

# 5:5-161

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2006                **CHAPTER:** 4  
**NJSA:** 5:5-161 (Enacts Interstate Compact for Horse Racing Licensees)  
**BILL NO:** S834 (Substituted for A2464)  
**SPONSOR(S)** Karcher and others  
**DATE INTRODUCED:** Pre-filed  
**COMMITTEE:**                **ASSEMBLY:**  
**SENATE:**                Wagering, Tourism and Historic Preservation; Budget and Appropriations  
**AMENDED DURING PASSAGE:** No  
**DATE OF PASSAGE:**                **ASSEMBLY:** March 16, 2006  
**SENATE:**                March 13, 2006

**DATE OF APPROVAL:** April 11, 2006

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

### [FINAL TEXT OF BILL](#)

**S834**

**[SPONSOR'S STATEMENT:](#)** (Begins on page 7 of original bill)                [Yes](#)

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

**SENATE:**                                Yes 2-6-2006 ([Wagering](#))  
3-6-2006 ([Budget](#))

**FLOOR AMENDMENT STATEMENT:**                                No

**LEGISLATIVE FISCAL NOTE:**                                No

**A2464**

**[SPONSOR'S STATEMENT:](#)** (Begins on page 7 of original bill)                [Yes](#)

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

**SENATE:**                                No

**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

KBP

P.L. 2006, CHAPTER 4, *approved April 11, 2006*  
Senate, No. 834

1 **AN ACT** concerning the licensing of participants in live horse racing  
2 with parimutuel wagering and supplementing chapter 5 of Title 5  
3 of the Revised Statutes.

4

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

7

8 1. The Interstate Compact for Horse Racing Licensees is hereby  
9 enacted into law and entered into with all other jurisdictions legally  
10 joining therein in the form substantially as herein provided.

11

12 2. Purpose.

13 The purpose of this compact is to:

14 a. Establish uniform requirements among the party states for the  
15 licensing of participants in live racing with parimutuel wagering,  
16 and ensure that all such participants who are licensed pursuant to  
17 this compact meet and maintain a uniform standard of honesty and  
18 integrity.

19 b. Facilitate the growth of the parimutuel racing industry in each  
20 party state and nationwide by simplifying the process for licensing  
21 participants in live racing, and reduce the duplicative and costly  
22 process of separate licensing by the regulatory agency in each state  
23 that conducts live racing with parimutuel wagering.

24 c. Authorize the New Jersey Racing Commission to participate  
25 in this compact.

26 d. Provide for participation in this compact by officials of the  
27 party states, and permit those officials, through the compact  
28 committee established by this compact, to enter into contracts with  
29 governmental agencies and non-governmental persons to carry out  
30 the purpose of this compact.

31 e. Establish the compact committee created by this compact as  
32 an interstate governmental entity duly authorized to request and  
33 receive criminal history record information from the Federal Bureau  
34 of Investigation and from state, local and foreign law enforcement  
35 agencies.

36

37 3. Definitions.

38 As used in this compact:

39 "Compact committee" means the organization of officials from  
40 the party states that is authorized and empowered by this compact to  
41 carry out the purpose of this compact.

42 "Official" means the appointed, elected, designated or otherwise  
43 duly selected member of a racing commission or the equivalent

1 thereof in a party state who represents that party state as a member  
2 of the compact committee.

3 "Participants in live racing" means participants in live racing  
4 with parimutuel wagering in the party states.

5 "Party state" means each state that has enacted this compact.

6 "State" means each of the several states of the United States, the  
7 District of Columbia, the Commonwealth of Puerto Rico and each  
8 territory or possession of the United States.

9

10 4. Entry into force, eligible parties, withdrawal.

11 a. This compact shall come into force when enacted by any four  
12 states. Thereafter, this compact shall become effective as to any  
13 other state upon both: (1) that state's enactment of this compact,  
14 and (2) the affirmative vote of a majority of the officials on the  
15 compact committee as provided in subsection c. of section 5 of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).

17 b. Any state that has adopted or authorized live racing with  
18 parimutuel wagering shall be eligible to become party to this  
19 compact.

20 c. Any party state may withdraw from this compact by enacting  
21 a statute repealing this compact, but no such withdrawal shall  
22 become effective until the head of the executive branch of the  
23 withdrawing state has given notice in writing of such withdrawal to  
24 the head of the executive branch of all other party states. If, as a  
25 result of the withdrawals, participation in this compact decreases to  
26 fewer than three party states, this compact no longer shall be in  
27 force and effect unless and until there are at least three or more  
28 party states again participating in this compact.

29

30 5. Compact committee, powers and duties, voting,  
31 administration and management, immunity.

32 a. There is hereby created an interstate governmental entity to be  
33 know as the "compact committee," which shall be comprised of one  
34 official from the racing commission, or its equivalent, in each party  
35 state who shall be appointed, serve and be subject to removal in  
36 accordance with the laws of the party state the official represents.  
37 Pursuant to the laws of the respective party state, each official shall  
38 have the assistance of the party state's racing commission, or the  
39 equivalent thereof, in considering issues related to licensing  
40 participants in live racing and in fulfilling the official's  
41 responsibilities as the representative from the party state to the  
42 compact committee. If an official is unable to perform any duty in  
43 connection with the powers and duties of the compact committee,  
44 the racing commission, or equivalent thereof, from the respective  
45 party state shall designate another of its members as an alternate  
46 who shall serve in the original official's place and represent the  
47 party state as its official on the compact committee until that racing

1 commission, or equivalent thereof, determines that the original  
2 representative official is able once again to perform the official's  
3 duties as that party state's representative official on the compact  
4 committee. The designation of an alternate shall be communicated  
5 by the affected state's racing commission, or equivalent thereof, to  
6 the compact committee as the committee's bylaws may provide.

7 b. In order to carry out the purposes of this compact, the  
8 compact committee is hereby granted the power and duty to:

9 (1) Determine which categories of participants in live  
10 parimutuel racing, including but not limited to owners, trainers,  
11 jockeys, drivers, grooms, mutuel clerks, racing officials,  
12 veterinarians, farriers and others, should be licensed by the  
13 committee, and establish the requirements for the initial licensure of  
14 applicants in each such category, the term of the license for each  
15 category, and the requirements for renewal of licenses in each  
16 category. Provided, however, that with regard to all licensure  
17 requirements, including requests for criminal history record  
18 information, the effect of a criminal record on the issuance or  
19 renewal of a license, and with regard to the weight given to  
20 information relevant to an applicant's character or integrity in  
21 determining the issuance or renewal of a license, the compact  
22 committee shall determine for each category of participants in live  
23 racing which licensure requirements for that category are, in its  
24 judgment, the most restrictive licensure requirements of any party  
25 state for that category and shall adopt licensure requirements for  
26 that category that are, in its judgment, comparable to those most  
27 restrictive requirements.

