Written by Administrator Wednesday, 29 September 2010 12:56 -

OCEANPORT, N.J. - At today's third and final gaming summit here at Monmouth Park Racetrack, state Democratic legislators got the chance to finally question the head of Gov. Christie's advisory panel that proposed plans to promote Atlantic City's casino and tourism industry while ending racetrack subsidies.

Jon F. Hanson, who also is a former chairman of the New Jersey Sports and Exposition Authority, spent about 90 minutes in the hot seat, adopting a defensive tone when addressing the future of horse racing in the state.

"We're in favor of the horse racing industry, just not in favor of the taxpayer having to pay for it," he said.

The standing room only crowd of about 500 in the racetrack's Turf Club included horsemen, breeders, farmers, politicians and lobbyists.

Hanson said horse racing was suffering nationwide due a drop in popularity and a lack of interest among young adults.

That, he said, has created a "\$45 million hole" in New Jersey's horse industry.

"The horsemen have to come up with a solution that does not require the State of New Jersey writing a check for \$45 million dollars." Hanson said.

Some have pointed to expanding offtrack wagering as a possible solution, but only three of 15 sites authorized to be built in the state have opened.

Hanson held out little hope the other 12 would appear anytime soon because of the uncertainty surrounding the future of the horse racing industry nationwide.

"So who is going invest 10 to 15 million dollars in a facility without know what the outcome will



be?," he said.

Horseman Bill Purdey, standing with his mother Frances, said he was worried after listening to Hanson.

"I am concerned about what the future holds," said Purdey, operator of Greenfield Farms in Colts Neck. "Right now it is a big question mark."

The hearing came on the heels of two other summits and represented the central part of the state. The first summit, on Aug. 6, took place at the Atlantic City Convention Center, while the second gathering was held earlier this month at the Meadowlands complex in North Jersey.

Hanson chaired the Governor's Advisory Commission on New Jersey Gaming, Sports and Entertainment that took a six-month look at the state's gaming and horse racing industries. Christie announced the commission's findings - known as the Hanson Report - July 21.

Chief among them is a state takeover of Atlantic City's casino and entertainment district and ending the seven-year old subsidies to the horse racing industry from the resort's casinos.

The annual subsidy, \$30 million this year, and \$7.5 million next year when it expires, would have brought \$176 million over eight years to racetracks at Freehold, Monmouth, Atlantic City, and the Meadowlands, in exchange for their not installing state-run video-lottery terminals, or VLTs.

Christie's recommendations has again brought to the forefront the split between the northern and southern halves of the state.

Northern lawmaker with racetracks or horse farms in their districts have strong objections to Hanson's recommendation that New Jersey pull out of state-supported horse racing.

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Whelan, have praised.

"I agree with the governor that the casino industry is no longer in a position to be able to afford to do the subsidies," Whelan said Tuesday night.

"Gambling revenue is down 11 percent from a year ago in Atlantic City, and we've had a 30 percent drop in revenue over the past four years thanks to the success of Pennsylvania," he said. "The losses of the casino industry means it can't continue to subsidize another industry."

"I'm certainly going to ask some questions. It's a generational issue as far as horse racing," said Sen. Jeff Van Drew (D., Cape May) of today's presenters. "Why is it not as exciting to younger and middle aged people? What are they doing to reinvent themselves? And why are they asking another industry to subsidize them, or to add VLTS which could cannibalize them."

Van Drew is supporting the governor's plan to overhaul Atlantic City to resuscitate its main industry.

"This is critical business for us," Van Drew said today, noting the highest numbers of families living in poverty are in Atlantic, Cape May and Cumberland counties.

"We want to help the horse racing industry as well, but we can't do it to the detriment of another region of the state," he said.

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