

## **ARTICLE 14. CASINO SIMULCASTING**

### **5:12-191 Short title; Casino Simulcasting Act.**

Sections 1 through 20 of this act shall be known and may be cited as the "Casino Simulcasting Act."

L.1992, c.19, §1, eff. June 12, 1992.

### **5:12-192 Definitions**

As used in sections 1 through 20 of this act:

"Casino" means a licensed casino or gambling house located in Atlantic City at which casino gambling is conducted pursuant to the provisions of P.L.1977, c.110 (C.5:121 et seq.).

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

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

"Interstate common pool" means a parimutuel pool established within this State or in another state or foreign nation within which is combined parimutuel pools of one or more receiving tracks located in one or more states or foreign nations upon a race at a sending track located outside of this State for the purpose of establishing Payoff prices in the various jurisdictions.

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

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

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

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

L.1992, c.19, §2, eff. June 12, 1992.

### **5:12-193 Casino simulcasting permitted**

It shall be lawful for a casino to conduct casino simulcasting with any in-State sending track and with any out-of-State sending track in accordance with the provisions of this act, the applicable regulations of the New Jersey Racing Commission and the Division of Gaming Enforcement and any joint regulations of these commissions promulgated pursuant to this act.

L.1992, c.19, § 3, eff. June 12, 1992.

Amended by:

L.2011, c.19, §115, eff. Feb. 1, 2011.

### **5:12-194 Establishment of casino simulcasting facility**

a. (1) A casino licensee which wishes to conduct casino simulcasting shall establish a simulcasting facility as part of the casino hotel. The simulcasting facility may be adjacent to, but shall not be part of, any room or location in which casino gaming is conducted pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.). The simulcasting facility shall conform to all requirements concerning square footage, equipment, security measures and related matters which the Division of Gaming Enforcement shall by regulation prescribe. The space required for the establishment of a simulcasting facility shall not reduce the space authorized for casino gaming activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83). The cost of establishing, maintaining and operating a simulcasting facility shall be the sole responsibility of the casino licensee.

(2) Wagering on simulcast horse races shall be conducted only in the simulcasting facility, which shall be open and operated whenever simulcast horse races are being transmitted to the casino hotel during permitted hours of casino operation.

(3) Any authorized game, as defined in section 5 of P.L.1977, c.110 (C.5:12-5), other than slot machines may be conducted in a simulcasting facility subject to the rules and regulations of the Division of Gaming Enforcement.

(4) The security measures for a simulcasting facility shall include the installation by the casino licensee of a closed circuit television system according to specifications approved by the Division of Gaming Enforcement. The Casino Control Commission and the Division of Gaming Enforcement shall have access to the system or its signal in accordance with regulations of the commission.

b. All persons engaged directly in wagering-related activities conducted by a casino licensee in a simulcasting facility, whether employed by the casino licensee or by a person or entity conducting casino simulcasting in the simulcasting facility pursuant to an agreement with the casino licensee and all other employees of the casino licensee or of the person or entity conducting casino simulcasting who are working in the simulcasting facility, shall be licensed or registered in accordance with regulations of the Casino Control Commission or the Division of Gaming Enforcement.

Any employee at the Atlantic City Race Course or Garden State Park on or after June 12, 1992, who loses employment with that racetrack as a direct result of the implementation of casino simulcasting and who has been licensed by the New Jersey Racing Commission for five consecutive years immediately preceding the loss of employment shall be given first preference for employment whenever any comparable position becomes available in any casino simulcasting facility, provided the person is qualified pursuant to this

subsection. If a casino licensee enters into an agreement with a person or entity for the conduct of casino simulcasting in its simulcasting facility, the agreement shall include the requirement that such first preference in employment shall be given by the person or entity with respect to employment in the simulcasting facility.

c. A casino licensee which establishes a simulcasting facility and conducts casino simulcasting shall, as a condition of continued operation of casino simulcasting, receive all live races which are transmitted by in-State sending tracks.

d. Agreements between a casino licensee and an in-State or out-of-State sending track for casino simulcasting shall be in writing and shall be filed with the New Jersey Racing Commission and with the Division of Gaming Enforcement in accordance with section 104 of P.L.1977, c.110 (C.5:12-104).

L.1992, c. 19, § 4, eff. June 12, 1992.

As amended:

L.1993, c.121, § 3, eff. May 27, 1993.

