

# 5:5-66

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2004 **CHAPTER:** 118

**NJSA:** 5:5-66 (Extends eligibility for thoroughbred breeder awards)

**BILL NO:** A2165 (Substituted for S968)

**SPONSOR(S):** Van Drew and others

**DATE INTRODUCED:** February 19, 2004

**COMMITTEE:** **ASSEMBLY:** Tourism and Gaming  
**SENATE:** Wagering, Tourism and Historic Preservation

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** June 24, 2004

**SENATE:** June 17, 2004

**DATE OF APPROVAL:** August 8, 2004

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) 1st reprint enacted

**A2165**

[SPONSOR'S STATEMENT:](#) (Begins on page 8 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** [ASSEMBLY:](#) [Yes](#)

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**S968**

[SPONSOR'S STATEMENT:](#) (Begins on page 9 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

P.L. 2004, CHAPTER 118, *approved August 8, 2004*  
Assembly, No. 2165 (*First Reprint*)

1 **AN ACT** extending eligibility for certain thoroughbred breeder awards,  
2 amending P.L.1940, c.17.

3

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

6

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

9 46. Every permitholder engaged in the business of conducting horse  
10 race meetings under this act, except the New Jersey Sports and  
11 Exposition Authority established pursuant to P.L.1971, c.137 (C.5:10-1  
12 et seq.), shall make disposition of the deposits remaining undistributed  
13 pursuant to section 44 of P.L.1940, c.17 (C.5:5-64) as follows:

14 a. In the case of harness races:

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

25 (2) Hold and set aside in an account designated as a special trust  
26 account 1.15% of such total contributions in all pools, to be used and  
27 distributed as hereinafter provided and as provided in section 5 of  
28 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

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

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

**<sup>1</sup> Senate SWT committee amendments adopted June 7, 2004.**

1 New Jersey before disbursing money for purse supplements;

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

4 (3) Retain 7.7875%, or in the case of races on a charity racing day  
5 7.20%, of so much of such total contributions for his own uses and  
6 purposes. Notwithstanding the foregoing, for pools where the patron  
7 is required to select two horses, the permitholder shall retain 8.7575%,  
8 or in the case of races on a charity racing day 7.70%, of the total  
9 contributions and for pools where the patron is required to select three  
10 or more horses, the permitholder shall retain 11.6675%, or in the case  
11 of races on a charity racing day 9.20%, of the total contributions. Each  
12 permitholder shall contribute out of its 11.6675% or 9.20% share of  
13 pools, where the patron is required to select three or more horses, a  
14 sum deemed necessary by the racing commission, to finance a prerace  
15 blood testing program, and such other testing programs which the  
16 commission shall deem proper and necessary and which shall be  
17 subject to the regulation and control of said commission.

18 (4) Distribute as purse money and for programs designed to aid the  
19 horsemen and the Standardbred Breeders' and Owners' Association of  
20 New Jersey 7.69375%, or in the case of races on a charity racing day  
21 7.40%, of such total contributions. Expenditures for programs  
22 designed to aid the horsemen and the Standardbred Breeders' and  
23 Owners' Association of New Jersey shall not exceed 3.2% of the sum  
24 available for distribution as purse money. The formula for distribution  
25 of the purse money as either overnight purses or special stakes shall be  
26 determined by an agreement between the Standardbred Breeders' and  
27 Owners' Association of New Jersey and the tracks. Notwithstanding the  
28 foregoing, for pools where the patron is required to select two or more  
29 horses, the permitholder shall distribute as purse money 8.42875%, or  
30 in the case of races on a charity racing day 7.90%, of the total  
31 contributions and for pools where the patron is required to select three  
32 or more horses, the permitholder shall distribute as purse money  
33 10.63375%, or in the case of races on a charity racing day 9.40%, of  
34 the total contributions. Notwithstanding the foregoing, for pools where  
35 a patron is required to select three or more horses, each permitholder  
36 shall retain out of the 10.63375% or 9.40% to be distributed as purse  
37 money a sum deemed necessary by the racing commission, for use by  
38 the commission to finance a prerace blood testing program, and such  
39 other testing programs which the commission shall deem proper and  
40 necessary and which shall be subject to the regulation and control of  
41 said commission.

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

1 three or more horses, the amount shall be 1.23375%.

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

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

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

20 b. In the case of running races:

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

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

34 (b) Hold and set aside in an account designated as a special trust  
35 account .05% of such total contributions to be used and distributed for  
36 State horse breeding and development programs, research, fairs, horse  
37 shows, youth activities, promotion and administration, as provided in  
38 section 5 of P.L.1967, c.40 (C.5:5-88).

39 (c) Retain 9.991%, or in the case of races on a charity racing day  
40 9.85%, of such total contributions for his own uses and purposes. For  
41 pools where the patron is required to select two horses, the  
42 permitholder shall retain 11.061%, or in the case of races on a charity  
43 racing day 10.92%, of the total contributions and for pools where the  
44 patron is required to select three or more horses, the permitholder shall  
45 retain 13.941%, or in the case of races on a charity racing day 13.33%,  
46 of the total contributions. Each permitholder shall contribute out of its  
47 13.941% or 13.33% share of pools, where the patron is required to

1 select three or more horses, a sum deemed necessary by the racing  
2 commission, to finance a prerace blood testing program, and such other  
3 testing programs which the commission shall deem proper and  
4 necessary and which shall be subject to the regulation and control of  
5 the commission.

6 (d) Distribute as purse money and for programs designed to aid the  
7 horsemen and the New Jersey Thoroughbred Horsemen's Association  
8 6.141%, or in the case of races on a charity racing day 6.00%, of such  
9 contributions. Notwithstanding the foregoing, for pools where the  
10 patron is required to select two horses, the permitholder shall distribute  
11 as purse money 7.071%, or in the case of races on a charity racing day  
12 6.93%, of such contributions and for pools where the patron is required  
13 to select three or more horses, the permitholder shall distribute as  
14 purse money 9.631%, or in the case of races on a charity racing day  
15 9.02%, of the total contributions. Expenditures for programs designed  
16 to aid the horsemen and the New Jersey Thoroughbred Horsemen's  
17 Association shall not exceed 2.5% of the sum available for distribution  
18 as purse money from all parimutuel pools. The formula for distribution  
19 of the purse money as either overnight purses or special stakes shall be  
20 determined by an agreement between the New Jersey Thoroughbred  
21 Horsemen's Association and the permitholder. Notwithstanding the  
22 foregoing, for pools where a patron is required to select three or more  
23 horses, each permitholder shall retain out of the 9.631% or 9.02% to  
24 be distributed as purse money a sum deemed necessary by the racing  
25 commission, for use by the commission to finance a prerace blood  
26 testing program, and such other testing programs which the  
27 commission shall deem proper and necessary and which shall be  
28 subject to the regulation and control of the commission.

29 (e) Deduct and set aside in a special trust account for the  
30 establishment and support by the commission of the thoroughbred  
31 breeding industry in New Jersey .8% of such total contributions, except  
32 that for pools where the patron is required to select three or more  
33 horses, the amount shall be 1.3%. The money in the special trust  
34 account shall be used to: (i) improve purses for closed races; (ii)  
35 provide awards to owners and breeders of registered New Jersey bred  
36 horses who earn portions of purses in open ~~[and]~~ or closed races at  
37 New Jersey race tracks or in closed races at an out-of-State track as part  
38 of a multi-state event to promote thoroughbred breeding, and to owners  
39 of stallions posted on the official stallion roster of the Thoroughbred  
40 Breeders' Association of New Jersey, which sire such New Jersey bred  
41 money earners; and (iii) provide awards to the New Jersey  
42 Thoroughbred Breeders' Association for programs beneficial to  
43 thoroughbred breeding in this State. In any calendar year in which  
44 there is a surplus in the special trust account, the surplus funds  
45 <sup>1</sup>[shall] <sup>1</sup>may<sup>1</sup> be used to provide awards to breeders <sup>1</sup>or owners <sup>1</sup>of  
46 registered New Jersey bred horses who earn portions of purses in races  
47 at an out-of-State racetrack <sup>1</sup>[in the United States]<sup>1</sup> held at least

1 1[15] 30<sup>1</sup> days before the start of the first thoroughbred meet of the  
2 calendar year <sup>1</sup>of more than 10 days' duration<sup>1</sup> at a racetrack in this  
3 State or at least <sup>1</sup>[15] 30<sup>1</sup> days following the conclusion of the last  
4 thoroughbred meet of the calendar year <sup>1</sup>of more than 10 days'  
5 duration<sup>1</sup> at a racetrack in this State ~~], and to provide awards to~~  
6 owners of stallions posted on the official stallion roster of the  
7 Thoroughbred Breeders' Association of New Jersey, which sire New  
8 Jersey bred or conceived money earners in such races]<sup>1</sup>. The New  
9 Jersey thoroughbred award program shall be administered and  
10 disbursed by the Thoroughbred Breeders' Association of New Jersey  
11 subject to the approval of the commission. The special trust account  
12 to be established pursuant to this paragraph shall be separate and apart  
13 from the special trust account established and maintained pursuant to  
14 subparagraph (b) of this paragraph.

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

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

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

26 (i) (Deleted by amendment, P.L.2002, c.103).

27 (j) Except as otherwise provided by law, not be subject to an  
28 admission or amusement tax, excise tax, license or horse racing fee of  
29 any kind by the State of New Jersey, or by any county or municipality,  
30 or by any other body having power to assess or collect license fees or  
31 taxes.

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

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

42 (b) Hold and set aside in an account designated as a special trust  
43 account .05% of such total contributions to be used and distributed for  
44 State horse breeding and development programs, research, fairs, horse  
45 shows, youth activities, promotion and administration, as provided in  
46 section 5 of P.L.1967, c.40 (C.5:5-88).

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

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

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

37 (e) Deduct and set aside in a special trust account for the  
38 establishment and support by the commission of the thoroughbred  
39 breeding industry in New Jersey .8% of such total contributions, except  
40 that for pools where the patron is required to select three or more  
41 horses, the amount shall be 1.29%. The money in the special trust  
42 account shall be used to: (i) improve purses for closed races; (ii)  
43 provide awards to owners and breeders of registered New Jersey bred  
44 horses who earn portions of purses in open [and] or closed races at  
45 New Jersey race tracks or in closed races at an out-of-State track as part  
46 of a multi-state event to promote thoroughbred breeding, and to owners  
47 of stallions posted on the official stallion roster of the Thoroughbred



1 Breeders' Association of New Jersey, which sire such New Jersey bred  
2 money earners; and (iii) provide awards to the New Jersey  
3 Thoroughbred Breeders' Association for programs beneficial to  
4 thoroughbred breeding in this State. In any calendar year in which  
5 there is a surplus in the special trust account, the surplus funds  
6 <sup>1</sup>[shall] <sup>1</sup>may<sup>1</sup> be used to provide awards to breeders <sup>1</sup>or owners<sup>1</sup> of  
7 registered New Jersey bred horses who earn portions of purses in races  
8 at an out-of-State racetrack <sup>1</sup>[in the United States] <sup>1</sup> held at least  
9 <sup>1</sup>[15] 30<sup>1</sup> days before the start of the first thoroughbred meet of the  
10 calendar year <sup>1</sup>of more than 10 days' duration<sup>1</sup> at a racetrack in this  
11 State or at least <sup>1</sup>[15] 30<sup>1</sup> days following the conclusion of the last  
12 thoroughbred meet of the calendar year at a racetrack <sup>1</sup>of more than 10  
13 days' duration<sup>1</sup> in this State <sup>1</sup>[, and to provide awards to owners of  
14 stallions posted on the official stallion roster of the Thoroughbred  
15 Breeders' Association of New Jersey, which sire New Jersey bred or  
16 conceived money earners in such races]<sup>1</sup>. The New Jersey  
17 thoroughbred award program shall be administered and disbursed by  
18 the Thoroughbred Breeders' Association of New Jersey subject to the  
19 approval of the commission. The special trust account to be  
20 established pursuant to this paragraph shall be separate and apart from  
21 the special trust account established and maintained pursuant to  
22 subparagraph (b) of this paragraph.

