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RWH 2/29/08

P.L. 2006, CHAPTER 19, *approved May 25, 2006*
Senate, No. 1068 (*First Reprint*)

1 AN ACT concerning the regulation of horse racing and wagering
2 thereon **['[,] and¹]** supplementing Title 5 of the Revised Statutes
3 **['[and amending P.L.2001, c.199]'**.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. (New section) Notwithstanding the provisions of any other
9 law to the contrary, the New Jersey Racing Commission, in
10 effectuating its responsibilities under P.L.1940, c.17 (C.5:5-22 et
11 seq.), the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et
12 seq.), the "Off-Track and Account Wagering Act," P.L.2001, c.199
13 (C.5:5-127 et seq.), and the "Casino Simulcasting Act," P.L.1992,
14 c.19 (C.5:12-191 et seq.), and under such circumstances and for
15 such races as the commission shall deem appropriate, shall:

16 at the request of a permitholder, allow a permitholder to offer a
17 future wager consisting of wagering on prospective entrants for
18 specific races, with wagering conducted in advance, one or more
19 parimutuel pools formed and closed on dates prior to the date of the
20 race, and all wagers considered final and no refunds paid even if,
21 for any reason, an entrant fails to participate in the race;

22 provide that the minimum wager amount that may be placed on a
23 horse race may be \$0.10 or greater;

24 provide that, after three years following the date of purchase,
25 unclaimed cash vouchers shall be paid 50% to the permitholder at
26 the location where purchased and 50% to the purse account at the
27 location where purchased, provided that if the permitholder
28 conducts both harness and thoroughbred races the purse amount
29 shall be divided equally between the harness and thoroughbred
30 purse accounts;

31 at the request of a permitholder or the operator of a casino
32 simulcasting facility, allow the permitholder or the operator of a
33 casino simulcasting facility to accept a wager in advance of a race
34 at an in-State or out-of-State sending track under a simulcast
35 agreement without receiving a simulcast transmission thereof or
36 displaying live video thereof when the race is to be conducted
37 between the hours of 11:00 PM and 11:00 AM local New Jersey
38 time, or at such other times as the commission shall permit due to
39 extenuating circumstances; and

40 allow a permitholder to pay an amount due a winning
41 ticketholder, notwithstanding that the ticketholder is unable to
42 produce the actual ticket, if the permitholder is able to verify
43 independently through electronic or other means approved by 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 thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SWT committee amendments adopted March 2, 2006.

1 commission that the ticketholder purchased the ticket.

2

3 ¹[2. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to
4 read as follows:

5 3. As used in this act:

6 "Account holder" means a resident of this State over age 18, or a
7 nonresident of this State who is over age 18 and physically present
8 in this State, who establishes an account pursuant to this act through
9 which account wagers are placed.

10 "Account wagering" means a form of parimutuel wagering in
11 which an account holder may deposit money in an account with the
12 account wagering licensee and then use the account balance to pay
13 for parimutuel wagers by the account holder.

14 "Account wagering licensee" means the New Jersey Sports and
15 Exposition Authority or its assignee, provided that the commission
16 has granted its approval for the authority to establish an account
17 wagering system as provided for in this act.

18 "Account wagering system" means the system through which
19 account wagers are processed by the account wagering licensee
20 pursuant to this act.

21 "Authority" means the New Jersey Sports and Exposition
22 Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

23 "Backstretch Benevolency" means the Backstretch Benevolency
24 Programs Fund established pursuant to section 1 of P.L.1993, c.15
25 (C.5:5-44.8).

26 "Breeders and Stallions" means the distribution from the special
27 trust account created pursuant to section 46 a. (2) of P.L.1940, c.17
28 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

29 "Breeding and Development" means the New Jersey Horse
30 Breeding and Development Account established pursuant to section
31 5 of P.L.1967, c.40 (C.5:5-88).

32 "Commission" means the New Jersey Racing Commission
33 created by section 1 of P.L.1940, c.17 (C.5:5-22).

34 "Executive Director" means the Executive Director of the
35 commission.

36 "Health and Welfare" means moneys distributed to the
37 Standardbred Breeders' and Owners' Association for the
38 administration of a health benefits program pursuant to section 46 a.
39 (5) of P.L.1940, c.17 (C.5:5-66).

40 "In-State host track" means a racetrack within this State which is
41 operated by a permit holder which conducts a horse race upon
42 which account wagers are placed pursuant to this act.

43 "In-State sending track" means a racetrack within this State
44 which is operated by a permit holder and is equipped to conduct
45 off-track simulcasting.

46 "In-State track" means an in-State host track or an in-State
47 sending track.

48 "Interstate common pool" means the parimutuel pool established

1 within this State or in another state or foreign nation within which
2 is combined parimutuel pools of one or more receiving tracks
3 located in one or more states or foreign nations upon a race at an
4 out-of-State sending track or out-of-State host track for the purpose
5 of establishing payoff prices in the various jurisdictions.

6 "Jockey's Health and Welfare" means a health and welfare trust
7 established by the organization certified by the New Jersey Racing
8 Commission as representing a majority of the active licensed
9 thoroughbred jockeys in New Jersey for the purpose of providing
10 health and welfare benefits to active, disabled and retired New
11 Jersey jockeys and their dependents based upon reasonable criteria
12 by that organization.

13 "New Jersey Racing Industry Special Fund" means the fund
14 established pursuant to section 27 of this act.

15 "New Jersey Thoroughbred Horsemen's Association" means the
16 association representing the majority of New Jersey thoroughbred
17 owners and trainers responsible for receiving and distributing funds
18 for programs designed to aid thoroughbred horsemen.

19 "Off-track simulcasting" means the simultaneous audio or visual
20 transmission of horse races conducted at in-State and out-of-State
21 racetracks to off-track wagering facilities and parimutuel wagering
22 at those off-track wagering facilities on the results of those races.

23 "Off-track wagering" means parimutuel wagering at an off-track
24 wagering facility as authorized under this act.

25 "Off-track wagering facility" means a licensed facility, other
26 than a racetrack, at which parimutuel wagering is conducted
27 pursuant to this act.

28 "Off-track wagering licensee" means the New Jersey Sports and
29 Exposition Authority or its assignee, provided that the commission
30 has granted its approval for the authority to conduct an off-track
31 wagering facility as provided for in this act.

32 "Out-of-State host track" means a racetrack in a jurisdiction
33 other than the State of New Jersey, the operator of which is lawfully
34 permitted to conduct a horse race meeting and which conducts horse
35 races upon which account wagers may be placed pursuant to this
36 act.

37 "Out-of-State sending track" means a racetrack in a jurisdiction
38 other than the State of New Jersey which is equipped to conduct
39 off-track simulcasting and the operator of which is lawfully
40 permitted to conduct a horse race meeting and to provide simulcast
41 horse races to off-track wagering facilities in this State.

42 "Out-of-State track" means an out-of-State host track or an out-
43 of-State sending track.

44 "Outstanding parimutuel ticket" means a winning parimutuel
45 ticket which is not claimed within six months of sale.

46 "Parimutuel" means any system whereby wagers with respect to
47 the outcome of a horse race are placed with, or in, a wagering pool
48 conducted by an authorized person, and in which the participants

1 are wagering with each other and not against the person conducting
2 the wagering pool.

3 "Participation agreement" means the written contract that
4 provides for the establishment or implementation of either (a) an
5 off-track wagering facility or facilities or (b) an account wagering
6 system. Each such contract shall set forth the manner in which the
7 off-track wagering facility or facilities or the account wagering
8 system shall be managed, operated and capitalized, as well as how
9 expenses and revenues shall be allocated and distributed by and
10 among the authority and the other eligible participants.

11 "Permit holder" means the holder of an annual permit to conduct
12 a horse race meeting issued by the commission.

