this
 311 act, wherein all or a portion of the days fall within the provisions
 312 of both subsection c. (winter racing days) and subsection d. (night
 313 racing days), then the track association shall make disposition of
 314 the deposits remaining undistributed pursuant to section 44 in
 315 accordance with the provisions of subsection c., entitled winter
 316 racing days and shall, in addition thereto, for its own uses and
 317 purposes retain from the total contributions to all parimutuel pools
 318 conducted or made on such day or days an additional 1% for its
 319 own uses and purposes. Said additional 1% shall be deducted
 320 from the percent otherwise payable under said section to the Rac-
 321 ing Commission.】

322 b. In the case of running races:

323 (1) Where the amount derived from the parimutuel handle does
 324 not exceed \$1 million per day based on such contributions accumu-
 325 lated and averaged during the calendar year, the permitholder
 326 shall:

327 (a) Pay to the commission 42% of 1% of so much of the total
 328 contributions to all parimutuel pools conducted or made during
 329 such calendar year; but notwithstanding the foregoing, for pools
 330 where the patron is required to select three or more horses, the
 331 permitholder shall pay to the commission 1.42% of the total con-
 332 tributions.

333 Payment on account of such sums to be paid to the commission
 334 shall be made every seventh day of any and every race meeting in
 335 the amount then due as determined in the manner provided above,
 336 and shall be accompanied by a report under oath showing the total
 337 of all such contributions, together with such other information as
 338 the commission may require. Except as otherwise provided by law,
 339 no admission or amusement tax, excise tax, license or horse racing
 340 fee of any kind shall be assessed or collected from any permitholder
 341 by the State of New Jersey, or by any county or municipality, or
 342 by any other body having power to assess or collect license fees or
 343 taxes.

344 (b) Hold and set aside in an account designated as a special trust
 345 account 23% of 1% of such total contributions to be used and dis-
 346 tributed as hereinafter provided and as provided in section 5 of
 347 P. L. 1967, c. 40, for the following purposes and no other:

348 (i) 18% of 1% thereof for contributions and awards de-
 349 signed to improve and promote the thoroughbred breeding

350 *industry in New Jersey through payments of awards to owners*
351 *and breeders of registered New Jersey bred horses which earn*
352 *portions of purses in open events on New Jersey tracks, and*
353 *to owners of stallions posted on the official stallion rosters of*
354 *the Thoroughbred Breeders' Association of New Jersey which*
355 *sire such registered New Jersey bred money winners;*

356 *(ii) 5% of 1% thereof for State horse breeding and devel-*
357 *opment programs, research, fairs, horse shows, youth activi-*
358 *ties, promotion and administration.*

359 *(c) Retain 8.57% of such total contributions for his own uses*
360 *and purposes. For pools where the patron is required to select two*
361 *horses, the permitholder shall retain 9.66% of the total contribu-*
362 *tions and for pools where the patron is required to select three or*
363 *more horses, the permitholder shall retain 12.12% of the total con-*
364 *tributions.*

365 *(d) Distribute as purse money and for programs designed to*
366 *aid the horsemen and the New Jersey Horsemen's Benevolent and*
367 *Protective Association 7.16% of such contributions. Notwithstand-*
368 *ing the foregoing, for pools where the patron is required to select*
369 *two horses, the permitholder shall distribute as purse money 8.07%*
370 *of such contributions and for pools where the patron is required*
371 *to select three or more horses, the permitholder shall distribute as*
372 *purse money 10.11% of the total contributions. Expenditures for*
373 *programs designed to aid the horsemen and the New Jersey Horse-*
374 *men's Benevolent and Protective Association shall not exceed 2.5%*
375 *of the sum available for distribution as purse money from all pari-*
376 *mutuel pools. The formula for distribution of the purse money as*
377 *either overnight purses or special stakes shall be determined by*
378 *an agreement between the New Jersey Horsemen's Benevolent and*
379 *Protective Association and the permitholder.*

380 *(e) 50% of 1% of all pools shall be deducted and set aside in a*
381 *special trust account for the establishment and support by the*
382 *commission of the thoroughbred breeding industry in New Jersey;*
383 *to improve purses for closed races; to provide awards for owners*
384 *and breeders of registered New Jersey bred horses who earn por-*
385 *tions of purses in closed races at New Jersey race tracks and to*
386 *owners of stallions posted on the official stallion rosters of the Thor-*
387 *oughbred Breeders' Association of New Jersey which sire such*
388 *New Jersey bred money earners and awards to the New Jersey*
389 *Thoroughbred Breeders' Association for programs beneficial to*
390 *thoroughbred breeding in this State. The New Jersey throughbred*
391 *award program shall be administered and disbursed by the com-*

392 mission while the thoroughbred open breeder awards shall be ad-
393 ministered and disbursed by the New Jersey Department of Agri-
394 culture. The special trust account to be established pursuant to
395 this paragraph shall be separate and apart from the special trust
396 account established and maintained pursuant to subparagraph (b)
397 of this paragraph.