28 (2) Investigate applicants for a license from the compact  
29 committee and, as permitted by federal and state law, gather  
30 information on such applicants, including criminal history record  
31 information from the Federal Bureau of Investigation and relevant  
32 state and local law enforcement agencies, and, where appropriate,  
33 from the Royal Canadian Mounted Police and law enforcement  
34 agencies of other countries, necessary to determine whether a  
35 license should be issued or renewed under the licensure  
36 requirements established by the committee as provided in paragraph  
37 1 of this subsection. Only officials on, and employees of, the  
38 compact committee may receive and review such criminal history  
39 record information, and those officials and employees may use that  
40 information only for the purposes of this compact. The fingerprints  
41 of each applicant for a license from the compact committee shall be  
42 taken by the compact committee, its employees, or its designee and,  
43 pursuant to Public Law 92-544 or Public Law 100-413, shall be  
44 forwarded to a state identification bureau, or to an association of  
45 state officials regulating parimutuel wagering designated by the  
46 Attorney General of the United States, for submission to the  
47 Federal Bureau of Investigation for a criminal history record check.

1 Such fingerprints may be submitted on a fingerprint card or by  
2 electronic or other means authorized by the Federal Bureau of  
3 Investigation or other receiving law enforcement agency.

4 (3) Issue licenses to, and renew the licenses of, participants in  
5 live racing listed in paragraph 1 of this subsection who are found by  
6 the committee to have met the licensure and renewal requirements  
7 established by the committee. The compact committee shall not  
8 have the power or authority to deny a license. If it determines that  
9 an applicant will not be eligible for the issuance or renewal of a  
10 compact committee license, the compact committee shall notify the  
11 applicant that it will not be able to process the application further.  
12 Such notification does not constitute and shall not be considered to  
13 be the denial of a license. Any such applicant shall have the right to  
14 present additional evidence to, and to be heard by, the compact  
15 committee, but the final decision on issuance or renewal of the  
16 license shall be made by the compact committee using the  
17 requirements established pursuant to paragraph 1 of this subsection.

18 (4) Enter into contracts or agreements with governmental  
19 agencies and with non-governmental persons to provide personal  
20 services for its activities and such other services as may be  
21 necessary to effectuate the purposes of this compact.

22 (5) Create, appoint, and abolish those offices, employments, and  
23 positions, including an executive director, as it deems necessary for  
24 the purposes of this compact, prescribe their powers, duties and  
25 qualifications, hire persons to fill those offices, employments and  
26 positions, and provide for the removal, term, tenure, compensation,  
27 fringe benefits, retirement benefits and other conditions of  
28 employment of its officers, employees and other positions.

29 (6) Borrow, accept, or contract for the services of personnel  
30 from any state, the United States, or any other governmental  
31 agency, or from any person, firm, association, corporation or other  
32 entity.

33 (7) Acquire, hold, and dispose of real and personal property by  
34 gift, purchase, lease, license, or in other similar manner, in  
35 furtherance of the purposes of this compact.

36 (8) Charge a fee to each applicant for an initial license or  
37 renewal of a license.

38 (9) Receive other funds through gifts, grants and appropriations.

39 c. (1) Each official shall be entitled to one vote on the compact  
40 committee.

41 (2) All action taken by the compact committee with regard to the  
42 addition of party states as provided in subsection a. of section 4 of  
43 P.L. , c. (C. )(pending before the Legislature as this bill),  
44 the licensure of participants in live racing, and the receipt and  
45 disbursement of funds shall require a majority vote of the total  
46 number of officials, or their alternates, on the committee. All other

1 action by the compact committee shall require a majority vote of  
2 those officials, or their alternates, present and voting.

3 (3) No action of the compact committee may be taken unless a  
4 quorum is present. A majority of the officials, or their alternates,  
5 on the compact committee shall constitute a quorum.

6 d. (1) The compact committee shall elect annually from among  
7 its members a chairman, a vice-chairman, and a secretary/treasurer.

8 (2) The compact committee shall adopt bylaws for the conduct  
9 of its business by a two-thirds vote of the total number of officials,  
10 or their alternates, on the committee at that time and shall have the  
11 power by the same vote to amend and rescind these bylaws. The  
12 committee shall publish its bylaws in convenient form and shall file  
13 a copy thereof and a copy of any amendments thereto with the  
14 secretary of the state, or equivalent agency, of each of the party  
15 states.

16 (3) The compact committee may delegate the day-to-day  
17 management and administration of its duties and responsibilities to  
18 an executive director and his support staff.

19 (4) Employees of the compact committee shall be considered  
20 governmental employees.

21 e. No official of a party state or employee of the compact  
22 committee shall be held personally liable for any good faith act or  
23 omission that occurs during the performance and within the scope  
24 of his responsibilities and duties under this compact.  
25

26 6. Rights and responsibilities of party states.

27 a. By enacting this compact, each party state:

28 (1) Agrees: (a) to accept the decisions of the compact committee  
29 regarding the issuance or renewal of compact committee licenses to  
30 participants in live racing pursuant to the committee's licensure  
31 requirements, and (b) to reimburse or otherwise pay the expenses of  
32 its official representative on the compact committee or the official's  
33 alternate.

34 (2) Agrees not to treat a notification to an applicant by the  
35 compact committee under paragraph 3 of subsection b. of section 5  
36 of P.L. , c. (C. )(pending before the Legislature as this bill)  
37 that the compact committee will not be able to process the  
38 applicant's application further as the denial of a license or to  
39 otherwise penalize such an applicant based solely on such a  
40 decision by the compact committee.

41 (3) Reserves the right: (a) to charge a fee for the use of a  
42 compact committee license in that state, (b) to apply its own  
43 standards in determining whether, on the facts of a particular case, a  
44 compact committee licensee should be suspended, revoked, or  
45 determined to be ineligible to participate in racing, (c) to apply its  
46 own standards in determining licensure eligibility, under the laws of  
47 that party state, for categories of participants in live racing that the

1 compact committee determines not to license and for individual  
2 participants in live racing who do not meet the licensure  
3 requirements of the compact committee, and (d) to establish its own  
4 licensure standards for the licensure of non-racing employees at  
5 parimutuel racetracks and employees at separate satellite wagering  
6 facilities. Any party state that issues a suspension, revocation or  
7 period of licensure ineligibility to a person possessing a compact  
8 committee license shall, through its racing commission, the  
9 equivalent thereof, or otherwise, promptly notify the compact  
10 committee of that penalty.

