

## CHAPTER 89

**AN ACT** concerning outstanding parimutuel tickets and unclaimed cash vouchers and amending various sections of the statutory law.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

1. Section 44 of P.L.1940, c.17 (C.5:5-64) is amended to read as follows:

C.5:5-64 Distribution of pari-mutuel pools.

44. Each holder of a permit shall distribute all sums deposited in any pool where the patron is required to select one horse to the winners thereof, less an amount which in harness races shall not exceed 17% of the total deposits plus the breaks and which in other races shall not exceed 17% of the total deposits plus the breaks. In every pool where the patron is required to select two horses, the holder of each permit for either harness or running track shall distribute all sums deposited in each pool to the winners thereof, less an amount which shall not exceed 19% of the total deposits plus the breaks. In every pool where the patron is required to select three or more horses, every holder of a permit shall distribute all sums deposited in each pool to the winners thereof, less an amount which shall not exceed 25% of the total deposits plus the breaks. Every permitholder shall distribute to the persons holding winning tickets in any of the aforementioned pools, as a minimum, a sum not exceeding \$0.10, calculated on the basis of each dollar deposited in any pool after the deduction of the said 17%, 19% or 25%, as the case may be. Should the amount remaining in the pool be insufficient to pay the winners the minimum, the breakage accruing in that race, or any necessary portion thereof, shall be applied toward making up any such deficiency. The breaks are hereby defined as the odd cents over any multiple of \$0.10, calculated on the basis of \$1.00 otherwise payable to a patron. Every permitholder engaged in the business of conducting running race meetings under this act, except the New Jersey Sports and Exposition Authority established pursuant to P.L.1971, c.137 (C.5:10-1 et seq.) or a lessee of the authority, shall distribute as purse money the breaks as herein defined, except as the same shall have been applied toward making up a deficiency in a pool as herein provided. Every permitholder engaged in the business of conducting harness race meetings under this act, except the New Jersey Sports and Exposition Authority or a lessee of the authority, shall retain for his own uses and purposes 50% of the breaks as herein defined, except as the same shall have been applied toward making up a deficiency in the pool as herein provided, and shall distribute as purse money the remaining 50%. The New Jersey Sports and Exposition Authority or a lessee of the authority shall retain all breaks as revenue, except as the same shall have been applied toward making up a deficiency in a pool as herein provided.

Every permitholder shall submit to the commission every seventh day of any and every race meeting a report under oath showing the daily and total amount of such breaks, together with such other information as the commission may require. All sums held by any permitholder for payment of outstanding parimutuel tickets not claimed by the person or persons entitled thereto within 12 months from the time such tickets are issued shall be paid upon the expiration of such 12-month holding period as follows:

- a. In the case of running and harness races, beginning July 1, 1997 50% of those sums shall be paid to the racing commission for deposit in the general fund of the State and disposition in accordance with section 4 of P.L.1997, c.29 (C.5:5-68.1);
- b. In the case of running races, 50% of those sums shall be paid to the commission and set aside in the special trust account established pursuant to section 46 b.(1)(e) and section 46 b.(2)(e) of P.L.1940, c.17 (C.5:5-66); and

c. In the case of harness races, 25% of those sums shall be retained by the permitholder to supplement purses for sire stakes races on which there is parimutuel wagering, and 25% shall be retained by the permitholder to supplement overnight purses unless otherwise provided by a contractual agreement authorized under section 11 of P.L.2013, c.266 (C.5:5-188).

Where it is shown to the satisfaction of the commission that the reason for the parimutuel tickets being outstanding and unclaimed is the loss, misplacement or theft of said tickets within the confines and control of the parimutuel department of any permitholder, and it is further shown to the satisfaction of the commission that said parimutuel tickets have been cashed by such parimutuel department, the commission may adjust and credit the permitholder's account accordingly and the permitholder shall reimburse any employee who has been held personally accountable and paid for such lost, stolen or misplaced tickets. All outstanding parimutuel ticket money shall be deposited in an account separate and apart from the track's mutuel or general treasury account. The outstanding parimutuel ticket account shall be subject to the rules and regulations prescribed by the Division of New Jersey Racing Commission.

