

Compiled by the NJ State Law Library

LEGISLATIVE FISCAL ESTIMATE: Yes 06/18/2025

S4282 (1R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	SSG 5/29/25 1R
TECHNICAL REVIEW OF BILL:	No	
COMMITTEE STATEMENT:		
ASSEMBLY:	No	
SENATE:	Yes	Government, Wagering, Tourism & Historic Preservation Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No	
LEGISLATIVE FISCAL ESTIMATE:	Yes	06/18/2025
VETO MESSAGE:	No	
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes	
LEGISLATOR STATEMENT:	Yes	

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	Yes

WAYNE PARRY Staff Writer, 'Murphy signs bill to outlaw sweepstakes gambling in NJ', *Press of Atlantic City, The: WebEdition Articles* (online), 16 Aug 2025 <<https://infoweb.newsbank.com/apps/news/document-view?p=NewsBank&docref=news/1A28203D8C2C45A0>>

CL/MMcB

§§1-13
C.52:17B-139.14
to 52:17B-139.26
§§14-23
C.5:12-112.1
to 5:12-112.10
§24
C.2C:37-10
The following
are recodified:
N.J.S.2C:37-1.1
and 2C:37-1.2
(P.L.1978, c.95,
formerly
N.J.S.2C:37-8
and 2C:37-9)

P.L. 2025, CHAPTER 128, *approved August 15, 2025*
Assembly, No. 5447 (*First Reprint*)

1 **AN ACT** concerning unlawful gambling operations in this State and
2 amending and supplementing various parts of the statutory law.
3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6
7 1. (New section) As used in this act, P.L. , c. (C.)
8 (pending before the Legislature as this bill):
9 “Game” means, but is not limited to, casino-style games such as
10 slot machines, video poker, table games such as roulette, blackjack,
11 craps, and poker; lottery games such as draw games, raffle, bingo, and
12 keno; and sports wagering ¹; and any game that mimics or simulates
13 such casino-style games or sports wagering¹.
14 “Prize or prize equivalent” means ¹: (1)¹ cash, a cash equivalent, or
15 merchandise; ¹(2)¹ a token, object, or article ¹**【exchangeable】** , or a
16 virtual facsimile thereof, that can be exchanged, sold, or redeemed,
17 either directly or indirectly through means such as a third-party
18 marketplace, external service, or cash-out function,¹ for cash, a cash
19 equivalent, or merchandise; or ¹(3)¹ any form of credit or promise
20 directly or indirectly contemplating the transfer of cash, a cash
21 equivalent, or merchandise, or of any interest therein.
22 “Something of value” means the same as that term is defined by
23 subsection d. of N.J.S.2C:37-1.
24 “Sweepstakes” means a promotional, advertising, or marketing
25 event, contest, or game, whether played online or in person, in which

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly ATG committee amendments adopted May 8, 2025.

1 something of value, such as a prize or prize equivalent, is awarded,
2 either directly or indirectly through means such as a dual currency
3 system of payment that allows a participant to exchange the currency
4 for a prize or prize equivalent.

5
6 2. (New section) Except as otherwise provided in section 3 of
7 P.L. , c. (C.) (pending before the Legislature as this bill) or
8 authorized under any other law of this State, offering or conducting
9 a sweepstakes in which a person present in New Jersey may
10 participate by paying or proffering something of value, including,
11 but not limited to, an entry fee for the opportunity to win or receive
12 a prize or prize equivalent, shall constitute unlawful gambling in
13 violation of Article IV, Section VII, paragraph 2 of the New Jersey
14 Constitution, and shall subject the operator or sponsor, or any
15 officer, employee, or agent of the operator or sponsor, to civil
16 liability under section 5 of P.L. , c. (C.) (pending before
17 the Legislature as this bill) and under any other applicable law of
18 this State that prohibits gambling, and, to the extent applicable, may
19 subject such persons to criminal liability under N.J.S.2C:37-2,
20 N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of
21 this State that prohibits gambling.

22
23 3. (New section) a. Notwithstanding the provisions of section
24 2 of P.L. , c. (C.) (pending before the Legislature as this
25 bill) or any other law or regulation to the contrary, offering,
26 conducting or participating in a sweepstakes that meets the
27 requirements of subsection b. of this section shall not constitute
28 unlawful gambling in violation of Article IV, Section VII,
29 paragraph 2 of the New Jersey Constitution, and shall not subject
30 the participant or the operator or sponsor of the sweepstakes or any
31 officer, employee, or agent of the operator or sponsor, to any civil
32 or criminal liability under the laws of this State that prohibit
33 gambling.

34 b. A sweepstakes in which a person present in New Jersey may
35 participate by paying or proffering something of value for the
36 opportunity to win or receive a prize or prize equivalent shall not be
37 deemed to violate section 2 of P.L. , c. (C.) (pending
38 before the Legislature as this bill) if:

39 (1) there exists a method of entry to participate in the
40 sweepstakes at no cost to the participant;

41 (2) any method of entry that is not free to the participant is
42 ancillary to the purchase of food, non-alcoholic beverages, or other
43 merchandise such as mugs, trinkets, or mementos, not exceeding
44 \$20 in value or such other amount to be determined by the Director
45 of the Division of Consumer Affairs in the Department of Law and
46 Public Safety; provided, however, that such other items of
47 merchandise shall not include coins, tokens, or online credits that
48 have no value other than permitting sweepstakes entry or that are

1 able to be exchanged for money or merchandise from the
2 sweepstakes operator or an affiliated company;

3 (3) determination of the winner or winners of the sweepstakes is
4 not in any way based on the results of any sports event or contest or
5 the performance or any facet thereof of any individual or team, or
6 the performance of a combination of any individuals or teams in
7 any sports event or contest, unless the sole and exclusive method of
8 entry to participate in the sweepstakes is at no cost to all
9 participants;

10 (4) the sweepstakes entry form or the website or application
11 used to enter an online or telephone sweepstakes clearly discloses to
12 participants the rules of the sweepstakes, the odds of a winning any
13 and all prizes, unless the sweepstakes permits an unlimited number
14 of entries, in which case the sponsor or operator shall disclose that
15 the sweepstakes permits unlimited entry, and the nature and number
16 of any prizes that may be awarded;

17 (5) the value of any cash or merchandise prize shall be income
18 for purposes of New Jersey income tax;

19 (6) no person under the age of 18 shall be permitted to claim a
20 sweepstakes prize exceeding \$1,000 in value without the consent of
21 the person's parent or guardian; and

22 (7) the odds of winning any particular prize shall be identical
23 regardless of whether the contest was entered by purchasing an
24 entry or by entering at no cost to the participant.

25 c. The Division of Consumer Affairs may adopt rules and
26 regulations pursuant to the "Administrative Procedure Act,"
27 P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of
28 sections 1 through 13 of P.L. , c. (C.) (pending before the
29 Legislature as this bill).

30

31 4. (New section) Whenever it shall appear to the director of
32 the Division of Consumer Affairs that a violation of section 2 of
33 P.L. , c. (C.) (pending before the Legislature as this bill)
34 has occurred, is occurring, or will occur, the division may, in
35 addition to any other proceeding authorized by law, seek and obtain
36 in a summary proceeding in Superior Court an injunction
37 prohibiting such violation. In any such proceeding, the court may
38 assess a civil penalty in accordance with the provisions of section 5
39 of P.L. , c. (C.) (pending before the Legislature as this
40 bill); order restoration to any person in interest of any monies or
41 property, real or personal, acquired by means of such violation in
42 accordance with the provisions of section 11 of
43 P.L. , c. (C.) (pending before the Legislature as this bill);
44 and enter such orders as may be necessary to prevent the recurrence
45 of such violation in the future and to remedy any past violation.

46

47 5. (New section) Any person found in violation section 2 of
48 P.L. , c. (C.) (pending before the Legislature as this bill)

1 shall, in addition to any other sanctions authorized by law or
2 regulation, be liable to a civil penalty of not more than \$100,000 for
3 the first offense and not more than \$250,000 for the second and
4 each subsequent offense. Each day that such violation continues
5 shall be deemed a separate offense.

6
7 6. (New section) When it shall appear to the director of the
8 Division of Consumer Affairs that a person has engaged in, is
9 engaging in, or is about to engage in any practice that violates
10 section 2 of P.L. , c. (C.) (pending before the Legislature
11 as this bill), or when the director believes it to be in the public
12 interest that an investigation should be made to ascertain whether a
13 person in fact has engaged in, is engaging in, or is about to engage
14 in, any such practice, the director may:

15 require such person to file on such forms as may be prescribed a
16 statement or report in writing, under oath or otherwise, as to all the
17 facts and circumstances concerning the sale or advertisement of
18 merchandise by such person, and such other data and information as
19 the director may deem necessary;

20 examine, under oath, any person in connection with the sale or
21 advertisement of any merchandise;

22 examine any merchandise or sample thereof, record, book,
23 document, account, or paper as the director may deem necessary;
24 and

25 pursuant to an order of the Superior Court, impound any record,
26 book, document, account, paper, or sample of merchandise that is
27 produced in accordance with this act, and retain the same in the
28 director's possession until the completion of all proceedings in
29 connection with which the same are produced.

30
31 7. (New section) Upon receiving evidence of any violation of
32 section 2 of P.L. , c. (C.) (pending before the Legislature
33 as this bill), the director of the Division of Consumer Affairs, or the
34 director's designee, shall be empowered to hold hearings upon said
35 violation and, upon finding the violation to have been committed, to
36 assess a penalty against the person alleged to have committed such
37 violation in an amount authorized by section 5 of
38 P.L. , c. (C.) (pending before the Legislature as this bill) as
39 the director deems proper under the circumstances. Any such
40 amounts collected by the director in excess of the costs and
41 expenses incurred by the division in exercising the authority
42 granted by P.L. , c. (C.) (pending before the Legislature as
43 this bill), shall be paid forthwith into the General Fund for
44 appropriation by the Legislature to the Department of Human
45 Services for prevention, education, and treatment programs for
46 compulsive gambling that meet the criteria developed pursuant to
47 section 2 of P.L.1993, c.229 (C.26:2-169), such as those provided
48 by the Council on Compulsive Gambling of New Jersey.

1 8. (New section) To enforce section 2 of P.L. , c. (C.)
2 (pending before the Legislature as this bill), the director of the
3 Division of Consumer Affairs, in addition to other powers conferred
4 upon the director by this act, may issue subpoenas to any person,
5 administer an oath or affirmation to any person, conduct hearings in
6 aid of any investigation or inquiry, promulgate such rules and
7 regulations, and prescribe such forms as may be necessary, which
8 shall have the force of law.

9
10 9. (New section) Service by the director of the Division of
11 Consumer Affairs of any notice requiring a person to file a
12 statement or report, or of a subpoena upon any person, in
13 connection with section 2 of P.L. , c. (C.) (pending before
14 the Legislature as this bill) shall be made personally within this
15 State, but if such cannot be obtained, substituted service therefor
16 may be made in the following manner:

17 personal service thereof without this State; or

18 the mailing thereof by registered mail to the last known place of
19 business, residence or abode, within or without this State of such
20 person for whom the same is intended; or

21 as to any person other than a natural person, in accordance with
22 the Rules Governing the Courts of the State of New Jersey
23 pertaining to service of process, provided, however, that service
24 shall be made by the Attorney General; or

25 such service as the Superior Court may direct in lieu of personal
26 service within this State.

27
28 10. (New section) If any person shall fail or refuse to file any
29 statement or report, or obey any subpoena issued by the director of
30 the Division of Consumer Affairs in connection with section 2 of
31 P.L. , c. (C.) (pending before the Legislature as this bill),
32 the director may apply to the Superior Court and obtain an order:

33 adjudging such person in contempt of court;

34 granting injunctive relief without notice restraining the sale or
35 advertisement of any merchandise by such persons;

36 vacating, annulling, or suspending the corporate charter of a
37 corporation created by or under the laws of this State or revoking or
38 suspending the certificate of authority to do business in this State of
39 a foreign corporation or revoking or suspending any other licenses,
40 permits, or certificates issued pursuant to law to such person which
41 are used to further the allegedly unlawful practice; and

42 granting such other relief as may be required; until the person
43 files the statement or report, or obeys the subpoena.

44
45 11. (New section) In addition to the assessment of civil
46 penalties, the director of the Division of Consumer Affairs or the
47 director's designee may, after a hearing and upon a finding of a
48 violation of section 2 of P.L. , c. (C.) (pending before the

1 Legislature as this bill), order that any moneys or property, real or
2 personal, which have been acquired by means of such violation be
3 restored to any person in interest, except that if any moneys or
4 property, real or personal, have been acquired by means of a
5 violation perpetrated against a senior citizen, the amount of moneys
6 or property, real or personal, ordered restored shall be twice the
7 amount acquired.

8 As used in this section, “senior citizen” means a person age 62
9 years or older.

10

11 12. (New section) Where, after a hearing, the director of the
12 Division of Consumer Affairs, or the director’s designee, finds that
13 a violation of section 2 of P.L. , c. (C.) (pending before the
14 Legislature as this bill) has been or may be committed, the director
15 may order the person committing such violation to cease and desist
16 or refrain from committing said violation in the future. When it
17 shall appear to the director that a person against whom a cease and
18 desist order has been entered has violated said order, the director
19 may initiate a summary proceeding in the Superior Court for the
20 violation thereof. Any person found to have violated a cease and
21 desist order shall pay to the State of New Jersey civil penalties in
22 the amount of not more than \$25,000 for each violation of said
23 order. In the event that any person fails to pay a civil penalty
24 assessed by the court for violation of a cease and desist order, the
25 court assessing the unpaid penalty is authorized, upon application of
26 the director, to grant any relief which may be obtained under any
27 statute or court rule governing the collection and enforcement of
28 civil penalties.

29

30 13. (New section) At any time within five years after any
31 amount required to be collected pursuant to the provisions of
32 sections 2 through 12 of P.L. , c. (C.) (pending before the
33 Legislature as this bill) shall become due and payable, the Division
34 of Consumer Affairs may bring a civil action in the courts of this
35 State or any other state or of the United States, in the name of the
36 State of New Jersey, to collect the amount delinquent, together with
37 penalties and interest. If such action is brought in this State, a writ
38 of attachment may be issued and no bond or affidavit prior to the
39 issuance thereof shall be required. In all actions in this State, the
40 records of the division shall be prima facie evidence of the
41 determination of the amount of the delinquency.

42 Each debt that is due and payable and required to be collected,
43 and any monetary penalty imposed for a violation of section 2
44 through section 12 of P.L. , c. (C.) (pending before the
45 Legislature as this bill), shall constitute a lien on the real property
46 in this State owned or hereafter acquired by the person owing such
47 a debt or on whom such an obligation has been imposed. Except as
48 otherwise provided in R.S.54:5-9, such a lien shall be a first lien

1 paramount to all prior or subsequent liens, claims, or encumbrances
2 on that property.

3
4 14. (New section) In addition to any other authority provided
5 under law, whenever it shall appear to the Division of Gaming
6 Enforcement that a violation of section 112 of P.L.1977, c.110
7 (C.5:12-112) or unlawful gambling in violation of Article IV,
8 Section VII, paragraph 2 of the New Jersey Constitution, other than
9 a sweepstakes offered or conducted in violation of section 2 of
10 P.L. , c. (C.) (pending before the Legislature as this bill),
11 has occurred, is occurring, or will occur, the division may, in
12 addition to any other proceeding authorized by law, seek and obtain
13 in a summary proceeding in Superior Court an injunction
14 prohibiting such violation or unlawful gambling. In any such
15 proceeding the court may assess a civil penalty in accordance with
16 the provisions of section 15 of P.L. , c. (C.) (pending
17 before the Legislature as this bill); order restoration to any person in
18 interest of any monies or property, real or personal, acquired by
19 means of such violation or unlawful gambling in accordance with
20 the provisions of section 20 of P.L. , c. (C.) (pending
21 before the Legislature as this bill); and enter such orders as may be
22 necessary to prevent the recurrence of such violation or unlawful
23 gambling in the future, and to remedy any past violation or
24 unlawful gambling. In any action brought pursuant to this section,
25 the court shall not suspend or revoke any license issued by the
26 division.

27
28 15. (New section) Any person violating section 112 of
29 P.L.1977, c.110 (C.5:12-112), or engaging in unlawful gambling in
30 violation of Article IV, Section VII, paragraph 2 of the New Jersey
31 Constitution, other than a sweepstakes offered or conducted in
32 violation of section 2 of P.L. , c. (C.) (pending before the
33 Legislature as this bill), shall, in addition to any other sanctions
34 authorized by law or regulation, be liable to a civil penalty of not
35 more than \$10,000 for the first offense and not more than \$25,000
36 for the second and each subsequent offense. Each statutory
37 violation shall constitute a separate offense.

38
39 16. (New section) In addition to any other authority provided
40 under the law, when it shall appear to the director of the Division of
41 Gaming Enforcement that a person has engaged in, is engaging in,
42 or is about to engage in any practice that violates section 112 of
43 P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in
44 violation of Article IV, Section VII, paragraph 2 of the New Jersey
45 Constitution, other than a sweepstakes offered or conducted in
46 violation of section 2 of P.L. , c. (C.) (pending before the
47 Legislature as this bill), or when the director believes it to be in the
48 public interest that an investigation should be made to ascertain

1 whether a person in fact has engaged in, is engaging in, or is about
2 to engage in, any such practice, the director may:

3 require such person to file on such forms as may be prescribed a
4 statement or report in writing under oath or otherwise, as to all the
5 facts and circumstances concerning the sale or advertisement of
6 merchandise by such person, and such other data and information as
7 the director may deem necessary;

8 examine under oath any person in connection with the sale or
9 advertisement of any merchandise;

10 examine any merchandise or sample thereof, record, book,
11 document, account, or paper as the director may deem necessary;
12 and

13 pursuant to an order of the Superior Court impound any record,
14 book, document, account, paper, or sample of merchandise that is
15 produced in accordance with this act, and retain the same in the
16 director's possession until the completion of all proceedings in
17 connection with which the same are produced.

18
19 17. (New section) Upon receiving evidence of any practice that
20 violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful
21 gambling in violation of Article IV, Section VII, paragraph 2 of the
22 New Jersey Constitution, unlawful gambling, other than a
23 sweepstakes offered or conducted in violation of section 2 of
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 the director of the Division of Gaming Enforcement, or the
26 director's designee, shall be empowered to hold hearings upon said
27 violation and, upon finding the violation to have been committed, to
28 assess a penalty against the person alleged to have committed such
29 violation, as well as against any person or entity, including but not
30 limited to third party providers or service providers of any kind,
31 found to have knowingly aided or abetted the commission of such
32 violation, in an amount authorized by section 15 of
33 P.L. , c. (C.) (pending before the Legislature as this bill), as
34 the director deems proper under the circumstances. Any such
35 amounts collected by the director shall be paid forthwith into the
36 General Fund for the general purposes of the State.

37
38 18. (New section) To enforce section 112 of P.L.1977, c.110
39 (C.5:12-112) or any prohibition against unlawful gambling in
40 violation of Article IV, Section VII, paragraph 2 of the New Jersey
41 Constitution other than a sweepstakes offered or conducted in
42 violation of section 2 of P.L. , c. (C.) (pending before the
43 Legislature as this bill), the director of the Division of Gaming
44 Enforcement, in addition to other powers conferred upon the
45 director, may issue subpoenas to any person, administer an oath or
46 affirmation to any person, conduct hearings in aid of any
47 investigation or inquiry, promulgate such rules and regulations, and

1 prescribe such forms as may be necessary, which shall have the
2 force of law.

3
4 19. (New section) Service by the director of the Division of
5 Gaming Enforcement of any notice requiring a person to file a
6 statement or report, or of a subpoena upon any person, pursuant to
7 sections 14 through 23 of P.L. , c. (C.) (pending before the
8 Legislature as this bill) shall be made personally within this State,
9 but if such cannot be obtained, substituted service therefor may be
10 made in the following manner:

11 personal service thereof without this State; or

12 the mailing thereof by registered mail to the last known place of
13 business, residence or abode, within or without this State of such
14 person for whom the same is intended; or

15 as to any person other than a natural person, in accordance with
16 the Rules Governing the Courts of the State of New Jersey
17 pertaining to service of process, provided, however, that service
18 shall be made by the Attorney General; or

19 such service as the Superior Court may direct in lieu of personal
20 service within this State.

21
22 20. (New section) If any person shall fail or refuse to file any
23 statement or report, or obey any subpoena issued by the director of
24 the Division of Gaming Enforcement pursuant to sections 14
25 through 23 of P.L. , c. (pending before the Legislature as this
26 bill), the director may apply to the Superior Court and obtain an
27 order:

28 adjudging such person in contempt of court;

29 granting injunctive relief without notice restraining the sale or
30 advertisement of any merchandise by such persons;

31 vacating, annulling, or suspending the corporate charter of a
32 corporation created by or under the laws of this State or revoking or
33 suspending the certificate of authority to do business in this State of
34 a foreign corporation or revoking or suspending any other licenses,
35 permits, or certificates issued pursuant to law to such person which
36 are used to further the allegedly unlawful practice; and

37 granting such other relief as may be required; until the person
38 files the statement or report, or obeys the subpoena.

39
40 21. (New section) In addition to the assessment of civil
41 penalties, the director of the Division of Gaming Enforcement or
42 the director's designee may, after a hearing and upon a finding of a
43 practice that violates section 112 of P.L.1977, c.110 (C.5:12-112),
44 or unlawful gambling in violation of Article IV, Section VII,
45 paragraph 2 of the New Jersey Constitution, other than a
46 sweepstakes offered or conducted in violation of section 2 of
47 P.L. , c. (C.) (pending before the Legislature as this bill),
48 order that any moneys or property, real or personal, which have

1 been acquired by means of such violation be restored to any person
2 in interest, except that if any moneys or property, real or personal,
3 have been acquired by means of a violation perpetrated against a
4 senior citizen, the amount of moneys or property, real or personal,
5 ordered restored shall be twice the amount acquired.

6 As used in this section, “senior citizen” means a person age 62
7 years or older.

8
9 22. (New section) In addition to any other authority provided
10 under the law, when, after a hearing, the director of the Division of
11 Gaming Enforcement or the director’s designee, finds that a
12 violation of section 112 of P.L.1977, c.110 (C.5:12-112), or
13 unlawful gambling in violation of Article IV, Section VII,
14 paragraph 2 of the New Jersey Constitution, other than a
15 sweepstakes offered or conducted in violation of
16 section 2 of c. (C.) (pending before the Legislature as this
17 bill), has been or may be committed, the director may order the
18 person committing such violation to cease and desist or refrain from
19 committing said violation in the future. When it shall appear to the
20 director that a person against whom a cease and desist order has
21 been entered has violated said order, the director may initiate a
22 summary proceeding in the Superior Court for the violation thereof.
23 Any person found to have violated a cease and desist order shall
24 pay to the State of New Jersey civil penalties in the amount of not
25 more than \$25,000 for each violation of said order. In the event
26 that any person fails to pay a civil penalty assessed by the court for
27 violation of a cease and desist order, the court assessing the unpaid
28 penalty is authorized, upon application of the director, to grant any
29 relief which may be obtained under any statute or court rule
30 governing the collection and enforcement of civil penalties.

31
32 23. (New section) At any time within five years after any
33 amount required to be collected pursuant to the provisions of
34 sections 14 through 23 of P.L. , c. (C.) (pending before the
35 Legislature as this bill) or for any violation of State gambling laws
36 shall become due and payable, the Division of Gaming Enforcement
37 may bring a civil action in the courts of this State or any other state
38 or of the United States, in the name of the State of New Jersey, to
39 collect the amount delinquent, together with penalties and interest.
40 If such action is brought in this State, a writ of attachment may be
41 issued and no bond or affidavit prior to the issuance thereof shall be
42 required. In all actions in this State, the records of the division
43 shall be prima facie evidence of the determination of the amount of
44 the delinquency.

45 Each debt that is due and payable and required to be collected, and
46 any monetary penalty imposed for a violation of the State’s
47 gambling laws, shall constitute a lien on the real property in this
48 State owned or hereafter acquired by the person owing such a debt

1 or on whom such an obligation has been imposed. Except as
2 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
3 paramount to all prior or subsequent liens, claims, or encumbrances
4 on that property.

5
6 24. (New section) a. A person who participates in any form of
7 gambling activity by risking property with a value of \$1,000 or
8 more, having agreed to pay 10 percent or more of the proceeds of
9 the gambling activity to another, is guilty of a disorderly persons
10 offense, unless the person exercises sole control over whether and
11 in what manner the property involved is risked.

12 b. A person who solicits or conspires with another to violate
13 subsection a. of this section is guilty of a disorderly persons
14 offense.

15
16 25. N.J.S.2C:21-11 is amended to read as follows:

17 2C:21-11. Rigging or Improperly Influencing Publicly Exhibited
18 Contest or Sports Event.

19 a. A person commits a crime if, with purpose to prevent a
20 publicly exhibited contest or sports event from being conducted in
21 accordance with the rules and usages which govern it, **[he]** the
22 person:

23 (1) Confers or offers or agrees to confer any benefit upon, or
24 threatens any injury to a participant, official or other person
25 associated with the contest or **[exhibition; or]** sports event;

26 (2) Tampers with any person, animal or thing;

27 (3) Gives, offers, or promises, or attempts to give to or offer, or
28 asks, receives, or offers to receive directly or indirectly, from any
29 other person any compensation, gratuity, or thing of value, or any
30 promise thereof, with the intention, understanding, or agreement
31 that the person or any player, participant, manager, coach, or other
32 official on, or associated with, a competitor or team in the contest
33 or sports event, regardless of by whom such person is employed;

34 (a) will not use best efforts to win the contest or sports event or
35 will cause themselves or their team to lose the contest or sports
36 event; or

37 (b) will engage in conduct so as to limit their, or their team's,
38 margin of victory or defeat; or

39 (4) Gives, offers, or promises, or attempts to give to or offer, or
40 asks, receives, or offers to receive, directly or indirectly, from any
41 other person any compensation, gratuity, or thing of value, or any
42 promise thereof, with the intention, understanding, or agreement
43 that the person or any judge, referee, or other person officiating in
44 the contest or sports event will fraudulently or corruptly judge,
45 referee, or officiate the contest or sports event.

46 b. Soliciting or accepting benefit for rigging. A person commits
47 a crime if **[he]** the person knowingly solicits, accepts or agrees to

1 accept any benefit the giving of which would be criminal under
2 subsection a. of this section.

3 c. If the benefit offered, conferred, agreed to be conferred,
4 solicited, accepted or agreed to be accepted in violation of
5 subsections a. and b. of this section is \$75,000.00 or more, the
6 offender is guilty of a crime of the second degree. If the benefit
7 exceeds **[\$1,000.00]** \$500, but is less than \$75,000, the offender is
8 guilty of a crime of the third degree. If the benefit is **[\$1,000.00]**
9 \$500 or less, the offender is guilty of a crime of the fourth degree.

10 d. Failure to report solicitation for rigging. A person commits a
11 disorderly persons offense if **[he]** the person fails to report, with
12 reasonable promptness, a solicitation to accept any benefit or to do
13 any tampering, the giving or doing of which would be criminal
14 under subsection a. of this section.

15 e. Participation in rigged contest or sports event. A person
16 commits a crime of the fourth degree if **[he]** the person knowingly
17 engages in, sponsors, produces, judges, or otherwise participates in
18 a publicly exhibited contest or sports event knowing that the contest
19 or sports event is being conducted in violation of subsection a. of
20 this section.

21 (cf: P.L.1986, c.129, s.2)

22

23 26. N.J.S.2C:37-1 is amended to read as follows:

24 2C:37-1. The following definitions apply to this chapter and to
25 chapter 64:

26 a. "Contest of chance" means any contest, game, pool, gaming
27 scheme or gaming device in which the outcome depends in a
28 material degree upon an element of chance, notwithstanding that
29 skill of the contestants or some other persons may also be a factor
30 therein.

31 b. "Gambling" means staking or risking something of value
32 upon the outcome of a contest of chance or a future contingent
33 event not under the actor's control or influence, upon an agreement
34 or understanding that **[he]** the actor will receive something of value
35 in the event of a certain outcome, or buying, selling, or trading
36 something of value upon an agreement or understanding that the
37 actor will receive something of value in the event of a certain
38 outcome in a contest of chance. For purposes of this subsection, a
39 contest of chance or a future contingent event not under the actor's
40 control or influence shall include, but need not be limited to, a
41 sports event on which a wager may be placed with a sports
42 wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

43 c. "Player" means a person who engages in any form of
44 gambling solely as a contestant or bettor, without receiving or
45 becoming entitled to receive any profit therefrom other than
46 personal gambling winnings, and without otherwise rendering any
47 material assistance to the establishment, conduct or operation of

1 the particular gambling activity. A person who gambles at a social
2 game of chance on equal terms with the other participants therein
3 does not thereby render material assistance to the establishment,
4 conduct or operation of such game if he performs, without fee or
5 remuneration, acts directed toward the arrangement or facilitation
6 of the game, such as inviting persons to play, permitting the use of
7 premises therefor or supplying cards or other equipment used
8 therein. A person who engages in "bookmaking" as defined in this
9 section is not a "player."

10 d. "Something of value" means any money or property, any
11 token, object or article exchangeable for money or property, or any
12 form of credit or promise directly or indirectly contemplating
13 transfer of money or property or of any interest therein, or
14 involving extension of a service, entertainment or a privilege of
15 playing at a game or scheme without charge. This definition,
16 however, does not include any form of promise involving extension
17 of a privilege of playing at a game without charge on a mechanical
18 or electronic amusement device, other than a slot machine as an
19 award for the attainment of a certain score on that device.

20 e. "Gambling device" means any device, machine,
21 paraphernalia or equipment which is used or usable in the playing
22 phases of any gambling activity, whether such activity consists of
23 gambling between persons or gambling by a person involving the
24 playing of a machine. Notwithstanding the foregoing, lottery
25 tickets, policy slips and other items used in the playing phases of
26 lottery and policy schemes are not gambling devices.

27 f. "Slot machine" means any mechanical, electrical or other
28 device, contrivance or machine which, upon insertion of a coin,
29 token or similar object therein, or upon payment of any
30 consideration whatsoever, is available to play or operate, the play
31 or operation of which, whether by reason of the skill of the
32 operator or application of the element of chance, or both, may
33 deliver or entitle the person playing or operating the machine to
34 receive cash or tokens to be exchanged for cash, whether the payoff
35 is made automatically from the machine or in any other manner
36 whatsoever. A device so constructed, or readily adaptable or
37 convertible to such use, is no less a slot machine because it is not
38 in working order or because some mechanical act of manipulation
39 or repair is required to accomplish its adaptation, conversion or
40 workability.

41 g. "Bookmaking" means advancing gambling activity by
42 unlawfully accepting bets from members of the public upon the
43 outcome of future contingent events as a business.

44 h. "Lottery" means an unlawful gambling scheme in which (a)
45 the players pay or agree to pay something of value for chances,
46 represented and differentiated by numbers or by combinations of
47 numbers or by some other media, one or more of which chances are
48 to be designated the winning ones; and (b) the winning chances are

1 to be determined by a drawing or by some other method based
2 upon the element of chance; and (c) the holders of the winning
3 chances are to receive something of value.

4 i. "Policy" or "the numbers game" means a form of lottery in
5 which the winning chances or plays are not determined upon the
6 basis of a drawing or other act on the part of persons conducting or
7 connected with the scheme, but upon the basis of the outcome or
8 outcomes of a future contingent event or events otherwise unrelated
9 to the particular scheme.

10 j. "Gambling resort" means a place to which persons may resort
11 for engaging in gambling activity.

12 k. "Unlawful" means not specifically authorized by law.

13 l. "Online gambling resort" means a website or application
14 accessed via the Internet or other computer or mobile connection to
15 which persons may resort for engaging in gambling activity.

16 (cf: P.L.1982, c.60, s.1)

17
18 27. N.J.S.2C:37-2 is amended to read as follows:

19 2C:37-2. Promoting Gambling.

20 a. Promoting Gambling Defined. A person is guilty of
21 promoting gambling when **【he】** the person knowingly:

22 (1) Accepts or receives money or other property, pursuant to an
23 agreement or understanding with any person whereby **【he】** the
24 person participates or will participate in the proceeds of gambling
25 activity, including, but not limited to gambling activity that occurs
26 online, unless such gambling activity is under the regulation and
27 control of the State; or

28 (2) Engages in conduct, which materially aids any form of
29 gambling activity. Such conduct includes but is not limited to
30 conduct directed toward the creation or establishment of the
31 particular game, contest, scheme, device or activity involved,
32 toward the acquisition or maintenance of premises, paraphernalia,
33 equipment or apparatus therefor, toward the solicitation or
34 inducement of persons to participate therein, toward the actual
35 conduct of the playing phases thereof, toward the arrangement of
36 any of its financial or recording phases, or toward any other phase
37 of its operation.

