5:12-201 & 5:12-203
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2015 **CHAPTER**: 33

NJSA: 5:12-201 & 5:12-203 (Allows casino and out-of-State racetrack to negotiate amount casino will pay for simulcast races)

BILL NO: S2626 (Substituted for A3972)

SPONSOR(S) Whelan and others

DATE INTRODUCED: December 8, 2014

COMMITTEE: **ASSEMBLY:** ---

SENATE: State Government, Wagering, Tourism & Historic Preservation

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** March 26, 2015

SENATE: March 16, 2015

DATE OF APPROVAL: April 27, 2015

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced version of bill enacted)

S2626

SPONSOR'S STATEMENT: (Begins on page 6 of introduced bill)		Yes
COMMITTEE STATEMENT:	**ASSEMBLY**:	No
	SENATE:	Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No

A3972

SPONSOR'S STATEMENT: (Begins on page 6 of introduced bill)		Yes
COMMITTEE STATEMENT:	**ASSEMBLY**:	Yes
	SENATE:	No
FLOOR AMENDMENT STATEMENT:		No
LEGISLATIVE FISCAL ESTIMATE:		No

.

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:
   To check for circulating copies, contact New Jersey State Government
   Publications at the State Library (609) 278-2640 ext.103 or mailto:refdesk@njstatelib.org

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Christie signs bill allowing casinos, tracks to negotiate simulcasting terms," northjersey.com, 4-27-15
"New law aiding simulcasting at Atlantic City casinos should help both industries," northjersey.com: Blogs, 4-27-15
"Casinos can pay more for simulcasting," The Press of Atlantic City, 4-28-15

LAW/RWH

1   AN ACT allowing a casino and an out-of-State racetrack to negotiate
2   the amount the casino will pay for the transmission of simulcast
3   horse races and amending P.L.1992, c.19.
4
5   **BE IT ENACTED** *by the Senate and General Assembly of the State*
6   *of New Jersey:*
7
8   1.   Section 11 of P.L.1992, c.19, s.11 (C.5:12-201) is amended
9   to read as follows:
10   11. a. **[**Except as provided in subsection b. of this section, a**]** A
11   casino which receives a simulcast horse race from an out-of-State
12   sending track shall **[**not**]** pay the out-of-State sending track for the
13   transmission **[**an**]** such amount **[**equal to more than 6% of the
14   parimutuel pool on each race**]** , if any, as may be agreed upon by
15   the casino and the out-of-state sending track.
16   b.   **[**Subject to the approval of the New Jersey Racing
17   Commission and with respect to no more than 28 races per casino
18   per calendar year, plus the number of races run annually at the
19   Breeders' Cup World Championships, a casino may pay an out-of-
20   State sending track an amount equal to not more than 9% of the
21   parimutuel pool for the transmission of a race.**]** (Deleted by
22   amendment, P.L.   , c.   (pending before the Legislature as this
23   bill.)
24   (cf: P.L.2012, c.9, s.1)
25
26   2.   Section 13 of P.L.1992, c.19, s.13 (C.5:12-203) is amended
27   to read as follows:
28   13. Sums wagered at a casino on races being transmitted to that
29   casino from an out-of-State sending track shall be subject to the
30   takeout rate determined pursuant to section 12 of this act, and the
31   sums resulting from that takeout rate as applied to the parimutuel
32   pool generated at the casino shall be distributed as follows, subject
33   to the provisions of section 16 of this act:
34   a.   .50% of the parimutuel pool generated at the casino shall be
35   paid to the New Jersey Racing Commission for deposit in the
36   Casino Simulcasting Fund established pursuant to section 18 of this
37   act;
38   b.   the actual amount paid by the casino for the transmission of
39   the race **[**, which shall be not more than 6%, or if applicable not
40   more than 9%, of the parimutuel pool generated at the casino**]** shall
41   be paid to the casino to be used for payment to the out-of-State

