

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: 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

"Murphy signs sports betting bill," NJBIZ, 6-11-2018

"Place your bet Thursday Sports wagering now legal in NJ," NJBIZ, 6-11-2018

"Governor signs sports betting bill," The Record, 6-12-2018

"Gov. Phil Murphy signs gambling law, says move 'will strengthen our economy'" The Times, 6-12-2018

"Get ready to place your bets! - Murphy signs law, allowing for betting to start Thursday," The Jersey Journal, 6-12-2018

"Get ready to place your bets," Burlington County Times, 6-12-2018

"Legal at last - Murphy to place first sports bet after signing law Monday," The Press of Atlantic City, 6-12-2018

"Murphy signs sports betting into law – NJ will start taking wagers this week," The Record, 6-12-2018

"New Jersey governor signs bill allowing sports betting," Associated Press State Wire: New Jersey, 6-11-2018

"New Jersey governor signs bill allowing sports betting," Associated Press: Cherry Hill Metro Area, 6-11-2018

"Sports Betting Bill Approved," New Jersey Law Journal, 224 NJLJ 1641, Vol. 224, No. 24, June 11, 2018

RWH

§§1-10 -
C.5:12A-10 to
5:12A-19
§15 - Repealer
§16 - Note

P.L. 2018, CHAPTER 33, *approved June 11, 2018*
Assembly, No. 4111 (*Second Reprint*)

1 AN ACT allowing wagering at casinos and racetracks on the results
2 of certain professional or collegiate sports or athletic events,
3 supplementing Title 5 of the Revised Statutes, amending and
4 repealing various parts of the statutory law.

5

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

8

9 1. (New section) As used in this act:

10 "casino" means a licensed casino or gambling house located in
11 Atlantic City at which casino gambling is conducted pursuant to the
12 provisions of P.L.1977, c.110 (C.5:12-1 et seq.);

13 "commission" means the Casino Control Commission
14 established pursuant to section 50 of P.L.1977, c.110 (C.5:12-50);

15 "collegiate sport or athletic event" means a sport or athletic event
16 offered or sponsored by or played in connection with a public or
17 private institution that offers educational services beyond the
18 secondary level;

19 "division" means the Division of Gaming Enforcement
20 established pursuant to section 55 of P.L.1977, c.110 (C.5:12-55);

21 "former racetrack" means any former racetrack where a horse
22 race meeting was conducted within 15 years prior to the effective
23 date of P.L.2014, c.62 (C.5:12A-7 et seq.), excluding premises
24 other than the land contained within the racecourse oval;

25 "Internet sports pool operator" means an entity that is licensed as
26 a casino service industry enterprise pursuant to section 92 of
27 P.L.1977, c.110 (C.5:12-92) and that holds a permit issued by the
28 division to operate an online sports pool;

29 "online sports pool" means a sports wagering operation in which
30 wagers on sports events are made through computers or mobile or
31 interactive devices and accepted at a sports wagering lounge
32 through an online gaming system which is operating pursuant to a
33 sports wagering permit issued by the division or racing commission
34 pursuant to P.L. , c. (C.) (pending before the Legislature as
35 this bill);

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 AAP committee amendments adopted June 4, 2018.

²Assembly floor amendments adopted June 7, 2018.

1 "operator" means a casino or a racetrack which has elected to
2 operate a sports pool, either independently or jointly, and any entity
3 with whom a casino or racetrack licensed to operate a sports pool
4 contracts to operate a sports pool or online sports pool, including an
5 Internet sports pool operator, on its behalf;

6 "professional sport or athletic event" means an event at which
7 two or more persons participate in sports or athletic events and
8 receive compensation in excess of actual expenses for their
9 participation in such event;

