

5:5-44.3

LEGISLATIVE HISTORY CHECKLIST
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(Horse racing distribution)

NJSA: 5:5-44.3

LAWS OF: 1993

CHAPTER: 353

BILL NO: S1578

SPONSOR(S) Codey

DATE INTRODUCED: March 11, 1993

COMMITTEE: **ASSEMBLY:** Financial Institutions

SENATE: Budget

AMENDED DURING PASSAGE: Yes Amendments during passage
Second reprint enacted denoted by superscript numbers

DATE OF PASSAGE: **ASSEMBLY:** December 13, 1993

SENATE: June 21, 1993

DATE OF APPROVAL: December 30, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

[SECOND REPRINT]

SENATE, No. 1578

STATE OF NEW JERSEY

INTRODUCED MARCH 11, 1993

By Senator CODEY

1 AN ACT concerning the distribution of parimutuel pools on horse
2 races and amending various parts of the statutory law.

3

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

6 1. Section 2 of P.L.1977, c.200 (C.5:5-44.3) is amended to read
7 as follows:

8 2. All moneys received by the commission, pursuant to section
9 46 of P.L.1940, c.71 (C.5:5-66), section 2 of P.L.1984, c.236
10 (C.5:5-66.1), section 5 of P.L.1982, c.201 (C.5:5-98), or section 7
11 of P.L.1971, c.137 (C.5:10-7), as its share of the total
12 contributions to all parimutuel pools conducted or made on the
13 additional racing days hereinbefore provided for shall be
14 distributed to the organizations and in the amounts designated by
15 the New Jersey State Developmental Disabilities Council,
16 created pursuant to Executive Order Number 20 of 1971, as
17 modified pursuant to Executive Order Number 49 of 1973 and
18 Executive Order Number 42 of 1976, as hereinafter prescribed.

19 (cf: P.L.1983, c.20, s.2)

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

22 46. Every permitholder engaged in the business of conducting
23 horse race meetings under this act, except the New Jersey Sports
24 and Exposition Authority established pursuant to P.L.1971, c.137
25 (C.5:10-1 et seq.) and the Garden State Racetrack as provided in
26 section 5 of P.L.1982, c.201 (C.5:5-98), shall make disposition of
27 the deposits remaining undistributed pursuant to section 44 as
28 follows:

29 a. In the case of harness races:

30 (1) [Pay to the commission 1.25% of so much of the total
31 contributions to all parimutuel pools conducted or made during
32 such calendar year on any and every horse race track granted a
33 permit under this act. Notwithstanding the foregoing, for pools
34 where the patron is required to select two horses, the
35 permitholder shall pay to the commission 2.25% of the total
36 contributions and for pools where the patron is required to select
37 three or more horses, the permitholder shall pay to the
38 commission 5.25% of the total contributions.

39 Payment on account of such sums to be paid to the commission
40 shall be made every seventh day of any and every race meeting in
41 the amount then due, as determined in the manner provided
42 above, and shall be accompanied by a report under oath showing

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:

¹ Senate SBA committee amendments adopted June 14, 1993.

² Senate floor amendments adopted June 17, 1993.

1 the total of all such contributions, together with such other
2 information as the commission may require. Except as otherwise
3 provided by law, no admission or amusement tax, excise tax,
4 license or horse racing fee of any kind shall be assessed or
5 collected from any permitholder by the State of New Jersey, or
6 by any county or municipality, or by any other body having power
7 to assess or collect license fees or taxes.]

8 On a racing day designated or allotted as a charity racing day
9 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
10 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), pay to the
11 commission, at the time and in the manner prescribed by the
12 commission, 1.25% of so much of the total contributions to all
13 parimutuel pools conducted or made on any and every horse race,
14 except that for pools where the patron is required to select two
15 horses, the permitholder shall pay 2.25% of the total
16 contributions and for pools where the patron is required to select
17 three or more horses, the permitholder shall pay 5.25% of the
18 total contributions;

19 (2) Hold and set aside in an account designated as a special
20 trust account 1.15% of such total contributions in all pools, to be
21 used and distributed as hereinafter provided and as provided in
22 section 5 of P.L. 1967, c. 40, for the following purposes and no
23 other:

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

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

32 (c) 5% thereof for contributions and awards designed to
33 improve and promote the standardbred breeding industry in New
34 Jersey through payment of awards to owners and breeders of New
35 Jersey bred horses which are registered with the Standardbred
36 Breeders' and Owners' Association of New Jersey and which earn
37 portions of purses in open events on New Jersey tracks, and to
38 owners of stallions posted on the official stallion roster of the
39 Standardbred Breeders' and Owners' Association of New Jersey,
40 which sire such registered New Jersey bred money earners;

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

44 (3) Retain ²[7.825%] 7.7875%², or in the case of races on a
45 charity racing day 7.20%, of so much of such total contributions
46 for his own uses and purposes. Notwithstanding the foregoing, for
47 pools where the patron is required to select two horses, the
48 permitholder shall retain ²[8.825%] 8.7575%², or in the case of
49 races on a charity racing day 7.70%, of the total contributions
50 and for pools where the patron is required to select three or more
51 horses, the permitholder shall retain ²[11.825%] 11.6675%², or in
52 the case of races on a charity racing day 9.20%, of the total
53 contributions. Each permitholder shall contribute out of its
54 ²[11.825%] 11.6675%² or 9.20% share of pools, where the patron
55 is required to select three or more horses, a sum deemed

1 necessary by the racing commission, to finance a prerace blood
2 testing program, and such other testing programs which the
3 commission shall deem proper and necessary and which shall be
4 subject to the regulation and control of said commission.

5 (4) Distribute as purse money and for programs designed to aid
6 the horsemen and the Standardbred Breeders' and Owners'
7 Association of New Jersey ²[8.025%] 7.69375%², or in the case of
8 racers on a charity racing day 7.40%, of such total contributions.
9 Expenditures for programs designed to aid the horsemen and the
10 Standardbred Breeders' and Owners' Association of New Jersey
11 shall not exceed 3.2% of the sum available for distribution as
12 purse money. The formula for distribution of the purse money as
13 either overnight purses or special stakes shall be determined by
14 an agreement between the Standardbred Breeders' and Owners'
15 Association of New Jersey and the tracks. Notwithstanding the
16 foregoing, for pools where the patron is required to select two or
17 more horses, the permitholder shall distribute as purse money
18 ²[9.025%] 8.42875%², or in the case of races on a charity racing
19 day 7.90%, of the total contributions and for pools where the
20 patron is required to select three or more horses, the
21 permitholder shall distribute as purse money ²[12.025%]
22 10.63375%², or in the case of races on a charity racing day
23 9.40%, of the total contributions. Notwithstanding the foregoing,
24 for pools where a patron is required to select three or more
25 horses, each permitholder shall retain out of the ²[12.025%]
26 10.63375%² or 9.40% to be distributed as purse money a sum
27 deemed necessary by the racing commission, for use by the
28 commission to finance a prerace blood testing program, and such
29 other testing programs which the commission shall deem proper
30 and necessary and which shall be subject to the regulation and
31 control of said commission.

32 ²(5) In the case of races on a racing day other than a charity
33 racing day, distribute to the Standardbred Breeders' and Owners'
34 Association of New Jersey for the administration of a health
35 benefits program for horsemen .29375% of such total
36 contributions, except that for pools where the patron is required
37 to select two or more horses, the amount shall be .52875%, and
38 for pools where the patron is required to select three or more
39 horses, the amount shall be 1.23375%.

40 (6) In the case of races on a racing day other than a charity
41 racing day, distribute to the Sire Stakes Program for
42 standardbred horses .05% of such total contributions, except that
43 for pools where the patron is required to select two or more
44 horses, the amount shall be .09%, and for pools where the patron
45 is required to select three or more horses, the amount shall be
46 .21%.