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

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

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

31 (i) (Deleted by amendment, P.L.2002, c.103).

32 (j) Except as otherwise provided by law, not be subject to an  
33 admission or amusement tax, excise tax, license or horse racing fee of  
34 any kind from any permitholder by the State of New Jersey, or by any  
35 county or municipality, or by any other body having power to assess or  
36 collect license fees or taxes.

37 (cf: P.L.2002, c.103, s.1)

38

39 2. This act shall take effect immediately and shall be retroactive to  
40 January 1, 2004.

41

42

43

44 Extends eligibility for thoroughbred breeder awards, in certain  
45 circumstances, to owners and breeders of New Jersey horses that win  
46 purse money in out-of-State races.

# ASSEMBLY, No. 2165

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED FEBRUARY 19, 2004

**Sponsored by:**

**Assemblyman JEFF VAN DREW**

**District 1 (Cape May, Atlantic and Cumberland)**

**Assemblyman MICHAEL PANTER**

**District 12 (Mercer and Monmouth)**

**Assemblyman ROBERT MORGAN**

**District 12 (Mercer and Monmouth)**

**Assemblyman RONALD S. DANCER**

**District 30 (Burlington, Mercer, Monmouth and Ocean)**

**Co-Sponsored by:**

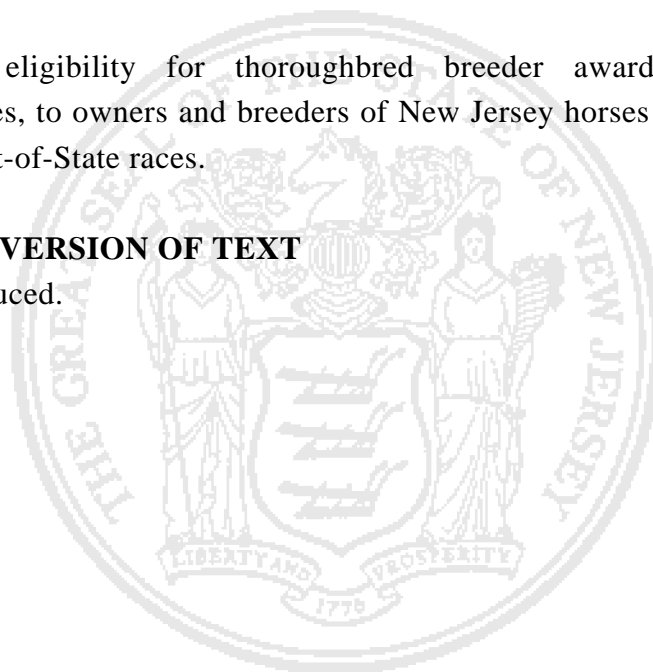
**Assemblyman Diegnan**

**SYNOPSIS**

Extends eligibility for thoroughbred breeder awards, in certain circumstances, to owners and breeders of New Jersey horses that win purse money in out-of-State races.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/12/2004)**

A2165 VAN DREW, PANTER

2

1 AN ACT extending eligibility for certain thoroughbred breeder awards,  
2 amending P.L.1940, c.17.

3

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

6

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

9 46. Every permitholder engaged in the business of conducting  
10 horse race meetings under this act, except the New Jersey Sports and  
11 Exposition Authority established pursuant to P.L.1971, c.137  
12 (C.5:10-1 et seq.), shall make disposition of the deposits remaining  
13 undistributed pursuant to section 44 of P.L.1940, c.17 (C.5:5-64) as  
14 follows:

15 a. In the case of harness races:

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

26 (2) Hold and set aside in an account designated as a special trust  
27 account 1.15% of such total contributions in all pools, to be used and  
28 distributed as hereinafter provided and as provided in section 5 of  
29 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

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

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

**Matter underlined thus is new matter.**

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

3 (3) Retain 7.7875%, or in the case of races on a charity racing day  
4 7.20%, of so much of such total contributions for his own uses and  
5 purposes. Notwithstanding the foregoing, for pools where the patron  
6 is required to select two horses, the permitholder shall retain 8.7575%,  
7 or in the case of races on a charity racing day 7.70%, of the total  
8 contributions and for pools where the patron is required to select three  
9 or more horses, the permitholder shall retain 11.6675%, or in the case  
10 of races on a charity racing day 9.20%, of the total contributions.  
11 Each permitholder shall contribute out of its 11.6675% or 9.20% share  
12 of pools, where the patron is required to select three or more horses,  
13 a sum deemed necessary by the racing commission, to finance a  
14 prerace blood testing program, and such other testing programs which  
15 the commission shall deem proper and necessary and which shall be  
16 subject to the regulation and control of said commission.

17 (4) Distribute as purse money and for programs designed to aid the  
18 horsemen and the Standardbred Breeders' and Owners' Association of  
19 New Jersey 7.69375%, or in the case of races on a charity racing day  
20 7.40%, of such total contributions. Expenditures for programs  
21 designed to aid the horsemen and the Standardbred Breeders' and  
22 Owners' Association of New Jersey shall not exceed 3.2% of the sum  
23 available for distribution as purse money. The formula for distribution  
24 of the purse money as either overnight purses or special stakes shall be  
25 determined by an agreement between the Standardbred Breeders' and  
26 Owners' Association of New Jersey and the tracks. Notwithstanding  
27 the foregoing, for pools where the patron is required to select two or  
28 more horses, the permitholder shall distribute as purse money  
29 8.42875%, or in the case of races on a charity racing day 7.90%, of  
30 the total contributions and for pools where the patron is required to  
31 select three or more horses, the permitholder shall distribute as purse  
32 money 10.63375%, or in the case of races on a charity racing day  
33 9.40%, of the total contributions. Notwithstanding the foregoing, for  
34 pools where a patron is required to select three or more horses, each  
35 permitholder shall retain out of the 10.63375% or 9.40% to be  
36 distributed as purse money a sum deemed necessary by the racing  
37 commission, for use by the commission to finance a prerace blood  
38 testing program, and such other testing programs which the  
39 commission shall deem proper and necessary and which shall be  
40 subject to the regulation and control of said commission.