11 b. No party state shall be held liable for the debts or other  
12 financial obligations incurred by the compact committee.

13

#### 14 7. Construction and Severability

15 This compact shall be liberally construed so as to effectuate its  
16 purposes. The provisions of this compact shall be severable, and, if  
17 any phrase, clause, sentence or provision of this compact is declared  
18 to be contrary to the Constitution of the United States or the  
19 constitution of any party state, or the applicability of this compact  
20 to any government, agency, person or circumstance is held invalid,  
21 the validity of the remainder of this compact and the applicability  
22 thereof to any government, agency, person or circumstance shall not  
23 be affected thereby. If all or some portion of this compact is held to  
24 be contrary to the constitution of any party state, the compact shall  
25 remain in full force and effect as to the remaining party states and  
26 in full force and effect as to the state affected as to all severable  
27 matters.

28

29 8. This act shall take effect immediately.

30

31

32

### 32 STATEMENT

33

34 This bill would enact the Interstate Compact for Horse Racing  
35 Licensees and recognize the creation of the interstate licensing  
36 compact committee to streamline the licensing process for  
37 participants in live horse racing with parimutuel wagering. The  
38 compact came into force in 2000 when it was adopted by five states.  
39 There are now 11 member states that have adopted the compact,  
40 including New York, Delaware, Kentucky, Virginia and Florida.  
41 New Jersey has been a participating jurisdiction for the past year  
42 and a half, electing to participate at a certain level for processing  
43 purposes.

44 According to the National Racing Compact organization, the  
45 compact was needed to create an interstate governmental entity –  
46 the interstate licensing compact committee – authorized to receive  
47 and review criminal history record information on behalf of all



1 member states. The creation of the compact committee eliminates  
2 the requirement for each member state to have to individually  
3 request such criminal history record information, as states are  
4 otherwise not authorized to discuss and share such information.

5 Under the licensing compact, the compact committee would  
6 establish uniform requirements among the compacting states for the  
7 licensing of participants, and would allow participants to apply for  
8 one license which is to be valid in all compacting states. The  
9 enactment of this compact would not only reduce the costs of the  
10 current duplicative process which requires potential licensees to file  
11 separate applications in each state or jurisdiction in which the  
12 participant intends to race, but would also ensure that all such  
13 participants who receive a compact license meet and maintain a  
14 consistent standard of honesty and integrity.

15 The compact committee would be comprised of one member  
16 from the New Jersey Racing Commission, and members from the  
17 equivalent regulatory body in every other compacting state. The  
18 compact committee would have the authority to determine the  
19 categories of racing participants (e.g., owners, trainers, jockeys,  
20 drivers, grooms, mutuel clerks, racing officials, veterinarians,  
21 farriers and other employees) that may be licensed, and would  
22 establish the requirements for the initial licensure of applicants in  
23 each category. Currently, the committee handles the licensing of  
24 owners, trainers, drivers and jockeys.

25 The compact committee would have the authority to investigate  
26 applicants for a license and, as permitted by state and federal law,  
27 to gather criminal history record information from the Federal  
28 Bureau of Investigation, relevant state and local law enforcement  
29 agencies, and where appropriate, the Royal Canadian Mounted  
30 Police and law enforcement agencies of other countries. The  
31 compact committee would also have the authority to determine  
32 whether certain applicants are ineligible for an initial license or  
33 renewal. Under the compact, the licensing authority of the compact  
34 committee would supplement, rather than replace, the in-state  
35 licensing authority exercised by the New Jersey Racing  
36 Commission.

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Enacts Interstate Compact for Horse Racing Licensees.

# SENATE, No. 834

## STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

**Sponsored by:**

**Senator ELLEN KARCHER**

**District 12 (Mercer and Monmouth)**

**Senator JOSEPH A. PALAIA**

**District 11 (Monmouth)**

**Assemblywoman LINDA STENDER**

**District 22 (Middlesex, Somerset and Union)**

**Assemblyman JEFF VAN DREW**

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

**Assemblyman RONALD S. DANCER**

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

**Co-Sponsored by:**

**Assemblywoman Beck and Assemblyman Connors**

**SYNOPSIS**

Enacts Interstate Compact for Horse Racing Licensees.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 3/17/2006)

1 AN ACT concerning the licensing of participants in live horse racing  
2 with parimutuel wagering and supplementing chapter 5 of Title 5  
3 of the Revised Statutes.

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

7  
8 1. The Interstate Compact for Horse Racing Licensees is hereby  
9 enacted into law and entered into with all other jurisdictions legally  
10 joining therein in the form substantially as herein provided.

11  
12 2. Purpose.

13 The purpose of this compact is to:

14 a. Establish uniform requirements among the party states for the  
15 licensing of participants in live racing with parimutuel wagering,  
16 and ensure that all such participants who are licensed pursuant to  
17 this compact meet and maintain a uniform standard of honesty and  
18 integrity.

19 b. Facilitate the growth of the parimutuel racing industry in each  
20 party state and nationwide by simplifying the process for licensing  
21 participants in live racing, and reduce the duplicative and costly  
22 process of separate licensing by the regulatory agency in each state  
23 that conducts live racing with parimutuel wagering.

24 c. Authorize the New Jersey Racing Commission to participate  
25 in this compact.

26 d. Provide for participation in this compact by officials of the  
27 party states, and permit those officials, through the compact  
28 committee established by this compact, to enter into contracts with  
29 governmental agencies and non-governmental persons to carry out  
30 the purpose of this compact.

31 e. Establish the compact committee created by this compact as  
32 an interstate governmental entity duly authorized to request and  
33 receive criminal history record information from the Federal Bureau  
34 of Investigation and from state, local and foreign law enforcement  
35 agencies.

36  
37 3. Definitions.

38 As used in this compact:

39 "Compact committee" means the organization of officials from  
40 the party states that is authorized and empowered by this compact to  
41 carry out the purpose of this compact.

42 "Official" means the appointed, elected, designated or otherwise  
43 duly selected member of a racing commission or the equivalent  
44 thereof in a party state who represents that party state as a member  
45 of the compact committee.

46 "Participants in live racing" means participants in live racing  
47 with parimutuel wagering in the party states.

1 "Party state" means each state that has enacted this compact.

2 "State" means each of the several states of the United States, the  
3 District of Columbia, the Commonwealth of Puerto Rico and each  
4 territory or possession of the United States.

5

6 4. Entry into force, eligible parties, withdrawal.

7 a. This compact shall come into force when enacted by any four  
8 states. Thereafter, this compact shall become effective as to any  
9 other state upon both: (1) that state's enactment of this compact,  
10 and (2) the affirmative vote of a majority of the officials on the  
11 compact committee as provided in subsection c. of section 5 of  
12 P.L. , c. (C. ) (pending before the Legislature as this bill).