38 b. Grading. A person who violates the provisions of subsection
39 a. of this section by:

40 (1) Engaging in bookmaking to the extent **【he】** the person
41 receives or accepts in any one day more than five bets totaling more
42 than \$1,000.00; or

43 (2) Receiving, in connection with a lottery or policy scheme or
44 enterprise (a) money or written records from a person other than a
45 player whose chances or plays are represented by such money or
46 records, or (b) more than \$100.00 in any one day of money played
47 in such scheme or enterprise, is guilty of a crime of the third degree
48 and notwithstanding the provisions of section 2C:43-3 shall be

1 subject to a fine of not more than \$35,000.00 and any other
2 appropriate disposition authorized by **【N.J.S.2C:43-2 b】** subsection
3 b. of N.J.S.2C:43-2.

4 A person who violates the provisions of subsection a. of this
5 section by engaging in bookmaking to the extent **【he】** the person
6 receives or accepts three or more bets in any two-week period is
7 guilty of a crime of the fourth degree and notwithstanding the
8 provisions of section 2C:43-3 shall be subject to a fine of not more
9 than \$25,000.00 and any other appropriate disposition authorized by
10 **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2. Otherwise,
11 promoting gambling is a disorderly persons offense and
12 notwithstanding the provisions of section 2C:43-3 shall be subject
13 to a fine of not more than \$10,000.00 and any other appropriate
14 disposition authorized by **【N.J.S.2C:43-2b】** subsection b. of
15 N.J.S.2C:43-2.

16 c. It is **【a】** an affirmative defense to a prosecution under
17 subsection a. that the person participated only as a player. **【It shall**
18 **be the burden of the defendant to prove by clear and convincing**
19 **evidence his status as such player.】**

20 (cf: P.L.1997, c.181, s.9)

21

22 28. N.J.S.2C:37-4 is amended to read as follows:

23 2C:37-4. Maintenance of a Gambling Resort or Online
24 Gambling Resort.

25 a. A person is guilty of a crime of the **【fourth】** third degree if,
26 having substantial proprietary or other authoritative control over
27 premises which are being used with his knowledge for purposes of
28 activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, **【he】** the
29 person permits such to occur or continue or makes no effort to
30 prevent its occurrence or continuation and **【he】** the person accepts
31 or receives money or other property pursuant to an agreement or
32 understanding with any person whereby **【he】** the person
33 participates or will participate in the proceeds of such gambling
34 activity on such premises and notwithstanding the provisions of
35 section 2C:43-3 shall be subject to a fine of not more than
36 **【\$25,000.00】** \$50,000 and any other appropriate disposition
37 authorized by **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2.

38 b. A person is guilty of a crime of the **【fourth】** third degree if,
39 having substantial proprietary or other authoritative control over
40 premises open to the general public which are being used with **【his】**
41 the person's knowledge for purposes of gambling activity, **【he】** the
42 person permits such to occur or continue or makes no effort to
43 prevent its occurrence or continuation and notwithstanding the
44 provisions of section 2C:43-3 shall be subject to a fine of not more
45 than **【\$25,000.00】** \$50,000 and any other appropriate disposition
46 authorized by **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2.

1 c. A person is guilty of a crime of the third degree if the person
2 operates or maintains an online gambling resort through which
3 persons from within New Jersey are permitted to wager unless such
4 gambling activity is under the regulation and control of the State
5 and, notwithstanding the provisions of N.J.S.2C:43-3, shall be
6 subject to a fine of not less than \$50,000 nor more than \$100,000
7 and any other appropriate disposition authorized by subsection b. of
8 N.J.S.2C:43-2.

9 (cf: P.L.1997, c.181, s.11)

10
11 29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to
12 read as follows:

13 113. Swindling and Cheating; Penalties.

14 a. A person is guilty of swindling and cheating if the person:

15 (1) purposely or knowingly by any trick or sleight of hand
16 performance or by a fraud or fraudulent scheme, cards, dice or
17 device, for [himself or herself] themselves or for another, wins or
18 attempts to win money or property or a representative of either or
19 reduces a losing wager or attempts to reduce a losing wager in
20 connection to casino gaming, Internet gaming, or sports wagering;

21 (2) purposely or knowingly places any sports wager having
22 knowledge of information not available to the general public
23 bearing upon that wager and wins, or attempts to win, money or
24 property or a representative of either; or

25 (3) with the purpose to deceive, uses another person's gaming
26 account, including, but not limited to, a wagering account for
27 Internet gaming or sports wagering, to place a wager and wins, or
28 attempts to win, money or property or a representative of either.

29 b. Consolidation of offenses. Conduct denominated swindling
30 and cheating in this section constitutes a single offense, but each
31 episode or transaction may be the subject of a separate prosecution
32 and conviction. A charge of swindling and cheating may be
33 supported by evidence that it was committed in any manner that
34 would be swindling and cheating under this section,
35 notwithstanding the specification of a different manner in the
36 indictment or accusation, subject only to the power of the court to
37 ensure a fair trial by granting a bill of particulars, discovery,
38 continuance, or other appropriate relief when the conduct of the
39 defense would be prejudiced by a lack of fair notice or by surprise.

40 c. Grading of swindling and cheating offenses.

41 (1) Swindling and cheating constitutes a crime of the second
42 degree if the amount involved is \$75,000 or more.

43 (2) Swindling and cheating constitutes a crime of the third
44 degree if the amount involved exceeds \$500.

45 (3) Swindling and cheating constitutes a crime of the fourth
46 degree if the amount involved is at least \$200 but not more than
47 \$500.

1 (4) Swindling and cheating constitutes a disorderly persons
2 offense if the amount involved is less than \$200.

3 (5) The amount involved in swindling and cheating shall be
4 determined by the trier of fact. Amounts involved in acts of
5 swindling and cheating committed pursuant to one scheme or course
6 of conduct, whether from the same person or several persons, may
7 be aggregated in determining the grade of the offense.
8 (cf: P.L.2002, c.65, s.27)

9
10 30. This act shall take effect immediately.

11

12

13

14

15 Prohibits sweepstakes model of wagering; establishes new
16 penalties for unlawful gambling operations and practices; directs
17 Division of Consumer Affairs and Division of Gaming Enforcement
18 to enforce penalties.

CHAPTER 128

AN ACT concerning unlawful gambling operations in this State and amending and supplementing various parts of the statutory law.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.52:17B-139.14 Definitions.

1. As used in this act, P.L.2025, c.128 (C.52:17B-139.14 et al.):

“Game” means, but is not limited to, casino-style games such as slot machines; video poker; table games such as roulette, blackjack, craps, and poker; lottery games such as draw games, raffle, bingo, and keno; sports wagering; and any game that mimics or simulates such casino-style games or sports wagering.

“Prize or prize equivalent” means: (1) cash, a cash equivalent, or merchandise; (2) a token, object, or article, or a virtual facsimile thereof, that can be exchanged, sold, or redeemed, either directly or indirectly through means such as a third-party marketplace, external service, or cash-out function, for cash, a cash equivalent, or merchandise; or (3) any form of credit or promise directly or indirectly contemplating the transfer of cash, a cash equivalent, or merchandise, or of any interest therein.

“Something of value” means the same as that term is defined by subsection d. of N.J.S.2C:37-1.

“Sweepstakes” means a promotional, advertising, or marketing event, contest, or game, whether played online or in person, in which something of value, such as a prize or prize equivalent, is awarded, either directly or indirectly through means such as a dual currency system of payment that allows a participant to exchange the currency for a prize or prize equivalent.

C.52:17B-139.15 Pay to play sweepstakes, unlawful gambling.

2. Except as otherwise provided in section 3 of P.L.2025, c.128 (C.52:17B-139.16) or authorized under any other law of this State, offering or conducting a sweepstakes in which a person present in New Jersey may participate by paying or proffering something of value, including, but not limited to, an entry fee for the opportunity to win or receive a prize or prize equivalent, shall constitute unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, shall subject the operator or sponsor, or any officer, employee, or agent of the operator or sponsor, to civil liability under section 5 of P.L.2025, c.128 (C.52:17B-139.18) and under any other applicable law of this State that prohibits gambling, and, to the extent applicable, may subject such persons to criminal liability under N.J.S.2C:37-2, N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of this State that prohibits gambling.

C.52:17B-139.16 Sweepstakes, lawful parameters.

3. a. Notwithstanding the provisions of section 2 of P.L.2025, c.128 (C.52:17B-139.15) or any other law or regulation to the contrary, offering, conducting, or participating in a sweepstakes that meets the requirements of subsection b. of this section shall not constitute unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, and shall not subject the participant or the operator or sponsor of the sweepstakes or any officer, employee, or agent of the operator or sponsor, to any civil or criminal liability under the laws of this State that prohibit gambling.

b. A sweepstakes in which a person present in New Jersey may participate by paying or proffering something of value for the opportunity to win or receive a prize or prize equivalent shall not be deemed to violate section 2 of P.L.2025, c.128 (C.52:17B-139.15) if:

- (1) there exists a method of entry to participate in the sweepstakes at no cost to the participant;
 - (2) any method of entry that is not free to the participant is ancillary to the purchase of food, non-alcoholic beverages, or other merchandise, such as mugs, trinkets, or mementos, not exceeding \$20 in value or such other amount to be determined by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, provided, however, that such other items of merchandise shall not include coins, tokens, or online credits that have no value other than permitting sweepstakes entry or that are able to be exchanged for money or merchandise from the sweepstakes operator or an affiliated company;
 - (3) determination of the winner or winners of the sweepstakes is not in any way based on the results of any sports event or contest, the performance or any facet thereof of any individual or team, or the performance of a combination of any individuals or teams in any sports event or contest, unless the sole and exclusive method of entry to participate in the sweepstakes is at no cost to all participants;
 - (4) the sweepstakes entry form or the website or application used to enter an online or telephone sweepstakes clearly discloses to participants the rules of the sweepstakes, the odds of a winning any and all prizes, unless the sweepstakes permits an unlimited number of entries, in which case the sponsor or operator shall disclose that the sweepstakes permits unlimited entry, and the nature and number of any prizes that may be awarded;
 - (5) the value of any cash or merchandise prize shall be income for purposes of New Jersey income tax;
 - (6) no person under the age of 18 shall be permitted to claim a sweepstakes prize exceeding \$1,000 in value without the consent of the person's parent or guardian; and
 - (7) the odds of winning any particular prize shall be identical regardless of whether the contest was entered by purchasing an entry or by entering at no cost to the participant.
- c. The Division of Consumer Affairs may adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of sections 1 through 13 of P.L.2025, c.128 (C.52:17B-139.14 through 52:17B-139.26).

C.52:17B-139.17 Violation of sweepstakes prohibition, summary proceeding, injunction.

4. Whenever it shall appear to the director of the Division of Consumer Affairs that a violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15) has occurred, is occurring, or will occur, the division may, in addition to any other proceeding authorized by law, seek and obtain in a summary proceeding in Superior Court an injunction prohibiting such violation. In any such proceeding, the court may assess a civil penalty in accordance with the provisions of section 5 of P.L.2025, c.128 (C.52:17B-139.18); order restoration to any person in interest of any monies or property, real or personal, acquired by means of such violation in accordance with the provisions of section 11 of P.L.2025, c.128 (C.52:17B-139.24); and enter such orders as may be necessary to prevent the recurrence of such violation in the future and to remedy any past violation.

C.52:17B-139.18 Liability, civil penalty related to sweepstakes prohibition violation.

5. Any person found in violation section 2 of P.L.2025, c.128 (C.52:17B-139.15) shall, in addition to any other sanctions authorized by law or regulation, be liable to a civil penalty of not more than \$100,000 for the first offense and not more than \$250,000 for the second and each subsequent offense. Each day that such violation continues shall be deemed a separate offense.

C.52:17B-139.19 Investigation into prohibited sweepstakes wagering, involved parties.

6. When it shall appear to the director of the Division of Consumer Affairs that a person has engaged in, is engaging in, or is about to engage in any practice that violates section 2 of P.L.2025, c.128 (C.52:17B-139.15), or when the director believes it to be in the public interest that an investigation should be made to ascertain whether a person in fact has engaged in, is engaging in, or is about to engage in, any such practice, the director may:

require such person to file on such forms as may be prescribed a statement or report in writing, under oath or otherwise, as to all the facts and circumstances concerning the sale or advertisement of merchandise by such person and such other data and information as the director may deem necessary;

examine, under oath, any person in connection with the sale or advertisement of any merchandise;

examine any merchandise or sample thereof, record, book, document, account, or paper as the director may deem necessary; and

pursuant to an order of the Superior Court, impound any record, book, document, account, paper, or sample of merchandise that is produced in accordance with this act and retain the same in the director's possession until the completion of all proceedings in connection with which the same are produced.

C.52:17B-139.20 Evidence received, penalty assessment, prohibited sweepstakes wagering.

7. Upon receiving evidence of any violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), the director of the Division of Consumer Affairs, or the director's designee, shall be empowered to hold hearings upon said violation and, upon finding the violation to have been committed, to assess a penalty against the person alleged to have committed such violation in an amount authorized by section 5 of P.L.2025, c.128 (C.52:17B-139.18) as the director deems proper under the circumstances. Any such amounts collected by the director in excess of the costs and expenses incurred by the division in exercising the authority granted by P.L.2025, c.128 (C.52:17B-139.14 et al.), shall be paid forthwith into the General Fund for appropriation by the Legislature to the Department of Human Services for prevention, education, and treatment programs for compulsive gambling that meet the criteria developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169), such as those provided by the Council on Compulsive Gambling of New Jersey.

C.52:17B-139.21 Enforcement, prohibited sweepstakes wagering.

8. To enforce section 2 of P.L.2025, c.128 (C.52:17B-139.15), the director of the Division of Consumer Affairs, in addition to other powers conferred upon the director by this act, may issue subpoenas to any person, administer an oath or affirmation to any person, conduct hearings in aid of any investigation or inquiry, promulgate such rules and regulations, and prescribe such forms as may be necessary, which shall have the force of law.

C.52:17B-139.22 Notice requiring filing a statement, report, subpoena to be made in this State, substitutions, prohibited sweepstakes wagering.

9. Service by the director of the Division of Consumer Affairs of any notice requiring a person to file a statement or report, or of a subpoena upon any person, in connection with section 2 of P.L.2025, c.128 (C.52:17B-139.15) shall be made personally within this State, but if such cannot be obtained, substituted service therefor may be made in the following manner:

personal service thereof without this State; or

the mailing thereof by registered mail to the last known place of business, residence, or abode, within or without this State of such person for whom the same is intended; or

as to any person other than a natural person, in accordance with the Rules Governing the Courts of the State of New Jersey pertaining to service of process, provided, however, that service shall be made by the Attorney General; or

such service as the Superior Court may direct in lieu of personal service within this State.

C.52:17B-139.23 Violation of filing statement, report, obey subpoena, penalties, prohibited sweepstakes wagering.

10. If any person shall fail or refuse to file any statement or report, or obey any subpoena issued by the director of the Division of Consumer Affairs in connection with section 2 of P.L.2025, c.128 (C.52:17B-139.15), the director may apply to the Superior Court and obtain an order:

adjudging such person in contempt of court;

granting injunctive relief without notice restraining the sale or advertisement of any merchandise by such persons;

vacating, annulling, or suspending the corporate charter of a corporation created by or under the laws of this State or revoking or suspending the certificate of authority to do business in this State of a foreign corporation or revoking or suspending any other licenses, permits, or certificates issued pursuant to law to such person which are used to further the allegedly unlawful practice; and

granting such other relief as may be required until the person files the statement or report, or obeys the subpoena.

C.52:17B-139.24 Money, property restored to person in interest, seniors, prohibited sweepstakes wagering.

11. In addition to the assessment of civil penalties, the director of the Division of Consumer Affairs or the director's designee may, after a hearing and upon a finding of a violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), order that any moneys or property, real or personal, which have been acquired by means of such violation be restored to any person in interest, except that if any moneys or property, real or personal, have been acquired by means of a violation perpetrated against a senior citizen, the amount of moneys or property, real or personal, ordered restored shall be twice the amount acquired.

As used in this section, "senior citizen" means a person age 62 years or older.

C.52:17B-139.25 Violator ordered to cease and desist, penalties, prohibited sweepstakes wagering.

12. Where, after a hearing, the director of the Division of Consumer Affairs, or the director's designee, finds that a violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15) has been or may be committed, the director may order the person committing such violation to cease and desist or refrain from committing said violation in the future. When it shall appear to the director that a person against whom a cease and desist order has been entered has violated said order, the director may initiate a summary proceeding in the Superior Court for the violation thereof. Any person found to have violated a cease and desist order shall pay to the State of New Jersey civil penalties in the amount of not more than \$25,000 for each violation of said order. In the event that any person fails to pay a civil penalty assessed by the court for violation of a cease and desist order, the court assessing the unpaid penalty is authorized, upon

application of the director, to grant any relief which may be obtained under any statute or court rule governing the collection and enforcement of civil penalties.

C.52:17B-139.26 Collection of amount delinquent, prohibited sweepstakes wagering.

13. At any time within five years after any amount required to be collected pursuant to the provisions of sections 2 through 12 of P.L.2025, c.128 (C.52:17B-139.15 through 52:17B-139.25) shall become due and payable, the Division of Consumer Affairs may bring a civil action in the courts of this State, any other state, or of the United States, in the name of the State of New Jersey, to collect the amount delinquent, together with penalties and interest. If such action is brought in this State, a writ of attachment may be issued and no bond or affidavit prior to the issuance thereof shall be required. In all actions in this State, the records of the division shall be prima facie evidence of the determination of the amount of the delinquency.

Each debt that is due and payable and required to be collected, and any monetary penalty imposed for a violation of section 2 through section 12 of P.L.2025, c.128 (C.52:17B-139.15 through 52:17B-139.25), shall constitute a lien on the real property in this State owned or hereafter acquired by the person owing such a debt or on whom such an obligation has been imposed. Except as otherwise provided in R.S.54:5-9, such a lien shall be a first lien paramount to all prior or subsequent liens, claims, or encumbrances on that property.

C.5:12-112.1 Injunction prohibiting unlawful gambling.

14. In addition to any other authority provided under law, whenever it shall appear to the Division of Gaming Enforcement that a violation of section 112 of P.L.1977, c.110 (C.5:12-112) or unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), has occurred, is occurring, or will occur, the division may, in addition to any other proceeding authorized by law, seek and obtain in a summary proceeding in Superior Court an injunction prohibiting such violation or unlawful gambling. In any such proceeding, the court may assess a civil penalty in accordance with the provisions of section 15 of P.L.2025, c.128 (C.5:12-112.2); order restoration to any person in interest of any monies or property, real or personal, acquired by means of such violation or unlawful gambling in accordance with the provisions of section 20 of P.L.2025, c.128 (C.5:12-112.7); and enter such orders as may be necessary to prevent the recurrence of such violation or unlawful gambling in the future and to remedy any past violation or unlawful gambling. In any action brought pursuant to this section, the court shall not suspend or revoke any license issued by the division.

C.5:12-112.2 Civil penalties for engaging in unlawful gambling.

15. Any person violating section 112 of P.L.1977, c.110 (C.5:12-112), or engaging in unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), shall, in addition to any other sanctions authorized by law or regulation, be liable to a civil penalty of not more than \$10,000 for the first offense and not more than \$25,000 for the second and each subsequent offense. Each statutory violation shall constitute a separate offense.

C.5:12-112.3 Investigation into unlawful gambling, involved parties.

16. In addition to any other authority provided under the law, when it shall appear to the director of the Division of Gaming Enforcement that a person has engaged in, is engaging in,

or is about to engage in any practice that violates section 112 of P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), or when the director believes it to be in the public interest that an investigation should be made to ascertain whether a person in fact has engaged in, is engaging in, or is about to engage in, any such practice, the director may:

require such person to file on such forms as may be prescribed a statement or report in writing under oath or otherwise, as to all the facts and circumstances concerning the sale or advertisement of merchandise by such person, and such other data and information as the director may deem necessary;

examine under oath any person in connection with the sale or advertisement of any merchandise;

examine any merchandise or sample thereof, record, book, document, account, or paper as the director may deem necessary; and

pursuant to an order of the Superior Court impound any record, book, document, account, paper, or sample of merchandise that is produced in accordance with this act, and retain the same in the director's possession until the completion of all proceedings in connection with which the same are produced.

C.5:12-112.4 Evidence received, penalty assessment, unlawful gambling.

17. Upon receiving evidence of any practice that violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, unlawful gambling, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), the director of the Division of Gaming Enforcement, or the director's designee, shall be empowered to hold hearings upon said violation and, upon finding the violation to have been committed, to assess a penalty against the person alleged to have committed such violation, as well as against any person or entity, including, but not limited to, third party providers or service providers of any kind, found to have knowingly aided or abetted the commission of such violation, in an amount authorized by section 15 of P.L.2025, c.128 (C.5:12-112.2), as the director deems proper under the circumstances. Any such amounts collected by the director shall be paid forthwith into the General Fund for the general purposes of the State.

C.5:12-112.5 Enforcement, unlawful gambling.

18. To enforce section 112 of P.L.1977, c.110 (C.5:12-112) or any prohibition against unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), the director of the Division of Gaming Enforcement, in addition to other powers conferred upon the director, may issue subpoenas to any person, administer an oath or affirmation to any person, conduct hearings in aid of any investigation or inquiry, promulgate such rules and regulations, and prescribe such forms as may be necessary, which shall have the force of law.

C.5:12-112.6 Notice requiring filing a statement, report, subpoena to be made in this State, substitutions, unlawful gambling.

19. Service by the director of the Division of Gaming Enforcement of any notice requiring a person to file a statement or report, or of a subpoena upon any person, pursuant to sections 14 through 23 of P.L.2025, c.128 (C.5:12-112.1 through 5:12-112.10), shall be made

personally within this State, but if such cannot be obtained, substituted service therefor may be made in the following manner:

personal service thereof without this State; or

the mailing thereof by registered mail to the last known place of business, residence or abode, within or without this State of such person for whom the same is intended; or

as to any person other than a natural person, in accordance with the Rules Governing the Courts of the State of New Jersey pertaining to service of process, provided, however, that service shall be made by the Attorney General; or

such service as the Superior Court may direct in lieu of personal service within this State.

C.5:12-112.7 Violation of filing statement, report, obey subpoena, penalties, unlawful gambling.

20. If any person shall fail or refuse to file any statement or report, or obey any subpoena issued by the director of the Division of Gaming Enforcement pursuant to sections 14 through 23 of P.L.2025, c.128 (C.5:12-112.1 through 5:12-112.10), the director may apply to the Superior Court and obtain an order:

adjudging such person in contempt of court;

granting injunctive relief without notice restraining the sale or advertisement of any merchandise by such persons;

vacating, annulling, or suspending the corporate charter of a corporation created by or under the laws of this State or revoking or suspending the certificate of authority to do business in this State of a foreign corporation or revoking or suspending any other licenses, permits, or certificates issued pursuant to law to such person which are used to further the allegedly unlawful practice; and

granting such other relief as may be required until the person files the statement or report, or obeys the subpoena.

C.5:12-112.8 Money, property restored to person in interest, seniors, unlawful gambling.

21. In addition to the assessment of civil penalties, the director of the Division of Gaming Enforcement or the director's designee may, after a hearing and upon a finding of a practice that violates section 112 of P.L.1977, c.110 (C.5:12-112), or unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), order that any moneys or property, real or personal, which have been acquired by means of such violation be restored to any person in interest, except that if any moneys or property, real or personal, have been acquired by means of a violation perpetrated against a senior citizen, the amount of moneys or property, real or personal, ordered restored shall be twice the amount acquired.

As used in this section, "senior citizen" means a person age 62 years or older.

C.5:12-112.9 Violator ordered to cease and desist, penalties, unlawful gambling.

22. In addition to any other authority provided under the law, when, after a hearing, the director of the Division of Gaming Enforcement or the director's designee, finds that a violation of section 112 of P.L.1977, c.110 (C.5:12-112), or unlawful gambling in violation of Article IV, Section VII, paragraph 2 of the New Jersey Constitution, other than a sweepstakes offered or conducted in violation of section 2 of P.L.2025, c.128 (C.52:17B-139.15), has been or may be committed, the director may order the person committing such violation to cease and desist or refrain from committing said violation in the future. When it shall appear to the

director that a person against whom a cease and desist order has been entered has violated said order, the director may initiate a summary proceeding in the Superior Court for the violation thereof. Any person found to have violated a cease and desist order shall pay to the State of New Jersey civil penalties in the amount of not more than \$25,000 for each violation of said order. In the event that any person fails to pay a civil penalty assessed by the court for violation of a cease and desist order, the court assessing the unpaid penalty is authorized, upon application of the director, to grant any relief which may be obtained under any statute or court rule governing the collection and enforcement of civil penalties.

C.5:12-112.10 Collection of amount delinquent, unlawful gambling.

23. At any time within five years after any amount required to be collected pursuant to the provisions of sections 14 through 23 of P.L.2025, c.128 (C.5:12-112.1 through 5:12-112.10) or for any violation of State gambling laws shall become due and payable, the Division of Gaming Enforcement may bring a civil action in the courts of this State, any other state, or of the United States, in the name of the State of New Jersey, to collect the amount delinquent, together with penalties and interest. If such action is brought in this State, a writ of attachment may be issued and no bond or affidavit prior to the issuance thereof shall be required. In all actions in this State, the records of the division shall be prima facie evidence of the determination of the amount of the delinquency.

Each debt that is due and payable and required to be collected, and any monetary penalty imposed for a violation of the State's gambling laws, shall constitute a lien on the real property in this State owned or hereafter acquired by the person owing such a debt or on whom such an obligation has been imposed. Except as otherwise provided in R.S.54:5-9, such a lien shall be a first lien paramount to all prior or subsequent liens, claims, or encumbrances on that property.

C.2C:37-10 Gambling, risking property valued \$1,000 more, offense, exception.

24. a. A person who participates in any form of gambling activity by risking property with a value of \$1,000 or more, having agreed to pay 10 percent or more of the proceeds of the gambling activity to another, is guilty of a disorderly persons offense, unless the person exercises sole control over whether and in what manner the property involved is risked.

b. A person who solicits or conspires with another to violate subsection a. of this section is guilty of a disorderly persons offense.

25. N.J.S.2C:21-11 is amended to read as follows:

Rigging publicly exhibited contest.

2C:21-11. Rigging or Improperly Influencing Publicly Exhibited Contest or Sports Event.

a. A person commits a crime if, with purpose to prevent a publicly exhibited contest or sports event from being conducted in accordance with the rules and usages which govern it, the person:

(1) Confers, offers, agrees to confer any benefit upon or threatens any injury to a participant, official, or other person associated with the contest or sports event;

(2) Tampers with any person, animal, or thing;

(3) Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly, from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that the person or any player, participant, manager, coach, or other official on, or associated with, a competitor or team in the contest or sports event, regardless of by whom such person is employed:

(a) will not use best efforts to win the contest or sports event or will cause themselves or their team to lose the contest or sports event; or

(b) will engage in conduct so as to limit their, or their team's, margin of victory or defeat; or

(4) Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive, directly or indirectly, from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that the person or any judge, referee, or other person officiating in the contest or sports event will fraudulently or corruptly judge, referee, or officiate the contest or sports event.

b. Soliciting or accepting benefit for rigging. A person commits a crime if the person knowingly solicits, accepts, or agrees to accept any benefit the giving of which would be criminal under subsection a. of this section.

c. If the benefit offered, conferred, agreed to be conferred, solicited, accepted, or agreed to be accepted in violation of subsections a. and b. of this section is \$75,000.00 or more, the offender is guilty of a crime of the second degree. If the benefit exceeds \$500, but is less than \$75,000, the offender is guilty of a crime of the third degree. If the benefit is \$500 or less, the offender is guilty of a crime of the fourth degree.

d. Failure to report solicitation for rigging. A person commits a disorderly persons offense if the person fails to report, with reasonable promptness, a solicitation to accept any benefit or to do any tampering, the giving or doing of which would be criminal under subsection a. of this section.

e. Participation in rigged contest or sports event. A person commits a crime of the fourth degree if the person knowingly engages in, sponsors, produces, judges, or otherwise participates in a publicly exhibited contest or sports event knowing that the contest or sports event is being conducted in violation of subsection a. of this section.

26. N.J.S.2C:37-1 is amended to read as follows:

Definitions.

2C:37-1. The following definitions apply to this chapter and to chapter 64:

a. "Contest of chance" means any contest, game, pool, gaming scheme, or gaming device in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill of the contestants or some other persons may also be a factor therein.

b. "Gambling" means staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the actor's control or influence, upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome, or buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. For purposes of this subsection, a contest of chance or a future contingent event not under the actor's control or influence shall include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

c. "Player" means a person who engages in any form of gambling solely as a contestant or bettor, without receiving or becoming entitled to receive any profit therefrom other than personal gambling winnings, and without otherwise rendering any material assistance to the establishment, conduct, or operation of the particular gambling activity. A person who gambles at a social game of chance on equal terms with the other participants therein does not thereby render material assistance to the establishment, conduct, or operation of such game if he performs, without fee or remuneration, acts directed toward the arrangement or facilitation

of the game, such as inviting persons to play, permitting the use of premises therefor or supplying cards or other equipment used therein. A person who engages in "bookmaking" as defined in this section is not a "player."

d. "Something of value" means any money or property, any token, object or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating transfer of money or property or of any interest therein, or involving extension of a service, entertainment, or a privilege of playing at a game or scheme without charge. This definition, however, does not include any form of promise involving extension of a privilege of playing at a game without charge on a mechanical or electronic amusement device, other than a slot machine as an award for the attainment of a certain score on that device.

e. "Gambling device" means any device, machine, paraphernalia, or equipment which is used or usable in the playing phases of any gambling activity, whether such activity consists of gambling between persons or gambling by a person involving the playing of a machine. Notwithstanding the foregoing, lottery tickets, policy slips, and other items used in the playing phases of lottery and policy schemes are not gambling devices.

f. "Slot machine" means any mechanical, electrical, or other device, contrivance, or machine which, upon insertion of a coin, token, or similar object therein, or upon payment of any consideration whatsoever, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive cash or tokens to be exchanged for cash, whether the payoff is made automatically from the machine or in any other manner whatsoever. A device so constructed, or readily adaptable or convertible to such use, is no less a slot machine because it is not in working order or because some mechanical act of manipulation or repair is required to accomplish its adaptation, conversion, or workability.

g. "Bookmaking" means advancing gambling activity by unlawfully accepting bets from members of the public upon the outcome of future contingent events as a business.

h. "Lottery" means an unlawful gambling scheme in which (a) the players pay or agree to pay something of value for chances, represented and differentiated by numbers or by combinations of numbers or by some other media, one or more of which chances are to be designated the winning ones; (b) the winning chances are to be determined by a drawing or by some other method based upon the element of chance; and (c) the holders of the winning chances are to receive something of value.

i. "Policy" or "the numbers game" means a form of lottery in which the winning chances or plays are not determined upon the basis of a drawing or other act on the part of persons conducting or connected with the scheme, but upon the basis of the outcome or outcomes of a future contingent event or events otherwise unrelated to the particular scheme.

j. "Gambling resort" means a place to which persons may resort for engaging in gambling activity.

k. "Unlawful" means not specifically authorized by law.

l. "Online gambling resort" means a website or application accessed via the Internet or other computer or mobile connection to which persons may resort for engaging in gambling activity.

27. N.J.S.2C:37-2 is amended to read as follows:

Promoting gambling.