L.1996, c. 84, § 8, eff. July 25, 1996.

L.2011, c. 19, §116, eff. Feb. 1, 2011.

L.2011, c.231, § 8, eff. Jan. 17, 2012.

### **5:12-195 Application to conduct casino simulcasting, conditions of approval**

A permit holder which wishes to conduct casino simulcasting shall request the approval of the New Jersey Racing Commission in its annual application for horse race meeting dates filed with that commission pursuant to section 23 of P.L.1940, c.17 (C.5:5-43), or, if applying between the submittal of annual applications, through such supplemental application as that commission shall deem appropriate. The New Jersey Racing Commission shall not approve the request of any permit holder to conduct casino simulcasting

unless the permit holder will conduct a number of live racing programs during the period for which the permit is issued which is equal to the following:

a. in the case of harness races, each permit holder shall conduct at least the number of live racing programs required under subsections b. and c. of section 30 of P.L.2001, c.199 (C.5:5-156); and

b. in the case of running races, Monmouth Racetrack and Meadowlands Racetrack shall conduct at least the same number of live racing programs required under subsection a. of section 30 of P.L.2001, c.199 (C.5:5-156), and each of the other permit holders conducting running races shall conduct at least five live racing programs, except that in calendar year 2010 Monmouth Racetrack may conduct at least 71 live racing programs and Meadowlands Racetrack may conduct zero live racing programs.

For the purpose of satisfying the requirements of this section for the conduct of live racing programs, any live racing program or part thereof which is cancelled because of weather or another act of God shall be deemed to have been conducted, subject to the approval of the New Jersey Racing Commission.

L.1992, c. 19, §195, eff. June 12, 1992.

Amended by:

L.2001, c.198, § 1, eff. Aug. 5, 2001.

L.2009, c. 92, § 2, eff. July 31, 2009.

L.2010, c. 18, § 2, eff. May 22, 2010.

L.2011, c. 96, § 3, eff. Aug. 5, 2011.

### **5:12-196 Transmission of live races to casinos**

A permit holder which is authorized to conduct casino simulcasting shall have discretion to transmit all or some of the live races conducted at the racetrack to casinos which have established simulcasting facilities pursuant to this act. However, any race which is transmitted from an in-State sending track shall be transmitted to all casinos which have established simulcasting facilities.

L.1992, c.19, §6, eff. June 12, 1992.

### **5:12-197 Casino wagers included in pari-mutuel pool**

Sums wagered at a casino on the result of a simulcast horse race at an in-State sending track shall be included in the appropriate parimutuel pool generated at the in-State sending track for the race being transmitted. The parimutuel pool on the simulcast horse races originating at an in-State sending track shall be divided pursuant to section 8 of this act. Payments to persons holding winning tickets at a casino shall be made according to the same odds as those generated at the in-State sending track. A person placing a wager on a simulcast horse race at a casino shall not be charged a fee for placing the wager in addition to the amount wagered.

L.1992, c.19, §7, eff. June 12, 1992.

### **5:12-198 Distribution of undistributed casino wagers**

Sums wagered at a casino on races being transmitted to that casino from an in-State sending track shall be deposited in the parimutuel pool generated at the in-State sending track for those races and shall be distributed in accordance with the provisions of section 44 of P.L.1940, c.17 (C.5:5-64) or section 1 of P.L.1984, c.236 (C.5:5-64.1), as appropriate. The sums wagered at a casino which remain undistributed pursuant to those sections shall be distributed as follows:

a. .50% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission for deposit in the Casino Simulcasting Fund established pursuant to section 18 of this act;

b. 8.25% of the pool generated at the casino for a race where the patron is required to select one horse, 9.25% of the pool generated at the casino for a race where the patron is required to select two horses, and 12.25% of the pool generated at the casino for a race where the patron is required to select three or more horses shall be paid to the casino receiving the simulcast race;

c. .50% of the pool generated at the casino shall be set aside as follows:

(1) in the case of harness races being transmitted from an in-State sending track, in the special trust account established pursuant to or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(l) of P.L.1982, c.201 (C.5:5-98), or section 7f.(l)(a) of P.L.1971, c.137 (C.5:107), as appropriate, for use and distribution as provided in section 46a.(2)(a), (b), and (c). of P.L.1940, c.17 (C.5:5-66), section 2b.(l), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(l)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(l)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