398 (f) 12% of 1% shall be deposited in a separate special trust
399 account for use by the commission in keeping thoroughbred tracks
400 and stable facilities open during periods of time when they are not
401 normally in operation when to do so would serve the public interest.

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

406 (2) Where the amount derived from the parimutuel handle ex-
407 ceeds \$1 million per day based on such contributions accumulated
408 and averaged during the calendar year, the permit holder shall:

409 (a) Pay to the commission 3.42% of so much of the total contri-
410 tributions to all parimutuel pools conducted or made during such
411 calendar year; but, notwithstanding the foregoing, for pools where
412 the patron is required to select three or more horses, the permit-
413 holder shall pay to the commission 4.42% of the total contributions.

414 Payment on account of such sums to be paid to the commission
415 shall be made every seventh day of any and every race meeting in
416 the amount then due as determined in the manner provided above,
417 and shall be accompanied by a report under oath showing the total
418 of all such contributions, together with such other information as
419 the commission may require. Except as otherwise provided by law,
420 no admission or amusement tax, excise tax, license or horse racing
421 fee of any kind shall be assessed or collected from any permit holder
422 by the State of New Jersey, or by any county or municipality, or
423 by any other body having power to assess or collect license fees or
424 taxes.

425 (b) Hold and set aside in an account designated as a special trust
426 account 23% of 1% of such total contributions to be used and dis-
427 tributed as hereinafter provided and as provided in section 5 of
428 P. L. 1967, c. 40, for the following purposes and no other:

429 (i) 18% of 1% thereof for contributions and awards de-
430 signed to improve and promote the thoroughbred breeding in-
431 dustry in New Jersey through payments of awards to owners
432 and breeders of registered New Jersey bred horses which
433 earned portions of purses in open events on New Jersey tracks,
434 and to owners of stallions posted on the official stallion rosters

435 of the Thoroughbred Breeders' Association of New Jersey
436 which sire such registered New Jersey bred money winners;
437 (ii) 5% of 1% thereof for State horse breeding and devel-
438 opment programs, research, fairs, horse shows, youth activi-
439 ties, promotion and administration.

440 (c) Retain 6.81% of such total contributions for his own uses and
441 purposes. For pools where the patron is required to select two
442 horses, the permitholder shall retain 7.88% of the total contribu-
443 tions and for pools where the patron is required to select three or
444 more horses, the permitholder shall retain 10.29% of the total con-
445 tributions.

446 (d) Distribute as purse money and for programs designed to aid
447 the horsemen and the New Jersey Horsemen's Benevolent
448 and Protective Association 5.92% of such contributions. Not-
449 withstanding the foregoing, for pools where the patron is required
450 to select two horses, the permitholder shall distribute as purse
451 money 6.85% of such contributions and for pools where the patron
452 is required to select three or more horses, the permitholder shall
453 distribute as purse money 8.94% of the total contributions. Ex-
454 penditures for programs designed to aid the horsemen and the New
455 Jersey Horsemen's Benevolent and Protective Association shall
456 not exceed 2.5% of the sum available for distribution as purse
457 money from all parimutuel pools. The formula for distribution of
458 the purse money as either overnight purses or special stakes shall
459 be determined by an agreement between the New Jersey Horse-
460 men's Benevolent and Protective Association and the permitholder.

461 (e) 50% of 1% of all pools shall be deducted and set aside in a
462 special trust account for the establishment and support by the com-
463 mission of the thoroughbred breeding industry in New Jersey; to
464 improve purses for closed races; to provide awards for owners and
465 breeders of registered New Jersey bred horses who earn portions
466 of purses in closed races at New Jersey race tracks and to owners
467 of stallions posted on the official stallion rosters of the Thorough-
468 bred Breeders' Association of New Jersey which sire such New
469 Jersey bred money earners and awards to New Jersey thorough-
470 bred breeders associations for programs beneficial to thoroughbred
471 breeding in this State. The New Jersey thoroughbred award pro-
472 gram shall be administered and disbursed by the commission while
473 the thoroughbred open breeder awards shall be administered and
474 disbursed by the New Jersey Department of Agriculture. The spe-
475 cial trust account to be established pursuant to this paragraph shall
476 be separate and apart from the special trust account established
477 and maintained pursuant to subparagraph (b) of this paragraph.