13 b. Any state that has adopted or authorized live racing with  
14 parimutuel wagering shall be eligible to become party to this  
15 compact.

16 c. Any party state may withdraw from this compact by enacting  
17 a statute repealing this compact, but no such withdrawal shall  
18 become effective until the head of the executive branch of the  
19 withdrawing state has given notice in writing of such withdrawal to  
20 the head of the executive branch of all other party states. If, as a  
21 result of the withdrawals, participation in this compact decreases to  
22 fewer than three party states, this compact no longer shall be in  
23 force and effect unless and until there are at least three or more  
24 party states again participating in this compact.

25

26 5. Compact committee, powers and duties, voting,  
27 administration and management, immunity.

28 a. There is hereby created an interstate governmental entity to be  
29 know as the "compact committee," which shall be comprised of one  
30 official from the racing commission, or its equivalent, in each party  
31 state who shall be appointed, serve and be subject to removal in  
32 accordance with the laws of the party state the official represents.  
33 Pursuant to the laws of the respective party state, each official shall  
34 have the assistance of the party state's racing commission, or the  
35 equivalent thereof, in considering issues related to licensing  
36 participants in live racing and in fulfilling the official's  
37 responsibilities as the representative from the party state to the  
38 compact committee. If an official is unable to perform any duty in  
39 connection with the powers and duties of the compact committee,  
40 the racing commission, or equivalent thereof, from the respective  
41 party state shall designate another of its members as an alternate  
42 who shall serve in the original official's place and represent the  
43 party state as its official on the compact committee until that racing  
44 commission, or equivalent thereof, determines that the original  
45 representative official is able once again to perform the official's  
46 duties as that party state's representative official on the compact  
47 committee. The designation of an alternate shall be communicated

1 by the affected state's racing commission, or equivalent thereof, to  
2 the compact committee as the committee's bylaws may provide.

3 b. In order to carry out the purposes of this compact, the  
4 compact committee is hereby granted the power and duty to:

5 (1) Determine which categories of participants in live  
6 parimutuel racing, including but not limited to owners, trainers,  
7 jockeys, drivers, grooms, mutuel clerks, racing officials,  
8 veterinarians, farriers and others, should be licensed by the  
9 committee, and establish the requirements for the initial licensure of  
10 applicants in each such category, the term of the license for each  
11 category, and the requirements for renewal of licenses in each  
12 category. Provided, however, that with regard to all licensure  
13 requirements, including requests for criminal history record  
14 information, the effect of a criminal record on the issuance or  
15 renewal of a license, and with regard to the weight given to  
16 information relevant to an applicant's character or integrity in  
17 determining the issuance or renewal of a license, the compact  
18 committee shall determine for each category of participants in live  
19 racing which licensure requirements for that category are, in its  
20 judgment, the most restrictive licensure requirements of any party  
21 state for that category and shall adopt licensure requirements for  
22 that category that are, in its judgment, comparable to those most  
23 restrictive requirements.

24 (2) Investigate applicants for a license from the compact  
25 committee and, as permitted by federal and state law, gather  
26 information on such applicants, including criminal history record  
27 information from the Federal Bureau of Investigation and relevant  
28 state and local law enforcement agencies, and, where appropriate,  
29 from the Royal Canadian Mounted Police and law enforcement  
30 agencies of other countries, necessary to determine whether a  
31 license should be issued or renewed under the licensure  
32 requirements established by the committee as provided in paragraph  
33 1 of this subsection. Only officials on, and employees of, the  
34 compact committee may receive and review such criminal history  
35 record information, and those officials and employees may use that  
36 information only for the purposes of this compact. The fingerprints  
37 of each applicant for a license from the compact committee shall be  
38 taken by the compact committee, its employees, or its designee and,  
39 pursuant to Public Law 92-544 or Public Law 100-413, shall be  
40 forwarded to a state identification bureau, or to an association of  
41 state officials regulating parimutuel wagering designated by the  
42 Attorney General of the United States, for submission to the  
43 Federal Bureau of Investigation for a criminal history record check.  
44 Such fingerprints may be submitted on a fingerprint card or by  
45 electronic or other means authorized by the Federal Bureau of  
46 Investigation or other receiving law enforcement agency.

1 (3) Issue licenses to, and renew the licenses of, participants in  
2 live racing listed in paragraph 1 of this subsection who are found by  
3 the committee to have met the licensure and renewal requirements  
4 established by the committee. The compact committee shall not  
5 have the power or authority to deny a license. If it determines that  
6 an applicant will not be eligible for the issuance or renewal of a  
7 compact committee license, the compact committee shall notify the  
8 applicant that it will not be able to process the application further.  
9 Such notification does not constitute and shall not be considered to  
10 be the denial of a license. Any such applicant shall have the right to  
11 present additional evidence to, and to be heard by, the compact  
12 committee, but the final decision on issuance or renewal of the  
13 license shall be made by the compact committee using the  
14 requirements established pursuant to paragraph 1 of this subsection.

15 (4) Enter into contracts or agreements with governmental  
16 agencies and with non-governmental persons to provide personal  
17 services for its activities and such other services as may be  
18 necessary to effectuate the purposes of this compact.

19 (5) Create, appoint, and abolish those offices, employments, and  
20 positions, including an executive director, as it deems necessary for  
21 the purposes of this compact, prescribe their powers, duties and  
22 qualifications, hire persons to fill those offices, employments and  
23 positions, and provide for the removal, term, tenure, compensation,  
24 fringe benefits, retirement benefits and other conditions of  
25 employment of its officers, employees and other positions.

26 (6) Borrow, accept, or contract for the services of personnel  
27 from any state, the United States, or any other governmental  
28 agency, or from any person, firm, association, corporation or other  
29 entity.

30 (7) Acquire, hold, and dispose of real and personal property by  
31 gift, purchase, lease, license, or in other similar manner, in  
32 furtherance of the purposes of this compact.

33 (8) Charge a fee to each applicant for an initial license or  
34 renewal of a license.

35 (9) Receive other funds through gifts, grants and appropriations.

36 c. (1) Each official shall be entitled to one vote on the compact  
37 committee.

38 (2) All action taken by the compact committee with regard to the  
39 addition of party states as provided in subsection a. of section 4 of  
40 P.L. , c. (C. )(pending before the Legislature as this bill),  
41 the licensure of participants in live racing, and the receipt and  
42 disbursement of funds shall require a majority vote of the total  
43 number of officials, or their alternates, on the committee. All other  
44 action by the compact committee shall require a majority vote of  
45 those officials, or their alternates, present and voting.

