

Article IV, Section VII, Paragraph 2 New Jersey Constitution

LEGISLATIVE HISTORY CHECKLIST

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(Allows Legislature to authorize, by law, specific kind, restrictions & control of wagering on results of live or simulcast running & harness horse races)

New Jersey Constitution: Article IV, Section VII, Paragraph 2

BILL NO: SCR31

SPONSOR: Singer, Codey, Bennett, Bark, Kyrillos, Palaia

DATE INTRODUCED: 2/23/1998

COMMITTEE: Assembly: --

Senate: State Government, Banking & Financial Institutions

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: 6/29/1998

SENATE: 6/22/1998

FILED WITH SECRETARY OF STATE: 6/30/1998

DATE OF ADOPTION: 11/3/1998

EFFECTIVE: 12/3/1998

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

SPONSOR'S STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

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: Yes

974.90 Public hearing before Senate State Government, Banking and Financial Institutions Committee : Senate
H817 concurrent resolution no. 31 (1R) : proposes constitutional amendment to allow Legislature to authorize, by

1998 law, specific kind, restrictions, and control of wagering on the results of live or simulcast running and harness horse races : [May 21, 1998, Trenton, New Jersey]

NEWSPAPER ARTICLES:

Yes

Associated Press, 'Off-Track Betting Will Go To Voters', *The Press of Atlantic City*, 6/30/1998, pg A1

'Legislative Briefs', *The Star-Ledger*, 6/30/1998, pg 15

Associated Press, ' N.J. racing referendum on November ballot', *The Times*, 6/30/1998, pg C7

Sterling, Guy, 'Racing interests push for off-track, phone bets', *The Star-Ledger*, 10/10/1998, pg 1

'Vote 'yes' for tracks', *The Star-Ledger*, 10/18/1998, pg 2

Fitzgerald, Thomas J., 'Horse Race Industry Has Big Stake In election – Say Ballot Measure Is Key To Survival', *The Record*, 10/23/1998, pg A3

Blaze, Harry, 'Saddling state with problems', *The Times*, 11/11/1998, pg A2

Ahearn, James, ' Covering An Election Bet', *The Record*, 11/15/1998, pg O2

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**SENATE CONCURRENT
RESOLUTION No. 31**

**STATE OF NEW JERSEY
208th LEGISLATURE**

INTRODUCED FEBRUARY 23, 1998

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

Senator RICHARD J. CODEY

District 27 (Essex)

Co-Sponsored by:

Senators Bennett, Bark, Kyrillos and Palaia

SYNOPSIS

Proposes Constitutional amendment to allow Legislature to authorize, by law, specific kind, restrictions and control of wagering on the results of live or simulcast running and harness horse races.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/1998)

SCR31 SINGER, CODEY

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1 **A CONCURRENT RESOLUTION** proposing to amend Article IV,
2 Section VII, paragraph 2 of the Constitution of the State of New
3 Jersey.

4
5 **BE IT RESOLVED** by the Senate of the State of New Jersey (the
6 General Assembly concurring):

7
8 1. The following proposed amendment to the Constitution of the
9 State of New Jersey is hereby agreed to:

10

11 **PROPOSED AMENDMENT**

12

13 Amend Article IV, Section VII, paragraph 2 to read as follows:

14

15 2. No gambling of any kind shall be authorized by the Legislature
16 unless the specific kind, restrictions and control thereof have been
17 heretofore submitted to, and authorized by a majority of the votes cast
18 by, the people at a special election or shall hereafter be submitted to,
19 and authorized by a majority of the votes cast thereon by, the legally
20 qualified voters of the State voting at a general election, except that,
21 without any such submission or authorization:

22

23 A. It shall be lawful for bona fide veterans, charitable, educational,
24 religious or fraternal organizations, civic and service clubs, senior
25 citizen associations or clubs, volunteer fire companies and first-aid or
26 rescue squads to conduct, under such restrictions and control as shall
27 from time to time be prescribed by the Legislature by law, games of
28 chance of, and restricted to, the selling of rights to participate, the
29 awarding of prizes, in the specific kind of game of chance sometimes
30 known as bingo or lotto, played with cards bearing numbers or other
31 designations, 5 or more in one line, the holder covering numbers as
32 objects, similarly numbered, are drawn from a receptacle and the game
33 being won by the person who first covers a previously designated
34 arrangement of numbers on such a card, when the entire net proceeds
35 of such games of chance are to be devoted to educational, charitable,
36 patriotic, religious or public-spirited uses, and in the case of senior
37 citizen associations or clubs to the support of such organizations, in
38 any municipality, in which a majority of the qualified voters, voting
39 thereon, at a general or special election as the submission thereof shall
40 be prescribed by the Legislature by law, shall authorize the conduct of
41 such games of chance therein;

