

## RESOLUTION # 24

### HORSERACING INDUSTRY

1           **WHEREAS**, Rutgers University’s Equine Science Center in 2014 issued a report on  
2 the “State of the New Jersey Horse Racing Industry”; and

3           **WHEREAS**, that report did not seek to quantify the equine industry’s total value or its  
4 annual contributions to the state’s economy, as was done in a 2007 study, but instead looked  
5 at “indicators of horse racing industry health in comparison to two neighboring states,”  
6 including purse monies awarded, number of race days, races restricted to state-bred horses,  
7 mares bred and foals registered; and

8           **WHEREAS**, New Jersey’s statistics in those categories compared unfavorably to  
9 those from the two adjoining states, New York and Pennsylvania, to which they were  
10 compared; and

11           **WHEREAS**, the report concluded these unfavorable results were linked to the fact  
12 that both New York and Pennsylvania have allowed the incorporation of “racinos,” racetracks  
13 where other casino-style gaming options such as slot machines and table games also exist,  
14 into the mix of their states’ gaming industries, while New Jersey has restricted slot machines  
15 and tables games to the casino/hotels in Atlantic City; and

16           **WHEREAS**, the report showed that, as in other industries, consumers in the gaming  
17 industry also prefer a “one-stop shop” arrangement that is as close to home as possible,  
18 making racinos a more attractive alternative to stand-alone casinos and stand-alone  
19 racetracks, and that this preference was harming not only New Jersey’s racetracks, but also  
20 its stand-alone casinos in Atlantic City; and

21           **WHEREAS**, recent discussions in the Legislature have focused on expanding gaming  
22 options outside of Atlantic City in order to counteract the loss of gaming consumers to other  
23 states, especially surrounding states; and

24           **WHEREAS**, the Rutgers report also demonstrated the link between the health of the  
25 New Jersey horseracing industry and the broader equine sector of agriculture, including, but

26 not limited to, the amount of farmland linked to horses, the number of horses kept in New  
27 Jersey for breeding purposes for the horseracing industry; and

28 **WHEREAS**, the report indicated that recent steps taken by the state and the racing  
29 industry, including but not limited to the privatization of racetrack management, development  
30 of off-track wagering sites and modifications to the programs that offer breeding incentives  
31 have had some positive impact on the industry in New Jersey, although not as much as  
32 allowing racinos has had in New York and Pennsylvania; and

33 **WHEREAS**, the horseracing industry has discussed the use of alternative gaming in  
34 support of horseracing, such as "instant" or "historic" racing, casino gaming, and sports  
35 wagering, as an addition to the live-racing card in order to attract more gaming dollars; and

36 **WHEREAS**, according to a 2007 report from the Rutgers Equine Science Center, the  
37 horse industry contributes approximately \$1 billion annually to New Jersey's economy; and

38 **WHEREAS**, in that same study, the state's racing venues were cited as contributing  
39 \$502 million annually to the state's economy; and

40 **WHEREAS**, the loss of racetrack patrons to surrounding states has a direct impact  
41 on the racing industry in New Jersey, resulting in a reduction in the amount of wagers placed  
42 at New Jersey racetracks, which leads to uncompetitive purse awards; and

43 **WHEREAS**, uncompetitive purses led to a loss of breeding horses, as breeders  
44 moved their operations to states where purses are higher, but where the horses must be  
45 bred in those states to qualify for those purses; and

46 **WHEREAS**, the loss of breeding horses, and thus breeding farms in New Jersey, has  
47 resulted in lost revenue, and a loss of employment to a significant number of permanent and  
48 seasonal workers, and has resulted in a new loss of land devoted to agricultural activity,  
49 depriving citizens of productive and scenic open space, which will further harm the related  
50 businesses and industries that depend upon a robust equine sector; and

51           **WHEREAS**, New Jersey’s equine industry also helps sustain multiple supporting  
52 economic sectors, such as hay and grain producers, equipment dealers, veterinarians,  
53 blacksmiths, fencing and construction, and others who are employed by the equine industry.

54           **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 103<sup>rd</sup> State  
55 Agricultural Convention, assembled in Atlantic City, New Jersey, on February 7-8, 2018, urge  
56 the Legislature and Governor to continue to support the New Jersey horseracing industry by  
57 passing legislation allowing some form of alternative games, such as “historic or “instant”  
58 racing, or enacting other gaming at New Jersey racetracks.

59           **BE IT FURTHER RESOLVED**, that we support continuing the dedication of a portion  
60 of the Sire Stakes Program to being open to horses not necessarily sired by a New Jersey-  
61 based stallion but whose dams spend not less than 150 days gestating in the state during  
62 the year they foal.

63           **BE IT FURTHER RESOLVED**, that we urge the Legislature to approve, and the  
64 Governor to sign, all legislation that will support the further development of the entire equine  
65 industry, including horseracing and horse breeding in New Jersey in a manner that will put it  
66 on competitive ground with the horseracing industries in surrounding states.

67           **BE IT FURTHER RESOLVED**, that in the absence of new revenues generated by  
68 alternative gaming, that the state dedicate funds that will support the further development of  
69 the entire equine industry, including but not limited to horseracing and horse breeding, in  
70 New Jersey in a manner that will put them on competitive ground with the equine industries  
71 in neighboring states.