47 (7) In the case of races on a racing day other than a charity
48 racing day, distribute to the Backstretch Benevolency Programs
49 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .025% of
50 such total contributions, except that for pools where the patron is
51 required to select two or more horses, the amount shall be .045%,
52 and for pools where the patron is required to select three or more
53 horses, the amount shall be .105%.²

54 Except as otherwise provided by law, no admission or
55 amusement tax, excise tax, license or horse racing fee of any

1 kind shall be assessed or collected from any permitholder by the
2 State of New Jersey, or by any county or municipality, or by any
3 other body having power to assess or collect license fees or taxes.

4 b. In the case of running races:

5 (1) Where the amount derived from the parimutuel handle,
6 excluding the handle derived from intertrack wagering, does not
7 exceed \$1 million per day based on such contributions
8 accumulated and averaged during the calendar year, the
9 permitholder shall:

10 (a) [Pay to the commission 30% of 1% of so much of the total
11 contributions to all parimutuel pools conducted or made during
12 such calendar year; but notwithstanding the foregoing, for pools
13 where the patron is required to select three or more horses, the
14 permitholder shall pay to the commission 1.30% of the total
15 contributions.

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

27 On a racing day designated or allotted as a charity racing day
28 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
29 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), pay to the
30 commission, at the time and in the manner prescribed by the
31 commission, .30% of so much of the total contributions to all
32 parimutuel pools conducted or made on any and every horse race,
33 except that for pools where the patron is required to select three
34 or more horses, the permitholder shall pay 1.30% of the total
35 contributions;

36 (b) Hold and set aside in an account designated as a special
37 trust account 5% of 1% of such total contributions to be used and
38 distributed for State horse breeding and development programs,
39 research, fairs, horse shows, youth activities, promotion and
40 administration, as provided in section 5 of P.L.1967, c.40
41 (C.5:5-88).

42 (c) Retain ²[10%] 9.991%², or in the case of races on a charity
43 racing day 9.85%, of such total contributions for his own uses and
44 purposes. For pools where the patron is required to select two
45 horses, the permitholder shall retain ²[11.07%] 11.061%², or in
46 the case of races on a charity racing day 10.92%, of the total
47 contributions and for pools where the patron is required to select
48 three or more horses, the permitholder shall retain ²[13.98%]
49 13.941%², or in the case of races on a charity racing day 13.33%,
50 of the total contributions. Each permitholder shall contribute out
51 of its ²[13.98%] 13.941%² or 13.33% share of pools, where the
52 patron is required to select three or more horses, a sum deemed
53 necessary by the racing commission, to finance a prerace blood
54 testing program, and such other testing programs which the
55 commission shall deem proper and necessary and which shall be

1 subject to the regulation and control of the commission.

2 (d) Distribute as purse money and for programs designed to aid
3 the horsemen and the New Jersey [Horsemen's Benevolent and
4 Protective] Thoroughbred Horseman's Benevolent Association
5 ²[6.15%] 6.141%², or in the case of races on a charity racing day
6 6.00%, of such contributions. Notwithstanding the foregoing, for
7 pools where the patron is required to select two horses, the
8 permitholder shall distribute as purse money ²[7.08%] 7.071%², or
9 in the case of races on a charity racing day 6.93%, of such
10 contributions and for pools where the patron is required to select
11 three or more horses, the permitholder shall distribute as purse
12 money ²[9.67%] 9.631%², or in the case of races on a charity
13 racing day 9.02%, of the total contributions. Expenditures for
14 programs designed to aid the horsemen and the New Jersey
15 [Horsemen's Benevolent and Protective] Thoroughbred
16 Horseman's Benevolent Association shall not exceed 2.5% of the
17 sum available for distribution as purse money from all parimutuel
18 pools. The formula for distribution of the purse money as either
19 overnight purses or special stakes shall be determined by an
20 agreement between the New Jersey [Horsemen's Benevolent and
21 Protective] Thoroughbred Horseman's Benevolent Association
22 and the permitholder. Notwithstanding the foregoing, for pools
23 where a patron is required to select three or more horses, each
24 permitholder shall retain out of the ²[9.67%] 9.631%² or 9.02% to
25 be distributed as purse money a sum deemed necessary by the
26 racing commission, for use by the commission to finance a
27 prerace blood testing program, and such other testing programs
28 which the commission shall deem proper and necessary and which
29 shall be subject to the regulation and control of the commission.

30 (e) 80% of 1% of all pools shall be deducted and set aside in a
31 special trust account for the establishment and support by the
32 commission of the thoroughbred breeding industry in New Jersey;
33 to improve purses for closed races; to provide awards for owners
34 and breeders of registered New Jersey bred horses who earn
35 portions of purses in open and closed races at New Jersey race
36 tracks and to owners of stallions posted on the official stallion
37 roster of the Thoroughbred Breeders' Association of New Jersey,
38 which sire such New Jersey bred money earners and awards to the
39 New Jersey Thoroughbred Breeders' Association for programs
40 beneficial to thoroughbred breeding in this State. The New Jersey
41 thoroughbred award program shall be administered and disbursed
42 by the ²Thoroughbred Breeders' Association of New Jersey
43 subject to the approval of the² commission. The special trust
44 account to be established pursuant to this paragraph shall be
45 separate and apart from the special trust account established and
46 maintained pursuant to subparagraph (b) of this paragraph.

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

48 (g) ²In the case of races on a racing day other than a charity
49 racing day, distribute to the Thoroughbred Breeders' Association
50 of New Jersey .012% of such total contributions, except that for
51 pools where the patron is required to select three or more horses,
52 the amount shall be .052%.

53 (h) In the case of races on a racing day other than a charity
54 racing day, distribute to the Backstretch Benevolency Programs
55 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of

1 such total contributions, except that for pools where the patron is
2 required to select three or more horses, the amount shall be
3 .026%.

4 (i)² Notwithstanding the foregoing, for pools where a patron is
5 required to select three or more horses, 50% of 1% of the total
6 contributions shall be held and set aside in the special trust
7 account referred to in subparagraph (e) of this paragraph.

8 ²[(h)] (j)² Except as otherwise provided by law, no admission or
9 amusement tax, excise tax, license or horse racing fee of any
10 kind shall be assessed or collected from any permitholder by the
11 State of New Jersey, or by any county or municipality, or by any
12 other body having power to assess or collect license fees or taxes.

13 (2) Where the amount derived from the parimutuel handle,
14 excluding the handle derived from intertrack wagering, exceeds
15 \$1 million per day based on such contributions accumulated and
16 averaged during the calendar year, the permitholder shall:

17 (a) [Pay to the commission 50% of 1% of so much of the total
18 contributions to all parimutuel pools conducted or made during
19 such calendar year.

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

31 On a racing day designated or allotted as a charity racing day
32 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
33 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), pay to the
34 commission, at the time and in the manner prescribed by the
35 commission, .50% of so much of the total contributions to all
36 parimutuel pools conducted or made on any and every horse race;

37 (b) Hold and set aside in an account designated as a special
38 trust account 5% of 1% of such total contributions to be used and
39 distributed for State horse breeding and development programs,
40 research, fairs, horse shows, youth activities, promotion and
41 administration, as provided in section 5 of P.L.1967, c.40
42 (C.5:5-88).