41

42 B. It shall be lawful for the Legislature to authorize, by law, bona
43 fide veterans, charitable, educational, religious or fraternal
44 organizations, civic and service clubs, senior citizen associations or

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 clubs, volunteer fire companies and first-aid or rescue squads to
2 conduct games of chance of, and restricted to, the selling of rights to
3 participate, and the awarding of prizes, in the specific kinds of games
4 of chance sometimes known as raffles, conducted by the drawing for
5 prizes or by the allotment of prizes by chance, when the entire net
6 proceeds of such games of chance are to be devoted to educational,
7 charitable, patriotic, religious or public-spirited uses, and in the case
8 of senior citizen associations or clubs to the support of such
9 organizations, in any municipality, in which such law shall be adopted
10 by a majority of the qualified voters, voting thereon, at a general or
11 special election as the submission thereof shall be prescribed by law
12 and for the Legislature, from time to time, to restrict and control, by
13 law, the conduct of such games of chance;

14 C. It shall be lawful for the Legislature to authorize the conduct
15 of State lotteries restricted to the selling of rights to participate therein
16 and the awarding of prizes by drawings when the entire net proceeds
17 of any such lottery shall be for State institutions, State aid for
18 education; **[and]**

19 D. It shall be lawful for the Legislature to authorize by law the
20 establishment and operation, under regulation and control by the State,
21 of gambling houses or casinos within the boundaries, as heretofore
22 established, of the city of Atlantic City, county of Atlantic, and to
23 license and tax such operations and equipment used in connection
24 therewith. Any law authorizing the establishment and operation of
25 such gambling establishments shall provide for the State revenues
26 derived therefrom to be applied solely for the purpose of providing
27 funding for reductions in property taxes, rental, telephone, gas,
28 electric, and municipal utilities charges of **[,]** eligible senior citizens
29 and disabled residents of the State, and for additional or expanded
30 health services or benefits or transportation services or benefits to
31 eligible senior citizens and disabled residents, in accordance with such
32 formulae as the Legislature shall by law provide. The type and number
33 of such casinos or gambling houses and of the gambling games which
34 may be conducted in any such establishment shall be determined by or
35 pursuant to the terms of the law authorizing the establishment and
36 operation thereof **[.];**

37 E. It shall be lawful for the Legislature to authorize, by law, (1)
38 the simultaneous transmission by picture of running and harness horse
39 races conducted at racetracks located within or outside of this State,
40 or both, to gambling houses or casinos in the city of Atlantic City and
41 (2) the specific kind, restrictions and control of wagering at those
42 gambling establishments on the results of those races. The State's
43 share of revenues derived therefrom shall be applied for services to
44 benefit eligible senior citizens as shall be provided by law **[.]; and**

45 F. It shall be lawful for the Legislature to authorize, by law, the
46 specific kind, restrictions and control of wagering on the results of

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1 live or simulcast running and harness horse races conducted within or
2 outside of this State. The State's share of revenues derived therefrom
3 shall be used for such purposes as shall be provided by law.

4 (cf: Article IV, Section VII, paragraph 2 amended effective
5 December 6, 1990)

6

7 2. When this proposed amendment to the Constitution is finally
8 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
9 shall be submitted to the people at the next general election occurring
10 more than three months after the final agreement and shall be
11 published at least once in at least one newspaper of each county
12 designated by the President of the Senate, the Speaker of the General
13 Assembly and the Secretary of State, not less than three months prior
14 to the general election.

15

16 3. This proposed amendment to the Constitution shall be submitted
17 to the people at that election in the following manner and form:

18 There shall be printed on each official ballot to be used at the
19 general election, the following:

20 a. In every municipality in which voting machines are not used, a
21 legend which shall immediately precede the question, as follows:

22 If you favor the proposition printed below make a cross (X), plus
23 (+), or check (✓) in the square opposite the word "Yes." If you are
24 opposed thereto make a cross (X), plus (+) or check (✓) in the square
25 opposite the word "No."