1   sending track for the transmission of the race, as provided in section
2   11 of this act;
3   c.   in calendar years 1993, 1994, and 1995, 2% of the
4   parimutuel pool generated at the casino shall be paid to the New
5   Jersey Racing Commission for payment to the Atlantic City
6   Racetrack until a total of $100,000,000 in parimutuel pools has
7   been generated in wagering on simulcast races at all casinos in each
8   of those calendar years, except that if casino simulcasting in
9   Atlantic City begins after January 1, 1993 and before January 1,
10   1994, 2% of the parimutuel pool generated at the casino shall be
11   paid to the commission for payment to the Atlantic City Racetrack
12   until that portion of $100,000,000 determined by the following
13   formula has been generated in wagering at casinos on simulcast
14   races in 1993:
15                      $A/B = C/D$
16   here: A = 365 minus (a) the number of racing days in 1993, other
17   than live racing days, prior to the commencement of casino
18   simulcasting in Atlantic City that the Atlantic City Racetrack
19   conducts simulcasting under the provisions of the "Simulcasting
20   Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions
21   of section 37 of P.L.1992, c.19 (C.5:5-125), and (b) the number of
22   live racing days conducted by the Atlantic City Racetrack in 1993;
23   B = 365 (the number of calendar days in 1993);
24   C = the amount of the parimutuel pool generated in wagering on
25   simulcast races in 1993 of which 2% is to be paid to the New Jersey
26   Racing Commission for payment to the Atlantic City Racetrack;
27   D = $100,000,000;
28   d.   of the amount remaining after the deduction of the amounts
29   under subsections a., b., and c. from the amount of the takeout rate,
30   55% shall be paid to the casino;
31   e.   .50% of the parimutuel pool generated at the casino shall be
32   paid to the New Jersey Racing Commission and shall be deposited
33   by that commission as follows:
34   (1) 50% in the special trust account established pursuant to or
35   specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b.
36   of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201
37   (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as
38   appropriate, for use and distribution as provided in section
39   46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section 2b.(1),
40   (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1)(a), (b),
41   and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a)(i), (ii),
42   and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and
43   (2) 50% in the special trust account established pursuant to or
44   specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-
45   66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
46   7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
47   distribution as provided therein;

1   f. .03% of the parimutuel pool generated at the casino shall be
2 paid to the New Jersey Racing Commission and set aside in the
3 special trust account for horse breeding and development for
4 distribution and use as provided in section 5 of P.L.1967, c.40
5 (C.5:5-88); and
6   g. the amount remaining after the deduction of the amounts
7 under subsections a., b., c., d., e., and f. from the amount of the
8 takeout rate shall be distributed as follows:
9   (1) 43% of that remaining amount shall be paid to the New
10 Jersey Racing Commission and shall be distributed by that
11 commission, on the basis of the following formula, among the New
12 Jersey racetracks for their own use:
13 $$A/B = C/D$$
14 here: A = the gross parimutuel pool generated at each racetrack
15 during the preceding calendar year, including the parimutuel pool
16 on simulcast races;
17   B = the gross parimutuel pool generated at racetracks Statewide
18 during the preceding calendar year, including the parimutuel pool
19 on simulcast races;
20   C = the amount to be paid to each racetrack from the moneys
21 available for distribution pursuant to this paragraph;
22   D = the total amount of moneys available for distribution
23 pursuant to this paragraph;
24   (2) 43% of that remaining amount shall be paid to the New
25 Jersey Racing Commission and, subject to the provisions of section
26 14 of this act, shall be distributed by that commission, in the
27 following year and on the basis of the following formula, among the
28 New Jersey racetracks for payment as purse money and for
29 programs designed to aid horsemen and horsemen's organizations as
30 provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d.
31 of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
32 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
33 case of harness races, except that the amount distributed to
34 standardbred racetracks for payment as purse money may be
35 distributed as provided by a contractual agreement authorized under
36 section 11 of P.L.2013, c.266 (C.5:5-188), and section 46b.(1)(d) or
37 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
38 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
39 in the case of running races, except that the amount distributed to
40 thoroughbred racetracks for payment as purse money may be
41 distributed as provided by a contractual agreement authorized under
42 section 12 of P.L.2013, c.266 (C.5:5-189):
43 $$A/B = C/D$$
44 here: A = the total amount distributed by each racetrack pursuant to
45 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
46 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
47 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
48 case of harness races, or section 46b.(1)(d) or 46b.(2)(d) of

