

SENATE, No. 1343

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED MAY 22, 2000

Sponsored by:

Senator MARTHA W. BARK

District 8 (Atlantic, Burlington and Camden)

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

SYNOPSIS

Establishes off-track wagering facilities and account wagering system for parimutuel betting on horse races.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning parimutuel betting on horse races conducted at
2 off-track wagering facilities and through an account wagering
3 system, supplementing chapter 5 of Title 5 of the Revised Statutes
4 and amending P.L.1971, c.137 and P.L.1993, c.229.

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

8
9 1. (New Section) This act shall be known and may be cited as the
10 “Off-Track and Account Wagering Act.”

11
12 2. (New Section) The Legislature finds and declares that:

13 a. The horse racing industry is economically important to this
14 State, and the general welfare of the people of the State will be
15 promoted by the advancement of horse racing and related projects and
16 facilities in the State.

17 b. It is the intent of the Legislature, by authorizing off-track
18 wagering and account wagering in this State, to promote the economic
19 future of the horse racing industry in this State, to foster the potential
20 for increased commerce, employment and recreational opportunities
21 in this State and to preserve the State’s open spaces.

22 c. It is the further intent of the Legislature that facilities offering
23 off-track wagering opportunities to the public also offer other
24 amenities such as quality dining and handicapping facilities.

25 d. The Legislature has determined that the New Jersey Racing
26 Commission is best suited to oversee, license and regulate off-track
27 wagering and account wagering in the State, and that the New Jersey
28 Sports and Exposition Authority, by virtue of its operation of
29 parimutuel wagering facilities and other entertainment-related projects
30 in this State, is particularly well-suited to coordinate with other parties
31 to promote the uniformity and success of off-track wagering
32 throughout the State and to ensure the fiscal soundness and technical
33 reliability of an account wagering system, pursuant to the terms of this
34 act.

35 e. The Sports and Exposition Authority, as an instrumentality of
36 the State, typically is not subject to local zoning and planning laws
37 when performing a function for the benefit of all the people of the
38 State. Furthermore, property it owns or controls typically is
39 considered public property devoted to an essential government
40 function and therefore, not subject to local property taxation.

41 In reality, the authority, in establishing off-track wagering facilities,
42 would not be performing an essential government function, but rather
43 an essentially private business function. In addition, the establishment

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 of off-track wagering represents a substantial expansion of gambling
2 in this State. Numerous municipalities, residents and established
3 businesses would be impacted by the establishment of such facilities
4 throughout the State. There could be municipalities that may view the
5 placement of such facilities at the discretion of the authority and the
6 racing commission as unwanted and unwarranted intrusions for which
7 they would have to provide services but for which they may not
8 receive appropriate levels of property taxes. Therefore, fundamental
9 fairness dictates that the powers of municipalities not be eroded with
10 regard to the establishment of these facilities and that the authority
11 should not be permitted to disregard local rules and controls and tax
12 requirements. Off-track wagering facilities owned or controlled by the
13 authority will be subject to local zoning and planning rules and local
14 property taxation.

15 f. By regulation of the Division of Alcoholic Beverage Control,
16 there exist special licenses that permit the sale of alcoholic beverages
17 on public property. These special licenses, typically available to the
18 authority, are inexpensive and circumvent the traditional method for
19 obtaining a license to sell alcoholic beverages. Because the
20 establishment of off-track wagering facilities is, in reality, essentially
21 a private business venture and not an essential government function,
22 the authority shall be required to obtain a license to sell alcoholic
23 beverages in the traditional manner.

24

25 3. (New Section) As used in this act:

26 “Account holder” means a person who establishes an account
27 pursuant to this act through which account wagers are placed.

28 “Account wagering” means a form of parimutuel wagering in which
29 an account holder may deposit money in an account with the account
30 wagering licensee and then use the account balance to pay for
31 parimutuel wagers by the account holder.

32 “Account wagering licensee” means a person, partnership,
33 association, corporation or authority approved by the commission to
34 participate in the account wagering system as provided for in this act.

35 “Account wagering system” means the system through which
36 account wagers are processed by the account wagering licensee
37 pursuant to this act.

38 “Authority” means the New Jersey Sports and Exposition Authority
39 created by section 4 of P.L.1971, c.137 (C.5:10-4).

40 “Backstretch Benevolency” means the Backstretch Benevolency
41 Programs Fund established pursuant to section 1 of P.L.1993, c.15
42 (C.5:5-44.8).

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

46 “Breeding and Development” means the New Jersey Horse

1 Breeding and Development Account established pursuant to section 5
2 of P.L.1967, c.40 (C.5:5-88).

3 “Commission” means the New Jersey Racing Commission created
4 by section 1 of P.L.1940, c. 17 (C.5:5-22).

5 “Executive Director” means the Executive Director of the
6 commission.

7 “Health and Welfare” means moneys distributed to the
8 Standardbred Breeder's and Owner's Association for the administration
9 of a health benefits program pursuant to section 46 a. (5) of P.L.1940,
10 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 which
13 account wagers are placed pursuant to this act.

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

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

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

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

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

31 “Off-track wagering” means parimutuel wagering at an off-track
32 wagering facility as authorized under this act.

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

36 “Off-track wagering licensee” means a person, partnership,
37 association, corporation or authority approved by the commission to
38 conduct an off-track wagering facility as provided for in this act.

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

43 “Out-of-State sending track” means a racetrack in a jurisdiction
44 other than the State of New Jersey which is equipped to conduct off-
45 track simulcasting and the operator of which is lawfully permitted to
46 conduct a horse race meeting and to provide simulcast horse races to

1 off-track wagering facilities in this State.

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

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

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

11 "Participation agreement" means each written contract that
12 provides for the establishment or implementation of an off-track
13 wagering facility or facilities or an account wagering system and the
14 distribution of revenues therefrom, in accordance with this act, and the
15 coordination thereof by the New Jersey Sports and Exposition
16 Authority.

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

19 "Racetrack" means the physical facility where a permit holder
20 conducts a horse race meeting respectively with parimutuel wagering.

21 "Racing costs" means the prospective and actual costs for all
22 licensing, investigation, operation, regulation, supervision and
23 enforcement activities and functions performed by the commission.

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

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

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

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

36

37 4. (New Section) a. The commission is authorized to issue a
38 license to an applicant to permit off-track wagering at a specified
39 facility, in accordance with the provisions of this act. A license issued
40 pursuant to this act shall be valid for a period of one year. Each
41 applicant for initial licensure and license renewal shall demonstrate to
42 the satisfaction of the commission that it:

43 (1) holds a valid permit to hold or conduct a race horse meeting
44 within this State;

45 (2) has complied with the terms of such permit; and

46 (3) is in good standing with the commission and the State of New

1 Jersey.

2 An applicant for initial licensure shall also demonstrate to the
3 satisfaction of the commission that it has entered into a participation
4 agreement with each and every other person, partnership, association,
5 corporation or authority that meets the requirements of paragraphs
6 (1), (2) and (3) of this subsection.

7 After initial licensure, the failure of any license holder to maintain
8 a participation agreement with each and every other person,
9 partnership, association, corporation or authority that meets the
10 requirements of paragraphs (1), (2) and (3) of this subsection may be
11 considered as a factor but shall not preclude license renewal.

12 For the purposes of this section, an "applicant" means a person,
13 partnership, association, corporation or authority or a successor in
14 interest to such person, partnership, association, corporation or
15 authority.

16 An off-track wagering license may not be transferred or assigned to
17 a successor in interest without the approval of the commission and the
18 Attorney General, which approval may not be unreasonably withheld.

19 b. As part of the license application process, any participation
20 agreement entered into for the purposes of this section shall be
21 reviewed and approved by the commission and the Attorney General
22 to determine whether the agreement meets the requirements of this act.
23

24 5. (New Section) a. At the time of filing an application for an off-
25 track wagering license, an applicant shall submit to the commission a
26 non-refundable filing fee in an amount established by regulation by the
27 commission, and a certification in a form prescribed by the commission
28 which specifies, but is not limited to, the following information:

29 (1) a plan depicting the proposed facility and improvements
30 thereon, including information about the size, seating capacity, parking
31 and services to be provided at the facility;

32 (2) the location of the proposed facility, and relevant demographic
33 or other information concerning the municipality and surrounding area
34 where the proposed facility is to be located and proof that the
35 proposed facility, including a facility that will be owned or controlled
36 by the authority as an off-track wagering licensee, complies or will
37 comply with local zoning and planning requirements;

38 (3) the number of permanent and part-time jobs expected to be
39 created at the proposed facility, and gross revenues expected to be
40 generated by the facility;

41 (4) the fire evacuation plan for the proposed facility;

42 (5) the type of food and beverages available; and

43 (6) such other information as the commission may require.

44 b. A separate application and certification shall be filed for each
45 off-track wagering facility which an applicant proposes to establish.

46 c. The commission shall by regulation establish the maximum hours

1 of operation of off-track wagering facilities.

2 d. If an off-track wagering licensee, including the authority, seeks
3 to offer alcoholic beverages for on-premise consumption at an off-
4 track wagering facility, the licensee shall acquire a Class C plenary
5 retail consumption license pursuant to the provisions of R.S.33:1-1 et
6 seq. and in accordance with such procedures as established by statute
7 and by regulation of the Division of Alcoholic Beverage Control for
8 the acquisition of such licenses by private individuals or business
9 entities.