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

1 (6) In the case of races on a racing day other than a charity racing  
2 day, distribute to the Sire Stakes Program for standardbred horses  
3 .05% of such total contributions, except that for pools where the  
4 patron is required to select two or more horses, the amount shall be  
5 .09%, and for pools where the patron is required to select three or  
6 more horses, the amount shall be .21%.

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

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

19 b. In the case of running races:

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

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

33 (b) Hold and set aside in an account designated as a special trust  
34 account .05% of such total contributions to be used and distributed for  
35 State horse breeding and development programs, research, fairs, horse  
36 shows, youth activities, promotion and administration, as provided in  
37 section 5 of P.L.1967, c.40 (C.5:5-88).

38 (c) Retain 9.991%, or in the case of races on a charity racing day  
39 9.85%, of such total contributions for his own uses and purposes. For  
40 pools where the patron is required to select two horses, the  
41 permitholder shall retain 11.061%, or in the case of races on a charity  
42 racing day 10.92%, of the total contributions and for pools where the  
43 patron is required to select three or more horses, the permitholder  
44 shall retain 13.941%, or in the case of races on a charity racing day  
45 13.33%, of the total contributions. Each permitholder shall contribute  
46 out of its 13.941% or 13.33% share of pools, where the patron is

1 required to select three or more horses, a sum deemed necessary by  
2 the racing commission, to finance a prerace blood testing program, and  
3 such other testing programs which the commission shall deem proper  
4 and necessary and which shall be subject to the regulation and control  
5 of the commission.

6 (d) Distribute as purse money and for programs designed to aid the  
7 horsemen and the New Jersey Thoroughbred Horsemen's Association  
8 6.141%, or in the case of races on a charity racing day 6.00%, of such  
9 contributions. Notwithstanding the foregoing, for pools where the  
10 patron is required to select two horses, the permitholder shall  
11 distribute as purse money 7.071%, or in the case of races on a charity  
12 racing day 6.93%, of such contributions and for pools where the  
13 patron is required to select three or more horses, the permitholder  
14 shall distribute as purse money 9.631%, or in the case of races on a  
15 charity racing day 9.02%, of the total contributions. Expenditures for  
16 programs designed to aid the horsemen and the New Jersey  
17 Thoroughbred Horsemen's Association shall not exceed 2.5% of the  
18 sum available for distribution as purse money from all parimutuel  
19 pools. The formula for distribution of the purse money as either  
20 overnight purses or special stakes shall be determined by an agreement  
21 between the New Jersey Thoroughbred Horsemen's Association and  
22 the permitholder. Notwithstanding the foregoing, for pools where a  
23 patron is required to select three or more horses, each permitholder  
24 shall retain out of the 9.631% or 9.02% to be distributed as purse  
25 money a sum deemed necessary by the racing commission, for use by  
26 the commission to finance a prerace blood testing program, and such  
27 other testing programs which the commission shall deem proper and  
28 necessary and which shall be subject to the regulation and control of  
29 the commission.

30 (e) Deduct and set aside in a special trust account for the  
31 establishment and support by the commission of the thoroughbred  
32 breeding industry in New Jersey .8% of such total contributions,  
33 except that for pools where the patron is required to select three or  
34 more horses, the amount shall be 1.3%. The money in the special trust  
35 account shall be used to: (i) improve purses for closed races; (ii)  
36 provide awards to owners and breeders of registered New Jersey bred  
37 horses who earn portions of purses in open [and] or closed races at  
38 New Jersey race tracks or in closed races at an out-of-State track as  
39 part of a multi-state event to promote thoroughbred breeding, and to  
40 owners of stallions posted on the official stallion roster of the  
41 Thoroughbred Breeders' Association of New Jersey, which sire such  
42 New Jersey bred money earners; and (iii) provide awards to the New  
43 Jersey Thoroughbred Breeders' Association for programs beneficial to  
44 thoroughbred breeding in this State. In any calendar year in which  
45 there is a surplus in the special trust account, the surplus funds shall  
46 be used to provide awards to breeders of registered New Jersey bred

1 horses who earn portions of purses in races at an out-of-State  
2 racetrack in the United States held at least 15 days before the start of  
3 the first thoroughbred meet of the calendar year at a racetrack in this  
4 State or at least 15 days following the conclusion of the last  
5 thoroughbred meet of the calendar year at a racetrack in this State,  
6 and to provide awards to owners of stallions posted on the official  
7 stallion roster of the Thoroughbred Breeders' Association of New  
8 Jersey, which sire New Jersey bred or conceived money earners in  
9 such races. The New Jersey thoroughbred award program shall be  
10 administered and disbursed by the Thoroughbred Breeders'  
11 Association of New Jersey subject to the approval of the commission.  
12 The special trust account to be established pursuant to this paragraph  
13 shall be separate and apart from the special trust account established  
14 and maintained pursuant to subparagraph (b) of this paragraph.

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

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

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

26 (i) (Deleted by amendment, P.L.2002, c.103).

27 (j) Except as otherwise provided by law, not be subject to an  
28 admission or amusement tax, excise tax, license or horse racing fee of  
29 any kind by the State of New Jersey, or by any county or municipality,  
30 or by any other body having power to assess or collect license fees or  
31 taxes.

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

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

42 (b) Hold and set aside in an account designated as a special trust  
43 account .05% of such total contributions to be used and distributed for  
44 State horse breeding and development programs, research, fairs, horse  
45 shows, youth activities, promotion and administration, as provided in  
46 section 5 of P.L.1967, c.40 (C.5:5-88).