43 (c) Retain ²[9.32%] 9.305%², or in the case of races on a
44 charity racing day 9.07%, of such total contributions for his own
45 uses and purposes. For pools where the patron is required to
46 select two horses, the permitholder shall retain ²[10.39%]
47 10.375%², or in the case of races on a charity racing day 10.14%,
48 of the total contributions and for pools where the patron is
49 required to select three or more horses, the permitholder shall
50 retain ²[13.56%] 13.545%², or in the case of races on a charity
51 racing day 13.31%, of the total contributions. Each permitholder
52 shall contribute out of its ²[13.56%] 13.545%² or 13.31% share of
53 pools, where the patron is required to select three or more
54 horses, a sum deemed necessary by the racing commission, to
55 finance a prerace blood testing program, and such other testing

1 programs which the commission shall deem proper and necessary
2 and which shall be subject to the regulation and control of the
3 commission.

4 (d) Distribute as purse money and for programs designed to aid
5 the horsemen and the New Jersey [Horsemen's Benevolent and
6 Protective] Thoroughbred Horseman's Benevolent Association
7 ²[6.83%] 6.815%², or in the case of races on a charity racing day
8 6.58%, of such contributions. Notwithstanding the foregoing, for
9 pools where the patron is required to select two horses, the
10 permitholder shall distribute as purse money ²[7.76%] 7.745%², or
11 in the case of races on a charity racing day 7.51%, of such
12 contributions and for pools where the patron is required to select
13 three or more horses, the permitholder shall distribute as purse
14 money ²[10.10%] 10.085%², or in the case of races on a charity
15 racing day 9.85%, of the total contributions. Expenditures for
16 programs designed to aid the horsemen and the New Jersey
17 [Horsemen's Benevolent and Protective] Thoroughbred
18 Horseman's Benevolent Association shall not exceed 2.5% of the
19 sum available for distribution as purse money from all parimutuel
20 pools. The formula for distribution of the purse money as either
21 overnight purses or special stakes shall be determined by an
22 agreement between the New Jersey [Horsemen's Benevolent and
23 Protective] Thoroughbred Horseman's Benevolent Association
24 and the permitholder. Notwithstanding the foregoing, for pools
25 where a patron is required to select three or more horses, each
26 permitholder shall retain out of the ²[10.10%] 10.085%² or 9.85%
27 to be distributed as purse money a sum deemed necessary by the
28 racing commission, for use by the commission to finance a
29 prerace blood testing program, and such other testing programs
30 which the commission shall deem proper and necessary and which
31 shall be subject to the regulation and control of the commission.

32 (e) 80% of 1% of all pools shall be deducted and set aside in a
33 special trust account for the establishment and support by the
34 commission of the thoroughbred breeding industry in New Jersey;
35 to improve purses for closed races; to provide awards for owners
36 and breeders of registered New Jersey bred horses who earn
37 portions of purses in open and closed races at New Jersey race
38 tracks and to owners of stallions posted on the official stallion
39 roster of the Thoroughbred Breeders' Association of New Jersey,
40 which sire such New Jersey bred money earners and awards to
41 New Jersey thoroughbred breeders' associations for programs
42 beneficial to thoroughbred breeding in this State. The New Jersey
43 thoroughbred award program shall be administered and disbursed
44 by the ²Thoroughbred Breeders' Association of New Jersey
45 subject to the approval of the² commission. The special trust
46 account to be established pursuant to this paragraph shall be
47 separate and apart from the special trust account established and
48 maintained pursuant to subparagraph (b) of this paragraph.

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

50 (g) ²In the case of races on a racing day other than a charity
51 racing day, distribute to the Thoroughbred Breeders' Association
52 of New Jersey .02% of such total contributions.

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

1 (i)² Notwithstanding the foregoing, for pools where a patron is
2 required to select three or more horses, 49% of 1% of the total
3 contributions shall be held and set aside in the special trust
4 account referred to in subparagraph (e) of this paragraph.

5 2[(h)] (j)² Except as otherwise provided by law, no admission or
6 amusement tax, excise tax, license or horse racing fee of any
7 kind shall be assessed or collected from any permitholder by the
8 State of New Jersey, or by any county or municipality, or by any
9 other body having power to assess or collect license fees or taxes.

10 (cf: P.L.1993, c.128, s.1)

11 3. Section 2 of P.L.1984, c.236 (C.5:5-66.1) is amended to read
12 as follows:

13 2. Notwithstanding the provisions of section 46 of P.L.1940,
14 c.17 (C.5:5-66) or any other law to the contrary, a holder of a
15 permit to conduct harness race meetings who operates a
16 racetrack at which harness race meetings were conducted during
17 calendar year 1984 but which were suspended for 30 days or more
18 during that calendar year because of fire, and a holder of a
19 permit to conduct harness race meetings who conducted harness
20 race meetings at the aforementioned racetrack during 1984 and
21 who continues to conduct harness race meetings at that
22 racetrack, shall make disposition of the deposits remaining
23 undistributed pursuant to section 1 of this act as follows:

24 a. [Pay to the commission 50% of 1% of so much of the total
25 contributions to all parimutuel pools conducted or made during
26 such calendar year on the horse race track granted a permit
27 under P.L.1940, c.17 (C.5:5-22 et seq.).

28 Payment on account of the sums to be paid to the commission
29 shall be made every seventh day of any and every race meeting in
30 the amount then due as determined in the manner provided above,
31 and shall be accompanied by a report under oath showing the
32 total of all such contributions, together with such other
33 information as the commission may require. Except as otherwise
34 provided by law, no admission or amusement tax, excise tax,
35 license or horse racing fee of any kind shall be assessed or
36 collected from the permitholder by the State of New Jersey, or
37 by any county or municipality, or by any other body having power
38 to assess or collect license fees or taxes.]

39 On a racing day designated or allotted as a charity racing day
40 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
41 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), pay to the
42 commission, at the time and in the manner prescribed by the
43 commission, .50% of so much of the total contributions to all
44 parimutuel pools conducted or made on any and every horse race;

45 b. Hold and set aside in an account designated as a special
46 trust account 1.15% of such total contributions in all pools to be
47 used and distributed as hereinafter provided and as provided in
48 section 5 of P.L.1967, c.40, for the following purposes and no
49 other:

50 (1) 37% thereof to increase purses and grant awards for
51 starting horses as provided or as may be provided by rules of the
52 New Jersey Racing Commission with payment to be made in the
53 same manner as payment of other purses and awards;

54 (2) 55% thereof for the establishment of a Sire Stakes Program
55 for standardbred horses with payment to be made to the

1 Department of Agriculture for administration as hereinbefore
2 provided;

3 (3) 5% thereof for contributions and awards designed to
4 improve and promote the standardbred breeding industry in New
5 Jersey through payment of awards to owners and breeders of New
6 Jersey bred horses which are registered with the Standardbred
7 Breeders' and Owners' Association of New Jersey and which earn
8 portions of purses in open events on New Jersey tracks, and to
9 owners of stallions posted on the official stallions roster of the
10 Standardbred Breeders' and Owners' Association of New Jersey
11 which sire such registered New Jersey bred money earners;

12 (4) 3% thereof for other New Jersey horse breeding and
13 promotion conducted by the New Jersey Department of
14 Agriculture.

15 c. Retain ²~~[7.95%]~~ 7.935%², or in the case of races on a
16 charity racing day 7.70%₁ of so much of such total contributions
17 for his own uses and purposes. Notwithstanding the foregoing, for
18 pools where the patron is required to select two horses, the
19 permitholder shall retain ²~~[8.95%]~~ 8.935%², or in the case of
20 races on a charity racing day 8.70%₁ of the total contributions
21 and for pools where the patron is required to select three or more
22 horses, the permitholder shall retain ²~~[11.95%]~~ 11.935%², or in
23 the case of races on a charity racing day 11.70%₁ of the total
24 contributions. The permitholder shall contribute out of its
25 ²~~[11.95%]~~ 11.935%² or 11.70% share of pools, where the patron is
26 required to select three or more horses, a sum deemed necessary
27 by the Racing Commission, to finance a prerace blood testing
28 program, and such other testing programs which the commission
29 shall deem proper and necessary and which shall be subject to the
30 regulation and control of the commission.