1 (3) No action of the compact committee may be taken unless a  
2 quorum is present. A majority of the officials, or their alternates,  
3 on the compact committee shall constitute a quorum.

4 d. (1) The compact committee shall elect annually from among  
5 its members a chairman, a vice-chairman, and a secretary/treasurer.

6 (2) The compact committee shall adopt bylaws for the conduct  
7 of its business by a two-thirds vote of the total number of officials,  
8 or their alternates, on the committee at that time and shall have the  
9 power by the same vote to amend and rescind these bylaws. The  
10 committee shall publish its bylaws in convenient form and shall file  
11 a copy thereof and a copy of any amendments thereto with the  
12 secretary of the state, or equivalent agency, of each of the party  
13 states.

14 (3) The compact committee may delegate the day-to-day  
15 management and administration of its duties and responsibilities to  
16 an executive director and his support staff.

17 (4) Employees of the compact committee shall be considered  
18 governmental employees.

19 e. No official of a party state or employee of the compact  
20 committee shall be held personally liable for any good faith act or  
21 omission that occurs during the performance and within the scope  
22 of his responsibilities and duties under this compact.

23

24 6. Rights and responsibilities of party states.

25 a. By enacting this compact, each party state:

26 (1) Agrees: (a) to accept the decisions of the compact committee  
27 regarding the issuance or renewal of compact committee licenses to  
28 participants in live racing pursuant to the committee's licensure  
29 requirements, and (b) to reimburse or otherwise pay the expenses of  
30 its official representative on the compact committee or the official's  
31 alternate.

32 (2) Agrees not to treat a notification to an applicant by the  
33 compact committee under paragraph 3 of subsection b. of section 5  
34 of P.L. , c. (C. )(pending before the Legislature as this bill)  
35 that the compact committee will not be able to process the  
36 applicant's application further as the denial of a license or to  
37 otherwise penalize such an applicant based solely on such a  
38 decision by the compact committee.

39 (3) Reserves the right: (a) to charge a fee for the use of a  
40 compact committee license in that state, (b) to apply its own  
41 standards in determining whether, on the facts of a particular case, a  
42 compact committee licensee should be suspended, revoked, or  
43 determined to be ineligible to participate in racing, (c) to apply its  
44 own standards in determining licensure eligibility, under the laws of  
45 that party state, for categories of participants in live racing that the  
46 compact committee determines not to license and for individual  
47 participants in live racing who do not meet the licensure

1 requirements of the compact committee, and (d) to establish its own  
2 licensure standards for the licensure of non-racing employees at  
3 parimutuel racetracks and employees at separate satellite wagering  
4 facilities. Any party state that issues a suspension, revocation or  
5 period of licensure ineligibility to a person possessing a compact  
6 committee license shall, through its racing commission, the  
7 equivalent thereof, or otherwise, promptly notify the compact  
8 committee of that penalty.

9 b. No party state shall be held liable for the debts or other  
10 financial obligations incurred by the compact committee.

11

12 7. Construction and Severability

13 This compact shall be liberally construed so as to effectuate its  
14 purposes. The provisions of this compact shall be severable, and, if  
15 any phrase, clause, sentence or provision of this compact is declared  
16 to be contrary to the Constitution of the United States or the  
17 constitution of any party state, or the applicability of this compact  
18 to any government, agency, person or circumstance is held invalid,  
19 the validity of the remainder of this compact and the applicability  
20 thereof to any government, agency, person or circumstance shall not  
21 be affected thereby. If all or some portion of this compact is held to  
22 be contrary to the constitution of any party state, the compact shall  
23 remain in full force and effect as to the remaining party states and  
24 in full force and effect as to the state affected as to all severable  
25 matters.

26

27 8. This act shall take effect immediately.

28

29

30

STATEMENT

31

32 This bill would enact the Interstate Compact for Horse Racing  
33 Licensees and recognize the creation of the interstate licensing  
34 compact committee to streamline the licensing process for  
35 participants in live horse racing with parimutuel wagering. The  
36 compact came into force in 2000 when it was adopted by five states.  
37 There are now 11 member states that have adopted the compact,  
38 including New York, Delaware, Kentucky, Virginia and Florida.  
39 New Jersey has been a participating jurisdiction for the past year  
40 and a half, electing to participate at a certain level for processing  
41 purposes.

42 According to the National Racing Compact organization, the  
43 compact was needed to create an interstate governmental entity –  
44 the interstate licensing compact committee – authorized to receive  
45 and review criminal history record information on behalf of all  
46 member states. The creation of the compact committee eliminates  
47 the requirement for each member state to have to individually



1 request such criminal history record information, as states are  
2 otherwise not authorized to discuss and share such information.

3 Under the licensing compact, the compact committee would  
4 establish uniform requirements among the compacting states for the  
5 licensing of participants, and would allow participants to apply for  
6 one license which is to be valid in all compacting states. The  
7 enactment of this compact would not only reduce the costs of the  
8 current duplicative process which requires potential licensees to file  
9 separate applications in each state or jurisdiction in which the  
10 participant intends to race, but would also ensure that all such  
11 participants who receive a compact license meet and maintain a  
12 consistent standard of honesty and integrity.

13 The compact committee would be comprised of one member  
14 from the New Jersey Racing Commission, and members from the  
15 equivalent regulatory body in every other compacting state. The  
16 compact committee would have the authority to determine the  
17 categories of racing participants (e.g., owners, trainers, jockeys,  
18 drivers, grooms, mutuel clerks, racing officials, veterinarians,  
19 farriers and other employees) that may be licensed, and would  
20 establish the requirements for the initial licensure of applicants in  
21 each category. Currently, the committee handles the licensing of  
22 owners, trainers, drivers and jockeys.

23 The compact committee would have the authority to investigate  
24 applicants for a license and, as permitted by state and federal law,  
25 to gather criminal history record information from the Federal  
26 Bureau of Investigation, relevant state and local law enforcement  
27 agencies, and where appropriate, the Royal Canadian Mounted  
28 Police and law enforcement agencies of other countries. The  
29 compact committee would also have the authority to determine  
30 whether certain applicants are ineligible for an initial license or  
31 renewal. Under the compact, the licensing authority of the compact  
32 committee would supplement, rather than replace, the in-state  
33 licensing authority exercised by the New Jersey Racing  
34 Commission.

SENATE WAGERING, TOURISM AND HISTORIC  
PRESERVATION COMMITTEE

STATEMENT TO

**SENATE, No. 834**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 6, 2006

The Senate Wagering, Tourism and Historic Preservation Committee reports favorably Senate Bill No. 834.

