

[First Reprint]

ASSEMBLY, No. 5078

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED DECEMBER 7, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

SYNOPSIS

Extends time outstanding parimutuel ticket may be claimed from six months to 12 months; allows additional time to claim outstanding parimutuel tickets and unclaimed cash vouchers due to Public Health Emergency.

CURRENT VERSION OF TEXT

As reported by the Assembly Tourism, Gaming and the Arts Committee on March 8, 2021, with amendments.



1 AN ACT concerning outstanding parimutuel tickets ¹and unclaimed
2 cash vouchers¹ and amending various sections of the statutory
3 law.
4

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

8 1. Section 44 of P.L.1940, c.17 (C.5:5-64) is amended to read
9 as follows:

10 44. Each holder of a permit shall distribute all sums deposited in
11 any pool where the patron is required to select one horse to the
12 winners thereof, less an amount which in harness races shall not
13 exceed 17% of the total deposits plus the breaks and which in other
14 races shall not exceed 17% of the total deposits plus the breaks. In
15 every pool where the patron is required to select two horses, the
16 holder of each permit for either harness or running track shall
17 distribute all sums deposited in each pool to the winners thereof,
18 less an amount which shall not exceed 19% of the total deposits
19 plus the breaks. In every pool where the patron is required to select
20 three or more horses, every holder of a permit shall distribute all
21 sums deposited in each pool to the winners thereof, less an amount
22 which shall not exceed 25% of the total deposits plus the breaks.
23 Every permitholder shall distribute to the persons holding winning
24 tickets in any of the aforementioned pools, as a minimum, a sum not
25 exceeding \$0.10, calculated on the basis of each dollar deposited in
26 any pool after the deduction of the said 17%, 19% or 25%, as the
27 case may be. Should the amount remaining in the pool be
28 insufficient to pay the winners the minimum, the breakage accruing
29 in that race, or any necessary portion thereof, shall be applied
30 toward making up any such deficiency. The breaks are hereby
31 defined as the odd cents over any multiple of \$0.10, calculated on
32 the basis of \$1.00 otherwise payable to a patron. Every
33 permitholder engaged in the business of conducting running race
34 meetings under this act, except the New Jersey Sports and
35 Exposition Authority established pursuant to P.L.1971, c.137
36 (C.5:10-1 et seq.) or a lessee of the authority, shall distribute as
37 purse money the breaks as herein defined, except as the same shall
38 have been applied toward making up a deficiency in a pool as
39 herein provided. Every permitholder engaged in the business of
40 conducting harness race meetings under this act, except the New
41 Jersey Sports and Exposition Authority or a lessee of the authority,
42 shall retain for his own uses and purposes 50% of the breaks as
43 herein defined, except as the same shall have been applied toward
44 making up a deficiency in the pool as herein provided, and shall

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATG committee amendments adopted March 8, 2021.

1 distribute as purse money the remaining 50%. The New Jersey
2 Sports and Exposition Authority or a lessee of the authority shall
3 retain all breaks as revenue, except as the same shall have been
4 applied toward making up a deficiency in a pool as herein provided.

5 Every permitholder shall submit to the commission every
6 seventh day of any and every race meeting a report under oath
7 showing the daily and total amount of such breaks, together with
8 such other information as the commission may require. All sums
9 held by any permitholder for payment of outstanding parimutuel
10 tickets not claimed by the person or persons entitled thereto within
11 **【six months】** 12 months from the time such tickets are issued shall
12 be paid upon the expiration of such **【six-month】** 12 months holding
13 period as follows:

14 a. In the case of running and harness races, beginning July 1,
15 1997 50% of those sums shall be paid to the racing commission for
16 deposit in the general fund of the State and disposition in
17 accordance with section 4 of P.L.1997, c.29 (C.5:5-68.1);

18 b. In the case of running races, 50% of those sums shall be paid
19 to the commission and set aside in the special trust account
20 established pursuant to section 46 b.(1)(e) and section 46 b.(2)(e) of
21 P.L.1940, c.17 (C.5:5-66); and

22 c. In the case of harness races, 25% of those sums shall be
23 retained by the permitholder to supplement purses for sire stakes
24 races on which there is parimutuel wagering, and 25% shall be
25 retained by the permitholder to supplement overnight purses unless
26 otherwise provided by a contractual agreement authorized under
27 section 11 of P.L.2013, c.266 (C.5:5-188).