31 d. Distribute as purse money and for programs designed to aid
32 the horsemen and the Standardbred Breeders' and Owners'
33 Association of New Jersey ²~~[7.90%]~~ 7.7675%², or in the case of
34 races on a charity racing day 7.65%₁ of such total contributions.
35 Expenditures for programs designed to aid the horsemen and the
36 Standardbred Breeders' and Owners' Association of New Jersey
37 shall not exceed 3.2% of the sum available for distribution as
38 purse money. The formula for distribution of the purse money as
39 either overnight purses or special stakes shall be determined by
40 an agreement between the Standardbred Breeders' and Owners'
41 Association of New Jersey and the tracks. Notwithstanding the
42 foregoing, for pools where the patron is required to select two or
43 more horses, the permitholder shall distribute as purse money
44 ²~~[8.90%]~~ 8.7675%², or in the case of races on a charity racing day
45 8.65%₁ of the total contributions and for pools where the patron
46 is required to select three or more horses, the permitholder shall
47 distribute as purse money ²~~[11.90%]~~ 11.7675%², or in the case of
48 races on a charity racing day 11.65%₁ of the total contributions.
49 Notwithstanding the foregoing, for pools where a patron is
50 required to select three or more horses, the permitholder shall
51 retain out of the ²~~[11.90%]~~ 11.7675%² or 11.65% to be distributed
52 as purse money, a sum deemed necessary by the racing
53 commission, for use by the commission to finance a prerace blood
54 testing program, and such other testing programs which the
55 commission shall deem proper and necessary and which shall be

1 subject to the regulation and control of the commission.

2 ²e. In the case of races on a racing day other than a charity
3 racing day, distribute to the Standardbred Breeders' and Owners'
4 Association of New Jersey for the administration of a health
5 benefits program for horsemen .1175% of such total contributions.

6 f. In the case of races on a racing day other than a charity
7 racing day, distribute to the Sire Stakes Program for
8 standardbred horses .02% of such total contributions.

9 g. In the case of races on a racing day other than a charity
10 racing day, distribute to the Backstretch Benevolency Programs
11 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such
12 total contributions.²

13 Except as otherwise provided by law, no admission or
14 amusement tax, excise tax, license or horse racing fee of any
15 kind shall be assessed or collected from the permitholder by the
16 State of New Jersey, or by any county or municipality, or by any
17 other body having power to assess or collect license fees or taxes.
18 (cf: P.L.1984, c.236, s.2)

19 4. Section 5 of P.L.1982, c.201 (C.5:5-98) is amended to read
20 as follows:

21 5. The permitholder shall distribute the sums deposited in
22 parimutuel pools to winners thereof in accordance with section 44
23 of P.L.1940, c.17 (C.5:5-64) and shall dispose of the deposits
24 remaining undistributed as follows:

25 a. In the case of harness races:

26 (1) Hold and set aside in an account designated as a special
27 trust account 1% of such total contributions in all pools, to be
28 used and distributed as hereinafter provided and as provided in
29 section 5 of P.L.1967, c.40 (C.5:5-88), for the following purposes
30 and no other:

31 (a) 42 1/2% thereof to increase purses and grant awards for
32 starting horses, as provided or as may be provided by rules of the
33 New Jersey Racing Commission, with payment to be made in the
34 same manner as payment of other purses and awards;

35 (b) 49% thereof for the establishment of a Sire Stakes Program
36 for standardbred horses, with payment to be made to the
37 Department of Agriculture for administration as provided;

38 (c) 5 1/2% thereof for contributions and awards designed to
39 improve and promote the standardbred breeding industry in New
40 Jersey through payment of awards to owners and breeders of New
41 Jersey bred horses, which are registered with the Standardbred
42 Breeders' and Owners' Association of New Jersey and which earn
43 portions of purses in open events on New Jersey tracks, and to
44 owners of stallions posted on the official stallion roster of the
45 Standardbred Breeders' and Owners' Association of New Jersey,
46 which sire such registered New Jersey bred money earners;

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

50 Payment of the sums held and set aside pursuant to
51 subparagraphs (c) and (d) shall be made to the commission every
52 seventh day of any and every race meeting in the amount then
53 due, as determined in the manner provided above, and shall be
54 accompanied by a report under oath showing the total of all such
55 contributions, together with such other information as the
56 commission may require.

1 (2) Distribute as purse money and for programs designed to aid
2 the horsemen and the Standardbred Breeders' and Owners'
3 Association of New Jersey ²[5.25%] 5.1175%², or in the case of
4 races on a charity racing day 5%, of such total contributions.
5 Expenditures for programs designed to aid the horsemen and the
6 Standardbred Breeders' and Owners' Association of New Jersey
7 shall not exceed 3.5% of the sum available for distribution as
8 purse money. The formula for distribution of the purse money as
9 either overnight purses or special stakes shall be determined by
10 an agreement between the Standardbred Breeders' and Owners'
11 Association of New Jersey and the permitholder. Notwithstanding
12 the foregoing, for pools where the patron is required to select
13 two or more horses, the permitholder shall distribute as purse
14 money ²[5.75%] 5.6175%², or in the case of races on a charity
15 racing day 5.5%, of the total contributions and for pools where
16 the patron is required to select three or more horses, the
17 permitholder shall distribute as purse money ²[7.25%] 7.1175%²,
18 or in the case of races on a charity racing day 7%, of the total
19 contributions. Notwithstanding the foregoing, for pools where a
20 patron is required to select three or more horses, the
21 permitholder shall retain out of the ²[7.25%] 7.1175%² or 7% to
22 be distributed as purse money a sum deemed necessary by the
23 racing commission, for use by the commission to finance a
24 prerace blood testing program, and such other testing programs
25 which the commission shall deem proper and necessary and which
26 shall be subject to the regulation and control of the commission.

27 ²(3) In the case of races on a racing day other than a charity
28 racing day, distribute to the Standardbred Breeders' and Owners'
29 Association of New Jersey for the administration of a health
30 benefits program for horsemen .1175% of such total contributions.

31 (4) In the case of races on a racing day other than a charity
32 racing day, distribute to the Sire Stakes Program for
33 standardbred horses .02% of such total contributions.

34 (5) In the case of races on a racing day other than a charity
35 racing day, distribute to the Backstretch Benevolency Programs
36 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such
37 total contributions.²

38 b. In the case of running races:

39 (1) Hold and set aside in an account designated as a special
40 trust account 5% of 1% of such total contributions, to be used
41 and distributed for State horse breeding and development
42 programs, research, fairs, horse shows, youth activities,
43 promotion and administration, as provided in section 5 of
44 P.L.1967, c.40 (C.5:5-88).

45 (2) Distribute as purse money and for programs designed to aid
46 the horsemen and the New Jersey [Horsemen's Benevolent and
47 Protective] Thoroughbred Horseman's Benevolent Association
48 ²[4.49%] 4.475%², or in the case of races on a charity racing day
49 4.24%, of such total contributions. Expenditures for programs
50 designed to aid the horsemen and the New Jersey [Horsemen's
51 Benevolent and Protective] Thoroughbred Horseman's Benevolent
52 Association shall not exceed 2.9% of the sum available for
53 distribution as purse money. The formula for distribution of the
54 purse money as either overnight purses or special stakes shall be

1 determined by an agreement between the New Jersey
2 [Horsemen's Benevolent and Protective] Thoroughbred
3 Horseman's Benevolent Association and the permitholder.
4 Notwithstanding the foregoing, for pools where the patron is
5 required to select three or more horses, the permitholder shall
6 distribute as purse money ²[7.49%] 7.475%², or in the case of
7 races on a charity racing day 7.24%, of the total contributions.

