



THOROUGHBRED BREEDERS'
ASSOCIATION OF NEW JERSEY

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August 23, 2011

Dear Member:

On August 11, 2011, the Thoroughbred Breeders' Association of New Jersey ("TBANJ") filed a Notice of Appeal with the Superior Court of New Jersey, Appellate Division challenging action taken by the New Jersey Racing Commission on June 29, 2011 and the Governor on July 1, 2011 relating to allocation of state subsidies to support the horse racing industry in New Jersey.

On February 1, 2011, the Legislature enacted P.L. 2011, c. 18 (N.J.S.A. 5:12-225) that delegated appropriation authority from the Legislature to the Racing Commission for the allocation of \$15 million in state subsidies to benefit the horse racing industry in New Jersey. The TBANJ submitted a request for \$10 million to augment purses for New Jersey-bred horses to be used for the following:

\$3 million for the 25% purse enhancement for New Jersey-bred horses;

\$2.5 million for bonuses for New Jersey-bred horses that compete in open company races;

\$1 million for the New Jersey Thoroughbred Festival;

\$2 million for New Jersey-bred stakes races; and

\$1.5 million to enhance purses so that a portion of the breeder awards can be paid directly from the purse account in a timely fashion.

At its June 29, 2011 meeting, the Racing Commission allocated \$15 million for the racing industry and proposed a distribution method that divided the money equally between Thoroughbreds and Standardbreds. No subsidy money was specifically allocated to the TBANJ.

On July 1, 2011, the Governor vetoed the Commission's minutes and nullified the allocation of funds.

The TBANJ seeks review of N.J.S.A. 5:5-22.1 to find that it is unconstitutional as well as in violation of the separation of powers doctrine. The TBANJ also seeks review on the basis that the Governor waived his right to veto the action by signing into law P.L. 2011, c. 18, N.J.S.A. 5:12-225, which delegated the allocation authority to the Racing Commission. The TBANJ further seeks review on the basis that the Governor's veto was exercised in an arbitrary and capricious manner.

In addition, the TBANJ seeks to overturn the Racing Commission's actions taken at the June 29, 2011 meeting as being arbitrary and capricious in denying the allocation of any funding to the TBANJ.

For more information please visit our website at www.njbreds.com or contact the office at 732-542-8880.

Sincerely,
Mike Campbell
Mike Campbell
Executive Director