2C:37-2. Promoting Gambling.

a. Promoting Gambling Defined. A person is guilty of promoting gambling when the person knowingly:

(1) Accepts or receives money or other property, pursuant to an agreement or understanding with any person whereby the person participates or will participate in the proceeds of gambling activity, including, but not limited to, gambling activity that occurs online, unless such gambling activity is under the regulation and control of the State; or

(2) Engages in conduct, which materially aids any form of gambling activity. Such conduct includes, but is not limited to, conduct directed toward the creation or establishment of the particular game, contest, scheme, device, or activity involved; toward the acquisition or maintenance of premises, paraphernalia, equipment, or apparatus therefor; toward the solicitation or inducement of persons to participate therein; toward the actual conduct of the playing phases thereof; toward the arrangement of any of its financial or recording phases; or toward any other phase of its operation.

b. Grading. A person who violates the provisions of subsection a. of this section by:

(1) Engaging in bookmaking to the extent the person receives or accepts in any one day more than five bets totaling more than \$1,000.00; or

(2) Receiving, in connection with a lottery or policy scheme or enterprise (a) money or written records from a person other than a player whose chances or plays are represented by such money or records, or (b) more than \$100.00 in any one day of money played in such scheme or enterprise is guilty of a crime of the third degree and notwithstanding the provisions of section 2C:43-3 shall be subject to a fine of not more than \$35,000.00 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

A person who violates the provisions of subsection a. of this section by engaging in bookmaking to the extent the person receives or accepts three or more bets in any two-week period is guilty of a crime of the fourth degree and notwithstanding the provisions of section 2C:43-3 shall be subject to a fine of not more than \$25,000.00 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2. Otherwise, promoting gambling is a disorderly persons offense and notwithstanding the provisions of section 2C:43-3 shall be subject to a fine of not more than \$10,000.00 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

c. It is an affirmative defense to a prosecution under subsection a. that the person participated only as a player.

28. N.J.S.2C:37-4 is amended to read as follows:

Maintenance of a gambling resort or online gambling resort.

2C:37-4. Maintenance of a Gambling Resort or Online Gambling Resort.

a. A person is guilty of a crime of the third degree if, having substantial proprietary or other authoritative control over premises which are being used with his knowledge for purposes of activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, the person permits such to occur or continue or makes no effort to prevent its occurrence or continuation and the person accepts or receives money or other property pursuant to an agreement or understanding with any person whereby the person participates or will participate in the proceeds of such gambling activity on such premises and notwithstanding the provisions of section 2C:43-3 shall be subject to a fine of not more than \$50,000 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

b. A person is guilty of a crime of the third degree if, having substantial proprietary or other authoritative control over premises open to the general public which are being used with the person's knowledge for purposes of gambling activity, the person permits such to occur or continue or makes no effort to prevent its occurrence or continuation and notwithstanding the

provisions of section 2C:43-3 shall be subject to a fine of not more than \$50,000 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

c. A person is guilty of a crime of the third degree if the person operates or maintains an online gambling resort through which persons from within New Jersey are permitted to wager unless such gambling activity is under the regulation and control of the State and, notwithstanding the provisions of N.J.S.2C:43-3, shall be subject to a fine of not less than \$50,000 nor more than \$100,000 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to read as follows:

C.5:12-113 Swindling and cheating; penalties.

113. Swindling and Cheating; Penalties.

a. A person is guilty of swindling and cheating if the person:

(1) purposely or knowingly by any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice, or device, for themselves or for another, wins or attempts to win money or property or a representative of either or reduces a losing wager or attempts to reduce a losing wager in connection to casino gaming, Internet gaming, or sports wagering;

(2) purposely or knowingly places any sports wager having knowledge of information not available to the general public bearing upon that wager and wins, or attempts to win, money or property or a representative of either; or

(3) with the purpose to deceive, uses another person's gaming account, including, but not limited to, a wagering account for Internet gaming or sports wagering, to place a wager and wins, or attempts to win, money or property or a representative of either.

b. Consolidation of offenses. Conduct denominated swindling and cheating in this section constitutes a single offense, but each episode or transaction may be the subject of a separate prosecution and conviction. A charge of swindling and cheating may be supported by evidence that it was committed in any manner that would be swindling and cheating under this section, notwithstanding the specification of a different manner in the indictment or accusation, subject only to the power of the court to ensure a fair trial by granting a bill of particulars, discovery, continuance, or other appropriate relief when the conduct of the defense would be prejudiced by a lack of fair notice or by surprise.

c. Grading of swindling and cheating offenses.

(1) Swindling and cheating constitutes a crime of the second degree if the amount involved is \$75,000 or more.

(2) Swindling and cheating constitutes a crime of the third degree if the amount involved exceeds \$500.

(3) Swindling and cheating constitutes a crime of the fourth degree if the amount involved is at least \$200 but not more than \$500.

(4) Swindling and cheating constitutes a disorderly persons offense if the amount involved is less than \$200.

(5) The amount involved in swindling and cheating shall be determined by the trier of fact. Amounts involved in acts of swindling and cheating committed pursuant to one scheme or course of conduct, whether from the same person or several persons, may be aggregated in determining the grade of the offense.

30. This act shall take effect immediately.

Approved August 15, 2025.

ASSEMBLY, No. 5447

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 17, 2025

Sponsored by:

Assemblyman CLINTON CALABRESE

District 36 (Bergen and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Co-Sponsored by:

Assemblywoman Donlon

SYNOPSIS

Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/8/2025)

1 **AN ACT** concerning unlawful gambling operations in this State and
2 amending and supplementing various parts of the statutory law.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. (New section) As used in this act, P.L. , c. (C.)
8 (pending before the Legislature as this bill):

9 “Game” means, but is not limited to, casino-style games such as
10 slot machines, video poker, table games such as roulette, blackjack,
11 craps, and poker; lottery games such as draw games, raffle, bingo,
12 and keno; and sports wagering.

13 “Prize or prize equivalent” means cash, a cash equivalent, or
14 merchandise; a token, object, or article exchangeable for cash, a
15 cash equivalent, or merchandise; or any form of credit or promise
16 directly or indirectly contemplating the transfer of cash, a cash
17 equivalent, or merchandise, or of any interest therein.

18 “Something of value” means the same as that term is defined by
19 subsection d. of N.J.S.2C:37-1.

20 “Sweepstakes” means a promotional, advertising, or marketing
21 event, contest, or game, whether played online or in person, in
22 which something of value, such as a prize or prize equivalent, is
23 awarded, either directly or indirectly through means such as a dual
24 currency system of payment that allows a participant to exchange
25 the currency for a prize or prize equivalent.

26
27 2. (New section) Except as otherwise provided in section 3 of
28 P.L. , c. (C.) (pending before the Legislature as this bill) or
29 authorized under any other law of this State, offering or conducting
30 a sweepstakes in which a person present in New Jersey may
31 participate by paying or proffering something of value, including,
32 but not limited to, an entry fee for the opportunity to win or receive
33 a prize or prize equivalent, shall constitute unlawful gambling in
34 violation of Article IV, Section VII, paragraph 2 of the New Jersey
35 Constitution, and shall subject the operator or sponsor, or any
36 officer, employee, or agent of the operator or sponsor, to civil
37 liability under section 5 of P.L. , c. (C.) (pending before
38 the Legislature as this bill) and under any other applicable law of
39 this State that prohibits gambling, and, to the extent applicable, may
40 subject such persons to criminal liability under N.J.S.2C:37-2,
41 N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of
42 this State that prohibits gambling.

43
44 3. (New section) a. Notwithstanding the provisions of section
45 2 of P.L. , c. (C.) (pending before the Legislature as this

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 bill) or any other law or regulation to the contrary, offering,
2 conducting or participating in a sweepstakes that meets the
3 requirements of subsection b. of this section shall not constitute
4 unlawful gambling in violation of Article IV, Section VII,
5 paragraph 2 of the New Jersey Constitution, and shall not subject
6 the participant or the operator or sponsor of the sweepstakes or any
7 officer, employee, or agent of the operator or sponsor, to any civil
8 or criminal liability under the laws of this State that prohibit
9 gambling.

10 b. A sweepstakes in which a person present in New Jersey may
11 participate by paying or proffering something of value for the
12 opportunity to win or receive a prize or prize equivalent shall not be
13 deemed to violate section 2 of P.L. , c. (C.) (pending
14 before the Legislature as this bill) if:

15 (1) there exists a method of entry to participate in the
16 sweepstakes at no cost to the participant;

17 (2) any method of entry that is not free to the participant is
18 ancillary to the purchase of food, non-alcoholic beverages, or other
19 merchandise such as mugs, trinkets, or mementos, not exceeding
20 \$20 in value or such other amount to be determined by the Director
21 of the Division of Consumer Affairs in the Department of Law and
22 Public Safety; provided, however, that such other items of
23 merchandise shall not include coins, tokens, or online credits that
24 have no value other than permitting sweepstakes entry or that are
25 able to be exchanged for money or merchandise from the
26 sweepstakes operator or an affiliated company;

27 (3) determination of the winner or winners of the sweepstakes is
28 not in any way based on the results of any sports event or contest or
29 the performance or any facet thereof of any individual or team, or
30 the performance of a combination of any individuals or teams in
31 any sports event or contest, unless the sole and exclusive method of
32 entry to participate in the sweepstakes is at no cost to all
33 participants;

34 (4) the sweepstakes entry form or the website or application
35 used to enter an online or telephone sweepstakes clearly discloses to
36 participants the rules of the sweepstakes, the odds of a winning any
37 and all prizes, unless the sweepstakes permits an unlimited number
38 of entries, in which case the sponsor or operator shall disclose that
39 the sweepstakes permits unlimited entry, and the nature and number
40 of any prizes that may be awarded;

41 (5) the value of any cash or merchandise prize shall be income
42 for purposes of New Jersey income tax;

43 (6) no person under the age of 18 shall be permitted to claim a
44 sweepstakes prize exceeding \$1,000 in value without the consent of
45 the person's parent or guardian; and

46 (7) the odds of winning any particular prize shall be identical
47 regardless of whether the contest was entered by purchasing an
48 entry or by entering at no cost to the participant.

1 c. The Division of Consumer Affairs may adopt rules and
2 regulations pursuant to the “Administrative Procedure Act,”
3 P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of
4 sections 1 through 13 of P.L. , c. (C.) (pending before the
5 Legislature as this bill).

6
7 4. (New section) Whenever it shall appear to the director of
8 the Division of Consumer Affairs that a violation of section 2 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)
10 has occurred, is occurring, or will occur, the division may, in
11 addition to any other proceeding authorized by law, seek and obtain
12 in a summary proceeding in Superior Court an injunction
13 prohibiting such violation. In any such proceeding, the court may
14 assess a civil penalty in accordance with the provisions of section 5
15 of P.L. , c. (C.) (pending before the Legislature as this
16 bill); order restoration to any person in interest of any monies or
17 property, real or personal, acquired by means of such violation in
18 accordance with the provisions of section 11 of P.L. , c.
19 (C.) (pending before the Legislature as this bill); and enter
20 such orders as may be necessary to prevent the recurrence of such
21 violation in the future and to remedy any past violation.

22
23 5. (New section) Any person found in violation section 2 of
24 P.L. , c. (C.) (pending before the Legislature as this bill)
25 shall, in addition to any other sanctions authorized by law or
26 regulation, be liable to a civil penalty of not more than \$100,000 for
27 the first offense and not more than \$250,000 for the second and
28 each subsequent offense. Each day that such violation continues
29 shall be deemed a separate offense.

30
31 6. (New section) When it shall appear to the director of the
32 Division of Consumer Affairs that a person has engaged in, is
33 engaging in, or is about to engage in any practice that violates
34 section 2 of P.L. , c. (C.) (pending before the Legislature
35 as this bill), or when the director believes it to be in the public
36 interest that an investigation should be made to ascertain whether a
37 person in fact has engaged in, is engaging in, or is about to engage
38 in, any such practice, the director may:

39 require such person to file on such forms as may be prescribed a
40 statement or report in writing, under oath or otherwise, as to all the
41 facts and circumstances concerning the sale or advertisement of
42 merchandise by such person, and such other data and information as
43 the director may deem necessary;

44 examine, under oath, any person in connection with the sale or
45 advertisement of any merchandise;

46 examine any merchandise or sample thereof, record, book,
47 document, account, or paper as the director may deem necessary;
48 and

1 pursuant to an order of the Superior Court, impound any record,
2 book, document, account, paper, or sample of merchandise that is
3 produced in accordance with this act, and retain the same in the
4 director's possession until the completion of all proceedings in
5 connection with which the same are produced.

6
7 7. (New section) Upon receiving evidence of any violation of
8 section 2 of P.L. , c. (C.) (pending before the Legislature
9 as this bill), the director of the Division of Consumer Affairs, or the
10 director's designee, shall be empowered to hold hearings upon said
11 violation and, upon finding the violation to have been committed, to
12 assess a penalty against the person alleged to have committed such
13 violation in an amount authorized by section 5 of P.L. , c.
14 (C.) (pending before the Legislature as this bill) as the director
15 deems proper under the circumstances. Any such amounts collected
16 by the director in excess of the costs and expenses incurred by the
17 division in exercising the authority granted by P.L. , c. (C.)
18 (pending before the Legislature as this bill), shall be paid forthwith
19 into the General Fund for appropriation by the Legislature to the
20 Department of Human Services for prevention, education, and
21 treatment programs for compulsive gambling that meet the criteria
22 developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169),
23 such as those provided by the Council on Compulsive Gambling of
24 New Jersey.

25
26 8. (New section) To enforce section 2 of P.L. , c. (C.)
27 (pending before the Legislature as this bill), the director of the
28 Division of Consumer Affairs, in addition to other powers conferred
29 upon the director by this act, may issue subpoenas to any person,
30 administer an oath or affirmation to any person, conduct hearings in
31 aid of any investigation or inquiry, promulgate such rules and
32 regulations, and prescribe such forms as may be necessary, which
33 shall have the force of law.

34
35 9. (New section) Service by the director of the Division of
36 Consumer Affairs of any notice requiring a person to file a
37 statement or report, or of a subpoena upon any person, in
38 connection with section 2 of P.L. , c. (C.) (pending before
39 the Legislature as this bill) shall be made personally within this
40 State, but if such cannot be obtained, substituted service therefor
41 may be made in the following manner:

42 personal service thereof without this State; or

43 the mailing thereof by registered mail to the last known place of
44 business, residence or abode, within or without this State of such
45 person for whom the same is intended; or

46 as to any person other than a natural person, in accordance with
47 the Rules Governing the Courts of the State of New Jersey

1 pertaining to service of process, provided, however, that service
2 shall be made by the Attorney General; or

3 such service as the Superior Court may direct in lieu of personal
4 service within this State.

5
6 10. (New section) If any person shall fail or refuse to file any
7 statement or report, or obey any subpoena issued by the director of
8 the Division of Consumer Affairs in connection with section 2 of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the director may apply to the Superior Court and obtain an order:

11 adjudging such person in contempt of court;

12 granting injunctive relief without notice restraining the sale or
13 advertisement of any merchandise by such persons;

14 vacating, annulling, or suspending the corporate charter of a
15 corporation created by or under the laws of this State or revoking or
16 suspending the certificate of authority to do business in this State of
17 a foreign corporation or revoking or suspending any other licenses,
18 permits, or certificates issued pursuant to law to such person which
19 are used to further the allegedly unlawful practice; and

20 granting such other relief as may be required; until the person
21 files the statement or report, or obeys the subpoena.

22
23 11. (New section) In addition to the assessment of civil
24 penalties, the director of the Division of Consumer Affairs or the
25 director's designee may, after a hearing and upon a finding of a
26 violation of section 2 of P.L. , c. (C.) (pending before the
27 Legislature as this bill), order that any moneys or property, real or
28 personal, which have been acquired by means of such violation be
29 restored to any person in interest, except that if any moneys or
30 property, real or personal, have been acquired by means of a
31 violation perpetrated against a senior citizen, the amount of moneys
32 or property, real or personal, ordered restored shall be twice the
33 amount acquired.

34 As used in this section, "senior citizen" means a person age 62
35 years or older.

36
37 12. (New section) Where, after a hearing, the director of the
38 Division of Consumer Affairs, or the director's designee, finds that
39 a violation of section 2 of P.L. , c. (C.) (pending before the
40 Legislature as this bill) has been or may be committed, the director
41 may order the person committing such violation to cease and desist
42 or refrain from committing said violation in the future. When it
43 shall appear to the director that a person against whom a cease and
44 desist order has been entered has violated said order, the director
45 may initiate a summary proceeding in the Superior Court for the
46 violation thereof. Any person found to have violated a cease and
47 desist order shall pay to the State of New Jersey civil penalties in
48 the amount of not more than \$25,000 for each violation of said

1 order. In the event that any person fails to pay a civil penalty
2 assessed by the court for violation of a cease and desist order, the
3 court assessing the unpaid penalty is authorized, upon application of
4 the director, to grant any relief which may be obtained under any
5 statute or court rule governing the collection and enforcement of
6 civil penalties.

7
8 13. (New section) At any time within five years after any
9 amount required to be collected pursuant to the provisions of
10 sections 2 through 12 of P.L. , c. (C.) (pending before the
11 Legislature as this bill) shall become due and payable, the Division
12 of Consumer Affairs may bring a civil action in the courts of this
13 State or any other state or of the United States, in the name of the
14 State of New Jersey, to collect the amount delinquent, together with
15 penalties and interest. If such action is brought in this State, a writ
16 of attachment may be issued and no bond or affidavit prior to the
17 issuance thereof shall be required. In all actions in this State, the
18 records of the division shall be prima facie evidence of the
19 determination of the amount of the delinquency.

20 Each debt that is due and payable and required to be collected,
21 and any monetary penalty imposed for a violation of section 2
22 through section 12 of P.L. , c. (C.) (pending before the
23 Legislature as this bill), shall constitute a lien on the real property
24 in this State owned or hereafter acquired by the person owing such
25 a debt or on whom such an obligation has been imposed. Except as
26 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
27 paramount to all prior or subsequent liens, claims, or encumbrances
28 on that property.

29
30 14. (New section) In addition to any other authority provided
31 under law, whenever it shall appear to the Division of Gaming
32 Enforcement that a violation of section 112 of P.L.1977, c.110
33 (C.5:12-112) or unlawful gambling in violation of Article IV,
34 Section VII, paragraph 2 of the New Jersey Constitution, other than
35 a sweepstakes offered or conducted in violation of section 2 of
36 P.L. , c. (C.) (pending before the Legislature as this bill),
37 has occurred, is occurring, or will occur, the division may, in
38 addition to any other proceeding authorized by law, seek and obtain
39 in a summary proceeding in Superior Court an injunction
40 prohibiting such violation or unlawful gambling. In any such
41 proceeding the court may assess a civil penalty in accordance with
42 the provisions of section 15 of P.L. , c. (C.) (pending
43 before the Legislature as this bill); order restoration to any person in
44 interest of any monies or property, real or personal, acquired by
45 means of such violation or unlawful gambling in accordance with
46 the provisions of section 20 of P.L. , c. (C.) (pending
47 before the Legislature as this bill); and enter such orders as may be
48 necessary to prevent the recurrence of such violation or unlawful

1 gambling in the future, and to remedy any past violation or
2 unlawful gambling. In any action brought pursuant to this section,
3 the court shall not suspend or revoke any license issued by the
4 division.

5
6 15. (New section) Any person violating section 112 of
7 P.L.1977,
8 c.110 (C.5:12-112), or engaging in unlawful gambling in violation
9 of Article IV, Section VII, paragraph 2 of the New Jersey
10 Constitution, other than a sweepstakes offered or conducted in
11 violation of section 2 of P.L. , c. (C.) (pending before the
12 Legislature as this bill), shall, in addition to any other sanctions
13 authorized by law or regulation, be liable to a civil penalty of not
14 more than \$10,000 for the first offense and not more than \$25,000
15 for the second and each subsequent offense. Each statutory
16 violation shall constitute a separate offense.

17
18 16. (New section) In addition to any other authority provided
19 under the law, when it shall appear to the director of the Division of
20 Gaming Enforcement that a person has engaged in, is engaging in,
21 or is about to engage in any practice that violates section 112 of
22 P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in
23 violation of Article IV, Section VII, paragraph 2 of the New Jersey
24 Constitution, other than a sweepstakes offered or conducted in
25 violation of section 2 of P.L. , c. (C.) (pending before the
26 Legislature as this bill), or when the director believes it to be in the
27 public interest that an investigation should be made to ascertain
28 whether a person in fact has engaged in, is engaging in, or is about
29 to engage in, any such practice, the director may:

30 require such person to file on such forms as may be prescribed a
31 statement or report in writing under oath or otherwise, as to all the
32 facts and circumstances concerning the sale or advertisement of
33 merchandise by such person, and such other data and information as
34 the director may deem necessary;

35 examine under oath any person in connection with the sale or
36 advertisement of any merchandise;

37 examine any merchandise or sample thereof, record, book,
38 document, account, or paper as the director may deem necessary;
39 and

40 pursuant to an order of the Superior Court impound any record,
41 book, document, account, paper, or sample of merchandise that is
42 produced in accordance with this act, and retain the same in the
43 director's possession until the completion of all proceedings in
44 connection with which the same are produced.

45
46 17. (New section) Upon receiving evidence of any practice that
47 violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful
48 gambling in violation of Article IV, Section VII, paragraph 2 of the

1 New Jersey Constitution, unlawful gambling, other than a
2 sweepstakes offered or conducted in violation of section 2 of
3 P.L. , c. (C.) (pending before the Legislature as this bill),
4 the director of the Division of Gaming Enforcement, or the
5 director's designee, shall be empowered to hold hearings upon said
6 violation and, upon finding the violation to have been committed, to
7 assess a penalty against the person alleged to have committed such
8 violation, as well as against any person or entity, including but not
9 limited to third party providers or service providers of any kind,
10 found to have knowingly aided or abetted the commission of such
11 violation, in an amount authorized by section 15 of P.L. , c.
12 (C.) (pending before the Legislature as this bill), as the director
13 deems proper under the circumstances. Any such amounts collected
14 by the director shall be paid forthwith into the General Fund for the
15 general purposes of the State.

16
17 18. (New section) To enforce section 112 of P.L.1977, c.110
18 (C.5:12-112) or any prohibition against unlawful gambling in
19 violation of Article IV, Section VII, paragraph 2 of the New Jersey
20 Constitution other than a sweepstakes offered or conducted in
21 violation of section 2 of P.L. , c. (C.) (pending before the
22 Legislature as this bill), the director of the Division of Gaming
23 Enforcement, in addition to other powers conferred upon the
24 director, may issue subpoenas to any person, administer an oath or
25 affirmation to any person, conduct hearings in aid of any
26 investigation or inquiry, promulgate such rules and regulations, and
27 prescribe such forms as may be necessary, which shall have the
28 force of law.

29
30 19. (New section) Service by the director of the Division of
31 Gaming Enforcement of any notice requiring a person to file a
32 statement or report, or of a subpoena upon any person, pursuant to
33 sections 14 through 23 of P.L. , c. (C.) (pending before the
34 Legislature as this bill) shall be made personally within this State,
35 but if such cannot be obtained, substituted service therefor may be
36 made in the following manner:

37 personal service thereof without this State; or
38 the mailing thereof by registered mail to the last known place of
39 business, residence or abode, within or without this State of such
40 person for whom the same is intended; or
41 as to any person other than a natural person, in accordance with
42 the Rules Governing the Courts of the State of New Jersey
43 pertaining to service of process, provided, however, that service
44 shall be made by the Attorney General; or
45 such service as the Superior Court may direct in lieu of personal
46 service within this State.

1 20. (New section) If any person shall fail or refuse to file any
2 statement or report, or obey any subpoena issued by the director of
3 the Division of Gaming Enforcement pursuant to sections 14
4 through 23 of P.L. , c. (pending before the Legislature as this
5 bill), the director may apply to the Superior Court and obtain an
6 order:

7 adjudging such person in contempt of court;

8 granting injunctive relief without notice restraining the sale or
9 advertisement of any merchandise by such persons;

10 vacating, annulling, or suspending the corporate charter of a
11 corporation created by or under the laws of this State or revoking or
12 suspending the certificate of authority to do business in this State of
13 a foreign corporation or revoking or suspending any other licenses,
14 permits, or certificates issued pursuant to law to such person which
15 are used to further the allegedly unlawful practice; and

16 granting such other relief as may be required; until the person
17 files the statement or report, or obeys the subpoena.

18
19 21. (New section) In addition to the assessment of civil
20 penalties, the director of the Division of Gaming Enforcement or
21 the director's designee may, after a hearing and upon a finding of a
22 practice that violates section 112 of P.L.1977, c.110 (C.5:12-112),
23 or unlawful gambling in violation of Article IV, Section VII,
24 paragraph 2 of the New Jersey Constitution, other than a
25 sweepstakes offered or conducted in violation of section 2 of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 order that any moneys or property, real or personal, which have
28 been acquired by means of such violation be restored to any person
29 in interest, except that if any moneys or property, real or personal,
30 have been acquired by means of a violation perpetrated against a
31 senior citizen, the amount of moneys or property, real or personal,
32 ordered restored shall be twice the amount acquired.

33 As used in this section, "senior citizen" means a person age 62
34 years or older.

35
36 22. (New section) In addition to any other authority provided
37 under the law, when, after a hearing, the director of the Division of
38 Gaming Enforcement or the director's designee, finds that a
39 violation of section 112 of P.L.1977, c.110 (C.5:12-112), or
40 unlawful gambling in violation of Article IV, Section VII,
41 paragraph 2 of the New Jersey Constitution, other than a
42 sweepstakes offered or conducted in violation of section 2 of c.
43 (C.) (pending before the Legislature as this bill), has been or
44 may be committed, the director may order the person committing
45 such violation to cease and desist or refrain from committing said
46 violation in the future. When it shall appear to the director that a
47 person against whom a cease and desist order has been entered has
48 violated said order, the director may initiate a summary proceeding

1 in the Superior Court for the violation thereof. Any person found to
2 have violated a cease and desist order shall pay to the State of New
3 Jersey civil penalties in the amount of not more than \$25,000 for
4 each violation of said order. In the event that any person fails to
5 pay a civil penalty assessed by the court for violation of a cease and
6 desist order, the court assessing the unpaid penalty is authorized,
7 upon application of the director, to grant any relief which may be
8 obtained under any statute or court rule governing the collection
9 and enforcement of civil penalties.

10
11 23. (New section) At any time within five years after any
12 amount required to be collected pursuant to the provisions of
13 sections 14 through 23 of P.L. , c. (C.) (pending before the
14 Legislature as this bill) or for any violation of State gambling laws
15 shall become due and payable, the Division of Gaming Enforcement
16 may bring a civil action in the courts of this State or any other state
17 or of the United States, in the name of the State of New Jersey, to
18 collect the amount delinquent, together with penalties and interest.
19 If such action is brought in this State, a writ of attachment may be
20 issued and no bond or affidavit prior to the issuance thereof shall be
21 required. In all actions in this State, the records of the division
22 shall be prima facie evidence of the determination of the amount of
23 the delinquency.

24 Each debt that is due and payable and required to be collected, and
25 any monetary penalty imposed for a violation of the State's
26 gambling laws, shall constitute a lien on the real property in this
27 State owned or hereafter acquired by the person owing such a debt
28 or on whom such an obligation has been imposed. Except as
29 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
30 paramount to all prior or subsequent liens, claims, or encumbrances
31 on that property.

32
33 24. (New section) a. A person who participates in any form of
34 gambling activity by risking property with a value of \$1,000 or
35 more, having agreed to pay 10 percent or more of the proceeds of
36 the gambling activity to another, is guilty of a disorderly persons
37 offense, unless the person exercises sole control over whether and
38 in what manner the property involved is risked.

39 b. A person who solicits or conspires with another to violate
40 subsection a. of this section is guilty of a disorderly persons
41 offense.

42
43 25. N.J.S.2C:21-11 is amended to read as follows:

44 2C:21-11. Rigging or Improperly Influencing Publicly Exhibited
45 Contest or Sports Event.

46 a. A person commits a crime if, with purpose to prevent a
47 publicly exhibited contest or sports event from being conducted in

- 1 accordance with the rules and usages which govern it, **【he】** the
2 person:
- 3 (1) Confers or offers or agrees to confer any benefit upon, or
4 threatens any injury to a participant, official or other person
5 associated with the contest or **【exhibition; or】** sports event;
- 6 (2) Tamperers with any person, animal or thing;
- 7 (3) Gives, offers, or promises, or attempts to give to or offer, or
8 asks, receives, or offers to receive directly or indirectly, from any
9 other person any compensation, gratuity, or thing of value, or any
10 promise thereof, with the intention, understanding, or agreement
11 that the person or any player, participant, manager, coach, or other
12 official on, or associated with, a competitor or team in the contest
13 or sports event, regardless of by whom such person is employed;
- 14 (a) will not use best efforts to win the contest or sports event or
15 will cause themselves or their team to lose the contest or sports
16 event; or
- 17 (b) will engage in conduct so as to limit their, or their team's,
18 margin of victory or defeat; or
- 19 (4) Gives, offers, or promises, or attempts to give to or offer, or
20 asks, receives, or offers to receive, directly or indirectly, from any
21 other person any compensation, gratuity, or thing of value, or any
22 promise thereof, with the intention, understanding, or agreement
23 that the person or any judge, referee, or other person officiating in
24 the contest or sports event will fraudulently or corruptly judge,
25 referee, or officiate the contest or sports event.
- 26 b. Soliciting or accepting benefit for rigging. A person commits
27 a crime if **【he】** the person knowingly solicits, accepts or agrees to
28 accept any benefit the giving of which would be criminal under
29 subsection a. of this section.
- 30 c. If the benefit offered, conferred, agreed to be conferred,
31 solicited, accepted or agreed to be accepted in violation of
32 subsections a. and b. of this section is \$75,000.00 or more, the
33 offender is guilty of a crime of the second degree. If the benefit
34 exceeds **【\$1,000.00】** \$500, but is less than \$75,000, the offender is
35 guilty of a crime of the third degree. If the benefit is **【\$1,000.00】**
36 \$500 or less, the offender is guilty of a crime of the fourth degree.
- 37 d. Failure to report solicitation for rigging. A person commits a
38 disorderly persons offense if **【he】** the person fails to report, with
39 reasonable promptness, a solicitation to accept any benefit or to do
40 any tampering, the giving or doing of which would be criminal
41 under subsection a. of this section.
- 42 e. Participation in rigged contest or sports event. A person
43 commits a crime of the fourth degree if **【he】** the person knowingly
44 engages in, sponsors, produces, judges, or otherwise participates in
45 a publicly exhibited contest or sports event knowing that the contest
46 or sports event is being conducted in violation of subsection a. of

1 this section.

2 (cf: P.L.1986, c.129, s.2)

3

4 26. N.J.S.2C:37-1 is amended to read as follows:

5 2C:37-1. The following definitions apply to this chapter and to
6 chapter 64:

7 a. "Contest of chance" means any contest, game, pool, gaming
8 scheme or gaming device in which the outcome depends in a
9 material degree upon an element of chance, notwithstanding that
10 skill of the contestants or some other persons may also be a factor
11 therein.

12 b. "Gambling" means staking or risking something of value
13 upon the outcome of a contest of chance or a future contingent
14 event not under the actor's control or influence, upon an agreement
15 or understanding that **[he]** the actor will receive something of value
16 in the event of a certain outcome, or buying, selling, or trading
17 something of value upon an agreement or understanding that the
18 actor will receive something of value in the event of a certain
19 outcome in a contest of chance. For purposes of this subsection, a
20 contest of chance or a future contingent event not under the actor's
21 control or influence shall include, but need not be limited to, a
22 sports event on which a wager may be placed with a sports
23 wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

24 c. "Player" means a person who engages in any form of
25 gambling solely as a contestant or bettor, without receiving or
26 becoming entitled to receive any profit therefrom other than
27 personal gambling winnings, and without otherwise rendering any
28 material assistance to the establishment, conduct or operation of
29 the particular gambling activity. A person who gambles at a social
30 game of chance on equal terms with the other participants therein
31 does not thereby render material assistance to the establishment,
32 conduct or operation of such game if he performs, without fee or
33 remuneration, acts directed toward the arrangement or facilitation
34 of the game, such as inviting persons to play, permitting the use of
35 premises therefor or supplying cards or other equipment used
36 therein. A person who engages in "bookmaking" as defined in this
37 section is not a "player."

38 d. "Something of value" means any money or property, any
39 token, object or article exchangeable for money or property, or any
40 form of credit or promise directly or indirectly contemplating
41 transfer of money or property or of any interest therein, or
42 involving extension of a service, entertainment or a privilege of
43 playing at a game or scheme without charge. This definition,
44 however, does not include any form of promise involving extension
45 of a privilege of playing at a game without charge on a mechanical
46 or electronic amusement device, other than a slot machine as an
47 award for the attainment of a certain score on that device.

1 e. "Gambling device" means any device, machine,
2 paraphernalia or equipment which is used or usable in the playing
3 phases of any gambling activity, whether such activity consists of
4 gambling between persons or gambling by a person involving the
5 playing of a machine. Notwithstanding the foregoing, lottery
6 tickets, policy slips and other items used in the playing phases of
7 lottery and policy schemes are not gambling devices.