26 b. In every municipality the following question:

<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18</p>	<p>YES</p>	<p style="text-align: center;">CONSTITUTIONAL AMENDMENT ALLOWING THE LEGISLATURE TO AUTHORIZE, BY LAW, THE SPECIFIC KIND, RESTRICTIONS AND CONTROL OF WAGERING ON HORSE RACES</p> <p>Shall the amendment to Article IV, Section VII, paragraph 2 of the Constitution, agreed to by the Legislature, providing that the Legislature may authorize, by law, the specific kind, restrictions and control of wagering on live or simulcast running and harness horse races conducted within or outside of this State, and providing that the State's share of revenues derived therefrom will be used for such purposes as shall be provided by law, be adopted?</p>
<p>19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34</p>	<p>NO</p>	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Adoption of this amendment would give the Legislature the power to enact laws authorizing the specific kind, restrictions and control of wagering on horse races. This power would apply to live or simulcast running and harness horse races conducted in this State or outside of this State. At present, the Constitution permits only parimutuel wagering on races and any law to change this must be placed on the ballot and approved by the voters at a general election. State revenue from these activities would be used for purposes to be provided by law.</p>

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STATEMENT

39 This concurrent resolution proposes an amendment to the State
40 Constitution to allow the Legislature, by law, to authorize the specific
41 kind, restrictions and control of wagering on live or simulcast running
42 and harness horse races conducted within or outside of this State. At
43 present, the Constitution permits only parimutuel wagering on races
44 and any law to change this must be placed on the ballot at a general
45 election and approved by the voters at a general election.

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1 The purpose of the amendment is to give the Legislature the
2 authority to respond quickly to the changing needs of New Jersey's
3 racing industry which faces strong competition from racing in nearby
4 states. New York and Pennsylvania allow telephone wagering and off-
5 track betting. Delaware has implemented wagering on slot machines
6 at racetracks. These innovations have drawn racing fans away from
7 New Jersey racetracks with negative effects on both this State's
8 racetracks and the thousands of State residents employed in the racing
9 industry and in related industries. It has been estimated that the racing
10 industry contributes \$1 billion annually to New Jersey's economy. In
11 addition, horse racing contributes to the beauty of the Garden State
12 through the open space devoted to raising and training thoroughbred
13 and standardbred horses. Accordingly, the Legislature must be given
14 the authority to help the racing industry respond to competitive forces
15 so that this dynamic sport and vital economic force will be preserved.

16 The State's share of revenues derived from these activities would be
17 used for such purposes as will be provided by law.

18 This amendment would not authorize the Legislature to allow
19 racetracks to conduct casino style gambling or other types of gambling
20 which do not involve wagering on the results of horse races.

[First Reprint]

**SENATE CONCURRENT
RESOLUTION No. 31**

**STATE OF NEW JERSEY
208th LEGISLATURE**

INTRODUCED FEBRUARY 23, 1998

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

Senator RICHARD J. CODEY

District 27 (Essex)

Co-Sponsored by:

**Senators Bennett, Bark, Kyrillos, Palaia, Assemblymen Bateman and
Impreveduto**

SYNOPSIS

Proposes Constitutional amendment to allow Legislature to authorize, by law, specific kind, restrictions and control of wagering on the results of live or simulcast running and harness horse races.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Banking and Financial Institutions Committee on March 26, 1998, with amendments.

(Sponsorship Updated As Of: 6/30/1998)

1 **A CONCURRENT RESOLUTION** proposing to amend Article IV,
2 Section VII, paragraph 2 of the Constitution of the State of New
3 Jersey.

