LAW AND PUBLIC SAFETY

NEW JERSEY RACING COMMISSION

Horse Racing

The Pick (N)

Proposed Amendment: N.J.A.C. 13:70-29.52

Authorized By: New Jersey Racing Commission, Frank Zanzuccki, Executive Director

Authority: N.J.S.A. 5:5-30

Calendar Reference:

See Summary below for explanation of exception to calendar

requirement.

Proposal Number: PRN 2003 - 323

Submit written comments by October 3, 2003 to:

Frank Zanzuccki, Executive Director **New Jersey Racing Commission** P.O. Box 088, 140 East Front Street Trenton, New Jersey 08625-0088

The agency proposal follows:

Summary

The New Jersey Racing Commission (Racing Commission) is interested in obtaining public comment regarding the proposed amendment to N.J.A.C. 13:70-29.52, the Pick (N). The proposed amendment would require the stewards to declare a race a no contest when the condition of the turf course warrants a change in racing surface to the dirt course, and such a change was not known to the betting public prior to the close of wagering for the Pick (N).

Races moved from the turf to dirt course would be considered void for wagering

purposes and would not be counted for or against the bettor because the amount of winning selections needed to win the Pick (N) would be reduced by the amount of no contest races declared.

Currently bettors who wager into multiple leg pools such as the Pick (N) are at a disadvantage because they are forced to continue a wager which was handicapped specifically for the turf course which is now to be run on the dirt surface after the wager was made and close of betting has occurred. If while wagering is open, a surface change occurs, bettors can either keep or change their selections at any time before the wagering windows close.

Race handicappers realize certain horses are bred to run on the turf and consider it an important element in deciding their selections. Non-programmed surface changes puts them at a disadvantage since the breeding of a horse selected is no longer a factor as a result of this amendment.

The amendment would declare races moved from the turf to the dirt surface after wagering has occurred a no contest for Pick (N) wagering purposes thus eliminating the disadvantage that currently exists.

When a no contest(s) race(s) occurs, the wagering pool will be distributed consistent with the existing provisions of the rule.

This amendment will benefit the handicappers of turf races by not binding them to a contract that no longer includes the programmed surface of a race wagered.

As the Racing Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.31(a)5.

Social Impact

The social impact of the proposed amendment will be positive by allowing patrons who handicap horses they deem "turf runners" the benefit of not being obligated to continue a wager on a runner who is no longer participating on a racing surface which was factored into his or her original selection.

Economic Impact

The proposed amendment will likely have an economic impact on the individual bettors of the Pick (N) pools. A positive economic impact will be realized to wagerers who selected a horse to race on the turf that did not win the leg of the continuation pool moved to the dirt surface because the race was declared a no contest by inception of the proposed amendment, would have the odds of winning such a pool increased.

A negative economic impact will be realized by patrons whose horse which was handicapped for the turf course, win the no contest race which was moved to the dirt surface and in doing so would have to share the net profits of the pool with more winners.

Federal Standards Statement

A Federal standard's analysis is not required because the rules of racing are dictated by State Statute N.J.S.A. 5:5-22 et seq. and the proposed amendment is not subject to any Federal requirements or standards.

Jobs Impact

The proposed amendment will likely have no impact on the work force in the State. No jobs will be gained or lost due to the proposed rule. Existing mutuel clerks, SAM machines, and Tiny Tims should suffice in the implementation and operation of

such contests.

Agriculture Industry Impact

The proposed amendment will have no impact on the agriculture industry in the ${\sf State}.$

Regulatory Flexibility Statement

The proposed amendment imposed no reporting, recordkeeping or compliance requirements on small businesses as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The track associations affected by the amendment are not small businesses, as each employs more than 100 people full-time.

Smart Growth Impact

The proposed amendment will not have an effect on new growth into redevelopment of older urban and suburban areas, protect existing open space, conserve natural resources, increase transportation options and transit availability, reduce automobile traffic and dependency, stabilize property taxes or provide affordable housing. Therefore, the amendment will have no impact on the achievement of smart growth or the implementation of the State Development and Redevelopment Plan.

<u>Full text</u> of the proposal follows (additions indicated in boldface <u>thus</u>; deletions indicated in brackets [thus]):

13:70-29.52 The Pick (N)

- (a) (h) (No change.)
- (i) In accordance with (k) below, when the condition of the turf course

warrants a change of racing surface in any of the legs of the Pick (N) races, and such change has not been known to the betting public prior to the close of the Pick (N) pool, the stewards shall declare the changed leg(s) a "no contest" for Pick (N) wagering purposes, and the pool shall be distributed in accordance with (k) below.

[(i)] (j) (No change in text.)

(k) As specified in (i) above, if at least one contest included as part of a Pick (N) is cancelled or declared "no contest," but not more than the number specified in subsection (j) of this rule, the net pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick (N) contests for that performance. Such distribution shall include the portion ordinarily retained for the Pick (N) carryover but not the carryover from previous performances.

Recodify existing (j) - (m) as (l) - (o) (No change in text.)

Frank Zanzuccki, Executive Director