8 (3) 60% of 1% of all pools shall be deducted and set aside in
9 the special trust account established pursuant to section
10 46b.(1)(e) and 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66). The
11 commission may, however, reduce this amount for a period of
12 time to be determined by the commission upon a request by the
13 permitholder and a determination by the commission that the
14 payment of that amount would cause extreme financial hardship
15 for the permitholder. In no event shall the commission reduce
16 the amount to less than 10% of 1% of total contributions to all
17 parimutuel pools at running race meetings at the racetrack. The
18 permitholder may request an extension of the period of reduction
19 or a further reduction or, subsequent to any restoration of the
20 amount specified above, another reduction.

21 ²(4) In the case of races on a racing day other than a charity
22 racing day, distribute to the Thoroughbred Breeders' Association
23 of New Jersey .02% of such total contributions.

24 (5) In the case of races on a racing day other than a charity
25 racing day, distribute to the Backstretch Benevolency Programs
26 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such
27 total contributions.²

28 For pools where a patron is required to select three or more
29 horses, 50% of 1% of the total contributions shall be held and set
30 aside in the special trust account established pursuant to section
31 46b.(1)(e) and 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

32 Payment of the sums held and set aside pursuant to paragraphs
33 (1) and (3) of this subsection shall be made to the commission
34 every seventh day of any and every race meeting in the amount
35 then due, as determined in the manner provided above, and shall
36 be accompanied by a report under oath showing the total of all
37 such contributions, together with such other information as the
38 commission may require.

39 In addition to the amounts above, in the case of races on a
40 racing day designated or allotted as a charity racing day pursuant
41 to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1992, c.113
42 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8), an amount equal to
43 1/2% of 1% of all parimutuel pools shall be [deposited annually in
44 the General Fund] paid to the commission at the time and in the
45 manner prescribed by the commission.

46 All amounts remaining in parimutuel pools, including the
47 breaks, after the distribution and payments required by this
48 section shall constitute revenues of the permitholder. Except as
49 otherwise provided in this section, the permitholder shall not be
50 required to make any payments to the commission or others in
51 connection with contributions to parimutuel pools.

52 The provisions of this section shall apply each year for 10 years
53 after the commencement of horse race meetings at the Garden
54 State Racetrack. At the end of the 10-year period, the
55 provisions of section 46 of P.L.1940, c.17 (C.5:5-66) concerning

1 the distribution of undistributed deposits shall apply.

2 (cf: P.L.1986, c.19, s.4)

3 5. Section 38 of P.L.1992, c.19 (C.5:5-126) is amended to read
4 as follows:

5 38. a. If a receiving track which is authorized by the New
6 Jersey Racing Commission to receive the racing program, in full
7 or in part, from an out-of-State sending track pursuant to section
8 37 of this act is not conducting live racing at the time of
9 receiving the out-of-State races, the amount resulting from the
10 takeout rate shall be distributed as follows:

11 (1) [.50% of the parimutuel pool generated at the in-State
12 receiving track shall be paid to the New Jersey Racing
13 Commission for deposit in the General Fund;] (Deleted by
14 amendment, P.L. , c. .)

15 (2) .50% of the parimutuel pool generated at the in-State
16 receiving track shall be deposited as follows:

17 (a) in the case of an in-State receiving track which conducts
18 harness races, in the special trust account established pursuant to
19 or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66),
20 section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of
21 P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137
22 (C.5:10-7), as appropriate, for use and distribution as provided in
23 section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section
24 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section
25 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section
26 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7); and

27 (b) in the case of an in-State receiving track which conducts
28 running races, in the special trust account established pursuant to
29 or specified in section 46b.(1)(e) or (2)(e) of P.L.1940, c.17
30 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
31 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
32 distribution as provided therein;

33 (3) .03% of the parimutuel pool generated at the in-State
34 receiving track shall be paid to the New Jersey Racing
35 Commission and set aside in the special trust account for horse
36 breeding and development for distribution and use as provided in
37 section 5 of P.L.1967, c.40 (C.5:5-88);

38 (4) on the basis of all races in each program, or if two or more
39 programs are being transmitted simultaneously, on the basis of all
40 races in all such programs running simultaneously, [3.5%]
41 ²[3.75%] 3.735%² of the first \$100,000 of the total pool
42 generated at the in-State receiving track; [5%] ²[5.25%] 5.235%²
43 of the total pool from \$100,001 to \$150,000; [5.5%] ²[5.75%]
44 5.735%² of the total pool from \$150,001 to \$250,000; [6%]
45 ²[6.25%] 6.235%² of the total pool from \$250,001 to \$300,000;
46 and, if the amount of the total pool is above \$300,000, [6.25%]
47 ²[6.5%] 6.485%² of the total amount of the pool or the
48 percentage of the parimutuel pool for overnight purses on live
49 races that the receiving track and horsemen have agreed to by
50 contract, whichever is greater, shall be paid as follows:

51 (a) in the case of an in-State receiving track which conducts
52 harness races, ²1.175% of the parimutuel pool to the
53 Standardbred Breeders' and Owners' Association of New Jersey
54 for the administration of a health benefits program for horsemen,
55 and the remaining amount² as overnight purse money at the next

1 race meeting at the receiving track, except that if the receiving
2 track is conducting a horse race meeting at the same time as the
3 receipt of the simulcast horse races, the receiving track shall use
4 those sums to supplement overnight purses at that horse race
5 meeting, and for programs designed to aid the horsemen and the
6 Standardbred Breeders' and Owners' Association of New Jersey,
7 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
8 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
9 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
10 (C.5:10-7), as appropriate; and

11 (b) in the case of an in-State receiving track which conducts
12 running races, as overnight purse money at the next race meeting
13 at the receiving track, except that if the receiving track is
14 conducting a horse race meeting at the same time as the receipt
15 of the simulcast horse races, the receiving track shall use those
16 sums to supplement overnight purses at that horse race meeting,
17 and for programs designed to aid the horsemen and the New
18 Jersey Thoroughbred Horseman's Benevolent Association, as
19 provided in section 46b.(1)(d) or (2)(d) of P.L.1940, c.17
20 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
21 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate; ²[and]²

22 (5) .02% of the parimutuel pool generated at the in-State
23 receiving track shall be paid as follows:

24 (a) in the case of an in-State receiving track which conducts
25 harness races, to the Sire Stakes Program for standardbred
26 horses; and

27 (b) in the case of an in-State receiving track which conducts
28 running races, to the Thoroughbred Breeders' Association of New
29 Jersey;

30 (6) .01% of the parimutuel pool generated at the in-State
31 receiving track shall be paid to the Backstretch Benevolency
32 Programs Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8);
33 and

34 (7)² the amount remaining after the deduction of the amounts
35 under paragraphs [(1),] (2), (3), ²[and]² (4)², (5), and (6)² shall be
36 paid to the receiving track.

37 b. If a receiving track includes out-of-State races as part of
38 its live racing program in any way, the amount resulting from the
39 takeout rate shall be distributed as follows:

40 (1) [.50% of the parimutuel pool generated at the in-State
41 receiving track shall be paid to the New Jersey Racing
42 Commission for deposit in the General Fund;] (Deleted by
43 amendment, P.L. , c. .)