13 "Racetrack" means the physical facility where a permit holder
14 conducts a horse race meeting with parimutuel wagering.

15 "Racing costs" means the prospective and actual costs for all
16 licensing, investigation, operation, regulation, supervision and
17 enforcement activities and functions performed by the commission.

18 "Simulcast horse races" means horse races conducted at an in-
19 State sending track or an out-of-State sending track, as the case may
20 be, and transmitted simultaneously by picture to a receiving track or
21 an off-track wagering facility.

22 "Sire Stakes" means the Sire Stakes Program established
23 pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

24 "Standardbred Drivers' Health and Welfare" means a health and
25 welfare trust established by the Standardbred Breeders' and Owners'
26 Association of New Jersey for the purpose of providing health and
27 welfare benefits to active, disabled and retired New Jersey
28 standardbred drivers and their dependents based upon reasonable
29 criteria by that organization.

30 "Takeout" means that portion of a wager which is deducted from
31 or not included in the parimutuel pool, and which is distributed
32 other than to persons placing wagers.

33 "Thoroughbred Breeders and Stallions" means the special trust
34 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
35 (C.5:5-66).

36 (cf: P.L.2004, c.116, s.4)]¹

37

38 ¹[3. Section 16 of P.L.2001, c.199 (C.5:5-142) is amended to
39 read as follows:

40 16. a. A person shall not place an account wager from within this
41 State except in accordance with this act through the account
42 wagering licensee, and no entity, other than the account wagering
43 licensee, shall accept an account wager from a person within this
44 State. A person may not place an account wager unless the person
45 has established an account with the account wagering licensee. To
46 establish a wagering account, a person shall be a New Jersey
47 resident at least 18 years of age or a nonresident who is at least 18
48 years of age and physically present within this State.

- 1 b. The account shall be in the name of a natural person and
2 may not be in the name of any beneficiary, custodian, joint trust,
3 corporation, partnership or other organization or entity.
- 4 c. An account may be established by a person completing an
5 application form approved by the commission and submitting it
6 together with a certification, or other proof, of age and residency.
7 The form shall include the address of the principal residence of the
8 prospective account holder and a statement that a false statement
9 made in regard to an application may subject the applicant to
10 prosecution.
- 11 d. The prospective account holder shall submit the completed
12 application to the account wagering licensee, to any account
13 wagering participating permit holder or to a licensed off-track
14 wagering facility or such other person or entity as may be approved
15 by the commission. The account wagering licensee may accept or
16 reject an application after receipt and review of the application and
17 certification, or other proof, of age and residency for compliance
18 with this act.
- 19 e. Any prospective account holder who provides false or
20 misleading information on the application is subject to rejection of
21 the application or cancellation of the account by the account
22 wagering licensee without notice.
- 23 f. The account wagering licensee shall have the right to
24 suspend or close any wagering account at its discretion.
- 25 g. Any person not in good standing with the commission shall
26 not be entitled to maintain a wagering account.
- 27 h. The address provided by the applicant in the application
28 shall be deemed the proper address for the purposes of mailing
29 checks, account withdrawals, notices and other materials.
- 30 i. A wagering account shall not be assignable or otherwise
31 transferable.
- 32 j. Except as otherwise provided in this act or in regulations
33 which the commission may adopt hereunder, all account wagers
34 shall be final and no wager shall be canceled by the account holder
35 at any time after the wager has been accepted by the account
36 wagering licensee.
- 37 k. For the purposes of this act and notwithstanding any other
38 law to the contrary, all messages or orders to place account wagers
39 received by the licensee on behalf of a participating permit holder
40 shall be deemed made to a place within this State.
- 41 l. All persons accepting account wagers on behalf of the
42 account wagering licensee shall do so at a location within this State.
- 43 m. The account wagering licensee may at any time declare the
44 system closed for receiving any wagers on any race or closed for all
45 wagering.

46 (P.L.2001, c.199, s.16)]¹

47

48 ¹[4. Section 18 of P.L.2001, c.199 (C.5:5-144) is amended to

1 read as follows:

2 18. The account wagering licensee may accept account wagers
3 only from residents of New Jersey or from nonresidents who are
4 physically present in this State and only as follows:

5 a. The account wager shall be placed directly with the account
6 wagering licensee by the holder of the wagering account.

7 b. The account holder placing the account wager shall provide
8 the licensee with the correct personal identification number of the
9 holder of the wagering account.

10 c. A licensee may not accept an account wager, or series of
11 wagers, in an amount in excess of funds on deposit in the wagering
12 account of the holder placing the wager. Funds on deposit include
13 amounts credited under section 17 of this act and in the account at
14 the time the wager is placed.

15 d. Only the holder of a wagering account shall place an account
16 wager. Unless otherwise approved by the commission, no person,
17 corporation or other entity shall directly or indirectly act as an
18 intermediary, transmitter or agent in the placing of wagers for a
19 holder of a wagering account; provided, however, that the use of
20 credit or debit cards specifically approved by the licensee or the use
21 of checks, money orders or negotiable orders of withdrawal or the
22 use of telephonic, computer or electronic means by the account
23 holder to place such wagers shall not be prohibited.

24 e. The account holder may place a wager in person, by direct
25 telephone call or by communication through other electronic media.
26 (cf: P.L.2001, c.199, s.18)]¹

27

28 '[5.] 2.¹ This act shall take effect immediately.

29

30

31

32

33 _____
34 Revises regulation of horse racing in regard to future wagers,
35 minimum wagers, unclaimed vouchers, lost tickets, and certain
simulcast races.

SENATE, No. 1068

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JANUARY 26, 2006

Sponsored by:
Senator BARBARA BUONO
District 18 (Middlesex)

SYNOPSIS

Revises regulation of horse racing in regard to future wagers, minimum wagers, unclaimed vouchers, lost tickets, certain simulcast races, and nonresident account wagering.

CURRENT VERSION OF TEXT

As introduced.



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2

1 AN ACT concerning the regulation of horse racing and wagering
2 thereon, supplementing Title 5 of the Revised Statutes and
3 amending P.L.2001, c.199.

4

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

7

8 1. (New section) Notwithstanding the provisions of any other
9 law to the contrary, the New Jersey Racing Commission, in
10 effectuating its responsibilities under P.L.1940, c.17 (C.5:5-22 et
11 seq.), the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et
12 seq.), the "Off-Track and Account Wagering Act," P.L.2001, c.199
13 (C.5:5-127 et seq.), and the "Casino Simulcasting Act," P.L.1992,
14 c.19 (C.5:12-191 et seq.), and under such circumstances and for
15 such races as the commission shall deem appropriate, shall:

16 at the request of a permitholder, allow a permitholder to offer a
17 future wager consisting of wagering on prospective entrants for
18 specific races, with wagering conducted in advance, one or more
19 parimutuel pools formed and closed on dates prior to the date of the
20 race, and all wagers considered final and no refunds paid even if,
21 for any reason, an entrant fails to participate in the race;

22 provide that the minimum wager amount that may be placed on a
23 horse race may be \$0.10 or greater;

24 provide that, after three years following the date of purchase,
25 unclaimed cash vouchers shall be paid 50% to the permitholder at
26 the location where purchased and 50% to the purse account at the
27 location where purchased, provided that if the permitholder
28 conducts both harness and thoroughbred races the purse amount
29 shall be divided equally between the harness and thoroughbred
30 purse accounts;

31 at the request of a permitholder or the operator of a casino
32 simulcasting facility, allow the permitholder or the operator of a
33 casino simulcasting facility to accept a wager in advance of a race
34 at an in-State or out-of-State sending track under a simulcast
35 agreement without receiving a simulcast transmission thereof or
36 displaying live video thereof when the race is to be conducted
37 between the hours of 11:00 PM and 11:00 AM local New Jersey
38 time, or at such other times as the commission shall permit due to
39 extenuating circumstances; and

40 allow a permitholder to pay an amount due a winning
41 ticketholder, notwithstanding that the ticketholder is unable to
42 produce the actual ticket, if the permitholder is able to verify
43 independently through electronic or other means approved by the
44 commission that the ticketholder purchased the ticket.

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

Matter underlined thus is new matter.

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3

1 2. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to read
2 as follows:

3 3. As used in this act:

4 "Account holder" means a resident of this State over age 18, or a
5 nonresident of this State who is over age 18 and physically present
6 in this State, who establishes an account pursuant to this act through
7 which account wagers are placed.

8 "Account wagering" means a form of parimutuel wagering in
9 which an account holder may deposit money in an account with the
10 account wagering licensee and then use the account balance to pay
11 for parimutuel wagers by the account holder.

12 "Account wagering licensee" means the New Jersey Sports and
13 Exposition Authority or its assignee, provided that the commission
14 has granted its approval for the authority to establish an account
15 wagering system as provided for in this act.

16 "Account wagering system" means the system through which
17 account wagers are processed by the account wagering licensee
18 pursuant to this act.

19 "Authority" means the New Jersey Sports and Exposition
20 Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

21 "Backstretch Benevolency" means the Backstretch Benevolency
22 Programs Fund established pursuant to section 1 of P.L.1993, c.15
23 (C.5:5-44.8).

24 "Breeders and Stallions" means the distribution from the special
25 trust account created pursuant to section 46 a. (2) of P.L.1940, c.17
26 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

27 "Breeding and Development" means the New Jersey Horse
28 Breeding and Development Account established pursuant to section
29 5 of P.L.1967, c.40 (C.5:5-88).

30 "Commission" means the New Jersey Racing Commission
31 created by section 1 of P.L.1940, c.17 (C.5:5-22).

32 "Executive Director" means the Executive Director of the
33 commission.

34 "Health and Welfare" means moneys distributed to the
35 Standardbred Breeders' and Owners' Association for the
36 administration of a health benefits program pursuant to section 46 a.
37 (5) of P.L.1940, c.17 (C.5:5-66).

38 "In-State host track" means a racetrack within this State which is
39 operated by a permit holder which conducts a horse race upon
40 which account wagers are placed pursuant to this act.

41 "In-State sending track" means a racetrack within this State
42 which is operated by a permit holder and is equipped to conduct
43 off-track simulcasting.

44 "In-State track" means an in-State host track or an in-State
45 sending track.

46 "Interstate common pool" means the parimutuel pool established
47 within this State or in another state or foreign nation within which
48 is combined parimutuel pools of one or more receiving tracks

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4

1 located in one or more states or foreign nations upon a race at an
2 out-of-State sending track or out-of-State host track for the purpose
3 of establishing payoff prices in the various jurisdictions.

4 "Jockey's Health and Welfare" means a health and welfare trust
5 established by the organization certified by the New Jersey Racing
6 Commission as representing a majority of the active licensed
7 thoroughbred jockeys in New Jersey for the purpose of providing
8 health and welfare benefits to active, disabled and retired New
9 Jersey jockeys and their dependents based upon reasonable criteria
10 by that organization.

11 "New Jersey Racing Industry Special Fund" means the fund
12 established pursuant to section 27 of this act.

13 "New Jersey Thoroughbred Horsemen's Association" means the
14 association representing the majority of New Jersey thoroughbred
15 owners and trainers responsible for receiving and distributing funds
16 for programs designed to aid thoroughbred horsemen.

17 "Off-track simulcasting" means the simultaneous audio or visual
18 transmission of horse races conducted at in-State and out-of-State
19 racetracks to off-track wagering facilities and parimutuel wagering
20 at those off-track wagering facilities on the results of those races.

21 "Off-track wagering" means parimutuel wagering at an off-track
22 wagering facility as authorized under this act.

23 "Off-track wagering facility" means a licensed facility, other
24 than a racetrack, at which parimutuel wagering is conducted
25 pursuant to this act.

26 "Off-track wagering licensee" means the New Jersey Sports and
27 Exposition Authority or its assignee, provided that the commission
28 has granted its approval for the authority to conduct an off-track
29 wagering facility as provided for in this act.

30 "Out-of-State host track" means a racetrack in a jurisdiction
31 other than the State of New Jersey, the operator of which is lawfully
32 permitted to conduct a horse race meeting and which conducts horse
33 races upon which account wagers may be placed pursuant to this
34 act.

35 "Out-of-State sending track" means a racetrack in a jurisdiction
36 other than the State of New Jersey which is equipped to conduct
37 off-track simulcasting and the operator of which is lawfully
38 permitted to conduct a horse race meeting and to provide simulcast
39 horse races to off-track wagering facilities in this State.

40 "Out-of-State track" means an out-of-State host track or an out-
41 of-State sending track.

42 "Outstanding parimutuel ticket" means a winning parimutuel
43 ticket which is not claimed within six months of sale.

44 "Parimutuel" means any system whereby wagers with respect to
45 the outcome of a horse race are placed with, or in, a wagering pool
46 conducted by an authorized person, and in which the participants
47 are wagering with each other and not against the person conducting
48 the wagering pool.

1 "Participation agreement" means the written contract that
2 provides for the establishment or implementation of either (a) an
3 off-track wagering facility or facilities or (b) an account wagering
4 system. Each such contract shall set forth the manner in which the
5 off-track wagering facility or facilities or the account wagering
6 system shall be managed, operated and capitalized, as well as how
7 expenses and revenues shall be allocated and distributed by and
8 among the authority and the other eligible participants.

9 "Permit holder" means the holder of an annual permit to conduct
10 a horse race meeting issued by the commission.

11 "Racetrack" means the physical facility where a permit holder
12 conducts a horse race meeting with parimutuel wagering.

13 "Racing costs" means the prospective and actual costs for all
14 licensing, investigation, operation, regulation, supervision and
15 enforcement activities and functions performed by the commission.

16 "Simulcast horse races" means horse races conducted at an in-
17 State sending track or an out-of-State sending track, as the case may
18 be, and transmitted simultaneously by picture to a receiving track or
19 an off-track wagering facility.

20 "Sire Stakes" means the Sire Stakes Program established
21 pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

22 "Standardbred Drivers' Health and Welfare" means a health and
23 welfare trust established by the Standardbred Breeders' and Owners'
24 Association of New Jersey for the purpose of providing health and
25 welfare benefits to active, disabled and retired New Jersey
26 standardbred drivers and their dependents based upon reasonable
27 criteria by that organization.

28 "Takeout" means that portion of a wager which is deducted from
29 or not included in the parimutuel pool, and which is distributed
30 other than to persons placing wagers.

31 "Thoroughbred Breeders and Stallions" means the special trust
32 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
33 (C.5:5-66).

34 (cf: P.L.2004, c.116, s.4)

35

36 3. Section 16 of P.L.2001, c.199 (C.5:5-142) is amended to read
37 as follows:

38 16. a. A person shall not place an account wager from within this
39 State except in accordance with this act through the account
40 wagering licensee, and no entity, other than the account wagering
41 licensee, shall accept an account wager from a person within this
42 State. A person may not place an account wager unless the person
43 has established an account with the account wagering licensee. To
44 establish a wagering account, a person shall be a New Jersey
45 resident at least 18 years of age or a nonresident who is at least 18
46 years of age and physically present within this State.

47 b. The account shall be in the name of a natural person and
48 may not be in the name of any beneficiary, custodian, joint trust,

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6

1 corporation, partnership or other organization or entity.

2 c. An account may be established by a person completing an
3 application form approved by the commission and submitting it
4 together with a certification, or other proof, of age and residency.
5 The form shall include the address of the principal residence of the
6 prospective account holder and a statement that a false statement
7 made in regard to an application may subject the applicant to
8 prosecution.

9 d. The prospective account holder shall submit the completed
10 application to the account wagering licensee, to any account
11 wagering participating permit holder or to a licensed off-track
12 wagering facility or such other person or entity as may be approved
13 by the commission. The account wagering licensee may accept or
14 reject an application after receipt and review of the application and
15 certification, or other proof, of age and residency for compliance
16 with this act.

17 e. Any prospective account holder who provides false or
18 misleading information on the application is subject to rejection of
19 the application or cancellation of the account by the account
20 wagering licensee without notice.

21 f. The account wagering licensee shall have the right to
22 suspend or close any wagering account at its discretion.

23 g. Any person not in good standing with the commission shall
24 not be entitled to maintain a wagering account.

25 h. The address provided by the applicant in the application
26 shall be deemed the proper address for the purposes of mailing
27 checks, account withdrawals, notices and other materials.

28 i. A wagering account shall not be assignable or otherwise
29 transferable.

30 j. Except as otherwise provided in this act or in regulations
31 which the commission may adopt hereunder, all account wagers
32 shall be final and no wager shall be canceled by the account holder
33 at any time after the wager has been accepted by the account
34 wagering licensee.

35 k. For the purposes of this act and notwithstanding any other
36 law to the contrary, all messages or orders to place account wagers
37 received by the licensee on behalf of a participating permit holder
38 shall be deemed made to a place within this State.

39 l. All persons accepting account wagers on behalf of the
40 account wagering licensee shall do so at a location within this State.

41 m. The account wagering licensee may at any time declare the
42 system closed for receiving any wagers on any race or closed for all
43 wagering.

44 (P.L.2001, c.199, s.16)

45

46 4. Section 18 of P.L.2001, c.199 (C.5:5-144) is amended to read
47 as follows:

48 18. The account wagering licensee may accept account wagers

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7

1 only from residents of New Jersey or from nonresidents who are
2 physically present in this State and only as follows:

3 a. The account wager shall be placed directly with the account
4 wagering licensee by the holder of the wagering account.

5 b. The account holder placing the account wager shall provide
6 the licensee with the correct personal identification number of the
7 holder of the wagering account.

8 c. A licensee may not accept an account wager, or series of
9 wagers, in an amount in excess of funds on deposit in the wagering
10 account of the holder placing the wager. Funds on deposit include
11 amounts credited under section 17 of this act and in the account at
12 the time the wager is placed.

13 d. Only the holder of a wagering account shall place an account
14 wager. Unless otherwise approved by the commission, no person,
15 corporation or other entity shall directly or indirectly act as an
16 intermediary, transmitter or agent in the placing of wagers for a
17 holder of a wagering account; provided, however, that the use of
18 credit or debit cards specifically approved by the licensee or the use
19 of checks, money orders or negotiable orders of withdrawal or the
20 use of telephonic, computer or electronic means by the account
21 holder to place such wagers shall not be prohibited.

22 e. The account holder may place a wager in person, by direct
23 telephone call or by communication through other electronic media.
24 (cf: P.L.2001, c.199, s.18)

25

26 5. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill provides that the New Jersey Racing Commission, in
32 effectuating its responsibilities under the laws governing wagering
33 on horse races, simulcasting, off-track and account wagering, and
34 casino simulcasting, and under such circumstances and for such
35 races as the commission deems appropriate, will:

36 at the request of a permitholder, allow a permitholder to offer a
37 future wager consisting of wagering on prospective entrants for
38 specific races, with wagering conducted in advance, one or more
39 parimutuel pools formed and closed on dates prior to the date of the
40 race, and all wagers considered final and no refunds paid even if,
41 for any reason, an entrant fails to participate in the race;

42 provide that the minimum wager amount that may be placed on a
43 horse race may be \$0.10 or greater;

44 provide that, after three years following the date of purchase,
45 unclaimed cash vouchers will be paid 50% to the permitholder at
46 the location where purchased and 50% to the purse account at the
47 location where purchased, provided that if the permitholder
48 conducts both harness and thoroughbred races the purse amount

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8

1 will be divided equally between the harness and thoroughbred purse
2 accounts;

3 at the request of a permitholder or the operator of a casino
4 simulcasting facility, allow the permitholder or the operator of a
5 casino simulcasting facility to accept a wager in advance of a race
6 at an in-State or out-of-State sending track under a simulcast
7 agreement without receiving a simulcast transmission thereof or
8 displaying live video thereof when the race is to be conducted
9 between the hours of 11:00 PM and 11:00 AM local New Jersey
10 time, or at such other times as the commission permits due to
11 extenuating circumstances; and

12 allow a permitholder to pay an amount due a winning
13 ticketholder, notwithstanding that the ticketholder is unable to
14 produce the actual ticket, if the permitholder is able to verify
15 independently through electronic or other means approved by the
16 commission that the ticketholder purchased the ticket.

17 In addition, the bill amends existing law to allow a nonresident
18 over age 18 who is physically present in the State to engage in
19 account wagering.

SENATE, No. 1068

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JANUARY 26, 2006

Sponsored by:
Senator BARBARA BUONO
District 18 (Middlesex)

SYNOPSIS

Revises regulation of horse racing in regard to future wagers, minimum wagers, unclaimed vouchers, lost tickets, certain simulcast races, and nonresident account wagering.

CURRENT VERSION OF TEXT

As introduced.



S1068 BUONO

2

1 AN ACT concerning the regulation of horse racing and wagering
2 thereon, supplementing Title 5 of the Revised Statutes and
3 amending P.L.2001, c.199.

4

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

7

8 1. (New section) Notwithstanding the provisions of any other
9 law to the contrary, the New Jersey Racing Commission, in
10 effectuating its responsibilities under P.L.1940, c.17 (C.5:5-22 et
11 seq.), the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et
12 seq.), the "Off-Track and Account Wagering Act," P.L.2001, c.199
13 (C.5:5-127 et seq.), and the "Casino Simulcasting Act," P.L.1992,
14 c.19 (C.5:12-191 et seq.), and under such circumstances and for
15 such races as the commission shall deem appropriate, shall:

16 at the request of a permitholder, allow a permitholder to offer a
17 future wager consisting of wagering on prospective entrants for
18 specific races, with wagering conducted in advance, one or more
19 parimutuel pools formed and closed on dates prior to the date of the
20 race, and all wagers considered final and no refunds paid even if,
21 for any reason, an entrant fails to participate in the race;

22 provide that the minimum wager amount that may be placed on a
23 horse race may be \$0.10 or greater;

24 provide that, after three years following the date of purchase,
25 unclaimed cash vouchers shall be paid 50% to the permitholder at
26 the location where purchased and 50% to the purse account at the
27 location where purchased, provided that if the permitholder
28 conducts both harness and thoroughbred races the purse amount
29 shall be divided equally between the harness and thoroughbred
30 purse accounts;

31 at the request of a permitholder or the operator of a casino
32 simulcasting facility, allow the permitholder or the operator of a
33 casino simulcasting facility to accept a wager in advance of a race
34 at an in-State or out-of-State sending track under a simulcast
35 agreement without receiving a simulcast transmission thereof or
36 displaying live video thereof when the race is to be conducted
37 between the hours of 11:00 PM and 11:00 AM local New Jersey
38 time, or at such other times as the commission shall permit due to
39 extenuating circumstances; and

40 allow a permitholder to pay an amount due a winning
41 ticketholder, notwithstanding that the ticketholder is unable to
42 produce the actual ticket, if the permitholder is able to verify
43 independently through electronic or other means approved by the
44 commission that the ticketholder purchased the ticket.

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

Matter underlined thus is new matter.