10 "prohibited sports event" means any collegiate sport or athletic
11 event that takes place in New Jersey or a sport or athletic event in
12 which any New Jersey college team participates regardless of where
13 the event takes place. A "prohibited sports event" does not include
14 the other games of a collegiate sport or athletic tournament in which
15 a New Jersey college team participates, nor does it include any
16 games of a collegiate tournament that occurs outside New Jersey
17 even though some of the individual games or events are held in
18 New Jersey. A prohibited sports event includes all high school
19 sports events, electronic sports, and competitive video games but
20 does not include international sports events in which persons under
21 age 18 make up a minority of the participants;

22 "racetrack" means the physical facility and the land, as of the
23 effective date of P.L. , c. (C.) (pending before the Legislature
24 as this bill), where a permit holder conducts a horse race meeting
25 with wagering under a license issued by the racing commission
26 pursuant to P.L.1940, c.17 (C.5:5-22 et seq.), and includes any
27 former racetrack;

28 "racing commission" means the New Jersey Racing Commission
29 established by section 1 of P.L.1940, c.17 (C.5:5-22);

30 "sports event" means any professional sport or athletic event, any
31 Olympic or international sports competition event and any
32 collegiate sport or athletic event, or any portion thereof, including,
33 but not limited to, the individual performance statistics of athletes
34 in a sports event or combination of sports events, except "sports
35 event" shall not include a prohibited sports event or a fantasy sports
36 activity, as defined in section 2 of P.L.2017, c.231 (C.5:20-2);

37 "sports pool" means the business of accepting wagers on any
38 sports event by any system or method of wagering, including but
39 not limited to single-game bets, teaser bets, parlays, over-under,
40 moneyline, pools, exchange wagering, in-game wagering, in-play
41 bets, proposition bets, and straight bets; and

42 "sports wagering lounge" means an area wherein a licensed
43 sports pool is operated located in a casino hotel or racetrack.

44

45 2. (New section) a. ²The division shall issue all sports
46 wagering licenses and renewals thereof to casinos. The racing
47 commission shall issue all initial sports wagering licenses to
48 racetracks but the division shall have responsibility for the renewal

1 thereof.² In addition to casino games permitted pursuant to the
2 provisions of P.L.1977, c.110 (C.5:12-1 et seq.), a casino which
3 holds a sports wagering license issued by the division may operate a
4 sports pool in accordance with the provisions of this act and
5 applicable regulations promulgated pursuant to this act. A racetrack
6 which holds ²[a] an initial² sports wagering license issued by the
7 racing commission ²or a sports wagering license that has been
8 renewed by the division² may operate a sports pool in accordance
9 with the provisions of this act and applicable regulations
10 promulgated pursuant to this act. A casino which holds a sports
11 wagering license and a racetrack which holds a sports wagering
12 license may enter into an agreement to jointly operate a sports pool
13 at the racetrack, in accordance with the provisions of this act and
14 applicable regulations promulgated pursuant to this act. A casino or
15 racetrack that holds a sports wagering license may conduct an
16 online sports pool or may authorize an internet sports pool operator
17 licensed as a casino service industry enterprise pursuant to section
18 92 of P.L.1977, c.110 (C.5:12-92), or an applicant for such license,
19 to operate an online sports pool on its behalf provided the terms of
20 the agreement are approved by the division, in the case of a casino,
21 or the racing commission, in the case of a racetrack; provided,
22 however, that each sports wagering licensee may provide no more
23 than three individually branded websites, each of which may have
24 an accompanying mobile application bearing the same brand as the
25 website for an online sports pool, those websites and mobile
26 applications, in the case of a casino being in addition to or, in the
27 discretion of the casino, in conjunction with, any websites and
28 mobile applications that also offer other types of Internet gaming
29 pursuant to P.L.2013, c.27 (C.5:12-95.17 et seq.). No online sports
30 pool shall be opened to the public, and no sports wagering, except
31 for test purposes, may be conducted therein, until an Internet sports
32 pool operator receives from the division a permit to conduct an
33 online sports pool. Sports wagering licensees and operators may
34 provide promotional credits, incentives, bonuses, complimentaries,
35 or similar benefits designed to induce sports betters to wager. The
36 division, in consultation with the commission, shall establish by
37 rule standards governing the provision of these measures. ¹The
38 server or other equipment used by a racetrack to accept wagers at a
39 sports pool or online sports pool shall be located in that racetrack or
40 in any location in Atlantic City which conforms to the requirements
41 of section 20 of P.L.2013, c.27 (C.5:12-95.22) and any additional
42 requirements which the division may impose by regulation. The
43 server or other equipment used by a casino to accept wagers at a
44 sports pool or online sports pool shall conform to the requirements
45 of section 20 of P.L.2013, c.27 (C.5:12-95.22) and any additional
46 requirements which the division may impose by regulation.¹

