

5:5-66

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:5-66 (Horse racing—certain tracks—retain extra 1% of parimutuel pool)

LAWS OF: 1982

CHAPTER: 234

Bill No.: S1729

Sponsor(s): Codey

Date Introduced: Sept. 23, 1982

Committee: Assembly: Independent Authorities and Commissions

Senate: State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage /// No

Date of Passage: Assembly: Nov. 15, 1982

Senate: Oct. 18, 1982

Date of Approval: Jan. 11, 1983

Following statements are attached if available:

Sponsor statement: Yes //

Committee statement: Assembly Yes //

Senate Yes //

Fiscal Note: /// No

Veto Message /// No

Message on Signing: *Yes* /// ~~No~~

Following were printed:

Reports: /// No

Hearings: /// No

SEP 1982

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SENATE, No. 1729

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 23, 1982

By Senators CODEY and GAGLIANO

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans Affairs

AN ACT concerning the distribution and disposition of the pari-
mutuel pool at certain horse race meetings and amending
P. L. 1940, c. 17.

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

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

3 46. Every permitholder engaged in the business of conducting
4 horse race meetings under this act, except the New Jersey Sports
5 and Exposition Authority established pursuant to P. L. 1971, c. 137
6 (C. 5:10-1 et seq.), shall make disposition of the deposits remain-
7 ing undistributed pursuant to section 44 as follows:

8 a. In the case of harness races:

9 (1) Pay to the commission 1.50% of so much of the total
10 contributions to all parimutuel pools conducted or made during
11 such calendar year on any and every horse race track granted a
12 permit under this act. Notwithstanding the foregoing, for pools
13 where the patron is required to select two horses, the permit-
14 holder shall pay to the commission 2.50% of the total contributions
15 and for pools where the patron is required to select three or more
16 horses, the permitholder shall pay to the commission 5.50% of
17 the total contributions.

18 Payment on account of such sums to be paid to the commission
19 shall be made every seventh day of any and every race meeting in
20 the amount then due as determined in the manner provided above,

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 printed in italics *thus* is new matter.

21 and shall be accompanied by a report under oath showing the total
22 of all such contributions, together with such other information as
23 the commission may require. Except as otherwise provided by law,
24 no admission or amusement tax, excise tax, license or horse racing
25 fee of any kind shall be assessed or collected from any permit-
26 holder by the State of New Jersey, or by any county or munici-
27 pality, or by any other body having power to assess or collect
28 license fees or taxes.

29-30 (2) Hold and set aside in an account designated as a special
31 trust account 1.15% of such total contributions in all pools to be
32 used and distributed as hereinafter provided and as provided in
33 section 5 of P. L. 1967, c. 40, for the following purposes and no
34 other:

35 (a) 37% thereof to increase purses and grant awards for start-
36 ing horses as provided or as may be provided by rules of the New
37 Jersey Racing Commission with payment to be made in the same
38 manner as payment of other purses and awards;

39 (b) 55% thereof for the establishment of a Sire Stakes Pro-
40 gram for standardbred horses with payment to be made to the
41 Department of Agriculture for administration as hereinbefore
42 provided;

43 (c) 5% thereof for contributions and awards designed to
44 improve and promote the standardbred breeding industry in New
45 Jersey through payment of awards to owners and breeders of
46 New Jersey bred horses which are registered with the Standard-
47 bred Breeders' and Owners' Association of New Jersey and which
48 earn portions of purses in open events on New Jersey tracks,
49 and to owners of stallions posted on the official stallions roster of
50 the Standardbred Breeders' and Owners' Association of New
51 Jersey which sire such registered New Jersey bred money earners;

52 (d) 3% thereof for other New Jersey horse breeding and pro-
53 motion conducted by the New Jersey Department of Agriculture.