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3

1 2. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to read
2 as follows:

3 3. As used in this act:

4 "Account holder" means a resident of this State over age 18, or a
5 nonresident of this State who is over age 18 and physically present
6 in this State, who establishes an account pursuant to this act through
7 which account wagers are placed.

8 "Account wagering" means a form of parimutuel wagering in
9 which an account holder may deposit money in an account with the
10 account wagering licensee and then use the account balance to pay
11 for parimutuel wagers by the account holder.

12 "Account wagering licensee" means the New Jersey Sports and
13 Exposition Authority or its assignee, provided that the commission
14 has granted its approval for the authority to establish an account
15 wagering system as provided for in this act.

16 "Account wagering system" means the system through which
17 account wagers are processed by the account wagering licensee
18 pursuant to this act.

19 "Authority" means the New Jersey Sports and Exposition
20 Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

21 "Backstretch Benevolency" means the Backstretch Benevolency
22 Programs Fund established pursuant to section 1 of P.L.1993, c.15
23 (C.5:5-44.8).

24 "Breeders and Stallions" means the distribution from the special
25 trust account created pursuant to section 46 a. (2) of P.L.1940, c.17
26 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

27 "Breeding and Development" means the New Jersey Horse
28 Breeding and Development Account established pursuant to section
29 5 of P.L.1967, c.40 (C.5:5-88).

30 "Commission" means the New Jersey Racing Commission
31 created by section 1 of P.L.1940, c.17 (C.5:5-22).

32 "Executive Director" means the Executive Director of the
33 commission.

34 "Health and Welfare" means moneys distributed to the
35 Standardbred Breeders' and Owners' Association for the
36 administration of a health benefits program pursuant to section 46 a.
37 (5) of P.L.1940, c.17 (C.5:5-66).

38 "In-State host track" means a racetrack within this State which is
39 operated by a permit holder which conducts a horse race upon
40 which account wagers are placed pursuant to this act.

41 "In-State sending track" means a racetrack within this State
42 which is operated by a permit holder and is equipped to conduct
43 off-track simulcasting.

44 "In-State track" means an in-State host track or an in-State
45 sending track.

46 "Interstate common pool" means the parimutuel pool established
47 within this State or in another state or foreign nation within which
48 is combined parimutuel pools of one or more receiving tracks

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4

1 located in one or more states or foreign nations upon a race at an
2 out-of-State sending track or out-of-State host track for the purpose
3 of establishing payoff prices in the various jurisdictions.

4 "Jockey's Health and Welfare" means a health and welfare trust
5 established by the organization certified by the New Jersey Racing
6 Commission as representing a majority of the active licensed
7 thoroughbred jockeys in New Jersey for the purpose of providing
8 health and welfare benefits to active, disabled and retired New
9 Jersey jockeys and their dependents based upon reasonable criteria
10 by that organization.

11 "New Jersey Racing Industry Special Fund" means the fund
12 established pursuant to section 27 of this act.

13 "New Jersey Thoroughbred Horsemen's Association" means the
14 association representing the majority of New Jersey thoroughbred
15 owners and trainers responsible for receiving and distributing funds
16 for programs designed to aid thoroughbred horsemen.

17 "Off-track simulcasting" means the simultaneous audio or visual
18 transmission of horse races conducted at in-State and out-of-State
19 racetracks to off-track wagering facilities and parimutuel wagering
20 at those off-track wagering facilities on the results of those races.

21 "Off-track wagering" means parimutuel wagering at an off-track
22 wagering facility as authorized under this act.

23 "Off-track wagering facility" means a licensed facility, other
24 than a racetrack, at which parimutuel wagering is conducted
25 pursuant to this act.

26 "Off-track wagering licensee" means the New Jersey Sports and
27 Exposition Authority or its assignee, provided that the commission
28 has granted its approval for the authority to conduct an off-track
29 wagering facility as provided for in this act.

30 "Out-of-State host track" means a racetrack in a jurisdiction
31 other than the State of New Jersey, the operator of which is lawfully
32 permitted to conduct a horse race meeting and which conducts horse
33 races upon which account wagers may be placed pursuant to this
34 act.

35 "Out-of-State sending track" means a racetrack in a jurisdiction
36 other than the State of New Jersey which is equipped to conduct
37 off-track simulcasting and the operator of which is lawfully
38 permitted to conduct a horse race meeting and to provide simulcast
39 horse races to off-track wagering facilities in this State.

40 "Out-of-State track" means an out-of-State host track or an out-
41 of-State sending track.

42 "Outstanding parimutuel ticket" means a winning parimutuel
43 ticket which is not claimed within six months of sale.

44 "Parimutuel" means any system whereby wagers with respect to
45 the outcome of a horse race are placed with, or in, a wagering pool
46 conducted by an authorized person, and in which the participants
47 are wagering with each other and not against the person conducting
48 the wagering pool.

1 "Participation agreement" means the written contract that
2 provides for the establishment or implementation of either (a) an
3 off-track wagering facility or facilities or (b) an account wagering
4 system. Each such contract shall set forth the manner in which the
5 off-track wagering facility or facilities or the account wagering
6 system shall be managed, operated and capitalized, as well as how
7 expenses and revenues shall be allocated and distributed by and
8 among the authority and the other eligible participants.

9 "Permit holder" means the holder of an annual permit to conduct
10 a horse race meeting issued by the commission.

11 "Racetrack" means the physical facility where a permit holder
12 conducts a horse race meeting with parimutuel wagering.

13 "Racing costs" means the prospective and actual costs for all
14 licensing, investigation, operation, regulation, supervision and
15 enforcement activities and functions performed by the commission.

16 "Simulcast horse races" means horse races conducted at an in-
17 State sending track or an out-of-State sending track, as the case may
18 be, and transmitted simultaneously by picture to a receiving track or
19 an off-track wagering facility.

20 "Sire Stakes" means the Sire Stakes Program established
21 pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

22 "Standardbred Drivers' Health and Welfare" means a health and
23 welfare trust established by the Standardbred Breeders' and Owners'
24 Association of New Jersey for the purpose of providing health and
25 welfare benefits to active, disabled and retired New Jersey
26 standardbred drivers and their dependents based upon reasonable
27 criteria by that organization.

28 "Takeout" means that portion of a wager which is deducted from
29 or not included in the parimutuel pool, and which is distributed
30 other than to persons placing wagers.

31 "Thoroughbred Breeders and Stallions" means the special trust
32 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
33 (C.5:5-66).

34 (cf: P.L.2004, c.116, s.4)

35

36 3. Section 16 of P.L.2001, c.199 (C.5:5-142) is amended to read
37 as follows:

38 16. a. A person shall not place an account wager from within this
39 State except in accordance with this act through the account
40 wagering licensee, and no entity, other than the account wagering
41 licensee, shall accept an account wager from a person within this
42 State. A person may not place an account wager unless the person
43 has established an account with the account wagering licensee. To
44 establish a wagering account, a person shall be a New Jersey
45 resident at least 18 years of age or a nonresident who is at least 18
46 years of age and physically present within this State.

47 b. The account shall be in the name of a natural person and
48 may not be in the name of any beneficiary, custodian, joint trust,

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6

1 corporation, partnership or other organization or entity.

2 c. An account may be established by a person completing an
3 application form approved by the commission and submitting it
4 together with a certification, or other proof, of age and residency.
5 The form shall include the address of the principal residence of the
6 prospective account holder and a statement that a false statement
7 made in regard to an application may subject the applicant to
8 prosecution.

9 d. The prospective account holder shall submit the completed
10 application to the account wagering licensee, to any account
11 wagering participating permit holder or to a licensed off-track
12 wagering facility or such other person or entity as may be approved
13 by the commission. The account wagering licensee may accept or
14 reject an application after receipt and review of the application and
15 certification, or other proof, of age and residency for compliance
16 with this act.

