

ASSEMBLY, No. 4348

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JULY 2, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Authorizes account wagering licensee to accept wagers from residents of eligible United States jurisdictions through account wagering system via electronic means such as internet.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the placement of wagers on the results of horse
2 races through the account wagering system via electronic means
3 such as the internet and amending P.L.2001, c.199.
4

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

8 1. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to read
9 as follows:

10 3. As used in this act:

11 "Account holder" means a resident of this State, or of another
12 eligible state, over age 18 who establishes an account pursuant to
13 this act through which account wagers are placed.

14 "Account wagering" means a form of parimutuel wagering in
15 which an account holder may deposit money in an account with the
16 account wagering licensee and then use the account balance to pay
17 for parimutuel wagers by the account holder.

18 "Account wagering licensee" means the New Jersey Sports and
19 Exposition Authority or its assignee, provided that the commission
20 has granted its approval for the authority to establish an account
21 wagering system as provided for in this act.

22 "Account wagering system" means the system through which
23 account wagers are processed by the account wagering licensee
24 pursuant to this act.

25 "Applicant" means the New Jersey Sports and Exposition
26 Authority or another entity that submits an application to the
27 commission for a license to establish and conduct an off-track
28 wagering facility pursuant to this act.

29 "Authority" means the New Jersey Sports and Exposition
30 Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

31 "Backstretch Benevolency" means the Backstretch Benevolency
32 Programs Fund established pursuant to section 1 of P.L.1993, c.15
33 (C.5:5-44.8).

34 "Breeders and Stallions" means the distribution from the special
35 trust account created pursuant to section 46 a. (2) of P.L.1940, c.17
36 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

37 "Breeding and Development" means the New Jersey Horse
38 Breeding and Development Account established pursuant to section
39 5 of P.L.1967, c.40 (C.5:5-88).

40 "Commission" means the New Jersey Racing Commission
41 created by section 1 of P.L.1940, c.17 (C.5:5-22).

42 "Eligible state" means a state of the United States, the District of
43 Columbia, the Commonwealth of Puerto Rico, and any territory or
44 possession of the United States where parimutuel wagering is
45 permitted, and where residents are permitted to establish an account

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 with the account wagering licensee in accordance and compliance
2 with the provisions of the “Interstate Horse Racing Act of 1978”
3 (15 U.S.C. s.3001 et seq.), any other applicable federal law, and the
4 laws of the eligible state.

5 "Executive Director" means the Executive Director of the
6 commission.

7 "Health and Welfare" means moneys distributed to the
8 Standardbred Breeders' and Owners' Association for the
9 administration of a health benefits program pursuant to section 46 a.
10 (5) of P.L.1940, c.17 (C.5:5-66).

11 "In-State host track" means a racetrack within this State which is
12 operated by a permit holder which conducts a horse race upon
13 which account wagers are placed pursuant to this act.

14 "In-State sending track" means a racetrack within this State
15 which is operated by a permit holder and is equipped to conduct
16 off-track simulcasting.

17 "In-State track" means an in-State host track or an in-State
18 sending track.

19 "Interstate common pool" means the parimutuel pool established
20 within this State or in another state or foreign nation within which
21 is combined parimutuel pools of one or more receiving tracks
22 located in one or more states or foreign nations upon a race at an
23 out-of-State sending track or out-of-State host track for the purpose
24 of establishing payoff prices in the various jurisdictions.

25 "Jockey's Health and Welfare" means a health and welfare trust
26 established by the organization certified by the New Jersey Racing
27 Commission as representing a majority of the active licensed
28 thoroughbred jockeys in New Jersey for the purpose of providing
29 health and welfare benefits to active, disabled and retired New
30 Jersey jockeys and their dependents based upon reasonable criteria
31 by that organization.

32 "New Jersey Racing Industry Special Fund" means the fund
33 established pursuant to section 27 of this act.

34 "New Jersey Thoroughbred Horsemen's Association" means the
35 association representing the majority of New Jersey thoroughbred
36 owners and trainers responsible for receiving and distributing funds
37 for programs designed to aid thoroughbred horsemen.

38 "Off-track simulcasting" means the simultaneous audio or visual
39 transmission of horse races conducted at in-State and out-of-State
40 racetracks to off-track wagering facilities and parimutuel wagering
41 at those off-track wagering facilities on the results of those races.

42 "Off-track wagering" means parimutuel wagering at an off-track
43 wagering facility as authorized under this act.

