

ASSEMBLY, No. 4341

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JULY 2, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Increases from 3.2% to 5% percentage of certain dedicated purse moneys used for horsemen aid programs and the association from Standardbred racing at private racetracks.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain amounts dedicated for programs
2 designed to aid the horsemen and the Standardbred Breeders' and
3 Owners' Association of New Jersey from Standardbred racing at
4 private racetracks and amending P.L.1940, c.17.

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

8
9 1. Section 46 of P.L.1940, c.17 (C.5:5-66) is amended to read
10 as follows:

11 46. Every permitholder engaged in the business of conducting
12 horse race meetings under this act, except the New Jersey Sports
13 and Exposition Authority established pursuant to P.L.1971, c.137
14 (C.5:10-1 et seq.) or a lessee of the authority, shall make disposition
15 of the deposits remaining undistributed pursuant to section 44 of
16 P.L.1940, c.17 (C.5:5-64) as follows:

17 a. In the case of harness races:

18 (1) On a racing day designated or allotted as a charity racing day
19 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
20 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
21 commission, at the time and in the manner prescribed by the
22 commission, 1.25% of so much of the total contributions to all
23 parimutuel pools conducted or made on any and every horse race,
24 except that for pools where the patron is required to select two
25 horses, the permitholder shall pay 2.25% of the total contributions
26 and for pools where the patron is required to select three or more
27 horses, the permitholder shall pay 5.25% of the total contributions;

28 (2) Hold and set aside in an account designated as a special trust
29 account 1.15% of such total contributions in all pools, to be used
30 and distributed as hereinafter provided and as provided in section 5
31 of P.L.1967, c.40 (C.5:5-88), for the following purposes and no
32 other:

33 (a) 37% thereof to increase purses and grant awards for starting
34 horses, as provided or as may be provided by rules of the New
35 Jersey Racing Commission, with payment to be made in the same
36 manner as payment of other purses and awards, unless otherwise
37 provided by a contractual agreement authorized under section 11 of
38 P.L.2013, c.266 (C.5:5-188);

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

43 (c) 5% thereof to the Sire Stakes Program for purse supplements
44 designed to improve and promote the standardbred breeding
45 industry in New Jersey by increasing purses for owners of horses

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

Matter underlined thus is new matter.

1 that are sired by a New Jersey registered stallion and are eligible to
2 participate in the Sire Stakes Program. The Sire Stakes Program
3 board of trustees shall consult with the Standardbred Breeders' and
4 Owners' Association of New Jersey before disbursing money for
5 purse supplements;

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

8 (3) Retain 7.7875%, or in the case of races on a charity racing
9 day 7.20%, of so much of such total contributions for his own uses
10 and purposes. Notwithstanding the foregoing, for pools where the
11 patron is required to select two horses, the permitholder shall retain
12 8.7575%, or in the case of races on a charity racing day 7.70%, of
13 the total contributions and for pools where the patron is required to
14 select three or more horses, the permitholder shall retain 11.6675%,
15 or in the case of races on a charity racing day 9.20%, of the total
16 contributions. Each permitholder shall contribute out of its
17 11.6675% or 9.20% share of pools, where the patron is required to
18 select three or more horses, a sum deemed necessary by the racing
19 commission, to finance a prerace blood testing program, and such
20 other testing programs which the commission shall deem proper and
21 necessary and which shall be subject to the regulation and control
22 of said commission.

23 (4) Distribute as purse money and for programs designed to aid
24 the horsemen and the Standardbred Breeders' and Owners'
25 Association of New Jersey 7.69375%, or in the case of races on a
26 charity racing day 7.40%, of such total contributions. Expenditures
27 for programs designed to aid the horsemen and the Standardbred
28 Breeders' and Owners' Association of New Jersey shall not exceed
29 **【3.2%】** 5% of the sum available for distribution as purse money.
30 The formula for distribution of the purse money as either overnight
31 purses or special stakes shall be determined by an agreement
32 between the Standardbred Breeders' and Owners' Association of
33 New Jersey and the tracks. Notwithstanding the foregoing, for pools
34 where the patron is required to select two or more horses, the
35 permitholder shall distribute as purse money 8.42875%, or in the
36 case of races on a charity racing day 7.90%, of the total
37 contributions and for pools where the patron is required to select
38 three or more horses, the permitholder shall distribute as purse
39 money 10.63375%, or in the case of races on a charity racing day
40 9.40%, of the total contributions. Notwithstanding the foregoing,
41 for pools where a patron is required to select three or more horses,
42 each permitholder shall retain out of the 10.63375% or 9.40% to be
43 distributed as purse money a sum deemed necessary by the racing
44 commission, for use by the commission to finance a prerace blood
45 testing program, and such other testing programs which the
46 commission shall deem proper and necessary and which shall be
47 subject to the regulation and control of said commission.
48 Notwithstanding the foregoing, the sum available for distribution as

1 purse money under this subsection may be distributed as provided
2 by a contractual agreement authorized under section 11 of P.L.2013,
3 c.266 (C.5:5-188).