54 (3) Retain 7.20% of so much of such total contributions for
55 his own uses and purposes. Notwithstanding the foregoing, for
56 pools where the patron is required to select two horses, the
57 permitholder shall retain 7.70% of the total contributions and
58 for pools where the patron is required to select three or more
59 horses, the permitholder shall retain 9.20% of the total contribu-
60 tions. Each permitholder shall contribute out of its 9.20% share
61 of pools, where the patron is required to select three or more
62 horses, a sum deemed necessary by the Racing Commission, to
63 finance a prerace blood testing program, and such other testing
64 programs which the commission shall deem proper and necessary

65 and which shall be subject to the regulation and control of said
66 commission.

67 (4) Distribute as purse money and for programs designed to
68 aid the horsemen and the Standardbred Breeders' and Owners'
69 Association of New Jersey 7.15% of such total contributions.
70 Expenditures for programs designed to aid the horsemen and the
71 Standardbred Breeders' and Owners' Association of New Jersey
72 shall not exceed 3.2% of the sum available for distribution as
73 purse money. The formula for distribution of the purse money
74 as either overnight purses or special stakes shall be determined
75 by an agreement between the Standardbred Breeders' and
76 Owners' Association of New Jersey and the tracts. Notwithstand-
77 ing the foregoing, for pools where the patron is required to select
78 two or more horses, the permitholder shall distribute as purse
79 money 7.65% of the total contributions and for pools where the
80 patron is required to select three or more horses, the permitholder
81 shall distribute as purse money 9.15% of the total contributions.
82 Notwithstanding the foregoing, for pools where a patron is
83 required to select three or more horses, each permitholder shall
84 retain out of the 9.15% to be distributed as purse money, a sum
85 deemed necessary by the racing commission, for use by the
86 commission to finance a prerace blood testing program, and such
87 other testing programs which the commission shall deem proper
88 and necessary and which shall be subject to the regulation and
89 control of said commission.

90 b. In the case of running races:

91 (1) Where the amount derived from the parimutuel handle
92 does not exceed \$1 million per day based on such contributions
93 accumulated and averaged during the calendar year, the permit-
94 holder shall:

95 (a) Pay to the commission 30% of 1% of so much of the total
96 contributions to all parimutuel pools conducted or made during
97 such calendar year; but notwithstanding the foregoing, for pools
98 where the patron is required to select three or more horses, the
99 permitholder shall pay to the commission 1.30% of the total
100 contributions.

101 Payment on account of such sums to be paid to the commission
102 shall be made every seventh day of any and every race meeting in
103 the amount then due as determined in the manner provided above,
104 and shall be accompanied by a report under oath showing the
105 total of all such contributions, together with such other informa-
106 tion as the commission may require. Except as otherwise provided
107 by law, no admission or amusement tax, excise tax, license or

108 horse racing fee of any kind shall be assessed or collected from
109 any permitholder by the State of New Jersey, or by any county
110 or municipality, or by any other body having power to assess or
111 collect license fees or taxes.

112 (b) Hold and set aside in an account designated as a special
113 trust account 23% of 1% of such total contributions to be used
114 and distributed as hereinafter provided and as provided in
115 section 5 of P. L. 1967, c. 40, for the following purposes and no
116 other:

117 (i) 18% of 1% thereof for contributions and awards de-
118 signed to improve and promote the thoroughbred breeding
119 industry in New Jersey through payments of awards to
120 owners and breeders of registered New Jersey bred horses
121 which earn portions of purses in open events on New Jersey
122 tracks, and to owners of stallions posted on the official
123 stallion rosters of the Thoroughbred Breeders' Association
124 of New Jersey which sire such registered New Jersey bred
125 money winners;

126 (ii) 5% of 1% thereof for State horse breeding and devel-
127 opment programs, research, fairs, horse shows, youth activi-
128 ties, promotion and administration.

129 (c) Retain 9.73% of such total contributions for his own uses
130 and purposes. For pools where the patron is required to select
131 two horses, the permitholder shall retain 10.80% of the total
132 contributions and for pools where the patron is required to select
133 three or more horses, the permitholder shall retain 13.21% of the
134 total contributions.