This bill would enact the Interstate Compact for Horse Racing Licensees and recognize the creation of the interstate licensing compact committee to streamline the licensing process for participants in live horse racing with parimutuel wagering. The compact came into force in 2000 when it was adopted by five states. There are now 11 member states that have adopted the compact, including New York, Delaware, Kentucky, Virginia and Florida. New Jersey has been a participating jurisdiction for the past year and a half, electing to participate at a certain level for processing purposes.

According to the National Racing Compact organization, the compact was needed to create an interstate governmental entity – the interstate licensing compact committee – authorized to receive and review criminal history record information on behalf of all member states. The creation of the compact committee eliminates the requirement for each member state to individually request criminal history record information, as states are otherwise not authorized to discuss and share such information.

Under the licensing compact, the compact committee would establish uniform requirements among the compacting states for the licensing of participants, and would allow participants to apply for one license which is valid in all compacting states. The enactment of this compact would not only reduce the costs of the current duplicative process which requires potential licensees to file separate applications in each state or jurisdiction in which the participant intends to race, but would also ensure that all participants who receive a compact license meet and maintain a consistent standard of honesty and integrity.

The compact committee would be comprised of one member from the New Jersey Racing Commission, and members from the equivalent regulatory body in every other compacting state. The compact committee would have the authority to determine the categories of racing participants (e.g., owners, trainers, jockeys, drivers, grooms, mutuel clerks, racing officials, veterinarians, farriers and other employees) that may be licensed, and would establish the requirements

for the initial licensure of applicants in each category. Currently, the committee handles the licensing of owners, trainers, drivers and jockeys.

The compact committee would have the authority to investigate applicants for a license and, as permitted by state and federal law, to gather criminal history record information from the Federal Bureau of Investigation, relevant state and local law enforcement agencies, and where appropriate, the Royal Canadian Mounted Police and law enforcement agencies of other countries. The compact committee would also have the authority to determine whether certain applicants are ineligible for an initial license or renewal. Under the compact, the licensing authority of the compact committee would supplement, rather than replace, the in-state licensing authority exercised by the New Jersey Racing Commission.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 834

# STATE OF NEW JERSEY

DATED: MARCH 6, 2006

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 834.

This bill would enact the Interstate Compact for Horse Racing Licensees and recognize the creation of the interstate licensing compact committee to streamline the licensing process for participants in live horse racing with parimutuel wagering. The compact came into force in 2000 when it was adopted by five states. There are now 11 member states that have adopted the compact, including New York, Delaware, Kentucky, Virginia and Florida. New Jersey has been a participating jurisdiction for the past year and a half, electing to participate at a certain level for processing purposes.

Under the licensing compact, the compact committee would establish uniform requirements among the compacting states for the licensing of participants, and would allow participants to apply for one license which is valid in all compacting states. The enactment of this compact would not only reduce the costs of the current duplicative process which requires potential licensees to file separate applications in each state or jurisdiction in which the participant intends to race, but would also ensure that all participants who receive a compact license meet and maintain a consistent standard of honesty and integrity.

#### FISCAL IMPACT:

This bill is not certified for a fiscal note.

# ASSEMBLY, No. 2464

## STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED FEBRUARY 6, 2006

**Sponsored by:**

**Assemblywoman LINDA STENDER**

**District 22 (Middlesex, Somerset and Union)**

**Assemblyman JEFF VAN DREW**

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

**Assemblyman RONALD S. DANCER**

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

**Co-Sponsored by:**

**Assemblywoman Beck and Assemblyman Connors**

**SYNOPSIS**

Enacts Interstate Compact for Horse Racing Licensees.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/17/2006)**

1 AN ACT concerning the licensing of participants in live horse racing  
2 with parimutuel wagering and supplementing chapter 5 of Title 5  
3 of the Revised Statutes.

4

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

7

8 1. The Interstate Compact for Horse Racing Licensees is hereby  
9 enacted into law and entered into with all other jurisdictions legally  
10 joining therein in the form substantially as herein provided.

11

12 2. Purpose.

13 The purpose of this compact is to:

14 a. Establish uniform requirements among the party states for the  
15 licensing of participants in live racing with parimutuel wagering,  
16 and ensure that all such participants who are licensed pursuant to  
17 this compact meet and maintain a uniform standard of honesty and  
18 integrity.

19 b. Facilitate the growth of the parimutuel racing industry in each  
20 party state and nationwide by simplifying the process for licensing  
21 participants in live racing, and reduce the duplicative and costly  
22 process of separate licensing by the regulatory agency in each state  
23 that conducts live racing with parimutuel wagering.

24 c. Authorize the New Jersey Racing Commission to participate  
25 in this compact.

26 d. Provide for participation in this compact by officials of the  
27 party states, and permit those officials, through the compact  
28 committee established by this compact, to enter into contracts with  
29 governmental agencies and non-governmental persons to carry out  
30 the purpose of this compact.

31 e. Establish the compact committee created by this compact as  
32 an interstate governmental entity duly authorized to request and  
33 receive criminal history record information from the Federal Bureau  
34 of Investigation and from state, local and foreign law enforcement  
35 agencies.

36

37 3. Definitions.

38 As used in this compact:

39 "Compact committee" means the organization of officials from  
40 the party states that is authorized and empowered by this compact to  
41 carry out the purpose of this compact.

42 "Official" means the appointed, elected, designated or otherwise  
43 duly selected member of a racing commission or the equivalent  
44 thereof in a party state who represents that party state as a member  
45 of the compact committee.

46 "Participants in live racing" means participants in live racing  
47 with parimutuel wagering in the party states.

48 "Party state" means each state that has enacted this compact.

1 "State" means each of the several states of the United States, the  
2 District of Columbia, the Commonwealth of Puerto Rico and each  
3 territory or possession of the United States.

4  
5 4. Entry into force, eligible parties, withdrawal.

6 a. This compact shall come into force when enacted by any four  
7 states. Thereafter, this compact shall become effective as to any  
8 other state upon both: (1) that state's enactment of this compact,  
9 and (2) the affirmative vote of a majority of the officials on the  
10 compact committee as provided in subsection c. of section 5 of  
11 P.L. , c. (C. ) (pending before the Legislature as this bill).

12 b. Any state that has adopted or authorized live racing with  
13 parimutuel wagering shall be eligible to become party to this  
14 compact.

15 c. Any party state may withdraw from this compact by enacting  
16 a statute repealing this compact, but no such withdrawal shall  
17 become effective until the head of the executive branch of the  
18 withdrawing state has given notice in writing of such withdrawal to  
19 the head of the executive branch of all other party states. If, as a  
20 result of the withdrawals, participation in this compact decreases to  
21 fewer than three party states, this compact no longer shall be in  
22 force and effect unless and until there are at least three or more  
23 party states again participating in this compact.