478 (f) 12% of 1% shall be deposited in a separate special trust
 479 account for use by the New Jersey Racing Commission in keeping
 480 thoroughbred tracks and stable facilities open during periods of
 481 time when they are not normally in operation when to do so would
 482 serve the public interest.

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

487 Notwithstanding any other provision of this section, every har-
 488 ness permitholder engaged in the business of conducting harness
 489 race meetings shall retain from the funds designated in subsection
 490 a. (1) of this section an additional 1% of the total contributions to
 491 all parimutuel pools for his own uses and purposes, in addition to
 492 those sums herein mentioned in subsection a. (3) of this section.
 493 during the period of November 1 to March 31, referred to as winter
 494 racing days. Any running race permitholder operating pursuant
 495 to subsection b. (2) of this section shall retain from the funds des-
 496 ignated in subsection b. (2) (a) an additional 1% of the total con-
 497 tributions to all parimutuel pools for his own uses and purposes,
 498 in addition to those sums herein mentioned in subsection b. (2) (c),
 499 for any winter racing days as herein defined.

1 ***[4.** (New section) The New Jersey Sports and Exposition Au-
 2 thority shall make disposition of the deposits remaining undis-
 3 tributed pursuant to section 44 of P. L. 1940, c. 17 (C. 5:5-64) as
 4 follows:

5 a. In the case of harness races:

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

10 (a) 42½% thereof to increase purses and grant awards for
 11 starting horses as provided or as may be provided by rules of the
 12 New Jersey Racing Commission with payment to be made in the
 13 same manner as payment of other purses and awards;

14 (b) 49% thereof for the establishment of a Sire Stakes Program
 15 for standardbred horses with payment to be made to the Depart-
 16 ment of Agriculture for administration as hereinbefore provided;

17 (c) 5½% thereof for contributions and awards designed to
 18 improve and promote the standardbred breeding industry in New
 19 Jersey through payment of awards to owners and breeders of
 20 New Jersey bred horses which are registered with the Standardbred

21 Breeders' and Owners' Association of New Jersey and which earn
22 portions of purses in open events on New Jersey tracks, and to
23 owners of stallions posted on the official stallions roster of the
24 Standardbred Breeders' and Owners' Association of New Jersey
25 which sire such registered New Jersey bred money earners;

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

28 Payment of the sums held and set aside pursuant to subpara-
29 graphs (c) and (d) shall be made to the commission every seventh
30 day of any and every race meeting in the amount then due as de-
31 termined in the manner provided above, and shall be accompanied
32 by a report under oath showing the total of all such contributions,
33 together with such other information as the commission may re-
34 quire.

35 (2) Distribute as purse money and for programs designed to aid
36 the horsemen and the Standardbred Breeders' and Owners' Asso-
37 ciation of New Jersey 5% of such total contribution. Expenditures
38 for programs designed to aid the horsemen and the Standardbred
39 Breeders' and Owners' Association of New Jersey shall not exceed
40 3.5% of the sum available for distribution as purse money. The
41 formula for distribution of the purse money as either overnight
42 purses or special stakes shall be determined by an agreement
43 between the Standardbred Breeders' and Owners' Association of
44 New Jersey and the tracks. Notwithstanding the foregoing, for
45 pools where the patron is required to select two or more horses,
46 the permitholder shall distribute as purse money 5.5% of the
47 total contributions and for pools where the patron is required
48 to select three or more horses, the permitholder shall distribute
49 as purse money 7% of the total contributions. Notwithstanding
50 the foregoing, for pools where a patron is required to select three
51 or more horses, each permitholder shall retain out of the 7% to be
52 distributed as purse money, a sum deemed necessary by the racing
53 commission, for use by the commission to finance a prerace blood
54 testing program, and such other testing programs which the com-
55 mission shall deem proper and necessary and which shall be subject
56 to the regulation and control of said commission.

57 b. In the case of running races:

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

62 (a) 10% of 1% thereof for contributions and awards designed to
 63 improve and promote the thoroughbred breeding industry in New
 64 Jersey through payment of awards to owners and breeders of
 65 registered New Jersey bred horses which earn portions of purses
 66 in open events on New Jersey tracks, and to owners of stallions
 67 posted on the official stallion rosters of the Thoroughbred Breeders'
 68 Association of New Jersey which sire such registered New Jersey
 69 bred money earners;

70 (b) 5% of 1% thereof for State horse breeding and development
 71 programs, research, fairs, horse shows, youth activities, promotion
 72 and administration.