4
5 **BE IT RESOLVED** by the Senate of the State of New Jersey (the
6 General Assembly concurring):

7
8 1. The following proposed amendment to the Constitution of the
9 State of New Jersey is hereby agreed to:

10
11 **PROPOSED AMENDMENT**

12
13 Amend Article IV, Section VII, paragraph 2 to read as follows:

14
15 2. No gambling of any kind shall be authorized by the Legislature
16 unless the specific kind, restrictions and control thereof have been
17 heretofore submitted to, and authorized by a majority of the votes cast
18 by, the people at a special election or shall hereafter be submitted to,
19 and authorized by a majority of the votes cast thereon by, the legally
20 qualified voters of the State voting at a general election, except that,
21 without any such submission or authorization:

22 A. It shall be lawful for bona fide veterans, charitable, educational,
23 religious or fraternal organizations, civic and service clubs, senior
24 citizen associations or clubs, volunteer fire companies and first-aid or
25 rescue squads to conduct, under such restrictions and control as shall
26 from time to time be prescribed by the Legislature by law, games of
27 chance of, and restricted to, the selling of rights to participate, the
28 awarding of prizes, in the specific kind of game of chance sometimes
29 known as bingo or lotto, played with cards bearing numbers or other
30 designations, 5 or more in one line, the holder covering numbers as
31 objects, similarly numbered, are drawn from a receptacle and the game
32 being won by the person who first covers a previously designated
33 arrangement of numbers on such a card, when the entire net proceeds
34 of such games of chance are to be devoted to educational, charitable,
35 patriotic, religious or public-spirited uses, and in the case of senior
36 citizen associations or clubs to the support of such organizations, in
37 any municipality, in which a majority of the qualified voters, voting
38 thereon, at a general or special election as the submission thereof shall
39 be prescribed by the Legislature by law, shall authorize the conduct of
40 such games of chance therein;

41 B. It shall be lawful for the Legislature to authorize, by law, bona
42 fide veterans, charitable, educational, religious or fraternal

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:

¹ Senate SGB committee amendments adopted March 26, 1998.

1 organizations, civic and service clubs, senior citizen associations or
2 clubs, volunteer fire companies and first-aid or rescue squads to
3 conduct games of chance of, and restricted to, the selling of rights to
4 participate, and the awarding of prizes, in the specific kinds of games
5 of chance sometimes known as raffles, conducted by the drawing for
6 prizes or by the allotment of prizes by chance, when the entire net
7 proceeds of such games of chance are to be devoted to educational,
8 charitable, patriotic, religious or public-spirited uses, and in the case
9 of senior citizen associations or clubs to the support of such
10 organizations, in any municipality, in which such law shall be adopted
11 by a majority of the qualified voters, voting thereon, at a general or
12 special election as the submission thereof shall be prescribed by law
13 and for the Legislature, from time to time, to restrict and control, by
14 law, the conduct of such games of chance;

15 C. It shall be lawful for the Legislature to authorize the conduct
16 of State lotteries restricted to the selling of rights to participate therein
17 and the awarding of prizes by drawings when the entire net proceeds
18 of any such lottery shall be for State institutions, State aid for
19 education; **[and]**

20 D. It shall be lawful for the Legislature to authorize by law the
21 establishment and operation, under regulation and control by the State,
22 of gambling houses or casinos within the boundaries, as heretofore
23 established, of the city of Atlantic City, county of Atlantic, and to
24 license and tax such operations and equipment used in connection
25 therewith. Any law authorizing the establishment and operation of
26 such gambling establishments shall provide for the State revenues
27 derived therefrom to be applied solely for the purpose of providing
28 funding for reductions in property taxes, rental, telephone, gas,
29 electric, and municipal utilities charges of **[,]** eligible senior citizens
30 and disabled residents of the State, and for additional or expanded
31 health services or benefits or transportation services or benefits to
32 eligible senior citizens and disabled residents, in accordance with such
33 formulae as the Legislature shall by law provide. The type and number
34 of such casinos or gambling houses and of the gambling games which
35 may be conducted in any such establishment shall be determined by or
36 pursuant to the terms of the law authorizing the establishment and
37 operation thereof**[.]**;

38 E. It shall be lawful for the Legislature to authorize, by law, (1)
39 the simultaneous transmission by picture of running and harness horse
40 races conducted at racetracks located within or outside of this State,
41 or both, to gambling houses or casinos in the city of Atlantic City and
42 (2) the specific kind, restrictions and control of wagering at those
43 gambling establishments on the results of those races. The State's
44 share of revenues derived therefrom shall be applied for services to
45 benefit eligible senior citizens as shall be provided by law**[.]**; and

46 F. It shall be lawful for the Legislature to authorize, by law, the

1 specific kind, restrictions and control of wagering on the results of
2 live or simulcast running and harness horse races conducted within or
3 outside of this State. The State's share of revenues derived therefrom
4 shall be used for such purposes as shall be provided by law.