10 e. Persons under the age of 18 years shall not be permitted in any
11 off-track wagering facility, except in dining areas if accompanied by
12 a parent or guardian.

13 f. The commission shall by regulation establish minimum standards
14 for off-track wagering facilities, including, but not limited to,
15 standards for size, seating capacity, parking and services to be
16 provided.

17

18 6. (New Section) Within 14 days of receipt of a completed
19 application, certification and applicable fees, the executive director
20 shall determine whether the same is in due form and meets the
21 requirements of law in all respects, and upon being satisfied thereof,
22 the commission, within 45 days of receipt of a completed application,
23 certification and applicable fees, shall hold a public hearing in the
24 municipality in which the proposed off-track wagering facility is to be
25 located. The costs of the public hearing shall be paid by the applicant.
26 The executive director shall cause a display advertisement,
27 approximately 11 inches by 8 inches in size, to be published at least
28 once in a daily newspaper, and at least once in a weekly newspaper,
29 published, or circulated if none is published, in the county where the
30 municipality is located at least 15 days before the date of the public
31 hearing and to be published again in that daily newspaper on the third
32 day preceding the public hearing and in the latest edition of that
33 weekly newspaper that will be in circulation on the third day preceding
34 the public hearing. The advertisement shall contain sufficient
35 information to apprise the public as to the purpose of the hearing, the
36 time and place thereof, and the nature of the license applied for. The
37 advertisement shall be prepared and placed by the executive director,
38 but shall be paid for by the applicant.

39

40 7. (New Section) a. No sooner than 30 days nor later than 60
41 days following the public hearing, the commission shall make a final
42 determination on the license application. The commission shall
43 approve the application if it determines that the plan for the proposed
44 facility includes appropriate standards of quality for the premises and
45 services it will provide and that the applicant has demonstrated by
46 clear and convincing evidence that establishment of the proposed off-

1 track wagering facility will not be inimical to the interests of the public
2 and the horse racing industry in this State. The commission shall
3 submit its determination to the Attorney General for review and
4 approval. The determination of the commission shall be deemed
5 approved by the Attorney General if not affirmatively approved or
6 disapproved by the Attorney General within 14 days of the date of
7 submission. The decision of the Attorney General shall be deemed a
8 final decision. Upon approval by the Attorney General, the
9 commission shall issue to the applicant an off-track wagering license
10 specifying the location, the periods of time during a calendar year and
11 the hours of operation during which off-track wagering is permitted at
12 the facility, and prescribing any other conditions or terms the
13 commission deems appropriate.

14 b. With the approval of the commission, an off-track wagering
15 licensee may enter into a contract or agreement with a person or entity
16 to conduct or operate an off-track wagering facility for the licensee
17 and to act as the agent of the licensee in all off-track wagering matters
18 approved by the commission.

19

20 8. (New Section) a. The commission shall have full power to
21 prescribe rules, regulations and conditions under which all off-track
22 wagering licenses are issued and renewed in the State and to revoke,
23 suspend or refuse to renew a license if in the opinion of the
24 commission the revocation of, suspension of or refusal to renew such
25 license is in the public interest; provided, however, that such rules,
26 regulations and conditions shall be uniform in their application.

27 b. The commission shall have the power to audit, or arrange for or
28 require an independent audit of, the financial records, including
29 wagering transaction records, of an off-track wagering facility in order
30 to ensure compliance with this act.

31 c. The commission shall have no right or power to determine who
32 shall be officers, directors or employees of any off-track wagering
33 licensee, or the salaries thereof; provided, however, that the
34 commission may compel the discharge of any official or employee of
35 the licensee or the off-track wagering facility who: (1) fails or refuses
36 for any reason to comply with the rules or regulations of the
37 commission; (2) fails or refuses for any reason to comply with any of
38 the provisions of this act; (3) fails to establish by clear and convincing
39 evidence in the opinion of the commission good character, honesty,
40 competency and integrity; or (4) has been convicted of a crime
41 involving fraud, dishonesty or moral turpitude.

42

43 9. (New Section) Nothing in this act shall be deemed to abrogate
44 the common law right or any other right established by law to exclude
45 or eject permanently from any off-track wagering facility any person
46 who disrupts the operations of its premises, threatens the security of

1 its premises or its occupants, or is disorderly or intoxicated.

2

3 10. (New Section) a. The total number of off-track wagering
4 facilities licensed in this State pursuant to this act shall not exceed 15
5 such facilities in the aggregate.

6 b. The commission shall issue no more than eight off-track
7 wagering licenses within the first two years of the effective date of this
8 act.

9

10 11. (New Section) It shall be lawful for the off-track wagering
11 licensee to conduct off-track simulcasting at the off-track wagering
12 facility with any in-State sending track and with any out-of-State
13 sending track in accordance with the provisions of this act and
14 applicable regulations which the commission may promulgate.

15

16 12. (New Section) An in-State sending track may transmit to
17 licensed off-track wagering facilities all or some of the live races
18 conducted at the racetrack. The off-track wagering licensee, as a
19 condition of continued operation of the off-track wagering facility,
20 shall receive all live races which are offered and transmitted by in-
21 State sending tracks.

22

23 13. (New Section) a. The commission may license applicants to
24 participate in an account wagering system in accordance with the
25 provisions of this act. A license issued pursuant to this act shall be
26 valid for a term of one year. Each applicant for initial licensure and
27 license renewal shall demonstrate to the satisfaction of the commission
28 that it:

29 (1) holds a valid permit to hold or conduct a race horse meeting
30 within this State consisting of at least 50 live race dates in the
31 aggregate at the permit holder's racetrack;

32 (2) has complied with the terms of such permit; and

33 (3) is in good standing with the commission and the State of New
34 Jersey.

35 An applicant for initial licensure shall also demonstrate to the
36 satisfaction of the commission that it has entered into a participation
37 agreement with each and every other person, partnership, association,
38 corporation or authority that meets the requirements of paragraphs
39 (1), (2) and (3) of this subsection.

40 After initial licensure, the failure of any license holder to maintain
41 a participation agreement with each and every other person,
42 partnership, association, corporation or authority that meets the
43 requirements of paragraphs (1), (2) and (3) of this subsection may be
44 considered as a factor but shall not preclude license renewal.

45 For the purposes of this section, an "applicant" means a person,
46 partnership, association, corporation or authority or a successor in

1 interest to such person, partnership, association, corporation or
2 authority.

3 An account wagering license may not be transferred or assigned to
4 a successor in interest without the approval of the commission and the
5 Attorney General, which approval may not be unreasonably withheld.

6 b. As part of the license application process, any participation
7 agreement entered into for the purposes of this section shall be
8 reviewed and approved by the commission and the Attorney General
9 to determine whether the agreement meets the requirements of this act.

10 c. At the time of filing an application for licensure under this
11 section, an applicant shall submit to the commission a non-refundable
12 filing fee in an amount established by regulation by the commission,
13 and a certification in a form prescribed by the commission which
14 specifies, but is not limited to, information about the operation of the
15 account wagering system and the applicant's participation therein.

16

17 14. (New Section) a. Within 14 days of receipt of a completed
18 application, certification and applicable fees, the executive director
19 shall determine whether the same is in due form and meets the
20 requirements of law in all respects, and upon being satisfied thereof,
21 the executive director, within 45 days of receipt of a completed
22 application, certification and applicable fees, shall hold a public
23 hearing, the costs of which shall be paid by the applicant.

24 b. No sooner than 30 days nor later than 60 days following the
25 public hearing, the commission shall make a final determination on the
26 application. The commission shall approve the application if it
27 determines that the applicant has demonstrated by clear and convincing
28 evidence that wagers placed through the proposed account wagering
29 system will be accurately processed and that there will be sufficient
30 safeguards to maintain the integrity of the horse racing industry in this
31 State. The commission's determination shall be submitted to the
32 Attorney General for review and approval. The determination of the
33 commission shall be deemed approved by the Attorney General if not
34 affirmatively approved or disapproved by the Attorney General within
35 14 days of the date of submission. The decision of the Attorney
36 General shall be deemed a final decision. Upon approval by the
37 Attorney General, the commission shall issue to the applicant a license
38 to participate in the account wagering system.

39 c. With the approval of the commission, an account wagering
40 licensee may enter into a contract or agreement with a person or entity
41 to conduct or operate an account wagering system or facility for the
42 licensee and to act as the agent of the licensee in all account wagering
43 matters approved by the commission.

44

45 15. (New Section) a. The commission shall have full power to
46 prescribe rules, regulations and conditions under which all account

1 wagering licenses are issued or renewed in this State and to revoke,
2 suspend or refuse to renew a license if in the opinion of the
3 commission the revocation of, suspension of or refusal to renew such
4 license is in the public interest; provided, however, that such rules,
5 regulations and conditions shall be uniform in their application.

6 b. The commission shall have the power to perform an audit, or
7 arrange for or require the performance of, an independent audit, of the
8 financial records, including wagering transaction records, of the
9 account wagering system in order to ensure compliance with this act.