44 "Off-track wagering facility" means a licensed facility, other
45 than a racetrack, at which parimutuel wagering is conducted
46 pursuant to this act.

47 "Off-track wagering licensee" means the New Jersey Sports and
48 Exposition Authority or its assignee, or another entity to which the

1 commission has granted its approval to conduct an off-track
2 wagering facility as provided for in this act.

3 "Out-of-State host track" means a racetrack in a jurisdiction
4 other than the State of New Jersey, the operator of which is lawfully
5 permitted to conduct a horse race meeting and which conducts horse
6 races upon which account wagers may be placed pursuant to this
7 act.

8 "Out-of-State sending track" means a racetrack in a jurisdiction
9 other than the State of New Jersey which is equipped to conduct
10 off-track simulcasting and the operator of which is lawfully
11 permitted to conduct a horse race meeting and to provide simulcast
12 horse races to off-track wagering facilities in this State.

13 "Out-of-State track" means an out-of-State host track or an out-
14 of-State sending track.

15 "Outstanding parimutuel ticket" means a winning parimutuel
16 ticket which is not claimed within six months of sale.

17 "Parimutuel" means any system whereby wagers with respect to
18 the outcome of a horse race are placed with, or in, a wagering pool
19 conducted by an authorized person, and in which the participants
20 are wagering with each other and not against the person conducting
21 the wagering pool.

22 "Participation agreement" means the written contract entered into
23 prior to the effective date of P.L.2011, c.26, that provides for the
24 establishment or implementation of either (a) an off-track wagering
25 facility or facilities or (b) an account wagering system. Each such
26 contract shall set forth the manner in which the off-track wagering
27 facility or facilities or the account wagering system shall be
28 managed, operated and capitalized, as well as how expenses and
29 revenues shall be allocated and distributed by and among the
30 authority and the other eligible participants subject to the
31 agreement.

32 "Permit holder" means the holder of an annual permit to conduct
33 a horse race meeting issued by the commission.

34 "Racetrack" means the physical facility where a permit holder
35 conducts a horse race meeting with parimutuel wagering.

36 "Racing costs" means the prospective and actual costs for all
37 licensing, investigation, operation, regulation, supervision and
38 enforcement activities and functions performed by the commission.

39 "Simulcast horse races" means horse races conducted at an in-
40 State sending track or an out-of-State sending track, as the case may
41 be, and transmitted simultaneously by picture to a receiving track or
42 an off-track wagering facility.

43 "Sire Stakes" means the Sire Stakes Program established
44 pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

45 "Standardbred Drivers' Health and Welfare" means a health and
46 welfare trust established by the Standardbred Breeders' and Owners'
47 Association of New Jersey for the purpose of providing health and
48 welfare benefits to active, disabled and retired New Jersey

1 standardbred drivers and their dependents based upon reasonable
2 criteria by that organization.

3 "Takeout" means that portion of a wager which is deducted from
4 or not included in the parimutuel pool, and which is distributed
5 other than to persons placing wagers.

6 "Thoroughbred Breeders and Stallions" means the special trust
7 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
8 (C.5:5-66).

9 (cf: P.L.2011, c.26, s.2)

10

11 2. Section 16 of P.L.2001, c.199 (C.5:5-142) is amended to read
12 as follows:

13 16. a. A person shall not place an account wager from within
14 this State or an eligible state except in accordance with this act
15 through the account wagering licensee, and no entity, other than the
16 account wagering licensee, shall accept an account wager from a
17 person within this State or an eligible state. A person may not place
18 an account wager unless the person has established an account with
19 the account wagering licensee. To establish a wagering account, a
20 person shall be a New Jersey resident, or a resident of an eligible
21 state, and at least 18 years of age. Nothing in this section, or any
22 other provision of P.L.2001, c.199 (C.5:5-127 et seq.), as amended
23 and supplemented, shall be interpreted to prevent a resident of this
24 State who has established an account with the account wagering
25 licensee from placing an account wager while temporarily out-of-
26 State.

27 b. The account shall be in the name of a natural person and
28 may not be in the name of any beneficiary, custodian, joint trust,
29 corporation, partnership or other organization or entity.

30 c. An account may be established by a person completing an
31 application form approved by the commission and submitting it
32 together with a certification, or other proof, of age and residency.
33 The form shall include the address of the principal residence of the
34 prospective account holder and a statement that a false statement
35 made in regard to an application may subject the applicant to
36 prosecution.