2. Section 4 of P.L.1997, c.29 (C.5:5-68.1) is amended to read as follows:

C.5:5-68.1 Appropriation to Racing Commission.

4. Beginning July 1, 1997, amounts resulting from parimutuel tickets remaining unclaimed after 12 months which are paid to the Racing Commission for deposit in the general fund pursuant to subsection a. of section 44 of P.L.1940, c.17 (C.5:5-64) and paragraph (1) of subsection g. of section 7 of P.L.1971, c.137 (C.5:10-7) shall be appropriated each fiscal year to the Racing Commission to be used for the expenses of the commission.

3. Section 3 of P.L.2001, c.199 (C.5:5-129) is amended to read as follows:

C.5:5-129 Definitions relative to horse racing and off-track wagering.

3. As used in this act:

"Account holder" means a resident of this State over age 18 who establishes an account pursuant to this act through which account wagers are placed.

"Account wagering" means a form of parimutuel wagering in which an account holder may deposit money in an account with the account wagering licensee and then use the account balance to pay for parimutuel wagers by the account holder.

"Account wagering licensee" means the New Jersey Sports and Exposition Authority or its assignee, provided that the commission has granted its approval for the authority to establish an account wagering system as provided for in this act.

"Account wagering system" means the system through which account wagers are processed by the account wagering licensee pursuant to this act.

"Applicant" means the New Jersey Sports and Exposition Authority or another entity that submits an application to the commission for a license to establish and conduct an off-track wagering facility pursuant to this act.

"Authority" means the New Jersey Sports and Exposition Authority created by section 4 of P.L.1971, c.137 (C.5:10-4).

"Backstretch Benevolency" means the Backstretch Benevolency Programs Fund established pursuant to section 1 of P.L.1993, c.15 (C.5:5-44.8).

"Breeders and Stallions" means the distribution from the special trust account created pursuant to section 46 a. (2) of P.L.1940, c.17 (C.5:5-66) for the purposes of subparagraph (c) of that citation.

"Breeding and Development" means the New Jersey Horse Breeding and Development Account established pursuant to section 5 of P.L.1967, c.40 (C.5:5-88).

"Commission" means the New Jersey Racing Commission created by section 1 of P.L.1940, c.17 (C.5:5-22).

"Executive Director" means the Executive Director of the commission.

"Health and Welfare" means moneys distributed to the Standardbred Breeders' and Owners' Association for the administration of a health benefits program pursuant to section 46 a. (5) of P.L.1940, c.17 (C.5:5-66).

"In-State host track" means a racetrack within this State which is operated by a permit holder which conducts a horse race upon which account wagers are placed pursuant to this act.

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

"In-State track" means an in-State host track or an in-State sending track.

"Interstate common pool" means the 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 an out-of-State sending track or out-of-State host track for the purpose of establishing payoff prices in the various jurisdictions.

"Jockey's Health and Welfare" means a health and welfare trust established by the organization certified by the New Jersey Racing Commission as representing a majority of the active licensed thoroughbred jockeys in New Jersey for the purpose of providing health and welfare benefits to active, disabled and retired New Jersey jockeys and their dependents based upon reasonable criteria by that organization.

"New Jersey Racing Industry Special Fund" means the fund established pursuant to section 27 of this act.

"New Jersey Thoroughbred Horsemen's Association" means the association representing the majority of New Jersey thoroughbred owners and trainers responsible for receiving and distributing funds for programs designed to aid thoroughbred horsemen.

"Off-track simulcasting" means the simultaneous audio or visual transmission of horse races conducted at in-State and out-of-State racetracks to off-track wagering facilities and parimutuel wagering at those off-track wagering facilities on the results of those races.

"Off-track wagering" means parimutuel wagering at an off-track wagering facility as authorized under this act.

"Off-track wagering facility" means a licensed facility, other than a racetrack, at which parimutuel wagering is conducted pursuant to this act.

"Off-track wagering licensee" means the New Jersey Sports and Exposition Authority or its assignee, or another entity to which the commission has granted its approval to conduct an off-track wagering facility as provided for in this act.