44 (2) .50% of the parimutuel pool generated at the in-State
45 receiving track shall be deposited as follows:

46 (a) in the case of an in-State receiving track which conducts
47 harness races, in the special trust account established pursuant to
48 or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66),
49 section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of
50 P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137
51 (C.5:10-7), as appropriate, for use and distribution as provided in
52 section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section
53 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section
54 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section
55 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7); and

1 (b) in the case of an in-State receiving track which conducts
2 running races, in the special trust account established pursuant to
3 or specified in section 46b.(1)(e) or (2)(e) of P.L.1940, c.17
4 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
5 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
6 distribution as provided therein;

7 (3) .03% of the parimutuel pool generated at the in-State
8 receiving track shall be paid to the New Jersey Racing
9 Commission and set aside in the special trust account for horse
10 breeding and development for distribution and use as provided in
11 section 5 of P.L.1967, c.40 (C.5:5-88);

12 (4) ~~[6%]~~ ²[6.25%] ~~6.235%~~² of the parimutuel pool generated at
13 the in-State receiving track or the percentage of the parimutuel
14 pool for overnight purses on live races that the racetrack and
15 horsemen have agreed to by contract, whichever is greater, shall
16 be paid as follows:

17 (a) in the case of an in-State receiving track which conducts
18 harness races, ~~2.1175%~~ ²of the parimutuel pool to the
19 Standardbred Breeders' and Owners' Association of New Jersey
20 for the administration of a health benefits program for horsemen,
21 and the remaining amount² as overnight purse money at the
22 current race meeting at the receiving track and for programs
23 designed to aid the horsemen and the Standardbred Breeders' and
24 Owners' Association of New Jersey, as provided in section 46a.(4)
25 of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236
26 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or
27 section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

28 (b) in the case of an in-State receiving track which conducts
29 running races, as overnight purse money at the current race
30 meeting at the receiving track and for programs designed to aid
31 the horsemen and the New Jersey Thoroughbred Horseman's
32 Benevolent Association, as provided in section 46b.(1)(d) or (2)(d)
33 of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201
34 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
35 appropriate; ²[and]²

36 (5) ².02% of the parimutuel pool generated at the in-State
37 receiving track shall be paid as follows:

38 (a) in the case of an in-State receiving track which conducts
39 harness races, to the Sire Stakes Program for standardbred
40 horses; and

41 (b) in the case of an in-State receiving track which conducts
42 running races, to the Thoroughbred Breeders' Association of New
43 Jersey;

44 (6) .01% of the parimutuel pool generated at the in-State
45 receiving track shall be paid to the Backstretch Benevolency
46 Programs Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8);
47 and

48 (7)² the amount remaining after the deduction of the amounts
49 under paragraphs [(1),] (2), (3) ²[and],² (4)², (5), and (6)² shall be
50 paid to the receiving track.

51 c. All breakage moneys and outstanding parimutuel ticket
52 moneys resulting from the wagering at the receiving track on the
53 additional out-of-State simulcast races authorized by section 37
54 shall be divided as follows:

55 (1) 50% shall be paid to the receiving track; and

1 (2) 50% shall be paid as follows:

2 (a) in the case of an in-State receiving track which conducts
3 harness races, as overnight purse money at the receiving track
4 and for programs designed to aid the horsemen and the
5 Standardbred Breeders' and Owners' Association of New Jersey,
6 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
7 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
8 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
9 (C.5:10-7), as appropriate; and

10 (b) in the case of an in-State receiving track which conducts
11 running races, as overnight purse money at the receiving track
12 and for programs designed to aid the horsemen and the New
13 Jersey Thoroughbred Horseman's Benevolent Association, as
14 provided in section 46b.(1)(d) or (2)(d) of P.L.1940, c.17
15 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
16 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate.

17 (cf: P.L.1992, c.19, s.38)

18 6. Section 7 of P.L.1971, c.137 (C.5:10-7) is amended to read
19 as follows:

20 7. a. The authority is hereby authorized, licensed and
21 empowered to apply to the Racing Commission for a permit or
22 permits to hold and conduct, at any of the projects set forth in
23 paragraphs (1) and (5) of subsection a. of section 6 of P.L.1971,
24 c.137 (C.5:10-6), horse race meetings for stake, purse or reward,
25 and to provide a place or places on the race meeting grounds or
26 enclosure for wagering by patrons on the results of such horse
27 races by the parimutuel system, and to receive charges and
28 collect all revenues, receipts and other sums from the ownership
29 and operation thereof; provided that only the authority through
30 its employees shall conduct such horse race meetings and
31 wagering and the authority is expressly prohibited from placing in
32 the control of any other person, firm or corporation the conduct
33 of such horse race meetings, or wagering.

34 b. Except as otherwise provided in this section, such horse
35 race meetings and parimutuel wagering shall be conducted by the
36 authority in the manner and subject to compliance with the
37 standards set forth in P.L.1940, c.17 (C.5:5-22 et seq.) and the
38 rules, regulations and conditions prescribed by the Racing
39 Commission thereunder for the conduct of horse race meetings
40 and for parimutuel betting at such meetings.

41 c. Application for said permit or permits shall be on such
42 forms and shall include such accompanying data as the Racing
43 Commission shall prescribe for other applicants. The Racing
44 Commission shall proceed to review and act on any such
45 application within 30 days after its filing and the Racing
46 Commission is authorized in its sole discretion to determine
47 whether a permit shall be granted to the authority. If, after such
48 review, the Racing Commission acts favorably on such
49 application, a permit shall be granted to the authority without
50 any further approval and shall remain in force and effect so long
51 as any bonds or notes of the authority remain outstanding, the
52 provisions of any other law to the contrary notwithstanding. In
53 granting a permit to the authority to conduct a horse race
54 meeting, the Racing Commission shall not be subject to any
55 limitation as to the number of tracks authorized for the conduct

1 of horse race meetings pursuant to any provision of P.L.1940,
2 c.17 (C.5:5-22 et seq.). Said permit shall set forth the dates to
3 be allotted to the authority for its initial horse race meetings.
4 Thereafter application for dates for horse race meetings by the
5 authority and the allotment thereof by the Racing Commission,
6 including the renewal of the same dates theretofore allotted,
7 shall be governed by the applicable provisions of P.L.1940, c.17
8 (C.5:5-22 et seq.). Notwithstanding the provisions of any other
9 law to the contrary, the Racing Commission shall allot annually
10 to the authority (1) for the Meadowlands Complex, in the case of
11 harness racing, not less than 100 racing days, and in the case of
12 running racing, not less than 56 racing days, if and to the extent
13 that application is made therefor, and (2) for any other project
14 which is set forth in paragraph (5) of subsection a. of section 6 of
15 P.L. 1971, c. 137 (C.5:10-6), and which was previously operated
16 by a permitholder other than the authority, racing days shall be
17 limited, in type of racing and amount of days, to those allotted by
18 the Racing Commission to the prior permitholder for the year
19 1985, as of December 13, 1984; except that the authority may
20 apply to the Racing Commission for an extension of the number
21 and type of racing days pursuant to section 2 of P.L.1984, c.247
22 (C.5:5-43.1).

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

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

30 f. Distribution of sums deposited in parimutuel pools to
31 winners thereof shall be in accordance with the provisions of
32 section 44 of P.L.1940, c.17 (C.5:5-64) pertaining thereto. The
33 authority shall make disposition of the deposits remaining
34 undistributed as follows:

35 (1) In the case of harness races:

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

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

45 (ii) 49% thereof for the establishment of a Sire Stakes
46 Program for standardbred horses, with payment to be made to the
47 Department of Agriculture for administration as hereinbefore
48 provided;

49 (iii) 5 1/2% thereof for contributions and awards designed to
50 improve and promote the standardbred breeding industry in New
51 Jersey through payment of awards to owners and breeders of New
52 Jersey bred horses, which are registered with the Standardbred
53 Breeders' and Owners' Association of New Jersey and which earn
54 portions of purses in open events on New Jersey tracks, and to
55 owners of stallions posted on the official stallion roster

1 of the Standardbred Breeders' and Owners' Association of New
2 Jersey, which sire such registered New Jersey bred money
3 earners;

4 (iv) 3% thereof for other New Jersey horse breeding and
5 promotion conducted by the New Jersey Department of
6 Agriculture.