10 c. The commission shall have no right or power to determine who
11 shall be officers, directors or employees of any account wagering
12 licensee, or the salaries thereof; provided, however, that the
13 commission may compel the discharge of any official or employee of
14 the licensee or the account wagering system who: (1) fails or refuses
15 for any reason to comply with the rules or regulations of the
16 commission; (2) fails or refuses for any reason to comply with any of
17 the provisions of this act; (3) fails to establish by clear and convincing
18 evidence in the opinion of the commission good character, honesty,
19 competency and integrity; or (4) has been convicted of a crime
20 involving fraud, dishonesty or moral turpitude.

21

22 16. (New Section) a. To establish a wagering account, a person
23 shall be an individual at least 18 years of age.

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

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

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

40 e. Any prospective account holder who provides false or
41 misleading information on the application is subject to rejection of the
42 application or cancellation of the account by the account wagering
43 licensee without notice.

44 f. The account wagering licensee shall have the right to suspend or
45 close any wagering account at its discretion.

46 g. Any person not in good standing with the commission shall not

1 be entitled to maintain a wagering account.

2 h. The address provided by the applicant in the application shall be
3 deemed the proper address for the purposes of mailing checks, account
4 withdrawals, notices and other materials.

5 i. A wagering account shall not be assignable or otherwise
6 transferable.

7 j. Except as otherwise provided in this act or in regulations which
8 the commission may adopt hereunder, all account wagers shall be final
9 and no wager shall be canceled by the account holder at any time after
10 the wager has been accepted by the account wagering licensee.

11 k. For the purposes of this act and notwithstanding any other law
12 to the contrary, all messages or orders to place account wagers
13 received by the licensee on behalf of a participating permit holder shall
14 be deemed made to a place within this State.

15 l. All persons accepting account wagers on behalf of an account
16 wagering licensee shall do so at a location within this State.

17 m. The account wagering licensee may at any time declare the
18 system closed for receiving any wagers on any race or closed for all
19 wagering.

20

21 17. (New Section) a. Credits to a wagering account shall be made
22 as follows:

23 (1) The account holder's deposits to the wagering account shall be
24 submitted by the account holder to the account wagering licensee and
25 shall be in the form of one of the following:

26 (a) cash given to the account wagering licensee;

27 (b) check, money order, negotiable order of withdrawal, or wire or
28 electronic transfer, payable and remitted to the account wagering
29 licensee; or

30 (c) charges made to an account holder's debit or credit card upon
31 the account holder's direct and personal instruction, which instruction
32 may be given by telephone communication or other electronic means
33 to the account wagering licensee or its agent by the account holder if
34 the use of the card has been approved by the account wagering
35 licensee.

36 (2) Credit for winnings from wagers placed with funds in a
37 wagering account and credit for account wagers on horses that are
38 scratched shall be posted to the account by the account wagering
39 licensee.

40 (3) The account wagering licensee shall have the right to refuse for
41 any reason all or part of any wager or deposit to the account.

42 (4) Funds deposited in the account shall not bear interest to the
43 account holder.

44 b. Debits to a wagering account shall be made as follows:

45 (1) Upon receipt by an account wagering licensee of an account
46 wager properly placed pursuant to section 18 of this act, the account

1 wagering licensee shall debit the account holder's wagering account
2 in the amount of the wager.

3 (2) An account wagering licensee may authorize a withdrawal from
4 a wagering account when the account holder submits to the licensee,
5 the licensee's agent, a participating permit holder, a licensed off-track
6 wagering facility or such other location as may be approved by the
7 commission the following:

8 (i) proper identification;

9 (ii) the correct personal identification number; and

10 (iii) a properly completed and executed withdrawal slip on a form
11 approved by the commission.

12 Upon receipt of a properly completed and executed withdrawal
13 form, and if there are sufficient funds in the account to cover the
14 withdrawal, the licensee shall send, within three business days of
15 receipt, a check to the holder at the address specified in the application
16 for the wagering account. The check shall be made payable only to the
17 holder of the wagering account and in the amount of the requested
18 withdrawal.

19

20 18. (New Section) An account wagering licensee may accept
21 account wagers only as follows:

22 a. The account wager shall be placed directly with the account
23 wagering licensee by the holder of the wagering account.

24 b. The account holder placing the account wager shall provide the
25 licensee with the correct personal identification number of the holder
26 of the wagering account.

27 c. A licensee may not accept an account wager, or series of
28 wagers, in an amount in excess of funds on deposit in the wagering
29 account of the holder placing the wager. Funds on deposit include
30 amounts credited under section 17 of this act and in the account at the
31 time the wager is placed.

32 d. Only the holder of a wagering account shall place an account
33 wager. Unless otherwise approved by the commission, no person,
34 corporation or other entity shall directly or indirectly act as an
35 intermediary, transmitter or agent in the placing of wagers for a holder
36 of a wagering account; provided, however, that the use of credit or
37 debit cards specifically approved by the licensee or the use of checks,
38 money orders or negotiable orders of withdrawal or the use of
39 telephonic, computer or electronic means by the account holder to
40 place such wagers shall not be prohibited.

41 e. The account holder may place a wager in person, by direct
42 telephone call or by communication through other electronic media.

43

44 19. (New Section) All amounts remaining in wagering accounts
45 inactive or dormant for such period and under such conditions as
46 established by regulation shall be paid 50% to the account wagering

1 licensee and 50% to the New Jersey Racing Industry Special Fund.

2

3 20. (New Section) Sums wagered at the off-track wagering facility
4 on the result of a simulcast horse race at an in-State sending track, or
5 through the account wagering system on a race conducted at an in-
6 State host track, shall be included in the appropriate parimutuel pool
7 generated at the in-State track and shall be distributed pursuant to
8 section 21 of this act. Payments to persons holding winning tickets at
9 an off-track wagering facility or through the account wagering system,
10 shall be made according to the same odds as those generated at the
11 in-State track.

12

13 21. (New Section) Sums wagered at an off-track wagering facility
14 on races being transmitted to that off-track wagering facility from an
15 in-State sending track and sums wagered through the account
16 wagering system on a race conducted at an in-State host track shall be
17 deposited in the parimutuel pool generated at the in-State
18 track for those races and shall be distributed in accordance with the
19 provisions of section 44 of P.L.1940, c.17 (C.5:5-64) or section 1 of
20 P.L.1984, c.236 (C.5:5-64.1), as appropriate.
21 Such sums wagered at an off-track wagering facility or through the
22 account wagering system which remain undistributed pursuant to those
23 sections shall be distributed as follows, except that moneys resulting
24 from breakage on amounts wagered at the off-track wagering facility
25 or through the account wagering system and from outstanding
26 parimutuel ticket moneys issued at the off-track wagering facility or
27 through the account wagering system shall be distributed as provided
28 by subsection g. of this section.

29 a. 6% of the parimutuel pool generated at the off-track wagering
30 facility or through the account wagering system shall be paid to the in-
31 State track for overnight purses. In the event that (1) any racetrack
32 at which a horse race meeting was conducted in calendar year 2000
33 ceases to operate as a racetrack prior to calendar year 2003 and (2) an
34 off-track wagering facility is operated on that former racetrack site,
35 6.15% of the parimutuel pool generated at that off-track wagering
36 facility shall be paid to the in-State sending track for overnight purses.

37 b. 0.5% of the parimutuel pool generated at the off-track wagering
38 facility or through the account wagering system shall be set aside as
39 follows:

40 (1) in the case of harness races conducted by an in-State track, in
41 the special trust account established pursuant to or specified in section
42 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b. of P.L.1984, c.236
43 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201 (C.5:5-98), or section
44 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
45 distribution as provided in section 46a.(2)(a),(b) and (c) of P.L.1940,
46 c.17 (C.5:5-66), sections 2b.(1), (2) and (3) of P.L.1984, c.236

1 (C.5:5-66.1), section 5a.(1)(a), (b) and (c) of P.L.1982, c.201 (C.5:5-
2 98), or section 7f.(1)(a)(i), (ii) and (iii) of P.L.1971, c.137 (C.5:10-7);
3 and

4 (2) in the case of running races conducted by an in-State track, in
5 the special trust account established pursuant to or specified in section
6 46b.(1)(e) or (2)(e) of P.L.1940, c.17 (C.5:5-66), section 5b.(3) of
7 P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(c) of P.L.1971, c.137
8 (C.5:10-7), as appropriate, for use and distribution as provided
9 therein, as appropriate.

10 c. 0.02% of the parimutuel pool generated at the off-track
11 wagering facility or through the account wagering system shall be paid
12 to Breeding and Development.

13 d. 0.02% of the parimutuel pool generated at the off-track
14 wagering facility or through the account wagering system shall be paid
15 to Backstretch Benevolency.

16 e. 0.06% of the parimutuel pool generated at the off-track
17 wagering facility or through the account wagering system shall be set
18 aside as follows: (1) in the case of harness races, to Health and
19 Welfare; and (2) in the case of running races, to Thoroughbred
20 Breeders and Stallions.

21 f. The remainder of the parimutuel pool after deduction of the
22 amounts under subsections a. through e. of this section shall be paid
23 to the off-track wagering licensee or the account wagering licensee, as
24 appropriate.

25 g. All breakage moneys and outstanding parimutuel ticket moneys
26 resulting from wagering at the off-track wagering facility or through
27 the account wagering system on races conducted by an in-State track
28 shall be paid to the commission for racing costs in accordance with
29 section 26 of this act. If in any calendar year the total amount of
30 breakage moneys and outstanding parimutuel ticket moneys referred
31 to herein exceeds amounts required to pay racing costs as provided in
32 section 26 of this act, such remaining funds shall be allocated as
33 follows: 50% to the off-track wagering licensee or the account
34 wagering licensee, as appropriate; and 50% to the New Jersey Racing
35 Industry Special Fund.