"Out-of-State host track" means a racetrack in a jurisdiction other than the State of New Jersey, the operator of which is lawfully permitted to conduct a horse race meeting and which conducts horse races upon which account wagers may be placed pursuant to this act.

"Out-of-State sending track" means a racetrack in a jurisdiction other than the State of New Jersey which is equipped to conduct off-track simulcasting and the operator of which is

lawfully permitted to conduct a horse race meeting and to provide simulcast horse races to off-track wagering facilities in this State.

"Out-of-State track" means an out-of-State host track or an out-of-State sending track.

"Outstanding parimutuel ticket" means a winning parimutuel ticket which is not claimed within 12 months of sale.

"Parimutuel" means any system whereby wagers with respect to the outcome of a horse race are placed with, or in, a wagering pool conducted by an authorized person, and in which the participants are wagering with each other and not against the person conducting the wagering pool.

"Participation agreement" means the written contract entered into prior to the effective date of P.L.2011, c.26, that provides for the establishment or implementation of either (a) an off-track wagering facility or facilities or (b) an account wagering system. Each such contract shall set forth the manner in which the off-track wagering facility or facilities or the account wagering system shall be managed, operated and capitalized, as well as how expenses and revenues shall be allocated and distributed by and among the authority and the other eligible participants subject to the agreement.

"Permit holder" means the holder of an annual permit to conduct a horse race meeting issued by the commission.

"Racetrack" means the physical facility where a permit holder conducts a horse race meeting with parimutuel wagering.

"Racing costs" means the prospective and actual costs for all licensing, investigation, operation, regulation, supervision and enforcement activities and functions performed by the commission.

"Simulcast horse races" means horse races conducted at an in-State sending track or an out-of-State sending track, as the case may be, and transmitted simultaneously by picture to a receiving track or an off-track wagering facility.

"Sire Stakes" means the Sire Stakes Program established pursuant to section 1 of P.L.1971, c.85 (C.5:5-91).

"Standardbred Drivers' Health and Welfare" means a health and welfare trust established by the Standardbred Breeders' and Owners' Association of New Jersey for the purpose of providing health and welfare benefits to active, disabled and retired New Jersey standardbred drivers and their dependents based upon reasonable criteria by that organization.

"Takeout" means that portion of a wager which is deducted from or not included in the parimutuel pool, and which is distributed other than to persons placing wagers.

"Thoroughbred Breeders and Stallions" means the special trust account created pursuant to section 46 b.(1)(e) of P.L.1940, c.17 (C.5:5-66).

4. Section 2 of P.L.1992, c.19 (C.5:12-192) is amended to read as follows:

C.5:12-192 Definitions.

2. 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.5:12-1 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 pay-off 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 12 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.

5. a. Notwithstanding the provisions of any other law, rule, or regulation to the contrary, winning outstanding parimutuel tickets purchased from the period beginning on September 16, 2019 and ending on the date of the end of the Public Health Emergency declared by the Governor in Executive Order No. 103 of 2020 and as extended shall be eligible to be claimed and shall be payable during the period ending one year following the end of the Public Health Emergency.

b. Notwithstanding the provisions of this act or any other law, rule, or regulation to the contrary, unclaimed cash vouchers on horse racing issued or purchased since March 16, 2017 shall be eligible to be claimed and shall be payable during the period ending one year following the end of the Public Health Emergency declared by the Governor in Executive Order No. 103 of 2020 and as extended. The one-year extension shall apply to unclaimed cash vouchers that reach the three-year expiration date before the end of the Public Health Emergency.

c. Notwithstanding the provisions of any other law, rule, or regulation to the contrary, all sums held by a permit holder that conducts harness or thoroughbred races for payment of outstanding parimutuel tickets and unclaimed cash vouchers shall not be paid to any account, as required by law, until one year following the end of the Public Health Emergency declared by the Governor in Executive Order No. 103 of 2020 and as extended, to allow a person or persons entitled to such tickets and vouchers to claim the proceeds, pursuant to the provisions of subsections a. and b. of this section.

6. This act shall take effect immediately.

Approved May 11, 2021.