4 (5) In the case of races on a racing day other than a charity
5 racing day, distribute to the Standardbred Breeders' and Owners'
6 Association of New Jersey for the administration of a health
7 benefits program for horsemen .29375% of such total contributions,
8 except that for pools where the patron is required to select two or
9 more horses, the amount shall be .52875%, and for pools where the
10 patron is required to select three or more horses, the amount shall
11 be 1.23375%.

12 (6) In the case of races on a racing day other than a charity
13 racing day, distribute to the Sire Stakes Program for standardbred
14 horses .05% of such total contributions, except that for pools where
15 the patron is required to select two or more horses, the amount shall
16 be .09%, and for pools where the patron is required to select three
17 or more horses, the amount shall be .21%.

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

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

30 b. In the case of running races:

31 (1) Where the amount derived from the parimutuel handle,
32 excluding the handle derived from intertrack wagering, does not
33 exceed \$1 million per day based on such contributions accumulated
34 and averaged during the calendar year, the permitholder shall:

35 (a) On a racing day designated or allotted as a charity racing day
36 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
37 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the
38 commission, at the time and in the manner prescribed by the
39 commission, .30% of so much of the total contributions to all
40 parimutuel pools conducted or made on any and every horse race,
41 except that for pools where the patron is required to select three or
42 more horses, the permitholder shall pay 1.30% of the total
43 contributions.

44 (b) Hold and set aside in an account designated as a special trust
45 account .05% of such total contributions to be used and distributed
46 for State horse breeding and development programs, research, fairs,
47 horse shows, youth activities, promotion and administration, as
48 provided in section 5 of P.L.1967, c.40 (C.5:5-88).

1 (c) Retain 9.991%, or in the case of races on a charity racing
2 day 9.85%, of such total contributions for his own uses and
3 purposes. For pools where the patron is required to select two
4 horses, the permitholder shall retain 11.061%, or in the case of
5 races on a charity racing day 10.92%, of the total contributions and
6 for pools where the patron is required to select three or more horses,
7 the permitholder shall retain 13.941%, or in the case of races on a
8 charity racing day 13.33%, of the total contributions. Each
9 permitholder shall contribute out of its 13.941% or 13.33% share of
10 pools, where the patron is required to select three or more horses, a
11 sum deemed necessary by the racing commission, to finance a
12 prerace blood testing program, and such other testing programs
13 which the commission shall deem proper and necessary and which
14 shall be subject to the regulation and control of the commission.

15 (d) Distribute as purse money and for programs designed to aid
16 the horsemen and the New Jersey Thoroughbred Horsemen's
17 Association 6.141%, or in the case of races on a charity racing day
18 6.00%, of such contributions. Notwithstanding the foregoing, for
19 pools where the patron is required to select two horses, the
20 permitholder shall distribute as purse money 7.071%, or in the case
21 of races on a charity racing day 6.93%, of such contributions and
22 for pools where the patron is required to select three or more horses,
23 the permitholder shall distribute as purse money 9.631%, or in the
24 case of races on a charity racing day 9.02%, of the total
25 contributions. Expenditures for programs designed to aid the
26 horsemen and the New Jersey Thoroughbred Horsemen's
27 Association shall not exceed 2.5% of the sum available for
28 distribution as purse money from all parimutuel pools. The formula
29 for distribution of the purse money as either overnight purses or
30 special stakes shall be determined by an agreement between the
31 New Jersey Thoroughbred Horsemen's Association and the
32 permitholder. Notwithstanding the foregoing, for pools where a
33 patron is required to select three or more horses, each permitholder
34 shall retain out of the 9.631% or 9.02% 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, and
37 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 the commission. Notwithstanding the foregoing, the
40 sum available for distribution as purse money under this subsection
41 may be distributed as provided by a contractual agreement
42 authorized under section 12 of P.L.2013, c.266 (C.5:5-189).