(2) in the case of running races being transmitted from an in-State sending track, in the special trust account established pursuant to or specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5.5-98), or section 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and distribution as provided therein;

d. .03% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission and set aside in the special trust account for horse breeding and development for distribution and use as provided in section 5 of P.L.1967, c.40 (C.5:5-88); and

e. 7.72% of the pool generated at the casino for a race where the patron is required to select one horse, 8.72%, of the pool generated at the casino for a race where the patron is required to select two horses, and 11.72% of the pool generated at the casino for a race where the patron is required to select three or more horses shall be distributed as follows:

(1) 50% of that amount shall be retained by the sending track, except that each sending track shall contribute, out of its share of a pool generated for a race where the patron is required to select three or more horses, a sum deemed necessary by the New Jersey Racing Commission for use by the commission to finance a prerace bloodtesting program and such other

testing programs which that commission shall deem proper and necessary and which shall be subject to the regulation and control of that commission, and

(2) 50% of that amount shall be distributed as follows:

(a) in the case of harness races being transmitted from an in-State sending track, as overnight purse money at the sending track and for programs designed to aid the horsemen and the Standardbred Breeders' and Owners' Association of New Jersey, as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:59-8), or section 7f.(l)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, including the retention, out of this share of a parimutuel pool where the patron is required to select three or more horses, of a sum deemed necessary by the New Jersey Racing Commission for use by that commission to finance a prerace blood testing program and such other testing programs which that commission shall deem proper and necessary and which shall be subject to the regulation and control of that commission, or as provided by a contractual agreement authorized under section 11 of P.L.2013, c.266 (C.5:5-188); and

(b) in the case of running races being transmitted from an in-State sending track, as overnight purse money at the sending track and for programs designed to aid the horsemen and the New Jersey Thoroughbred Horseman's Benevolent Association, as provided in section 46b.(l)(d) and (2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137, (C.5:10-7), as appropriate, including the retention, out of this share of a parimutuel pool where the patron is required to select three or more horses, of a sum deemed necessary by the New Jersey Racing Commission for use by that commission to finance a prerace blood testing program and such other testing programs which that commission shall deem proper and necessary and which shall be subject to the regulation and control

of that commission, or as provided by a contractual agreement authorized under section 12 of P.L.2013, c.266 (C.5:5-189).

L.1992, c. 19, §8, eff. June 12, 1992.

Amended by:

L.2013, c.266, §9, eff. Jan. 17, 2014.

**5:12-199 Out-of-State horse races, simulcast; approved casinos, licensed sending tracks**

A casino which chooses to conduct casino simulcasting and which operates a simulcasting facility may, with the approval of both the New Jersey Racing Commission and the New Jersey Division of Gaming Enforcement, also receive simulcast horse races conducted at out-of-State sending tracks in accordance with the provisions of this act and any applicable regulations of these commissions and joint regulations of these commissions promulgated pursuant to this act.

In order to be eligible to participate in casino simulcasting, an out-of-State sending track shall be approved by the New Jersey Racing Commission and be subject to licensure by the Division of Gaming Enforcement as a casino service industry enterprise pursuant to subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92). The approval of the New Jersey Racing Commission shall only be granted when that commission, in its discretion and after consideration of the interests of the casino making application, determines that approval is in the best interest of the public and the racing industry in New Jersey.

L.1992, c.19, § 9, eff. June 12, 1992.

Amended by:

L.2009, c.36, § 27, eff. Apr. 8, 2009.

L.2011, c.19, §117, eff. Feb. 1, 2011.

**5:12-200 Receipt from out-of-State of simulcast horse races during permitted hours of operation**

A casino which has been authorized to receive simulcast horse races from out-of-State sending tracks may receive such races only during permitted

hours of casino operation. No limit shall be placed on the number of simulcast horse races that may be received during the permitted hours of operation except as otherwise provided herein.

L.1992, c.19, §200, eff. June 12, 1992.

**5:12-201 Payment to out-of-State sending track**

a. A casino which receives a simulcast horse race from an out-of-State sending track shall pay the out-of-State sending track for the transmission such amount, if any, as may be agreed upon by the casino and the out-of-state sending track.

b. (Deleted by amendment, P.L.2015, c.33).

L.1992, c. 19, §11, eff. June 12, 1992.