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

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

39 (e) Deduct and set aside in a special trust account for the  
40 establishment and support by the commission of the thoroughbred  
41 breeding industry in New Jersey .8% of such total contributions,  
42 except that for pools where the patron is required to select three or  
43 more horses, the amount shall be 1.29%. The money in the special  
44 trust account shall be used to: (i) improve purses for closed races; (ii)  
45 provide awards to owners and breeders of registered New Jersey bred  
46 horses who earn portions of purses in open [and] or closed races at



1 New Jersey race tracks or in closed races at an out-of-State track as  
2 part of a multi-state event to promote thoroughbred breeding, and to  
3 owners of stallions posted on the official stallion roster of the  
4 Thoroughbred Breeders' Association of New Jersey, which sire such  
5 New Jersey bred money earners; and (iii) provide awards to the New  
6 Jersey Thoroughbred Breeders' Association for programs beneficial to  
7 thoroughbred breeding in this State. In any calendar year in which  
8 there is a surplus in the special trust account, the surplus funds shall  
9 be used to provide awards to breeders of registered New Jersey bred  
10 horses who earn portions of purses in races at an out-of-State  
11 racetrack in the United States held at least 15 days before the start of  
12 the first thoroughbred meet of the calendar year at a racetrack in this  
13 State or at least 15 days following the conclusion of the last  
14 thoroughbred meet of the calendar year at a racetrack in this State,  
15 and to provide awards to owners of stallions posted on the official  
16 stallion roster of the Thoroughbred Breeders' Association of New  
17 Jersey, which sire New Jersey bred or conceived money earners in  
18 such races. The New Jersey thoroughbred award program shall be  
19 administered and disbursed by the Thoroughbred Breeders'  
20 Association of New Jersey subject to the approval of the commission.  
21 The special trust account to be established pursuant to this paragraph  
22 shall be separate and apart from the special trust account established  
23 and maintained pursuant to subparagraph (b) of this paragraph.

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

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

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

32 (i) (Deleted by amendment, P.L.2002, c.103).

33 (j) Except as otherwise provided by law, not be subject to an  
34 admission or amusement tax, excise tax, license or horse racing fee of  
35 any kind from any permitholder by the State of New Jersey, or by any  
36 county or municipality, or by any other body having power to assess  
37 or collect license fees or taxes.

38 (cf: P.L.2002, c.103, s.1)

39

40 2. This act shall take effect immediately and shall be retroactive to  
41 January 1, 2004.

42

43

#### STATEMENT

44

45 Under current law, a portion of each wager on the result of certain  
46 horse races is dedicated to a fund to benefit the thoroughbred breeding

1 industry in this State. The current law provides for a breeding  
2 incentive program consisting in part of monetary awards to the owners  
3 and breeders of New Jersey bred thoroughbred horses that win purse  
4 money in New Jersey thoroughbred races, and to the owners of  
5 stallions who sire such horses. Because the number of thoroughbred  
6 racing dates has declined over the years, there have been fewer and  
7 fewer opportunities for New Jersey bred horses to compete, and  
8 therefore fewer breeding awards have been given. As a result, the  
9 thoroughbred breeding fund has experienced a surplus in recent years.

10 This bill would expand eligibility for thoroughbred breeding awards  
11 to the breeders of registered New Jersey bred horses who win portions  
12 of purses in out-of-State thoroughbred races held at least 15 days  
13 before the start of the first thoroughbred meet of the calendar year in  
14 this State (the Monmouth Park thoroughbred meet typically begins in  
15 May) and at least 15 days following the conclusion of the last  
16 thoroughbred meet of the calendar year in this State (the Meadowlands  
17 Racetrack thoroughbred meet typically ends in November). The bill  
18 would also grant awards to the owners of the stallions that sire such  
19 New Jersey bred horses, or that sire horses conceived in New Jersey  
20 but raised outside of the State who win portions of purses of such out-  
21 of-State races. The awards would be provided only in those calendar  
22 years in which there is a surplus in the thoroughbred breeding fund and  
23 the awards made under this bill would be paid from that surplus. The  
24 intent of the bill is to increase incentives for the breeding of horses in  
25 New Jersey.

# ASSEMBLY TOURISM AND GAMING COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 2165

# STATE OF NEW JERSEY

DATED: FEBRUARY 26, 2004

The Assembly Tourism and Gaming Committee reports favorably Assembly, No. 2165.

Under current law, a portion of each wager on the result of certain horse races is dedicated to a fund to benefit the thoroughbred breeding industry in this State. The current law provides for a breeding incentive program consisting in part of monetary awards to the owners and breeders of New Jersey bred thoroughbred horses that win purse money in New Jersey thoroughbred races, and to the owners of stallions who sire such horses. Because the number of thoroughbred racing dates has declined over the years, there have been fewer and fewer opportunities for New Jersey bred horses to compete, and therefore fewer breeding awards have been given. As a result, the thoroughbred breeding fund has experienced a surplus in recent years.

This bill expands eligibility for thoroughbred breeding awards to the breeders of registered New Jersey bred horses who win portions of purses in out-of-State thoroughbred races held at least 15 days before the start of the first thoroughbred meet of the calendar year in this State (the Monmouth Park thoroughbred meet typically begins in May) and at least 15 days following the conclusion of the last thoroughbred meet of the calendar year in this State (the Meadowlands Racetrack thoroughbred meet typically ends in November). The bill also grants awards to the owners of the stallions that sire such New Jersey bred horses, or that sire horses conceived in New Jersey but raised outside of the State who win portions of purses of such out-of-State races. The awards would be provided only in those calendar years in which there is a surplus in the thoroughbred breeding fund and the awards made under this bill would be paid from that surplus. The intent of the bill is to increase incentives for the breeding of horses in New Jersey.

SENATE WAGERING, TOURISM AND HISTORIC  
PRESERVATION COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2165**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 7, 2004

The Senate Wagering, Tourism and Historic Preservation Committee reports favorably and with committee amendments Assembly, No. 2165.

