

# ASSEMBLY, No. 4349

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JULY 2, 2020

**Sponsored by:**

**Assemblyman RONALD S. DANCER**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**SYNOPSIS**

Requires New Jersey Racing Commission to allow off-track wagering facilities to retain certain out-of-State wagering proceeds for direct distribution to permit holders.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning certain off-track wagering facility proceeds and  
2 amending P.L.2001, c.199.

3

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

6

7 1. Section 27 of P.L.2001, c.199 (C.5:5-153) is amended to read  
8 as follows:

9 27. The commission shall establish and administer a separate  
10 fund to be known as the "New Jersey Racing Industry Special  
11 Fund" into which shall be deposited the sums dedicated to the fund  
12 by sections 19, 21 and 25 of this act. Money deposited in this  
13 special fund shall be disbursed monthly by the commission and  
14 used as follows:

15 a. 92% shall be distributed as follows:

16 (1) in the case of money deposited into the special fund from the  
17 off-track wagering facility located on the former site of the Atlantic  
18 City Race Course, or, if no off-track wagering facility exists on that  
19 former site, the off-track wagering facility located closest to that  
20 former site, 100% to permit holders conducting thoroughbred  
21 racing;

22 (2) except as provided in paragraph (1), 65% to permit holders  
23 conducting thoroughbred racing and 35% to permit holders  
24 conducting harness racing;

25 Of the allocations made pursuant to this subsection to permit  
26 holders conducting thoroughbred racing, specific distributions shall  
27 be made to the overnight thoroughbred purse account of each permit  
28 holder and for programs designed to aid the thoroughbred horsemen  
29 and the New Jersey Thoroughbred Horseman's Association.  
30 Expenditures for programs designed to aid the thoroughbred  
31 horsemen and the New Jersey Thoroughbred Horseman's  
32 Association shall not exceed 2.9% of such allocations. Distribution  
33 among thoroughbred permit holders shall be based on the following  
34 formula: total overnight thoroughbred purse distribution for each  
35 permit holder in the prior calendar year divided by the total  
36 overnight thoroughbred purse distribution of all permit holders in  
37 the prior calendar year. Notwithstanding the foregoing, the sum  
38 allocated to permit holders conducting thoroughbred races under  
39 this subsection may be distributed as provided by a contractual  
40 agreement authorized under section 12 of P.L.2013, c.266 (C.5:5-  
41 189).

42 Of the allocations made pursuant to this subsection to permit  
43 holders conducting standardbred racing, specific distributions shall  
44 be made to the overnight standardbred purse account of each permit  
45 holder and for programs designed to aid the standardbred horsemen

**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 and the Standardbred Breeders' and Owners' Association of New  
2 Jersey. Expenditures for programs designed to aid the standardbred  
3 horsemen and the Standardbred Breeders' and Owners' Association  
4 of New Jersey shall not exceed 5% of such allocations. Distribution  
5 among standardbred permit holders shall be based on the following  
6 formula: total overnight standardbred purse distribution for each  
7 permit holder in the prior calendar year divided by the total  
8 overnight standardbred purse distribution of all permit holders in  
9 the prior calendar year. Notwithstanding the foregoing, the sum  
10 allocated to permit holders conducting harness racing under this  
11 subsection may be distributed as provided by a contractual  
12 agreement authorized under section 11 of P.L.2013, c.266 (C.5:5-  
13 188).

14 b. 8% shall be distributed as follows:

15 (1) in the case of money deposited into the special fund from the  
16 off-track wagering facility located on the former site of the Atlantic  
17 City Race Course, or, if no off-track wagering facility exists on that  
18 former site, the off-track wagering facility located closest to that  
19 former site, 100% to thoroughbred funds; and

20 (2) except as provided in paragraph (1), 65% to thoroughbred  
21 funds and 35% to harness funds.

22 Of the amounts distributed to thoroughbred funds pursuant to  
23 this subsection, the following distributions shall apply: 94% to  
24 Thoroughbred Breeders and Stallions; 3% to Backstretch  
25 Benevolency; and 3% to Breeding and Development.

26 Of the amount distributed to harness funds pursuant to this  
27 subsection, the following distributions shall apply: 75% to Sire  
28 Stakes; 8% to Breeders and Stallions; 3.5% to Backstretch  
29 Benevolency; 10% to Health and Welfare; and 3.5% to Breeding  
30 and Development.

31 c. Notwithstanding the provisions of section 25 of P.L.2001,  
32 c.199 (C.5:5-151) or of this section to the contrary, following the  
33 effective date of P.L. , c. (pending before the Legislature as this  
34 bill), the commission shall estimate the amount due to each permit  
35 holder under subsection a. of this section, based on the most recent  
36 full year of distribution, and shall permit the off-track wagering  
37 licensee to retain that sum for distribution to the permit holder for  
38 the purposes specified under subsection a. of this section.

39 (cf: P.L.2013, c.266, s.6)

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41 2. This act shall take effect immediately.

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#### STATEMENT

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46 This bill allows off-track wagering facilities to retain certain  
47 proceeds from wagering on horse races occurring at out-of-State  
48 racetracks for distribution to permit holders required by law.

1 Under current law, off-track wagering facilities pay certain  
2 proceeds from wagering on out-of-State races at the facility to the  
3 New Jersey Racing Commission on an ongoing basis for deposit  
4 into the New Jersey Racing Industry Special Fund. The  
5 commission disburses a portion of the money received from the off-  
6 track wagering facilities to permit holders. The commission  
7 collects a portion of each facility's proceeds from these wagers and  
8 then returns it to the permit holder that owns or operates the facility  
9 at a later date.

10 Under this bill, off-track wagering facilities would be permitted  
11 to retain the portion of the money they normally pay into the New  
12 Jersey Racing Industry Special Fund. Under the bill, an off-track  
13 wagering licensee would pay to the New Jersey Racing Industry  
14 Special Fund an amount estimated by the commission. The  
15 commission's estimate will be based on the most recent full year of  
16 distributions. This bill does not change the specific distributions  
17 that must be made under current law to the overnight purse account  
18 of the licensee and to programs designed to aid the Thoroughbred  
19 and Standardbred horsemen and their respective organizations.