Amended by:

L.1993, c.292, §37, eff. Dec. 21, 1993.

L.2001, c.198, § 2, eff. Aug. 5, 2001.

L.2009, c. 36, §28, eff. Apr. 8, 2009.

L.2012, c. 9, § 1, eff. May 2, 2012.

L.2015, c. 33, § 1, eff. Apr. 27, 2015.

**5:12-202 Combining of pari-mutuel pools, formation of interstate common pool**

a. Except as provided in subsection b. of this section, the New Jersey Racing Commission shall not permit an out-of-State sending track to participate in casino simulcasting unless the parimutuel pools in the casinos shall be combined with comparable parimutuel pools at the out-of-State sending track. The types of wagering, takeout, distribution of winnings, rules of racing, method of calculating breakage, and the percentage of deposits remaining undistributed from a parimutuel pool after payment is made to winning ticket holders shall be determined in accordance with the law or policy applicable to the out-of-State sending track.

b. With the prior approval of the New Jersey Racing Commission and the concurrence of the out-of-State sending track, a casino and receiving tracks or

entities in other states other than the state in which the sending track is located may form an interstate common pool. With respect to such interstate common pools, the Racing Commission may approve types of wagering, takeout, distribution of winnings, rules of racing, method of calculating breakage, and a percentage of deposits remaining undistributed from a parimutuel pool after payment is made to winning ticket holders which are different from those which would otherwise be applied in this State but which are consistent for all parties to the interstate common pool.

c. Moneys resulting from breakage on amounts wagered at a casino and from outstanding parimutuel tickets issued at a casino simulcasting facility in all instances shall be distributed as provided in section 13 of this act.

L.1992, c.19, §202, eff. June 12, 1992.

#### **5:12-203 Wagers subject to takeout rate**

Sums wagered at a casino on races being transmitted to that casino from an out-of-State sending track shall be subject to the takeout rate determined pursuant to section 12 (C.5:12-202) of this act, and the sums resulting from that takeout rate as applied to the parimutuel pool generated at the casino shall be distributed as follows, subject to the provisions of section 16 (C.5:12-206) of this act:

a. .50% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission for deposit in the Casino Simulcasting Fund established pursuant to section 18 (C.5:12-208) of this act;

b. the actual amount paid by the casino for the transmission of the race shall be paid to the casino to be used for payment to the out-of-State sending track for the transmission of the race, as provided in section 11 (C.5:12-201) of this act;

c. in calendar years 1993, 1994, and 1995, 2% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission for payment to the Atlantic City Racetrack until a total of

\$100,000,000 in parimutuel pools has been generated in wagering on simulcast races at all casinos in each of those calendar years, except that if casino simulcasting in Atlantic City begins after January 1, 1993 and before January 1, 1994, 2% of the parimutuel pool generated at the casino shall be paid to the commission for payment to the Atlantic City Racetrack until that portion of \$100,000,000 determined by the following formula has been generated in wagering at casinos on simulcast races in 1993:

$$A/B = C/D$$

here: A = 365 minus (a) the number of racing days in 1993, other than live racing days, prior to the commencement of casino simulcasting in Atlantic City that the Atlantic City Racetrack conducts simulcasting under the provisions of the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions of section 37 of P.L.1992, c.19 (C.5:5-125), and (b) the number of live racing days conducted by the Atlantic City Racetrack in 1993;

B = 365 (the number of calendar days in 1993);

C = the amount of the parimutuel pool generated in wagering on simulcast races in 1993 of which 2% is to be paid to the New Jersey Racing Commission for payment to the Atlantic City Racetrack;

D = \$100,000,000;

d. of the amount remaining after the deduction of the amounts under subsections a., b., and c. from the amount of the takeout rate, 55% shall be paid to the casino;

e. .50% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission and shall be deposited by that commission as follows:

(1) 50% in the special trust account established pursuant to or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and distribution as provided in section 46a.(2)(a), (b), and (c) of P.L.1940, c.17

(C.5:5-66), section 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

(2) 50% in the special trust account established pursuant to or specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and distribution as provided therein;

f. .03% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission and set aside in the special trust account for horse breeding and development for distribution and use as provided in section 5 of P.L.1967, c.40 (C.5:5-88); and

g. the amount remaining after the deduction of the amounts under subsections a., b., c., d., e., and f. from the amount of the takeout rate shall be distributed as follows:

(1) 43% of that remaining amount shall be paid to the New Jersey Racing Commission and shall be distributed by that commission, on the basis of the following formula, among the New Jersey racetracks for their own use:

$$A/B = C/D$$

here: A = the gross parimutuel pool generated at each racetrack during the preceding calendar year, including the parimutuel pool on simulcast races;

B = the gross parimutuel pool generated at racetracks Statewide during the preceding calendar year, including the parimutuel pool on simulcast races;

C = the amount to be paid to each racetrack from the moneys available for distribution pursuant to this paragraph;

D = the total amount of moneys available for distribution pursuant to this paragraph;

(2) 43% of that remaining amount shall be paid to the New Jersey Racing Commission and, subject to the provisions of section 14 of this act

(C.5:12-104), shall be distributed by that commission, in the following year and on the basis of the following formula, among the New Jersey racetracks for payment as purse money and for programs designed to aid horsemen and horsemen's organizations as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, except that the amount distributed to standardbred racetracks for payment as purse money may be distributed as provided by a contractual agreement authorized under section 11 of P.L.2013, c.266 (C.5:5-188), and section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races, except that the amount distributed to thoroughbred racetracks for payment as purse money may be distributed as provided by a contractual agreement authorized under section 12 of P.L.2013, c.266 (C.5:5-189):

$$A/B = C/D$$

here: A = the total amount distributed by each racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races, during the preceding calendar year, plus any additional amounts paid out by each racetrack for overnight purses during the preceding calendar year from the permit holder's share of the pari-mutuel pool;

B = the total amount distributed by racetracks Statewide pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, and pursuant to section 46b.(1)(d) and 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), and section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races, during the preceding calendar year,

plus any additional amounts paid out by racetracks for overnight purses during the preceding calendar year from the permit holders' share of the parimutuel pool;

C = the amount to be paid to each racetrack from the moneys available for distribution pursuant to this paragraph;

D = the total amount of moneys available for distribution pursuant to this paragraph; and

(3) 14% of that remaining amount shall be paid to the New Jersey Racing Commission for deposit in the Casino Simulcasting Special Fund established pursuant to section 15 of this act (C.5:12=205).

In addition, all breakage moneys and outstanding parimutuel ticket moneys resulting from the wagering at the casino shall be paid to the New Jersey Racing Commission and deposited in the Casino Simulcasting Special Fund.

If a racetrack conducts both harness races and running races, the moneys the racetrack receives for payment pursuant to paragraph (2) of subsection g. above shall be distributed on the basis of the following formula:

$$A/B = C/D$$

here: A = the total amount distributed by the racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, in the case of harness races, plus any additional amounts paid out by the racetrack for overnight purses for harness races during the preceding calendar year from the permit holder's share of the parimutuel pool, or pursuant to section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, in the case of running races, plus any additional amounts paid out by the racetrack for

overnight purses for running races during the preceding calendar year from the permit holder's share of the parimutuel pool, as the case may be;

B = the total amount distributed by the racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, plus any additional amounts paid out by the racetrack for overnight purses for both harness and running races during the preceding calendar year from the permit holder's share of the parimutuel pool;

C = the amount to be paid by the racetrack for overnight purse money and for programs designed to aid horsemen and horsemen's organizations as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races;

D = the total amount of moneys available to the racetrack for distribution as overnight purse money and for programs designed to aid horsemen and horsemen's organizations pursuant to this paragraph.

L.1992, c. 19, §13, eff. June 12, 1992.

Amended by:

L.1992, c.199, § 1, eff. Dec. 24, 1992.

L.2009, c. 36, §29, eff. Apr. 8, 2009.

L.2012, c. 9, § 2, eff. May 2, 2012.

L.2013, c.266, §10, eff. Jan. 17, 2014.

L.2015, c. 33, § 2, eff. Apr. 27, 2015.

### **5:12-204 Procedure for revision of formula**

During the 36th month after the commencement at any casino in Atlantic City of casino simulcasting from an out-of-State sending track, any operating racetrack, the Standardbred Breeders' and Owners' Association, or the Thoroughbred Horseman's Benevolent Association may file a petition with the New Jersey Racing Commission requesting that the formula contained in section 13g.(2) be revised. The petition shall be in writing and shall include a statement of reasons in support of a revision. If such a petition is filed, the racetracks, the Standardbred Breeders' and Owners' Association, and the Thoroughbred Horseman's Benevolent Association shall commence negotiations on the formula contained in section 13g.(2) of this act. If the parties agree on a formula, they shall make their recommendation to the Racing Commission no later than the end of the 39th month after the commencement of such simulcasting.