36
37 22. (New Section) a. The off-track wagering licensee may, in
38 accordance with the provisions of this act and any applicable
39 regulations of the commission and with the approval of the
40 commission, also receive at the facility simulcast horse races
41 conducted at out-of-State sending tracks; provided, however, that the
42 off-track wagering licensee may receive simulcast horse races from
43 only those out-of-State sending tracks that have been approved by the
44 commission, which approval may not be unreasonably withheld.

45 b. An account wagering licensee may, with the approval of the
46 commission, also accept account wagers on horse races conducted at

1 out-of-State host tracks; provided, however, that the account
2 wagering licensee may receive wagers on out-of-State horse races
3 from only those out-of-State host tracks that have been approved by
4 the commission, which approval may not be unreasonably withheld.
5

6 23. (New Section) a. The off-track wagering licensee receiving
7 a simulcast horse race from an out-of-State sending track shall pay to
8 the out-of-State sending track for the transmission such amount, if
9 any, as may be agreed upon by the off-track wagering licensee and the
10 out-of-State sending track.

11 b. The account wagering licensee accepting account wagers on a
12 horse race conducted at an out-of-State host track shall pay to the
13 out-of-State host track such amount, if any, as provided for in the
14 agreement, if any, between the account wagering licensee and the out-
15 of-State host track.
16

17 24. (New Section) a. Except as provided in subsection b. of this
18 section, the commission shall not permit an out-of-State sending track
19 or an out-of-State host track to participate in off-track simulcasting or
20 qualify as an out-of-State host track, respectively, unless the
21 parimutuel pools respecting the off-track wagering facility or the
22 account wagering system shall be combined with comparable
23 parimutuel pools at the out-of-State track. The types of wagering,
24 takeout, distribution of winnings, rules of racing, method of
25 calculating breakage, and the percentage of deposits remaining
26 undistributed from a parimutuel pool after payment is made to winning
27 ticket holders shall be determined in accordance with the law or policy
28 applicable to the out-of-State track.

29 b. With the prior approval of the commission and the concurrence
30 of the out-of-State track, an off-track wagering licensee or the account
31 wagering licensee, and receiving tracks or entities in other states other
32 than the state in which the out-of-State track is located may form an
33 interstate common pool. With respect to such interstate common
34 pools, the commission may approve types of wagering, takeout,
35 distribution of winnings, rules of racing, method of calculating
36 breakage, and a percentage of deposits remaining undistributed from
37 a parimutuel pool after payment is made to winning ticket holders
38 which are different from those which would otherwise be applied in
39 this State but which are consistent for all parties to the interstate
40 common pool.
41

42 25. (New Section) Sums wagered at an off-track wagering facility
43 on races being transmitted to that off-track wagering facility from an
44 out-of-State sending track and sums wagered through the account
45 wagering system on races conducted by an out-of-State host track
46 shall be subject to the takeout rate determined pursuant to section 24

1 of this act and the sums resulting from that takeout rate as applied to
2 the parimutuel pool generated at the off-track wagering facility or
3 through the account wagering system shall be distributed as follows,
4 except money resulting from breakage on amounts wagered at the
5 off-track wagering facility or through the account wagering system
6 and from outstanding parimutuel ticket moneys issued at the off-track
7 wagering facility shall be distributed as provided by subsection c. of
8 this section.

9 a. The amount, if any, as agreed by the off-track wagering licensee
10 or account wagering licensee and the out-of-State track pursuant to
11 section 23 of this act shall be paid to the out-of State track.

12 b. The amount remaining after the deduction of the amount under
13 subsection a. of this section from the amount of the takeout rate shall
14 be distributed as follows:

15 (1) beginning on the effective date of this act, P.L. , c. (now
16 pending before the Legislature as this bill), and for the first year
17 following the date of the opening of the first off-track wagering
18 facility, 36% shall be paid to the commission for deposit in the New
19 Jersey Racing Industry Special Fund and 64% shall be paid to the off-
20 track wagering licensee or the account wagering licensee, as
21 appropriate.

22 (2) for the second year following the date of the opening of the
23 first off-track wagering facility, 37% shall be paid to the commission
24 for deposit in the New Jersey Racing Industry Special Fund and 67%
25 shall be paid to the off-track wagering licensee or the account
26 wagering licensee, as appropriate.

27 Beginning with the first day of the third year, the distributions
28 under this subsection shall be suspended. Horse racing permit holders,
29 and the thoroughbred and standardbred horsemen's groups identified
30 by the commission as representative of thoroughbred and standardbred
31 interests in this State shall have 30 days from the date of suspension
32 of the distribution to submit to the commission a proposal to renew
33 the distribution set forth in paragraph (2) of this subsection or to
34 establish a new distribution. The commission shall approve the
35 proposed renewal or new distribution if the commission determines
36 that the permit holders and horsemen's groups agree on the proposal.
37 If a proposal is not submitted within 30 days, or if the commission
38 rejects the proposal, the distribution in this subsection shall be
39 permanently suspended.

40 From the date of suspension, all money designated for distribution
41 pursuant to this subsection shall be paid to the commission to be held
42 in an interest bearing account. Upon adoption of a proposal to renew
43 the distribution or to establish a new distribution, the commission shall
44 disburse any money held in the account.

45 c. All breakage moneys and outstanding parimutuel ticket moneys
46 resulting from wagering at the off-track wagering facility or through

1 the account wagering system on races conducted by the out-of-State
2 track shall be paid to the commission for racing costs in accordance
3 with section 26 of this act. If in any calendar year the total amount of
4 breakage moneys and outstanding parimutuel ticket moneys referred
5 to herein exceed amounts required to pay racing costs as provided in
6 section 26 of this act, such remaining funds shall be allocated as
7 follows: 50% to the off-track wagering licensee or account wagering
8 licensee, as appropriate; and 50% to the New Jersey Racing Industry
9 Special Fund.

10
11 26. (New Section) a. The State Treasurer shall certify racing
12 costs on an annual basis. These racing costs shall be the basis for
13 payment and reimbursement to the commission from the following
14 sources, in the following order:

15 (1) license and permit fees received by the commission;

16 (2) breakage moneys and outstanding parimutuel ticket moneys as
17 provided in sections 21 and 25 of this act, and the outstanding
18 parimutuel ticket moneys as provided in section 44 of P.L.1940, c.17
19 (C.5:5-64), section 1 of P.L.1984, c.236 (C.5:5-64.1) and section 7 of
20 P.L.1971, c.137 (C.5:10-7).

21 b. If, in any year, amounts received by the commission from the
22 sources specified in subsection a. of this section are not sufficient to
23 reimburse the commission for racing costs, there shall be an
24 assessment against permit holders or successors in interest to permit
25 holders, if applicable, to reimburse the commission for its costs for
26 which funds are not otherwise appropriated to the commission by law.
27 The commission shall establish, by regulation, an assessment formula
28 which apportions such costs to each permit holder or successor in
29 interest, if applicable.

30 c. Subject to the approval of the State Treasurer, the commission
31 may adjust the annual assessment when necessary to cover
32 expenditures not anticipated at the time of the assessment.

33 d. The funds derived from the sources specified in this section
34 shall be held in a non-lapsing dedicated account, for use in accordance
35 with the provisions of this section.

36
37 27. (New Section) The commission shall establish and administer
38 a separate fund to be known as the "New Jersey Racing Industry
39 Special Fund" into which shall be deposited the sums dedicated to the
40 fund by sections 19, 21 and 25 of this act. Money deposited in this
41 special fund shall be disbursed monthly by the commission and used as
42 follows:

43 a. 92% shall be distributed as follows:

44 (1) in the case of money deposited into the special fund from the
45 off-track wagering facility located on the site or former site of the
46 Atlantic City Race Course, or, if no off-track wagering facility exists

1 on that site, the off-track wagering facility located closest to that site,
2 100% to permit holders conducting thoroughbred racing;

3 (2) except as provided in paragraph (1), 65% to permit holders
4 conducting thoroughbred racing and 35% to permit holders conducting
5 harness racing;

6 Of the allocations made pursuant to this subsection, specific
7 distributions shall be made to the overnight purse account for the
8 breed and horsemen's organization of each permit holder. Distribution
9 shall be based on the following formula: total overnight purse
10 distribution for each permit holder in the prior calendar year divided
11 by the total overnight purse distribution of all permit holders for the
12 respective breed in the prior calendar year.

13 The distributions provided for in this subsection shall terminate five
14 years from the date of the opening of the first off-track wagering
15 facility in this State.