1   P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
2   98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case
3   of running races, during the preceding calendar year, plus any
4   additional amounts paid out by each racetrack for overnight purses
5   during the preceding calendar year from the permit holder's share of
6   the parimutuel pool;
7   B = the total amount distributed by racetracks Statewide pursuant
8   to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
9   P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
10 (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in
11 the case of harness races, and pursuant to section 46b.(1)(d) and
12 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
13 c.201 (C.5:5-98), and section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-
14 7), in the case of running races, during the preceding calendar year,
15 plus any additional amounts paid out by racetracks for overnight
16 purses during the preceding calendar year from the permit holders'
17 share of the parimutuel pool;
18   C = the amount to be paid to each racetrack from the moneys
19 available for distribution pursuant to this paragraph;
20   D = the total amount of moneys available for distribution
21 pursuant to this paragraph; and
22   (3) 14% of that remaining amount shall be paid to the New
23 Jersey Racing Commission for deposit in the Casino Simulcasting
24 Special Fund established pursuant to section 15 of this act.
25   In addition, all breakage moneys and outstanding parimutuel
26 ticket moneys resulting from the wagering at the casino shall be
27 paid to the New Jersey Racing Commission and deposited in the
28 Casino Simulcasting Special Fund.
29   If a racetrack conducts both harness races and running races, the
30 moneys the racetrack receives for payment pursuant to paragraph
31 (2) of subsection g. above shall be distributed on the basis of the
32 following formula:
33                          $A/B = C/D$
34 here: A = the total amount distributed by the racetrack pursuant to
35 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
36 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
37 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
38 appropriate, in the case of harness races, plus any additional
39 amounts paid out by the racetrack for overnight purses for harness
40 races during the preceding calendar year from the permit holder's
41 share of the parimutuel pool, or pursuant to section 46b.(1)(d) or
42 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
43 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
44 as appropriate, in the case of running races, plus any additional
45 amounts paid out by the racetrack for overnight purses for running
46 races during the preceding calendar year from the permit holder's
47 share of the parimutuel pool, as the case may be;

1   B = the total amount distributed by the racetrack pursuant to
2 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
3 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
4 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
5 appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of
6 P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
7 98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
8 appropriate, plus any additional amounts paid out by the racetrack
9 for overnight purses for both harness and running races during the
10 preceding calendar year from the permit holder's share of the
11 parimutuel pool;
12   C = the amount to be paid by the racetrack for overnight purse
13 money and for programs designed to aid horsemen and horsemen's
14 organizations as provided in section 46a.(4) of P.L.1940, c.17
15 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section
16 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of
17 P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section
18 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2)
19 of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971,
20 c.137 (C.5:10-7), in the case of running races;
21   D = the total amount of moneys available to the racetrack for
22 distribution as overnight purse money and for programs designed to
23 aid horsemen and horsemen's organizations pursuant to this
24 paragraph.
25 (cf: P.L.2013, c.266, s.10)
26
27   3.   This act shall take effect immediately
28
29
30   STATEMENT
31
32   Current law limits the amount that a casino in Atlantic City may
33 pay to an out-of-State racetrack for the transmission of a simulcast
34 horse race to no more than 6% of the pari-mutuel pool on each race
35 or 9% of the pari-mutuel pool on each race in the case of not more
36 than 28 races per calendar year and for races run annually at the
37 Breeders' Cup World Cup Championships. This bill would allow a
38 casino and an out-of-State racetrack, instead, to negotiate the
39 amount the casino will pay for the transmission of simulcast horse
40 races from the out-of-State sending track.
41
42
43   ————————————
44
45   Allows casino and out-of-State racetrack to negotiate amount
46 casino will pay for simulcast races.

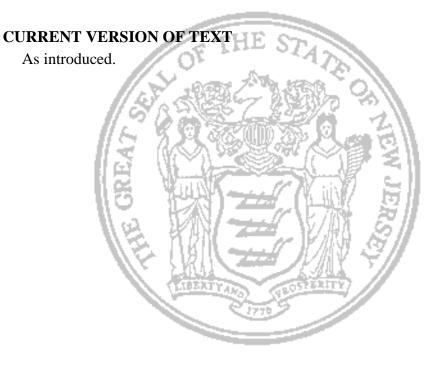# SENATE, No. 2626

STATE OF NEW JERSEY

216th LEGISLATURE

INTRODUCED DECEMBER 8, 2014

Sponsored by:
Senator JIM WHELAN
District 2 (Atlantic)
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:
Assemblyman Johnson

SYNOPSIS
   Allows casino and out-of-State racetrack to negotiate amount casino will pay for simulcast races.

CURRENT VERSION OF TEXT
   As introduced.