24  
25 5. Compact committee, powers and duties, voting,  
26 administration and management, immunity.

27 a. There is hereby created an interstate governmental entity to be  
28 know as the "compact committee," which shall be comprised of one  
29 official from the racing commission, or its equivalent, in each party  
30 state who shall be appointed, serve and be subject to removal in  
31 accordance with the laws of the party state the official represents.  
32 Pursuant to the laws of the respective party state, each official shall  
33 have the assistance of the party state's racing commission, or the  
34 equivalent thereof, in considering issues related to licensing  
35 participants in live racing and in fulfilling the official's  
36 responsibilities as the representative from the party state to the  
37 compact committee. If an official is unable to perform any duty in  
38 connection with the powers and duties of the compact committee,  
39 the racing commission, or equivalent thereof, from the respective  
40 party state shall designate another of its members as an alternate  
41 who shall serve in the original official's place and represent the  
42 party state as its official on the compact committee until that racing  
43 commission, or equivalent thereof, determines that the original  
44 representative official is able once again to perform the official's  
45 duties as that party state's representative official on the compact  
46 committee. The designation of an alternate shall be communicated  
47 by the affected state's racing commission, or equivalent thereof, to  
48 the compact committee as the committee's bylaws may provide.

1       b. In order to carry out the purposes of this compact, the  
2 compact committee is hereby granted the power and duty to:

3       (1) Determine which categories of participants in live  
4 parimutuel racing, including but not limited to owners, trainers,  
5 jockeys, drivers, grooms, mutuel clerks, racing officials,  
6 veterinarians, farriers and others, should be licensed by the  
7 committee, and establish the requirements for the initial licensure of  
8 applicants in each such category, the term of the license for each  
9 category, and the requirements for renewal of licenses in each  
10 category. Provided, however, that with regard to all licensure  
11 requirements, including requests for criminal history record  
12 information, the effect of a criminal record on the issuance or  
13 renewal of a license, and with regard to the weight given to  
14 information relevant to an applicant's character or integrity in  
15 determining the issuance or renewal of a license, the compact  
16 committee shall determine for each category of participants in live  
17 racing which licensure requirements for that category are, in its  
18 judgment, the most restrictive licensure requirements of any party  
19 state for that category and shall adopt licensure requirements for  
20 that category that are, in its judgment, comparable to those most  
21 restrictive requirements.

22       (2) Investigate applicants for a license from the compact  
23 committee and, as permitted by federal and state law, gather  
24 information on such applicants, including criminal history record  
25 information from the Federal Bureau of Investigation and relevant  
26 state and local law enforcement agencies, and, where appropriate,  
27 from the Royal Canadian Mounted Police and law enforcement  
28 agencies of other countries, necessary to determine whether a  
29 license should be issued or renewed under the licensure  
30 requirements established by the committee as provided in paragraph  
31 1 of this subsection. Only officials on, and employees of, the  
32 compact committee may receive and review such criminal history  
33 record information, and those officials and employees may use that  
34 information only for the purposes of this compact. The fingerprints  
35 of each applicant for a license from the compact committee shall be  
36 taken by the compact committee, its employees, or its designee and,  
37 pursuant to Public Law 92-544 or Public Law 100-413, shall be  
38 forwarded to a state identification bureau, or to an association of  
39 state officials regulating parimutuel wagering designated by the  
40 Attorney General of the United States, for submission to the  
41 Federal Bureau of Investigation for a criminal history record check.  
42 Such fingerprints may be submitted on a fingerprint card or by  
43 electronic or other means authorized by the Federal Bureau of  
44 Investigation or other receiving law enforcement agency.

45       (3) Issue licenses to, and renew the licenses of, participants in  
46 live racing listed in paragraph 1 of this subsection who are found by  
47 the committee to have met the licensure and renewal requirements  
48 established by the committee. The compact committee shall not



1 have the power or authority to deny a license. If it determines that  
2 an applicant will not be eligible for the issuance or renewal of a  
3 compact committee license, the compact committee shall notify the  
4 applicant that it will not be able to process the application further.  
5 Such notification does not constitute and shall not be considered to  
6 be the denial of a license. Any such applicant shall have the right to  
7 present additional evidence to, and to be heard by, the compact  
8 committee, but the final decision on issuance or renewal of the  
9 license shall be made by the compact committee using the  
10 requirements established pursuant to paragraph 1 of this subsection.

11 (4) Enter into contracts or agreements with governmental  
12 agencies and with non-governmental persons to provide personal  
13 services for its activities and such other services as may be  
14 necessary to effectuate the purposes of this compact.

15 (5) Create, appoint, and abolish those offices, employments, and  
16 positions, including an executive director, as it deems necessary for  
17 the purposes of this compact, prescribe their powers, duties and  
18 qualifications, hire persons to fill those offices, employments and  
19 positions, and provide for the removal, term, tenure, compensation,  
20 fringe benefits, retirement benefits and other conditions of  
21 employment of its officers, employees and other positions.

22 (6) Borrow, accept, or contract for the services of personnel  
23 from any state, the United States, or any other governmental  
24 agency, or from any person, firm, association, corporation or other  
25 entity.

26 (7) Acquire, hold, and dispose of real and personal property by  
27 gift, purchase, lease, license, or in other similar manner, in  
28 furtherance of the purposes of this compact.

29 (8) Charge a fee to each applicant for an initial license or  
30 renewal of a license.

31 (9) Receive other funds through gifts, grants and appropriations.

32 c. (1) Each official shall be entitled to one vote on the compact  
33 committee.

34 (2) All action taken by the compact committee with regard to the  
35 addition of party states as provided in subsection a. of section 4 of  
36 P.L. , c. (C. )(pending before the Legislature as this bill),  
37 the licensure of participants in live racing, and the receipt and  
38 disbursement of funds shall require a majority vote of the total  
39 number of officials, or their alternates, on the committee. All other  
40 action by the compact committee shall require a majority vote of  
41 those officials, or their alternates, present and voting.

42 (3) No action of the compact committee may be taken unless a  
43 quorum is present. A majority of the officials, or their alternates,  
44 on the compact committee shall constitute a quorum.

45 d. (1) The compact committee shall elect annually from among  
46 its members a chairman, a vice-chairman, and a secretary/treasurer.

47 (2) The compact committee shall adopt bylaws for the conduct  
48 of its business by a two-thirds vote of the total number of officials,

1 or their alternates, on the committee at that time and shall have the  
2 power by the same vote to amend and rescind these bylaws. The  
3 committee shall publish its bylaws in convenient form and shall file  
4 a copy thereof and a copy of any amendments thereto with the  
5 secretary of the state, or equivalent agency, of each of the party  
6 states.