28 Where it is shown to the satisfaction of the commission that the
29 reason for the parimutuel tickets being outstanding and unclaimed is
30 the loss, misplacement or theft of said tickets within the confines
31 and control of the parimutuel department of any permitholder, and it
32 is further shown to the satisfaction of the commission that said
33 parimutuel tickets have been cashed by such parimutuel department,
34 the commission may adjust and credit the permitholder's account
35 accordingly and the permitholder shall reimburse any employee
36 who has been held personally accountable and paid for such lost,
37 stolen or misplaced tickets. All outstanding parimutuel ticket
38 money shall be deposited in an account separate and apart from the
39 track's mutuel or general treasury account. The outstanding
40 parimutuel ticket account shall be subject to the rules and
41 regulations prescribed by the Division of New Jersey Racing
42 Commission.

43 (cf: P.L.2013, c.266, s.1)

44
45 2. Section 4 of P.L.1997, c.29 (C.5:5-68.1) is amended to read
46 as follows:

47 4. Beginning July 1, 1997, amounts resulting from parimutuel
48 tickets remaining unclaimed after **【six months】** 12 months which

1 are paid to the Racing Commission for deposit in the general fund
2 pursuant to subsection a. of section 44 of P.L.1940, c.17 (C.5:5-
3 64)【, subsection a. of section 1 of P.L.1984, c.236 (C.5:5-64.1)】
4 and paragraph (1) of subsection g. of section 7 of P.L.1971, c.137
5 (C.5:10-7) shall be appropriated each fiscal year to the Racing
6 Commission to be used for the expenses of the commission.
7 (cf: P.L.1997, c.29, s.4)

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

11 3. As used in this act:

12 "Account holder" means a resident of this State over age 18 who
13 establishes an account pursuant to this act through which account
14 wagers are placed.

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

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

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

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

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

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

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

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

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

43 "Executive Director" means the Executive Director of the
44 commission.

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

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

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

7 "In-State track" means an in-State host track or an in-State
8 sending track.

9 "Interstate common pool" means the parimutuel pool established
10 within this State or in another state or foreign nation within which
11 is combined parimutuel pools of one or more receiving tracks
12 located in one or more states or foreign nations upon a race at an
13 out-of-State sending track or out-of-State host track for the purpose
14 of establishing payoff prices in the various jurisdictions.

15 "Jockey's Health and Welfare" means a health and welfare trust
16 established by the organization certified by the New Jersey Racing
17 Commission as representing a majority of the active licensed
18 thoroughbred jockeys in New Jersey for the purpose of providing
19 health and welfare benefits to active, disabled and retired New
20 Jersey jockeys and their dependents based upon reasonable criteria
21 by that organization.

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

24 "New Jersey Thoroughbred Horsemen's Association" means the
25 association representing the majority of New Jersey thoroughbred
26 owners and trainers responsible for receiving and distributing funds
27 for programs designed to aid thoroughbred horsemen.

28 "Off-track simulcasting" means the simultaneous audio or visual
29 transmission of horse races conducted at in-State and out-of-State
30 racetracks to off-track wagering facilities and parimutuel wagering
31 at those off-track wagering facilities on the results of those races.

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

34 "Off-track wagering facility" means a licensed facility, other
35 than a racetrack, at which parimutuel wagering is conducted
36 pursuant to this act.

37 "Off-track wagering licensee" means the New Jersey Sports and
38 Exposition Authority or its assignee, or another entity to which the
39 commission has granted its approval to conduct an off-track
40 wagering facility as provided for in this act.

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

46 "Out-of-State sending track" means a racetrack in a jurisdiction
47 other than the State of New Jersey which is equipped to conduct
48 off-track simulcasting and the operator of which is lawfully

1 permitted to conduct a horse race meeting and to provide simulcast
2 horse races to off-track wagering facilities in this State.

3 "Out-of-State track" means an out-of-State host track or an out-
4 of-State sending track.

5 "Outstanding parimutuel ticket" means a winning parimutuel
6 ticket which is not claimed within **【six months】** 12 months of sale.

7 "Parimutuel" means any system whereby wagers with respect to
8 the outcome of a horse race are placed with, or in, a wagering pool
9 conducted by an authorized person, and in which the participants
10 are wagering with each other and not against the person conducting
11 the wagering pool.