17 e. Any prospective account holder who provides false or
18 misleading information on the application is subject to rejection of
19 the application or cancellation of the account by the account
20 wagering licensee without notice.

21 f. The account wagering licensee shall have the right to
22 suspend or close any wagering account at its discretion.

23 g. Any person not in good standing with the commission shall
24 not be entitled to maintain a wagering account.

25 h. The address provided by the applicant in the application
26 shall be deemed the proper address for the purposes of mailing
27 checks, account withdrawals, notices and other materials.

28 i. A wagering account shall not be assignable or otherwise
29 transferable.

30 j. Except as otherwise provided in this act or in regulations
31 which the commission may adopt hereunder, all account wagers
32 shall be final and no wager shall be canceled by the account holder
33 at any time after the wager has been accepted by the account
34 wagering licensee.

35 k. For the purposes of this act and notwithstanding any other
36 law to the contrary, all messages or orders to place account wagers
37 received by the licensee on behalf of a participating permit holder
38 shall be deemed made to a place within this State.

39 l. All persons accepting account wagers on behalf of the
40 account wagering licensee shall do so at a location within this State.

41 m. The account wagering licensee may at any time declare the
42 system closed for receiving any wagers on any race or closed for all
43 wagering.

44 (P.L.2001, c.199, s.16)

45

46 4. Section 18 of P.L.2001, c.199 (C.5:5-144) is amended to read
47 as follows:

48 18. The account wagering licensee may accept account wagers

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7

1 only from residents of New Jersey or from nonresidents who are
2 physically present in this State and only as follows:

3 a. The account wager shall be placed directly with the account
4 wagering licensee by the holder of the wagering account.

5 b. The account holder placing the account wager shall provide
6 the licensee with the correct personal identification number of the
7 holder of the wagering account.

8 c. A licensee may not accept an account wager, or series of
9 wagers, in an amount in excess of funds on deposit in the wagering
10 account of the holder placing the wager. Funds on deposit include
11 amounts credited under section 17 of this act and in the account at
12 the time the wager is placed.

13 d. Only the holder of a wagering account shall place an account
14 wager. Unless otherwise approved by the commission, no person,
15 corporation or other entity shall directly or indirectly act as an
16 intermediary, transmitter or agent in the placing of wagers for a
17 holder of a wagering account; provided, however, that the use of
18 credit or debit cards specifically approved by the licensee or the use
19 of checks, money orders or negotiable orders of withdrawal or the
20 use of telephonic, computer or electronic means by the account
21 holder to place such wagers shall not be prohibited.

22 e. The account holder may place a wager in person, by direct
23 telephone call or by communication through other electronic media.
24 (cf: P.L.2001, c.199, s.18)

25

26 5. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill provides that the New Jersey Racing Commission, in
32 effectuating its responsibilities under the laws governing wagering
33 on horse races, simulcasting, off-track and account wagering, and
34 casino simulcasting, and under such circumstances and for such
35 races as the commission deems appropriate, will:

36 at the request of a permitholder, allow a permitholder to offer a
37 future wager consisting of wagering on prospective entrants for
38 specific races, with wagering conducted in advance, one or more
39 parimutuel pools formed and closed on dates prior to the date of the
40 race, and all wagers considered final and no refunds paid even if,
41 for any reason, an entrant fails to participate in the race;

42 provide that the minimum wager amount that may be placed on a
43 horse race may be \$0.10 or greater;

44 provide that, after three years following the date of purchase,
45 unclaimed cash vouchers will be paid 50% to the permitholder at
46 the location where purchased and 50% to the purse account at the
47 location where purchased, provided that if the permitholder
48 conducts both harness and thoroughbred races the purse amount

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8

1 will be divided equally between the harness and thoroughbred purse
2 accounts;

3 at the request of a permitholder or the operator of a casino
4 simulcasting facility, allow the permitholder or the operator of a
5 casino simulcasting facility to accept a wager in advance of a race
6 at an in-State or out-of-State sending track under a simulcast
7 agreement without receiving a simulcast transmission thereof or
8 displaying live video thereof when the race is to be conducted
9 between the hours of 11:00 PM and 11:00 AM local New Jersey
10 time, or at such other times as the commission permits due to
11 extenuating circumstances; and

12 allow a permitholder to pay an amount due a winning
13 ticketholder, notwithstanding that the ticketholder is unable to
14 produce the actual ticket, if the permitholder is able to verify
15 independently through electronic or other means approved by the
16 commission that the ticketholder purchased the ticket.

17 In addition, the bill amends existing law to allow a nonresident
18 over age 18 who is physically present in the State to engage in
19 account wagering.

SENATE WAGERING, TOURISM & HISTORIC
PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 1068

STATE OF NEW JERSEY

DATED: MARCH 2, 2006

The Senate Wagering, Tourism and Historic Preservation Committee reports favorably and with committee amendments Senate Bill No. 1068.

As amended by the committee, this bill provides that the New Jersey Racing Commission, in effectuating its responsibilities under the laws governing wagering on horse races, simulcasting, off-track and account wagering, and casino simulcasting, and under such circumstances and for such races as the commission deems appropriate, will:

at the request of a permitholder, allow a permitholder to offer a future wager consisting of wagering on prospective entrants for specific races, with wagering conducted in advance, one or more parimutuel pools formed and closed on dates prior to the date of the race, and all wagers considered final and no refunds paid even if, for any reason, an entrant fails to participate in the race;

provide that the minimum wager amount that may be placed on a horse race may be \$0.10 or greater;

provide that, after three years following the date of purchase, unclaimed cash vouchers will be paid 50% to the permitholder at the location where purchased and 50% to the purse account at the location where purchased, provided that if the permitholder conducts both harness and thoroughbred races the purse amount will be divided equally between the harness and thoroughbred purse accounts;

at the request of a permitholder or the operator of a casino simulcasting facility, allow the permitholder or the operator of a casino simulcasting facility to accept a wager in advance of a race at an in-State or out-of-State sending track under a simulcast agreement without receiving a simulcast transmission thereof or displaying live video thereof when the race is to be conducted between the hours of 11:00 PM and 11:00 AM local New Jersey time, or at such other times as the commission permits due to extenuating circumstances; and

allow a permitholder to pay an amount due a winning ticketholder, notwithstanding that the ticketholder is unable to produce the actual ticket, if the permitholder is able to verify independently through electronic or other means approved by the commission that the

ticketholder purchased the ticket.

The committee amended the bill to delete the provisions which would have allowed a nonresident over age 18 who is physically present in the State to engage in account wagering. As amended by the committee, this bill is identical to Assembly, No. 2068 [1R].

ASSEMBLY, No. 2068

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JANUARY 26, 2006

Sponsored by:

Assemblyman JEFF VAN DREW

District 1 (Cape May, Atlantic and Cumberland)

Assemblywoman LINDA STENDER

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Revises regulation of horse racing in regard to future wagers, minimum wagers, unclaimed vouchers, lost tickets, certain simulcast races, and nonresident account wagering.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of:1/27/2006)

1 AN ACT concerning the regulation of horse racing and wagering
2 thereon, supplementing Title 5 of the Revised Statutes and
3 amending P.L.2001, c.199.