If the parties cannot agree on a formula by the end of that 39th month, the Racing Commission shall select a fact-finder, as hereinafter provided, to hear the matter. The fact-finder shall be knowledgeable about the racing industry but shall not be a current member or employee of the New Jersey Racing Commission, any operating racetrack, the Standardbred Breeders' and Owners' Association or the Thoroughbred Horseman's Benevolent Association.

No later than the fifth day after the end of that 39th month, the Racing Commission shall submit to the operating racetracks, the Standardbred Breeders' and Owners' Association, and the Thoroughbred Horseman's Benevolent Association a list of at least five names of persons to serve as the fact-finder. Each of the recipients of the list shall rank in order of preference the names submitted and shall return the list within five days. No later than the fifth day after the return to the Racing Commission of all such lists, the Race Commission shall, in its discretion, select the fact-finder after giving due consideration to the rankings provided by the racetracks and associations. Notwithstanding the provisions of section 15 of this act, the Racing

Commission may pay from the Casino Simulcasting Special Fund the amount necessary to compensate the fact-finder. The fact-finder shall make a report and recommendation on a formula to the Racing Commission no later than the end of the 42nd month after the commencement of such simulcasting from an out-of-State sending track.

The Racing Commission shall review any recommendation and report made to it on a formula and may adopt any formula which, in its judgment, is equitable to the parties concerned and is in the best interest of racing in New Jersey. The Commission shall promulgate, in accordance with the "Administrative Procedure Act," P.L.1968, C.410 (C. 52:14B-1 et seq.), such rules and regulations as are necessary to effectuate a revised formula, which shall take effect upon the adoption by the commission of the rules and regulations containing the formula and shall supersede the formula in section 13g.(2).

If no petition is filed by the end of the 36th month after the commencement of such simulcasting, the formula in section 13g.(2) shall continue to be operative.

L. 1992, c.19, §14, eff. June 12, 1992.

### **5:12-205 "Casino Simulcasting Special Fund" established**

The New Jersey Racing Commission shall establish and administer a separate fund to be known as the "Casino Simulcasting Special Fund," into which shall be deposited the sums dedicated to the fund by section 13 of this act.

Moneys deposited in the special fund shall be annually disbursed in their entirety by the New Jersey Racing Commission and used for the following purposes in the following order of priority:

a. Moneys in the special fund shall first be used to pay the difference between the amount paid to the Atlantic City Racetrack pursuant to subsection c. of section 13 of this act and \$2,000,000 in each calendar year during

calendar years 1993, 1994, and 1995, except that if casino simulcasting in Atlantic City begins after January 1, 1993 and before January 1, 1994, the amount to be paid for calendar year 1993 shall be the difference between the amount paid pursuant to subsection c. of that section 13 and that portion of \$2,000,000 determined by the following formula:

$$A/B = C/D$$

where: A = 365 minus (a) the number of racing days in 1993, other than live racing days, prior to the commencement of casino simulcasting in Atlantic City that the Atlantic City Racetrack conducts simulcasting under the provisions of the "Simulcasting Racing Act," P.L.1985, c.269 (C. 5:5-110 et seq.) or the provisions of section 37 of P.L.1992, c.19 (C. 5:5-125), and (b) the number of live racing days conducted by the Atlantic City Racetrack in 1993;

B = 365 (the number of calendar days in 1993);

C = the total amount to be paid to the Atlantic City Racetrack;

D = \$2,000,000

b. From any amounts remaining after the payments required by subsection a. of this section are made, the New Jersey Racing Commission shall pay to each casino which began to conduct casino simulcasting within six months after the effective date of this act an amount equal to the breakage moneys and outstanding parimutuel ticket moneys resulting from wagering at the casino on simulcast horse races from out-of-State sending tracks during the first five years that the casino conducts casino simulcasting and 50% of these amounts thereafter.