8 f. "Slot machine" means any mechanical, electrical or other
9 device, contrivance or machine which, upon insertion of a coin,
10 token or similar object therein, or upon payment of any
11 consideration whatsoever, is available to play or operate, the play
12 or operation of which, whether by reason of the skill of the
13 operator or application of the element of chance, or both, may
14 deliver or entitle the person playing or operating the machine to
15 receive cash or tokens to be exchanged for cash, whether the payoff
16 is made automatically from the machine or in any other manner
17 whatsoever. A device so constructed, or readily adaptable or
18 convertible to such use, is no less a slot machine because it is not
19 in working order or because some mechanical act of manipulation
20 or repair is required to accomplish its adaptation, conversion or
21 workability.

22 g. "Bookmaking" means advancing gambling activity by
23 unlawfully accepting bets from members of the public upon the
24 outcome of future contingent events as a business.

25 h. "Lottery" means an unlawful gambling scheme in which (a)
26 the players pay or agree to pay something of value for chances,
27 represented and differentiated by numbers or by combinations of
28 numbers or by some other media, one or more of which chances are
29 to be designated the winning ones; and (b) the winning chances are
30 to be determined by a drawing or by some other method based
31 upon the element of chance; and (c) the holders of the winning
32 chances are to receive something of value.

33 i. "Policy" or "the numbers game" means a form of lottery in
34 which the winning chances or plays are not determined upon the
35 basis of a drawing or other act on the part of persons conducting or
36 connected with the scheme, but upon the basis of the outcome or
37 outcomes of a future contingent event or events otherwise unrelated
38 to the particular scheme.

39 j. "Gambling resort" means a place to which persons may resort
40 for engaging in gambling activity.

41 k. "Unlawful" means not specifically authorized by law.

42 l. "Online gambling resort" means a website or application
43 accessed via the Internet or other computer or mobile connection to
44 which persons may resort for engaging in gambling activity.

45 (cf: P.L.1982, c.60, s.1)

46

47 27. N.J.S.2C:37-2 is amended to read as follows:

48 2C:37-2. Promoting Gambling.

1 a. Promoting Gambling Defined. A person is guilty of
2 promoting gambling when **【he】 the person** knowingly:

3 (1) Accepts or receives money or other property, pursuant to an
4 agreement or understanding with any person whereby **【he】 the**
5 **person** participates or will participate in the proceeds of gambling
6 activity, including, but not limited to gambling activity that occurs
7 online, unless such gambling activity is under the regulation and
8 control of the State; or

9 (2) Engages in conduct, which materially aids any form of
10 gambling activity. Such conduct includes but is not limited to
11 conduct directed toward the creation or establishment of the
12 particular game, contest, scheme, device or activity involved,
13 toward the acquisition or maintenance of premises, paraphernalia,
14 equipment or apparatus therefor, toward the solicitation or
15 inducement of persons to participate therein, toward the actual
16 conduct of the playing phases thereof, toward the arrangement of
17 any of its financial or recording phases, or toward any other phase
18 of its operation.

19 b. Grading. A person who violates the provisions of subsection
20 a. of this section by:

21 (1) Engaging in bookmaking to the extent **【he】 the person**
22 receives or accepts in any one day more than five bets totaling more
23 than \$1,000.00; or

24 (2) Receiving, in connection with a lottery or policy scheme or
25 enterprise (a) money or written records from a person other than a
26 player whose chances or plays are represented by such money or
27 records, or (b) more than \$100.00 in any one day of money played
28 in such scheme or enterprise, is guilty of a crime of the third degree
29 and notwithstanding the provisions of section 2C:43-3 shall be
30 subject to a fine of not more than \$35,000.00 and any other
31 appropriate disposition authorized by **【N.J.S.2C:43-2 b】 subsection**
32 **b. of N.J.S.2C:43-2.**

33 A person who violates the provisions of subsection a. of this
34 section by engaging in bookmaking to the extent **【he】 the person**
35 receives or accepts three or more bets in any two-week period is
36 guilty of a crime of the fourth degree and notwithstanding the
37 provisions of section 2C:43-3 shall be subject to a fine of not more
38 than \$25,000.00 and any other appropriate disposition authorized by
39 **【N.J.S.2C:43-2b】 subsection b. of N.J.S.2C:43-2.** Otherwise,
40 promoting gambling is a disorderly persons offense and
41 notwithstanding the provisions of section 2C:43-3 shall be subject
42 to a fine of not more than \$10,000.00 and any other appropriate
43 disposition authorized by **【N.J.S.2C:43-2b】 subsection b. of**
44 **N.J.S.2C:43-2.**

45 c. It is **【a】 an affirmative** defense to a prosecution under
46 subsection a. that the person participated only as a player. **【It shall**

1 be the burden of the defendant to prove by clear and convincing
2 evidence his status as such player.】

3 (cf: P.L.1997, c.181, s.9)

4
5 28. N.J.S.2C:37-4 is amended to read as follows:

6 2C:37-4. Maintenance of a Gambling Resort or Online
7 Gambling Resort.

8 a. A person is guilty of a crime of the 【fourth】 third degree if,
9 having substantial proprietary or other authoritative control over
10 premises which are being used with his knowledge for purposes of
11 activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, 【he】 the
12 person permits such to occur or continue or makes no effort to
13 prevent its occurrence or continuation and 【he】 the person accepts
14 or receives money or other property pursuant to an agreement or
15 understanding with any person whereby 【he】 the person
16 participates or will participate in the proceeds of such gambling
17 activity on such premises and notwithstanding the provisions of
18 section 2C:43-3 shall be subject to a fine of not more than
19 【\$25,000.00】 \$50,000 and any other appropriate disposition
20 authorized by 【N.J.S.2C:43-2b】 subsection b. of N.J.S.2C:43-2.

21 b. A person is guilty of a crime of the 【fourth】 third degree if,
22 having substantial proprietary or other authoritative control over
23 premises open to the general public which are being used with 【his】
24 the person's knowledge for purposes of gambling activity, 【he】 the
25 person permits such to occur or continue or makes no effort to
26 prevent its occurrence or continuation and notwithstanding the
27 provisions of section 2C:43-3 shall be subject to a fine of not more
28 than 【\$25,000.00】 \$50,000 and any other appropriate disposition
29 authorized by 【N.J.S.2C:43-2b】 subsection b. of N.J.S.2C:43-2.

30 c. A person is guilty of a crime of the third degree if the person
31 operates or maintains an online gambling resort through which
32 persons from within New Jersey are permitted to wager unless such
33 gambling activity is under the regulation and control of the State
34 and, notwithstanding the provisions of N.J.S.2C:43-3, shall be
35 subject to a fine of not less than \$50,000 nor more than \$100,000
36 and any other appropriate disposition authorized by subsection b. of
37 N.J.S.2C:43-2.

38 (cf: P.L.1997, c.181, s.11)

39
40 29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to
41 read as follows:

42 113. Swindling and Cheating; Penalties.

43 a. A person is guilty of swindling and cheating if the person;
44 (1) purposely or knowingly by any trick or sleight of hand
45 performance or by a fraud or fraudulent scheme, cards, dice or
46 device, for 【himself or herself】 themselves or for another, wins or
47 attempts to win money or property or a representative of either or

1 reduces a losing wager or attempts to reduce a losing wager in
2 connection to casino gaming, Internet gaming, or sports wagering:

3 (2) purposely or knowingly places any sports wager having
4 knowledge of information not available to the general public
5 bearing upon that wager and wins, or attempts to win, money or
6 property or a representative of either; or

7 (3) with the purpose to deceive, uses another person's gaming
8 account, including, but not limited to, a wagering account for
9 Internet gaming or sports wagering, to place a wager and wins, or
10 attempts to win, money or property or a representative of either.

11 b. Consolidation of offenses. Conduct denominated swindling
12 and cheating in this section constitutes a single offense, but each
13 episode or transaction may be the subject of a separate prosecution
14 and conviction. A charge of swindling and cheating may be
15 supported by evidence that it was committed in any manner that
16 would be swindling and cheating under this section,
17 notwithstanding the specification of a different manner in the
18 indictment or accusation, subject only to the power of the court to
19 ensure a fair trial by granting a bill of particulars, discovery,
20 continuance, or other appropriate relief when the conduct of the
21 defense would be prejudiced by a lack of fair notice or by surprise.

22 c. Grading of swindling and cheating offenses.

23 (1) Swindling and cheating constitutes a crime of the second
24 degree if the amount involved is \$75,000 or more.

25 (2) Swindling and cheating constitutes a crime of the third
26 degree if the amount involved exceeds \$500.

27 (3) Swindling and cheating constitutes a crime of the fourth
28 degree if the amount involved is at least \$200 but not more than
29 \$500.

30 (4) Swindling and cheating constitutes a disorderly persons
31 offense if the amount involved is less than \$200.

32 (5) The amount involved in swindling and cheating shall be
33 determined by the trier of fact. Amounts involved in acts of
34 swindling and cheating committed pursuant to one scheme or course
35 of conduct, whether from the same person or several persons, may
36 be aggregated in determining the grade of the offense.

37 (cf: P.L.2002, c.65, s.27)

38
39 30. This act shall take effect immediately.
40
41

42 STATEMENT

43
44 This bill prohibits unlawful gambling operations in this State,
45 including a model of wagering frequently referred to as
46 "sweepstakes," and establishes new penalties for unlawful gambling
47 operations and practices.

1 Under the bill, “sweepstakes” are expressly prohibited. The bill
2 defines “sweepstakes” to mean a promotional, advertising, or
3 marketing event, contest, or game, whether played online or in-
4 person, in which something of value, such as a prize or prize
5 equivalent, is awarded, either directly or indirectly through means
6 such as a dual-currency system of payment that allows a participant
7 to exchange the currency for a prize or prize equivalent.

8 The bill creates an exception to this prohibition, if:

9 (1) there exists a method of entry to participate in the
10 sweepstakes at no cost to the participant;

11 (2) any method of entry that is not free to the participant is
12 ancillary to the purchase of food, non-alcoholic beverages, or other
13 merchandise not exceeding \$20 in value or such other amount to be
14 determined by the Director of the Division of Consumer Affairs in
15 the Department of Law and Public Safety; provided, however, that
16 such other items of merchandise will not include coins, tokens, or
17 online credits that have no value other than permitting sweepstakes
18 entry or that are able to be exchanged for money or merchandise
19 from the sweepstakes operator or an affiliated company;

20 (3) determination of the winner or winners of the sweepstakes is
21 not in any way based on the results of any sports event or contest or
22 the performance or any facet thereof of any individual or team, or
23 the performance of a combination of any individuals or teams in
24 any sports event or contest, unless the sole and exclusive method of
25 entry to participate in the sweepstakes is at no cost to all
26 participants;

27 (4) the sweepstakes entry form or the website or application
28 used to enter an online or telephone sweepstakes clearly discloses to
29 participants: the rules of the sweepstakes; the odds of a winning any
30 and all prizes, unless the sweepstakes permits an unlimited number
31 of entries, in which case the sponsor or operator must disclose that
32 the sweepstakes permits unlimited entry; and the nature and number
33 of any prizes that may be awarded;

34 (5) the value of any cash or merchandise prize will be
35 considered income for purposes of New Jersey income tax;

36 (6) no person under the age of 18 will be permitted to claim a
37 sweepstakes prize exceeding \$1,000 in value without the consent of
38 their parent or guardian; and

39 (7) the odds of winning any particular prize will be identical
40 regardless of whether the contest was entered by purchasing an
41 entry or by entering at no cost to the participant.

42 The bill expands the scope of criminal conduct concerning the
43 maintenance of a gambling resort to include the maintenance of an
44 online gambling resort, and increases the penalty from a crime of
45 the fourth degree to a crime of the third degree. The bill defines an
46 online gambling resort as a website or application accessed via the
47 Internet or other computer or mobile connection to which persons
48 may resort for engaging in gambling activity.

1 The bill expands the definition of “gambling” within the criminal
2 statutes to include the buying, selling, or trading something of value
3 upon an agreement or understanding that the actor will receive
4 something of value in the event of a certain outcome in a contest of
5 chance. A contest of chance or a future contingent event not under
6 the actor’s control or influence would include, but need not be
7 limited to, a sports event on which a wager may be placed with a
8 sports wagering licensee.

9 This bill also expands the scope of conduct which would
10 constitute the illegal “rigging” of publicly exhibited contests to
11 include improper influences and sporting events. Under the bill it
12 would be a crime whenever a person:

13 Gives, offers, or promises, or attempts to give to or offer, or
14 asks, receives, or offers to receive directly or indirectly from any
15 other person any compensation, gratuity, or thing of value, or any
16 promise thereof, with the intention, understanding, or agreement
17 that that person or any player, participant, manager, coach, or other
18 official on or associated with a competitor or team in the contest or
19 sports event, regardless of by whom such person is employed will
20 not use best efforts to win the contest or sports event or will cause
21 themselves or their team to lose the contest or sports event or will
22 engage in conduct so as to limit their or their team’s margin of
23 victory or defeat; or

24 Gives, offers, or promises, or attempts to give to or offer, or
25 asks, receives, or offers to receive directly or indirectly from any
26 other person any compensation, gratuity, or thing of value, or any
27 promise thereof, with the intention, understanding, or agreement
28 that that person or any judge, referee, or other person officiating in
29 the contest or sports event will fraudulently or corruptly judge,
30 referee, or officiate the contest or sports event.

31 The bill also revises the prohibition against swindling or
32 cheating to include purposely or knowingly placing any sports
33 wager having knowledge of information not available to the general
34 public bearing upon that wager and winning, or attempting to win,
35 money or property or a representative of either, and using another
36 person’s gaming account to place a wager and winning or
37 attempting to win money or property or a representative of either.

38 Additionally, the bill makes it illegal to engage in proxy betting,
39 in which a person risks property with a value of \$1,000 or more,
40 having agreed to pay 10 percent or more of the proceeds of the
41 gambling activity to another. A person who engages in proxy
42 betting is guilty of a disorderly persons offense, unless the person
43 exercises sole control over whether, and in what manner, the
44 property involved is risked. A person who conspires to engage in
45 proxy betting is also guilty of a disorderly persons offense.

46 In order to enforce the provisions of the bill, the Division of
47 Consumer Affairs (DCA) is tasked with the regulation and
48 enforcement of all provisions related to the conduct of sweepstakes

1 in this State, and the Division of Gaming Enforcement (DGE) is
2 given the authority to enforce all other prohibitions against
3 unlawful gambling.

4 The bill authorizes DCA and DGE, as appropriate, to:

5 Seek and obtain injunctive relief to halt any unlawful gambling
6 operation;

7 Enforce civil penalties against the operators of unlawful
8 gambling operations in the amount of \$100,000 for the first offense
9 and \$250,000 for every subsequent offense;

10 Conduct investigations into the suspected operators and
11 accomplices of unlawful gambling operations, including the
12 issuance of subpoenas to collect necessary information and
13 interview necessary parties;

14 Apply to the Superior Court for relief from parties who have
15 refused to comply with subpoenas, including a finding of the parties
16 in contempt of court and the revocation of any licenses or operating
17 permits issued in the State;

18 Order that any moneys or property, real or personal, which have
19 been acquired by means of an unlawful gambling operation be
20 restored to any person in interest, and be returned in twice the
21 amount to any senior citizen;

22 Issue cease and desist order upon a finding that an unlawful
23 gambling operation is being conducted, and seek a civil penalty of
24 \$25,000 for each violation of a cease and desist order; and

25 Impose a lien on any property or assets held by a party who has
26 been fined in accordance with the provisions of this bill in the
27 preceding five years.

[First Reprint]

ASSEMBLY, No. 5447

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 17, 2025

Sponsored by:

Assemblyman CLINTON CALABRESE

District 36 (Bergen and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Assemblyman WILLIAM B. SAMPSON, IV

District 31 (Hudson)

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

Co-Sponsored by:

Assemblywoman Donlon and Senator Turner

SYNOPSIS

Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

CURRENT VERSION OF TEXT

As reported by the Assembly Tourism, Gaming and the Arts Committee on May 8, 2025, with amendments.

(Sponsorship Updated As Of: 6/30/2025)

1 AN ACT concerning unlawful gambling operations in this State and
 2 amending and supplementing various parts of the statutory law.

3
 4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 5 *of New Jersey:*

6
 7 1. (New section) As used in this act, P.L. , c. (C.)
 8 (pending before the Legislature as this bill):

9 “Game” means, but is not limited to, casino-style games such as
 10 slot machines, video poker, table games such as roulette, blackjack,
 11 craps, and poker; lottery games such as draw games, raffle, bingo, and
 12 keno; and sports wagering ¹; and any game that mimics or simulates
 13 such casino-style games or sports wagering¹.

14 “Prize or prize equivalent” means ¹: (1)¹ cash, a cash equivalent, or
 15 merchandise; ¹(2)¹ a token, object, or article ¹**【exchangeable】**, or a
 16 virtual facsimile thereof, that can be exchanged, sold, or redeemed,
 17 either directly or indirectly through means such as a third-party
 18 marketplace, external service, or cash-out function,¹ for cash, a cash
 19 equivalent, or merchandise; or ¹(3)¹ any form of credit or promise
 20 directly or indirectly contemplating the transfer of cash, a cash
 21 equivalent, or merchandise, or of any interest therein.

22 “Something of value” means the same as that term is defined by
 23 subsection d. of N.J.S.2C:37-1.

24 “Sweepstakes” means a promotional, advertising, or marketing
 25 event, contest, or game, whether played online or in person, in which
 26 something of value, such as a prize or prize equivalent, is awarded,
 27 either directly or indirectly through means such as a dual currency
 28 system of payment that allows a participant to exchange the currency
 29 for a prize or prize equivalent.

30
 31 2. (New section) Except as otherwise provided in section 3 of
 32 P.L. , c. (C.) (pending before the Legislature as this bill) or
 33 authorized under any other law of this State, offering or conducting
 34 a sweepstakes in which a person present in New Jersey may
 35 participate by paying or proffering something of value, including,
 36 but not limited to, an entry fee for the opportunity to win or receive
 37 a prize or prize equivalent, shall constitute unlawful gambling in
 38 violation of Article IV, Section VII, paragraph 2 of the New Jersey
 39 Constitution, and shall subject the operator or sponsor, or any
 40 officer, employee, or agent of the operator or sponsor, to civil
 41 liability under section 5 of P.L. , c. (C.) (pending before
 42 the Legislature as this bill) and under any other applicable law of
 43 this State that prohibits gambling, and, to the extent applicable, may
 44 subject such persons to criminal liability under N.J.S.2C:37-2,

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATG committee amendments adopted May 8, 2025.

1 N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of
2 this State that prohibits gambling.

3
4 3. (New section) a. Notwithstanding the provisions of section
5 2 of P.L. , c. (C.) (pending before the Legislature as this
6 bill) or any other law or regulation to the contrary, offering,
7 conducting or participating in a sweepstakes that meets the
8 requirements of subsection b. of this section shall not constitute
9 unlawful gambling in violation of Article IV, Section VII,
10 paragraph 2 of the New Jersey Constitution, and shall not subject
11 the participant or the operator or sponsor of the sweepstakes or any
12 officer, employee, or agent of the operator or sponsor, to any civil
13 or criminal liability under the laws of this State that prohibit
14 gambling.

15 b. A sweepstakes in which a person present in New Jersey may
16 participate by paying or proffering something of value for the
17 opportunity to win or receive a prize or prize equivalent shall not be
18 deemed to violate section 2 of P.L. , c. (C.) (pending
19 before the Legislature as this bill) if:

20 (1) there exists a method of entry to participate in the
21 sweepstakes at no cost to the participant;

22 (2) any method of entry that is not free to the participant is
23 ancillary to the purchase of food, non-alcoholic beverages, or other
24 merchandise such as mugs, trinkets, or mementos, not exceeding
25 \$20 in value or such other amount to be determined by the Director
26 of the Division of Consumer Affairs in the Department of Law and
27 Public Safety; provided, however, that such other items of
28 merchandise shall not include coins, tokens, or online credits that
29 have no value other than permitting sweepstakes entry or that are
30 able to be exchanged for money or merchandise from the
31 sweepstakes operator or an affiliated company;

32 (3) determination of the winner or winners of the sweepstakes is
33 not in any way based on the results of any sports event or contest or
34 the performance or any facet thereof of any individual or team, or
35 the performance of a combination of any individuals or teams in
36 any sports event or contest, unless the sole and exclusive method of
37 entry to participate in the sweepstakes is at no cost to all
38 participants;

39 (4) the sweepstakes entry form or the website or application
40 used to enter an online or telephone sweepstakes clearly discloses to
41 participants the rules of the sweepstakes, the odds of a winning any
42 and all prizes, unless the sweepstakes permits an unlimited number
43 of entries, in which case the sponsor or operator shall disclose that
44 the sweepstakes permits unlimited entry, and the nature and number
45 of any prizes that may be awarded;

46 (5) the value of any cash or merchandise prize shall be income
47 for purposes of New Jersey income tax;

1 (6) no person under the age of 18 shall be permitted to claim a
2 sweepstakes prize exceeding \$1,000 in value without the consent of
3 the person's parent or guardian; and

4 (7) the odds of winning any particular prize shall be identical
5 regardless of whether the contest was entered by purchasing an
6 entry or by entering at no cost to the participant.

7 c. The Division of Consumer Affairs may adopt rules and
8 regulations pursuant to the "Administrative Procedure Act,"
9 P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of
10 sections 1 through 13 of P.L. , c. (C.) (pending before the
11 Legislature as this bill).

12
13 4. (New section) Whenever it shall appear to the director of
14 the Division of Consumer Affairs that a violation of section 2 of
15 P.L. , c. (C.) (pending before the Legislature as this bill)
16 has occurred, is occurring, or will occur, the division may, in
17 addition to any other proceeding authorized by law, seek and obtain
18 in a summary proceeding in Superior Court an injunction
19 prohibiting such violation. In any such proceeding, the court may
20 assess a civil penalty in accordance with the provisions of section 5
21 of P.L. , c. (C.) (pending before the Legislature as this
22 bill); order restoration to any person in interest of any monies or
23 property, real or personal, acquired by means of such violation in
24 accordance with the provisions of section 11 of
25 P.L. , c. (C.) (pending before the Legislature as this bill);
26 and enter such orders as may be necessary to prevent the recurrence
27 of such violation in the future and to remedy any past violation.

28
29 5. (New section) Any person found in violation section 2 of
30 P.L. , c. (C.) (pending before the Legislature as this bill)
31 shall, in addition to any other sanctions authorized by law or
32 regulation, be liable to a civil penalty of not more than \$100,000 for
33 the first offense and not more than \$250,000 for the second and
34 each subsequent offense. Each day that such violation continues
35 shall be deemed a separate offense.

36
37 6. (New section) When it shall appear to the director of the
38 Division of Consumer Affairs that a person has engaged in, is
39 engaging in, or is about to engage in any practice that violates
40 section 2 of P.L. , c. (C.) (pending before the Legislature
41 as this bill), or when the director believes it to be in the public
42 interest that an investigation should be made to ascertain whether a
43 person in fact has engaged in, is engaging in, or is about to engage
44 in, any such practice, the director may:

45 require such person to file on such forms as may be prescribed a
46 statement or report in writing, under oath or otherwise, as to all the
47 facts and circumstances concerning the sale or advertisement of

1 merchandise by such person, and such other data and information as
2 the director may deem necessary;

3 examine, under oath, any person in connection with the sale or
4 advertisement of any merchandise;

5 examine any merchandise or sample thereof, record, book,
6 document, account, or paper as the director may deem necessary;
7 and

8 pursuant to an order of the Superior Court, impound any record,
9 book, document, account, paper, or sample of merchandise that is
10 produced in accordance with this act, and retain the same in the
11 director's possession until the completion of all proceedings in
12 connection with which the same are produced.

13

14 7. (New section) Upon receiving evidence of any violation of
15 section 2 of P.L. , c. (C.) (pending before the Legislature
16 as this bill), the director of the Division of Consumer Affairs, or the
17 director's designee, shall be empowered to hold hearings upon said
18 violation and, upon finding the violation to have been committed, to
19 assess a penalty against the person alleged to have committed such
20 violation in an amount authorized by section 5 of
21 P.L. , c. (C.) (pending before the Legislature as this bill) as
22 the director deems proper under the circumstances. Any such
23 amounts collected by the director in excess of the costs and
24 expenses incurred by the division in exercising the authority
25 granted by P.L. , c. (C.) (pending before the Legislature as
26 this bill), shall be paid forthwith into the General Fund for
27 appropriation by the Legislature to the Department of Human
28 Services for prevention, education, and treatment programs for
29 compulsive gambling that meet the criteria developed pursuant to
30 section 2 of P.L.1993, c.229 (C.26:2-169), such as those provided
31 by the Council on Compulsive Gambling of New Jersey.

32

33 8. (New section) To enforce section 2 of P.L. , c. (C.)
34 (pending before the Legislature as this bill), the director of the
35 Division of Consumer Affairs, in addition to other powers conferred
36 upon the director by this act, may issue subpoenas to any person,
37 administer an oath or affirmation to any person, conduct hearings in
38 aid of any investigation or inquiry, promulgate such rules and
39 regulations, and prescribe such forms as may be necessary, which
40 shall have the force of law.

41

42 9. (New section) Service by the director of the Division of
43 Consumer Affairs of any notice requiring a person to file a
44 statement or report, or of a subpoena upon any person, in
45 connection with section 2 of P.L. , c. (C.) (pending before
46 the Legislature as this bill) shall be made personally within this
47 State, but if such cannot be obtained, substituted service therefor
48 may be made in the following manner:

1 personal service thereof without this State; or
2 the mailing thereof by registered mail to the last known place of
3 business, residence or abode, within or without this State of such
4 person for whom the same is intended; or
5 as to any person other than a natural person, in accordance with
6 the Rules Governing the Courts of the State of New Jersey
7 pertaining to service of process, provided, however, that service
8 shall be made by the Attorney General; or
9 such service as the Superior Court may direct in lieu of personal
10 service within this State.

11
12 10. (New section) If any person shall fail or refuse to file any
13 statement or report, or obey any subpoena issued by the director of
14 the Division of Consumer Affairs in connection with section 2 of
15 P.L. , c. (C.) (pending before the Legislature as this bill),
16 the director may apply to the Superior Court and obtain an order:
17 adjudging such person in contempt of court;
18 granting injunctive relief without notice restraining the sale or
19 advertisement of any merchandise by such persons;
20 vacating, annulling, or suspending the corporate charter of a
21 corporation created by or under the laws of this State or revoking or
22 suspending the certificate of authority to do business in this State of
23 a foreign corporation or revoking or suspending any other licenses,
24 permits, or certificates issued pursuant to law to such person which
25 are used to further the allegedly unlawful practice; and
26 granting such other relief as may be required; until the person
27 files the statement or report, or obeys the subpoena.

28
29 11. (New section) In addition to the assessment of civil
30 penalties, the director of the Division of Consumer Affairs or the
31 director's designee may, after a hearing and upon a finding of a
32 violation of section 2 of P.L. , c. (C.) (pending before the
33 Legislature as this bill), order that any moneys or property, real or
34 personal, which have been acquired by means of such violation be
35 restored to any person in interest, except that if any moneys or
36 property, real or personal, have been acquired by means of a
37 violation perpetrated against a senior citizen, the amount of moneys
38 or property, real or personal, ordered restored shall be twice the
39 amount acquired.

40 As used in this section, "senior citizen" means a person age 62
41 years or older.

42
43 12. (New section) Where, after a hearing, the director of the
44 Division of Consumer Affairs, or the director's designee, finds that
45 a violation of section 2 of P.L. , c. (C.) (pending before the
46 Legislature as this bill) has been or may be committed, the director
47 may order the person committing such violation to cease and desist
48 or refrain from committing said violation in the future. When it

1 shall appear to the director that a person against whom a cease and
2 desist order has been entered has violated said order, the director
3 may initiate a summary proceeding in the Superior Court for the
4 violation thereof. Any person found to have violated a cease and
5 desist order shall pay to the State of New Jersey civil penalties in
6 the amount of not more than \$25,000 for each violation of said
7 order. In the event that any person fails to pay a civil penalty
8 assessed by the court for violation of a cease and desist order, the
9 court assessing the unpaid penalty is authorized, upon application of
10 the director, to grant any relief which may be obtained under any
11 statute or court rule governing the collection and enforcement of
12 civil penalties.

13

14 13. (New section) At any time within five years after any
15 amount required to be collected pursuant to the provisions of
16 sections 2 through 12 of P.L. , c. (C.) (pending before the
17 Legislature as this bill) shall become due and payable, the Division
18 of Consumer Affairs may bring a civil action in the courts of this
19 State or any other state or of the United States, in the name of the
20 State of New Jersey, to collect the amount delinquent, together with
21 penalties and interest. If such action is brought in this State, a writ
22 of attachment may be issued and no bond or affidavit prior to the
23 issuance thereof shall be required. In all actions in this State, the
24 records of the division shall be prima facie evidence of the
25 determination of the amount of the delinquency.

26 Each debt that is due and payable and required to be collected,
27 and any monetary penalty imposed for a violation of section 2
28 through section 12 of P.L. , c. (C.) (pending before the
29 Legislature as this bill), shall constitute a lien on the real property
30 in this State owned or hereafter acquired by the person owing such
31 a debt or on whom such an obligation has been imposed. Except as
32 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
33 paramount to all prior or subsequent liens, claims, or encumbrances
34 on that property.

35

36 14. (New section) In addition to any other authority provided
37 under law, whenever it shall appear to the Division of Gaming
38 Enforcement that a violation of section 112 of P.L.1977, c.110
39 (C.5:12-112) or unlawful gambling in violation of Article IV,
40 Section VII, paragraph 2 of the New Jersey Constitution, other than
41 a sweepstakes offered or conducted in violation of section 2 of
42 P.L. , c. (C.) (pending before the Legislature as this bill),
43 has occurred, is occurring, or will occur, the division may, in
44 addition to any other proceeding authorized by law, seek and obtain
45 in a summary proceeding in Superior Court an injunction
46 prohibiting such violation or unlawful gambling. In any such
47 proceeding the court may assess a civil penalty in accordance with
48 the provisions of section 15 of P.L. , c. (C.) (pending

1 before the Legislature as this bill); order restoration to any person in
2 interest of any monies or property, real or personal, acquired by
3 means of such violation or unlawful gambling in accordance with
4 the provisions of section 20 of P.L. , c. (C.) (pending
5 before the Legislature as this bill); and enter such orders as may be
6 necessary to prevent the recurrence of such violation or unlawful
7 gambling in the future, and to remedy any past violation or
8 unlawful gambling. In any action brought pursuant to this section,
9 the court shall not suspend or revoke any license issued by the
10 division.

11

12 15. (New section) Any person violating section 112 of
13 P.L.1977, c.110 (C.5:12-112), or engaging in unlawful gambling in
14 violation of Article IV, Section VII, paragraph 2 of the New Jersey
15 Constitution, other than a sweepstakes offered or conducted in
16 violation of section 2 of P.L. , c. (C.) (pending before the
17 Legislature as this bill), shall, in addition to any other sanctions
18 authorized by law or regulation, be liable to a civil penalty of not
19 more than \$10,000 for the first offense and not more than \$25,000
20 for the second and each subsequent offense. Each statutory
21 violation shall constitute a separate offense.

22

23 16. (New section) In addition to any other authority provided
24 under the law, when it shall appear to the director of the Division of
25 Gaming Enforcement that a person has engaged in, is engaging in,
26 or is about to engage in any practice that violates section 112 of
27 P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in
28 violation of Article IV, Section VII, paragraph 2 of the New Jersey
29 Constitution, other than a sweepstakes offered or conducted in
30 violation of section 2 of P.L. , c. (C.) (pending before the
31 Legislature as this bill), or when the director believes it to be in the
32 public interest that an investigation should be made to ascertain
33 whether a person in fact has engaged in, is engaging in, or is about
34 to engage in, any such practice, the director may:

35 require such person to file on such forms as may be prescribed a
36 statement or report in writing under oath or otherwise, as to all the
37 facts and circumstances concerning the sale or advertisement of
38 merchandise by such person, and such other data and information as
39 the director may deem necessary;

40 examine under oath any person in connection with the sale or
41 advertisement of any merchandise;

42 examine any merchandise or sample thereof, record, book,
43 document, account, or paper as the director may deem necessary;
44 and

45 pursuant to an order of the Superior Court impound any record,
46 book, document, account, paper, or sample of merchandise that is
47 produced in accordance with this act, and retain the same in the

1 director's possession until the completion of all proceedings in
2 connection with which the same are produced.

