

**GOVERNOR'S STATEMENT UPON SIGNING
ASSEMBLY BILL NO. 2610**

Today I am signing Assembly Bill No. 2610, which directs the Legislature to appropriate \$20 million annually to the New Jersey Racing Commission to be used for horse racing purse subsidies through State fiscal year 2029. The legislation extends the State's commitment to provide annual horse racing purse subsidies originally set forth in P.L.2019, c.36, which I signed in February of 2019. Since the enactment of that act, the State has appropriated \$140 million for horse racing purse subsidies, including \$20 million already appropriated for State fiscal year 2025. Assembly Bill No. 2610 signals the Legislature's intent that these appropriations continue in future fiscal years through State fiscal year 2029.

New Jersey's horse racing industry is a key economic engine, supporting thousands of jobs and attracting tourists and fans from around the world. The funding promised by this legislation will allow New Jersey to continue to offer one of the most exciting horse racing experiences in the nation, while also providing a boost to an industry that is integral to our economy.

While I am pleased to sign this bipartisan legislation, it is important to recognize that one legislature cannot bind future legislatures with respect to prospective appropriations. The Appropriations Clause of the New Jersey Constitution mandates that the Legislature must provide for annual appropriations "in one general appropriation law covering one and the same fiscal year." The Debt Limitation Clause of the State Constitution further provides that "[t]he Legislature shall not, in any manner, create in any fiscal year a debt or debts, liability or liabilities of the State." In combination, the Appropriations Clause and Debt Limitation Clause of the New Jersey Constitution interdict the Legislature from creating a debt or liability, in any manner, that binds the State to appropriate funds in future fiscal years. A consistent line of cases from the New Jersey Supreme Court holds that the Appropriations and Debt Limitation Clauses operate to render purported dedications of monies as line items in future appropriations acts as mere expressions of legislative intent. Consequently, the appropriations that this bill purports to require through State fiscal year 2029 are not binding and serve only as a strong expression of intent to provide funding in future fiscal years.

Given the critical importance of the horse racing industry to not only the State's economy, but to farmland and open space preservation, I am signing this legislation to signal my desire for the State to continue to make this investment each year at the level directed in the bill. However, the amount of the investment made each year must be evaluated and ultimately determined by the

State's overall fiscal condition at that time. With these economic and legal realities in mind, I look forward to working with my partners in the Legislature to ensure that this key sector of the State's economy is supported going forward in a fiscally responsible manner that satisfies our shared constitutional obligations to enact a single appropriations law governing overall State spending needs for a single fiscal year.

Date: September 12, 2024

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor