

P.L. 2021, CHAPTER 89, *approved May 11, 2021*
Senate, No. 3198 (*First Reprint*)

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

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:

¹Senate SSG committee amendments adopted March 4, 2021.

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

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

18 a. In the case of running and harness races, beginning July 1,
19 1997 50% of those sums shall be paid to the racing commission for
20 deposit in the general fund of the State and disposition in
21 accordance with section 4 of P.L.1997, c.29 (C.5:5-68.1);

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

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

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

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

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

3 4. Beginning July 1, 1997, amounts resulting from parimutuel
4 tickets remaining unclaimed after **【six months】** 12 months which
5 are paid to the Racing Commission for deposit in the general fund
6 pursuant to subsection a. of section 44 of P.L.1940, c.17 (C.5:5-
7 64)**【, subsection a. of section 1 of P.L.1984, c.236 (C.5:5-64.1)】**
8 and paragraph (1) of subsection g. of section 7 of P.L.1971, c.137
9 (C.5:10-7) shall be appropriated each fiscal year to the Racing
10 Commission to be used for the expenses of the commission.
11 (cf: P.L.1997, c.29, s.4)

12

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

15 3. As used in this act:

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

19 "Account wagering" means a form of parimutuel wagering in
20 which an account holder may deposit money in an account with the
21 account wagering licensee and then use the account balance to pay
22 for parimutuel wagers by the account holder.

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

27 "Account wagering system" means the system through which
28 account wagers are processed by the account wagering licensee
29 pursuant to this act.

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

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

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

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

42 "Breeding and Development" means the New Jersey Horse
43 Breeding and Development Account established pursuant to section
44 5 of P.L.1967, c.40 (C.5:5-88).

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

47 "Executive Director" means the Executive Director of the
48 commission.

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

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

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

11 "In-State track" means an in-State host track or an in-State
12 sending track.

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

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

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

28 "New Jersey Thoroughbred Horsemen's Association" means the
29 association representing the majority of New Jersey thoroughbred
30 owners and trainers responsible for receiving and distributing funds
31 for programs designed to aid thoroughbred horsemen.

32 "Off-track simulcasting" means the simultaneous audio or visual
33 transmission of horse races conducted at in-State and out-of-State
34 racetracks to off-track wagering facilities and parimutuel wagering
35 at those off-track wagering facilities on the results of those races.

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

38 "Off-track wagering facility" means a licensed facility, other
39 than a racetrack, at which parimutuel wagering is conducted
40 pursuant to this act.

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

45 "Out-of-State host track" means a racetrack in a jurisdiction
46 other than the State of New Jersey, the operator of which is lawfully
47 permitted to conduct a horse race meeting and which conducts horse

1 races upon which account wagers may be placed pursuant to this
2 act.

3 "Out-of-State sending track" means a racetrack in a jurisdiction
4 other than the State of New Jersey which is equipped to conduct
5 off-track simulcasting and the operator of which is lawfully
6 permitted to conduct a horse race meeting and to provide simulcast
7 horse races to off-track wagering facilities in this State.

8 "Out-of-State track" means an out-of-State host track or an out-
9 of-State sending track.

10 "Outstanding parimutuel ticket" means a winning parimutuel
11 ticket which is not claimed within ~~【six months】~~ 12 months of sale.

12 "Parimutuel" means any system whereby wagers with respect to
13 the outcome of a horse race are placed with, or in, a wagering pool
14 conducted by an authorized person, and in which the participants
15 are wagering with each other and not against the person conducting
16 the wagering pool.

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

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

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

31 "Racing costs" means the prospective and actual costs for all
32 licensing, investigation, operation, regulation, supervision and
33 enforcement activities and functions performed by the commission.

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

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

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

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

1 "Thoroughbred Breeders and Stallions" means the special trust
2 account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17
3 (C.5:5-66).
4 (cf: P.L.2011, c.26, s.2)

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6 4. Section 2 of P.L.1992, c.19 (C.5:12-192) is amended to read
7 as follows:

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

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

12 "Casino simulcasting" means the simultaneous transmission by
13 picture of running or harness horse races conducted at race tracks to
14 casinos and parimutuel wagering at those gambling establishments
15 on the results of those races.

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

19 "Interstate common pool" means a 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 a
23 sending track located outside of this State for the purpose of
24 establishing pay-off prices in the various jurisdictions.

25 "Out-of-State sending track" means a racetrack in a jurisdiction
26 other than the State of New Jersey which is equipped to conduct
27 casino simulcasting and the operator of which is lawfully permitted
28 to conduct a horse race meeting and to provide simulcast horse
29 races to a casino in this State.

30 "Outstanding parimutuel ticket" means a winning parimutuel
31 ticket which is not claimed within ~~【six months】~~ 12 months of sale.

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

34 "Simulcast horse race" means a running or harness horse race
35 conducted at a racetrack which is simultaneously transmitted by
36 picture to a casino.

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

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

47 b. Notwithstanding the provisions of this act or any other law,
48 rule, or regulation to the contrary, unclaimed cash vouchers on

1 horse racing issued or purchased since March 16, 2017 shall be
2 eligible to be claimed and shall be payable during the period ending
3 one year following the end of the Public Health Emergency
4 declared by the Governor in Executive Order No. 103 of 2020 and
5 as extended. The one-year extension shall apply to unclaimed cash
6 vouchers that reach the three-year expiration date before the end of
7 the Public Health Emergency.

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

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19 ¹**[5.] 6.** This act shall take effect immediately.

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