

RESOLUTION # 19

HORSERACING INDUSTRY

1 **WHEREAS**, Rutgers University’s Equine Science Center in 2013 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**, recent discussions in the Legislature have focused on expanding
22 gaming options outside of Atlantic City in order to counteract the loss of gaming
23 consumers to other states; and

24 **WHEREAS**, the existing racetracks in New Jersey would be ideal locations for
25 those gaming options added outside of Atlantic City; and

26 **WHEREAS**, any efforts to steer those additional gaming options to facilities other
27 than New Jersey's existing racetracks will only serve to further diminish the ability of
28 racetracks to increase purses and thus spur a renewed interest in racehorses bred in
29 New Jersey; and

30 **WHEREAS**, the Rutgers report demonstrated the link between the health of New
31 Jersey's horseracing industry and the equine sector of agriculture, including but not
32 limited to the amount of farmland linked to horses, the number of horses kept in New
33 Jersey for breeding purposes for the horseracing industry, and the amount of farmland
34 devoted to equine activities that is being enrolled in the Farmland Preservation Program,
35 which helps prevent the loss of farmland from active agriculture by preventing
36 development of it into other uses; and

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

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

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

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

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

54 **WHEREAS**, the loss of breeding horses, and consequently breeding farms in
55 New Jersey -- including one major Standardbred breeding facility, whose exit has
56 resulted in lost revenue, lost business to nearby suppliers and other commercial
57 establishments, and a loss of employment to a significant group of permanent and
58 seasonal workers -- will result in a net loss of land devoted to agricultural activity,
59 depriving citizens of productive and scenic open space, and will harm the related
60 businesses and industries that depend upon a robust equine sector; and

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

64 **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 101st
65 State Agricultural Convention, assembled in Atlantic City, New Jersey, on February 10-
66 11, 2016, urge the New Jersey Legislature to continue support to the New Jersey
67 horseracing industry by allocating a percentage of gross gaming revenue from any
68 gaming, be it instant or casino, outside of Atlantic City to the horseracing and breeding
69 industry, divided evenly between Standardbreds and Thoroughbreds.

70 **BE IT FURTHER RESOLVED**, that we support the upcoming ballot referendum
71 in 2016, which includes a question about expanding gaming to venues outside of Atlantic
72 City, and that we engage the entire agricultural community, including New Jersey Farm
73 Bureau, the State Board of Agriculture and the Rutgers Equine Science Center, in an

74 educational campaign outlining the benefits of a healthy horseracing industry to the
75 residents of New Jersey, and that a portion of the increased revenue from the expansion
76 of gaming be dedicated to support New Jersey's equine industry.

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

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