73 (2) Distribute as purse money and for programs designed to
 74 aid the horsemen and the New Jersey Horsemen's Benevolent and
 75 Protective Association 4.24% of such total contributions. Expendi-
 76 tures for programs designed to aid the horsemen and the New
 77 Jersey Horsemen's Benevolent and Protective Association shall not
 78 exceed 2.9% of the sum available for distribution as purse money.
 79 The formula for distribution of the purse money as either over-
 80 night purses or special stakes shall be determined by an agreement
 81 between the New Jersey Horsemen's Benevolent and Protective
 82 Association and the tracks. Notwithstanding the foregoing, for
 83 pools where the patron is required to select three or more horses,
 84 the permit holder shall distribute as purse money 7.24% of the
 85 total contributions.

86 (3) For pools where a patron is required to select three or more
 87 horses, 50% of 1% of the total contributions shall be held and set
 88 aside in the special trust account established pursuant to section
 89 46 b. (1) (e) and 46 b. (2) (e) of P. L. 1940, c. 17 (C. 5:5-66).

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

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

3 7. a. The authority is hereby authorized, licensed and empowered
 4 to apply to the Racing Commission for a permit or permits to hold
 5 and conduct, as part of the Meadowlands complex, horse race meet-
 6 ings for stake, purse or reward, and to provide a place or places
 7 on the race meeting grounds or enclosure for wagering by patrons
 8 on the result of such horse races by the parimutuel system, and

9 to receive charges and collect all revenues, receipts and other
10 sums from the ownership and operation thereof; provided that only
11 the authority through its employees shall conduct such horse race
12 meetings and wagering and the authority is expressly prohibited
13 from placing in the control of any other person, firm or corpora-
14 tion the conduct of such horse race meetings, or wagering.

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

22 c. Application for said permit or permits shall be on such forms
23 and shall include such accompanying data as the Racing Commis-
24 sion shall prescribe for other applicants. The Racing Commission
25 shall proceed to review and act on any such application within
26 30 days after its filing and the Racing Commission is authorized
27 in its sole discretion to determine whether a permit shall be granted
28 to the authority. If, after such review, the Racing Commission acts
29 favorably on such application, a permit shall be granted to the
30 authority without any further approval and shall remain in force
31 and effect so long as any bonds or notes of the authority issued for
32 the purposes of the Meadowlands complex remain outstanding,
33 the provision of any other law to the contrary notwithstanding.
34 In granting a permit to the authority to conduct a horse race meet-
35 ing, the Racing Commission shall not be subject to any limitation as
36 to the number of tracks authorized for the conduct of horse race
37 meetings pursuant to any provision of P. L. 1940, c. 17 (C. 5:5-22
38 et seq.). Said permit shall set forth the dates to be allotted to the
39 authority for its initial horse race meetings. Thereafter application
40 for dates for horse race meetings by the authority and the allotment
41 thereof by the Racing Commission, including the renewal of the
42 same dates theretofore allotted, shall be governed by the applicable
43 provisions of P. L. 1940, c. 17 (C. 5:5-22 et seq.). Notwithstanding
44 the provision of any other law to the contrary, the Racing Commis-
45 sion shall allot annually to the authority, in the case of harness rac-
46 ing, not less than 100 racing days, and in the case of running racing,
47 not less than 56 racing days, if and to the extent that application is
48 made therefor.

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

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

55 f. Distribution of sums deposited in parimutuel pools to winners
56 thereof [and payments from the remaining balances in such pools
57 for stakes, purses or rewards and special trust accounts for breed-
58 ing and development of horses shall be for the purposes of and]
59 shall be in accordance with the provisions of section 44 of P. L. 1940,
60 c. 17 (C. 5:5-[22 et seq.] 64) pertaining thereto. *The authority*
61 *shall make disposition of the deposits remaining undistributed as*
62 *follows:*

63 (1) *In the case of harness races:*

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

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

72 (ii) *49% thereof for the establishment of a Sire Stakes Pro-*
73 *gram for standardbred horses with payment to be made to the*
74 *Department of Agriculture for administration as hereinbefore*
75 *provided;*

76 (iii) *5 1/2% thereof for contributions and awards designed to*
77 *improve and promote the standardbred breeding industry in*
78 *New Jersey through payment of awards to owners and breeders*
79 *of New Jersey bred horses which are registered with the*
80 *Standardbred Breeders' and Owners' Association of New*
81 *Jersey and which earn portions of purses in open events on*
82 *New Jersey tracks, and to owners of stallions posted on the*
83 *official stallions roster of the Standardbred Breeders' and*
84 *Owners' Association of New Jersey which sire such registered*
85 *New Jersey bred money earners;*

