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NJSA:

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LAWS OF:

1991

CHAPTER: 411

BILL NO:

S3639

SPONSOR(S):

Codey

DATE INTRODUCED:

July 15, 1991

COMMITTEE:

ASSEMBLY:

Independent Authorities

SENATE:

Institutions, Health & Welfare

AMENDED DURING PASSAGE: No

DATE OF PASSAGE:

ASSEMBLY:

January 9, 1992

SENATE:

July 25, 1991

DATE OF APPROVAL:

January 17, 1992

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

P.L.1991, CHAPTER 411, approved January 17, 1992 1991 Senate No. 3639

AN ACT concerning the use of interstate common pools in connection with certain simulcast horse races and amending and supplementing P.L.1985, c.269.

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

- Section 2 of P.L.1985, c.269 (C.5:5-111) is amended to read as follows:
 - 2. As used in this act:
- a. "Horsemen's organization" means the Horsemen's Benevolent and Protective Association, the Standardbred Breeders' and Owners' Association, or another organization or group representing a majority of horsemen engaged in competing for purses during a regularly scheduled horse race meeting, as the case may be.
- b. "Intertrack wagering" means parimutuel wagering on simulcast horse races held at an in-State sending track by patrons at a receiving track and the electronic transmission of the wagers to the in-State sending track.
 - c. "Intertrack wagering license" means a license issued by the New Jersey Racing Commission permitting intertrack wagering.
 - d. "Receiving track" means a racetrack within the State which is operated by the holder of an annual permit to conduct a horse race meeting and which is equipped to receive simulcast horse races and to conduct intertrack wagering on those races.
 - e. "In-State sending track" means a racetrack within the State which is operated by the holder of an annual permit to conduct a horse race meeting and which is equipped to provide simulcast horse races to a receiving track and to conduct intertrack wagering on those races.
 - f. "Out-of-State sending track" means a racetrack in a jurisdiction other than the State of New Jersey which is lawfully permitted to conduct a horse race meeting and to provide simulcast horse races to a racetrack in this State.
 - g. "Simulcast horse races" means horse races conducted at an in-State sending track or an out-of-State sending track, as the case may be, and transmitted simultaneously by picture to a receiving track.
 - h. "Interstate common pool" means a parimutuel pool established within this State or in another state or foreign nation

EXPEANATION—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.

within which is combined comparable parimutual pools of one or more receiving tracks located in one or more states or foreign nations upon a race at a sending track located within or outside of this State for the purpose of establishing pay-off prices in the various jurisdictions.

(cf: P.L.1985, c.269, s.2)

- 2. Section 7 of P.L.1985, c.269 (C.5:5-116) is amended to read as follows:
- 7. Except as otherwise provided in sections 8 and 10 of this act, and in sections 7 and 8 of P.L., c., (C.) (now pending before the Legislature as this bill) and by the rules and regulations of the commission with respect to interstate common pools, sums wagered at the receiving track shall be deposited in the appropriate parimutuel pool generated at the in-State sending track for the race being transmitted and shall be distributed pursuant to P.L.1940, c.17 (C.5:5-22 et seq.) as if such sums were wagered at the sending track. Payment to persons holding winning tickets at the receiving track shall be made according to the same odds as those generated at the in-State sending track. (cf: P.L.1985, c.269, s.7)
- 3. Section 8 of P.L.1985, c.269 (C.5:5-117) is amended to read as follows:
- 8. [The] Except as provided by section 8 of P.L.) (now pending before the Legislature as this bill) and by the rules and regulations of the commission with respect to interstate common pools, the in-State sending track shall reserve and set aside out of the portion of the parimutuel pool to be distributed as purse money pursuant to section 46 of P.L.1940, c.17 (C.5:5-66) an amount equal to 25%, of the amount that would be distributed as purse money pursuant to that section on the basis of the parimutuel pool generated at the receiving track. These sums shall be forwarded to the receiving track and shall be used to supplement the payment of overnight purses at the next horse race meeting to be conducted by the receiving track, except that if the receiving track is conducting a horse race meeting at the same time as the receipt of the simulcast horse races, the receiving track shall use those sums to supplement overnight purses at that horse race meeting. (cf: P.L.1988, c.27, s.1)
- 4. Section 10 of P.L.1985, c.269 (C.5:5-119) is amended to read as follows:
- 10. Notwithstanding any other law to the contrary, the New Jersey Racing Commission, upon application by a receiving track and in accordance with applicable federal law, may permit the track to receive simulcast horse races of national interest held at out-of-State sending tracks and to conduct parimutuel wagering thereon [All] Except as provided by section 7. of P.L., c. (C.) (now pending before the Legislature as this bill)

48 c. (C.) (now pending before the Legislature as this bill)
49 and by the rules and regulations of the commission with respect

to interstate common pools, all receipts from wagering under this section shall form a pool at the receiving track and shall be distributed pursuant to P.L.1940, c.17 (C.5:5-22 et seq.) as if those receipts were the product of wagering on live races at that time at the receiving track.