1   AN ACT allowing a casino and an out-of-State racetrack to negotiate
2   the amount the casino will pay for the transmission of simulcast
3   horse races and amending P.L.1992, c.19.
4
5   **BE IT ENACTED** *by the Senate and General Assembly of the State*
6   *of New Jersey:*
7
8   1.   Section 11 of P.L.1992, c.19, s.11 (C.5:12-201) is amended
9   to read as follows:
10   11. a. **[**Except as provided in subsection b. of this section, a**]** <u>A</u>
11   casino which receives a simulcast horse race from an out-of-State
12   sending track shall **[**not**]** pay the out-of-State sending track for the
13   transmission **[**an**]** <u>such</u> amount **[**equal to more than 6% of the
14   parimutuel pool on each race**]** <u>, if any, as may be agreed upon by</u>
15   <u>the casino and the out-of-state sending track</u>.
16   b.   **[**Subject to the approval of the New Jersey Racing
17   Commission and with respect to no more than 28 races per casino
18   per calendar year, plus the number of races run annually at the
19   Breeders' Cup World Championships, a casino may pay an out-of-
20   State sending track an amount equal to not more than 9% of the
21   parimutuel pool for the transmission of a race.**]** <u>(Deleted by</u>
22   <u>amendment, P.L.   , c.   (pending before the Legislature as this</u>
23   <u>bill.)</u>
24   (cf: P.L.2012, c.9, s.1)
25
26   2.   Section 13 of P.L.1992, c.19, s.13 (C.5:12-203) is amended
27   to read as follows:
28   13. Sums wagered at a casino on races being transmitted to that
29   casino from an out-of-State sending track shall be subject to the
30   takeout rate determined pursuant to section 12 of this act, and the
31   sums resulting from that takeout rate as applied to the parimutuel
32   pool generated at the casino shall be distributed as follows, subject
33   to the provisions of section 16 of this act:
34   a.   .50% of the parimutuel pool generated at the casino shall be
35   paid to the New Jersey Racing Commission for deposit in the
36   Casino Simulcasting Fund established pursuant to section 18 of this
37   act;
38   b.   the actual amount paid by the casino for the transmission of
39   the race **[**, which shall be not more than 6%, or if applicable not
40   more than 9%, of the parimutuel pool generated at the casino**]** shall
41   be paid to the casino to be used for payment to the out-of-State
42   sending track for the transmission of the race, as provided in section
43   11 of this act;
44   c.   in calendar years 1993, 1994, and 1995, 2% of the
45   parimutuel pool generated at the casino shall be paid to the New

1   Jersey Racing Commission for payment to the Atlantic City
2   Racetrack until a total of $100,000,000 in parimutuel pools has
3   been generated in wagering on simulcast races at all casinos in each
4   of those calendar years, except that if casino simulcasting in
5   Atlantic City begins after January 1, 1993 and before January 1,
6   1994, 2% of the parimutuel pool generated at the casino shall be
7   paid to the commission for payment to the Atlantic City Racetrack
8   until that portion of $100,000,000 determined by the following
9   formula has been generated in wagering at casinos on simulcast
10 races in 1993:
11                          $A/B = C/D$
12 here: A = 365 minus (a) the number of racing days in 1993, other
13 than live racing days, prior to the commencement of casino
14 simulcasting in Atlantic City that the Atlantic City Racetrack
15 conducts simulcasting under the provisions of the "Simulcasting
16 Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions
17 of section 37 of P.L.1992, c.19 (C.5:5-125), and (b) the number of
18 live racing days conducted by the Atlantic City Racetrack in 1993;
19   B = 365 (the number of calendar days in 1993);
20   C = the amount of the parimutuel pool generated in wagering on
21 simulcast races in 1993 of which 2% is to be paid to the New Jersey
22 Racing Commission for payment to the Atlantic City Racetrack;
23   D = $100,000,000;
24   d. of the amount remaining after the deduction of the amounts
25 under subsections a., b., and c. from the amount of the takeout rate,
26 55% shall be paid to the casino;
27   e. .50% of the parimutuel pool generated at the casino shall be
28 paid to the New Jersey Racing Commission and shall be deposited
29 by that commission as follows:
30   (1) 50% in the special trust account established pursuant to or
31 specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b.
32 of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201
33 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as
34 appropriate, for use and distribution as provided in section
35 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section 2b.(1),
36 (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1)(a), (b),
37 and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a)(i), (ii),
38 and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and
39   (2) 50% in the special trust account established pursuant to or
40 specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-
41 66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
42 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
43 distribution as provided therein;
44   f. .03% of the parimutuel pool generated at the casino shall be
45 paid to the New Jersey Racing Commission and set aside in the
46 special trust account for horse breeding and development for
47 distribution and use as provided in section 5 of P.L.1967, c.40
48 (C.5:5-88); and

