

September 9, 2013

**ASSEMBLY BILL NO. 3489  
(First Reprint)**

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 3489 (First Reprint) with my recommendations for reconsideration.

This bill would allow a horse racing permitholder to enter into a contractual agreement with a horsemen's association to redistribute a portion of statutorily designated purse monies for the purposes of advancing, preserving, and enhancing the overall economic well-being of the State's horse racing and breeding industry. The bill would allow a harness racing permitholder to enter into an agreement with the Standardbred Breeders' and Owners' Association of New Jersey, in the case of harness racing, and a thoroughbred permitholder to enter into an agreement with the Thoroughbred Horsemen's Association, in the case of running races.

I commend the sponsors' efforts to further effectuate the privatization of New Jersey's horse racing industry by allowing permitholders and horsemen's associations to enter into private contracts to distribute purse monies as they see fit in order to enhance the well-being of New Jersey's horse racing industry. However, while the purpose of the bill is salutary, the broad language of the bill has the potential to adversely impact the overall integrity of New Jersey's horse racing industry. Specifically, the bill's broad language potentially would allow parties to mask their parochial interests in contractual agreements purported to be in the best interests of the industry.

Based upon the foregoing, I return this legislation with my recommendations to provide safeguards that ensure that all contractual agreements made pursuant to this bill are indeed in the best interests of New Jersey's self-sustaining horse racing industry.

Accordingly, I herewith return Assembly Bill No. 3489 (First Reprint) and recommend that it be amended as follows:

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| <u>Page 31, Section 11, Line 5:</u>      | Delete "the purposes of" and insert "a use that the New Jersey Racing Commission approves as directly"  |
| <u>Page 31, Section 11, Lines 20-21:</u> | Delete "racing commission" and insert "New Jersey Racing Commission"  |
| <u>Page 31, Section 11, Line 24:</u>     | Delete "racing commission" and insert "New Jersey Racing Commission"  |
| <u>Page 31, Section 11, Line 24:</u>     | Delete "request by the racing commission" and insert "its execution and obtain the New Jersey Racing Commission's approval of the agreement prior to any redistribution of any portion of these purse monies" |
| <u>Page 31, Section 12, Line 30:</u>     | Delete "the purposes of" and insert "a use that the New Jersey Racing Commission approves as directly"  |
| <u>Page 31, Section 12, Lines 44-45:</u> | Delete "racing commission" and insert "New Jersey Racing Commission"  |
| <u>Page 31, Section 12, Line 48:</u>     | Delete "racing commission" and insert "New Jersey Racing Commission"  |
| <u>Page 31, Section 12, Line 48:</u>     | Delete "request by the racing commission" and insert "its execution and obtain the New Jersey Racing Commission's approval of the agreement prior to any redistribution of any portion of these purse monies" |

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Respectfully,  
/s/ Chris Christie  
Governor

Attest:

/s/ Charles B. McKenna  
Chief Counsel to the Governor