7 Payment of the sums held and set aside pursuant to
8 subparagraphs (iii) and (iv) shall be made to the commission every
9 seventh day of any and every race meeting in the amount then
10 due, as determined in the manner provided above, and shall be
11 accompanied by a report under oath showing the total of all such
12 contributions, together with such other information as the
13 commission may require.

14 (b) Distribute as purse money and for programs designed to aid
15 the horsemen and the Standardbred Breeders' and Owners'
16 Association of New Jersey ²[5.25%] 5.1175%², or in the case of
17 aces on a charity racing day 5%, of such total contributions.
18 Expenditures for programs designed to aid the horsemen and the
19 Standardbred Breeders' and Owners' Association of New Jersey
20 shall not exceed 3.5% of the sum available for distribution as
21 purse money. The formula for distribution of the purse money as
22 either overnight purses or special stakes shall be determined by
23 an agreement between the Standardbred Breeders' and Owners'
24 Association of New Jersey and the authority. Notwithstanding the
25 foregoing, for pools where the patron is required to select two or
26 more horses, the authority shall distribute as purse money
27 ²[5.75%] 5.6175%², or in the case of aces on a charity racing day
28 5.5%, of the total contributions and for pools where the patron is
29 required to select three or more horses, the authority shall
30 distribute as purse money ²[7.25%] 7.1175%², or in the case of
31 aces on a charity racing day 7%, of the total contributions.
32 Notwithstanding the foregoing, for pools where a patron is
33 required to select three or more horses, the authority shall retain
34 out of the ²[7.25%] 7.1175%² or 7% to be distributed as purse
35 money a sum deemed necessary by the racing commission, for use
36 by the commission to finance a prerace blood testing program,
37 and such other testing programs which the commission shall deem
38 proper and necessary and which shall be subject to the regulation
39 and control of said commission.

40 ²(c) In the case of races on a racing day other than a charity
41 racing day, distribute to the Standardbred Breeders' and Owners'
42 Association of New Jersey for the administration of a health
43 benefits program for horsemen .1175% of such total contributions.

44 (d) In the case of races on a racing day other than a charity
45 racing day, distribute to the Sire Stakes Program for
46 standardbred horses .02% of such total contributions.

47 (e) In the case of races on a racing day other than a charity
48 racing day, distribute to the Backstretch Benevolency Programs
49 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such
50 total contributions.²

51 (2) In the case of running races:

52 (a) Hold and set aside in an account designated as a special
53 trust account 5% of 1% of such total contributions, to be used
54 and distributed for State horse breeding and development
55 programs, research, fairs, horse shows, youth activities,

1 promotion and administration, as provided in section 5 of
2 P.L.1967, c.40 (C.5:5-88).

3 (b) Distribute as purse money and for programs designed to aid
4 the horsemen and the New Jersey [Horsemen's Benevolent and
5 Protective] Thoroughbred Horseman's Benevolent Association
6 ²[4.49%] 4.475%², or in the case of races on a charity racing day
7 4.24%, of such total contributions. Expenditures for programs
8 designed to aid the horsemen and the New Jersey [Horsemen's
9 Benevolent and Protective] Thoroughbred Horseman's Benevolent
10 Association shall not exceed 2.9% of the sum available for
11 distribution as purse money. The formula for distribution of the
12 purse money as either overnight purses or special stakes shall be
13 determined by an agreement between the New Jersey
14 [Horsemen's Benevolent and Protective] Thoroughbred
15 Horseman's Benevolent Association and the authority.
16 Notwithstanding the foregoing, for pools where the patron is
17 required to select three or more horses, the authority shall
18 distribute as purse money ²[7.49%] 7.475%², or in the case of
19 races on a charity racing day 7.24%, of the total contributions.

20 (c) 10% of 1% of all pools shall be deducted and set aside in
21 the special trust account established pursuant to section
22 46b.(1)(e) and 46b.(2)(e) of P.L.1940, c.17 (C.5:5-66).

23 ²(d) In the case of races on a racing day other than a charity
24 racing day, distribute to the Thoroughbred Breeders' Association
25 of New Jersey .02% of such total contributions.

26 (e) In the case of races on a racing day other than a charity
27 racing day, distribute to the Backstretch Benevolency Programs
28 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .01% of such
29 total contributions.²

30 For pools where a patron is required to select three or more
31 horses, 50% of 1% of the total contributions shall be held and set
32 aside in that special trust account.

33 Payment of the sums held and set aside pursuant to
34 subparagraphs (a) and (c) of this subsection shall be made to the
35 commission every seventh day of any and every race meeting in
36 the amount then due, as determined in the manner provided
37 above, and shall be accompanied by a report under oath showing
38 the total of all such contributions, together with such other
39 information as the commission may require.

40 [In addition, as an initial payment to the State, an amount
41 equal to 1/2 of 1% of all parimutuel pools shall be deposited
42 annually in the General State Fund.] In addition to the amounts
43 above, in the case of races on a racing day designated or allotted
44 as a charity racing day pursuant to P.L.1977, c.200 (C.5:5-44.2 et
45 seq.), P.L.1992, c.113 (C.5:5-44.7), or P.L.1993, c.15 (C.5:5-44.8),
46 an amount equal to 1/2% of 1% of all parimutuel pools shall be
47 paid to the commission at the time and in the manner prescribed
48 by the commission.

49 All amounts remaining in parimutuel pools, including the
50 breaks, after such distribution and payments shall constitute
51 revenues of the authority. Except as otherwise expressly provided
52 in this section 7, the authority shall not be required to make any
53 payments to the Racing Commission or others in connection with
54 contributions to parimutuel pools.

55 In the event that a written agreement between the authority

1 and the respective horsemen's associations shall require the
2 distribution of additional sums of money to increase purses or
3 contributions to the special trust accounts hereinabove provided,
4 or both, any such distribution to be made in the year 1981 shall be
5 made by the authority only from, and to the extent of, available
6 moneys from the preceding year set aside for such purpose, after
7 application of the authority's revenues, moneys or other funds as
8 provided in subsection c.(1), (2), (3), (4), (5), (6) and (7) of section
9 6 of P.L.1971, c.137 (C.5:10-6).

10 g. All sums held by the authority for payment of outstanding
11 parimutuel tickets not claimed by the person or persons entitled
12 thereto within the time provided by law shall be paid upon the
13 expiration of such time, without further obligation to such
14 ticketholder, as follows:

15 (1) In the case of running and harness races, 50% of those sums
16 shall be paid to the Racing Commission;

17 (2) In the case of running races, 50% of those sums shall be
18 paid to the commission and set aside in the special trust account
19 established pursuant to section 46b.(1)(e) and section 46b.(2)(e) of
20 P.L.1940, c.17 (C.5:5-66); and

21 (3) In the case of harness races, 25% of those sums shall be
22 retained by the permitholder to supplement purses for sire stakes
23 races on which there is parimutuel wagering, and 25% shall be
24 retained by the permitholder to supplement overnight purses.

25 h. No admission or amusement tax, excise tax, license or horse
26 racing fee of any kind shall be assessed or collected from the
27 authority by the State of New Jersey, or by any county or
28 municipality, or by any other body having power to assess or
29 collect license fees or taxes.

30 i. Any horse race meeting and the parimutuel system of
31 wagering upon the results of horse races held at such race
32 meeting shall not under any circumstances, if conducted as
33 provided in the act and in conformity thereto, be held or
34 construed to be unlawful, other statutes of the State to the
35 contrary notwithstanding.