5 (cf: Article IV, Section VII, paragraph 2 amended effective December
6 6, 1990)

7

8 2. When this proposed amendment to the Constitution is finally
9 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
10 shall be submitted to the people at the next general election occurring
11 more than three months after the final agreement and shall be
12 published at least once in at least one newspaper of each county
13 designated by the President of the Senate, the Speaker of the General
14 Assembly and the Secretary of State, not less than three months prior
15 to the general election.

16

17 3. This proposed amendment to the Constitution shall be submitted
18 to the people at that election in the following manner and form:

19 There shall be printed on each official ballot to be used at the
20 general election, the following:

21 a. In every municipality in which voting machines are not used, a
22 legend which shall immediately precede the question, as follows:

23 If you favor the proposition printed below make a cross (X), plus
24 (+), or check (✓) in the square opposite the word "Yes." If you are
25 opposed thereto make a cross (X), plus (+) or check (✓) in the square
26 opposite the word "No."

27 b. In every municipality the following question:

<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17</p>	<p>YES</p>	<p>CONSTITUTIONAL AMENDMENT ALLOWING THE LEGISLATURE TO AUTHORIZE, BY LAW, THE SPECIFIC KIND, RESTRICTIONS AND CONTROL OF WAGERING ON HORSE RACES</p> <p>Shall the amendment to Article IV, Section VII, paragraph 2 of the Constitution, agreed to by the Legislature, providing that the Legislature may authorize, by law, the specific kind, restrictions and control of wagering on live or simulcast running and harness horse races conducted within or outside of this State, and providing that the State's share of revenues derived therefrom will be used for such purposes as shall be provided by law, be adopted?</p>
<p>18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44</p>	<p>NO</p>	<p>INTERPRETIVE STATEMENT</p> <p><u>¹The purpose of this amendment is to give the Legislature the authority to respond promptly to the changing needs of New Jersey's horse racing industry which faces strong competition from New York, Pennsylvania, and Delaware racetracks.</u>¹ Adoption of this amendment would give the Legislature the power to enact laws authorizing the specific kind, restrictions and control of wagering on horse races. This power would apply to live or simulcast running and harness horse races conducted in this State or outside of this State. At present, the Constitution permits only parimutuel wagering on races and any law to change this must be placed on the ballot and approved by the voters at a general election. State revenue from these activities would be used for purposes to be provided by law. ¹<u>A "Yes" vote on this question would allow the Legislature to enact laws benefiting the horse racing industry which contributes a billion dollars each year to the State's economy, employs tens of thousands of individuals and helps to preserve open space.</u>¹</p>

SENATE STATE GOVERNMENT, BANKING AND FINANCIAL
INSTITUTIONS COMMITTEE

STATEMENT TO

SENATE CONCURRENT RESOLUTION No. 31

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 26, 1998

The Senate State Government, Banking and Financial Institutions Committee reports favorably and with committee amendments Senate Concurrent Resolution No. 31.

As amended, this concurrent resolution proposes an amendment to the State Constitution to allow the Legislature, by law, to authorize the specific kind, restrictions and control of wagering on the results of live or simulcast running and harness horse races conducted within or outside of the State. At present, only parimutuel wagering on races is permitted and any law to change this limitation must be placed on the ballot and approved by the voters at a general election. This proposed amendment allows the Legislature to authorize, in addition to parimutuel wagering, other types of betting such as account wagering, telephone wagering and off-track betting.

New Jersey's racing industry faces competition from racing in nearby states. New York and Pennsylvania allow telephone wagering and off-track betting. Delaware has implemented wagering on slot machines at racetracks. According to the sponsors, these innovations have drawn racing fans away from New Jersey racetracks, with negative effects on both the State's racetracks and the thousands of State residents employed in the racing industry and in related industries. It has been estimated that the racing industry contributes \$1 billion annually to New Jersey's economy.

State revenues derived from the wagering on horse races would be used for such purposes as will be provided by law. It should be noted that this proposed Constitutional amendment does not authorize the Legislature to allow casino style gambling, or other types of gambling which does not involve wagering on the results of horse races, at racetracks.

The committee amended the concurrent resolution to amplify the purpose of the proposed Constitutional amendment in the "Interpretive Statement."