Under current law, a portion of each wager on the result of certain horse races is dedicated to a fund to benefit the thoroughbred breeding industry in this State. The current law provides for a breeding incentive program consisting in part of monetary awards to the owners and breeders of New Jersey bred thoroughbred horses that win purse money in New Jersey thoroughbred races, and to the owners of stallions who sire such horses. Because the number of thoroughbred racing dates has declined over the years, there have been fewer and fewer opportunities for New Jersey bred horses to compete, and therefore fewer breeding awards have been given. The Thoroughbred Breeders' Association of New Jersey (TBA), which administers the program, anticipates a surplus in the fund in the coming years.

As amended by the committee, this bill allows the TBA to provide thoroughbred breeding awards to the breeders or owners (or both, at the option of the TBA) of registered New Jersey bred horses who win purse money in out-of-State thoroughbred races held at least 30 days before the start of the first thoroughbred meet of the calendar year of more than 10 days' duration in this State (the Monmouth Park thoroughbred meet typically begins in May) and at least 30 days following the conclusion of the last thoroughbred meet of the calendar year of more than 10 days' duration in this State (the Meadowlands Racetrack thoroughbred meet typically ends in November). The awards would be provided only in those calendar years in which there is a surplus in the thoroughbred breeding fund and the awards made under this bill would be paid from that surplus.

The committee adopted amendments to give the Thoroughbred Breeders' Association of New Jersey the option of giving awards to owners or breeders (or both) of New Jersey bred horses that win purse money in out-of-State races at any racetrack. Previously under the bill, the TBA would have been required to provide the awards, and

only to breeders (not owners) of the winning horses in races conducted only in the United States.

The committee also adopted an amendment to extend the exclusion period during which breeding awards for out-of-State races could not be awarded from 15 days to 30 days before the start of the first thoroughbred meet of the calendar year of more than 10 days' duration in this State and from 15 days to 30 days following the conclusion of the last thoroughbred meet of the calendar year of more than 10 days' duration in this State.

Finally, the committee adopted an amendment to eliminate a provision that would have allowed the TBA to provide awards to the owners of registered New Jersey stallions that sire New Jersey bred horses that win purse money in out-of-State races.

All of these amendments were requested by the TBA, the entity that administers the breeding award program.

As reported, this bill is identical to S968 (1R).

**SENATE, No. 968**

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**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

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INTRODUCED FEBRUARY 9, 2004

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Salem, Cumberland and Gloucester)**

**SYNOPSIS**

Extends eligibility for thoroughbred breeder awards, in certain circumstances, to owners and breeders of New Jersey horses that win purse money in out-of-State races.

**CURRENT VERSION OF TEXT**

As introduced.



S968 SWEENEY

2

1 AN ACT extending eligibility for certain thoroughbred breeder awards,  
2 amending P.L.1940, c.17.

3

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

6

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

9 46. Every permitholder engaged in the business of conducting  
10 horse race meetings under this act, except the New Jersey Sports and  
11 Exposition Authority established pursuant to P.L.1971, c.137  
12 (C.5:10-1 et seq.), shall make disposition of the deposits remaining  
13 undistributed pursuant to section 44 of P.L.1940, c.17 (C.5:5-64) as  
14 follows:

15 a. In the case of harness races:

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

26 (2) Hold and set aside in an account designated as a special trust  
27 account 1.15% of such total contributions in all pools, to be used and  
28 distributed as hereinafter provided and as provided in section 5 of  
29 P.L.1967, c.40 (C.5:5-88), for the following purposes and no other:

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

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

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

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

**Matter underlined thus is new matter.**

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

3 (3) Retain 7.7875%, or in the case of races on a charity racing day  
4 7.20%, of so much of such total contributions for his own uses and  
5 purposes. Notwithstanding the foregoing, for pools where the patron  
6 is required to select two horses, the permitholder shall retain 8.7575%,  
7 or in the case of races on a charity racing day 7.70%, of the total  
8 contributions and for pools where the patron is required to select three  
9 or more horses, the permitholder shall retain 11.6675%, or in the case  
10 of races on a charity racing day 9.20%, of the total contributions.  
11 Each permitholder shall contribute out of its 11.6675% or 9.20% share  
12 of pools, where the patron is required to select three or more horses,  
13 a sum deemed necessary by the racing commission, to finance a  
14 prerace blood testing program, and such other testing programs which  
15 the commission shall deem proper and necessary and which shall be  
16 subject to the regulation and control of said commission.

17 (4) Distribute as purse money and for programs designed to aid the  
18 horsemen and the Standardbred Breeders' and Owners' Association of  
19 New Jersey 7.69375%, or in the case of races on a charity racing day  
20 7.40%, of such total contributions. Expenditures for programs  
21 designed to aid the horsemen and the Standardbred Breeders' and  
22 Owners' Association of New Jersey shall not exceed 3.2% of the sum  
23 available for distribution as purse money. The formula for  
24 distribution of the purse money as either overnight purses or special  
25 stakes shall be determined by an agreement between the Standardbred  
26 Breeders' and Owners' Association of New Jersey and the tracks.  
27 Notwithstanding the foregoing, for pools where the patron is required  
28 to select two or more horses, the permitholder shall distribute as purse  
29 money 8.42875%, or in the case of races on a charity racing day  
30 7.90%, of the total contributions and for pools where the patron is  
31 required to select three or more horses, the permitholder shall  
32 distribute as purse money 10.63375%, or in the case of races on a  
33 charity racing day 9.40%, of the total contributions. Notwithstanding  
34 the foregoing, for pools where a patron is required to select three or  
35 more horses, each permitholder shall retain out of the 10.63375% or  
36 9.40% to be distributed as purse money a sum deemed necessary by  
37 the racing commission, for use by the commission to finance a prerace  
38 blood testing program, and such other testing programs which the  
39 commission shall deem proper and necessary and which shall be  
40 subject to the regulation and control of said commission.

