

RESOLUTION # 29

HORSERACING INDUSTRY

1 **WHEREAS**, Rutgers University’s Equine Science Center recently issued a report
2 on 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
4 or its annual contributions to the state’s economy, as was done in a 2007 study, but
5 instead looked at “indicators of horse racing industry health in comparison to two
6 neighboring states,” including purse monies awarded, number of race days, races
7 restricted to state-bred horses, mares bred and foals registered; and

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

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

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

21 **WHEREAS**, the report demonstrated the link between the health of New Jersey’s
22 horseracing industry and the equine sector of agriculture, including but not limited to the
23 amount of farmland linked to horses, the number of horses kept in New Jersey for

24 breeding purposes for the horseracing industry, and the amount of farmland devoted to
25 equine activities that is being enrolled in the Farmland Preservation Program, which
26 helps prevent the loss of farmland from active agriculture by preventing development of
27 it into other uses; and

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

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

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

39 **WHEREAS**, there have been no firm commitments on future funding sources to
40 replace the previous contributions made to New Jersey racing by the casino industry to
41 ensure a strong and stable horseracing and breeding industry; and

42 **WHEREAS**, patrons of New Jersey's racetracks are rapidly exiting the state in
43 order to take advantage of the casino opportunities that are available in neighboring
44 states in addition to the traditional raceway wagers; and

45 **WHEREAS**, the loss of patrons has a direct effect on the racing industry,
46 resulting in a reduction in the amount of wagers placed at New Jersey racetracks,
47 thereby causing uncompetitive purse awards; and

48 **WHEREAS**, the loss of breeding horses, and consequently breeding farms in
49 New Jersey – including one major Standardbred breeding facility, whose exit has

50 resulted in lost revenue, lost business to nearby suppliers and other commercial
51 establishments, and a loss of employment to a significant group of permanent and
52 seasonal workers -- will result in a net loss of land devoted to agricultural activity,
53 depriving citizens of productive and scenic open space, and will harm the related
54 businesses and industries that depend upon a robust equine sector; and

55 **WHEREAS**, New Jersey previously enjoyed a reputation for standing
56 Standardbred stallions of national prominence but now stands only three regionally
57 recognized stallions.

58 **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 100th
59 State Agricultural Convention, assembled in Atlantic City, New Jersey, on February 4-5,
60 2015, urge the New Jersey Legislature to continue support to the New Jersey racing
61 industry and to address the additional revenue that could be gained by expanding
62 gaming outside of Atlantic City to the state's racetracks, with additional revenues from
63 that expansion going to purses and breeding incentives in order to reinvigorate New
64 Jersey's horse-breeding sector.

65 **BE IT FURTHER RESOLVED**, that we support dedicating a portion of the Sire
66 Stakes Program to being open to horses not necessarily sired by a New Jersey-based
67 stallion but whose dams spend a certain number of days gestating in the state during the
68 year they foal.

69 **BE IT FURTHER RESOLVED**, that we urge the Legislature to approve, and the
70 Governor to sign, all legislation that will support the further development of the
71 horseracing industry in New Jersey in a manner that will put it on competitive ground
72 with the horseracing industries in surrounding states.