37 d. The prospective account holder shall submit the completed
38 application to the account wagering licensee, to any account
39 wagering participating permit holder or to a licensed off-track
40 wagering facility or such other person or entity as may be approved
41 by the commission. The account wagering licensee may accept or
42 reject an application after receipt and review of the application and
43 certification, or other proof, of age and residency for compliance
44 with this act.

45 e. Any prospective account holder who provides false or
46 misleading information on the application is subject to rejection of
47 the application or cancellation of the account by the account
48 wagering licensee without notice.

- 1 f. The account wagering licensee shall have the right to
2 suspend or close any wagering account at its discretion.
- 3 g. Any person not in good standing with the commission shall
4 not be entitled to maintain a wagering account.
- 5 h. The address provided by the applicant in the application
6 shall be deemed the proper address for the purposes of mailing
7 checks, account withdrawals, notices and other materials.
- 8 i. A wagering account shall not be assignable or otherwise
9 transferable.
- 10 j. Except as otherwise provided in this act or in regulations
11 which the commission may adopt hereunder, all account wagers
12 shall be final and no wager shall be canceled by the account holder
13 at any time after the wager has been accepted by the account
14 wagering licensee.
- 15 k. For the purposes of this act and notwithstanding any other
16 law to the contrary, all messages or orders to place account wagers
17 received by the licensee on behalf of a participating permit holder
18 shall be deemed made to a place within this State.
- 19 l. All persons accepting account wagers on behalf of the
20 account wagering licensee shall do so at a location within this State.
- 21 m. The account wagering licensee may at any time declare the
22 system closed for receiving any wagers on any race or closed for all
23 wagering.
24 (cf: P.L.2001, c.199, s.16)
25
- 26 3. Section 18 of P.L.2001, c.199 (C.5:5-144) is amended to read
27 as follows:
- 28 18. The account wagering licensee may accept account wagers
29 only from residents of New Jersey or residents of eligible states,
30 and only as follows:
- 31 a. The account wager shall be placed directly with the account
32 wagering licensee by the holder of the wagering account.
- 33 b. The account holder placing the account wager shall provide
34 the licensee with the correct personal identification number of the
35 holder of the wagering account.
- 36 c. A licensee may not accept an account wager, or series of
37 wagers, in an amount in excess of funds on deposit in the wagering
38 account of the holder placing the wager. Funds on deposit include
39 amounts credited under section 17 of this act and in the account at
40 the time the wager is placed.
- 41 d. Only the holder of a wagering account shall place an account
42 wager. Unless otherwise approved by the commission, no person,
43 corporation or other entity shall directly or indirectly act as an
44 intermediary, transmitter or agent in the placing of wagers for a
45 holder of a wagering account; provided, however, that the use of
46 credit or debit cards specifically approved by the licensee or the use
47 of checks, money orders or negotiable orders of withdrawal or the

1 use of telephonic, computer or electronic means by the account
2 holder to place such wagers shall not be prohibited.

3 e. The account holder may place a wager in person, by direct
4 telephone call or by communication through other electronic media.
5 (cf: P.L.2001, c.199, s.18)

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7 4. This act shall take effect immediately.

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10 STATEMENT

11

12 This bill amends the "Off-Track and Account Wagering Act,"
13 P.L.2001, c.199 (C.5:5-127 et seq.), to authorize the account
14 wagering licensee to accept wagers on the results of horse races
15 from residents of eligible United States jurisdictions through the
16 account wagering system. Under current law, only New Jersey
17 residents are permitted to establish wagering accounts with the
18 licensee, for the placement of wagers on the results of in-State and
19 out-of-State horse races through the system, either in-person or via
20 the telephone or other electronic means such as the internet. Under
21 the bill, the account wagering licensee could accept account wagers
22 from persons who are residents of another state, provided that: (a)
23 the person resides in a state where parimutuel wagering is
24 permitted; (b) residents of that state are permitted to establish an
25 account with the account wagering licensee; and (c) the acceptance
26 of the wager is in accordance and compliance with the provisions of
27 the "Interstate Horse Racing Act of 1978" (15 U.S.C. s.3001 et
28 seq.), any other applicable federal law, and the laws of that state.

29 The bill clarifies that nothing in the "Off-Track and Account
30 Wagering Act" may be interpreted to prevent a resident of this State
31 who has established an account with the account wagering licensee
32 from placing an account wager while temporarily out-of-State.