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



1 three or more horses, the amount shall be 1.23375%.

2 (6) In the case of races on a racing day other than a charity racing  
3 day, distribute to the Sire Stakes Program for standardbred horses  
4 .05% of such total contributions, except that for pools where the  
5 patron is required to select two or more horses, the amount shall be  
6 .09%, and for pools where the patron is required to select three or  
7 more horses, the amount shall be .21%.

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

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

20 b. In the case of running races:

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

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

34 (b) Hold and set aside in an account designated as a special trust  
35 account .05% of such total contributions to be used and distributed for  
36 State horse breeding and development programs, research, fairs, horse  
37 shows, youth activities, promotion and administration, as provided in  
38 section 5 of P.L.1967, c.40 (C.5:5-88).

39 (c) Retain 9.991%, or in the case of races on a charity racing day  
40 9.85%, of such total contributions for his own uses and purposes. For  
41 pools where the patron is required to select two horses, the  
42 permitholder shall retain 11.061%, or in the case of races on a charity  
43 racing day 10.92%, of the total contributions and for pools where the  
44 patron is required to select three or more horses, the permitholder  
45 shall retain 13.941%, or in the case of races on a charity racing day  
46 13.33%, of the total contributions. Each permitholder shall contribute

1 out of its 13.941% or 13.33% share of pools, where the patron is  
2 required to select three or more horses, a sum deemed necessary by  
3 the racing commission, to finance a prerace blood testing program, and  
4 such other testing programs which the commission shall deem proper  
5 and necessary and which shall be subject to the regulation and control  
6 of the commission.

7 (d) Distribute as purse money and for programs designed to aid the  
8 horsemen and the New Jersey Thoroughbred Horsemen's Association  
9 6.141%, or in the case of races on a charity racing day 6.00%, of such  
10 contributions. Notwithstanding the foregoing, for pools where the  
11 patron is required to select two horses, the permitholder shall  
12 distribute as purse money 7.071%, or in the case of races on a charity  
13 racing day 6.93%, of such contributions and for pools where the  
14 patron is required to select three or more horses, the permitholder  
15 shall distribute as purse money 9.631%, or in the case of races on a  
16 charity racing day 9.02%, of the total contributions. Expenditures for  
17 programs designed to aid the horsemen and the New Jersey  
18 Thoroughbred Horsemen's Association shall not exceed 2.5% of the  
19 sum available for distribution as purse money from all parimutuel  
20 pools. The formula for distribution of the purse money as either  
21 overnight purses or special stakes shall be determined by an agreement  
22 between the New Jersey Thoroughbred Horsemen's Association and  
23 the permitholder. Notwithstanding the foregoing, for pools where a  
24 patron is required to select three or more horses, each permitholder  
25 shall retain out of the 9.631% or 9.02% to be distributed as purse  
26 money a sum deemed necessary by the racing commission, for use by  
27 the commission to finance a prerace blood testing program, and such  
28 other testing programs which the commission shall deem proper and  
29 necessary and which shall be subject to the regulation and control of  
30 the commission.

31 (e) Deduct and set aside in a special trust account for the  
32 establishment and support by the commission of the thoroughbred  
33 breeding industry in New Jersey .8% of such total contributions,  
34 except that for pools where the patron is required to select three or  
35 more horses, the amount shall be 1.3%. The money in the special trust  
36 account shall be used to: (i) improve purses for closed races; (ii)  
37 provide awards to owners and breeders of registered New Jersey bred  
38 horses who earn portions of purses in open [and] or closed races at  
39 New Jersey race tracks or in closed races at an out-of-State track as  
40 part of a multi-state event to promote thoroughbred breeding, and to  
41 owners of stallions posted on the official stallion roster of the  
42 Thoroughbred Breeders' Association of New Jersey, which sire such  
43 New Jersey bred money earners; and (iii) provide awards to the New  
44 Jersey Thoroughbred Breeders' Association for programs beneficial to  
45 thoroughbred breeding in this State. In any calendar year in which  
46 there is a surplus in the special trust account, the surplus funds shall

1 be used to provide awards to breeders of registered New Jersey bred  
2 horses who earn portions of purses in races at an out-of-State  
3 racetrack in the United States held at least 15 days before the start of  
4 the first thoroughbred meet of the calendar year at a racetrack in this  
5 State or at least 15 days following the conclusion of the last  
6 thoroughbred meet of the calendar year at a racetrack in this State,  
7 and to provide awards to owners of stallions posted on the official  
8 stallion roster of the Thoroughbred Breeders' Association of New  
9 Jersey, which sire New Jersey bred or conceived money earners in  
10 such races. The New Jersey thoroughbred award program shall be  
11 administered and disbursed by the Thoroughbred Breeders'  
12 Association of New Jersey subject to the approval of the commission.  
13 The special trust account to be established pursuant to this paragraph  
14 shall be separate and apart from the special trust account established  
15 and maintained pursuant to subparagraph (b) of this paragraph.

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

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

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

27 (i) (Deleted by amendment, P.L.2002, c.103).

28 (j) Except as otherwise provided by law, not be subject to an  
29 admission or amusement tax, excise tax, license or horse racing fee of  
30 any kind by the State of New Jersey, or by any county or municipality,  
31 or by any other body having power to assess or collect license fees or  
32 taxes.

