

May 11, 2006

TO: Senate Wagering, Tourism & Historic Preservation Committee

RE: Hearing on the Future of Horse Racing Industry in New Jersey

My name is Leon Zimmerman, and I am testifying today on behalf of the Standardbred Breeders & Owners Association of New Jersey, a statewide association which represents thousands of people participating in the standardbred horse industry in New Jersey - - breeders, owners, trainers, drivers and all their employees, not only at the two racetracks we have left, but at training and breeding farms throughout the state.

In order to appreciate and understand the future of the standardbred industry in New Jersey, we should probably take a look at how it got to be where it is today—the number one harness racing state in the nation.

For decades until the 1970s, New Jersey harness racing people had only one place to compete, afternoons at Freehold Raceway, where purses were very low. A second venue was added in the late 1960s, when night harness racing was brought to the Atlantic City thoroughbred track.

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That was discontinued in the 1970s, when the Atlantic City race dates were added to the Freehold schedule.

If any New Jersey standardbred horse person had a really good pacer or trotter, he or she had to ship to New York and race at Yonkers or Roosevelt Raceways, or ship further to race on what is known as the Grand Circuit, throughout the Northeast and Midwest, where the purses were more substantial.

Freehold and Atlantic City did have a few special stakes races with better purses than what is known as the overnight races on the regular track schedule, but not enough to put New Jersey very high on the list ranking harness racing states in the country. And most of the horses that competed in those races came from outside of New Jersey.

Late in 1973, the New Jersey standardbred horse industry shared the vision of the late Governor Cahill, who proposed the construction of a new racetrack in the Meadowlands that would be the cornerstone of a huge sports complex. We worked very hard for the passage of legislation that established the New Jersey Sports and Exposition Authority.

The Meadowlands Racetrack became a reality in September 1976 with the first harness race meet ever. More than 46,000 people jammed into the track on opening night and for many years thereafter, crowds of 20,000 or more were commonplace.

With significant financial help from the racetrack, the Sports Complex, New Jersey was put on the nation's sports map in a big way. That is still true today.

It was clear to all that New Jersey, with the Meadowlands racetrack, had become the number one harness track in the nation.

The best horses in the country and in Canada were brought to the Meadowlands. The top harness drivers and trainers in the sport came to New Jersey and established residences here.

Numerous new breeding and training farms were established on the New Jersey landscape, preserving thousands of acres of open space.

The state's standardbred breeding program, known as the New Jersey Sire Stakes in the Department of Agriculture, created in the early 1970s, also grew to be the richest in the nation, as result of the growth of breeding farms in this state.

It was the first racetrack with a \$2-million purse for one race, the Woodrow Wilson. The \$1-million Meadowlands Pace became as important a race for three-year-old pacers as any of the Pacing Triple Crown races that horse owners craved to win.

The success story continued when the most prestigious event in harness racing, the now \$1.5 million Hambletonian was brought to the Meadowlands in 1981, adding even more luster and worldwide attention.

The Meadowlands became known as the number one harness track in the world with the number one harness race in the world.

Most of the people and horses elected to the Harness Racing Hall of Fame for the past 20 years have been inducted largely on the basis of their racing successes at the Meadowlands.

The Standardbred Breeders and Owners Association of New Jersey also helped put the nation's harness racing spotlight on New Jersey in 1980 by establishing and developing a \$500,000 race for horses sired by stallions standing at New Jersey breeding farms. That race, now known as the Anthony Abbatiello New Jersey Classic in honor of one of those Hall of Famers from New Jersey, is still the richest state-bred race in the nation.

The most recent statistics show that there are 10,000 standardbred horses valued at \$272.7 million in New Jersey.

Most of the N. J. Sports & Exposition Authority's profit from racing comes from harness racing. And standardbreds race for more purse money in New Jersey than in other states.

Standardbred racing in New Jersey is year-round. As a result, the standardbred racing industry is home grown to New Jersey.

The quality of harness racing is better in New Jersey than other states, with more races of higher purse value at The Meadowlands and the sport's leading harness drivers and trainers who compete at The Meadowlands consider it their home track.

After retiring, most of the top standardbred racehorses come to New Jersey farms to stand at stud as stallions for breeding future racehorses.

For example, the 2005 Harness Horse of the Year, Rocknroll Hanover, was brought to a New Jersey breeding farm, Perretti Farms in Cream Ridge.

The value of the New Jersey equine industry, its impact on the state's economy and the preservation of open spaces that it fosters, is estimated at more than \$2 billion. There are 81,000 equine acres valued at \$2.5 billion alone and equine labor of nearly 5,900 earning \$111 million.

We have remained number one, but we have not grown for some time now, while other states have grown to threaten our position, and put our industry in serious jeopardy of being reduced to the lower levels of the pre-1973 era.

It is no secret that horse racing has declined and that financial help is needed to keep New Jersey racetrack purses ahead of neighboring states that are going to depend on other forms of gambling to support their horse racing industry.

We have been fortunate in New Jersey that the casino industry recently provided supplemental funds to help keep our purses at the top.

It has been clear for some time, and there are studies to verify it, that the pari-mutuel handle from horse racing declined with the advent of the state lottery and dropped even more dramatically when the casinos opened in Atlantic City.

It is important to remember that horse racing goes far beyond the racetracks, which are only the tip of the proverbial iceberg that represents this industry in New Jersey.

There are the thousands of acres of open farmland being preserved by horse farms and millions of dollars of tax revenue to the state from the purchase of supplies and feed, not to mention the horses themselves, veterinary fees and construction of farm buildings and fences.

Non-racing breeds also benefit from the revenue produced by the racing breeds. A small portion of the pari-mutuel handle is allocated by statute to those organizations representing other breeds.

Thank you very much for the opportunity to share these thoughts with the Committee. It is our hope that you, the Legislature, will join us to help make a brighter future for racing in New Jersey.

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