86 (iv) *3% thereof for other New Jersey horse breeding and*
87 *promotion conducted by the New Jersey Department of Agri-*
88 *culture.*

89 *Payment of the sums held and set aside pursuant to subpara-*
90 *graphs (iii) and (iv) shall be made to the commission every seventh*
91 *day of any and every race meeting in the amount then due as de-*
92 *termined in the manner provided above, and shall be accompanied*
93 *by a report under oath showing the total of all such contributions,*
94 *together with such other information as the commission may re-*
95 *quire.*

96 (b) Distribute as purse money and for programs designed to aid
97 the horsemen and the Standardbred Breeders' and Owners' Asso-
98 ciation of New Jersey 5% of such total contribution. Expenditures
99 for programs designed to aid the horsemen and the Standardbred
100 Breeders' and Owners' Association of New Jersey shall not exceed
101 3.5% of the sum available for distribution as purse money. The
102 formula for distribution of the purse money as either overnight
103 purses or special stakes shall be determined by an agreement
104 between the Standardbred Breeders' and Owners' Association of
105 New Jersey and the authority. Notwithstanding the foregoing, for
106 pools where the patron is required to select two or more horses,
107 the authority shall distribute as purse money 5.5% of the total
108 contributions and for pools where the patron is required to select
109 three or more horses, the authority shall distribute as purse money
110 7% of the total contributions. Notwithstanding the foregoing, for
111 pools where a patron is required to select three or more horses, the
112 authority shall retain out of the 7% to be distributed as purse
113 money, a sum deemed necessary by the racing commission, for use
114 by the commission to finance a prerace blood testing program, and
115 such other testing programs which the commission shall deem
116 proper and necessary and which shall be subject to the regulation
117 and control of said commission.

118 (2) In the case of running races:

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

123 (i) 10% of 1% thereof for contributions and awards designed
124 to improve and promote the thoroughbred breeding industry
125 in New Jersey through payment of awards to owners and
126 breeders of registered New Jersey bred horses which earn por-
127 tions of purses in open events on New Jersey tracks, and to
128 owners of stallions posted on the official stallion rosters of the
129 Thoroughbred Breeders' Association of New Jersey which sire
130 such registered New Jersey bred money earners;

131 (ii) 5% of 1% thereof for State horse breeding and develop-
132 ment programs, research, fairs, horse shows, youth activities,
133 promotion and administration.

134 (b) Distribute as purse money and for programs designed to aid
135 the horsemen and the New Jersey Horsemen's Benevolent and
136 Protective Association 4.24% of such total contributions. Expendi-
137 tures for programs designed to aid the horsemen and the Neu
138 Jersey Horsemen's Benevolent and Protective Association shall not

139 exceed 2.9% of the sum available for distribution as purse money.
 140 The formula for distribution of the purse money as either over-
 141 night purses or special stakes shall be determined by an agreement
 142 between the New Jersey Horsemen's Benevolent and Protective
 143 Association and the authority. Notwithstanding the foregoing, for
 144 pools where the patron is required to select three or more horses,
 145 the authority shall distribute as purse money 7.24% of the total
 146 contributions.

147 (c) For pools where a patron is required to select three or more
 148 horses, 50% of 1% of the total contributions shall be held and set
 149 aside in the special trust account established pursuant to section
 150 46 b. (1) (e) and 46 b. (2) (e) of P. L. 1940, c. 17 (C. 5:5-66).

151 Payment of the sums held and set aside pursuant to subpara-
 152 graphs (a) and (c) of this subsection shall be made to the commis-
 153 sion every seventh day of any and every race meeting in the amount
 154 then due as determined in the manner provided above, and shall be
 155 accompanied by a report under oath showing the total of all such
 156 contributions, together with such other information as the commis-
 157 sion may require.

158 In addition, as an initial payment to the State, an amount equal
 159 to $\frac{1}{2}$ of 1% of all parimutuel pools shall be deposited annually in
 160 the General State Fund. All amounts remaining in parimutuel
 161 pools, including the breaks, after such distribution and payments
 162 shall constitute revenues of the authority. Except as otherwise
 163 expressly provided in this section 7, the authority shall not be re-
 164 quired to make any payments to the Racing Commission or others
 165 in connection with contributions to parimutuel pools.

166 In the event that a written agreement between the authority and
 167 the respective horsemen's associations shall require the distribution
 168 of additional sums of money to increase purses or contributions to
 169 the special trust accounts hereinabove provided or both, any such
 170 distribution to be made in the year 1981 **[and any year there-
 171 after]** shall be made by the authority only from, and to the extent
 172 of, available moneys from the preceding year set aside for such pur-
 173 pose after application of the authority's revenues, moneys or other
 174 funds as provided in subsection b. (1), (2), (3), (4) and (5) of
 175 section 6 of P. L. 1971, c. 137.