16 b. 8% shall be distributed as follows:

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

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

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

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

32
33 28. (New Section) All persons engaged in conducting wagering-
34 related activities at an off-track facility or through an account
35 wagering system, whether employed directly by the licensee or by a
36 person or entity conducting or operating the off-track wagering facility
37 or account wagering system to an agreement with the licensee, shall
38 be licensed or registered in accordance with such regulations as may
39 be promulgated by the commission hereunder. All other employees at
40 the off-track wagering facility or of account wagering system shall be
41 licensed or registered in accordance with regulations of the
42 commission. The commission shall have full power to prescribe rules,
43 regulations and conditions under which all such licenses are issued, or
44 registrations made, in this State and to revoke or refuse to issue a
45 license, or revoke or refuse to accept a registration, if in the opinion
46 of the commission the revocation or refusal is in the public interest,

1 provided, however, that such rules, regulations and conditions shall be
2 uniform in their application, and further provided that no fee shall be
3 in excess of \$50 for each license so granted or registration accepted.
4

5 29. (New Section) a. A person employed by a permit holder in
6 the admissions department or parimutuel clerk department of a
7 racetrack operated by a permit holder, or employed at the racetrack by
8 a food and beverage vendor contracting with the permit holder to
9 provide food and beverages at the racetrack, shall be given a one-time
10 right of first refusal offer of employment, as each off-track wagering
11 facility opens, for the then available positions of similar employment
12 in that off-track wagering facility, including any similar employment
13 with the off-track wagering licensee or with any vendor contracting
14 with the licensee to provide food and beverages at the off-track
15 wagering facility, or as each account wagering licensee implements
16 account wagering, for the then available positions of similar
17 employment with any account wagering licensee.

18 b. In the event that an off-track wagering facility is sited and
19 begins operations at the location or in the proximity of a former
20 racetrack, a person who, at the time of the closing of the former
21 racetrack, worked as an employee of the permit holder in the
22 admissions department or parimutuel clerk department of the former
23 racetrack operated by the permit holder, or who, at the time of the
24 closing of the former racetrack, worked at the racetrack as an
25 employee of a food and beverage vendor contracting with the permit
26 holder to provide food and beverages at the former racetrack, shall be
27 given a one-time right of first refusal offer of similar employment at
28 the off-track wagering facility. Employment opportunities that remain
29 after each former employee has been given an offer of similar
30 employment shall be made available to other persons in accordance
31 with the provisions of subsection a. of this section.

32 c. An employee of the permit holder or vendor contracting with
33 the permit holder who is given preference for employment pursuant to
34 subsections a. and b. of this section and accepts the employment shall
35 not suffer, at the time that the change in employment occurs, any
36 reduction in seniority, pay, or employer contribution to pension and
37 health benefits, and shall receive a substantially equivalent level of
38 benefits.
39

40 30. (New Section) For the calendar year in which the first off-
41 track wagering facility is opened and for each of the four calendar
42 years thereafter:

43 a. the permit holder at Monmouth Park and the permit holder at
44 the Meadowlands together shall schedule annually no fewer than 170
45 thoroughbred race dates in the aggregate and no fewer than 151
46 standardbred race dates; and

1 b. the permit holders at Freehold Raceway shall schedule no fewer
2 than 192 standardbred race dates.

3
4 31. (New Section) A true copy of the minutes of every meeting
5 of the commission shall be forthwith delivered by and under the
6 certification of, the executive director thereof to the Governor. No
7 action taken at such meeting of the commission shall have force and
8 effect until the earlier of 10 days, exclusive of Saturdays, Sundays and
9 public holidays, after such copy of the minutes shall have been so
10 delivered, or the approval thereof by the Governor. If, in the 10-day
11 period, the Governor returns such copy of the minutes with veto of
12 any action taken by the commission or any member thereof at such
13 meeting, such action shall be null and void and of no effect. The
14 Governor may approve all or part of the action taken at such meeting,
15 prior to the expiration of the 10-day period. This section shall not
16 apply to enforcement actions for violations of regulations promulgated
17 by the commission.

18
19 32. (New Section) The provisions of this act shall be deemed to
20 be severable, and if any phrase, clause, sentence or provision of this
21 act is declared to be unconstitutional or the applicability thereof to any
22 person is held invalid, the remainder of this act shall not thereby be
23 deemed to be unconstitutional or invalid.

24
25 33. (New Section) The commission shall promulgate rules and
26 regulations pursuant to the "Administrative Procedure Act," P.L.1968,
27 c.410 (C.52:14B-1 et seq.), to effectuate the purposes of this act.

28
29 34. (New Section) In addition to any other funds provided by law
30 for prevention, education and treatment programs for compulsive
31 gamblers, beginning on July 1, 2001, there shall be an annual
32 assessment against permit holders or successors in interest to permit
33 holders, if applicable, of a total sum of \$200,000 in the aggregate
34 which shall be paid into the General Fund for appropriation by the
35 Legislature to the Department of Health and Senior Services for
36 prevention and education and treatment programs for compulsive
37 gambling that meet the criteria developed pursuant to section 2 of
38 P.L.1993, c.229 (C.26:2-169), such as those provided by the Council
39 on Compulsive Gambling of New Jersey. Such funds shall be used to
40 address compulsive gambling issues related to off-track wagering
41 facilities and account wagering. The New Jersey Racing Commission
42 shall, by regulation, establish a formula which apportions the
43 assessment to each permit holder or successor in interest, if applicable.

44
45 35. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read
46 as follows:

1 6. a. The authority, pursuant to the provisions of P.L.1971, c.137
2 (C.5:10-1 et seq.), is hereby authorized and empowered, either alone
3 or in conjunction with others, and provided that, in the case of an
4 arrangement with respect to any of the projects set forth in this section
5 which shall be in conjunction with others, the authority shall have
6 sufficient right and power to carry out the public purposes set forth in
7 P.L.1971, c.137 (C.5:10-1 et seq.):

8 (1) To establish, develop, construct, operate, acquire, own,
9 manage, promote, maintain, repair, reconstruct, restore, improve and
10 otherwise effectuate, either directly or indirectly through lessees,
11 licensees or agents, a project to be located in the Hackensack
12 meadowlands upon a site not to exceed 750 acres and upon a site or
13 sites outside of that acreage, but either immediately contiguous thereto
14 or immediately across any public road which borders that acreage,
15 consisting of one or more stadiums, coliseums, arenas, pavilions,
16 stands, field houses, playing fields, recreation centers, courts,
17 gymnasiums, clubhouses, a racetrack for the holding of horse race
18 meetings, and other buildings, structures, facilities, properties and
19 appurtenances related to, incidental to, necessary for, or
20 complementary to a complex suitable for the holding of athletic
21 contests or other sporting events, or trade shows, exhibitions,
22 spectacles, public meetings, entertainment events or other expositions,
23 including, but not limited to, driveways, roads, approaches, parking
24 areas, parks, recreation areas, lodging facilities, vending facilities,
25 restaurants, transportation structures, systems and facilities, and
26 equipment, furnishings, and all other structures and appurtenant
27 facilities, related to, incidental to, necessary for, or complementary to
28 the purposes of that project or any facility thereof.

29 (2) To establish, develop, construct, acquire, lease or own,
30 operate, manage, promote, maintain, repair, reconstruct, restore,
31 improve and otherwise effectuate, either directly or indirectly through
32 lessees, licensees or agents, a project, at a site within the State of New
33 Jersey, consisting of a baseball stadium and other buildings, structures,
34 facilities, properties and appurtenances related thereto, or incidental
35 to, necessary for, or complementary to a complex suitable for the
36 holding of professional baseball games and other athletic contests or
37 sporting events, or trade shows, exhibitions, spectacles, public
38 meetings, entertainment events or other expositions, such project to
39 include driveways, roads, approaches, parking areas, parks, recreation
40 areas, vending facilities, restaurants, transportation structures, systems
41 and facilities, and equipment, furnishings and all other structures and
42 appurtenant facilities related to, incidental to, necessary for, or
43 complementary to the purposes of that project or any facility thereof.

44 (3) To establish, develop, construct, acquire, lease or own,
45 operate, manage, promote, maintain, repair, reconstruct, restore,
46 improve and otherwise effectuate, either directly or indirectly through

1 lessees, licensees or agents, projects located within the State of New
2 Jersey, but outside of the meadowlands complex, consisting of
3 aquariums and the buildings, structures, facilities, properties and
4 appurtenances related thereto, or incidental to, necessary for, or
5 complementary to those aquariums, such project to include driveways,
6 roads, approaches, parking areas, parks, recreation areas, vending
7 facilities, restaurants, transportation structures, systems and facilities,
8 and equipment, furnishings and all other structures and appurtenant
9 facilities related to, incidental to, necessary for, or complementary to
10 the purposes of that project or any facility thereof. To provide for a
11 project authorized under this paragraph:

12 (a) (Deleted by amendment, P.L.1988, c.172.)

13 (b) The authority is authorized to enter into agreements with the
14 State Treasurer providing for the acquisition and construction of an
15 aquarium by the authority, including the land necessary for the
16 aquarium, and the costs thereof, ownership of the aquarium and its
17 land which shall be conveyed to the State upon completion, and the
18 operation by the authority of the aquarium pursuant to a lease or other
19 agreement with the State containing such terms and conditions as the
20 State Treasurer may establish prior to the acquisition and construction
21 by the authority of the aquarium and the disbursements of funds
22 therefor. The State Treasurer is authorized to enter into a lease or
23 other agreement to effectuate the provisions of this subparagraph.