1   g. the amount remaining after the deduction of the amounts
2 under subsections a., b., c., d., e., and f. from the amount of the
3 takeout rate shall be distributed as follows:
4   (1) 43% of that remaining amount shall be paid to the New
5 Jersey Racing Commission and shall be distributed by that
6 commission, on the basis of the following formula, among the New
7 Jersey racetracks for their own use:
8 $$A/B = C/D$$
9 here: A = the gross parimutuel pool generated at each racetrack
10 during the preceding calendar year, including the parimutuel pool
11 on simulcast races;
12   B = the gross parimutuel pool generated at racetracks Statewide
13 during the preceding calendar year, including the parimutuel pool
14 on simulcast races;
15   C = the amount to be paid to each racetrack from the moneys
16 available for distribution pursuant to this paragraph;
17   D = the total amount of moneys available for distribution
18 pursuant to this paragraph;
19   (2) 43% of that remaining amount shall be paid to the New
20 Jersey Racing Commission and, subject to the provisions of section
21 14 of this act, shall be distributed by that commission, in the
22 following year and on the basis of the following formula, among the
23 New Jersey racetracks for payment as purse money and for
24 programs designed to aid horsemen and horsemen's organizations as
25 provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d.
26 of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
27 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
28 case of harness races, except that the amount distributed to
29 standardbred racetracks for payment as purse money may be
30 distributed as provided by a contractual agreement authorized under
31 section 11 of P.L.2013, c.266 (C.5:5-188), and section 46b.(1)(d) or
32 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
33 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
34 in the case of running races, except that the amount distributed to
35 thoroughbred racetracks for payment as purse money may be
36 distributed as provided by a contractual agreement authorized under
37 section 12 of P.L.2013, c.266 (C.5:5-189):
38 $$A/B = C/D$$
39 here: A = the total amount distributed by each racetrack pursuant to
40 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
41 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
42 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
43 case of harness races, or section 46b.(1)(d) or 46b.(2)(d) of
44 P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
45 98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case
46 of running races, during the preceding calendar year, plus any
47 additional amounts paid out by each racetrack for overnight purses

1   during the preceding calendar year from the permit holder's share of
2   the parimutuel pool;
3   B = the total amount distributed by racetracks Statewide pursuant
4   to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
5   P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
6   (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in
7   the case of harness races, and pursuant to section 46b.(1)(d) and
8   46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
9   c.201 (C.5:5-98), and section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-
10   7), in the case of running races, during the preceding calendar year,
11   plus any additional amounts paid out by racetracks for overnight
12   purses during the preceding calendar year from the permit holders'
13   share of the parimutuel pool;
14   C = the amount to be paid to each racetrack from the moneys
15   available for distribution pursuant to this paragraph;
16   D = the total amount of moneys available for distribution
17   pursuant to this paragraph; and
18   (3) 14% of that remaining amount shall be paid to the New
19   Jersey Racing Commission for deposit in the Casino Simulcasting
20   Special Fund established pursuant to section 15 of this act.
21   In addition, all breakage moneys and outstanding parimutuel
22   ticket moneys resulting from the wagering at the casino shall be
23   paid to the New Jersey Racing Commission and deposited in the
24   Casino Simulcasting Special Fund.
25   If a racetrack conducts both harness races and running races, the
26   moneys the racetrack receives for payment pursuant to paragraph
27   (2) of subsection g. above shall be distributed on the basis of the
28   following formula:
29                       $A/B = C/D$
30   here: A = the total amount distributed by the racetrack pursuant to
31   section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
32   P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
33   (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
34   appropriate, in the case of harness races, plus any additional
35   amounts paid out by the racetrack for overnight purses for harness
36   races during the preceding calendar year from the permit holder's
37   share of the parimutuel pool, or pursuant to section 46b.(1)(d) or
38   46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
39   c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
40   as appropriate, in the case of running races, plus any additional
41   amounts paid out by the racetrack for overnight purses for running
42   races during the preceding calendar year from the permit holder's
43   share of the parimutuel pool, as the case may be;
44   B = the total amount distributed by the racetrack pursuant to
45   section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
46   P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
47   (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
48   appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of