135 (d) Distribute as purse money and for programs designed to
136 aid the horsemen and the New Jersey Horsemen's Benevolent
137 and Protective Association 6.00% of such contributions. Notwith-
138 standing the foregoing, for pools where the patron is required
139 to select two horses, the permitholder shall distribute as purse
140 money 6.93% of such contributions and for pools where the
141 patron is required to select three or more horses, the permitholder
142 shall distribute as purse money 9.02% of the total contributions.
143 Expenditures for programs designed to aid the horsemen and the
144 New Jersey Horsemen's Benevolent and Protective Association
145 shall not exceed 2.5% of the sum available for distribution as
146 purse money from all parimutuel pools. The formula for distri-
147 bution of the purse money as either overnight purses or special
148 stakes shall be determined by an agreement between the New
149 Jersey Horsemen's Benevolent and Protective Association and
150 the permitholder.

151 (e) (i) 50% of 1% of all pools shall be deducted and set aside in
152 a special trust account for the establishment and support by the
153 commission of the thoroughbred breeding industry in New Jersey;
154 to improve purses for closed races; to provide awards for owners
155 and breeders of registered New Jersey bred horses who earn
156 portions of purses in closed races at New Jersey race tracks and
157 to owners of stallions posted on the official stallion rosters of the
158 Thoroughbred Breeders' Association of New Jersey which sire
159 such New Jersey bred money earners and awards to the New
160 Jersey Thoroughbred Breeders' Association for programs bene-
161 ficial to thoroughbred breeding in this State. The New Jersey
162 thoroughbred award program shall be administered and disbursed
163 by the commission while the thoroughbred open breeder awards
164 shall be administered and disbursed by the New Jersey Depart-
165 ment of Agriculture. The special trust account to be established
166 pursuant to this paragraph shall be separate and apart from the
167 special trust account established and maintained pursuant to
167^A subparagraph (b) of this paragraph.

168 (ii) 12% of 1% shall be deducted and set aside in a special
169 trust account for the purpose of stabilizing the Thoroughbred
170 Breeding Award Program. These funds shall be used by the
171 New Jersey Racing Commission to supplement both the opened
172 and closed award program. When necessary, the Racing Commis-
173 sion shall forward a portion of the funds to the Department of
174 Agriculture for distribution to New Jersey bred horses that
175 successfully compete in open races. Any sums not used shall
176 revert to the State General Treasury.

177 (f) 12% of 1% shall be deposited in a separate special trust
178 account for use by the commission in keeping thoroughbred tracks
179 and stable facilities open during periods of time when they are not
180 normally in operation when to do so would serve the public interest.

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

185 (2) Where the amount derived from the parimutuel handle ex-
186 ceeds \$1 million per day based on such contributions accumulated
187 and averaged during the calendar year, the permitholder shall:

188 (a) Pay to the commission 3.22% of so much of the total
189 contributions to all parimutuel pools conducted or made during
190 such calendar year; but, notwithstanding the foregoing, for pools
191 where the patron is required to select three or more horses, the

192 permitholder shall pay to the commission 4.22% of the total
193 contributions.

194 Payment on account of such sums to be paid to the commission
195 shall be made every seventh day of any and every race meeting in
196 the amount then due as determined in the manner provided above,
197 and shall be accompanied by a report under oath showing the total
198 of all such contributions, together with such other information as
199 the commission may require. Except as otherwise provided by law,
200 no admission or amusement tax, excise tax, license or horse racing
201 fee of any kind shall be assessed or collected from any permit-
202 holder by the State of New Jersey, or by any county or munici-
203 pality, or by any other body having power to assess or collect
204 license fees or taxes.

205 (b) Hold and set aside in an account designated as a special
206 trust account 23% of 1% of such total contributions to be used and
207 distributed as hereinafter provided and as provided in section 5
208 of P. L. 1967, c. 40, for the following purposes and no other:

209 (i) 18% of 1% thereof for contributions and awards de-
210 signed to improve and promote the thoroughbred breeding
211 industry in New Jersey through payments of awards to
212 owners and breeders of registered New Jersey bred horses
213 which earned portions of purses in open events on New
214 Jersey tracks, and to owners of stallions posted on the official
215 stallion rosters of the Thoroughbred Breeders' Association
216 of New Jersey which sire such registered New Jersey bred
217 money winners;

218 (ii) 5% or 1% thereof for State horse breeding and devel-
218A opment programs, research, fairs, horse shows, youth activi-
219 ties, promotion and administration.