24 (4) To establish, develop, construct, acquire, own, operate,
25 manage, promote, maintain, repair, reconstruct, restore, improve and
26 otherwise effectuate, either directly or indirectly through lessees,
27 licensees or agents, a project consisting of an exposition or
28 entertainment center or hotel or office complex, including any
29 buildings, structures, properties and appurtenances related thereto,
30 incidental thereto, necessary therefor, or complementary thereto, such
31 project to include driveways, roads, approaches, parking areas, parks,
32 recreation areas, vending facilities, restaurants, transportation
33 structures, systems, and equipment, furnishings and all other structures
34 and appurtenances related to, incidental to, necessary for, or
35 complementary to, the purposes of that project. A project authorized
36 under this paragraph may be located within, immediately contiguous
37 to, or immediately across any public road which borders the site of any
38 other project of the authority, except the site of a racetrack authorized
39 by paragraph (5) of this subsection and acquired by the authority prior
40 to 1986.

41 (5) To establish, develop, construct, acquire, own, operate,
42 manage, promote, maintain, repair, reconstruct, restore, improve and
43 otherwise effectuate, either directly or indirectly through lessees,
44 licensees or agents, projects consisting of (a) racetrack facilities
45 located within the State of New Jersey, but outside of the
46 meadowlands complex, (b) their contiguous properties, and (c) their

1 auxiliary facilities, including, without limitation, pavilions, stands, field
2 houses, clubhouses, training tracks for horses, racetracks for the
3 holding of horse race meetings, fairgrounds, other exposition facilities,
4 and other buildings, structures, facilities, properties and appurtenances
5 related to, incidental to, necessary for, or complementary to a complex
6 suitable for the holding of horse race meetings, other sporting events,
7 or trade shows, exhibitions, spectacles, public meetings, entertainment
8 events or other expositions, including, but not limited to, driveways,
9 roads, approaches, parking areas, parks, recreation areas, lodging
10 facilities, vending facilities, restaurants, transportation structures,
11 systems and facilities, equipment, furnishings, and all other structures
12 and appurtenant facilities related to, incidental to, necessary for, or
13 complementary to the purposes of any of those projects or any facility
14 thereof.

15 Notwithstanding any law to the contrary, the acquisition of any
16 existing racetrack facility in and licensed by the State of New Jersey
17 shall be permitted on the condition that payments equivalent to all
18 municipal, school board and county taxes due to each entity shall be
19 paid by the authority to the extent and in accordance with the same
20 payment schedule as taxes would have been paid each year, as though
21 the racetrack facility remained in private ownership. In the event the
22 authority conveys lands or other parts of the racetrack facility to
23 others, the authority shall receive a reduction of such payments
24 commensurate with the amount required to be paid by the subsequent
25 owner of the lands and improvements disposed of by the authority. In
26 addition, the authority shall be responsible for paying all existing local
27 franchise fees, license and parking tax fees in effect at the time of the
28 acquisition.

29 (6) To establish, develop, acquire, own, operate, manage, promote
30 and otherwise effectuate, in whole or in part, either directly or
31 indirectly through lessees, licensees or agents, projects consisting of
32 events, expositions, teams, team franchises or membership in
33 professional sports leagues.

34 (7) To establish, develop, construct, acquire, own, operate,
35 manage, promote, maintain, repair, reconstruct, restore, improve and
36 otherwise effectuate, either directly or indirectly through lessees,
37 licensees or agents, projects consisting of facilities, at a site or sites
38 within the State of New Jersey and either within or without the
39 meadowlands complex, that are related to, incidental to, necessary for,
40 or complementary to the accomplishment or purpose of any project of
41 the authority authorized by this section, including any buildings,
42 structures, properties and appurtenances related thereto, incidental
43 thereto, necessary therefor, or complementary thereto, such projects
44 to include driveways, roads, approaches, parking areas, parks,
45 recreation areas, off-track and account wagering systems and facilities,
46 vending facilities, restaurants, transportation structures, systems, and

1 equipment, furnishings and all other structures and appurtenances
2 related to, incidental to, necessary for, or complementary to the
3 purposes of those projects.

4 (8) To establish, develop, acquire, construct, reconstruct, improve
5 and otherwise effectuate for transfer to, and for use and operation by,
6 Rutgers, the State University, either directly or indirectly through
7 lessees, licensees or agents, facilities located or to be located on
8 property owned, leased, or otherwise used by Rutgers, the State
9 University, consisting of an upgraded and expanded football stadium
10 and a new track and field, soccer and lacrosse facility and the
11 buildings, structures, properties and appurtenances related thereto, or
12 incidental to, necessary for, or complementary to the football stadium
13 and track and field, soccer and lacrosse facility, such facilities to
14 include driveways, access roads, approaches, parking areas, parks,
15 recreation areas, vending facilities, restaurants, transportation
16 structures, systems and equipment, furnishings and all other structures
17 and appurtenances related or incidental to, necessary for, or
18 complementary to the purposes of those facilities; provided however
19 that construction shall not begin on the expansion of the seating
20 capacity of Rutgers Stadium until the Commissioner of Transportation
21 certifies that all funding necessary to complete the Route 18 project in
22 Piscataway Township has been appropriated and construction has
23 begun on the Route 18 project in Piscataway Township under the
24 Department of Transportation's capital program.

25 (9) To acquire by purchase, lease or otherwise, and to develop,
26 construct, operate, own, lease, manage, repair, reconstruct, restore,
27 improve, enlarge or otherwise effectuate, either directly or through
28 lessees, licensees or agents, a convention center project in the city of
29 Atlantic City, Atlantic County, consisting of the existing convention
30 hall and a new convention hall or center, and associated parking areas
31 and railroad terminal facilities and including the leasing of adjacent
32 land for hotel facilities. In connection therewith, the authority is
33 authorized to:

34 (a) Assume existing leasehold or other contractual obligations
35 pertaining to any such facilities or properties or to make provision for
36 the payment or retirement of any debts and obligations of the
37 governmental entity operating any such convention hall or center or of
38 any bonds or other obligations payable from and secured by a lien on
39 or pledge of the luxury tax revenues;

40 (b) Make loans or payments in aid of construction with respect to
41 infrastructure and site development for properties located in the area
42 between the sites of the existing convention hall and a new convention
43 center or located contiguous to or across any public road which
44 borders the area;

45 (c) Convert the existing convention hall or any facilities, structures
46 or properties thereof, or any part thereof, not disposed of by the

1 authority, to any sports, exposition, exhibition, or entertainment use
2 or to use as a forum for public events or meetings, or to any other use
3 which the authority shall determine to be consistent with its operation
4 of the Atlantic City convention center project.

5 (10) To provide a feasibility study for the use and development of
6 the existing convention center in the city of Asbury Park, county of
7 Monmouth and to provide a feasibility study for the construction, use
8 and development of a convention center or recreational facility in any
9 other municipality.

10 (11) To provide funding to public or private institutions of higher
11 education in the State to establish, develop, acquire, construct,
12 reconstruct or improve facilities located or to be located on property
13 owned, leased, or otherwise used by an institution, consisting of sports
14 facilities and the buildings, structures, properties and appurtenances
15 related thereto, or incidental to, necessary for, or complementary to
16 those sports facilities, such facilities to include driveways, access
17 roads, approaches, parking areas, parks, recreation areas, vending
18 facilities, restaurants, transportation structures, systems and
19 equipment, furnishings and all other structures and appurtenances
20 related or incidental to, necessary for, or complementary to the
21 purposes of those facilities.

22 (12) To acquire by purchase, lease, or otherwise, including all
23 right, title and interest of the Greater Wildwood Tourism Improvement
24 Development Authority in any property, and to develop, construct,
25 operate, own, lease, manage, repair, reconstruct, restore, improve,
26 enlarge or otherwise effectuate, either directly or through lessees,
27 licensees or agents, a convention center facility in the City of
28 Wildwood, Cape May County, consisting of and including any existing
29 and acquired buildings, structures, properties and appurtenances and
30 including restaurants, retail businesses, access roads, approaches,
31 parking areas, transportation structures and systems, recreation areas,
32 equipment, furnishings, vending facilities, and all other structures and
33 appurtenances incidental to, necessary for, or complementary to the
34 purpose of such Wildwood convention center facility. In connection
35 therewith, the authority is expressly authorized to:

36 (a) assume any existing mortgages, leaseholds or other contractual
37 obligations or encumbrances with respect to the site of the Wildwood
38 convention center facility and any other existing and acquired
39 buildings, structures, properties, and appurtenances;

40 (b) enter into agreements with a local public body or bodies
41 providing for any necessary financial support or other assistance for
42 the operation and maintenance of such Wildwood convention center
43 facility from taxes or other sources of the local public body or bodies
44 as shall be made available for such purposes;

45 (c) to the extent permitted by law and by the terms of the bonds
46 or notes issued to finance the Wildwood convention center facility,

1 transfer its ownership interest or other rights with respect to the
2 convention center facility to another State authority or agency;

3 (d) upon payment of all outstanding bonds and notes issued
4 therefore, transfer its ownership interest and other rights with respect
5 thereto to such other public body as shall be authorized to own and
6 operate such a facility; and

7 (e) convert any existing convention hall or any facilities, structures
8 or properties thereof, or any part thereof, not disposed of by the
9 authority, to any use which the authority shall determine to be
10 consistent with the operation of the Wildwood convention center
11 facility.