1   P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
2   98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
3   appropriate, plus any additional amounts paid out by the racetrack
4   for overnight purses for both harness and running races during the
5   preceding calendar year from the permit holder's share of the
6   parimutuel pool;
7   C = the amount to be paid by the racetrack for overnight purse
8   money and for programs designed to aid horsemen and horsemen's
9   organizations as provided in section 46a.(4) of P.L.1940, c.17
10   (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section
11   5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of
12   P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section
13   46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2)
14   of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971,
15   c.137 (C.5:10-7), in the case of running races;
16   D = the total amount of moneys available to the racetrack for
17   distribution as overnight purse money and for programs designed to
18   aid horsemen and horsemen's organizations pursuant to this
19   paragraph.
20   (cf: P.L.2013, c.266, s.10)
21
22   3.   This act shall take effect immediately
23
24
25   STATEMENT
26
27   Current law limits the amount that a casino in Atlantic City may
28   pay to an out-of-State racetrack for the transmission of a simulcast
29   horse race to no more than 6% of the pari-mutuel pool on each race
30   or 9% of the pari-mutuel pool on each race in the case of not more
31   than 28 races per calendar year and for races run annually at the
32   Breeders' Cup World Cup Championships. This bill would allow a
33   casino and an out-of-State racetrack, instead, to negotiate the
34   amount the casino will pay for the transmission of simulcast horse
35   races from the out-of-State sending track.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 2626

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2014

The Senate State Government, Wagering, Tourism and Historic
Preservation Committee reports favorably Senate Bill No. 2626.

Current law limits the amount that a casino in Atlantic City may
pay to an out-of-State racetrack for the transmission of a simulcast
horse race to no more than 6% of the pari-mutuel pool on each race or
9% of the pari-mutuel pool on each race in the case of not more than
28 races per calendar year and for races run annually at the Breeders'
Cup World Cup Championships. This bill would allow a casino and an
out-of-State racetrack, instead, to negotiate the amount the casino will
pay for the transmission of simulcast horse races from the out-of-State
sending track.

ASSEMBLY, No. 3972

STATE OF NEW JERSEY

216th LEGISLATURE

INTRODUCED DECEMBER 11, 2014

Sponsored by:
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:
Assemblyman Johnson

SYNOPSIS
 Allows casino and out-of-State racetrack to negotiate amount casino will pay for simulcast races.

CURRENT VERSION OF TEXT
 As introduced.

(Sponsorship Updated As Of: 3/10/2015)

1   **AN ACT** allowing a casino and an out-of-State racetrack to negotiate
2   the amount the casino will pay for the transmission of simulcast
3   horse races and amending P.L.1992, c.19.

4

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

7

8   1.   Section 11 of P.L.1992, c.19, s.11 (C.5:12-201) is amended
9   to read as follows:
10   11. a. **[**Except as provided in subsection b. of this section, a**]** <u>A</u>
11   casino which receives a simulcast horse race from an out-of-State
12   sending track shall **[**not**]** pay the out-of-State sending track for the
13   transmission **[**an**]** <u>such</u> amount **[**equal to more than 6% of the
14   parimutuel pool on each race**]** <u>, if any, as may be agreed upon by</u>
15   <u>the casino and the out-of-state sending track</u>.
16   b.   **[**Subject to the approval of the New Jersey Racing
17   Commission and with respect to no more than 28 races per casino
18   per calendar year, plus the number of races run annually at the
19   Breeders' Cup World Championships, a casino may pay an out-of-
20   State sending track an amount equal to not more than 9% of the
21   parimutuel pool for the transmission of a race.**]** <u>(Deleted by</u>
22   <u>amendment, P.L.   , c.   (pending before the Legislature as this</u>
23   <u>bill.)</u>
24   (cf: P.L.2012, c.9, s.1)

25

26   2.   Section 13 of P.L.1992, c.19, s.13 (C.5:12-203) is amended
27   to read as follows:
28   13. Sums wagered at a casino on races being transmitted to that
29   casino from an out-of-State sending track shall be subject to the
30   takeout rate determined pursuant to section 12 of this act, and the
31   sums resulting from that takeout rate as applied to the parimutuel
32   pool generated at the casino shall be distributed as follows, subject
33   to the provisions of section 16 of this act:
34   a.   .50% of the parimutuel pool generated at the casino shall be
35   paid to the New Jersey Racing Commission for deposit in the
36   Casino Simulcasting Fund established pursuant to section 18 of this
37   act;
38   b.   the actual amount paid by the casino for the transmission of
39   the race **[**, which shall be not more than 6%, or if applicable not
40   more than 9%, of the parimutuel pool generated at the casino**]** shall
41   be paid to the casino to be used for payment to the out-of-State
42   sending track for the transmission of the race, as provided in section
43   11 of this act;
44   c.   in calendar years 1993, 1994, and 1995, 2% of the

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

Matter underlined <u>thus</u> is new matter.