176 g. All sums held by the authority for payment of outstanding
 177 parimutuel tickets not claimed by the person or persons entitled
 178 thereto within the time provided by law shall be paid to the Racing
 179 Commission upon the expiration of such time without further
 180 obligation to such ticketholder.

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

186 i. Any horse race meeting and the parimutuel system of wager-
 187 ing upon the result of horse races held as such race meeting shall
 188 not under any circumstances, if conducted as provided in the act
 189 and in conformity thereto, be held or construed to be unlawful,
 190 other statutes of the State to the contrary notwithstanding.

191 j. Each employee of the authority engaged in the conducting of
 192 horse race meetings shall obtain the appropriate license from the
 193 Racing Commission subject to the same terms and conditions as is
 194 required of similar employees of other permitholders. The Racing
 195 Commission may suspend any member of the authority upon ap-
 196 proval of the Governor and the license of any employee of the au-
 197 thority in connection with the conducting of horse race meetings
 198 pending a hearing by the Racing Commission for any violation of
 199 the New Jersey laws regulating horse racing or any rule or regula-
 200 tion of the commission. Such hearing shall be held and conducted
 201 in the manner provided in said laws.*

1 5. Section 5 of P. L. 1967, c. 40 (C. 5:5-88) is amended to read
 2 as follows:

3 5. Every permitholder shall remit and pay to the commission
 4 in installments and at the same time and manner provided in sec-
 5 tion 46 of P. L. 1940, c. 17 all moneys set aside in the special trust
 6 account for contributions and awards and horse breeding and pro-
 7 motion pursuant to section 46 a. (2) (c) and (d) **[and 46 b. (2) (a)**
 8 **and (b) thereof]** *thereof, section 46 b. (1) (b) and (2) (b) thereof,*
 9 *and ***[section 4 a. (1) (c) and (d) and section 4 b. (1) of this***
 10 *amendatory and supplementary act]* *subsection f. (1) (a) (iii)*
 11 *and (iv) and subsection f. (2) (a) of section 7 of P. L. 1971, c. 137*
 12 *(C. 5:10-7)*. All such special trust account moneys received by*
 13 *the commission shall be separately accounted for and paid into the*
 14 *State treasury for deposit and maintenance by the State Treasurer*
 15 *in a special account entitled "New Jersey Horse Breeding and*
 16 *Development Account."* Moneys credited to such special account
 17 shall be appropriated to and used by the Department of Agriculture,
 18 under the supervision of the State Board of Agriculture after
 19 consultation with and approval of the State Treasurer, for con-
 20 tributions and awards to improve and promote thoroughbred and
 20A standardbred breeding in the manner and amount as provided in
 20B said sections.

21 The Department of Agriculture is authorized to confer with and
22 seek the advice of the New Jersey Equine Advisory Board with
23 reference to the distribution of the moneys as herein provided.

1 *6. (New section) *The Standardbred Breeders and Owners Asso-*
2 *ciation, in the case of standardbred horses, and the Thoroughbred*
3 *Breeders Association, in the case of thoroughbred horses, shall*
4 *promulgate standards for determining New Jersey ownership, in-*
5 *dividual or corporate, of horses for the purposes of qualifying for*
6 *breeder or stallion awards or for races limited to New Jersey*
7 *owned or New Jersey bred horses. Such standards shall be subject*
8 *to the approval of the Racing Commission. Any objection to such*
9 *standards or the implementation of those standards may be*
10 *appealed to the commission.*

1 7. *Notwithstanding the provisions of section 44 of P. L. 1940, c.*
2 *17 (C. 5:5-64), every permitholder engaged in the business of con-*
3 *ducting running race meetings where the amount derived from the*
4 *parimutuel handle does not exceed \$1 million per day based on such*
5 *contributions accumulated and averaged during the calendar year*
6 *1980 shall retain the breaks during its 1980 meeting for use in*
7 *supplementing the purses distributed by the permitholder up to a*
8 *maximum average daily purse distribution of \$60,000.00. Any funds*
9 *not used for such purse supplements shall be paid to the com-*
10 *mission for the use of the State at the conclusion of the permit-*
11 *holder's 1980 meeting.**

1 ***[6.]*** *8.* This act shall take effect immediately ***[and]*** *.
2 Sections 1 through 3 and 5 through 7* shall be retroactive to Janu-
3 ary 1, 1980*, and section 4 shall be retroactive to January 1, 1979,
4 except as otherwise may be expressly provided*.