12 b. The authority, pursuant to the provisions of P.L.1971, c.137
13 (C.5:10-1 et seq.), is authorized (1) to make, as part of any of the
14 projects, capital contributions to others for transportation and other
15 facilities, and accommodations for the public's use of any of those
16 projects, (2) to lease any part of any of those project sites not
17 occupied or to be occupied by the facilities of any of those projects,
18 for purposes determined by the authority to be consistent with or
19 related to the purposes of those projects, including, but not limited to,
20 hotels and other accommodations for transients and other facilities
21 related to or incidental to any of those projects, and (3) to sell or
22 dispose of any real or personal property, including, but not limited to,
23 such portion of the site of any of those projects not occupied or to be
24 occupied by the facilities of any of those projects, at not less than the
25 fair market value of the property, except in the case of sale or
26 disposition to the State, any political subdivision of the State or any
27 agency or instrumentality of the State or any political subdivision of
28 the State.

29 c. Revenues, moneys or other funds, if any, derived from the
30 operation or ownership of the meadowlands complex, including the
31 conduct of horse race meetings, shall be applied, in accordance with
32 the resolution or resolutions authorizing or relating to the issuance of
33 bonds or notes of the authority, to the following purposes and in the
34 following order:

35 (1) The costs of operation and maintenance of the meadowlands
36 complex and reserves therefor;

37 (2) Principal, sinking fund installments and redemption premiums
38 of and interest on any bonds or notes of the authority payable from
39 such revenues, moneys or other funds and issued for the purposes of
40 the meadowlands complex or for the purposes of refunding the same,
41 including reserves and payments with respect to credit agreements
42 therefor;

43 (3) The costs of any major or extraordinary repairs, renewals or
44 replacements with respect to the meadowlands complex or incidental
45 improvements thereto, not paid pursuant to paragraph (1) above,
46 including reserves therefor;

1 (4) Payments required to be made pursuant to section 18b.;

2 (5) Payments authorized to be made pursuant to section 18c.;

3 (6) Except to the extent payments with respect to bonds or notes
4 are provided with priority in accordance with paragraph (2) of this
5 subsection, payments required to be made in accordance with the
6 resolution authorizing or relating to the issuance of bonds or notes of
7 the authority, for the purposes of any project authorized by this act,
8 including payments and reserves with respect to any bonds or notes of
9 the authority with respect to the meadowlands complex which are not
10 provided with priority in accordance with paragraph (2) of this
11 subsection;

12 (7) Payments required to be made to repay any obligation incurred
13 by the authority to the State;

14 (8) The balance remaining after application in accordance with the
15 above shall be deposited in the General State Fund, provided that (a)
16 there shall be appropriated for authorized State purposes from the
17 amount so deposited that amount which shall be calculated by the
18 State Treasurer to be the debt service savings realized with respect to
19 the refinancing of the initial project as defined in section 1 of
20 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the
21 issuance of bonds of the authority guaranteed by the State, and (b)
22 after such appropriation, 40% of any balance remaining from the
23 amounts so deposited shall be appropriated to the Meadowlands
24 Commission for any of its purposes authorized by P.L.1968, c.404,
25 and any amendments or supplements thereto.

26 d. Revenues, moneys or other funds, if any, derived from the
27 operation or ownership of any project other than the meadowlands
28 complex, the Atlantic City convention center project, or the Wildwood
29 convention center facility and other than a baseball stadium project or
30 an office complex project located on the site of a baseball stadium
31 shall be applied for such purposes, in such manner and subject to such
32 conditions as shall be provided in the resolution authorizing or relating
33 to the issuance of bonds or notes of the authority for the purposes of
34 such project, and the balance, if any, remaining after such application
35 may be applied, to the extent not contrary to or inconsistent with the
36 resolution, in the following order (1) to the purposes of the
37 meadowlands complex, unless otherwise agreed upon by the State
38 Treasurer and the authority, (2) to the purposes of any other project
39 of the authority; and, the balance remaining, if any, shall be deposited
40 in the General Fund.

41 e. Revenues, moneys or other funds, if any, derived from the
42 operation, ownership, or leasing of a baseball stadium project or an
43 office complex project located on the site of a baseball stadium shall
44 be applied for the purposes, in the manner and subject to the
45 conditions as shall be provided in the resolution authorizing or relating
46 to the issuance of bonds or notes of the authority for the purposes of

1 a baseball stadium project or an office complex project located on the
2 site of a baseball stadium, if any, and the balance, if any, remaining
3 after such application shall be applied, to the extent not contrary to or
4 inconsistent with the resolution, to the following purposes and in the
5 following order:

6 (1) The costs of operation and maintenance of a baseball stadium
7 project and an office complex project located on the site of a baseball
8 stadium and reserves therefor;

9 (2) Payments made to repay the bonded indebtedness incurred by
10 the authority for the purposes of a baseball stadium project or an
11 office complex project located on the site of a baseball stadium;

12 (3) Payments equivalent to an amount required to be made by the
13 State for payments in lieu of taxes pursuant to P.L.1977, c.272
14 (C.54:4-2.2a et seq.);

15 (4) The balance remaining after application in accordance with the
16 above shall be deposited in the General Fund.

17 f. Revenues, moneys or other funds, if any, derived from the
18 operation, ownership or leasing of the Atlantic City convention center
19 project shall be applied to the costs of operating and maintaining the
20 Atlantic City convention center project and to the other purposes set
21 forth in this subsection as shall be provided by resolution of the
22 authority.

23 Luxury tax revenues paid to the authority by the State Treasurer
24 pursuant to section 14 of P.L.1991, c.375 (C.5:10-14.4) shall be
25 deposited by the authority in a separate fund or account and applied
26 to the following purposes and in the following order:

27 (1) To pay the principal, sinking fund installments and redemption
28 premiums of and interest on any bonds or notes of the authority,
29 including bonds or notes of the authority issued for the purpose of
30 refunding bonds or notes, issued for purposes of (i) the initial
31 acquisition of the existing properties which will constitute part of the
32 Atlantic City convention center project, if the bonds or notes shall be
33 payable under the terms of the resolution of the authority relating
34 thereto from luxury tax revenues, or (ii) providing improvements,
35 additions or replacements to the Atlantic City convention center
36 project, if the bonds or notes shall be payable under the terms of the
37 resolution of the authority relating thereto from luxury tax revenues;
38 and to pay any amounts due from the authority under any credit
39 agreement entered into by the authority in connection with the bonds
40 or notes.

41 (2) To pay the costs of operation and maintenance of the Atlantic
42 City convention center project.

43 (3) To establish and maintain a working capital and maintenance
44 reserve fund for the Atlantic City convention center project in an
45 amount as shall be determined by the authority to be necessary.

46 (4) To repay to the State those amounts paid by the State with

1 respect to bonds or notes of the authority issued for the purposes of
2 the Atlantic City convention center project.

3 (5) The balance of any luxury tax revenues not required for any of
4 the foregoing purposes and remaining at the end of any calendar year
5 shall be paid to the State Treasurer for application to purposes in the
6 city of Atlantic City pursuant to section 5 of P.L.1981, c.461
7 (C.40:48-8.30a).

8 The authority may pledge the luxury tax revenues paid to it as
9 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security
10 for the payment of the principal of and interest or premium on its
11 bonds or notes issued for the purposes set forth above in paragraph (1)
12 of this subsection f. in the same manner, to the same extent and with
13 the same effect as the pledge of any of its other revenues, receipts and
14 funds authorized by P.L.1971, c.137 (C.5:10-1 et seq.).

15 g. Revenues, moneys or other funds, if any, derived from the
16 ownership or operation of the Wildwood convention center facility
17 shall be applied to the costs of operating and maintaining the
18 Wildwood convention center facility and to the other purposes set
19 forth in this subsection as shall be provided by resolution of the
20 authority.

21 The tourism related tax revenues paid to the authority pursuant to
22 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be
23 deposited by the authority in a separate fund or account and applied
24 to any or all of the following purposes pursuant to an allocation of
25 funds approved by the State Treasurer in writing and in advance of any
26 application of such funds:

27 (1) to pay amounts due with respect to any obligations transferred
28 to the authority pursuant to section 17 of P.L.1997, c.273
29 (C.40:54D-25.1) pertaining to the Wildwood convention center
30 facility:

31 (2) to repay to the State those amounts paid with respect to bonds
32 or notes of the authority issued for the purposes of the Wildwood
33 convention center facility;

34 (3) to pay the cost of operation and maintenance reserve for the
35 Wildwood convention center facility;

36 (4) to establish and maintain a working capital and maintenance of
37 the Wildwood convention center facility.

38 The balance, if any, of any tourism related tax revenues not
39 allocated to any of the purposes set forth in the previous paragraphs
40 and remaining at the end of the calendar year shall be paid to the State
41 Treasurer for deposit in the General Fund.

42 (cf: P.L.1997, c.273, s.20)

43

44 36. Section 18 of P.L.1971, c.137 (C.5:10-18) is amended to read
45 as follows:

46 18. a. All projects and other property of the authority, except an

1 off-track wagering facility or account wagering system facility
2 established pursuant to P.L. , c. (now pending before the Legislature
3 as this bill). is hereby declared to be public property devoted to an
4 essential public and governmental function and purpose and shall be
5 exempt from all taxes and special assessments of the State or any
6 political subdivision thereof; provided, however, that when any part of
7 the project site not occupied or to be occupied by facilities of the
8 project is leased by the authority to another whose property is not
9 exempt and the leasing of which does not make the real estate taxable,
10 the estate created by the lease and the appurtenances thereto shall be
11 listed as the property of the lessee thereof, or his assignee, and be
12 assessed and taxed as real estate. All bonds or notes issued pursuant
13 to the act are hereby declared to be issued by a body corporate and
14 public of the State and for an essential public and governmental
15 purpose and such bonds and notes, and the interest thereon and the
16 income therefrom, and all funds, revenues, income and other moneys
17 received or to be received by the authority and pledged or available to
18 pay or secure the payment of such bonds or notes, or interest thereon,
19 shall at all times be exempt from taxation except for transfer,
20 inheritance and estate taxes.