1 parimutuel pool generated at the casino shall be paid to the New
2 Jersey Racing Commission for payment to the Atlantic City
3 Racetrack until a total of $100,000,000 in parimutuel pools has
4 been generated in wagering on simulcast races at all casinos in each
5 of those calendar years, except that if casino simulcasting in
6 Atlantic City begins after January 1, 1993 and before January 1,
7 1994, 2% of the parimutuel pool generated at the casino shall be
8 paid to the commission for payment to the Atlantic City Racetrack
9 until that portion of $100,000,000 determined by the following
10 formula has been generated in wagering at casinos on simulcast
11 races in 1993:

12 $$A/B = C/D$$

13 here: A = 365 minus (a) the number of racing days in 1993, other
14 than live racing days, prior to the commencement of casino
15 simulcasting in Atlantic City that the Atlantic City Racetrack
16 conducts simulcasting under the provisions of the "Simulcasting
17 Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions
18 of section 37 of P.L.1992, c.19 (C.5:5-125), and (b) the number of
19 live racing days conducted by the Atlantic City Racetrack in 1993;
20   B = 365 (the number of calendar days in 1993);
21   C = the amount of the parimutuel pool generated in wagering on
22 simulcast races in 1993 of which 2% is to be paid to the New Jersey
23 Racing Commission for payment to the Atlantic City Racetrack;
24   D = $100,000,000;
25   d.   of the amount remaining after the deduction of the amounts
26 under subsections a., b., and c. from the amount of the takeout rate,
27 55% shall be paid to the casino;
28   e.   .50% of the parimutuel pool generated at the casino shall be
29 paid to the New Jersey Racing Commission and shall be deposited
30 by that commission as follows:
31   (1) 50% in the special trust account established pursuant to or
32 specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b.
33 of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201
34 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as
35 appropriate, for use and distribution as provided in section
36 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section 2b.(1),
37 (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1)(a), (b),
38 and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a)(i), (ii),
39 and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and
40   (2) 50% in the special trust account established pursuant to or
41 specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-
42 66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
43 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
44 distribution as provided therein;
45   f.   .03% of the parimutuel pool generated at the casino shall be
46 paid to the New Jersey Racing Commission and set aside in the
47 special trust account for horse breeding and development for

1 distribution and use as provided in section 5 of P.L.1967, c.40
2 (C.5:5-88); and
3   g. the amount remaining after the deduction of the amounts
4 under subsections a., b., c., d., e., and f. from the amount of the
5 takeout rate shall be distributed as follows:
6   (1) 43% of that remaining amount shall be paid to the New
7 Jersey Racing Commission and shall be distributed by that
8 commission, on the basis of the following formula, among the New
9 Jersey racetracks for their own use:
10                              $A/B = C/D$
11 here: A = the gross parimutuel pool generated at each racetrack
12 during the preceding calendar year, including the parimutuel pool
13 on simulcast races;
14   B = the gross parimutuel pool generated at racetracks Statewide
15 during the preceding calendar year, including the parimutuel pool
16 on simulcast races;
17   C = the amount to be paid to each racetrack from the moneys
18 available for distribution pursuant to this paragraph;
19   D = the total amount of moneys available for distribution
20 pursuant to this paragraph;
21   (2) 43% of that remaining amount shall be paid to the New
22 Jersey Racing Commission and, subject to the provisions of section
23 14 of this act, shall be distributed by that commission, in the
24 following year and on the basis of the following formula, among the
25 New Jersey racetracks for payment as purse money and for
26 programs designed to aid horsemen and horsemen's organizations as
27 provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d.
28 of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
29 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
30 case of harness races, except that the amount distributed to
31 standardbred racetracks for payment as purse money may be
32 distributed as provided by a contractual agreement authorized under
33 section 11 of P.L.2013, c.266 (C.5:5-188), and section 46b.(1)(d) or
34 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
35 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
36 in the case of running races, except that the amount distributed to
37 thoroughbred racetracks for payment as purse money may be
38 distributed as provided by a contractual agreement authorized under
39 section 12 of P.L.2013, c.266 (C.5:5-189):
40                              $A/B = C/D$
41 here: A = the total amount distributed by each racetrack pursuant to
42 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
43 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
44 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the
45 case of harness races, or section 46b.(1)(d) or 46b.(2)(d) of
46 P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
47 98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case
48 of running races, during the preceding calendar year, plus any