3
4 17. (New section) Upon receiving evidence of any practice that
5 violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful
6 gambling in violation of Article IV, Section VII, paragraph 2 of the
7 New Jersey Constitution, unlawful gambling, other than a
8 sweepstakes offered or conducted in violation of section 2 of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the director of the Division of Gaming Enforcement, or the
11 director's designee, shall be empowered to hold hearings upon said
12 violation and, upon finding the violation to have been committed, to
13 assess a penalty against the person alleged to have committed such
14 violation, as well as against any person or entity, including but not
15 limited to third party providers or service providers of any kind,
16 found to have knowingly aided or abetted the commission of such
17 violation, in an amount authorized by section 15 of
18 P.L. , c. (C.) (pending before the Legislature as this bill), as
19 the director deems proper under the circumstances. Any such
20 amounts collected by the director shall be paid forthwith into the
21 General Fund for the general purposes of the State.

22
23 18. (New section) To enforce section 112 of P.L.1977, c.110
24 (C.5:12-112) or any prohibition against unlawful gambling in
25 violation of Article IV, Section VII, paragraph 2 of the New Jersey
26 Constitution other than a sweepstakes offered or conducted in
27 violation of section 2 of P.L. , c. (C.) (pending before the
28 Legislature as this bill), the director of the Division of Gaming
29 Enforcement, in addition to other powers conferred upon the
30 director, may issue subpoenas to any person, administer an oath or
31 affirmation to any person, conduct hearings in aid of any
32 investigation or inquiry, promulgate such rules and regulations, and
33 prescribe such forms as may be necessary, which shall have the
34 force of law.

35
36 19. (New section) Service by the director of the Division of
37 Gaming Enforcement of any notice requiring a person to file a
38 statement or report, or of a subpoena upon any person, pursuant to
39 sections 14 through 23 of P.L. , c. (C.) (pending before the
40 Legislature as this bill) shall be made personally within this State,
41 but if such cannot be obtained, substituted service therefor may be
42 made in the following manner:

43 personal service thereof without this State; or

44 the mailing thereof by registered mail to the last known place of
45 business, residence or abode, within or without this State of such
46 person for whom the same is intended; or

47 as to any person other than a natural person, in accordance with
48 the Rules Governing the Courts of the State of New Jersey

1 pertaining to service of process, provided, however, that service
2 shall be made by the Attorney General; or

3 such service as the Superior Court may direct in lieu of personal
4 service within this State.

5
6 20. (New section) If any person shall fail or refuse to file any
7 statement or report, or obey any subpoena issued by the director of
8 the Division of Gaming Enforcement pursuant to sections 14
9 through 23 of P.L. , c. (pending before the Legislature as this
10 bill), the director may apply to the Superior Court and obtain an
11 order:

12 adjudging such person in contempt of court;

13 granting injunctive relief without notice restraining the sale or
14 advertisement of any merchandise by such persons;

15 vacating, annulling, or suspending the corporate charter of a
16 corporation created by or under the laws of this State or revoking or
17 suspending the certificate of authority to do business in this State of
18 a foreign corporation or revoking or suspending any other licenses,
19 permits, or certificates issued pursuant to law to such person which
20 are used to further the allegedly unlawful practice; and

21 granting such other relief as may be required; until the person
22 files the statement or report, or obeys the subpoena.

23
24 21. (New section) In addition to the assessment of civil
25 penalties, the director of the Division of Gaming Enforcement or
26 the director's designee may, after a hearing and upon a finding of a
27 practice that violates section 112 of P.L.1977, c.110 (C.5:12-112),
28 or unlawful gambling in violation of Article IV, Section VII,
29 paragraph 2 of the New Jersey Constitution, other than a
30 sweepstakes offered or conducted in violation of section 2 of
31 P.L. , c. (C.) (pending before the Legislature as this bill),
32 order that any moneys or property, real or personal, which have
33 been acquired by means of such violation be restored to any person
34 in interest, except that if any moneys or property, real or personal,
35 have been acquired by means of a violation perpetrated against a
36 senior citizen, the amount of moneys or property, real or personal,
37 ordered restored shall be twice the amount acquired.

38 As used in this section, "senior citizen" means a person age 62
39 years or older.

40
41 22. (New section) In addition to any other authority provided
42 under the law, when, after a hearing, the director of the Division of
43 Gaming Enforcement or the director's designee, finds that a
44 violation of section 112 of P.L.1977, c.110 (C.5:12-112), or
45 unlawful gambling in violation of Article IV, Section VII,
46 paragraph 2 of the New Jersey Constitution, other than a
47 sweepstakes offered or conducted in violation of
48 section 2 of c. (C.) (pending before the Legislature as this

1 bill), has been or may be committed, the director may order the
2 person committing such violation to cease and desist or refrain from
3 committing said violation in the future. When it shall appear to the
4 director that a person against whom a cease and desist order has
5 been entered has violated said order, the director may initiate a
6 summary proceeding in the Superior Court for the violation thereof.
7 Any person found to have violated a cease and desist order shall
8 pay to the State of New Jersey civil penalties in the amount of not
9 more than \$25,000 for each violation of said order. In the event
10 that any person fails to pay a civil penalty assessed by the court for
11 violation of a cease and desist order, the court assessing the unpaid
12 penalty is authorized, upon application of the director, to grant any
13 relief which may be obtained under any statute or court rule
14 governing the collection and enforcement of civil penalties.

15

16 23. (New section) At any time within five years after any
17 amount required to be collected pursuant to the provisions of
18 sections 14 through 23 of P.L. , c. (C.) (pending before the
19 Legislature as this bill) or for any violation of State gambling laws
20 shall become due and payable, the Division of Gaming Enforcement
21 may bring a civil action in the courts of this State or any other state
22 or of the United States, in the name of the State of New Jersey, to
23 collect the amount delinquent, together with penalties and interest.
24 If such action is brought in this State, a writ of attachment may be
25 issued and no bond or affidavit prior to the issuance thereof shall be
26 required. In all actions in this State, the records of the division
27 shall be prima facie evidence of the determination of the amount of
28 the delinquency.

29 Each debt that is due and payable and required to be collected, and
30 any monetary penalty imposed for a violation of the State's
31 gambling laws, shall constitute a lien on the real property in this
32 State owned or hereafter acquired by the person owing such a debt
33 or on whom such an obligation has been imposed. Except as
34 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
35 paramount to all prior or subsequent liens, claims, or encumbrances
36 on that property.

37

38 24. (New section) a. A person who participates in any form of
39 gambling activity by risking property with a value of \$1,000 or
40 more, having agreed to pay 10 percent or more of the proceeds of
41 the gambling activity to another, is guilty of a disorderly persons
42 offense, unless the person exercises sole control over whether and
43 in what manner the property involved is risked.

44 b. A person who solicits or conspires with another to violate
45 subsection a. of this section is guilty of a disorderly persons
46 offense.

47

48 25. N.J.S.2C:21-11 is amended to read as follows:

1 2C:21-11. Rigging or Improperly Influencing Publicly Exhibited
2 Contest or Sports Event.

3 a. A person commits a crime if, with purpose to prevent a
4 publicly exhibited contest or sports event from being conducted in
5 accordance with the rules and usages which govern it, **【he】** the
6 person:

7 (1) Confers or offers or agrees to confer any benefit upon, or
8 threatens any injury to a participant, official or other person
9 associated with the contest or **【exhibition; or】** sports event;

10 (2) Tampers with any person, animal or thing;

11 (3) Gives, offers, or promises, or attempts to give to or offer, or
12 asks, receives, or offers to receive directly or indirectly, from any
13 other person any compensation, gratuity, or thing of value, or any
14 promise thereof, with the intention, understanding, or agreement
15 that the person or any player, participant, manager, coach, or other
16 official on, or associated with, a competitor or team in the contest
17 or sports event, regardless of by whom such person is employed;

18 (a) will not use best efforts to win the contest or sports event or
19 will cause themselves or their team to lose the contest or sports
20 event; or

21 (b) will engage in conduct so as to limit their, or their team's,
22 margin of victory or defeat; or

23 (4) Gives, offers, or promises, or attempts to give to or offer, or
24 asks, receives, or offers to receive, directly or indirectly, from any
25 other person any compensation, gratuity, or thing of value, or any
26 promise thereof, with the intention, understanding, or agreement
27 that the person or any judge, referee, or other person officiating in
28 the contest or sports event will fraudulently or corruptly judge,
29 referee, or officiate the contest or sports event.

30 b. Soliciting or accepting benefit for rigging. A person commits
31 a crime if **【he】** the person knowingly solicits, accepts or agrees to
32 accept any benefit the giving of which would be criminal under
33 subsection a. of this section.

34 c. If the benefit offered, conferred, agreed to be conferred,
35 solicited, accepted or agreed to be accepted in violation of
36 subsections a. and b. of this section is \$75,000.00 or more, the
37 offender is guilty of a crime of the second degree. If the benefit
38 exceeds **【\$1,000.00】** \$500, but is less than \$75,000, the offender is
39 guilty of a crime of the third degree. If the benefit is **【\$1,000.00】**
40 \$500 or less, the offender is guilty of a crime of the fourth degree.

41 d. Failure to report solicitation for rigging. A person commits a
42 disorderly persons offense if **【he】** the person fails to report, with
43 reasonable promptness, a solicitation to accept any benefit or to do
44 any tampering, the giving or doing of which would be criminal
45 under subsection a. of this section.

46 e. Participation in rigged contest or sports event. A person
47 commits a crime of the fourth degree if **【he】** the person knowingly

engages in, sponsors, produces, judges, or otherwise participates in a publicly exhibited contest or sports event knowing that the contest or sports event is being conducted in violation of subsection a. of this section.

(cf: P.L.1986, c.129, s.2)

26. N.J.S.2C:37-1 is amended to read as follows:

2C:37-1. The following definitions apply to this chapter and to chapter 64:

a. "Contest of chance" means any contest, game, pool, gaming scheme or gaming device in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill of the contestants or some other persons may also be a factor therein.

b. "Gambling" means staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the actor's control or influence, upon an agreement or understanding that **【he】** the actor will receive something of value in the event of a certain outcome, or buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. For purposes of this subsection, a contest of chance or a future contingent event not under the actor's control or influence shall include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

c. "Player" means a person who engages in any form of gambling solely as a contestant or bettor, without receiving or becoming entitled to receive any profit therefrom other than personal gambling winnings, and without otherwise rendering any material assistance to the establishment, conduct or operation of the particular gambling activity. A person who gambles at a social game of chance on equal terms with the other participants therein does not thereby render material assistance to the establishment, conduct or operation of such game if he performs, without fee or remuneration, acts directed toward the arrangement or facilitation of the game, such as inviting persons to play, permitting the use of premises therefor or supplying cards or other equipment used therein. A person who engages in "bookmaking" as defined in this section is not a "player."

d. "Something of value" means any money or property, any token, object or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating transfer of money or property or of any interest therein, or involving extension of a service, entertainment or a privilege of playing at a game or scheme without charge. This definition, however, does not include any form of promise involving extension of a privilege of playing at a game without charge on a mechanical

1 or electronic amusement device, other than a slot machine as an
2 award for the attainment of a certain score on that device.

3 e. "Gambling device" means any device, machine,
4 paraphernalia or equipment which is used or usable in the playing
5 phases of any gambling activity, whether such activity consists of
6 gambling between persons or gambling by a person involving the
7 playing of a machine. Notwithstanding the foregoing, lottery
8 tickets, policy slips and other items used in the playing phases of
9 lottery and policy schemes are not gambling devices.

10 f. "Slot machine" means any mechanical, electrical or other
11 device, contrivance or machine which, upon insertion of a coin,
12 token or similar object therein, or upon payment of any
13 consideration whatsoever, is available to play or operate, the play
14 or operation of which, whether by reason of the skill of the
15 operator or application of the element of chance, or both, may
16 deliver or entitle the person playing or operating the machine to
17 receive cash or tokens to be exchanged for cash, whether the payoff
18 is made automatically from the machine or in any other manner
19 whatsoever. A device so constructed, or readily adaptable or
20 convertible to such use, is no less a slot machine because it is not
21 in working order or because some mechanical act of manipulation
22 or repair is required to accomplish its adaptation, conversion or
23 workability.

24 g. "Bookmaking" means advancing gambling activity by
25 unlawfully accepting bets from members of the public upon the
26 outcome of future contingent events as a business.

27 h. "Lottery" means an unlawful gambling scheme in which (a)
28 the players pay or agree to pay something of value for chances,
29 represented and differentiated by numbers or by combinations of
30 numbers or by some other media, one or more of which chances are
31 to be designated the winning ones; and (b) the winning chances are
32 to be determined by a drawing or by some other method based
33 upon the element of chance; and (c) the holders of the winning
34 chances are to receive something of value.

35 i. "Policy" or "the numbers game" means a form of lottery in
36 which the winning chances or plays are not determined upon the
37 basis of a drawing or other act on the part of persons conducting or
38 connected with the scheme, but upon the basis of the outcome or
39 outcomes of a future contingent event or events otherwise unrelated
40 to the particular scheme.

41 j. "Gambling resort" means a place to which persons may resort
42 for engaging in gambling activity.

43 k. "Unlawful" means not specifically authorized by law.

44 l. "Online gambling resort" means a website or application
45 accessed via the Internet or other computer or mobile connection to
46 which persons may resort for engaging in gambling activity.

47 (cf: P.L.1982, c.60, s.1)

1 27. N.J.S.2C:37-2 is amended to read as follows:

2 2C:37-2. Promoting Gambling.

3 a. Promoting Gambling Defined. A person is guilty of
4 promoting gambling when **[he]** the person knowingly:

5 (1) Accepts or receives money or other property, pursuant to an
6 agreement or understanding with any person whereby **[he]** the
7 person participates or will participate in the proceeds of gambling
8 activity, including, but not limited to gambling activity that occurs
9 online, unless such gambling activity is under the regulation and
10 control of the State; or

11 (2) Engages in conduct, which materially aids any form of
12 gambling activity. Such conduct includes but is not limited to
13 conduct directed toward the creation or establishment of the
14 particular game, contest, scheme, device or activity involved,
15 toward the acquisition or maintenance of premises, paraphernalia,
16 equipment or apparatus therefor, toward the solicitation or
17 inducement of persons to participate therein, toward the actual
18 conduct of the playing phases thereof, toward the arrangement of
19 any of its financial or recording phases, or toward any other phase
20 of its operation.

21 b. Grading. A person who violates the provisions of subsection
22 a. of this section by:

23 (1) Engaging in bookmaking to the extent **[he]** the person
24 receives or accepts in any one day more than five bets totaling more
25 than \$1,000.00; or

26 (2) Receiving, in connection with a lottery or policy scheme or
27 enterprise (a) money or written records from a person other than a
28 player whose chances or plays are represented by such money or
29 records, or (b) more than \$100.00 in any one day of money played
30 in such scheme or enterprise, is guilty of a crime of the third degree
31 and notwithstanding the provisions of section 2C:43-3 shall be
32 subject to a fine of not more than \$35,000.00 and any other
33 appropriate disposition authorized by **[N.J.S.2C:43-2 b]** subsection
34 b. of N.J.S.2C:43-2.

35 A person who violates the provisions of subsection a. of this
36 section by engaging in bookmaking to the extent **[he]** the person
37 receives or accepts three or more bets in any two-week period is
38 guilty of a crime of the fourth degree and notwithstanding the
39 provisions of section 2C:43-3 shall be subject to a fine of not more
40 than \$25,000.00 and any other appropriate disposition authorized by
41 **[N.J.S.2C:43-2b]** subsection b. of N.J.S.2C:43-2. Otherwise,
42 promoting gambling is a disorderly persons offense and
43 notwithstanding the provisions of section 2C:43-3 shall be subject
44 to a fine of not more than \$10,000.00 and any other appropriate
45 disposition authorized by **[N.J.S.2C:43-2b]** subsection b. of
46 N.J.S.2C:43-2.

1 c. It is **【a】** an affirmative defense to a prosecution under
2 subsection a. that the person participated only as a player. **【It shall**
3 be the burden of the defendant to prove by clear and convincing
4 evidence his status as such player.**】**

5 (cf: P.L.1997, c.181, s.9)

6
7 28. N.J.S.2C:37-4 is amended to read as follows:

8 2C:37-4. Maintenance of a Gambling Resort or Online
9 Gambling Resort.

10 a. A person is guilty of a crime of the **【fourth】** third degree if,
11 having substantial proprietary or other authoritative control over
12 premises which are being used with his knowledge for purposes of
13 activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, **【he】** the
14 person permits such to occur or continue or makes no effort to
15 prevent its occurrence or continuation and **【he】** the person accepts
16 or receives money or other property pursuant to an agreement or
17 understanding with any person whereby **【he】** the person
18 participates or will participate in the proceeds of such gambling
19 activity on such premises and notwithstanding the provisions of
20 section 2C:43-3 shall be subject to a fine of not more than
21 **【\$25,000.00】** \$50,000 and any other appropriate disposition
22 authorized by **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2.

23 b. A person is guilty of a crime of the **【fourth】** third degree if,
24 having substantial proprietary or other authoritative control over
25 premises open to the general public which are being used with **【his】**
26 the person's knowledge for purposes of gambling activity, **【he】** the
27 person permits such to occur or continue or makes no effort to
28 prevent its occurrence or continuation and notwithstanding the
29 provisions of section 2C:43-3 shall be subject to a fine of not more
30 than **【\$25,000.00】** \$50,000 and any other appropriate disposition
31 authorized by **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2.

32 c. A person is guilty of a crime of the third degree if the person
33 operates or maintains an online gambling resort through which
34 persons from within New Jersey are permitted to wager unless such
35 gambling activity is under the regulation and control of the State
36 and, notwithstanding the provisions of N.J.S.2C:43-3, shall be
37 subject to a fine of not less than \$50,000 nor more than \$100,000
38 and any other appropriate disposition authorized by subsection b. of
39 N.J.S.2C:43-2.

40 (cf: P.L.1997, c.181, s.11)

41
42 29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to
43 read as follows:

44 113. Swindling and Cheating; Penalties.

45 a. A person is guilty of swindling and cheating if the person:
46 (1) purposely or knowingly by any trick or sleight of hand
47 performance or by a fraud or fraudulent scheme, cards, dice or

1 device, for **【himself or herself】** themselves or for another, wins or
2 attempts to win money or property or a representative of either or
3 reduces a losing wager or attempts to reduce a losing wager in
4 connection to casino gaming, Internet gaming, or sports wagering;

5 (2) purposely or knowingly places any sports wager having
6 knowledge of information not available to the general public
7 bearing upon that wager and wins, or attempts to win, money or
8 property or a representative of either; or

9 (3) with the purpose to deceive, uses another person's gaming
10 account, including, but not limited to, a wagering account for
11 Internet gaming or sports wagering, to place a wager and wins, or
12 attempts to win, money or property or a representative of either.

13 b. Consolidation of offenses. Conduct denominated swindling
14 and cheating in this section constitutes a single offense, but each
15 episode or transaction may be the subject of a separate prosecution
16 and conviction. A charge of swindling and cheating may be
17 supported by evidence that it was committed in any manner that
18 would be swindling and cheating under this section,
19 notwithstanding the specification of a different manner in the
20 indictment or accusation, subject only to the power of the court to
21 ensure a fair trial by granting a bill of particulars, discovery,
22 continuance, or other appropriate relief when the conduct of the
23 defense would be prejudiced by a lack of fair notice or by surprise.

24 c. Grading of swindling and cheating offenses.

25 (1) Swindling and cheating constitutes a crime of the second
26 degree if the amount involved is \$75,000 or more.

27 (2) Swindling and cheating constitutes a crime of the third
28 degree if the amount involved exceeds \$500.

29 (3) Swindling and cheating constitutes a crime of the fourth
30 degree if the amount involved is at least \$200 but not more than
31 \$500.

32 (4) Swindling and cheating constitutes a disorderly persons
33 offense if the amount involved is less than \$200.

34 (5) The amount involved in swindling and cheating shall be
35 determined by the trier of fact. Amounts involved in acts of
36 swindling and cheating committed pursuant to one scheme or course
37 of conduct, whether from the same person or several persons, may
38 be aggregated in determining the grade of the offense.

39 (cf: P.L.2002, c.65, s.27)

40
41 30. This act shall take effect immediately.

ASSEMBLY TOURISM, GAMING AND THE ARTS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 5447

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 8, 2025

The Assembly Tourism, Gaming and the Arts Committee reports favorably and with committee amendments Assembly Bill No. 5447.

As amended by the committee, this bill prohibits unlawful gambling operations in this State, including a model of wagering frequently referred to as “sweepstakes,” and establishes new penalties for unlawful gambling operations and practices.

Under the bill, “sweepstakes” are expressly prohibited. The bill defines “sweepstakes” to mean a promotional, advertising, or marketing event, contest, or game, whether played online or in-person, in which something of value, such as a prize or prize equivalent, is awarded, either directly or indirectly through means such as a dual-currency system of payment that allows a participant to exchange the currency for a prize or prize equivalent.

The bill creates an exception to this prohibition, if:

(1) there exists a method of entry to participate in the sweepstakes at no cost to the participant;

(2) any method of entry that is not free to the participant is ancillary to the purchase of food, non-alcoholic beverages, or other merchandise not exceeding \$20 in value or such other amount to be determined by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety; provided, however, that such other items of merchandise will not include coins, tokens, or online credits that have no value other than permitting sweepstakes entry or that are able to be exchanged for money or merchandise from the sweepstakes operator or an affiliated company;

(3) determination of the winner or winners of the sweepstakes is not in any way based on the results of any sports event or contest or the performance or any facet thereof of any individual or team, or the performance of a combination of any individuals or teams in any sports event or contest, unless the sole and exclusive method of entry to participate in the sweepstakes is at no cost to all participants;

(4) the sweepstakes entry form or the website or application used to enter an online or telephone sweepstakes clearly discloses to participants: the rules of the sweepstakes; the odds of a winning any

and all prizes, unless the sweepstakes permits an unlimited number of entries, in which case the sponsor or operator must disclose that the sweepstakes permits unlimited entry; and the nature and number of any prizes that may be awarded;

(5) the value of any cash or merchandise prize will be considered income for purposes of New Jersey income tax;

(6) no person under the age of 18 will be permitted to claim a sweepstakes prize exceeding \$1,000 in value without the consent of their parent or guardian; and

(7) the odds of winning any particular prize will be identical regardless of whether the contest was entered by purchasing an entry or by entering at no cost to the participant.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill defines an online gambling resort as a website or application accessed via the Internet or other computer or mobile connection to which persons may resort for engaging in gambling activity.

The bill expands the definition of “gambling” within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. A contest of chance or a future contingent event not under the actor’s control or influence would include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee.

This bill also expands the scope of conduct which would constitute the illegal “rigging” of publicly exhibited contests to include improper influences and sporting events. Under the bill it would be a crime whenever a person:

Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any player, participant, manager, coach, or other official on or associated with a competitor or team in the contest or sports event, regardless of by whom such person is employed will not use best efforts to win the contest or sports event or will cause themselves or their team to lose the contest or sports event or will engage in conduct so as to limit their or their team’s margin of victory or defeat; or

Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any judge, referee, or other person officiating in the contest or sports event will fraudulently or corruptly judge, referee, or officiate the contest or sports event.

The bill also revises the prohibition against swindling or cheating to include purposely or knowingly placing any sports wager having knowledge of information not available to the general public bearing upon that wager and winning, or attempting to win, money or property or a representative of either, and using another person's gaming account to place a wager and winning or attempting to win money or property or a representative of either.

Additionally, the bill makes it illegal to engage in proxy betting, in which a person risks property with a value of \$1,000 or more, having agreed to pay 10 percent or more of the proceeds of the gambling activity to another. A person who engages in proxy betting is guilty of a disorderly persons offense, unless the person exercises sole control over whether, and in what manner, the property involved is risked. A person who conspires to engage in proxy betting is also guilty of a disorderly persons offense.

In order to enforce the provisions of the bill, the Division of Consumer Affairs (DCA) is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement (DGE) is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes DCA and DGE, as appropriate, to:

Seek and obtain injunctive relief to halt any unlawful gambling operation;

Enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense;

Conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties;

Apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State;

Order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen;

Issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and

Impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

COMMITTEE AMENDMENTS:

The committee amendments modify the definition of “game” to include any game that mimics or simulates casino-style games or sports wagering.

The amendments also modify the definition of “prize or prize equivalent” to mean (1) cash, a cash equivalent, or merchandise; (2) a token, object, or article, or a virtual facsimile thereof, that can be exchanged, sold, or redeemed, either directly or indirectly through means such as a third-party marketplace, external service, or cash-out function, for cash, a cash equivalent, or merchandise; or (3) any form of credit or promise directly or indirectly contemplating the transfer of cash, a cash equivalent, or merchandise, or of any interest therein

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 5447

STATE OF NEW JERSEY

DATED: JUNE 19, 2025

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5447 (1R).

As reported, this bill prohibits unlawful gambling operations in this State, including a model of wagering frequently referred to as “sweepstakes,” and establishes new penalties for unlawful gambling operations and practices.

Under the bill, “sweepstakes” are expressly prohibited. The bill defines “sweepstakes” to mean a promotional, advertising, or marketing event, contest, or game, whether played online or in-person, in which something of value, such as a prize or prize equivalent, is awarded, either directly or indirectly through means such as a dual-currency system of payment that allows a participant to exchange the currency for a prize or prize equivalent.

The bill creates an exception to this prohibition, if:

(1) there exists a method of entry to participate in the sweepstakes at no cost to the participant;

(2) any method of entry that is not free to the participant is ancillary to the purchase of food, non-alcoholic beverages, or other merchandise not exceeding \$20 in value or such other amount to be determined by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety; provided, however, that such other items of merchandise will not include coins, tokens, or online credits that have no value other than permitting sweepstakes entry or that are able to be exchanged for money or merchandise from the sweepstakes operator or an affiliated company;

(3) determination of the winner or winners of the sweepstakes is not in any way based on the results of any sports event or contest or the performance or any facet thereof of any individual or team, or the performance of a combination of any individuals or teams in any sports event or contest, unless the sole and exclusive method of entry to participate in the sweepstakes is at no cost to all participants;

(4) the sweepstakes entry form or the website or application used to enter an online or telephone sweepstakes clearly discloses to participants: the rules of the sweepstakes; the odds of a winning any and all prizes, unless the sweepstakes permits an unlimited number of entries, in which case the sponsor or operator must disclose that the

sweepstakes permits unlimited entry; and the nature and number of any prizes that may be awarded;

(5) the value of any cash or merchandise prize will be considered income for purposes of New Jersey income tax;

(6) no person under the age of 18 will be permitted to claim a sweepstakes prize exceeding \$1,000 in value without the consent of their parent or guardian; and

(7) the odds of winning any particular prize will be identical regardless of whether the contest was entered by purchasing an entry or by entering at no cost to the participant.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill defines an online gambling resort as a website or application accessed via the Internet or other computer or mobile connection to which persons may resort for engaging in gambling activity.

The bill expands the definition of “gambling” within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. A contest of chance or a future contingent event not under the actor’s control or influence would include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee.

This bill also expands the scope of conduct which would constitute the illegal “rigging” of publicly exhibited contests to include improper influences and sporting events. Under the bill, it would be a crime whenever a person:

(1) gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any player, participant, manager, coach, or other official on or associated with a competitor or team in the contest or sports event, regardless of by whom such person is employed will not use best efforts to win the contest or sports event or will cause themselves or their team to lose the contest or sports event or will engage in conduct so as to limit their or their team’s margin of victory or defeat; or

(2) gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any judge, referee, or other person officiating in the contest or sports event will fraudulently or corruptly judge, referee, or officiate the contest or sports event.

The bill also revises the prohibition against swindling or cheating to include purposely or knowingly placing any sports wager having knowledge of information not available to the general public bearing upon that wager and winning, or attempting to win, money or property or a representative of either, and using another person's gaming account to place a wager and winning or attempting to win money or property or a representative of either.

Additionally, the bill makes it illegal to engage in proxy betting, in which a person risks property with a value of \$1,000 or more, having agreed to pay 10 percent or more of the proceeds of the gambling activity to another. A person who engages in proxy betting is guilty of a disorderly persons offense, unless the person exercises sole control over whether, and in what manner, the property involved is risked. A person who conspires to engage in proxy betting is also guilty of a disorderly persons offense.

In order to enforce the provisions of the bill, the Division of Consumer Affairs (DCA) is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement (DGE) is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes DCA and DGE, as appropriate, to:

- (1) seek and obtain injunctive relief to halt any unlawful gambling operation;
- (2) enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense;
- (3) conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties;
- (4) apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State;
- (5) order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen;
- (6) issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and
- (7) impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that broadening the scope of unlawful gambling practices and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement in the Department of Law and Public Safety.

The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 5447

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 18, 2025

SUMMARY

- Synopsis:

Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.
- Type of Impact:

Potential annual revenue increase to the State; annual State cost increase.
- Agencies Affected:

Department of Law and Public Safety; the Judiciary

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Potential State Revenue Increase	Indeterminate
State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that broadening the scope of unlawful gambling practices and expanding and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement in the Department of Law and Public Safety.
- The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities.

BILL DESCRIPTION

This bill prohibits unlawful gambling operations in this State, including a model of wagering frequently referred to as “sweepstakes,” and expands and establishes penalties for unlawful gambling operations and practices.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill increases the maximum penalty for maintaining a gambling resort from \$25,000 to \$50,000 and provides that the penalty for maintaining an online gambling resort shall be no less than \$50,000 and no greater than \$100,000.

The bill also expands the definition of gambling within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance.

In addition, the bill expands the scope of conduct that would constitute the illegal rigging of publicly exhibited contests to include improper influences and sporting events. The bill lowers the threshold for an illegal rigging” or “improper influencing violation to constitute a crime of the third or fourth degree by \$500.

The bill also revises the prohibition against swindling or cheating and makes it illegal to engage in proxy betting.

Under the bill, the Division of Consumer Affairs is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes the divisions, as appropriate, to: seek and obtain injunctive relief to halt any unlawful gambling operation; enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense; conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties; apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State; order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen; issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that broadening the scope of unlawful gambling practices and expanding and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement. The OLS lacks the informational basis to determine the frequency of violations that will result from the bill or the size of any fines that will be issued and collected by the State.

The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities under the bill.

Section: State Government
Analyst: Anna Harris
Associate Fiscal Analyst
Approved: Thomas Koenig
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 4282

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 24, 2025

Sponsored by:

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

SYNOPSIS

Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/24/2025)

1 **AN ACT** concerning unlawful gambling operations in this State and
 2 amending and supplementing various parts of the statutory law.

3
 4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 5 *of New Jersey:*

6
 7 1. (New section) As used in this act, P.L. , c. (C.)
 8 (pending before the Legislature as this bill):

9 “Game” means, but is not limited to, casino-style games such as
 10 slot machines, video poker, table games such as roulette, blackjack,
 11 craps, and poker; lottery games such as draw games, raffle, bingo,
 12 and keno; and sports wagering.

13 “Prize or prize equivalent” means cash, a cash equivalent, or
 14 merchandise; a token, object, or article exchangeable for cash, a
 15 cash equivalent, or merchandise; or any form of credit or promise
 16 directly or indirectly contemplating the transfer of cash, a cash
 17 equivalent, or merchandise, or of any interest therein.

18 “Something of value” means the same as that term is defined by
 19 subsection d. of N.J.S.2C:37-1.

20 “Sweepstakes” means a promotional, advertising, or marketing
 21 event, contest, or game, whether played online or in person, in
 22 which something of value, such as a prize or prize equivalent, is
 23 awarded, either directly or indirectly through means such as a dual
 24 currency system of payment that allows a participant to exchange
 25 the currency for a prize or prize equivalent.

26
 27 2. (New section) Except as otherwise provided in section 3 of
 28 P.L. , c. (C.) (pending before the Legislature as this bill) or
 29 authorized under any other law of this State, offering or conducting
 30 a sweepstakes in which a person present in New Jersey may
 31 participate by paying or proffering something of value, including,
 32 but not limited to, an entry fee for the opportunity to win or receive
 33 a prize or prize equivalent, shall constitute unlawful gambling in
 34 violation of Article IV, Section VII, paragraph 2 of the New Jersey
 35 Constitution, and shall subject the operator or sponsor, or any
 36 officer, employee, or agent of the operator or sponsor, to civil
 37 liability under section 5 of P.L. , c. (C.) (pending before
 38 the Legislature as this bill) and under any other applicable law of
 39 this State that prohibits gambling, and, to the extent applicable, may
 40 subject such persons to criminal liability under N.J.S.2C:37-2,
 41 N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of
 42 this State that prohibits gambling.