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

7
8 1. (New section) Notwithstanding the provisions of any other
9 law to the contrary, the New Jersey Racing Commission, in
10 effectuating its responsibilities under P.L.1940, c.17 (C.5:5-22 et
11 seq.), the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et
12 seq.), the "Off-Track and Account Wagering Act," P.L.2001, c.199
13 (C.5:5-127 et seq.), and the "Casino Simulcasting Act," P.L.1992,
14 c.19 (C.5:12-191 et seq.), and under such circumstances and for
15 such races as the commission shall deem appropriate, shall:

16 at the request of a permitholder, allow a permitholder to offer a
17 future wager consisting of wagering on prospective entrants for
18 specific races, with wagering conducted in advance, one or more
19 parimutuel pools formed and closed on dates prior to the date of the
20 race, and all wagers considered final and no refunds paid even if,
21 for any reason, an entrant fails to participate in the race;

22 provide that the minimum wager amount that may be placed on a
23 horse race may be \$0.10 or greater;

24 provide that, after three years following the date of purchase,
25 unclaimed cash vouchers shall be paid 50% to the permitholder at
26 the location where purchased and 50% to the purse account at the
27 location where purchased, provided that if the permitholder
28 conducts both harness and thoroughbred races the purse amount
29 shall be divided equally between the harness and thoroughbred
30 purse accounts;

31 at the request of a permitholder or the operator of a casino
32 simulcasting facility, allow the permitholder or the operator of a
33 casino simulcasting facility to accept a wager in advance of a race
34 at an in-State or out-of-State sending track under a simulcast
35 agreement without receiving a simulcast transmission thereof or
36 displaying live video thereof when the race is to be conducted
37 between the hours of 11:00 PM and 11:00 AM local New Jersey
38 time, or at such other times as the commission shall permit due to
39 extenuating circumstances; and

40 allow a permitholder to pay an amount due a winning
41 ticketholder, notwithstanding that the ticketholder is unable to
42 produce the actual ticket, if the permitholder is able to verify
43 independently through electronic or other means approved by the
44 commission that the ticketholder purchased the ticket.

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 2. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to read
2 as follows:

3 3. As used in this act:

4 "Account holder" means a resident of this State over age 18, or a
5 nonresident of this State who is over age 18 and physically present
6 in this State, who establishes an account pursuant to this act through
7 which account wagers are placed.

8 "Account wagering" means a form of parimutuel wagering in
9 which an account holder may deposit money in an account with the
10 account wagering licensee and then use the account balance to pay
11 for parimutuel wagers by the account holder.

12 "Account wagering licensee" means the New Jersey Sports and
13 Exposition Authority or its assignee, provided that the commission
14 has granted its approval for the authority to establish an account
15 wagering system as provided for in this act.

16 "Account wagering system" means the system through which
17 account wagers are processed by the account wagering licensee
18 pursuant to this act.

19 "Authority" means the New Jersey Sports and Exposition
20 Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

21 "Backstretch Benevolency" means the Backstretch Benevolency
22 Programs Fund established pursuant to section 1 of P.L.1993, c.15
23 (C.5:5-44.8).

24 "Breeders and Stallions" means the distribution from the special
25 trust account created pursuant to section 46 a. (2) of P.L.1940, c.17
26 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

27 "Breeding and Development" means the New Jersey Horse
28 Breeding and Development Account established pursuant to section
29 5 of P.L.1967, c.40 (C.5:5-88).

30 "Commission" means the New Jersey Racing Commission
31 created by section 1 of P.L.1940, c.17 (C.5:5-22).

32 "Executive Director" means the Executive Director of the
33 commission.

34 "Health and Welfare" means moneys distributed to the
35 Standardbred Breeders' and Owners' Association for the
36 administration of a health benefits program pursuant to section 46 a.
37 (5) of P.L.1940, c.17 (C.5:5-66).

38 "In-State host track" means a racetrack within this State which is
39 operated by a permit holder which conducts a horse race upon
40 which account wagers are placed pursuant to this act.

41 "In-State sending track" means a racetrack within this State
42 which is operated by a permit holder and is equipped to conduct
43 off-track simulcasting.

44 "In-State track" means an in-State host track or an in-State
45 sending track.

46 "Interstate common pool" means the parimutuel pool established
47 within this State or in another state or foreign nation within which
48 is combined parimutuel pools of one or more receiving tracks

1 located in one or more states or foreign nations upon a race at an
2 out-of-State sending track or out-of-State host track for the purpose
3 of establishing payoff prices in the various jurisdictions.

4 "Jockey's Health and Welfare" means a health and welfare trust
5 established by the organization certified by the New Jersey Racing
6 Commission as representing a majority of the active licensed
7 thoroughbred jockeys in New Jersey for the purpose of providing
8 health and welfare benefits to active, disabled and retired New
9 Jersey jockeys and their dependents based upon reasonable criteria
10 by that organization.

11 "New Jersey Racing Industry Special Fund" means the fund
12 established pursuant to section 27 of this act.

13 "New Jersey Thoroughbred Horsemen's Association" means the
14 association representing the majority of New Jersey thoroughbred
15 owners and trainers responsible for receiving and distributing funds
16 for programs designed to aid thoroughbred horsemen.

17 "Off-track simulcasting" means the simultaneous audio or visual
18 transmission of horse races conducted at in-State and out-of-State
19 racetracks to off-track wagering facilities and parimutuel wagering
20 at those off-track wagering facilities on the results of those races.

21 "Off-track wagering" means parimutuel wagering at an off-track
22 wagering facility as authorized under this act.

23 "Off-track wagering facility" means a licensed facility, other
24 than a racetrack, at which parimutuel wagering is conducted
25 pursuant to this act.

26 "Off-track wagering licensee" means the New Jersey Sports and
27 Exposition Authority or its assignee, provided that the commission
28 has granted its approval for the authority to conduct an off-track
29 wagering facility as provided for in this act.

30 "Out-of-State host track" means a racetrack in a jurisdiction
31 other than the State of New Jersey, the operator of which is lawfully
32 permitted to conduct a horse race meeting and which conducts horse
33 races upon which account wagers may be placed pursuant to this
34 act.

35 "Out-of-State sending track" means a racetrack in a jurisdiction
36 other than the State of New Jersey which is equipped to conduct
37 off-track simulcasting and the operator of which is lawfully
38 permitted to conduct a horse race meeting and to provide simulcast
39 horse races to off-track wagering facilities in this State.

40 "Out-of-State track" means an out-of-State host track or an out-
41 of-State sending track.

42 "Outstanding parimutuel ticket" means a winning parimutuel
43 ticket which is not claimed within six months of sale.

44 "Parimutuel" means any system whereby wagers with respect to
45 the outcome of a horse race are placed with, or in, a wagering pool
46 conducted by an authorized person, and in which the participants
47 are wagering with each other and not against the person conducting
48 the wagering pool.

1 "Participation agreement" means the written contract that
2 provides for the establishment or implementation of either (a) an
3 off-track wagering facility or facilities or (b) an account wagering
4 system. Each such contract shall set forth the manner in which the
5 off-track wagering facility or facilities or the account wagering
6 system shall be managed, operated and capitalized, as well as how
7 expenses and revenues shall be allocated and distributed by and
8 among the authority and the other eligible participants.

9 "Permit holder" means the holder of an annual permit to conduct
10 a horse race meeting issued by the commission.

11 "Racetrack" means the physical facility where a permit holder
12 conducts a horse race meeting with parimutuel wagering.

13 "Racing costs" means the prospective and actual costs for all
14 licensing, investigation, operation, regulation, supervision and
15 enforcement activities and functions performed by the commission.

16 "Simulcast horse races" means horse races conducted at an in-
17 State sending track or an out-of-State sending track, as the case may
18 be, and transmitted simultaneously by picture to a receiving track or
19 an off-track wagering facility.

20 "Sire Stakes" means the Sire Stakes Program established
21 pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

22 "Standardbred Drivers' Health and Welfare" means a health and
23 welfare trust established by the Standardbred Breeders' and Owners'
24 Association of New Jersey for the purpose of providing health and
25 welfare benefits to active, disabled and retired New Jersey
26 standardbred drivers and their dependents based upon reasonable
27 criteria by that organization.

28 "Takeout" means that portion of a wager which is deducted from
29 or not included in the parimutuel pool, and which is distributed
30 other than to persons placing wagers.

