

LAW AND PUBLIC SAFETY

NEW JERSEY RACING COMMISSION

Horse Racing

Superfecta

Minimum Superfecta Race Qualifying Requirement

Proposed Amendment: N.J.A.C. 13:70-29.61

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 - 324

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. 13:70-29.61, Superfecta. The proposed amendment to subsection (e) would lower the minimum superfecta race qualifying requirement from seven to six wagering interests at wagering time.

As the current rule exists where a field in a superfecta race is fewer than seven at wagering time, said race shall not be run as a superfecta.

This amendment is being proposed due to a notice of petition for rulemaking from the New Jersey Sports and Exposition Authority (see 35 N.J.R. 279 (b)) and the notice of action on that petition (see 35 N.J.R. 897 (b)). If promulgated, this amendment would enable permitholders to run more superfecta races which carry a higher track take-out percentage and would result in a higher profit for the racetrack, higher payoffs for the wagering public since superfectas have a higher win probability and would generate more money into the horsemen's purse account.

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. 17:30-3.3(a)5.

Social Impact

The social impact of the proposed amendment will be positive because the increased amount of superfectas which will be run due to the reduction in the minimum number of runners required will generate more purse money thus enable the permitholders the ability to attract better horses. Statistically, better horses induce better wagering pools which benefit the wagering public by producing higher payoffs and truer odds.

Economic Impact

The proposed amendment will likely have a positive economic impact on the individual bettors and permit holders.

Lowering the minimum number of wagering interests in a superfecta race will enable permitholders to offer more of this type of wagering pool which carries a higher profit to both the racetrack and the wagering public. Increased wagering handle should be realized by the permit holders due to the added betting pool to the already

existing wagering menu and bettors will be induced to wager more because they will have an opportunity to win larger profits due to the superfecta's higher payoffs.

Federal Standards Statement

A Federal standards 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 amendment.

Agriculture Industry Impact

The proposed amendment will have no impact on the agriculture industry in the state.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because 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 is not anticipated to have an impact on the achievement of smart growth and implementation of the State Development and Redevelopment Plan as defined under Executive Order No. 4 (2002).

Full text of the proposal follows (additions indicated in boldface thus; deletions

indicated in brackets [thus]):

13:70-29.61 Superfecta

(a) - (d) (No change.)

(e) Where a field in a superfecta race is fewer than [seven] six at wagering time, said race shall not be run as a superfecta. A late scratch after wagering starts will not affect the superfecta.

(f) - (k) (No change.)

Frank Zanzuccki, Executive Director