43
 44 3. (New section) a. Notwithstanding the provisions of section
 45 2 of P.L. , c. (C.) (pending before the Legislature as this

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 bill) or any other law or regulation to the contrary, offering,
2 conducting or participating in a sweepstakes that meets the
3 requirements of subsection b. of this section shall not constitute
4 unlawful gambling in violation of Article IV, Section VII,
5 paragraph 2 of the New Jersey Constitution, and shall not subject
6 the participant or the operator or sponsor of the sweepstakes or any
7 officer, employee, or agent of the operator or sponsor, to any civil
8 or criminal liability under the laws of this State that prohibit
9 gambling.

10 b. A sweepstakes in which a person present in New Jersey may
11 participate by paying or proffering something of value for the
12 opportunity to win or receive a prize or prize equivalent shall not be
13 deemed to violate section 2 of P.L. , c. (C.) (pending
14 before the Legislature as this bill) if:

15 (1) there exists a method of entry to participate in the
16 sweepstakes at no cost to the participant;

17 (2) any method of entry that is not free to the participant is
18 ancillary to the purchase of food, non-alcoholic beverages, or other
19 merchandise such as mugs, trinkets, or mementos, not exceeding
20 \$20 in value or such other amount to be determined by the Director
21 of the Division of Consumer Affairs in the Department of Law and
22 Public Safety; provided, however, that such other items of
23 merchandise shall not include coins, tokens, or online credits that
24 have no value other than permitting sweepstakes entry or that are
25 able to be exchanged for money or merchandise from the
26 sweepstakes operator or an affiliated company;

27 (3) determination of the winner or winners of the sweepstakes is
28 not in any way based on the results of any sports event or contest or
29 the performance or any facet thereof of any individual or team, or
30 the performance of a combination of any individuals or teams in
31 any sports event or contest, unless the sole and exclusive method of
32 entry to participate in the sweepstakes is at no cost to all
33 participants;

34 (4) the sweepstakes entry form or the website or application
35 used to enter an online or telephone sweepstakes clearly discloses to
36 participants the rules of the sweepstakes, the odds of a winning any
37 and all prizes, unless the sweepstakes permits an unlimited number
38 of entries, in which case the sponsor or operator shall disclose that
39 the sweepstakes permits unlimited entry, and the nature and number
40 of any prizes that may be awarded;

41 (5) the value of any cash or merchandise prize shall be income
42 for purposes of New Jersey income tax;

43 (6) no person under the age of 18 shall be permitted to claim a
44 sweepstakes prize exceeding \$1,000 in value without the consent of
45 the person's parent or guardian; and

46 (7) the odds of winning any particular prize shall be identical
47 regardless of whether the contest was entered by purchasing an
48 entry or by entering at no cost to the participant.

1 c. The Division of Consumer Affairs may adopt rules and
2 regulations pursuant to the “Administrative Procedure Act,”
3 P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of
4 sections 1 through 13 of P.L. , c. (C.) (pending before the
5 Legislature as this bill).

6
7 4. (New section) Whenever it shall appear to the director of
8 the Division of Consumer Affairs that a violation of section 2 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)
10 has occurred, is occurring, or will occur, the division may, in
11 addition to any other proceeding authorized by law, seek and obtain
12 in a summary proceeding in Superior Court an injunction
13 prohibiting such violation. In any such proceeding, the court may
14 assess a civil penalty in accordance with the provisions of section 5
15 of P.L. , c. (C.) (pending before the Legislature as this
16 bill); order restoration to any person in interest of any monies or
17 property, real or personal, acquired by means of such violation in
18 accordance with the provisions of section 11 of P.L. , c.
19 (C.) (pending before the Legislature as this bill); and enter
20 such orders as may be necessary to prevent the recurrence of such
21 violation in the future and to remedy any past violation.

22
23 5. (New section) Any person found in violation section 2 of
24 P.L. , c. (C.) (pending before the Legislature as this bill)
25 shall, in addition to any other sanctions authorized by law or
26 regulation, be liable to a civil penalty of not more than \$100,000 for
27 the first offense and not more than \$250,000 for the second and
28 each subsequent offense. Each day that such violation continues
29 shall be deemed a separate offense.

30
31 6. (New section) When it shall appear to the director of the
32 Division of Consumer Affairs that a person has engaged in, is
33 engaging in, or is about to engage in any practice that violates
34 section 2 of P.L. , c. (C.) (pending before the Legislature
35 as this bill), or when the director believes it to be in the public
36 interest that an investigation should be made to ascertain whether a
37 person in fact has engaged in, is engaging in, or is about to engage
38 in, any such practice, the director may:

39 require such person to file on such forms as may be prescribed a
40 statement or report in writing, under oath or otherwise, as to all the
41 facts and circumstances concerning the sale or advertisement of
42 merchandise by such person, and such other data and information as
43 the director may deem necessary;

44 examine, under oath, any person in connection with the sale or
45 advertisement of any merchandise;

46 examine any merchandise or sample thereof, record, book,
47 document, account, or paper as the director may deem necessary;
48 and

1 pursuant to an order of the Superior Court, impound any record,
2 book, document, account, paper, or sample of merchandise that is
3 produced in accordance with this act, and retain the same in the
4 director's possession until the completion of all proceedings in
5 connection with which the same are produced.

6
7 7. (New section) Upon receiving evidence of any violation of
8 section 2 of P.L. , c. (C.) (pending before the Legislature
9 as this bill), the director of the Division of Consumer Affairs, or the
10 director's designee, shall be empowered to hold hearings upon said
11 violation and, upon finding the violation to have been committed, to
12 assess a penalty against the person alleged to have committed such
13 violation in an amount authorized by section 5 of P.L. , c.
14 (C.) (pending before the Legislature as this bill) as the director
15 deems proper under the circumstances. Any such amounts collected
16 by the director in excess of the costs and expenses incurred by the
17 division in exercising the authority granted by P.L. , c. (C.)
18 (pending before the Legislature as this bill), shall be paid forthwith
19 into the General Fund for appropriation by the Legislature to the
20 Department of Human Services for prevention, education, and
21 treatment programs for compulsive gambling that meet the criteria
22 developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169),
23 such as those provided by the Council on Compulsive Gambling of
24 New Jersey.

25
26 8. (New section) To enforce section 2 of P.L. , c. (C.)
27 (pending before the Legislature as this bill), the director of the
28 Division of Consumer Affairs, in addition to other powers conferred
29 upon the director by this act, may issue subpoenas to any person,
30 administer an oath or affirmation to any person, conduct hearings in
31 aid of any investigation or inquiry, promulgate such rules and
32 regulations, and prescribe such forms as may be necessary, which
33 shall have the force of law.

34
35 9. (New section) Service by the director of the Division of
36 Consumer Affairs of any notice requiring a person to file a
37 statement or report, or of a subpoena upon any person, in
38 connection with section 2 of P.L. , c. (C.) (pending before
39 the Legislature as this bill) shall be made personally within this
40 State, but if such cannot be obtained, substituted service therefor
41 may be made in the following manner:

42 personal service thereof without this State; or
43 the mailing thereof by registered mail to the last known place of
44 business, residence or abode, within or without this State of such
45 person for whom the same is intended; or

46 as to any person other than a natural person, in accordance with
47 the Rules Governing the Courts of the State of New Jersey
48 pertaining to service of process, provided, however, that service
49 shall be made by the Attorney General; or

1 such service as the Superior Court may direct in lieu of personal
2 service within this State.

3
4 10. (New section) If any person shall fail or refuse to file any
5 statement or report, or obey any subpoena issued by the director of
6 the Division of Consumer Affairs in connection with section 2 of
7 P.L. , c. (C.) (pending before the Legislature as this bill),
8 the director may apply to the Superior Court and obtain an order:

9 adjudging such person in contempt of court;

10 granting injunctive relief without notice restraining the sale or
11 advertisement of any merchandise by such persons;

12 vacating, annulling, or suspending the corporate charter of a
13 corporation created by or under the laws of this State or revoking or
14 suspending the certificate of authority to do business in this State of
15 a foreign corporation or revoking or suspending any other licenses,
16 permits, or certificates issued pursuant to law to such person which
17 are used to further the allegedly unlawful practice; and

18 granting such other relief as may be required; until the person
19 files the statement or report, or obeys the subpoena.

20
21 11. (New section) In addition to the assessment of civil
22 penalties, the director of the Division of Consumer Affairs or the
23 director's designee may, after a hearing and upon a finding of a
24 violation of section 2 of P.L. , c. (C.) (pending before the
25 Legislature as this bill), order that any moneys or property, real or
26 personal, which have been acquired by means of such violation be
27 restored to any person in interest, except that if any moneys or
28 property, real or personal, have been acquired by means of a
29 violation perpetrated against a senior citizen, the amount of moneys
30 or property, real or personal, ordered restored shall be twice the
31 amount acquired.

32 As used in this section, "senior citizen" means a person age 62
33 years or older.

34
35 12. (New section) Where, after a hearing, the director of the
36 Division of Consumer Affairs, or the director's designee, finds that
37 a violation of section 2 of P.L. , c. (C.) (pending before the
38 Legislature as this bill) has been or may be committed, the director
39 may order the person committing such violation to cease and desist
40 or refrain from committing said violation in the future. When it
41 shall appear to the director that a person against whom a cease and
42 desist order has been entered has violated said order, the director
43 may initiate a summary proceeding in the Superior Court for the
44 violation thereof. Any person found to have violated a cease and
45 desist order shall pay to the State of New Jersey civil penalties in
46 the amount of not more than \$25,000 for each violation of said
47 order. In the event that any person fails to pay a civil penalty
48 assessed by the court for violation of a cease and desist order, the
49 court assessing the unpaid penalty is authorized, upon application of

1 the director, to grant any relief which may be obtained under any
2 statute or court rule governing the collection and enforcement of
3 civil penalties.

4
5 13. (New section) At any time within five years after any
6 amount required to be collected pursuant to the provisions of
7 sections 2 through 12 of P.L. , c. (C.) (pending before the
8 Legislature as this bill) shall become due and payable, the Division
9 of Consumer Affairs may bring a civil action in the courts of this
10 State or any other state or of the United States, in the name of the
11 State of New Jersey, to collect the amount delinquent, together with
12 penalties and interest. If such action is brought in this State, a writ
13 of attachment may be issued and no bond or affidavit prior to the
14 issuance thereof shall be required. In all actions in this State, the
15 records of the division shall be prima facie evidence of the
16 determination of the amount of the delinquency.

17 Each debt that is due and payable and required to be collected,
18 and any monetary penalty imposed for a violation of section 2
19 through section 12 of P.L. , c. (C.) (pending before the
20 Legislature as this bill), shall constitute a lien on the real property
21 in this State owned or hereafter acquired by the person owing such
22 a debt or on whom such an obligation has been imposed. Except as
23 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
24 paramount to all prior or subsequent liens, claims, or encumbrances
25 on that property.

26
27 14. (New section) In addition to any other authority provided
28 under law, whenever it shall appear to the Division of Gaming
29 Enforcement that a violation of section 112 of P.L.1977, c.110
30 (C.5:12-112) or unlawful gambling in violation of Article IV,
31 Section VII, paragraph 2 of the New Jersey Constitution, other than
32 a sweepstakes offered or conducted in violation of section 2 of
33 P.L. , c. (C.) (pending before the Legislature as this bill),
34 has occurred, is occurring, or will occur, the division may, in
35 addition to any other proceeding authorized by law, seek and obtain
36 in a summary proceeding in Superior Court an injunction
37 prohibiting such violation or unlawful gambling. In any such
38 proceeding the court may assess a civil penalty in accordance with
39 the provisions of section 15 of P.L. , c. (C.) (pending
40 before the Legislature as this bill); order restoration to any person in
41 interest of any monies or property, real or personal, acquired by
42 means of such violation or unlawful gambling in accordance with
43 the provisions of section 20 of P.L. , c. (C.) (pending
44 before the Legislature as this bill); and enter such orders as may be
45 necessary to prevent the recurrence of such violation or unlawful
46 gambling in the future, and to remedy any past violation or
47 unlawful gambling. In any action brought pursuant to this section,
48 the court shall not suspend or revoke any license issued by the
49 division.

1 15. (New section) Any person violating section 112 of
2 P.L.1977, c.110 (C.5:12-112), or engaging in unlawful gambling in
3 violation of Article IV, Section VII, paragraph 2 of the New Jersey
4 Constitution, other than a sweepstakes offered or conducted in
5 violation of section 2 of P.L. , c. (C.) (pending before the
6 Legislature as this bill), shall, in addition to any other sanctions
7 authorized by law or regulation, be liable to a civil penalty of not
8 more than \$10,000 for the first offense and not more than \$25,000
9 for the second and each subsequent offense. Each statutory
10 violation shall constitute a separate offense.

11
12 16. (New section) In addition to any other authority provided
13 under the law, when it shall appear to the director of the Division of
14 Gaming Enforcement that a person has engaged in, is engaging in,
15 or is about to engage in any practice that violates section 112 of
16 P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in
17 violation of Article IV, Section VII, paragraph 2 of the New Jersey
18 Constitution, other than a sweepstakes offered or conducted in
19 violation of section 2 of P.L. , c. (C.) (pending before the
20 Legislature as this bill), or when the director believes it to be in the
21 public interest that an investigation should be made to ascertain
22 whether a person in fact has engaged in, is engaging in, or is about
23 to engage in, any such practice, the director may:

24 require such person to file on such forms as may be prescribed a
25 statement or report in writing under oath or otherwise, as to all the
26 facts and circumstances concerning the sale or advertisement of
27 merchandise by such person, and such other data and information as
28 the director may deem necessary;

29 examine under oath any person in connection with the sale or
30 advertisement of any merchandise;

31 examine any merchandise or sample thereof, record, book,
32 document, account, or paper as the director may deem necessary;
33 and

34 pursuant to an order of the Superior Court impound any record,
35 book, document, account, paper, or sample of merchandise that is
36 produced in accordance with this act, and retain the same in the
37 director's possession until the completion of all proceedings in
38 connection with which the same are produced.

39
40 17. (New section) Upon receiving evidence of any practice that
41 violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful
42 gambling in violation of Article IV, Section VII, paragraph 2 of the
43 New Jersey Constitution, unlawful gambling, other than a
44 sweepstakes offered or conducted in violation of section 2 of P.L. ,
45 c. (C.) (pending before the Legislature as this bill), the
46 director of the Division of Gaming Enforcement, or the director's
47 designee, shall be empowered to hold hearings upon said violation
48 and, upon finding the violation to have been committed, to assess a
49 penalty against the person alleged to have committed such

1 violation, as well as against any person or entity, including but not
2 limited to third party providers or service providers of any kind,
3 found to have knowingly aided or abetted the commission of such
4 violation, in an amount authorized by section 15 of P.L. , c.
5 (C.) (pending before the Legislature as this bill), as the director
6 deems proper under the circumstances. Any such amounts collected
7 by the director shall be paid forthwith into the General Fund for the
8 general purposes of the State.

9
10 18. (New section) To enforce section 112 of P.L.1977, c.110
11 (C.5:12-112) or any prohibition against unlawful gambling in
12 violation of Article IV, Section VII, paragraph 2 of the New Jersey
13 Constitution other than a sweepstakes offered or conducted in
14 violation of section 2 of P.L. , c. (C.) (pending before the
15 Legislature as this bill), the director of the Division of Gaming
16 Enforcement, in addition to other powers conferred upon the
17 director, may issue subpoenas to any person, administer an oath or
18 affirmation to any person, conduct hearings in aid of any
19 investigation or inquiry, promulgate such rules and regulations, and
20 prescribe such forms as may be necessary, which shall have the
21 force of law.

22
23 19. (New section) Service by the director of the Division of
24 Gaming Enforcement of any notice requiring a person to file a
25 statement or report, or of a subpoena upon any person, pursuant to
26 sections 14 through 23 of P.L. , c. (C.) (pending before the
27 Legislature as this bill) shall be made personally within this State,
28 but if such cannot be obtained, substituted service therefor may be
29 made in the following manner:

30 personal service thereof without this State; or

31 the mailing thereof by registered mail to the last known place of
32 business, residence or abode, within or without this State of such
33 person for whom the same is intended; or

34 as to any person other than a natural person, in accordance with
35 the Rules Governing the Courts of the State of New Jersey
36 pertaining to service of process, provided, however, that service
37 shall be made by the Attorney General; or

38 such service as the Superior Court may direct in lieu of personal
39 service within this State.

40
41 20. (New section) If any person shall fail or refuse to file any
42 statement or report, or obey any subpoena issued by the director of
43 the Division of Gaming Enforcement pursuant to sections 14
44 through 23 of P.L. , c. (pending before the Legislature as this
45 bill), the director may apply to the Superior Court and obtain an
46 order:

47 adjudging such person in contempt of court;

48 granting injunctive relief without notice restraining the sale or
49 advertisement of any merchandise by such persons;

1 vacating, annulling, or suspending the corporate charter of a
2 corporation created by or under the laws of this State or revoking or
3 suspending the certificate of authority to do business in this State of
4 a foreign corporation or revoking or suspending any other licenses,
5 permits, or certificates issued pursuant to law to such person which
6 are used to further the allegedly unlawful practice; and

7 granting such other relief as may be required; until the person
8 files the statement or report, or obeys the subpoena.

9
10 21. (New section) In addition to the assessment of civil
11 penalties, the director of the Division of Gaming Enforcement or
12 the director's designee may, after a hearing and upon a finding of a
13 practice that violates section 112 of P.L.1977, c.110 (C.5:12-112),
14 or unlawful gambling in violation of Article IV, Section VII,
15 paragraph 2 of the New Jersey Constitution, other than a
16 sweepstakes offered or conducted in violation of section 2 of P.L. ,
17 c. (C.) (pending before the Legislature as this bill), order that
18 any moneys or property, real or personal, which have been acquired
19 by means of such violation be restored to any person in interest,
20 except that if any moneys or property, real or personal, have been
21 acquired by means of a violation perpetrated against a senior
22 citizen, the amount of moneys or property, real or personal, ordered
23 restored shall be twice the amount acquired.

24 As used in this section, "senior citizen" means a person age 62
25 years or older.

26
27 22. (New section) In addition to any other authority provided
28 under the law, when, after a hearing, the director of the Division of
29 Gaming Enforcement or the director's designee, finds that a
30 violation of section 112 of P.L.1977, c.110 (C.5:12-112), or
31 unlawful gambling in violation of Article IV, Section VII,
32 paragraph 2 of the New Jersey Constitution, other than a
33 sweepstakes offered or conducted in violation of section 2 of P.L. ,
34 c. (C.) (pending before the Legislature as this bill), has been
35 or may be committed, the director may order the person committing
36 such violation to cease and desist or refrain from committing said
37 violation in the future. When it shall appear to the director that a
38 person against whom a cease and desist order has been entered has
39 violated said order, the director may initiate a summary proceeding
40 in the Superior Court for the violation thereof. Any person found to
41 have violated a cease and desist order shall pay to the State of New
42 Jersey civil penalties in the amount of not more than \$25,000 for
43 each violation of said order. In the event that any person fails to
44 pay a civil penalty assessed by the court for violation of a cease and
45 desist order, the court assessing the unpaid penalty is authorized,
46 upon application of the director, to grant any relief which may be
47 obtained under any statute or court rule governing the collection
48 and enforcement of civil penalties.

1 23. (New section) At any time within five years after any
2 amount required to be collected pursuant to the provisions of
3 sections 14 through 23 of P.L. , c. (C.) (pending before the
4 Legislature as this bill) or for any violation of State gambling laws
5 shall become due and payable, the Division of Gaming Enforcement
6 may bring a civil action in the courts of this State or any other state
7 or of the United States, in the name of the State of New Jersey, to
8 collect the amount delinquent, together with penalties and interest.
9 If such action is brought in this State, a writ of attachment may be
10 issued and no bond or affidavit prior to the issuance thereof shall be
11 required. In all actions in this State, the records of the division
12 shall be prima facie evidence of the determination of the amount of
13 the delinquency. Each debt that is due and payable and required to
14 be collected, and any monetary penalty imposed for a violation of
15 the State's gambling laws, shall constitute a lien on the real
16 property in this State owned or hereafter acquired by the person
17 owing such a debt or on whom such an obligation has been
18 imposed. Except as otherwise provided in R.S.54:5-9, such a lien
19 shall be a first lien paramount to all prior or subsequent liens,
20 claims, or encumbrances on that property.

21
22 24. (New section) a. A person who participates in any form of
23 gambling activity by risking property with a value of \$1,000 or
24 more, having agreed to pay 10 percent or more of the proceeds of
25 the gambling activity to another, is guilty of a disorderly persons
26 offense, unless the person exercises sole control over whether and
27 in what manner the property involved is risked.

28 b. A person who solicits or conspires with another to violate
29 subsection a. of this section is guilty of a disorderly persons
30 offense.

31
32 25. N.J.S.2C:21-11 is amended to read as follows:

33 2C:21-11. Rigging or Improperly Influencing Publicly Exhibited
34 Contest or Sports Event.

35 a. A person commits a crime if, with purpose to prevent a
36 publicly exhibited contest or sports event from being conducted in
37 accordance with the rules and usages which govern it, **[he]** the
38 person:

39 (1) Confers or offers or agrees to confer any benefit upon, or
40 threatens any injury to a participant, official or other person
41 associated with the contest or **[exhibition; or]** sports event;

42 (2) Tampers with any person, animal or thing;

43 (3) Gives, offers, or promises, or attempts to give to or offer, or
44 asks, receives, or offers to receive directly or indirectly, from any
45 other person any compensation, gratuity, or thing of value, or any
46 promise thereof, with the intention, understanding, or agreement
47 that the person or any player, participant, manager, coach, or other
48 official on, or associated with, a competitor or team in the contest
49 or sports event, regardless of by whom such person is employed;

1 (a) will not use best efforts to win the contest or sports event or
2 will cause themselves or their team to lose the contest or sports
3 event; or

4 (b) will engage in conduct so as to limit their, or their team's,
5 margin of victory or defeat; or

6 (4) Gives, offers, or promises, or attempts to give to or offer, or
7 asks, receives, or offers to receive, directly or indirectly, from any
8 other person any compensation, gratuity, or thing of value, or any
9 promise thereof, with the intention, understanding, or agreement
10 that the person or any judge, referee, or other person officiating in
11 the contest or sports event will fraudulently or corruptly judge,
12 referee, or officiate the contest or sports event.

13 b. Soliciting or accepting benefit for rigging. A person
14 commits a crime if **[he]** the person knowingly solicits, accepts or
15 agrees to accept any benefit the giving of which would be criminal
16 under subsection a. of this section.

17 c. If the benefit offered, conferred, agreed to be conferred,
18 solicited, accepted or agreed to be accepted in violation of
19 subsections a. and b. of this section is \$75,000.00 or more, the
20 offender is guilty of a crime of the second degree. If the benefit
21 exceeds **[\$1,000.00]** \$500, but is less than \$75,000, the offender is
22 guilty of a crime of the third degree. If the benefit is **[\$1,000.00]**
23 \$500 or less, the offender is guilty of a crime of the fourth degree.

24 d. Failure to report solicitation for rigging. A person commits
25 a disorderly persons offense if **[he]** the person fails to report, with
26 reasonable promptness, a solicitation to accept any benefit or to do
27 any tampering, the giving or doing of which would be criminal
28 under subsection a. of this section.

29 e. Participation in rigged contest or sports event. A person
30 commits a crime of the fourth degree if **[he]** the person knowingly
31 engages in, sponsors, produces, judges, or otherwise participates in
32 a publicly exhibited contest or sports event knowing that the contest
33 or sports event is being conducted in violation of subsection a. of
34 this section.

35 (cf: P.L.1986, c.129, s.2)

36

37 26. N.J.S.2C:37-1 is amended to read as follows:

38 2C:37-1. The following definitions apply to this chapter and to
39 chapter 64:

40 a. "Contest of chance" means any contest, game, pool, gaming
41 scheme or gaming device in which the outcome depends in a
42 material degree upon an element of chance, notwithstanding that
43 skill of the contestants or some other persons may also be a factor
44 therein.

45 b. "Gambling" means staking or risking something of value
46 upon the outcome of a contest of chance or a future contingent
47 event not under the actor's control or influence, upon an agreement
48 or understanding that **[he]** the actor will receive something of value

1 in the event of a certain outcome, or buying, selling, or trading
2 something of value upon an agreement or understanding that the
3 actor will receive something of value in the event of a certain
4 outcome in a contest of chance. For purposes of this subsection, a
5 contest of chance or a future contingent event not under the actor's
6 control or influence shall include, but need not be limited to, a
7 sports event on which a wager may be placed with a sports
8 wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

9 c. "Player" means a person who engages in any form of
10 gambling solely as a contestant or bettor, without receiving or
11 becoming entitled to receive any profit therefrom other than
12 personal gambling winnings, and without otherwise rendering any
13 material assistance to the establishment, conduct or operation of
14 the particular gambling activity. A person who gambles at a social
15 game of chance on equal terms with the other participants therein
16 does not thereby render material assistance to the establishment,
17 conduct or operation of such game if he performs, without fee or
18 remuneration, acts directed toward the arrangement or facilitation
19 of the game, such as inviting persons to play, permitting the use of
20 premises therefor or supplying cards or other equipment used
21 therein. A person who engages in "bookmaking" as defined in this
22 section is not a "player."

23 d. "Something of value" means any money or property, any
24 token, object or article exchangeable for money or property, or any
25 form of credit or promise directly or indirectly contemplating
26 transfer of money or property or of any interest therein, or
27 involving extension of a service, entertainment or a privilege of
28 playing at a game or scheme without charge. This definition,
29 however, does not include any form of promise involving extension
30 of a privilege of playing at a game without charge on a mechanical
31 or electronic amusement device, other than a slot machine as an
32 award for the attainment of a certain score on that device.

33 e. "Gambling device" means any device, machine,
34 paraphernalia or equipment which is used or usable in the playing
35 phases of any gambling activity, whether such activity consists of
36 gambling between persons or gambling by a person involving the
37 playing of a machine. Notwithstanding the foregoing, lottery
38 tickets, policy slips and other items used in the playing phases of
39 lottery and policy schemes are not gambling devices.

40 f. "Slot machine" means any mechanical, electrical or other
41 device, contrivance or machine which, upon insertion of a coin,
42 token or similar object therein, or upon payment of any
43 consideration whatsoever, is available to play or operate, the play
44 or operation of which, whether by reason of the skill of the
45 operator or application of the element of chance, or both, may
46 deliver or entitle the person playing or operating the machine to
47 receive cash or tokens to be exchanged for cash, whether the payoff
48 is made automatically from the machine or in any other manner
49 whatsoever. A device so constructed, or readily adaptable or

1 convertible to such use, is no less a slot machine because it is not
2 in working order or because some mechanical act of manipulation
3 or repair is required to accomplish its adaptation, conversion or
4 workability.

5 g. "Bookmaking" means advancing gambling activity by
6 unlawfully accepting bets from members of the public upon the
7 outcome of future contingent events as a business.

8 h. "Lottery" means an unlawful gambling scheme in which (a)
9 the players pay or agree to pay something of value for chances,
10 represented and differentiated by numbers or by combinations of
11 numbers or by some other media, one or more of which chances are
12 to be designated the winning ones; and (b) the winning chances are
13 to be determined by a drawing or by some other method based
14 upon the element of chance; and (c) the holders of the winning
15 chances are to receive something of value.

16 i. "Policy" or "the numbers game" means a form of lottery in
17 which the winning chances or plays are not determined upon the
18 basis of a drawing or other act on the part of persons conducting or
19 connected with the scheme, but upon the basis of the outcome or
20 outcomes of a future contingent event or events otherwise unrelated
21 to the particular scheme.

22 j. "Gambling resort" means a place to which persons may resort
23 for engaging in gambling activity.

24 k. "Unlawful" means not specifically authorized by law.

25 l. "Online gambling resort" means a website or application
26 accessed via the Internet or other computer or mobile connection to
27 which persons may resort for engaging in gambling activity.

28 (cf: P.L.1982, c.60, s.1)

29

30 27. N.J.S.2C:37-2 is amended to read as follows:

31 2C:37-2. Promoting Gambling.

32 a. Promoting Gambling Defined. A person is guilty of
33 promoting gambling when **[he]** the person knowingly:

34 (1) Accepts or receives money or other property, pursuant to an
35 agreement or understanding with any person whereby **[he]** the
36 person participates or will participate in the proceeds of gambling
37 activity, including, but not limited to gambling activity that occurs
38 online, unless such gambling activity is under the regulation and
39 control of the State; or

40 (2) Engages in conduct, which materially aids any form of
41 gambling activity. Such conduct includes but is not limited to
42 conduct directed toward the creation or establishment of the
43 particular game, contest, scheme, device or activity involved,
44 toward the acquisition or maintenance of premises, paraphernalia,
45 equipment or apparatus therefor, toward the solicitation or
46 inducement of persons to participate therein, toward the actual
47 conduct of the playing phases thereof, toward the arrangement of
48 any of its financial or recording phases, or toward any other phase
49 of its operation.

1 b. Grading. A person who violates the provisions of subsection
2 a. of this section by:

3 (1) Engaging in bookmaking to the extent **【he】** the person
4 receives or accepts in any one day more than five bets totaling more
5 than \$1,000.00; or

6 (2) Receiving, in connection with a lottery or policy scheme or
7 enterprise (a) money or written records from a person other than a
8 player whose chances or plays are represented by such money or
9 records, or (b) more than \$100.00 in any one day of money played
10 in such scheme or enterprise, is guilty of a crime of the third degree
11 and notwithstanding the provisions of section 2C:43-3 shall be
12 subject to a fine of not more than \$35,000.00 and any other
13 appropriate disposition authorized by **【N.J.S.2C:43-2 b】** subsection
14 b. of N.J.S.2C:43-2.

15 A person who violates the provisions of subsection a. of this
16 section by engaging in bookmaking to the extent **【he】** the person
17 receives or accepts three or more bets in any two-week period is
18 guilty of a crime of the fourth degree and notwithstanding the
19 provisions of section 2C:43-3 shall be subject to a fine of not more
20 than \$25,000.00 and any other appropriate disposition authorized by
21 **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2. Otherwise,
22 promoting gambling is a disorderly persons offense and
23 notwithstanding the provisions of section 2C:43-3 shall be subject
24 to a fine of not more than \$10,000.00 and any other appropriate
25 disposition authorized by **【N.J.S.2C:43-2b】** subsection b. of
26 N.J.S.2C:43-2.

27 c. It is **【a】** an affirmative defense to a prosecution under
28 subsection a. that the person participated only as a player. **【It shall**
29 **be the burden of the defendant to prove by clear and convincing**
30 **evidence his status as such player.】**
31 (cf: P.L.1997, c.181, s.9)

32

33 28. N.J.S.2C:37-4 is amended to read as follows:

34 2C:37-4. Maintenance of a Gambling Resort or Online
35 Gambling Resort.

36 a. A person is guilty of a crime of the **【fourth】** third degree if,
37 having substantial proprietary or other authoritative control over
38 premises which are being used with his knowledge for purposes of
39 activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, **【he】** the
40 person permits such to occur or continue or makes no effort to
41 prevent its occurrence or continuation and **【he】** the person accepts
42 or receives money or other property pursuant to an agreement or
43 understanding with any person whereby **【he】** the person
44 participates or will participate in the proceeds of such gambling
45 activity on such premises and notwithstanding the provisions of
46 section 2C:43-3 shall be subject to a fine of not more than

1 ~~【\$25,000.00】~~ \$50,000 and any other appropriate disposition
2 authorized by ~~【N.J.S.2C:43-2b】~~ subsection b. of N.J.S.2C:43-2.

3 b. A person is guilty of a crime of the ~~【fourth】~~ third degree if,
4 having substantial proprietary or other authoritative control over
5 premises open to the general public which are being used with ~~【his】~~
6 the person's knowledge for purposes of gambling activity, ~~【he】~~ the
7 person permits such to occur or continue or makes no effort to
8 prevent its occurrence or continuation and notwithstanding the
9 provisions of section 2C:43-3 shall be subject to a fine of not more
10 than ~~【\$25,000.00】~~ \$50,000 and any other appropriate disposition
11 authorized by ~~【N.J.S.2C:43-2b】~~ subsection b. of N.J.S.2C:43-2.