31 "Thoroughbred Breeders and Stallions" means the special trust
32 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
33 (C.5:5-66).

34 (cf: P.L.2004, c.116, s.4)

35

36 3. Section 16 of P.L.2001, c.199 (C.5:5-142) is amended to read
37 as follows:

38 16. a. A person shall not place an account wager from within this
39 State except in accordance with this act through the account
40 wagering licensee, and no entity, other than the account wagering
41 licensee, shall accept an account wager from a person within this
42 State. A person may not place an account wager unless the person
43 has established an account with the account wagering licensee. To
44 establish a wagering account, a person shall be a New Jersey
45 resident at least 18 years of age or a nonresident who is at least 18
46 years of age and physically present within this State.

47 b. The account shall be in the name of a natural person and may
48 not be in the name of any beneficiary, custodian, joint trust,

1 corporation, partnership or other organization or entity.

2 c. An account may be established by a person completing an
3 application form approved by the commission and submitting it
4 together with a certification, or other proof, of age and residency.
5 The form shall include the address of the principal residence of the
6 prospective account holder and a statement that a false statement
7 made in regard to an application may subject the applicant to
8 prosecution.

9 d. The prospective account holder shall submit the completed
10 application to the account wagering licensee, to any account
11 wagering participating permit holder or to a licensed off-track
12 wagering facility or such other person or entity as may be approved
13 by the commission. The account wagering licensee may accept or
14 reject an application after receipt and review of the application and
15 certification, or other proof, of age and residency for compliance
16 with this act.

17 e. Any prospective account holder who provides false or
18 misleading information on the application is subject to rejection of
19 the application or cancellation of the account by the account
20 wagering licensee without notice.

21 f. The account wagering licensee shall have the right to suspend
22 or close any wagering account at its discretion.

23 g. Any person not in good standing with the commission shall
24 not be entitled to maintain a wagering account.

25 h. The address provided by the applicant in the application shall
26 be deemed the proper address for the purposes of mailing checks,
27 account withdrawals, notices and other materials.

28 i. A wagering account shall not be assignable or otherwise
29 transferable.

30 j. Except as otherwise provided in this act or in regulations
31 which the commission may adopt hereunder, all account wagers
32 shall be final and no wager shall be canceled by the account holder
33 at any time after the wager has been accepted by the account
34 wagering licensee.

35 k. For the purposes of this act and notwithstanding any other law
36 to the contrary, all messages or orders to place account wagers
37 received by the licensee on behalf of a participating permit holder
38 shall be deemed made to a place within this State.

39 l. All persons accepting account wagers on behalf of the account
40 wagering licensee shall do so at a location within this State.

41 m. The account wagering licensee may at any time declare the
42 system closed for receiving any wagers on any race or closed for all
43 wagering.

44 (P.L.2001, c.199, s.16)

45

46 4. Section 18 of P.L.2001, c.199 (C.5:5-144) is amended to read
47 as follows:

48 18. The account wagering licensee may accept account wagers

1 only from residents of New Jersey or from nonresidents who are
2 physically present in this State and only as follows:

3 a. The account wager shall be placed directly with the account
4 wagering licensee by the holder of the wagering account.

5 b. The account holder placing the account wager shall provide
6 the licensee with the correct personal identification number of the
7 holder of the wagering account.

8 c. A licensee may not accept an account wager, or series of
9 wagers, in an amount in excess of funds on deposit in the wagering
10 account of the holder placing the wager. Funds on deposit include
11 amounts credited under section 17 of this act and in the account at
12 the time the wager is placed.

13 d. Only the holder of a wagering account shall place an account
14 wager. Unless otherwise approved by the commission, no person,
15 corporation or other entity shall directly or indirectly act as an
16 intermediary, transmitter or agent in the placing of wagers for a
17 holder of a wagering account; provided, however, that the use of
18 credit or debit cards specifically approved by the licensee or the use
19 of checks, money orders or negotiable orders of withdrawal or the
20 use of telephonic, computer or electronic means by the account
21 holder to place such wagers shall not be prohibited.

22 e. The account holder may place a wager in person, by direct
23 telephone call or by communication through other electronic media.
24 (cf: P.L.2001, c.199, s.18)

25

26 5. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill provides that the New Jersey Racing Commission, in
32 effectuating its responsibilities under the laws governing wagering
33 on horse races, simulcasting, off-track and account wagering, and
34 casino simulcasting, and under such circumstances and for such
35 races as the commission deems appropriate, will:

36 at the request of a permitholder, allow a permitholder to offer a
37 future wager consisting of wagering on prospective entrants for
38 specific races, with wagering conducted in advance, one or more
39 parimutuel pools formed and closed on dates prior to the date of the
40 race, and all wagers considered final and no refunds paid even if,
41 for any reason, an entrant fails to participate in the race;

42 provide that the minimum wager amount that may be placed on a
43 horse race may be \$0.10 or greater;

44 provide that, after three years following the date of purchase,
45 unclaimed cash vouchers will be paid 50% to the permitholder at
46 the location where purchased and 50% to the purse account at the
47 location where purchased, provided that if the permitholder
48 conducts both harness and thoroughbred races the purse amount

1 will be divided equally between the harness and thoroughbred purse
2 accounts;

3 at the request of a permitholder or the operator of a casino
4 simulcasting facility, allow the permitholder or the operator of a
5 casino simulcasting facility to accept a wager in advance of a race
6 at an in-State or out-of-State sending track under a simulcast
7 agreement without receiving a simulcast transmission thereof or
8 displaying live video thereof when the race is to be conducted
9 between the hours of 11:00 PM and 11:00 AM local New Jersey
10 time, or at such other times as the commission permits due to
11 extenuating circumstances; and

12 allow a permitholder to pay an amount due a winning
13 ticketholder, notwithstanding that the ticketholder is unable to
14 produce the actual ticket, if the permitholder is able to verify
15 independently through electronic or other means approved by the
16 commission that the ticketholder purchased the ticket.

17 In addition, the bill amends existing law to allow a nonresident
18 over age 18 who is physically present in the State to engage in
19 account wagering.

ASSEMBLY TOURISM AND GAMING COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2068

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2006

As amended by the committee, this bill provides that the New Jersey Racing Commission, in effectuating its responsibilities under the laws governing wagering on horse races, simulcasting, off-track and account wagering, and casino simulcasting, and under such circumstances and for such races as the commission deems appropriate, will:

at the request of a permitholder, allow a permitholder to offer a future wager consisting of wagering on prospective entrants for specific races, with wagering conducted in advance, one or more parimutuel pools formed and closed on dates prior to the date of the race, and all wagers considered final and no refunds paid even if, for any reason, an entrant fails to participate in the race;

provide that the minimum wager amount that may be placed on a horse race may be \$0.10 or greater;

provide that, after three years following the date of purchase, unclaimed cash vouchers will be paid 50% to the permitholder at the location where purchased and 50% to the purse account at the location where purchased, provided that if the permitholder conducts both harness and thoroughbred races the purse amount will be divided equally between the harness and thoroughbred purse accounts;

at the request of a permitholder or the operator of a casino simulcasting facility, allow the permitholder or the operator of a casino simulcasting facility to accept a wager in advance of a race at an in-State or out-of-State sending track under a simulcast agreement without receiving a simulcast transmission thereof or displaying live video thereof when the race is to be conducted between the hours of 11:00 PM and 11:00 AM local New Jersey time, or at such other times as the commission permits due to extenuating circumstances; and

allow a permitholder to pay an amount due a winning ticketholder, notwithstanding that the ticketholder is unable to produce the actual ticket, if the permitholder is able to verify independently through electronic or other means approved by the commission that the ticketholder purchased the ticket.

The committee amended the bill to delete the provisions which would have allowed a nonresident over age 18 who is physically

present in the State to engage in account wagering.