(cf: P.L.1985, c.269, s.10)

- 5. Section 11 of P.L.1985, c.269 (C.5:5-120) is amended to read as follows:
- 11. Notwithstanding any other law to the contrary, the New Jersey Racing Commission, upon application by an in-State sending track and in accordance with applicable federal law, may permit the track to contract with an entity in another jurisdiction to permit any legal wagering entity in the other jurisdiction to receive simulcast horse races run live at the in-State sending track and to conduct parimutuel wagering thereon within the other jurisdiction. The terms and conditions of the contract shall be established by the parties and may include as consideration therefor the receipt by the in-State sending track of a percentage of the sum wagered on a given race or races in accordance with the law of the receiving jurisdiction and may include participation in interstate common pools as provided by section 6. of P.L. , c. (C.) (now pending before the Legislature as this bill).

(cf: P.L.1985, c.269, s.11)

6. (New section) Subject to applicable federal laws, the commission may permit receiving tracks which are authorized to receive simulcast horseraces of national interest held at out-of-State sending tracks pursuant to section 10 of P.L.1985, c.269 (C.5:5-114) and in-State sending tracks authorized to transmit simulcast horse races to other jurisdictions pursuant to section 11 of P.L.1985, c.269 (C.5:5-120) to participate in interstate common pools.

Except as provided in sections 7 and 8 of P.L., c., C. , (C.) (now pending before the Legislature as this bill) and by

(C.) (now pending before the Legislature as this bill) and by rule or regulation of the commission, all provisions of the laws of this State governing parimutuel wagering shall apply to interstate common pools.

Except as otherwise provided by rule or regulation of the commission, participation in an interstate common pool shall not cause any participating party to be deemed to be doing business in any state other than the state in which it is physically located.

7. (New section) With the prior approval of the commission, a receiving track which the commission has permitted to receive simulcast horse races of national interest held at out-of-State sending tracks and to conduct parimutual wagering thereon pursuant to section 10 of P.L.1985, c.269 (C.5:5-119) may combine parimutual pools in this state with comparable pools at the out-of-State sending track. The types of wagering takeout, distribution of winnings and rules of racing in effect for

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parimutuel pools at the cending racetrack shall govern wagers placed in this State and merged into the interstate common pool. Breakage for interstate common pools shall be calculated in accordance with the law or rules governing the sending racetrack and shall be distributed between participating jurisdictions in the manner agreed to between the receiving track and the out-of-State sending track.

With the prior approval of the commission and the concurrence of the out-of-State sending track, a receiving track and receiving tracks or entities in other states other than the state in which the sending track is located may form an interstate common pool. With respect to such interstate common pools the commission may approve types of wagering, takeout, distribution of winnings, rules of racing and method of calculating breakage which are different from those which would otherwise be applied in this State but which are consistent for all parties to the interstate common pool.

The receiving track may deduct from wagers placed in any interstate common pool any fee to the person or entity conducting the race for the privilege of conducting parimutuel wagering on the race and costs incurred in transmitting the broadcast of the race and participation in the interstate common pool.

Any provision of law or contract governing the distribution of shares of the takeout, from wagers placed in this State in separate parimutual pools on races run in another state, to this State as parimutual taxes or respectively to breeder awards and to purses in this State shall remain in effect for wagers placed in interstate common pools. However, if the commission shall have approved an adjustment in the takeout rates, the distribution of the takeout within this State shall be adjusted proportionately to reflect the adjustment in the takeout rate. In addition, with the approval of the receiving track and the organization representing respectively a majority of the breeders or other horse persons, their respective share may be modified.

8. (New section) With the prior approval of the commission, an in-State sending track which the commission has permitted to contract with a legal wagering entity in another jurisdiction to receive horse races run live at the in-State sending track and to conduct parimutuel wagering thereon within the other jurisdiction may permit parimutuel pools in other States to be combined with its comparable wagering pools or with wagering pools established by other states. The commission may modify its rules and adopt separate rules governing interstate common pools and may establish separate rules governing the calculation of breakage for interstate common pools.

Parimutuel taxes shall not be imposed upon any amounts wagered in an interstate common pool other than upon amounts wagered in this state.

Any provision of law or contract governing the distribution of shares of the takeout from wagers placed in other states in separate parimutuel pools on races run in this State, to this State as parimutuel taxes or respectively to breeders and to purses in this State shall remain in effect for wagers placed in interstate common pools. However, with the approval of the in-State sending track and the organization representing respectively a majority of the breeders or other horsepersons, their respective share may be modified.

9. This act shall take effect immediately.

STATEMENT

This bill would allow racetracks located in this State which are authorized by the New Jersey Racing Commission to send or receive simulcast horse races to or from other jurisdictions to participate in interstate common pools. This arrangement would allow the participants to combine comparable parimutuel pools for the purpose of establishing pay-off prices in the various jurisdictions. Combining parimutuel pools would increase the incentive for bettors to participate in wagering on horse races which in turn would benefit this State's racetracks and State revenues.

GAMBLING

Authorizes N.J. Racing Commission to permit use of common pools in connection with certain simulcast horse races.

