

## RESOLUTION # 8

### 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**, for the period 2010-2013 New Jersey offered 78 racing days for  
9 Thoroughbreds while New York and Pennsylvania averaged 403 and 498, respectively;  
10 and the number of harness racing days in New Jersey was 298 in 2010 and 189 in 2013;  
11 and New York offered an average 929 days per year at multiple racetracks and  
12 Pennsylvania offered 496 days per year at multiple racetracks for the same period; and

13           **WHEREAS**, in 2010 New Jersey offered an average of \$624,966 in purse money  
14 per day and \$299,027 in 2013. In contrast New York average purses offered per day  
15 rose from \$285,827 in 2010 to \$436,966 in 2013. Pennsylvania's Thoroughbred purse  
16 structure remained consistent around \$224,890 per day; and

17           **WHEREAS**, New Jersey offered an average of \$95,920 per day for harness  
18 racing for the period 2010-2013, while New York and Pennsylvania averaged \$129,163  
19 and \$216,267, respectively; and

20           **WHEREAS**, the Rutgers report demonstrated the link between the health of New  
21 Jersey's horseracing industry and the equine sector of the state's agriculture, including  
22 but not limited to the amount of farmland, including preserved farmland, linked to horses

23 and the number of horses kept in New Jersey for breeding purposes for the horseracing  
24 industry; and

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

30 **WHEREAS**, New Jersey voters defeated a 2016 ballot measure that would have  
31 expanded gambling to areas of New Jersey outside of Atlantic City; and

32 **WHEREAS**, the horseracing industry has begun discussing the use of “instant” or  
33 “historic” racing as an addition to the live racing card on a given night in order to attract  
34 more gaming dollars; and

35 **WHEREAS**, “instant” or “historic” racing involves players betting on replays of  
36 horse or dog races that have previously been run, randomly selected from a video library  
37 of more than 60,000 previous races, without identifying information such as the location  
38 and date of the race, the names of the horses or jockeys; and

39 **WHEREAS**, minus that aforementioned information, players use a “Skill Graph”  
40 from the Daily Racing Form showing information such as the jockeys’ and trainers’  
41 winning percentages, and pick the projected top three runners in the order of finish,  
42 picking any two of the three selections finishing first and second, or picking solely the  
43 winner (and which includes a “handi helper” feature in which a machine randomly picks  
44 those finishers); and

45 **WHEREAS**, payouts are based on traditional pari-mutuel processes, in which a  
46 player picking any type of “win” receives money from that pool, while the remaining  
47 money continues to accumulate until another bettor wins; and

48           **WHEREAS**, these types of bets do not duplicate gaming in Atlantic City casinos,  
49           thus not providing direct competition to casino gaming while still offering horseracing  
50           fans a related additional gaming option.

51           **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 102<sup>nd</sup>  
52           State Agricultural Convention, assembled in Atlantic City, New Jersey, on February 8-9,  
53           2017, urge the New Jersey Legislature to continue to support the New Jersey  
54           horseracing industry by passing legislation allowing the use of “instant” or “historic”  
55           racing games ONLY at New Jersey’s horseracing venues.

56           **BE IT FURTHER RESOLVED**, that we support continuing the dedication of a  
57           portion of the Sire Stakes Program to being open to horses not necessarily sired by a  
58           New Jersey-based stallion but whose dams spend not less than 150 days gestating in  
59           the state during the year they foal.

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