12 "Participation agreement" means the written contract entered into
13 prior to the effective date of P.L.2011, c.26, that provides for the
14 establishment or implementation of either (a) an off-track wagering
15 facility or facilities or (b) an account wagering system. Each such
16 contract shall set forth the manner in which the off-track wagering
17 facility or facilities or the account wagering system shall be
18 managed, operated and capitalized, as well as how expenses and
19 revenues shall be allocated and distributed by and among the
20 authority and the other eligible participants subject to the
21 agreement.

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

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

26 "Racing costs" means the prospective and actual costs for all
27 licensing, investigation, operation, regulation, supervision and
28 enforcement activities and functions performed by the commission.

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

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

35 "Standardbred Drivers' Health and Welfare" means a health and
36 welfare trust established by the Standardbred Breeders' and Owners'
37 Association of New Jersey for the purpose of providing health and
38 welfare benefits to active, disabled and retired New Jersey
39 standardbred drivers and their dependents based upon reasonable
40 criteria by that organization.

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

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

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

1 4. Section 2 of P.L.1992, c.19 (C.5:5-192) is amended to read
2 as follows:

3 2. As used in sections 1 through 20 of this act:

4 "Casino" means a licensed casino or gambling house located in
5 Atlantic City at which casino gambling is conducted pursuant to the
6 provisions of P.L.1977, c.110 (C.5:12-1 et seq.).

7 "Casino simulcasting" means the simultaneous transmission by
8 picture of running or harness horse races conducted at race tracks to
9 casinos and parimutuel wagering at those gambling establishments
10 on the results of those races.

11 "In-State sending track" means a racetrack within this State
12 which is operated by a permit holder and is equipped to conduct
13 casino simulcasting.

14 "Interstate common pool" means a parimutuel pool established
15 within this State or in another state or foreign nation within which
16 is combined parimutuel pools of one or more receiving tracks
17 located in one or more states or foreign nations upon a race at a
18 sending track located outside of this State for the purpose of
19 establishing pay-off prices in the various jurisdictions.

20 "Out-of-State sending track" means a racetrack in a jurisdiction
21 other than the State of New Jersey which is equipped to conduct
22 casino simulcasting and the operator of which is lawfully permitted
23 to conduct a horse race meeting and to provide simulcast horse
24 races to a casino in this State.

25 "Outstanding parimutuel ticket" means a winning parimutuel
26 ticket which is not claimed within **【six months】** 12 months of sale.

27 "Permit holder" means the holder of an annual permit to conduct
28 a horse race meeting issued by the New Jersey Racing Commission.

29 "Simulcast horse race" means a running or harness horse race
30 conducted at a racetrack which is simultaneously transmitted by
31 picture to a casino.

32 (cf: P.L.1992, c.19, s.2)

33

34 ¹5. a. Notwithstanding the provisions of any other law, rule, or
35 regulation to the contrary, winning outstanding parimutuel tickets
36 purchased from the period beginning on September 16, 2019 and
37 ending on the date of the end of the Public Health Emergency
38 declared by the Governor in Executive Order No. 103 of 2020 and
39 as extended shall be eligible to be claimed and shall be payable
40 during the period ending one year following the end of the Public
41 Health Emergency.

42 b. Notwithstanding the provisions of this act or any other law,
43 rule, or regulation to the contrary, unclaimed cash vouchers on
44 horse racing issued or purchased since March 16, 2017 shall be
45 eligible to be claimed and shall be payable during the period ending
46 one year following the end of the Public Health Emergency
47 declared by the Governor in Executive Order No. 103 of 2020 and
48 as extended. The one-year extension shall apply to unclaimed cash

1 vouchers that reach the three-year expiration date before the end of
2 the Public Health Emergency.

3 c. Notwithstanding the provisions of any other law, rule, or
4 regulation to the contrary, all sums held by a permit holder that
5 conducts harness or thoroughbred races for payment of outstanding
6 parimutuel tickets and unclaimed cash vouchers shall not be paid to
7 any account, as required by law, until one year following the end of
8 the Public Health Emergency declared by the Governor in
9 Executive Order No. 103 of 2020 and as extended, to allow a person
10 or persons entitled to such tickets and vouchers to claim the
11 proceeds, pursuant to the provisions of subsections a. and b. of this
12 section.¹

13

14 ¹**[5.] 6.**¹ This act shall take effect immediately.