220 (c) Retain 6.81% of such total contributions for his own uses and
221 purposes. For pools where the patron is required to select two
222 horses, the permitholder shall retain 7.88% of the total contribu-
223 tions and for pools where the patron is required to select three or
224 more horses, the permitholder shall retain 10.29% of the total
225 contributions.

226 (d) Distribute as purse money and for programs designed to aid
227 the horsemen and the New Jersey Horsemen's Benevolent and
228 Protective Association 5.92% of such contributions. Notwithstand-
229 ing the foregoing, for pools where the patron is required to select
230 two horses, the permitholder shall distribute as purse money 6.85%
231 of such contributions and for pools where the patron is required to
232 select three or more horses, the permitholder shall distribute as
233 purse money 8.94% of the total contributions. Expenditures for

234 programs designed to aid the horsemen and the New Jersey Horse-
235 men's Benevolent and Protective Association shall not exceed
236 2.5% of the sum available for distribution as purse money from
237 all parimutuel pools. The formula for distribution of the purse
238 money as either overnight purses or special stakes shall be deter-
239 mined by an agreement between the New Jersey Horsemen's
240 Benevolent and Protective Association and the permitholder.

241 (e) (i) 50% of 1% of all pools shall be deducted and set aside
242 in a special trust account for the establishment and support by
243 the commission of the thoroughbred breeding industry in New
244 Jersey; to improve purses for closed races; to provide awards for
245 owners and breeders of registered New Jersey bred horses who
246 earn portions of purses in closed races at New Jersey race tracks
247 and to owners of stallions posted on the official stallion rosters of
248 the Thoroughbred Breeders' Association of New Jersey which sire
249 such New Jersey bred money earners and awards to New Jersey
250 thoroughbred breeders associations for programs beneficial to
251 thoroughbred breeding in this State. The New Jersey thorough-
252 bred award program shall be administered and disbursed by the
253 commission while the thoroughbred open breeder award shall be
254 administered and disbursed by the New Jersey Department of
255 Agriculture. The special trust account to be established pursuant
256 to this paragraph shall be separate and apart from the special
257 trust account established and maintained pursuant to subpara-
258 graph (b) of this paragraph.

259 (ii) 20% of 1% shall be deducted and set aside in a special trust
260 account for the purpose of stabilizing the Thoroughbred Breeding
261 Award Program. These funds shall be used by the New Jersey
262 Racing Commission to supplement both the opened and closed
263 award program. When necessary, the Racing Commission shall
264 forward a portion of the funds to the Department of Agriculture
265 for distribution to New Jersey bred horses that successfully
266 compete in open races. Any sums not used shall revert to the
267 State General Treasury.

268 (f) 12% of 1% shall be deposited in a separate special trust
269 account for use by the New Jersey Racing Commission in keeping
270 thoroughbred tracks and stable facilities open during periods of
271 time when they are not normally in operation when to do so would
272 serve the public interest.

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

277 Notwithstanding any other provision of this section, every har-
278 ness permitholder engaged in the business of conducting harness
279 race meetings shall retain from the funds designated in subsection
280 a. (1) of this section an additional 20% of 1% of the total contribu-
281 tions to all parimutuel pools for his own uses and purposes, in
282 addition to those sums herein mentioned in subsection a. (3) of
283 this section, during the period of November 1 to March 31, referred
284 to as winter racing days. Any running race permitholder operat-
285 ing pursuant to subsection b. (2) of this section shall retain from
286 the funds designated in subsection b. (2) (a) an additional 1% of
287 the total contributions to all parimutuel pools for his own uses
288 and purposes, in addition to those sums herein mentioned in sub-
289 section b. (2) (c), for any winter racing days as herein defined;
290 and commencing June 1, 1982, shall retain from the funds desig-
291 nated in subsection b. (2) (a) an additional 1% of the total
292 contributions during the months of June, July [and], August *and*
293 *September* to all parimutuel pools for his own uses and purposes,
294 in addition to those sums herein mentioned in subsection b. (2)
295 (c), when a harness race meeting, other than one conducted by
296 the New Jersey Sports and Exposition Authority, is operating
297 concurrently.

- 1 2. This act shall take effect immediately and shall be retro-
- 2 active to August 31, 1982.

STATEMENT

This bill provides that a running race permitholder whose daily parimutuel handle exceeds \$1 million shall retain an extra 1% of the handle when races conducted by the permitholder during the month of September are concurrent with a harness race meeting, other than one conducted by the New Jersey Sports and Exposition Authority. As a result of P. L. 1981, c. 449, such a permitholder retains an extra 1% when there are concurrent races during June, July, and August. Thus this bill simply extends the time period in order to include the conclusion of any summer race meeting that extends into September.

277 Notwithstanding any other provision of this section, every har-
 278 ness permitholder engaged in the business of conducting harness
 279 race meetings shall retain from the funds designated in subsection
 280 a. (1) of this section an additional 20% of 1% of the total contribu-
 281 tions to all parimutuel pools for his own uses and purposes, in
 282 addition to those sums herein mentioned in subsection a. (3) of
 283 this section, during the period of November 1 to March 31, referred
 284 to as winter racing days. Any running race permitholder operat-
 285 ing pursuant to subsection b. (2) of this section shall retain from
 286 the funds designated in subsection b. (2) (a) an additional 1% of
 287 the total contributions to all parimutuel pools for his own uses
 288 and purposes, in addition to those sums herein mentioned in sub-
 289 section b. (2) (e), for any winter racing days as herein defined;
 290 and commencing June 1, 1982, shall retain from the funds desig-
 291 nated in subsection b. (2) (a) an additional 1% of the total
 292 contributions during the months of June, July [and], August and
 293 *September* to all parimutuel pools for his own uses and purposes,
 294 in addition to those sums herein mentioned in subsection b. (2)
 295 (e), when a harness race meeting, other than one conducted by
 296 the New Jersey Sports and Exposition Authority, is operating
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STATEMENT

This bill provides that a running race permitholder whose daily parimutuel handle exceeds \$1 million shall retain an extra 1% of the handle when races conducted by the permitholder during the month of September are concurrent with a harness race meeting, other than one conducted by the New Jersey Sports and Exposition Authority. As a result of P. L. 1981, c. 449, such a permitholder retains an extra 1% when there are concurrent races during June, July, and August. Thus this bill simply extends the time period in order to include the conclusion of any summer race meeting that extends into September.

S1729(1982)

ASSEMBLY INDEPENDENT AUTHORITIES AND
COMMISSIONS COMMITTEE

STATEMENT TO

SENATE, No. 1729

STATE OF NEW JERSEY

DATED: OCTOBER 25, 1982

The Senate State Government Committee statement adequately expresses the provisions and purpose of this bill.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
SENATE, No. 1729

STATE OF NEW JERSEY

DATED: SEPTEMBER 23, 1982

This bill provides that a running race permitholder whose daily parimutuel handle exceeds \$1 million shall retain an extra 1% of the handle when races conducted by the permitholder during the month of September are concurrent with a harness race meeting (except those conducted by the New Jersey Sports and Exposition Authority).

This provision currently applies when there are concurrent races during June, July and August. The bill extends the time period to include the conclusion of any summer racing meeting.

This bill shall be retroactive to August 31, 1982.

OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

CONTACT: KATHERINE BROKAW

WEDNESDAY, JANUARY 12, 1983

Governor Thomas H. Kean today signed the following bill:

S-1729, sponsored by Senator Richard J. Codey (D-Essex), allows a thoroughbred racing track whose daily parimutuel handle is more than \$1 million to keep an extra one percent of the handle when races in September are held at the same time as harness races.

Under current law, this is permitted during the summer months (June, July and August). The bill extends the time period so that any summer races meeting's conclusion will be included.

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