9 *and section 4 a. (1) (c) and (d) and section 4 b. (1) of this amenda-*
 10 *tory and supplementary act.* All such special trust account moneys
 11 received by the commission shall be separately accounted for and
 12 paid into the State treasury for deposit and maintenance by the
 13 State Treasurer in a special account entitled "New Jersey Horse
 14 Breeding and Development Account." Moneys credited to such
 15 special account shall be appropriated to and used by the Depart-
 16 ment of Agriculture, under the supervision of the State Board of
 17 Agriculture after consultation with and approval of the State
 18 Treasurer, for contributions and awards to improve and promote
 19 thoroughbred and standardbred breeding in the manner and
 20 amount as provided in said sections.

21 The Department of Agriculture is authorized to confer with and
 22 seek the advice of the New Jersey Equine Advisory Board with
 23 reference to the distribution of the moneys as herein provided.

1 6. This act shall take effect immediately and shall be retroactive
 2 to January 1, 1980.

STATEMENT

This bill makes permanent the formulas used during 1979 for distributing the takeout from the parimutuel handle at private racetracks. In addition, the bill provides, as did the temporary legislation for 1979 (P. L. 1979, c. 94), that (1) breakage moneys at private tracks are to be retained by the State and (2) harness tracks may receive up to 200 additional racing days (rather than the 100 additional days in the present law).

The intent of the bill is to provide more revenue for private thoroughbred tracks and larger purses for both thoroughbred and standardbred horsemen than the formulas presently in the law provide.

The bill also addresses the issue of the breakage money at the sports authority by specifying that breakage at the Meadowlands Racetrack is revenue to the authority. The impact of this amendatory language will be to establish the intent of the Legislature that the Sports and Exposition Authority, as a public corporation, has always had, and will continue to have, a right to retain the breakage from the Meadowlands Racetrack.

A932 (1980)

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

STATEMENT TO
ASSEMBLY, No. 932
with Assembly committee amendments

STATE OF NEW JERSEY

DATED: APRIL 17, 1980

This bill makes permanent the rates used during 1979 for distributing the takeout from the parimutuel handle at private racetracks. The intent of the bill is to provide more revenue for private thoroughbred tracks, especially for tracks where the parimutuel handle does not exceed \$1,000,000.00 per day; more money for purses for both thoroughbred and standardbred horsemen; and increased support of sire stakes and breeders award programs. This additional money is to be derived from a commensurate reduction in the State's share of the takeout from the private thoroughbred and harness tracks.

The bill also provides for the following:

1. Breakage money at the private tracks is to be retained by the State rather than, as is the case at present, going into special trust accounts for increasing overnight purses and for promoting sire stakes and breeders award programs. This is a carry-over from the temporary legislation for 1979 (P. L. 1979, c. 94) and compensates, to some extent, for the loss in State revenue resulting from the reduced State take. However, any thoroughbred track with a daily average handle that does not exceed \$1,000,000.00 per day, namely, Atlantic City Racetrack at present, may retain that portion of the breakage money at the track that is necessary to pay an average daily purse distribution of \$60,000.00. This use of the breakage money is restricted to 1980 only. The committee added this provision by amendment.

2. Breakage money at the Sports Authority is to be retained by the Authority. This has been a controversial issue between horsemen and the Authority because of the Sports Authority's contention that it was not subject to the 1974 legislation specifying that breakage money shall go into special trust accounts for purses and for sire stakes and breeders award programs. The language in this bill regarding this matter establishes clearly that the legislative intent is that the Sports Authority, as a public corporation, has always had, and will continue to have, a right to retain the breakage from the Meadowland Racetrack.

3. Harness tracks may receive up to 200 additional racing days

rather than the 100 additional days in the present law. This is a carry-over from the 1979 legislation.

4. The "New Jersey Sports and Exposition Authority Law" is amended to include in that law the percentages that are to be paid to purses and to the various awards programs. Those percentages are the ones in the present racing statute and not the increased percentages applicable to private tracks under this bill. This is done in order to avoid the question being raised of possible impairment of Sports Authority bond covenants. The Sports Authority Law is also amended to define the limits of the Authority's responsibility when the Authority enters into contracts with the horsemen's associations for distributing additional sums of money to increase purses or contributions to the special trusts accounts.

5. A procedure is provided for promulgating the standards by which New Jersey ownership of horses is to be determined for the purposes of qualifying for breeder or stallion awards or of qualifying for races limited to New Jersey owned or New Jersey bred horses. This was added by committee amendment.

6. This bill is retroactive to January 1, 1980, except for the section on breakage at the Sports Authority, which is retroactive to January 1, 1979 to eliminate the possibility of any challenge to the disposition of that money.