7 (3) The compact committee may delegate the day-to-day  
8 management and administration of its duties and responsibilities to  
9 an executive director and his support staff.

10 (4) Employees of the compact committee shall be considered  
11 governmental employees.

12 e. No official of a party state or employee of the compact  
13 committee shall be held personally liable for any good faith act or  
14 omission that occurs during the performance and within the scope  
15 of his responsibilities and duties under this compact.

16

17 6. Rights and responsibilities of party states.

18 a. By enacting this compact, each party state:

19 (1) Agrees: (a) to accept the decisions of the compact committee  
20 regarding the issuance or renewal of compact committee licenses to  
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24 alternate.

25 (2) Agrees not to treat a notification to an applicant by the  
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29 applicant's application further as the denial of a license or to  
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32 (3) Reserves the right: (a) to charge a fee for the use of a  
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35 compact committee licensee should be suspended, revoked, or  
36 determined to be ineligible to participate in racing, (c) to apply its  
37 own standards in determining licensure eligibility, under the laws of  
38 that party state, for categories of participants in live racing that the  
39 compact committee determines not to license and for individual  
40 participants in live racing who do not meet the licensure  
41 requirements of the compact committee, and (d) to establish its own  
42 licensure standards for the licensure of non-racing employees at  
43 parimutuel racetracks and employees at separate satellite wagering  
44 facilities. Any party state that issues a suspension, revocation or  
45 period of licensure ineligibility to a person possessing a compact  
46 committee license shall, through its racing commission, the  
47 equivalent thereof, or otherwise, promptly notify the compact  
48 committee of that penalty.

1       b. No party state shall be held liable for the debts or other  
2 financial obligations incurred by the compact committee.

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4       7. Construction and Severability

5       This compact shall be liberally construed so as to effectuate its  
6 purposes. The provisions of this compact shall be severable, and, if  
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8 to be contrary to the Constitution of the United States or the  
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10 to any government, agency, person or circumstance is held invalid,  
11 the validity of the remainder of this compact and the applicability  
12 thereof to any government, agency, person or circumstance shall not  
13 be affected thereby. If all or some portion of this compact is held to  
14 be contrary to the constitution of any party state, the compact shall  
15 remain in full force and effect as to the remaining party states and  
16 in full force and effect as to the state affected as to all severable  
17 matters.

18

19       8. This act shall take effect immediately.

20

21

22

#### STATEMENT

23

24       This bill would enact the Interstate Compact for Horse Racing  
25 Licensees and recognize the creation of the interstate licensing  
26 compact committee to streamline the licensing process for  
27 participants in live horse racing with parimutuel wagering. The  
28 compact came into force in 2000 when it was adopted by five states.  
29 There are now 11 member states that have adopted the compact,  
30 including New York, Delaware, Kentucky, Virginia and Florida.  
31 New Jersey has been a participating jurisdiction for the past year  
32 and a half, electing to participate at a certain level for processing  
33 purposes.

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35       According to the National Racing Compact organization, the  
36 compact was needed to create an interstate governmental entity –  
37 the interstate licensing compact committee – authorized to receive  
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1 participant intends to race, but would also ensure that all such  
2 participants who receive a compact license meet and maintain a  
3 consistent standard of honesty and integrity.

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6 equivalent regulatory body in every other compacting state. The  
7 compact committee would have the authority to determine the  
8 categories of racing participants (e.g., owners, trainers, jockeys,  
9 drivers, grooms, mutuel clerks, racing officials, veterinarians,  
10 farriers and other employees) that may be licensed, and would  
11 establish the requirements for the initial licensure of applicants in  
12 each category. Currently, the committee handles the licensing of  
13 owners, trainers, drivers and jockeys.

14 The compact committee would have the authority to investigate  
15 applicants for a license and, as permitted by state and federal law,  
16 to gather criminal history record information from the Federal  
17 Bureau of Investigation, relevant state and local law enforcement  
18 agencies, and where appropriate, the Royal Canadian Mounted  
19 Police and law enforcement agencies of other countries. The  
20 compact committee would also have the authority to determine  
21 whether certain applicants are ineligible for an initial license or  
22 renewal. Under the compact, the licensing authority of the compact  
23 committee would supplement, rather than replace, the in-state  
24 licensing authority exercised by the New Jersey Racing  
25 Commission.

# ASSEMBLY TOURISM AND GAMING COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 2464

# STATE OF NEW JERSEY

DATED: FEBRUARY 23, 2006

The Assembly Tourism and Gaming Committee reports favorably Assembly Bill No.2464.

This bill would enact the Interstate Compact for Horse Racing Licensees and recognize the creation of the interstate licensing compact committee to streamline the licensing process for participants in live horse racing with parimutuel wagering. The compact came into force in 2000 when it was adopted by five states. There are now 11 member states that have adopted the compact, including New York, Delaware, Kentucky, Virginia and Florida. New Jersey has been a participating jurisdiction for the past year and a half, electing to participate at a certain level for processing purposes.

According to the National Racing Compact organization, the compact was needed to create an interstate governmental entity – the interstate licensing compact committee – authorized to receive and review criminal history record information on behalf of all member states. The creation of the compact committee eliminates the requirement for each member state to have to individually request such criminal history record information, as states are otherwise not authorized to discuss and share such information.

Under the licensing compact, the compact committee would establish uniform requirements among the compacting states for the licensing of participants, and would allow participants to apply for one license which is to be valid in all compacting states. The enactment of this compact would not only reduce the costs of the current duplicative process which requires potential licensees to file separate applications in each state or jurisdiction in which the participant intends to race, but would also ensure that all such participants who receive a compact license meet and maintain a consistent standard of honesty and integrity.

The compact committee would be comprised of one member from the New Jersey Racing Commission, and members from the equivalent regulatory body in every other compacting state. The compact committee would have the authority to determine the categories of racing participants (e.g., owners, trainers, jockeys, drivers, grooms, mutuel clerks, racing officials, veterinarians, farriers and other employees) that may be licensed, and would establish the requirements for the initial licensure of applicants in each category. Currently, the

committee handles the licensing of owners, trainers, drivers and jockeys.

The compact committee would have the authority to investigate applicants for a license and, as permitted by state and federal law, to gather criminal history record information from the Federal Bureau of Investigation, relevant state and local law enforcement agencies, and where appropriate, the Royal Canadian Mounted Police and law enforcement agencies of other countries. The compact committee would also have the authority to determine whether certain applicants are ineligible for an initial license or renewal. Under the compact, the licensing authority of the compact committee would supplement, rather than replace, the in-state licensing authority exercised by the New Jersey Racing Commission.