36 j. Each employee of the authority engaged in the conducting of
37 horse race meetings shall obtain the appropriate license from the
38 Racing Commission, subject to the same terms and conditions as
39 is required of similar employees of other permitholders. The
40 Racing Commission may suspend any member of the authority
41 upon approval of the Governor and the license of any employee of
42 the authority in connection with the conducting of horse race
43 meetings, pending a hearing by the Racing Commission, for any
44 violation of the New Jersey laws regulating horse racing or any
45 rule or regulation of the commission. Such hearing shall be held
46 and conducted in the manner provided in said laws.

47 (cf: P.L.1986, c.19, s.5)

48 2[17. Notwithstanding any other provisions of law to the
49 contrary, the percentage of total contributions to all parimutuel
50 pools made during a calendar year that had been paid to the New
51 Jersey Racing Commission pursuant to section 46 of P.L.1940,
52 c.71 (C.5:5-66), section 2 of P.L.1984, c.236 (C.5:5-66.1), section
53 5 of P.L.1982, c.201 (C.5:5-98) or section 7 of P.L.1971, c.137
54 (C.5:10-7) prior to the amendments made to those sections by
55 P.L., c. ... (C.)(now pending before the Legislature as

1 this bill), shall be distributed pursuant to those sections as
2 follows: 2% to the Thoroughbred Breeders' Association of New
3 Jersey; 2% to the Sire Stakes Program for standardbred horses;
4 2% to the Backstretch Benevolency Programs Fund; 47% to the
5 race track permit holder; 23.5% to the Thoroughbred
6 Horseman's Benevolent Association of New Jersey; and 23.5%
7 to the Standardbred Breeders' and Owners' Association of New
8 Jersey.¹²

9 ¹[7.] ²[8.1] 7.2 This act shall take effect immediately.

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14 Eliminates State's share of parimutuel pool on horse races and
15 provides for distribution to racetracks, purses, horsemen's
16 programs, and benevolent fund for backstretch employees.

1 distribution of additional sums of money to increase purses or
2 contributions to the special trust accounts hereinabove provided,
3 or both, any such distribution to be made in the year 1981 shall be
4 made by the authority only from, and to the extent of, available
5 moneys from the preceding year set aside for such purpose, after
6 application of the authority's revenues, moneys or other funds as
7 provided in subsection c.(1), (2), (3), (4), (5), (6) and (7) of section
8 6 of P.L.1971, c.137 (C.5:10-6).

9 g. All sums held by the authority for payment of outstanding
10 parimutuel tickets not claimed by the person or persons entitled
11 thereto within the time provided by law shall be paid upon the
12 expiration of such time, without further obligation to such
13 ticketholder, as follows:

14 (1) In the case of running and harness races, 50% of those sums
15 shall be paid to the Racing Commission;

16 (2) In the case of running races, 50% of those sums shall be
17 paid to the commission and set aside in the special trust account
18 established pursuant to section 46b.(1)(e) and section 46b.(2)(e) of
19 P.L.1940, c.17 (C.5:5-66); and

20 (3) In the case of harness races, 25% of those sums shall be
21 retained by the permitholder to supplement purses for sire stakes
22 races on which there is parimutuel wagering, and 25% shall be
23 retained by the permitholder to supplement overnight purses.

24 h. No admission or amusement tax, excise tax, license or horse
25 racing fee of any kind shall be assessed or collected from the
26 authority by the State of New Jersey, or by any county or
27 municipality, or by any other body having power to assess or
28 collect license fees or taxes.

29 i. Any horse race meeting and the parimutuel system of
30 wagering upon the results of horse races held at such race
31 meeting shall not under any circumstances, if conducted as
32 provided in the act and in conformity thereto, be held or
33 construed to be unlawful, other statutes of the State to the
34 contrary notwithstanding.

35 j. Each employee of the authority engaged in the conducting of
36 horse race meetings shall obtain the appropriate license from the
37 Racing Commission, subject to the same terms and conditions as
38 is required of similar employees of other permitholders. The
39 Racing Commission may suspend any member of the authority
40 upon approval of the Governor and the license of any employee of
41 the authority in connection with the conducting of horse race
42 meetings, pending a hearing by the Racing Commission, for any
43 violation of the New Jersey laws regulating horse racing or any
44 rule or regulation of the commission. Such hearing shall be held
45 and conducted in the manner provided in said laws.

46 (cf: P.L.1986, c.19, s.5)

47 7. This act shall take effect immediately.

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50 STATEMENT

51
52 This bill eliminates the amount of the parimutuel pool on horse
53 races that goes to the State from live races and simulcast races
54 and provides that 1/2 of that amount shall be added to the

1 amount that goes to the racetracks and 1/2 to the amount that
2 goes to horsemen. At the present time, the State's share of the
3 parimutuel pool is generally 1/2 of 1%.

4 The bill provides, however, that the amount presently going to
5 the State on charity racing days shall continue to do so for
6 distribution to the appropriate charities (i.e., the developmentally
7 disabled, the Vietnam Veterans' Memorial, or backstretch
8 benevolency programs).

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13 _____
14 Eliminates State's share of parimutuel pool on horse races and
divides that amount between racetracks and horsemen.

ASSEMBLY FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

[SECOND REPRINT]

SENATE, No. 1578

STATE OF NEW JERSEY

DATED: NOVEMBER 22, 1993

The Assembly Financial Institutions Committee reports favorably Senate Bill No. 1578 [2R].

Senate Bill No. 1578 [2R] eliminates the amount of the parimutuel pool on horse races that goes to the State from live races and simulcast races and provides that the amount is to be distributed as follows: 1) with respect to harness racing, 47% to the race track permit holder, 23.5% for purses and programs to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey; 23.5% to the Standardbred Breeders' and Owners' Association of New Jersey for the administration of a health benefits program for horsemen; 4% to the Sire Stakes Program for standardbred horses; and 2% to the Backstretch Benevolency Programs Fund; 2) with respect to running races, 47% to be retained by the race track permit holder; 47% for purses and to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association; 4% to the Thoroughbred Breeders' Association of New Jersey; and 2% to the Backstretch Benevolency Programs Fund.

At the present time, the State's share of the parimutuel pool is generally 1/2 of 1 percent.

The bill provides, however, that the amount presently going to the State on charity racing days shall continue to do so for distribution to the appropriate charities (i.e., the developmentally disabled, the Vietnam Veterans' Memorial, or backstretch benevolency programs).

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1578

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 1993

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1578 with amendments.

Senate Bill No. 1578, as amended, eliminates the amount of the parimutuel pool on horse races that goes to the State from live races and simulcast races and provides that the amount is to be distributed as follows: 2% to the Thoroughbred Breeders' Association of New Jersey; 2% to the Sire Stakes Program for standardbred horses; 2% to the Backstretch Benevolency Programs Fund; 47% to the race track permit holder; 23.5% to the Thoroughbred Horseman's Benevolent Association of New Jersey; and 23.5% to the Standardbred Breeders' and Owners' Association of new Jersey.

At the present time, the State's share of the parimutuel pool is generally 1/2 of 1 percent.

The bill provides, however, that the amount presently going to the State on charity racing days shall continue to do so for distribution to the appropriate charities (i.e., the developmentally disabled, the Vietnam Veterans' Memorial, or backstretch benevolency programs).

COMMITTEE AMENDMENT

The committee amended the bill to specify the distribution of the money made available under this bill.

FISCAL IMPACT

The Office of Legislative Services estimates that State revenues will decrease by approximately \$6 million in Fiscal Year 1994 as a result of this bill.