1 additional amounts paid out by each racetrack for overnight purses
2 during the preceding calendar year from the permit holder's share of
3 the parimutuel pool;
4   B = the total amount distributed by racetracks Statewide pursuant
5 to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
6 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
7 (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in
8 the case of harness races, and pursuant to section 46b.(1)(d) and
9 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
10 c.201 (C.5:5-98), and section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-
11 7), in the case of running races, during the preceding calendar year,
12 plus any additional amounts paid out by racetracks for overnight
13 purses during the preceding calendar year from the permit holders'
14 share of the parimutuel pool;
15   C = the amount to be paid to each racetrack from the moneys
16 available for distribution pursuant to this paragraph;
17   D = the total amount of moneys available for distribution
18 pursuant to this paragraph; and
19   (3) 14% of that remaining amount shall be paid to the New
20 Jersey Racing Commission for deposit in the Casino Simulcasting
21 Special Fund established pursuant to section 15 of this act.
22   In addition, all breakage moneys and outstanding parimutuel
23 ticket moneys resulting from the wagering at the casino shall be
24 paid to the New Jersey Racing Commission and deposited in the
25 Casino Simulcasting Special Fund.
26   If a racetrack conducts both harness races and running races, the
27 moneys the racetrack receives for payment pursuant to paragraph
28 (2) of subsection g. above shall be distributed on the basis of the
29 following formula:
30                     $A/B = C/D$
31 here: A = the total amount distributed by the racetrack pursuant to
32 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
33 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
34 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
35 appropriate, in the case of harness races, plus any additional
36 amounts paid out by the racetrack for overnight purses for harness
37 races during the preceding calendar year from the permit holder's
38 share of the parimutuel pool, or pursuant to section 46b.(1)(d) or
39 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
40 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7),
41 as appropriate, in the case of running races, plus any additional
42 amounts paid out by the racetrack for overnight purses for running
43 races during the preceding calendar year from the permit holder's
44 share of the parimutuel pool, as the case may be;
45   B = the total amount distributed by the racetrack pursuant to
46 section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
47 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
48 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as

1   appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of
2   P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-
3   98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
4   appropriate, plus any additional amounts paid out by the racetrack
5   for overnight purses for both harness and running races during the
6   preceding calendar year from the permit holder's share of the
7   parimutuel pool;
8   C = the amount to be paid by the racetrack for overnight purse
9   money and for programs designed to aid horsemen and horsemen's
10   organizations as provided in section 46a.(4) of P.L.1940, c.17
11   (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section
12   5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of
13   P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section
14   46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2)
15   of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971,
16   c.137 (C.5:10-7), in the case of running races;
17   D = the total amount of moneys available to the racetrack for
18   distribution as overnight purse money and for programs designed to
19   aid horsemen and horsemen's organizations pursuant to this
20   paragraph.
21   (cf: P.L.2013, c.266, s.10)
22
23   3.   This act shall take effect immediately
24
25
26   STATEMENT
27
28   Current law limits the amount that a casino in Atlantic City may
29   pay to an out-of-State racetrack for the transmission of a simulcast
30   horse race to no more than 6% of the pari-mutuel pool on each race
31   or 9% of the pari-mutuel pool on each race in the case of not more
32   than 28 races per calendar year and for races run annually at the
33   Breeders' Cup World Cup Championships. This bill would allow a
34   casino and an out-of-State racetrack, instead, to negotiate the
35   amount the casino will pay for the transmission of simulcast horse
36   races from the out-of-State sending track.

ASSEMBLY TOURISM, GAMING AND THE ARTS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3972

STATE OF NEW JERSEY

DATED: MARCH 2, 2015

The Assembly Tourism, Gaming and the Arts Committee reports favorably Assembly Bill No. 3972.

Current law limits the amount that a casino in Atlantic City may pay to an out-of-State racetrack for the transmission of a simulcast horse race to no more than 6% of the pari-mutuel pool on each race or 9% of the pari-mutuel pool on each race in the case of not more than 28 races per calendar year and for races run annually at the Breeders' Cup World Championships. This bill would allow a casino and an out-of-State racetrack, instead, to negotiate the amount the casino will pay for the transmission of simulcast horse races from the out-of-State sending track.