12 c. A person is guilty of a crime of the third degree if the person
13 operates or maintains an online gambling resort through which
14 persons from within New Jersey are permitted to wager unless such
15 gambling activity is under the regulation and control of the State
16 and, notwithstanding the provisions of N.J.S.2C:43-3, shall be
17 subject to a fine of not less than \$50,000 nor more than \$100,000
18 and any other appropriate disposition authorized by subsection b. of
19 N.J.S.2C:43-2.

20 (cf: P.L.1997, c.181, s.11)

21

22 29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to
23 read as follows:

24 113. Swindling and Cheating; Penalties.

25 a. A person is guilty of swindling and cheating if the person:

26 (1) purposely or knowingly by any trick or sleight of hand
27 performance or by a fraud or fraudulent scheme, cards, dice or
28 device, for 【himself or herself】 themselves or for another, wins or
29 attempts to win money or property or a representative of either or
30 reduces a losing wager or attempts to reduce a losing wager in
31 connection to casino gaming, Internet gaming, or sports wagering;

32 (2) purposely or knowingly places any sports wager having
33 knowledge of information not available to the general public
34 bearing upon that wager and wins, or attempts to win, money or
35 property or a representative of either; or

36 (3) with the purpose to deceive, uses another person's gaming
37 account, including, but not limited to, a wagering account for
38 Internet gaming or sports wagering, to place a wager and wins, or
39 attempts to win, money or property or a representative of either.

40 b. Consolidation of offenses. Conduct denominated swindling
41 and cheating in this section constitutes a single offense, but each
42 episode or transaction may be the subject of a separate prosecution
43 and conviction. A charge of swindling and cheating may be
44 supported by evidence that it was committed in any manner that
45 would be swindling and cheating under this section,
46 notwithstanding the specification of a different manner in the
47 indictment or accusation, subject only to the power of the court to
48 ensure a fair trial by granting a bill of particulars, discovery,

1 continuance, or other appropriate relief when the conduct of the
2 defense would be prejudiced by a lack of fair notice or by surprise.

3 c. Grading of swindling and cheating offenses.

4 (1) Swindling and cheating constitutes a crime of the second
5 degree if the amount involved is \$75,000 or more.

6 (2) Swindling and cheating constitutes a crime of the third
7 degree if the amount involved exceeds \$500.

8 (3) Swindling and cheating constitutes a crime of the fourth
9 degree if the amount involved is at least \$200 but not more than
10 \$500.

11 (4) Swindling and cheating constitutes a disorderly persons
12 offense if the amount involved is less than \$200.

13 (5) The amount involved in swindling and cheating shall be
14 determined by the trier of fact. Amounts involved in acts of
15 swindling and cheating committed pursuant to one scheme or course
16 of conduct, whether from the same person or several persons, may
17 be aggregated in determining the grade of the offense.

18 (cf: P.L.2002, c.65, s.27)

19

20 30. This act shall take effect immediately.

21

22

23

STATEMENT

24

25 This bill prohibits unlawful gambling operations in this State,
26 including a model of wagering frequently referred to as
27 “sweepstakes,” and establishes new penalties for unlawful gambling
28 operations and practices.

29 Under the bill, “sweepstakes” are expressly prohibited. The bill
30 defines “sweepstakes” to mean a promotional, advertising, or
31 marketing event, contest, or game, whether played online or in-
32 person, in which something of value, such as a prize or prize
33 equivalent, is awarded, either directly or indirectly through means
34 such as a dual-currency system of payment that allows a participant
35 to exchange the currency for a prize or prize equivalent.

36 The bill creates an exception to this prohibition, if:

37 (1) there exists a method of entry to participate in the
38 sweepstakes at no cost to the participant;

39 (2) any method of entry that is not free to the participant is
40 ancillary to the purchase of food, non-alcoholic beverages, or other
41 merchandise not exceeding \$20 in value or such other amount to be
42 determined by the Director of the Division of Consumer Affairs in
43 the Department of Law and Public Safety; provided, however, that
44 such other items of merchandise will not include coins, tokens, or
45 online credits that have no value other than permitting sweepstakes
46 entry or that are able to be exchanged for money or merchandise
47 from the sweepstakes operator or an affiliated company;

48 (3) determination of the winner or winners of the sweepstakes is
49 not in any way based on the results of any sports event or contest or

1 the performance or any facet thereof of any individual or team, or
2 the performance of a combination of any individuals or teams in
3 any sports event or contest, unless the sole and exclusive method of
4 entry to participate in the sweepstakes is at no cost to all
5 participants;

6 (4) the sweepstakes entry form or the website or application
7 used to enter an online or telephone sweepstakes clearly discloses to
8 participants: the rules of the sweepstakes; the odds of a winning any
9 and all prizes, unless the sweepstakes permits an unlimited number
10 of entries, in which case the sponsor or operator must disclose that
11 the sweepstakes permits unlimited entry; and the nature and number
12 of any prizes that may be awarded;

13 (5) the value of any cash or merchandise prize will be
14 considered income for purposes of New Jersey income tax;

15 (6) no person under the age of 18 will be permitted to claim a
16 sweepstakes prize exceeding \$1,000 in value without the consent of
17 their parent or guardian; and

18 (7) the odds of winning any particular prize will be identical
19 regardless of whether the contest was entered by purchasing an
20 entry or by entering at no cost to the participant.

21 The bill expands the scope of criminal conduct concerning the
22 maintenance of a gambling resort to include the maintenance of an
23 online gambling resort, and increases the penalty from a crime of
24 the fourth degree to a crime of the third degree. The bill defines an
25 online gambling resort as a website or application accessed via the
26 Internet or other computer or mobile connection to which persons
27 may resort for engaging in gambling activity.

28 The bill expands the definition of “gambling” within the criminal
29 statutes to include the buying, selling, or trading something of value
30 upon an agreement or understanding that the actor will receive
31 something of value in the event of a certain outcome in a contest of
32 chance. A contest of chance or a future contingent event not under
33 the actor’s control or influence would include, but need not be
34 limited to, a sports event on which a wager may be placed with a
35 sports wagering licensee.

36 This bill also expands the scope of conduct which would
37 constitute the illegal “rigging” of publicly exhibited contests to
38 include improper influences and sporting events. Under the bill it
39 would be a crime whenever a person:

40 Gives, offers, or promises, or attempts to give to or offer, or
41 asks, receives, or offers to receive directly or indirectly from any
42 other person any compensation, gratuity, or thing of value, or any
43 promise thereof, with the intention, understanding, or agreement
44 that that person or any player, participant, manager, coach, or other
45 official on or associated with a competitor or team in the contest or
46 sports event, regardless of by whom such person is employed will
47 not use best efforts to win the contest or sports event or will cause
48 themselves or their team to lose the contest or sports event or will

1 engage in conduct so as to limit their or their team's margin of
2 victory or defeat; or

3 Gives, offers, or promises, or attempts to give to or offer, or
4 asks, receives, or offers to receive directly or indirectly from any
5 other person any compensation, gratuity, or thing of value, or any
6 promise thereof, with the intention, understanding, or agreement
7 that that person or any judge, referee, or other person officiating in
8 the contest or sports event will fraudulently or corruptly judge,
9 referee, or officiate the contest or sports event.

10 The bill also revises the prohibition against swindling or
11 cheating to include purposely or knowingly placing any sports
12 wager having knowledge of information not available to the general
13 public bearing upon that wager and winning, or attempting to win,
14 money or property or a representative of either, and using another
15 person's gaming account to place a wager and winning or
16 attempting to win money or property or a representative of either.

17 Additionally, the bill makes it illegal to engage in proxy betting,
18 in which a person risks property with a value of \$1,000 or more,
19 having agreed to pay 10 percent or more of the proceeds of the
20 gambling activity to another. A person who engages in proxy
21 betting is guilty of a disorderly persons offense, unless the person
22 exercises sole control over whether, and in what manner, the
23 property involved is risked. A person who conspires to engage in
24 proxy betting is also guilty of a disorderly persons offense.

25 In order to enforce the provisions of the bill, the Division of
26 Consumer Affairs (DCA) is tasked with the regulation and
27 enforcement of all provisions related to the conduct of sweepstakes
28 in this State, and the Division of Gaming Enforcement (DGE) is
29 given the authority to enforce all other prohibitions against
30 unlawful gambling.

31 The bill authorizes DCA and DGE, as appropriate, to:

32 Seek and obtain injunctive relief to halt any unlawful gambling
33 operation;

34 Enforce civil penalties against the operators of unlawful
35 gambling operations in the amount of \$100,000 for the first offense
36 and \$250,000 for every subsequent offense;

37 Conduct investigations into the suspected operators and
38 accomplices of unlawful gambling operations, including the
39 issuance of subpoenas to collect necessary information and
40 interview necessary parties;

41 Apply to the Superior Court for relief from parties who have
42 refused to comply with subpoenas, including a finding of the parties
43 in contempt of court and the revocation of any licenses or operating
44 permits issued in the State;

45 Order that any moneys or property, real or personal, which have
46 been acquired by means of an unlawful gambling operation be
47 restored to any person in interest, and be returned in twice the
48 amount to any senior citizen;

1 Issue cease and desist order upon a finding that an unlawful
2 gambling operation is being conducted, and seek a civil penalty of
3 \$25,000 for each violation of a cease and desist order; and
4 Impose a lien on any property or assets held by a party who has
5 been fined in accordance with the provisions of this bill in the
6 preceding five years.

[First Reprint]

SENATE, No. 4282

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 24, 2025

Sponsored by:

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

Co-Sponsored by:

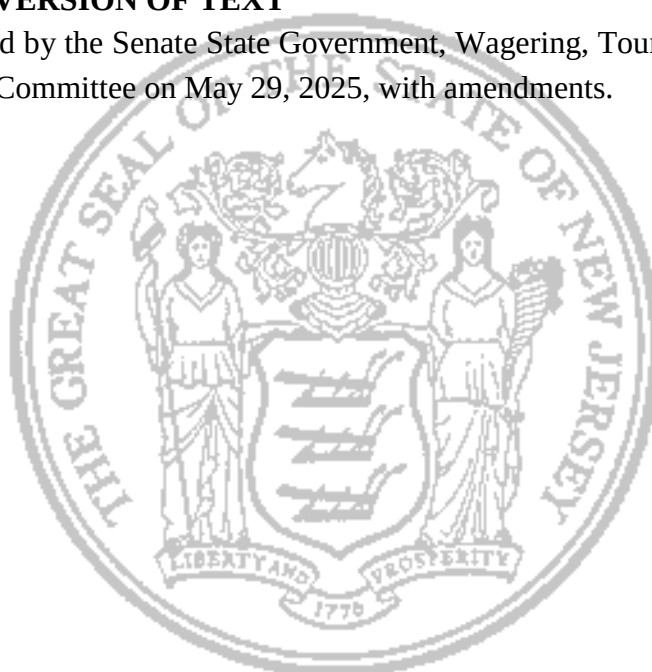
Senator Turner

SYNOPSIS

Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee on May 29, 2025, with amendments.



(Sponsorship Updated As Of: 6/2/2025)

1 **AN ACT** concerning unlawful gambling operations in this State and
 2 amending and supplementing various parts of the statutory law.

3
 4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 5 *of New Jersey:*

6
 7 1. (New section) As used in this act, P.L. , c. (C.)
 8 (pending before the Legislature as this bill):

9 “Game” means, but is not limited to, casino-style games such as
 10 slot machines, video poker, table games such as roulette, blackjack,
 11 craps, and poker; lottery games such as draw games, raffle, bingo, and
 12 keno; and sports wagering ¹; and any game that mimics or simulates
 13 such casino-style games or sports wagering¹.

14 “Prize or prize equivalent” means ¹; (1)¹ cash, a cash equivalent, or
 15 merchandise; ¹(2)¹ a token, object, or article ¹【exchangeable】 , or a
 16 virtual facsimile thereof, that can be exchanged, sold, or redeemed,
 17 either directly or indirectly through means such as a third-party
 18 marketplace, external service, or cash-out function,¹ for cash, a cash
 19 equivalent, or merchandise; or ¹(3)¹ any form of credit or promise
 20 directly or indirectly contemplating the transfer of cash, a cash
 21 equivalent, or merchandise, or of any interest therein.

22 “Something of value” means the same as that term is defined by
 23 subsection d. of N.J.S.2C:37-1.

24 “Sweepstakes” means a promotional, advertising, or marketing
 25 event, contest, or game, whether played online or in person, in which
 26 something of value, such as a prize or prize equivalent, is awarded,
 27 either directly or indirectly through means such as a dual currency
 28 system of payment that allows a participant to exchange the currency
 29 for a prize or prize equivalent.

30
 31 2. (New section) Except as otherwise provided in section 3 of
 32 P.L. , c. (C.) (pending before the Legislature as this bill) or
 33 authorized under any other law of this State, offering or conducting
 34 a sweepstakes in which a person present in New Jersey may
 35 participate by paying or proffering something of value, including,
 36 but not limited to, an entry fee for the opportunity to win or receive
 37 a prize or prize equivalent, shall constitute unlawful gambling in
 38 violation of Article IV, Section VII, paragraph 2 of the New Jersey
 39 Constitution, and shall subject the operator or sponsor, or any
 40 officer, employee, or agent of the operator or sponsor, to civil
 41 liability under section 5 of P.L. , c. (C.) (pending before
 42 the Legislature as this bill) and under any other applicable law of
 43 this State that prohibits gambling, and, to the extent applicable, may
 44 subject such persons to criminal liability under N.J.S.2C:37-2,

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SSG committee amendments adopted May 29, 2025.

1 N.J.S.2C:37-4, N.J.S.2C:37-7, and under any other criminal law of
2 this State that prohibits gambling.

3
4 3. (New section) a. Notwithstanding the provisions of section
5 2 of P.L. , c. (C.) (pending before the Legislature as this
6 bill) or any other law or regulation to the contrary, offering,
7 conducting or participating in a sweepstakes that meets the
8 requirements of subsection b. of this section shall not constitute
9 unlawful gambling in violation of Article IV, Section VII,
10 paragraph 2 of the New Jersey Constitution, and shall not subject
11 the participant or the operator or sponsor of the sweepstakes or any
12 officer, employee, or agent of the operator or sponsor, to any civil
13 or criminal liability under the laws of this State that prohibit
14 gambling.

15 b. A sweepstakes in which a person present in New Jersey may
16 participate by paying or proffering something of value for the
17 opportunity to win or receive a prize or prize equivalent shall not be
18 deemed to violate section 2 of P.L. , c. (C.) (pending
19 before the Legislature as this bill) if:

20 (1) there exists a method of entry to participate in the
21 sweepstakes at no cost to the participant;

22 (2) any method of entry that is not free to the participant is
23 ancillary to the purchase of food, non-alcoholic beverages, or other
24 merchandise such as mugs, trinkets, or mementos, not exceeding
25 \$20 in value or such other amount to be determined by the Director
26 of the Division of Consumer Affairs in the Department of Law and
27 Public Safety; provided, however, that such other items of
28 merchandise shall not include coins, tokens, or online credits that
29 have no value other than permitting sweepstakes entry or that are
30 able to be exchanged for money or merchandise from the
31 sweepstakes operator or an affiliated company;

32 (3) determination of the winner or winners of the sweepstakes is
33 not in any way based on the results of any sports event or contest or
34 the performance or any facet thereof of any individual or team, or
35 the performance of a combination of any individuals or teams in
36 any sports event or contest, unless the sole and exclusive method of
37 entry to participate in the sweepstakes is at no cost to all
38 participants;

39 (4) the sweepstakes entry form or the website or application
40 used to enter an online or telephone sweepstakes clearly discloses to
41 participants the rules of the sweepstakes, the odds of a winning any
42 and all prizes, unless the sweepstakes permits an unlimited number
43 of entries, in which case the sponsor or operator shall disclose that
44 the sweepstakes permits unlimited entry, and the nature and number
45 of any prizes that may be awarded;

46 (5) the value of any cash or merchandise prize shall be income
47 for purposes of New Jersey income tax;

1 (6) no person under the age of 18 shall be permitted to claim a
2 sweepstakes prize exceeding \$1,000 in value without the consent of
3 the person's parent or guardian; and

4 (7) the odds of winning any particular prize shall be identical
5 regardless of whether the contest was entered by purchasing an
6 entry or by entering at no cost to the participant.

7 c. The Division of Consumer Affairs may adopt rules and
8 regulations pursuant to the "Administrative Procedure Act,"
9 P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of
10 sections 1 through 13 of P.L. , c. (C.) (pending before the
11 Legislature as this bill).

12
13 4. (New section) Whenever it shall appear to the director of
14 the Division of Consumer Affairs that a violation of section 2 of
15 P.L. , c. (C.) (pending before the Legislature as this bill)
16 has occurred, is occurring, or will occur, the division may, in
17 addition to any other proceeding authorized by law, seek and obtain
18 in a summary proceeding in Superior Court an injunction
19 prohibiting such violation. In any such proceeding, the court may
20 assess a civil penalty in accordance with the provisions of section 5
21 of P.L. , c. (C.) (pending before the Legislature as this
22 bill); order restoration to any person in interest of any monies or
23 property, real or personal, acquired by means of such violation in
24 accordance with the provisions of section 11 of P.L. , c.
25 (C.) (pending before the Legislature as this bill); and enter
26 such orders as may be necessary to prevent the recurrence of such
27 violation in the future and to remedy any past violation.

28
29 5. (New section) Any person found in violation section 2 of
30 P.L. , c. (C.) (pending before the Legislature as this bill)
31 shall, in addition to any other sanctions authorized by law or
32 regulation, be liable to a civil penalty of not more than \$100,000 for
33 the first offense and not more than \$250,000 for the second and
34 each subsequent offense. Each day that such violation continues
35 shall be deemed a separate offense.

36
37 6. (New section) When it shall appear to the director of the
38 Division of Consumer Affairs that a person has engaged in, is
39 engaging in, or is about to engage in any practice that violates
40 section 2 of P.L. , c. (C.) (pending before the Legislature
41 as this bill), or when the director believes it to be in the public
42 interest that an investigation should be made to ascertain whether a
43 person in fact has engaged in, is engaging in, or is about to engage
44 in, any such practice, the director may:

45 require such person to file on such forms as may be prescribed a
46 statement or report in writing, under oath or otherwise, as to all the
47 facts and circumstances concerning the sale or advertisement of
48 merchandise by such person, and such other data and information as
49 the director may deem necessary;

1 examine, under oath, any person in connection with the sale or
2 advertisement of any merchandise;

3 examine any merchandise or sample thereof, record, book,
4 document, account, or paper as the director may deem necessary;
5 and

6 pursuant to an order of the Superior Court, impound any record,
7 book, document, account, paper, or sample of merchandise that is
8 produced in accordance with this act, and retain the same in the
9 director's possession until the completion of all proceedings in
10 connection with which the same are produced.

11

12 7. (New section) Upon receiving evidence of any violation of
13 section 2 of P.L. , c. (C.) (pending before the Legislature
14 as this bill), the director of the Division of Consumer Affairs, or the
15 director's designee, shall be empowered to hold hearings upon said
16 violation and, upon finding the violation to have been committed, to
17 assess a penalty against the person alleged to have committed such
18 violation in an amount authorized by section 5 of
19 P.L. , c. (C.) (pending before the Legislature as this bill) as
20 the director deems proper under the circumstances. Any such
21 amounts collected by the director in excess of the costs and
22 expenses incurred by the division in exercising the authority
23 granted by P.L. , c. (C.) (pending before the Legislature as
24 this bill), shall be paid forthwith into the General Fund for
25 appropriation by the Legislature to the Department of Human
26 Services for prevention, education, and treatment programs for
27 compulsive gambling that meet the criteria developed pursuant to
28 section 2 of P.L.1993, c.229 (C.26:2-169), such as those provided
29 by the Council on Compulsive Gambling of New Jersey.

30

31 8. (New section) To enforce section 2 of P.L. , c. (C.)
32 (pending before the Legislature as this bill), the director of the
33 Division of Consumer Affairs, in addition to other powers conferred
34 upon the director by this act, may issue subpoenas to any person,
35 administer an oath or affirmation to any person, conduct hearings in
36 aid of any investigation or inquiry, promulgate such rules and
37 regulations, and prescribe such forms as may be necessary, which
38 shall have the force of law.

39

40 9. (New section) Service by the director of the Division of
41 Consumer Affairs of any notice requiring a person to file a
42 statement or report, or of a subpoena upon any person, in
43 connection with section 2 of P.L. , c. (C.) (pending before
44 the Legislature as this bill) shall be made personally within this
45 State, but if such cannot be obtained, substituted service therefor
46 may be made in the following manner:

47 personal service thereof without this State; or

1 the mailing thereof by registered mail to the last known place of
2 business, residence or abode, within or without this State of such
3 person for whom the same is intended; or

4 as to any person other than a natural person, in accordance with
5 the Rules Governing the Courts of the State of New Jersey
6 pertaining to service of process, provided, however, that service
7 shall be made by the Attorney General; or

8 such service as the Superior Court may direct in lieu of personal
9 service within this State.

10

11 10. (New section) If any person shall fail or refuse to file any
12 statement or report, or obey any subpoena issued by the director of
13 the Division of Consumer Affairs in connection with section 2 of
14 P.L. , c. (C.) (pending before the Legislature as this bill),
15 the director may apply to the Superior Court and obtain an order:

16 adjudging such person in contempt of court;

17 granting injunctive relief without notice restraining the sale or
18 advertisement of any merchandise by such persons;

19 vacating, annulling, or suspending the corporate charter of a
20 corporation created by or under the laws of this State or revoking or
21 suspending the certificate of authority to do business in this State of
22 a foreign corporation or revoking or suspending any other licenses,
23 permits, or certificates issued pursuant to law to such person which
24 are used to further the allegedly unlawful practice; and

25 granting such other relief as may be required; until the person
26 files the statement or report, or obeys the subpoena.

27

28 11. (New section) In addition to the assessment of civil
29 penalties, the director of the Division of Consumer Affairs or the
30 director's designee may, after a hearing and upon a finding of a
31 violation of section 2 of P.L. , c. (C.) (pending before the
32 Legislature as this bill), order that any moneys or property, real or
33 personal, which have been acquired by means of such violation be
34 restored to any person in interest, except that if any moneys or
35 property, real or personal, have been acquired by means of a
36 violation perpetrated against a senior citizen, the amount of moneys
37 or property, real or personal, ordered restored shall be twice the
38 amount acquired.

39 As used in this section, "senior citizen" means a person age 62
40 years or older.

41

42 12. (New section) Where, after a hearing, the director of the
43 Division of Consumer Affairs, or the director's designee, finds that
44 a violation of section 2 of P.L. , c. (C.) (pending before the
45 Legislature as this bill) has been or may be committed, the director
46 may order the person committing such violation to cease and desist
47 or refrain from committing said violation in the future. When it
48 shall appear to the director that a person against whom a cease and
49 desist order has been entered has violated said order, the director

1 may initiate a summary proceeding in the Superior Court for the
2 violation thereof. Any person found to have violated a cease and
3 desist order shall pay to the State of New Jersey civil penalties in
4 the amount of not more than \$25,000 for each violation of said
5 order. In the event that any person fails to pay a civil penalty
6 assessed by the court for violation of a cease and desist order, the
7 court assessing the unpaid penalty is authorized, upon application of
8 the director, to grant any relief which may be obtained under any
9 statute or court rule governing the collection and enforcement of
10 civil penalties.

11

12 13. (New section) At any time within five years after any
13 amount required to be collected pursuant to the provisions of
14 sections 2 through 12 of P.L. , c. (C.) (pending before the
15 Legislature as this bill) shall become due and payable, the Division
16 of Consumer Affairs may bring a civil action in the courts of this
17 State or any other state or of the United States, in the name of the
18 State of New Jersey, to collect the amount delinquent, together with
19 penalties and interest. If such action is brought in this State, a writ
20 of attachment may be issued and no bond or affidavit prior to the
21 issuance thereof shall be required. In all actions in this State, the
22 records of the division shall be prima facie evidence of the
23 determination of the amount of the delinquency.

24 Each debt that is due and payable and required to be collected,
25 and any monetary penalty imposed for a violation of section 2
26 through section 12 of P.L. , c. (C.) (pending before the
27 Legislature as this bill), shall constitute a lien on the real property
28 in this State owned or hereafter acquired by the person owing such
29 a debt or on whom such an obligation has been imposed. Except as
30 otherwise provided in R.S.54:5-9, such a lien shall be a first lien
31 paramount to all prior or subsequent liens, claims, or encumbrances
32 on that property.

33

34 14. (New section) In addition to any other authority provided
35 under law, whenever it shall appear to the Division of Gaming
36 Enforcement that a violation of section 112 of P.L.1977, c.110
37 (C.5:12-112) or unlawful gambling in violation of Article IV,
38 Section VII, paragraph 2 of the New Jersey Constitution, other than
39 a sweepstakes offered or conducted in violation of section 2 of
40 P.L. , c. (C.) (pending before the Legislature as this bill),
41 has occurred, is occurring, or will occur, the division may, in
42 addition to any other proceeding authorized by law, seek and obtain
43 in a summary proceeding in Superior Court an injunction
44 prohibiting such violation or unlawful gambling. In any such
45 proceeding the court may assess a civil penalty in accordance with
46 the provisions of section 15 of P.L. , c. (C.) (pending
47 before the Legislature as this bill); order restoration to any person in
48 interest of any monies or property, real or personal, acquired by
49 means of such violation or unlawful gambling in accordance with

1 the provisions of section 20 of P.L. , c. (C.) (pending
2 before the Legislature as this bill); and enter such orders as may be
3 necessary to prevent the recurrence of such violation or unlawful
4 gambling in the future, and to remedy any past violation or
5 unlawful gambling. In any action brought pursuant to this section,
6 the court shall not suspend or revoke any license issued by the
7 division.

8
9 15. (New section) Any person violating section 112 of
10 P.L.1977, c.110 (C.5:12-112), or engaging in unlawful gambling in
11 violation of Article IV, Section VII, paragraph 2 of the New Jersey
12 Constitution, other than a sweepstakes offered or conducted in
13 violation of section 2 of P.L. , c. (C.) (pending before the
14 Legislature as this bill), shall, in addition to any other sanctions
15 authorized by law or regulation, be liable to a civil penalty of not
16 more than \$10,000 for the first offense and not more than \$25,000
17 for the second and each subsequent offense. Each statutory
18 violation shall constitute a separate offense.

19
20 16. (New section) In addition to any other authority provided
21 under the law, when it shall appear to the director of the Division of
22 Gaming Enforcement that a person has engaged in, is engaging in,
23 or is about to engage in any practice that violates section 112 of
24 P.L.1977, c.110 (C.5:12-112), or in any unlawful gambling in
25 violation of Article IV, Section VII, paragraph 2 of the New Jersey
26 Constitution, other than a sweepstakes offered or conducted in
27 violation of section 2 of P.L. , c. (C.) (pending before the
28 Legislature as this bill), or when the director believes it to be in the
29 public interest that an investigation should be made to ascertain
30 whether a person in fact has engaged in, is engaging in, or is about
31 to engage in, any such practice, the director may:

32 require such person to file on such forms as may be prescribed a
33 statement or report in writing under oath or otherwise, as to all the
34 facts and circumstances concerning the sale or advertisement of
35 merchandise by such person, and such other data and information as
36 the director may deem necessary;

37 examine under oath any person in connection with the sale or
38 advertisement of any merchandise;

39 examine any merchandise or sample thereof, record, book,
40 document, account, or paper as the director may deem necessary;
41 and

42 pursuant to an order of the Superior Court impound any record,
43 book, document, account, paper, or sample of merchandise that is
44 produced in accordance with this act, and retain the same in the
45 director's possession until the completion of all proceedings in
46 connection with which the same are produced.

47
48 17. (New section) Upon receiving evidence of any practice that
49 violates section 112 of P.L.1977, c.110 (C.5:12-112), or of unlawful

1 gambling in violation of Article IV, Section VII, paragraph 2 of the
2 New Jersey Constitution, unlawful gambling, other than a
3 sweepstakes offered or conducted in violation of section 2 of
4 P.L. , c. (C.) (pending before the Legislature as this bill),
5 the director of the Division of Gaming Enforcement, or the
6 director's designee, shall be empowered to hold hearings upon said
7 violation and, upon finding the violation to have been committed, to
8 assess a penalty against the person alleged to have committed such
9 violation, as well as against any person or entity, including but not
10 limited to third party providers or service providers of any kind,
11 found to have knowingly aided or abetted the commission of such
12 violation, in an amount authorized by section 15 of P.L. , c.
13 (C.) (pending before the Legislature as this bill), as the director
14 deems proper under the circumstances. Any such amounts collected
15 by the director shall be paid forthwith into the General Fund for the
16 general purposes of the State.

17

18 18. (New section) To enforce section 112 of P.L.1977, c.110
19 (C.5:12-112) or any prohibition against unlawful gambling in
20 violation of Article IV, Section VII, paragraph 2 of the New Jersey
21 Constitution other than a sweepstakes offered or conducted in
22 violation of section 2 of P.L. , c. (C.) (pending before the
23 Legislature as this bill), the director of the Division of Gaming
24 Enforcement, in addition to other powers conferred upon the
25 director, may issue subpoenas to any person, administer an oath or
26 affirmation to any person, conduct hearings in aid of any
27 investigation or inquiry, promulgate such rules and regulations, and
28 prescribe such forms as may be necessary, which shall have the
29 force of law.

30

31 19. (New section) Service by the director of the Division of
32 Gaming Enforcement of any notice requiring a person to file a
33 statement or report, or of a subpoena upon any person, pursuant to
34 sections 14 through 23 of P.L. , c. (C.) (pending before the
35 Legislature as this bill) shall be made personally within this State,
36 but if such cannot be obtained, substituted service therefor may be
37 made in the following manner:

38 personal service thereof without this State; or

39 the mailing thereof by registered mail to the last known place of
40 business, residence or abode, within or without this State of such
41 person for whom the same is intended; or

42 as to any person other than a natural person, in accordance with
43 the Rules Governing the Courts of the State of New Jersey
44 pertaining to service of process, provided, however, that service
45 shall be made by the Attorney General; or

46 such service as the Superior Court may direct in lieu of personal
47 service within this State.

1 20. (New section) If any person shall fail or refuse to file any
2 statement or report, or obey any subpoena issued by the director of
3 the Division of Gaming Enforcement pursuant to sections 14
4 through 23 of P.L. , c. (pending before the Legislature as this
5 bill), the director may apply to the Superior Court and obtain an
6 order:

7 adjudging such person in contempt of court;

8 granting injunctive relief without notice restraining the sale or
9 advertisement of any merchandise by such persons;

10 vacating, annulling, or suspending the corporate charter of a
11 corporation created by or under the laws of this State or revoking or
12 suspending the certificate of authority to do business in this State of
13 a foreign corporation or revoking or suspending any other licenses,
14 permits, or certificates issued pursuant to law to such person which
15 are used to further the allegedly unlawful practice; and

16 granting such other relief as may be required; until the person
17 files the statement or report, or obeys the subpoena.
18

19 21. (New section) In addition to the assessment of civil
20 penalties, the director of the Division of Gaming Enforcement or
21 the director's designee may, after a hearing and upon a finding of a
22 practice that violates section 112 of P.L.1977, c.110 (C.5:12-112),
23 or unlawful gambling in violation of Article IV, Section VII,
24 paragraph 2 of the New Jersey Constitution, other than a
25 sweepstakes offered or conducted in violation of section 2 of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 order that any moneys or property, real or personal, which have
28 been acquired by means of such violation be restored to any person
29 in interest, except that if any moneys or property, real or personal,
30 have been acquired by means of a violation perpetrated against a
31 senior citizen, the amount of moneys or property, real or personal,
32 ordered restored shall be twice the amount acquired.

33 As used in this section, "senior citizen" means a person age 62
34 years or older.
35

36 22. (New section) In addition to any other authority provided
37 under the law, when, after a hearing, the director of the Division of
38 Gaming Enforcement or the director's designee, finds that a
39 violation of section 112 of P.L.1977, c.110 (C.5:12-112), or
40 unlawful gambling in violation of Article IV, Section VII,
41 paragraph 2 of the New Jersey Constitution, other than a
42 sweepstakes offered or conducted in violation of section 2 of
43 P.L. , c. (C.) (pending before the Legislature as this bill),
44 has been or may be committed, the director may order the person
45 committing such violation to cease and desist or refrain from
46 committing said violation in the future. When it shall appear to the
47 director that a person against whom a cease and desist order has
48 been entered has violated said order, the director may initiate a
49 summary proceeding in the Superior Court for the violation thereof.