21 b. To the end that there does not occur an undue loss of future tax
22 revenues by reason of the acquisition of real property by the authority
23 for the meadowlands complex the authority annually shall make
24 payments in-lieu-of-taxes to the municipality in which such property
25 is located in an amount computed in each year with respect to each
26 such municipality by multiplying the total amount to be raised by real
27 property taxation in each such year by a fraction, the numerator of
28 which is the amount of real property taxes assessed against the
29 property acquired by the authority in the tax year in which this act
30 becomes effective and the denominator of which is the total amount to
31 be raised by real property taxation in such municipality in the tax year
32 in which this act becomes effective. Such payments shall be made in
33 each year commencing with the first year subsequent to the year in
34 which such real property shall have been converted from a taxable to
35 an exempt status by reason of acquisition thereof by the authority.

36 c. The authority is further authorized and empowered to enter into
37 any agreement or agreements with the Meadowlands Commission or
38 with any county or municipality located in whole or part within the
39 Hackensack meadowlands whereby the authority will undertake to pay
40 any additional amounts to compensate for any loss of tax revenues by
41 reason of the acquisition of any real property by the authority for the
42 meadowlands complex or to pay amounts to be used by such
43 commission, county or municipality in furtherance of the development
44 of the Hackensack meadowlands, including the meadowlands complex.
45 The commission and every such county and municipality is authorized
46 and empowered to enter into such agreements with the authority and

1 to accept payments which the authority makes thereunder.

2 d. All payments to municipalities pursuant to subsections b. and
3 c. shall be treated as payments in-lieu-of-property taxes for all
4 purposes of article 9 of P.L.1968, c.404 (C.13:17-60 to 13:17-76).
5 (cf: P.L.1971, c.137, s.18)

6

7 37. Section 2 of P.L.1993, c.229 (C.26:2-169) is amended to read
8 as follows:

9 2. The Department of Health and Senior Services shall develop
10 criteria which [a] prevention, education and treatment [program]
11 programs for compulsive gamblers shall meet in order to become
12 eligible for a grant from the funds made available for such [treatment]
13 programs pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).
14 The department shall also develop a formula for the distribution of
15 available funds which will result in an equitable distribution among the
16 programs which meet the eligibility criteria and apply for grants.

17 The department shall submit a report to the Senate Budget and
18 Appropriations Committee and the Assembly Appropriations
19 Committee, or their successors, describing the criteria developed
20 pursuant to this section and detailing the amount of grants distributed
21 and the names of the programs receiving grants. The department shall
22 submit the report annually to both committees.

23 (cf: P.L.1993, c.229, s.2)

24

25 38. This act shall take effect immediately.

26

27

28

STATEMENT

29

30 This bill authorizes the establishment of an off-track wagering
31 system in this State consisting of one or more off-track wagering
32 facilities at which parimutuel wagering will be conducted on simulcast
33 horse races. A maximum of 15 licensed off-track wagering facilities
34 would be permitted (not more than eight during the first two years
35 after the legislation's effective date). The bill also authorizes the
36 establishment of an account wagering system through which persons
37 may wager on horse races by phone or other electronic means.

38

Off-track Wagering

40 The New Jersey Racing Commission is authorized to issue licenses
41 to applicants to permit off-track wagering at specified off-track
42 wagering facilities. As part of the licensing process, an applicant must
43 demonstrate to the commission that it: (1) holds a permit to conduct
44 a race horse meeting in this State; (2) has complied with the terms of
45 the permit; and (3) is in good standing with the commission and the
46 State.

1 In addition, an applicant for initial licensure must demonstrate that
2 it has entered into a contract, called a "participation agreement", with
3 every other entity that meets criteria (1) through (3). It is envisioned
4 that through the participation agreement, current and future permit
5 holders will come to a consensus on a variety of issues, including
6 various aspects of the off-track wagering facility itself and how certain
7 profits generated from the facility will be divided among the permit
8 holders. Through the participation agreement, it is anticipated that
9 current and future permit holders will work together to establish a
10 State-wide, collective-style off-track wagering system.

11 The bill grants the commission oversight of the entire licensing
12 process, including many aspects of the off-track wagering facility
13 itself, such as site plans and the location of the facility and the
14 amenities to be offered at the facility. The bill requires an applicant
15 for an off-track wagering license to submit proof that the proposed
16 off-track wagering facility, even if owned or controlled by the New
17 Jersey Sports and Exposition Authority, will comply with local zoning
18 and planning requirements and if an off-track wagering licensee,
19 including the Sports and Exposition Authority, wants to offer alcoholic
20 beverages for on-premise consumption at an off-track wagering
21 facility, the licensee must acquire a class C license in the traditional
22 manner.

23 The commission will be required to hold a public hearing in the
24 municipality where an off-track wagering facility is proposed to be
25 located with certain notices of the meeting to be published 15 days
26 prior. The Attorney General is given the power to approve or
27 disapprove the commission's decision to grant an off-track wagering
28 license.

29 The bill provides methods for determining how money wagered at
30 an off-track wagering facility will be allocated.

31

32 **Account Wagering**

33 The New Jersey Racing Commission is authorized to issue licenses
34 to applicants to participate in an account wagering system. As part of
35 the licensing process, an applicant must demonstrate to the
36 commission that it: (1) holds a permit to conduct a race horse meeting
37 in this State consisting of at least 50 live race dates; (2) has complied
38 with the terms of the permit; and (3) is in good standing with the
39 commission and the State.

40 In addition, an applicant for initial licensure must demonstrate that
41 it has entered into a participation agreement with every other entity
42 that meets criteria (1) through (3). The participation agreement for
43 the account wagering system would serve a similar function as the
44 participation agreement for the off-track wagering system.

45 As with the off-track wagering system, the bill grants the
46 commission oversight of the entire licensing process of the account

1 wagering system.

2 The bill contains provisions which relate to the opening and
3 maintenance of a wagering account within the system, how credits and
4 debits will be made to a wagering account, and how an account
5 wagering licensee may accept account wagers.

6 Again, the bill provides methods for determining how money
7 wagered through the account wagering system will be allocated.

8

9 **Other Provisions**

10 The bill also:

11 provides for the determination of the amount of funds needed by
12 the New Jersey Racing Commission for its activities and identifies
13 sources to provide those funds, including an annual assessment upon
14 racing permit holders, if necessary;

15 establishes the New Jersey Racing Industry Special Fund and
16 provides that a portion of monies wagered at off-track wagering
17 facilities or through the account wagering system will be allocated to
18 the fund, to be distributed for purse money and various programs;

19 provides that of the money in the New Jersey Horse Racing
20 Industry Special Fund, 65% will be disbursed to permit holders
21 conducting thoroughbred racing and to thoroughbred funds and 35%
22 will be disbursed to permit holders conducting harness racing and to
23 harness funds, except that of the money deposited into the New Jersey
24 Horse Racing Industry Special Fund from the off-track wagering
25 facility located on or closest to the site of the Atlantic City Race
26 Course, 100% will be disbursed to permit holders conducting
27 thoroughbred racing and to thoroughbred funds;

28 requires minutes of all commission meetings to be submitted to the
29 Governor for approval;

30 addresses the licensing and registration of all employees involved
31 with off-track wagering and account wagering;

32 gives racetrack employees working in the admissions department
33 or parimutuel clerk department, and employees of a racetrack's food
34 and beverage vendor, a "one-time right of first refusal offer of
35 employment" for similar positions at each off-track wagering facility
36 as it opens, and with each account wagering licensee as the licensee
37 implements account wagering;

38 provides that if an off-track wagering facility is located at, or in
39 proximity to, a former racetrack, employees of the racetrack's
40 admissions department or parimutuel clerk department, and employees
41 of the racetrack's food and beverage vendor, employed when the
42 racetrack closed, will be given a "one-time right of first refusal offer
43 of employment" for similar positions at the off-track wagering facility
44 and will receive preference for such positions over employees of other
45 racetracks;

46 provides that racetrack employees who receive preference for

1 employment at an off-track wagering facility or with an account
2 wagering licensee will not suffer any reduction in seniority, pay or
3 employer contribution to pension and health benefits and will receive
4 a "substantially equivalent level of benefits";

5 provides that for the calendar year in which the first off-track
6 wagering facility is opened, and for each of the four calendar years
7 thereafter, Monmouth Park and the Meadowlands will schedule no
8 fewer than 170 thoroughbred race dates in the aggregate and no fewer
9 than 151 standardbred race dates, and Freehold Raceway will schedule
10 no fewer than 192 standardbred race dates;

11 provides that the Department of Health and Senior Services will
12 develop criteria for prevention and education programs for compulsive
13 gamblers in order for these programs to receive certain grant money
14 (existing law refers only to treatment programs); and

15 provides for an annual assessment, beginning on July 1, 2001,
16 against permit holders in the amount of \$200,000 to be appropriated
17 to the Department of Health and Senior Services and used to fund
18 prevention and education and treatment programs for compulsive
19 gambling.