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

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

43 (b) Hold and set aside in an account designated as a special trust  
44 account .05% of such total contributions to be used and distributed for  
45 State horse breeding and development programs, research, fairs, horse  
46 shows, youth activities, promotion and administration, as provided in

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

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

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

40 (e) Deduct and set aside in a special trust account for the  
41 establishment and support by the commission of the thoroughbred  
42 breeding industry in New Jersey .8% of such total contributions,  
43 except that for pools where the patron is required to select three or  
44 more horses, the amount shall be 1.29%. The money in the special  
45 trust account shall be used to: (i) improve purses for closed races; (ii)  
46 provide awards to owners and breeders of registered New Jersey bred

1 horses who earn portions of purses in open [and] or closed races at  
2 New Jersey race tracks or in closed races at an out-of-State track as  
3 part of a multi-state event to promote thoroughbred breeding, and to  
4 owners of stallions posted on the official stallion roster of the  
5 Thoroughbred Breeders' Association of New Jersey, which sire such  
6 New Jersey bred money earners; and (iii) provide awards to the New  
7 Jersey Thoroughbred Breeders' Association for programs beneficial to  
8 thoroughbred breeding in this State. In any calendar year in which  
9 there is a surplus in the special trust account, the surplus funds shall  
10 be used to provide awards to breeders of registered New Jersey bred  
11 horses who earn portions of purses in races at an out-of-State  
12 racetrack in the United States held at least 15 days before the start of  
13 the first thoroughbred meet of the calendar year at a racetrack in this  
14 State or at least 15 days following the conclusion of the last  
15 thoroughbred meet of the calendar year at a racetrack in this State,  
16 and to provide awards to owners of stallions posted on the official  
17 stallion roster of the Thoroughbred Breeders' Association of New  
18 Jersey, which sire New Jersey bred or conceived money earners in  
19 such races. The New Jersey thoroughbred award program shall be  
20 administered and disbursed by the Thoroughbred Breeders'  
21 Association of New Jersey subject to the approval of the commission.  
22 The special trust account to be established pursuant to this paragraph  
23 shall be separate and apart from the special trust account established  
24 and maintained pursuant to subparagraph (b) of this paragraph.

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

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

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

33 (i) (Deleted by amendment, P.L.2002, c.103).

34 (j) Except as otherwise provided by law, not be subject to an  
35 admission or amusement tax, excise tax, license or horse racing fee of  
36 any kind from any permitholder by the State of New Jersey, or by any  
37 county or municipality, or by any other body having power to assess  
38 or collect license fees or taxes.

39 (cf: P.L.2002, c.103, s.1)

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41 2. This act shall take effect immediately and shall be retroactive to  
42 January 1, 2004.

STATEMENT

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Under current law, a portion of each wager on the result of certain horse races is dedicated to a fund to benefit the thoroughbred breeding industry in this State. The current law provides for a breeding incentive program consisting in part of monetary awards to the owners and breeders of New Jersey bred thoroughbred horses that win purse money in New Jersey thoroughbred races, and to the owners of stallions who sire such horses. Because the number of thoroughbred racing dates has declined over the years, there have been fewer and fewer opportunities for New Jersey bred horses to compete, and therefore fewer breeding awards have been given. As a result, the thoroughbred breeding fund has experienced a surplus in recent years.

This bill would expand eligibility for thoroughbred breeding awards to the breeders of registered New Jersey bred horses who win portions of purses in out-of-State thoroughbred races held at least 15 days before the start of the first thoroughbred meet of the calendar year in this State (the Monmouth Park thoroughbred meet typically begins in May) and at least 15 days following the conclusion of the last thoroughbred meet of the calendar year in this State (the Meadowlands Racetrack thoroughbred meet typically ends in November). The bill would also grant awards to the owners of the stallions that sire such New Jersey bred horses, or that sire horses conceived in New Jersey but raised outside of the State who win portions of purses of such out-of-State races. The awards would be provided only in those calendar years in which there is a surplus in the thoroughbred breeding fund and the awards made under this bill would be paid from that surplus. The intent of the bill is to increase incentives for the breeding of horses in New Jersey.

SENATE WAGERING, TOURISM AND HISTORIC  
PRESERVATION COMMITTEE

STATEMENT TO

**SENATE, No. 968**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 7, 2004

The Senate Wagering, Tourism and Historic Preservation Committee reports favorably and with committee amendments Senate, No. 968.

Under current law, a portion of each wager on the result of certain horse races is dedicated to a fund to benefit the thoroughbred breeding industry in this State. The current law provides for a breeding incentive program consisting in part of monetary awards to the owners and breeders of New Jersey bred thoroughbred horses that win purse money in New Jersey thoroughbred races, and to the owners of stallions who sire such horses. Because the number of thoroughbred racing dates has declined over the years, there have been fewer and fewer opportunities for New Jersey bred horses to compete, and therefore fewer breeding awards have been given. The Thoroughbred Breeders' Association of New Jersey (TBA), which administers the program, anticipates a surplus in the fund in the coming years.

As amended by the committee, this bill allows the TBA to provide thoroughbred breeding awards to the breeders or owners (or both, at the option of the TBA) of registered New Jersey bred horses who win purse money in out-of-State thoroughbred races held at least 30 days before the start of the first thoroughbred meet of the calendar year of more than 10 days' duration in this State (the Monmouth Park thoroughbred meet typically begins in May) and at least 30 days following the conclusion of the last thoroughbred meet of the calendar year of more than 10 days' duration in this State (the Meadowlands Racetrack thoroughbred meet typically ends in November). The awards would be provided only in those calendar years in which there is a surplus in the thoroughbred breeding fund and the awards made under this bill would be paid from that surplus.

The committee adopted amendments to give the Thoroughbred Breeders' Association of New Jersey the option of giving awards to owners or breeders (or both) of New Jersey bred horses that win purse money in out-of-State races at any racetrack. Previously under the bill, the TBA would have been required to provide the awards, and

only to breeders (not owners) of the winning horses in races conducted only in the United States.

The committee also adopted an amendment to extend the exclusion period during which breeding awards for out-of-State races could not be awarded from 15 days to 30 days before the start of the first thoroughbred meet of the calendar year of more than 10 days' duration in this State and from 15 days to 30 days following the conclusion of the last thoroughbred meet of the calendar year of more than 10 days' duration in this State.

Finally, the committee adopted an amendment to eliminate a provision that would have allowed the TBA to provide awards to the owners of registered New Jersey stallions that sire New Jersey bred horses that win purse money in out-of-State races.

All of these amendments were requested by the TBA, the entity that administers the breeding award program.

As reported, this bill is identical to A2165 (1R).