**RESOLUTION # 25**

**EQUINE AND HORSERACING INDUSTRY**

**WHEREAS,** New Jersey’s equine sector is diverse, involving breeding, sports competition, recreation, equine assisted services for children and adults, publicly and privately owned equestrian facilities, research and development at the Rutgers Equine Science Center, horseracing, and other equine and agriculturally related entities and activities; and

**WHEREAS,** it is notable that New Jersey, whose State Animal is the horse, is home to breeders of internationally recognized performance horses, especially in the growing category of Sport Horse competition, and that research and education are important components to the success and future of the equine industry; and

**WHEREAS**, the continued annual commitment of $20 million by the State of New Jersey to supplement purses and breeding incentive programs for Jersey Bred and Sire Stakes horses in New Jersey has been successfuland will be continued for an additional fiveyearsthrough fiscal year 2029, and this legislation supplies the racing and breeding programs with $20 million a year, split equally between Thoroughbreds and Standardbreds; and

**WHEREAS**, in addition, because of the state incentives so far, In, 2021, the total live wagering handle at New Jersey’s three racetracks was $27 million, representing aa *78-percent* increase from the total live wagering handle in 2020, which was $15.3 million; and

**WHEREAS**, in 2021, the total intrastate simulcasting handle was $8***.****1* million, representing a *7-percent* increase from the 2020 intrastate wagering handle of $7.6 million; and in 2021, the total interstate simulcasting handle was $171 million, representing a *48-percent* increase from the 2020 interstate wagering handle of $116million; and

**WHEREAS**, In 2021, the total off-track and account wagering handle was $390***.****9,* representing a 1-percent increase over the 2020 total off-track and account wagering handle of $386***.****9* million; and

**WHEREAS,** these numbers demonstrate the turnaround horsemen were looking for through the commitment by the State, and because of the state incentives, the number of Standardbred stallions standing in New Jersey has remained steady and number of mares bred increased from 442 and foals registered from 272 in 2019 to *766* mares bred and *507*foals registered in 202*~~3,~~* an increase of *73* percent and *86*percent, respectively, and in addition, a new pacing stallion, Tattoo Artist, which earned more than $2.55 million in its lifetime, stoodat Deo Volente Farms in 2024; and

**WHEREAS,** New Jersey Sire Stakes program purses also increased from $2.9 million in 2019 to $4.1 million in 2023, an increase of 38 percent, and ownersof New Jersey bred horses reaped the benefits, with purse increases for the NJSS and the addition of the New Jersey Maturity series during this time period; and

**WHEREAS,** in September 2024, Freehold Raceway announced it would cease all live harness racing and simulcast operations in December 2024; and

**WHEREAS**, the current owners purchased the track in 1999 as the nation’s oldest racing track, having officially started in 1853, and in 42 days of live racing last year, Freehold had a gross handle of $13.8 million and an on-track handle of $1.3 million; and

**WHEREAS,** Freehold Raceway’s closure will have a direct impact on the state’s equine industry, and. economically, there will be a reduction of horsemen’s benefits based on the lost revenue from the track closure; and

**WHEREAS**, there will be fewer horses stabled locally, reducing the employment at the training centers, and horsemen will move out of the state to provide for their families, as well as feed companies, veterinarians, and farriers losing income as the number of horses in the area decline; and

**WHEREAS,** in the Thoroughbred industry, steady increases in mares and foals born in the state have reversed years of steady decline; and

**WHEREAS**,there werefour registered stallions standing in New Jersey in 2023, and three new stallions standing in New Jersey in 2024, with one of them, Max Player, being a multiple Grade 1 winner that earned over $1.5 million; and

**WHEREAS**, since 2004, as part of revisions to the sales tax code, horse stall rental has been considered a sales-taxable item, and legislation is needed to clarify that horse stalls and related horse-keeping expenses should not be subject to New Jersey sales tax; and

**WHEREAS**, in addition to racehorses, New Jersey also is home to a significant number of other sporting and pleasure horses, and the continued promotion of that part of the sector, through the Equine Advisory Board and Rutgers Equine Science Center, is crucial to maintaining a well-rounded equine sector; and

**WHEREAS**, in 2023, the Rutgers Equine Science Center hosted the first New Jersey Equine Industry Summit in 20 years, for the purpose of taking the pulse on the challenges the horse industry faces and to come up with solutions to ensure its sustainability.

**NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 110th State Agricultural Convention, assembled in Atlantic City, New Jersey, on February 5-6, 2025, direct the New Jersey Department of Agriculture (NJDA) and the Equine Advisory Board to continue pursuing alternative funding options to support the Board’s mission to promote the New Jersey equine industry and to support youth educational programs and equine research at the Rutgers Equine Science Center.

**BE IT FURTHER RESOLVED**, that we strongly support legislation that would continue the $20 million annual State appropriation to the horseracing industry in order to keep purses at a level that encourages and supports the breeding sector remaining in New Jersey, and to look to find races for horses currently racing at Freehold Raceway.

**BE IT FURTHER RESOLVED**, that we urge the Legislature to pass, and the Governor to sign, legislation to exempt from the state sales tax pursuant to the “Sales and Use Tax Act” the activities of stabling a horse, pony, mule, donkey or hinny in a barn, stable or other similar structure or facility by a person engaged in the business of boarding, stabling or otherwise keeping or holding horses, ponies, mules, donkeys or hinnies.

**BE IT FURTHER RESOLVED**, that we urge the NJDA, through the veterinarians and other equine-related interests, to educate owners about responsible breeding, considering the health and quality of foals, and plans for long-term use and outlets for horses produced.

**BE IT FURTHER RESOLVED**, that we urge the NJDA to support the Equine Science Center along with the New Jersey Agricultural Experiment Station at Rutgers, including budget and legislative funding requests to continue the cutting-edge research and education of the equine industry in New Jersey and to sustain the growth of the industry in the Garden State.