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

STATEMENT TO
ASSEMBLY, No. 932

[OFFICIAL COPY REPRINT]
with Senate committee amendments

STATE OF NEW JERSEY

DATED: APRIL 21, 1980

This bill makes permanent the rates used during 1979 for distributing the takeout from the parimutuel handle at private racetracks. The intent of the bill is to provide more revenue for private thoroughbred tracks, especially for tracks where the parimutuel handle does not exceed \$1,000,000.00 per day; more money for purses for both thoroughbred and standardbred horsemen; and increased support of sire stakes and breeders award programs. This additional money is to be derived from a reduction in the State's share of the takeout from the private thoroughbred and harness tracks.

The bill also provides for the following:

1. Breakage money at the private tracks is to be retained by the State rather than, as is the case at present, going into special trust accounts for increasing overnight purses and for promoting sire stakes and breeders award programs. This is a carry-over from the temporary legislation for 1979 (P. L. 1979, c. 94) and compensates, to some extent, for the loss in State revenue resulting from the reduced State take. However, any thoroughbred track with a daily average handle that does not exceed \$1,000,000.00 per day, namely, Atlantic City Race-track at present, may retain that portion of the breakage money at the track that is necessary to pay an average daily purse distribution of \$60,000.00. This use of the breakage money is restricted to 1980 only.

2. Breakage money at the Sports Authority is to be retained by the authority. This has been a controversial issue between horsemen and the authority because of the Sports Authority's contention that it was not subject to the 1974 legislation specifying that breakage money shall go into special trust accounts for purses and for sire stakes and breeders award programs. The language in this bill regarding this matter establishes clearly that the legislative intent is that the Sports Authority, as a public corporation, has already had, and will continue to have, a right to retain the breakage from the Meadowland Racetrack.

3. Harness tracks may receive up to 200 additional racing days rather than the 100 additional days in the present law. This is also carry-over from the 1979 legislation.

4. The "New Jersey Sports and Exposition Authority Law" is amended to include in that law the percentages that are to be paid to purses and to the various awards programs. Those percentages are the ones in the present racing statute and not the increased percentages applicable to private tracks under this bill. This is done in order to avoid the question being raised of possible impairment of Sports Authority bond covenants. The Sports Authority Law is also amended to define the limits of the authority's responsibility when the authority enters into contracts with the horsemen's associations for distributing additional sums of money to increase purses or contributions to the special trust accounts.

The committee amended the bill to make it clear that the use of surplus funds of the authority for such purposes is to be limited to the year 1981. In subsequent years the payment of funds to increase purses or contributions to the special trust accounts is to be made from the operating revenue of the authority.

5. The bill establishes a procedure for promulgating the standards by which New Jersey ownership of horses is to be determined for qualifying for breeder or stallion awards or of qualifying for races limited to New Jersey-owned or New Jersey-bred horses.

6. This bill is retroactive to January 1, 1980, except for the section on breakage at the Sports Authority, which is retroactive to January 1, 1979 to eliminate the possibility of any challenge to the disposition of the money.

COMMITTEE AMENDMENTS

As noted above the committee amended the bill to establish that 1981 is to be the only year in which surplus revenues of the authority are to be used for funds for payment to increase purses or for contributions to the special trust accounts. Thereafter, any payments or contributions made pursuant to contracts with the respective horsemen's will be made from the authority's operating revenue. The purpose of this amendment is to protect the rights of Sports Authority bond holders.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

MAY 6, 1980

PATRICK SWEENEY

Governor Brendan Byrne today signed A-932, sponsored by Assemblyman Richard J. Codey (D-Essex), which reduces the revenue private tracks must pay the State, provides for an additional one hundred racing days to harness tracks, and reallocates the distribution of the breakage.

The bill makes permanent the rates used during 1979 for distributing the takeout from the parimutuel handle at private racetracks.

In addition, A-932 provides, as did the temporary 1979 legislation, that breakage at private tracks are to be retained by the state. Also, there are an extra one hundred discretionary days, that can be used by the harness permit holders.

The bill, in addition, settles the question of breakage from the Sports Authority by specifying that breakage at the Meadowlands Racetrack is revenue to the Authority. However, the Authority will pay the thoroughbred group \$394,000 per year for 1980 and 1981, and \$1.5 million per year for the same period to the standardbred group.

The legislation also permits a thoroughbred track which derives less than \$1 million from the parimutuel handle (Atlantic City) to retain the breaks for the purpose of supplementing the purses, so the average daily purse distribution will be \$60,000. If the track brings in enough to pay an average daily purse of \$60,000, then the breaks will go to the State. This regulation will only apply to 1980.

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