1 Any person found to have violated a cease and desist order shall
2 pay to the State of New Jersey civil penalties in the amount of not
3 more than \$25,000 for each violation of said order. In the event
4 that any person fails to pay a civil penalty assessed by the court for
5 violation of a cease and desist order, the court assessing the unpaid
6 penalty is authorized, upon application of the director, to grant any
7 relief which may be obtained under any statute or court rule
8 governing the collection and enforcement of civil penalties.

9
10 23. (New section) At any time within five years after any
11 amount required to be collected pursuant to the provisions of
12 sections 14 through 23 of P.L. , c. (C.) (pending before the
13 Legislature as this bill) or for any violation of State gambling laws
14 shall become due and payable, the Division of Gaming Enforcement
15 may bring a civil action in the courts of this State or any other state
16 or of the United States, in the name of the State of New Jersey, to
17 collect the amount delinquent, together with penalties and interest.
18 If such action is brought in this State, a writ of attachment may be
19 issued and no bond or affidavit prior to the issuance thereof shall be
20 required. In all actions in this State, the records of the division
21 shall be prima facie evidence of the determination of the amount of
22 the delinquency. Each debt that is due and payable and required to
23 be collected, and any monetary penalty imposed for a violation of
24 the State's gambling laws, shall constitute a lien on the real
25 property in this State owned or hereafter acquired by the person
26 owing such a debt or on whom such an obligation has been
27 imposed. Except as otherwise provided in R.S.54:5-9, such a lien
28 shall be a first lien paramount to all prior or subsequent liens,
29 claims, or encumbrances on that property.

30
31 24. (New section) a. A person who participates in any form of
32 gambling activity by risking property with a value of \$1,000 or
33 more, having agreed to pay 10 percent or more of the proceeds of
34 the gambling activity to another, is guilty of a disorderly persons
35 offense, unless the person exercises sole control over whether and
36 in what manner the property involved is risked.

37 b. A person who solicits or conspires with another to violate
38 subsection a. of this section is guilty of a disorderly persons
39 offense.

40
41 25. N.J.S.2C:21-11 is amended to read as follows:

42 2C:21-11. Rigging or Improperly Influencing Publicly Exhibited
43 Contest or Sports Event.

44 a. A person commits a crime if, with purpose to prevent a
45 publicly exhibited contest or sports event from being conducted in
46 accordance with the rules and usages which govern it, **【he】** the
47 person:

1 (1) Confers or offers or agrees to confer any benefit upon, or
2 threatens any injury to a participant, official or other person
3 associated with the contest or **exhibition; or** sports event;

4 (2) Tamper with any person, animal or thing;

5 (3) Gives, offers, or promises, or attempts to give to or offer, or
6 asks, receives, or offers to receive directly or indirectly, from any
7 other person any compensation, gratuity, or thing of value, or any
8 promise thereof, with the intention, understanding, or agreement
9 that the person or any player, participant, manager, coach, or other
10 official on, or associated with, a competitor or team in the contest
11 or sports event, regardless of by whom such person is employed:

12 (a) will not use best efforts to win the contest or sports event or
13 will cause themselves or their team to lose the contest or sports
14 event; or

15 (b) will engage in conduct so as to limit their, or their team's,
16 margin of victory or defeat; or

17 (4) Gives, offers, or promises, or attempts to give to or offer, or
18 asks, receives, or offers to receive, directly or indirectly, from any
19 other person any compensation, gratuity, or thing of value, or any
20 promise thereof, with the intention, understanding, or agreement
21 that the person or any judge, referee, or other person officiating in
22 the contest or sports event will fraudulently or corruptly judge,
23 referee, or officiate the contest or sports event.

24 b. Soliciting or accepting benefit for rigging. A person
25 commits a crime if **he** the person knowingly solicits, accepts or
26 agrees to accept any benefit the giving of which would be criminal
27 under subsection a. of this section.

28 c. If the benefit offered, conferred, agreed to be conferred,
29 solicited, accepted or agreed to be accepted in violation of
30 subsections a. and b. of this section is \$75,000.00 or more, the
31 offender is guilty of a crime of the second degree. If the benefit
32 exceeds **\$1,000.00** \$500, but is less than \$75,000, the offender is
33 guilty of a crime of the third degree. If the benefit is **\$1,000.00**
34 \$500 or less, the offender is guilty of a crime of the fourth degree.

35 d. Failure to report solicitation for rigging. A person commits
36 a disorderly persons offense if **he** the person fails to report, with
37 reasonable promptness, a solicitation to accept any benefit or to do
38 any tampering, the giving or doing of which would be criminal
39 under subsection a. of this section.

40 e. Participation in rigged contest or sports event. A person
41 commits a crime of the fourth degree if **he** the person knowingly
42 engages in, sponsors, produces, judges, or otherwise participates in
43 a publicly exhibited contest or sports event knowing that the contest
44 or sports event is being conducted in violation of subsection a. of
45 this section.

46 (cf: P.L.1986, c.129, s.2)

1 26. N.J.S.2C:37-1 is amended to read as follows:

2 2C:37-1. The following definitions apply to this chapter and to
3 chapter 64:

4 a. "Contest of chance" means any contest, game, pool, gaming
5 scheme or gaming device in which the outcome depends in a
6 material degree upon an element of chance, notwithstanding that
7 skill of the contestants or some other persons may also be a factor
8 therein.

9 b. "Gambling" means staking or risking something of value
10 upon the outcome of a contest of chance or a future contingent
11 event not under the actor's control or influence, upon an agreement
12 or understanding that ~~he~~ the actor will receive something of value
13 in the event of a certain outcome, or buying, selling, or trading
14 something of value upon an agreement or understanding that the
15 actor will receive something of value in the event of a certain
16 outcome in a contest of chance. For purposes of this subsection, a
17 contest of chance or a future contingent event not under the actor's
18 control or influence shall include, but need not be limited to, a
19 sports event on which a wager may be placed with a sports
20 wagering licensee pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

21 c. "Player" means a person who engages in any form of
22 gambling solely as a contestant or bettor, without receiving or
23 becoming entitled to receive any profit therefrom other than
24 personal gambling winnings, and without otherwise rendering any
25 material assistance to the establishment, conduct or operation of
26 the particular gambling activity. A person who gambles at a social
27 game of chance on equal terms with the other participants therein
28 does not thereby render material assistance to the establishment,
29 conduct or operation of such game if he performs, without fee or
30 remuneration, acts directed toward the arrangement or facilitation
31 of the game, such as inviting persons to play, permitting the use of
32 premises therefor or supplying cards or other equipment used
33 therein. A person who engages in "bookmaking" as defined in this
34 section is not a "player."

35 d. "Something of value" means any money or property, any
36 token, object or article exchangeable for money or property, or any
37 form of credit or promise directly or indirectly contemplating
38 transfer of money or property or of any interest therein, or
39 involving extension of a service, entertainment or a privilege of
40 playing at a game or scheme without charge. This definition,
41 however, does not include any form of promise involving extension
42 of a privilege of playing at a game without charge on a mechanical
43 or electronic amusement device, other than a slot machine as an
44 award for the attainment of a certain score on that device.

45 e. "Gambling device" means any device, machine,
46 paraphernalia or equipment which is used or usable in the playing
47 phases of any gambling activity, whether such activity consists of
48 gambling between persons or gambling by a person involving the
49 playing of a machine. Notwithstanding the foregoing, lottery

1 tickets, policy slips and other items used in the playing phases of
2 lottery and policy schemes are not gambling devices.

3 f. "Slot machine" means any mechanical, electrical or other
4 device, contrivance or machine which, upon insertion of a coin,
5 token or similar object therein, or upon payment of any
6 consideration whatsoever, is available to play or operate, the play
7 or operation of which, whether by reason of the skill of the
8 operator or application of the element of chance, or both, may
9 deliver or entitle the person playing or operating the machine to
10 receive cash or tokens to be exchanged for cash, whether the payoff
11 is made automatically from the machine or in any other manner
12 whatsoever. A device so constructed, or readily adaptable or
13 convertible to such use, is no less a slot machine because it is not
14 in working order or because some mechanical act of manipulation
15 or repair is required to accomplish its adaptation, conversion or
16 workability.

17 g. "Bookmaking" means advancing gambling activity by
18 unlawfully accepting bets from members of the public upon the
19 outcome of future contingent events as a business.

20 h. "Lottery" means an unlawful gambling scheme in which (a)
21 the players pay or agree to pay something of value for chances,
22 represented and differentiated by numbers or by combinations of
23 numbers or by some other media, one or more of which chances are
24 to be designated the winning ones; and (b) the winning chances are
25 to be determined by a drawing or by some other method based
26 upon the element of chance; and (c) the holders of the winning
27 chances are to receive something of value.

28 i. "Policy" or "the numbers game" means a form of lottery in
29 which the winning chances or plays are not determined upon the
30 basis of a drawing or other act on the part of persons conducting or
31 connected with the scheme, but upon the basis of the outcome or
32 outcomes of a future contingent event or events otherwise unrelated
33 to the particular scheme.

34 j. "Gambling resort" means a place to which persons may resort
35 for engaging in gambling activity.

36 k. "Unlawful" means not specifically authorized by law.

37 l. "Online gambling resort" means a website or application
38 accessed via the Internet or other computer or mobile connection to
39 which persons may resort for engaging in gambling activity.

40 (cf: P.L.1982, c.60, s.1)

41

42 27. N.J.S.2C:37-2 is amended to read as follows:

43 2C:37-2. Promoting Gambling.

44 a. Promoting Gambling Defined. A person is guilty of
45 promoting gambling when **【he】** the person knowingly:

46 (1) Accepts or receives money or other property, pursuant to an
47 agreement or understanding with any person whereby **【he】** the
48 person participates or will participate in the proceeds of gambling
49 activity, including, but not limited to gambling activity that occurs

1 online, unless such gambling activity is under the regulation and
2 control of the State; or

3 (2) Engages in conduct, which materially aids any form of
4 gambling activity. Such conduct includes but is not limited to
5 conduct directed toward the creation or establishment of the
6 particular game, contest, scheme, device or activity involved,
7 toward the acquisition or maintenance of premises, paraphernalia,
8 equipment or apparatus therefor, toward the solicitation or
9 inducement of persons to participate therein, toward the actual
10 conduct of the playing phases thereof, toward the arrangement of
11 any of its financial or recording phases, or toward any other phase
12 of its operation.

13 b. Grading. A person who violates the provisions of subsection
14 a. of this section by:

15 (1) Engaging in bookmaking to the extent **【he】** the person
16 receives or accepts in any one day more than five bets totaling more
17 than \$1,000.00; or

18 (2) Receiving, in connection with a lottery or policy scheme or
19 enterprise (a) money or written records from a person other than a
20 player whose chances or plays are represented by such money or
21 records, or (b) more than \$100.00 in any one day of money played
22 in such scheme or enterprise, is guilty of a crime of the third degree
23 and notwithstanding the provisions of section 2C:43-3 shall be
24 subject to a fine of not more than \$35,000.00 and any other
25 appropriate disposition authorized by **【N.J.S.2C:43-2 b】** subsection
26 b. of N.J.S.2C:43-2.

27 A person who violates the provisions of subsection a. of this
28 section by engaging in bookmaking to the extent **【he】** the person
29 receives or accepts three or more bets in any two-week period is
30 guilty of a crime of the fourth degree and notwithstanding the
31 provisions of section 2C:43-3 shall be subject to a fine of not more
32 than \$25,000.00 and any other appropriate disposition authorized by
33 **【N.J.S.2C:43-2b】** subsection b. of N.J.S.2C:43-2. Otherwise,
34 promoting gambling is a disorderly persons offense and
35 notwithstanding the provisions of section 2C:43-3 shall be subject
36 to a fine of not more than \$10,000.00 and any other appropriate
37 disposition authorized by **【N.J.S.2C:43-2b】** subsection b. of
38 N.J.S.2C:43-2.

39 c. It is **【a】** an affirmative defense to a prosecution under
40 subsection a. that the person participated only as a player. **【It shall**
41 **be the burden of the defendant to prove by clear and convincing**
42 **evidence his status as such player.】**

43 (cf: P.L.1997, c.181, s.9)

44

45 28. N.J.S.2C:37-4 is amended to read as follows:

46 2C:37-4. Maintenance of a Gambling Resort or Online
47 Gambling Resort.

1 a. A person is guilty of a crime of the ~~fourth~~ third degree if,
2 having substantial proprietary or other authoritative control over
3 premises which are being used with his knowledge for purposes of
4 activities prohibited by N.J.S.2C:37-2 and N.J.S.2C:37-3, ~~he~~ the
5 person permits such to occur or continue or makes no effort to
6 prevent its occurrence or continuation and ~~he~~ the person accepts
7 or receives money or other property pursuant to an agreement or
8 understanding with any person whereby ~~he~~ the person
9 participates or will participate in the proceeds of such gambling
10 activity on such premises and notwithstanding the provisions of
11 section 2C:43-3 shall be subject to a fine of not more than
12 ~~[\$25,000.00]~~ \$50,000 and any other appropriate disposition
13 authorized by ~~[N.J.S.2C:43-2b]~~ subsection b. of N.J.S.2C:43-2.

14 b. A person is guilty of a crime of the ~~fourth~~ third degree if,
15 having substantial proprietary or other authoritative control over
16 premises open to the general public which are being used with ~~his~~
17 the person's knowledge for purposes of gambling activity, ~~he~~ the
18 person permits such to occur or continue or makes no effort to
19 prevent its occurrence or continuation and notwithstanding the
20 provisions of section 2C:43-3 shall be subject to a fine of not more
21 than ~~[\$25,000.00]~~ \$50,000 and any other appropriate disposition
22 authorized by ~~[N.J.S.2C:43-2b]~~ subsection b. of N.J.S.2C:43-2.

23 c. A person is guilty of a crime of the third degree if the person
24 operates or maintains an online gambling resort through which
25 persons from within New Jersey are permitted to wager unless such
26 gambling activity is under the regulation and control of the State
27 and, notwithstanding the provisions of N.J.S.2C:43-3, shall be
28 subject to a fine of not less than \$50,000 nor more than \$100,000
29 and any other appropriate disposition authorized by subsection b. of
30 N.J.S.2C:43-2.

31 (cf: P.L.1997, c.181, s.11)

32

33 29. Section 113 of P.L.1977, c.110 (C.5:12-113) is amended to
34 read as follows:

35 113. Swindling and Cheating; Penalties.

36 a. A person is guilty of swindling and cheating if the person:

37 (1) purposely or knowingly by any trick or sleight of hand
38 performance or by a fraud or fraudulent scheme, cards, dice or
39 device, for himself or herself themselves or for another, wins or
40 attempts to win money or property or a representative of either or
41 reduces a losing wager or attempts to reduce a losing wager in
42 connection to casino gaming, Internet gaming, or sports wagering;

43 (2) purposely or knowingly places any sports wager having
44 knowledge of information not available to the general public
45 bearing upon that wager and wins, or attempts to win, money or
46 property or a representative of either; or

47 (3) with the purpose to deceive, uses another person's gaming
48 account, including, but not limited to, a wagering account for

1 Internet gaming or sports wagering, to place a wager and wins, or
2 attempts to win, money or property or a representative of either.

3 b. Consolidation of offenses. Conduct denominated swindling
4 and cheating in this section constitutes a single offense, but each
5 episode or transaction may be the subject of a separate prosecution
6 and conviction. A charge of swindling and cheating may be
7 supported by evidence that it was committed in any manner that
8 would be swindling and cheating under this section,
9 notwithstanding the specification of a different manner in the
10 indictment or accusation, subject only to the power of the court to
11 ensure a fair trial by granting a bill of particulars, discovery,
12 continuance, or other appropriate relief when the conduct of the
13 defense would be prejudiced by a lack of fair notice or by surprise.

14 c. Grading of swindling and cheating offenses.

15 (1) Swindling and cheating constitutes a crime of the second
16 degree if the amount involved is \$75,000 or more.

17 (2) Swindling and cheating constitutes a crime of the third
18 degree if the amount involved exceeds \$500.

19 (3) Swindling and cheating constitutes a crime of the fourth
20 degree if the amount involved is at least \$200 but not more than
21 \$500.

22 (4) Swindling and cheating constitutes a disorderly persons
23 offense if the amount involved is less than \$200.

24 (5) The amount involved in swindling and cheating shall be
25 determined by the trier of fact. Amounts involved in acts of
26 swindling and cheating committed pursuant to one scheme or course
27 of conduct, whether from the same person or several persons, may
28 be aggregated in determining the grade of the offense.

29 (cf: P.L.2002, c.65, s.27)

30

31 30. This act shall take effect immediately.

SENATE STATE GOVERNMENT, WAGERING, TOURISM & HISTORIC PRESERVATION COMMITTEE

STATEMENT TO **SENATE, No. 4282**

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 29, 2025

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably and with committee amendments Senate Bill No. 4282.

As amended by the committee, this bill prohibits unlawful gambling operations in this State, including a model of wagering frequently referred to as “sweepstakes,” and establishes new penalties for unlawful gambling operations and practices.

Under the bill, “sweepstakes” are expressly prohibited. The bill defines “sweepstakes” to mean a promotional, advertising, or marketing event, contest, or game, whether played online or in-person, in which something of value, such as a prize or prize equivalent, is awarded, either directly or indirectly through means such as a dual-currency system of payment that allows a participant to exchange the currency for a prize or prize equivalent.

The bill creates an exception to this prohibition, if:

(1) there exists a method of entry to participate in the sweepstakes at no cost to the participant;

(2) any method of entry that is not free to the participant is ancillary to the purchase of food, non-alcoholic beverages, or other merchandise not exceeding \$20 in value or such other amount to be determined by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety; provided, however, that such other items of merchandise will not include coins, tokens, or online credits that have no value other than permitting sweepstakes entry or that are able to be exchanged for money or merchandise from the sweepstakes operator or an affiliated company;

(3) determination of the winner or winners of the sweepstakes is not in any way based on the results of any sports event or contest or the performance or any facet thereof of any individual or team, or the performance of a combination of any individuals or teams in any sports event or contest, unless the sole and exclusive method of entry to participate in the sweepstakes is at no cost to all participants;

(4) the sweepstakes entry form or the website or application used to enter an online or telephone sweepstakes clearly discloses to

participants: the rules of the sweepstakes; the odds of a winning any and all prizes, unless the sweepstakes permits an unlimited number of entries, in which case the sponsor or operator must disclose that the sweepstakes permits unlimited entry; and the nature and number of any prizes that may be awarded;

(5) the value of any cash or merchandise prize will be considered income for purposes of New Jersey income tax;

(6) no person under the age of 18 will be permitted to claim a sweepstakes prize exceeding \$1,000 in value without the consent of their parent or guardian; and

(7) the odds of winning any particular prize will be identical regardless of whether the contest was entered by purchasing an entry or by entering at no cost to the participant.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill defines an online gambling resort as a website or application accessed via the Internet or other computer or mobile connection to which persons may resort for engaging in gambling activity.

The bill expands the definition of “gambling” within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. A contest of chance or a future contingent event not under the actor’s control or influence would include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee.

This bill also expands the scope of conduct which would constitute the illegal “rigging” of publicly exhibited contests to include improper influences and sporting events. Under the bill it would be a crime whenever a person:

Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any player, participant, manager, coach, or other official on or associated with a competitor or team in the contest or sports event, regardless of by whom such person is employed will not use best efforts to win the contest or sports event or will cause themselves or their team to lose the contest or sports event or will engage in conduct so as to limit their or their team’s margin of victory or defeat; or

Gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any judge, referee, or other person officiating in the contest

or sports event will fraudulently or corruptly judge, referee, or officiate the contest or sports event.

The bill also revises the prohibition against swindling or cheating to include purposely or knowingly placing any sports wager having knowledge of information not available to the general public bearing upon that wager and winning, or attempting to win, money or property or a representative of either, and using another person's gaming account to place a wager and winning or attempting to win money or property or a representative of either.

Additionally, the bill makes it illegal to engage in proxy betting, in which a person risks property with a value of \$1,000 or more, having agreed to pay 10 percent or more of the proceeds of the gambling activity to another. A person who engages in proxy betting is guilty of a disorderly persons offense, unless the person exercises sole control over whether, and in what manner, the property involved is risked. A person who conspires to engage in proxy betting is also guilty of a disorderly persons offense.

In order to enforce the provisions of the bill, the Division of Consumer Affairs (DCA) is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement (DGE) is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes DCA and DGE, as appropriate, to:

Seek and obtain injunctive relief to halt any unlawful gambling operation;

Enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense;

Conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties;

Apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State;

Order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen;

Issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and

Impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

COMMITTEE AMENDMENTS:

The committee amendments modify the definition of “game” to include any game that mimics or simulates casino-style games or sports wagering.

The amendments also modify the definition of “prize or prize equivalent” to mean (1) cash, a cash equivalent, or merchandise; (2) a token, object, or article, or a virtual facsimile thereof, that can be exchanged, sold, or redeemed, either directly or indirectly through means such as a third-party marketplace, external service, or cash-out function, for cash, a cash equivalent, or merchandise; or (3) any form of credit or promise directly or indirectly contemplating the transfer of cash, a cash equivalent, or merchandise, or of any interest therein.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 4282

STATE OF NEW JERSEY

DATED: JUNE 26, 2025

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 4282 (1R).

As reported, this bill prohibits unlawful gambling operations in the State, including a model of wagering frequently referred to as “sweepstakes,” and establishes new penalties for unlawful gambling operations and practices.

Under the bill, “sweepstakes” are expressly prohibited. The bill defines “sweepstakes” to mean a promotional, advertising, or marketing event, contest, or game, whether played online or in-person, in which something of value, such as a prize or prize equivalent, is awarded, either directly or indirectly through means such as a dual-currency system of payment that allows a participant to exchange the currency for a prize or prize equivalent.

The bill creates an exception to this prohibition, if:

(1) there exists a method of entry to participate in the sweepstakes at no cost to the participant;

(2) any method of entry that is not free to the participant is ancillary to the purchase of food, non-alcoholic beverages, or other merchandise not exceeding \$20 in value or such other amount to be determined by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety; provided, however, that such other items of merchandise will not include coins, tokens, or online credits that have no value other than permitting sweepstakes entry or that are able to be exchanged for money or merchandise from the sweepstakes operator or an affiliated company;

(3) determination of the winner or winners of the sweepstakes is not in any way based on the results of any sports event or contest or the performance or any facet thereof of any individual or team, or the performance of a combination of any individuals or teams in any sports event or contest, unless the sole and exclusive method of entry to participate in the sweepstakes is at no cost to all participants;

(4) the sweepstakes entry form or the website or application used to enter an online or telephone sweepstakes clearly discloses to participants: the rules of the sweepstakes; the odds of winning any and all prizes, unless the sweepstakes permits an unlimited number of entries, in which case the sponsor or operator is required to disclose

that the sweepstakes permits unlimited entry; and the nature and number of any prizes that may be awarded;

(5) the value of any cash or merchandise prize will be considered income for purposes of New Jersey income tax;

(6) no person under the age of 18 will be permitted to claim a sweepstakes prize exceeding \$1,000 in value without the consent of the person's parent or guardian; and

(7) the odds of winning any particular prize will be identical regardless of whether the contest was entered by purchasing an entry or by entering at no cost to the participant.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill defines an online gambling resort as a website or application accessed via the Internet or other computer or mobile connection to which persons may resort for engaging in gambling activity.

The bill expands the definition of "gambling" within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance. A contest of chance or a future contingent event not under the actor's control or influence would include, but need not be limited to, a sports event on which a wager may be placed with a sports wagering licensee.

This bill also expands the scope of conduct which would constitute the illegal "rigging" of publicly exhibited contests to include improper influences and sporting events. Under the bill, it would be a crime whenever a person:

(1) gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any player, participant, manager, coach, or other official on or associated with a competitor or team in the contest or sports event, regardless of by whom such person is employed will not use best efforts to win the contest or sports event or will cause themselves or their team to lose the contest or sports event or will engage in conduct so as to limit their or their team's margin of victory or defeat; or

(2) gives, offers, or promises, or attempts to give to or offer, or asks, receives, or offers to receive directly or indirectly from any other person

any compensation, gratuity, or thing of value, or any promise thereof, with the intention, understanding, or agreement that that person or any judge, referee, or other person officiating in the contest or sports event will fraudulently or corruptly judge, referee, or officiate the contest or sports event.

The bill also revises the prohibition against swindling or cheating to include purposely or knowingly placing any sports wager having knowledge of information not available to the general public bearing upon that wager and winning, or attempting to win, money or property or a representative of either, and using another person's gaming account to place a wager and winning or attempting to win money or property or a representative of either.

Additionally, the bill makes it illegal to engage in proxy betting, in which a person risks property with a value of \$1,000 or more, having agreed to pay 10 percent or more of the proceeds of the gambling activity to another. A person who engages in proxy betting is guilty of a disorderly persons offense, unless the person exercises sole control over whether, and in what manner, the property involved is risked. A person who conspires to engage in proxy betting is also guilty of a disorderly persons offense.

In order to enforce the provisions of the bill, the Division of Consumer Affairs (DCA) is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement (DGE) is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes DCA and DGE, as appropriate, to:

(1) seek and obtain injunctive relief to halt any unlawful gambling operation;

(2) enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense;

(3) conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties;

(4) apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State;

(5) order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen;

(6) issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and

(7) impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that broadening the scope of unlawful gambling practices and expanding and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement in the Department of Law and Public Safety.

The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities.

LEGISLATIVE FISCAL ESTIMATE
[First Reprint]
SENATE, No. 4282
STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 18, 2025

SUMMARY

- Synopsis:** Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.
- Type of Impact:** Potential annual revenue increase to the State; annual State cost increase.
- Agencies Affected:** Department of Law and Public Safety; the Judiciary

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Potential State Revenue Increase	Indeterminate
State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that broadening the scope of unlawful gambling practices and expanding and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement in the Department of Law and Public Safety.
- The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities.

BILL DESCRIPTION

This bill prohibits unlawful gambling operations in this State, including a model of wagering frequently referred to as “sweepstakes,” and expands and establishes penalties for unlawful gambling operations and practices.

The bill expands the scope of criminal conduct concerning the maintenance of a gambling resort to include the maintenance of an online gambling resort, and increases the penalty from a crime of the fourth degree to a crime of the third degree. The bill increases the maximum penalty for maintaining a gambling resort from \$25,000 to \$50,000 and provides that the penalty for maintaining an online gambling resort shall be no less than \$50,000 and no greater than \$100,000.

The bill also expands the definition of gambling within the criminal statutes to include the buying, selling, or trading something of value upon an agreement or understanding that the actor will receive something of value in the event of a certain outcome in a contest of chance.

In addition, the bill expands the scope of conduct that would constitute the illegal rigging of publicly exhibited contests to include improper influences and sporting events. The bill lowers the threshold for an illegal rigging” or “improper influencing violation to constitute a crime of the third or fourth degree by \$500.

The bill also revises the prohibition against swindling or cheating and makes it illegal to engage in proxy betting.

Under the bill, the Division of Consumer Affairs is tasked with the regulation and enforcement of all provisions related to the conduct of sweepstakes in this State, and the Division of Gaming Enforcement is given the authority to enforce all other prohibitions against unlawful gambling.

The bill authorizes the divisions, as appropriate, to: seek and obtain injunctive relief to halt any unlawful gambling operation; enforce civil penalties against the operators of unlawful gambling operations in the amount of \$100,000 for the first offense and \$250,000 for every subsequent offense; conduct investigations into the suspected operators and accomplices of unlawful gambling operations, including the issuance of subpoenas to collect necessary information and interview necessary parties; apply to the Superior Court for relief from parties who have refused to comply with subpoenas, including a finding of the parties in contempt of court and the revocation of any licenses or operating permits issued in the State; order that any moneys or property, real or personal, which have been acquired by means of an unlawful gambling operation be restored to any person in interest, and be returned in twice the amount to any senior citizen; issue cease and desist order upon a finding that an unlawful gambling operation is being conducted, and seek a civil penalty of \$25,000 for each violation of a cease and desist order; and impose a lien on any property or assets held by a party who has been fined in accordance with the provisions of this bill in the preceding five years.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that broadening the scope of unlawful gambling practices and expanding and establishing penalties for such practices may result in indeterminate annual revenue increases to the State by virtue of the enforcement powers granted to the Division of Consumer Affairs and the Division of Gaming Enforcement. The OLS lacks the informational basis to determine the frequency of violations that will result from the bill or the size of any fines that will be issued and collected by the State.

The OLS anticipates that the Division of Consumer Affairs and the Division of Gaming Enforcement, in addition to the Judiciary, will also experience workload and administrative cost increases due to their expanded responsibilities under the bill.

Section: State Government

*Analyst: Anna Harris
Associate Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Murphy Takes Action on Legislation

Posted on - 08/15/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

A-5378/S-4225 (Abdelaziz, Sumter, Carter/Wimberly, Turner) - Modifies provisions of Cultural Arts Incentives Program, New Jersey Aspire Program, and Grow New Jersey Program; eliminates Community-Anchored Development Program

A-5447/S-4282 (Calabrese, Stanley, Sampson/Burzichelli, McKeon) - Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties

S-4377/A-5623 (Diegnan/Calabrese) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation

S-4467/A-5621 (Wimberly, Turner/Simmons, Kennedy, Tucker) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for environmental infrastructure projects for FY2026

S-4511/A-5858 (McKnight, Turner/Sampson, Stanley, Ramirez) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for Community Hazard Assistance Mitigation Program projects for FY2026

Assemblywomen Donlon and Peterpaul Announce 13 Bills Signed Into Law This Summer

TINTON FALLS - The Governor signed 13 of Assemblywoman Margie Donlon and Assemblywoman Luanne Peterpaul's bills into law this summer.

Either Assemblywoman Donlon or Assemblywoman Peterpaul, or both, and Senator Vin Gopal, (D-Monmouth) were the prime sponsors of four of the bills and cosponsors of the remaining nine.

"Many of these bills support small businesses and protect consumers. They reflect the concerns that Legislative District 11 residents tell us are important to them, such as utility costs, as we travel around the district talking to businesses and residents," said Assemblywoman Peterpaul.



The bills on which the Assemblywomen were primary sponsors include A5768, which requires the BPU to revise community solar program targets and directs the agency to open registration by October 1, 2025 for an additional 3,000 megawatts of community solar projects. Senator Gopal was a primary sponsor of the Senate version. Another of their bills, A5141, establishes an historic distillery license to allow the manufacturing and consumption of distilled alcoholic beverages on-and-off premises under certain circumstances by a licensee on the NJ Register of Historic Places. Senator Gopal also was a primary sponsor.

"Our sponsored bills also address healthcare concerns, which are a top priority for the LD11 office, and ensure healthcare insurance is more accessible and affordable," said Donlon, who is a physician and primary sponsor of A5810, which promotes equity in the health insurance appeal process. "This bill eliminates fees for appeals against health insurance carriers that deny, reduce, or terminate benefits."

Assemblywoman Donlon and Senator Gopal also were primary sponsors of A5199, a new law that requires eligible resident and fellow physicians employed by Rutgers University, including University Hospital, and their dependents, receive coverage in the State Health Benefits Plan (SHBP) on the first day of employment.

"This legislation corrects a situation that resulted in these healthcare professionals working in hospital environments, where they are exposed to diseases, infections and other dangers, but didn't have health coverage for a period of time," Gopal said.

The LD11 legislators also cosponsored nine other bills that became the law since June 30 of this year. These bills include:

[A5792](#) - Provides for workers' compensation coverage of certain counseling services for first responders and ensures that mental health-related communications are confidential.

[A5687](#) - Establishes the "Next New Jersey Manufacturing Program" to incentivize in-state manufacturing investments and job creation.

[A5466](#) - Requires the BPU to study the effects of data centers on electricity costs.

[A5463](#) - Requires electric public utilities to submit an annual report on voting to the BPU.

[A5447](#) - Prohibits the sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

[S4567](#) - Appropriates \$107,999,000 from constitutionally dedicated Corporate Business Tax revenues and various Green Acres funds to the DEP to make grants to local governments for open space acquisition, park development, and planning projects.

[S4476](#) - Permits awarding of contracts for certain preschool education services by resolution of the board of education; extends the maximum length of preschool education services contracts to three years. Senator Gopal was a primary sponsor in the Senate.

[S3910](#) - Makes various changes to the provision of preschool aid and facilities requirements; establishes Universal Preschool Implementation Steering Committee; requires full-day kindergarten in all school districts.

[S3711](#) - Makes annual allocations of \$500,000 from the Clean Communities Program Fund for public outreach concerning single-use plastics reduction programs permanent.