43 (e) Deduct and set aside in a special trust account for the
44 establishment and support by the commission of the thoroughbred
45 breeding industry in New Jersey .8% of such total contributions,
46 except that for pools where the patron is required to select three or
47 more horses, the amount shall be 1.3%. The money in the special
48 trust account shall be used to: (i) improve purses for closed races;

1 (ii) provide awards to owners and breeders of registered New
2 Jersey bred horses who earn portions of purses in open or closed
3 races at New Jersey race tracks or in closed races at an out-of-State
4 track as part of a multi-state event to promote thoroughbred
5 breeding, and to owners of stallions posted on the official stallion
6 roster of the Thoroughbred Breeders' Association of New Jersey,
7 which sire such New Jersey bred money earners; and (iii) provide
8 awards to the New Jersey Thoroughbred Breeders' Association for
9 programs beneficial to thoroughbred breeding in this State. In any
10 calendar year in which there is a surplus in the special trust account,
11 the surplus funds may be used to provide awards to breeders or
12 owners of registered New Jersey bred horses who earn portions of
13 purses in races at an out-of-State racetrack held at least 30 days
14 before the start of the first thoroughbred meet of the calendar year
15 of more than 10 days' duration at a racetrack in this State or at least
16 30 days following the conclusion of the last thoroughbred meet of
17 the calendar year of more than 10 days' duration at a racetrack in
18 this State. The New Jersey thoroughbred award program shall be
19 administered and disbursed by the Thoroughbred Breeders'
20 Association of New Jersey subject to the approval of the
21 commission. The special trust account to be established pursuant to
22 this paragraph shall be separate and apart from the special trust
23 account established and maintained pursuant to subparagraph (b) of
24 this paragraph.

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

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

31 (h) In the case of races on a racing day other than a charity
32 racing day, distribute to the Backstretch Benevolency Programs
33 Fund created pursuant to P.L.1993, c.15 (C.5:5-44.8) .006% of such
34 total contributions, except that for pools where the patron is
35 required to select three or more horses, the amount shall be .026%.

36 (i) (Deleted by amendment, P.L.2002, c.103).

37 (j) Except as otherwise provided by law, not be subject to an
38 admission or amusement tax, excise tax, license or horse racing fee
39 of any kind by the State of New Jersey, or by any county or
40 municipality, or by any other body having power to assess or collect
41 license fees or taxes.

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

46 (a) On a racing day designated or allotted as a charity racing day
47 pursuant to P.L.1977, c.200 (C.5:5-44.2 et seq.), P.L.1993, c.15
48 (C.5:5-44.8), or section 1 of P.L.1997, c.80 (C.5:5-44.9), pay to the

1 commission, at the time and in the manner prescribed by the
2 commission, .50% of so much of the total contributions to all
3 parimutuel pools conducted or made on any and every horse race.

4 (b) Hold and set aside in an account designated as a special trust
5 account .05% of such total contributions to be used and distributed
6 for State horse breeding and development programs, research, fairs,
7 horse shows, youth activities, promotion and administration, as
8 provided in section 5 of P.L.1967, c.40 (C.5:5-88).

9 (c) Retain 9.305%, or in the case of races on a charity racing
10 day 9.07%, of such total contributions for his own uses and
11 purposes. For pools where the patron is required to select two
12 horses, the permitholder shall retain 10.375%, or in the case of
13 races on a charity racing day 10.14%, of the total contributions and
14 for pools where the patron is required to select three or more horses,
15 the permitholder shall retain 13.545%, or in the case of races on a
16 charity racing day 13.31%, of the total contributions. Each
17 permitholder shall contribute out of its 13.545% or 13.31% share of
18 pools, where the patron is required to select three or more horses, a
19 sum deemed necessary by the racing commission, to finance a
20 prerace blood testing program, and such other testing programs
21 which the commission shall deem proper and necessary and which
22 shall be subject to the regulation and control of the commission.