c. From any amounts remaining after the payments required by subsections a. and b. of this section are made, the New Jersey Racing Commission shall pay to each casino which begins to conduct casino simulcasting later than six months after this act's effective date, including casinos established after that date, an amount equal to the breakage moneys and outstanding parimutuel tickets moneys resulting from wagering at the casino on simulcast horse races from out-of-State sending tracks during the

first two years that the casino conducts casino simulcasting and 40% of these amounts thereafter.

d. From any amounts remaining after the payments required by subsection a., b., and c. of this section are made, the New Jersey Racing Commission shall compensate, in such amounts as that commission deems appropriate, the following entities in the following order or priority:

(1) any racetrack in this State which can demonstrate to the satisfaction of that commission that its financial well-being has been negatively affected by casino simulcasting;

(2) any racetrack in this State which that commission finds to be financially distressed;

(3) any horsemen's organization which will use the money to fund a project which that commission determines will be beneficial to the racing industry; and

(4) all racetracks located in this State on an equal basis.

L.1992, c. 19, §15, eff. June 12, 1992.

Amended by:

L.1992, c.199, § 2, eff. Dec. 24, 1992.

### **5:12-206 Payment to Atlantic City Racetrack**

Payment to the Atlantic City Racetrack of sums provided by subsection c. of section 13 or subsection a. of section 15 of this act shall be made after the conclusion of each month in the remainder of calendar year 1994 and in calendar year 1995, except that the first monthly payment to be made shall include all such sums due to the Racetrack for the previous months of the relevant calendar year. In order to be eligible to receive the amounts provided by those subsections, the Atlantic City Racetrack shall not receive any simulcast horse race under the provisions of the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions of section 37 of this act during any part of an applicable calendar year, or if casino simulcasting in Atlantic City begins after January 1, 1993 and before January 1, 1994 then

during any part of 1993 after the commencement of casino simulcasting in Atlantic City, other than when a horse race meeting is being conducted at Atlantic City Racetrack pursuant to a permit issued by the New Jersey Racing Commission. If the Atlantic City Racetrack becomes ineligible during a calendar year to receive the amount provided by subsection c. of section 13 or subsection a. of section 15 of P.L.1992, c.19 (C.5:12-203 and 5:12-205), the monthly payments shall terminate and the Atlantic City Racetrack shall reimburse the New Jersey Racing Commission for the amount previously received in that calendar year. If the Atlantic City Racetrack is not eligible to receive the amount provided by subsection c. of section 13, that amount shall be distributed on the basis of subsection d. and g. of section 13 of this act.

L.1992, c. 19, §16, eff. June 12, 1992.

Amended by:

L.1992, c.199, § 3, eff. Dec. 24, 1992.

L.1994, c. 70, § 1, eff. July 7, 1994.

### **5:12-207 Depositing of State revenue**

The State revenue derived from casino simulcasting pursuant to subsection a. of sections 8 and 13 of this act shall be deposited in the "Casino Simulcasting Fund" established pursuant to section 18 of this act and used for the purpose provided by that section.

L.1992, c.19, §17, eff. June 12, 1992.

### **5:12-208 "Casino Simulcasting Fund" established**

There is hereby created and established in the Department of the Treasury a separate special account to be known as the "Casino Simulcasting Fund," into which shall be deposited all State revenues derived through subsection a. of sections 8 and 13 of this act. Moneys in the Casino Simulcasting Fund shall be appropriated exclusively for services to benefit eligible senior citizens. On or about March 15 and September 15 of each year, the State Treasurer shall publish in at least 10 newspapers circulating

generally in the State a report accounting for the total revenues received in the Casino Simulcasting Fund and the specific amounts of money appropriated therefrom for specific expenditures during the preceding six months ending December 31 and June 30.

L.1992, c.19, §18, eff. June 12, 1992.

#### **5:12-209 Distribution of interest from funds generated by simulcasting**

All amounts generated from casino simulcasting shall be placed in an interest-bearing account and thereafter all accrued interest shall be distributed proportionately to the parties entitled to the revenue pursuant to the provisions of this act.

L.1992, c.19, §19, eff. June 12, 1992.

#### **5:12-210 Rules and regulations**

The Division of Gaming Enforcement and the New Jersey Racing Commission shall individually and jointly promulgate and adopt any rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes of P.L.1992, c.19 (C.5:12-191 et seq.).

L.1992, c.19, § 20, eff. June 12, 1992.

Amended by:

L.2011, c.19, §118, eff. Feb. 1, 2011.