SENATE, No. 3639

STATE OF NEW JERSEY

INTRODUCED JULY 15, 1991

By Senator CODEY

AN ACT concerning the use of interstate common pools in connection with certain simulcast horse races and amending and supplementing P.L.1985, c.269.

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

- 1. Section 2 of P.L.1985, c.269 (C.5:5-111) is amended to read as follows:
- 2. As used in this act:
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 simulcast horse races held at an in-State sending track by patrons
 at a receiving track and the electronic transmission of the wagers
 to the in-State sending track.
 - c. "Intertrack wagering license" means a license issued by the New Jersey Racing Commission permitting intertrack wagering.
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- g. "Simulcast horse races" means horse races conducted at an in-State sending track or an out-of-State sending track, as the case may be, and transmitted simultaneously by picture to a receiving track.
- h. "Interstate common pool" means a parimutuel pool
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within which is combined comparable parimutual pools of one or more receiving tracks located in one or more states or foreign nations upon a race at a sending track located within or outside of this State for the purpose of establishing pay-off prices in the various jurisdictions.

(cf: P.L.1985, c.269, s.2)

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- c. (C.) (now pending before the Legislature as this bill) and by the rules and regulations of the commission with respect

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parimutuel pools at the sending racetrack shall govern wagers placed in this State and merged into the interstate common pool. Breakage for interstate common pools shall be calculated in accordance with the law or rules governing the sending racetrack and shall be distributed between participating jurisdictions in the manner agreed to between the receiving track and the out-of-State sending track.

With the prior approval of the commission and the concurrence of the out-of-State sending track, a receiving track and receiving tracks or entities in other states other than the state in which the sending track is located may form an interstate common pool. With respect to such interstate common pools the commission may approve types of wagering, takeout, distribution of winnings, rules of racing and method of calculating breakage which are different from those which would otherwise be applied in this State but which are consistent for all parties to the interstate common pool.

The receiving track may deduct from wagers placed in any interstate common pool any fee to the person or entity conducting the race for the privilege of conducting parimutuel wagering on the race and costs incurred in transmitting the broadcast of the race and participation in the interstate common pool.

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8. (New section) With the prior approval of the commission, an in-State sending track which the commission has permitted to contract with a legal wagering entity in another jurisdiction to receive horse races run live at the in-State sending track and to conduct parimutuel wagering thereon within the other jurisdiction may permit parimutuel pools in other States to be combined with its comparable wagering pools or with wagering pools established by other states. The commission may modify its rules and adopt separate rules governing interstate common pools and may establish separate rules governing the calculation of breakage for interstate common pools.

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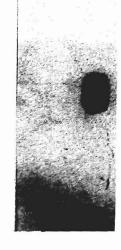
9. This act shall take effect immediately.

STATEMENT

This bill would allow racetracks located in this State which are authorized by the New Jersey Racing Commission to send or receive simulcast horse races to or from other jurisdictions to participate in interstate common pools. This arrangement would allow the participants to combine comparable parimutuel pools for the purpose of establishing pay-off prices in the various jurisdictions. Combining parimutuel pools would increase the incentive for bettors to participate in wagering on horse races which in turn would benefit this State's racetracks and State revenues.

GAMBLING

Authorizes N.J. Racing Commission to permit use of common pools in connection with certain simulcast horse races.



STATEMENT TO

SENATE, No. 3639

STATE OF NEW JERSEY

DATED: OCTOBER 24, 1991

The Assembly Independent Authorities Committee reports favorably Senate Bill No. 3639.

As reported, this bill would allow racetracks located in the State which are authorized by the New Jersey Racing Commission to send or receive simulcast horse races to or from other jurisdictions, to participate in interstate common pools. This arrangement would allow the participants to combine comparable parimutuel pools for the purpose of establishing pay-off prices in the various jurisdictions. Combining parimutuel pools would increase the incentive for bettors to participate in wagering on horse races which in turn would benefit this State's racetracks and State revenues.

It is the committee's understanding that interstate common pool refers to the combined parimutuel pool from one or more receiving tracks in New Jersey or other jurisdictions together with the parimutuel pool from a sending track located within or outside New Jersey. Since the interstate common pool provides for payment at receiving tracks according to the same odds as those generated at the sending track regardless of where the sending and receiving tracks are located, the committee concurs with the view that authorization of interstate common pools between tracks in New Jersey and out-of state tacks will enhance racing revenues in this State by increasing the total number and size of bets placed on races in this State.

SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE

STATEMENT TO

SENATE, No. 3639

STATE OF NEW JERSEY

DATED: JULY 15, 1991

The Senate Institutions, Health and Welfare Committee favorably reports Senate Bill No. 3639.

This bill would allow racetracks located in the State which are authorized by the New Jersey Racing Commission to send or receive simulcast horse races to or from other jurisdictions, to participate in interstate common pools. This arrangement would allow the participants to combine comparable parimutual pools for the purpose of establishing pay-off prices in the various jurisdictions.

Combining parimutuel pools would increase the incentive for bettors to participate in wagering on horse races which in turn would benefit this State's racetracks and State revenues.