23 (d) Distribute as purse money and for programs designed to aid
24 the horsemen and the New Jersey Thoroughbred Horsemen's
25 Association 6.815%, or in the case of races on a charity racing day
26 6.58%, of such contributions. Notwithstanding the foregoing, for
27 pools where the patron is required to select two horses, the
28 permitholder shall distribute as purse money 7.745%, or in the case
29 of races on a charity racing day 7.51%, of such contributions and
30 for pools where the patron is required to select three or more horses,
31 the permitholder shall distribute as purse money 10.085%, or in the
32 case of races on a charity racing day 9.85%, of the total
33 contributions. Expenditures for programs designed to aid the
34 horsemen and the New Jersey Thoroughbred Horsemen's
35 Association shall not exceed 2.5% of the sum available for
36 distribution as purse money from all parimutuel pools. The formula
37 for distribution of the purse money as either overnight purses or
38 special stakes shall be determined by an agreement between the
39 New Jersey Thoroughbred Horsemen's Association and the
40 permitholder. Notwithstanding the foregoing, for pools where a
41 patron is required to select three or more horses, each permitholder
42 shall retain out of the 10.085% or 9.85% to be distributed as purse
43 money a sum deemed necessary by the racing commission, for use
44 by the commission to finance a prerace blood testing program, and
45 such other testing programs which the commission shall deem
46 proper and necessary and which shall be subject to the regulation
47 and control of the commission. Notwithstanding the foregoing, the
48 sum available for distribution as purse money under this subsection

1 may be distributed as provided by a contractual agreement
2 authorized under section 12 of P.L.2013, c.266 (C.5:5-189).

3 (e) Deduct and set aside in a special trust account for the
4 establishment and support by the commission of the thoroughbred
5 breeding industry in New Jersey .8% of such total contributions,
6 except that for pools where the patron is required to select three or
7 more horses, the amount shall be 1.29%. The money in the special
8 trust account shall be used to: (i) improve purses for closed races;
9 (ii) provide awards to owners and breeders of registered New Jersey
10 bred horses who earn portions of purses in open or closed races at
11 New Jersey race tracks or in closed races at an out-of-State track as
12 part of a multi-state event to promote thoroughbred breeding, and to
13 owners of stallions posted on the official stallion roster of the
14 Thoroughbred Breeders' Association of New Jersey, which sire such
15 New Jersey bred money earners; and (iii) provide awards to the
16 New Jersey Thoroughbred Breeders' Association for programs
17 beneficial to thoroughbred breeding in this State. In any calendar
18 year in which there is a surplus in the special trust account, the
19 surplus funds may be used to provide awards to breeders or owners
20 of registered New Jersey bred horses who earn portions of purses in
21 races at an out-of-State racetrack held at least 30 days before the
22 start of the first thoroughbred meet of the calendar year of more
23 than 10 days' duration at a racetrack in this State or at least 30 days
24 following the conclusion of the last thoroughbred meet of the
25 calendar year at a racetrack of more than 10 days' duration in this
26 State. The New Jersey thoroughbred award program shall be
27 administered and disbursed by the Thoroughbred Breeders'
28 Association of New Jersey subject to the approval of the
29 commission. The special trust account to be established pursuant to
30 this paragraph shall be separate and apart from the special trust
31 account established and maintained pursuant to subparagraph (b) of
32 this paragraph.

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

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

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

41 (i) (Deleted by amendment, P.L.2002, c.103).

42 (j) Except as otherwise provided by law, not be subject to an
43 admission or amusement tax, excise tax, license or horse racing fee
44 of any kind from any permitholder by the State of New Jersey, or by
45 any county or municipality, or by any other body having power to
46 assess or collect license fees or taxes.

47 (cf. P.L.2013, c.266, s.2).

1 2. This act shall take effect immediately.

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STATEMENT

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6 Under current law, each racetrack authorized to conduct horse
7 racing in this State must distribute amounts remaining after
8 payments are made to winning bettors according to established
9 formulas. These distributions fund various horse racing industry
10 purposes. Under one particular distribution requirement, a
11 Standardbred racetrack, other than a New Jersey Sports and
12 Exposition Authority racetrack or a lessee of the authority, must
13 distribute as purse money and for programs designed to aid the
14 horsemen and the Standardbred Breeders' and Owners' Association
15 of New Jersey 7.69375%, or in the case of races on a charity racing
16 day 7.40%, of such amounts. That particular distribution
17 requirement further provides that expenditures for programs
18 designed to aid the horsemen and the Standardbred Breeders' and
19 Owners' Association of New Jersey must not exceed 3.2% of the
20 sum available for distribution as purse money. Under the bill, that
21 3.2% will increase to 5% to codify a contractual agreement between
22 the Standardbred Breeders' and Owners' Association of New Jersey
23 and the private Standardbred racetrack in this State. This increase
24 in the percentage of such purse moneys that can be used to aid the
25 Standardbred horsemen is the same percentage available for that
26 purpose under the distribution formula applicable to sums from
27 Standardbred racing generated at a racetrack operated by the New
28 Jersey Sports and Exposition Authority or a lessee of the authority,
29 therefore making this particular provision consistent for
30 Standardbred racing in this State.