47 With regard to this act, P.L. , c. (C.) (pending before the
48 Legislature as this bill), the duties specified in section 63 of

1 P.L.1977, c.110 (C.5:12-63) of the Casino Control Commission
2 shall apply to the extent not inconsistent with the provisions of this
3 act. In addition to the duties specified in section 76 of P.L.1977,
4 c.110 (C.5:12-76), the division or racing commission, as required
5 pursuant to this act, shall hear and decide promptly and in
6 reasonable order all applications for a license to operate a sports
7 pool. In addition to the duties specified in section 76 of P.L.1977,
8 c.110 (C.5:12-76), the division shall have the general responsibility
9 for the implementation of this act, except with respect to the
10 authority to issue sports wagering licenses to a racetrack as
11 provided by this act, and shall have all other duties specified in that
12 section with regard to the operation of a sports pool.

13 The license to operate a sports pool shall be in addition to any
14 other license required to be issued pursuant to P.L.1977, c.110
15 (C.5:12-1 et seq.) to operate a casino or pursuant to P.L.1940, c. 17
16 (C.5:5-22 et seq.) to conduct horse racing. The division and the
17 racing commission shall each have the authority to charge a casino
18 or a racetrack a fee for the issuance or ², in the case of the division²
19 renewal ², ² of a sports wagering license in an amount ²of \$100,000
20 for initial issuance and in the case of a renewal a reasonable fee²
21 that is based upon the expense associated with ²[such issuance or]²
22 renewal ², enforcement, and gambling addiction programs². No
23 sports wagering license shall be issued by the division or racing
24 commission to any entity unless it has established its financial
25 stability, integrity and responsibility and its good character, honesty
26 and integrity. No casino or racetrack shall be permitted to operate a
27 sports pool or accept wagers via an online sports pool unless a
28 sports wagering lounge is established and has commenced operation
29 in its facility; provided, however, that an applicant for a sports
30 wagering license may petition the agency issuing the sports
31 wagering license pursuant to this act to commence operation of the
32 sports pool at a temporary facility and/or an online sports pool
33 during the pendency of construction of a sports wagering lounge in
34 its facility. Such temporary facility may include, at the discretion
35 of the agency issuing the sports wagering license pursuant to this
36 act, the utilization of designated windows at the current casino cage
37 or racetrack betting window for purposes of placing sports betting
38 wagers and self-service wagering machines located at the racetrack
39 or casino hotel complex. No license to operate a sports pool shall
40 be issued to any entity which is disqualified under the criteria of
41 section 86 of P.L.1977, c.110 (C.5:12-86) ²[or to any person that
42 operated a sports pool in New Jersey within one year prior to the
43 enactment of this act]².

44 No later than five years after the date of the issuance of a license
45 and every five years thereafter or within such lesser periods as the
46 agency issuing the sports wagering license pursuant to this act may
47 direct, a licensee shall submit to the said agency such

1 documentation or information as the division or racing commission
2 may by regulation require, to demonstrate to the satisfaction of the
3 agency that the licensee continues to meet the requirements of the
4 law and regulations.

5 The division and the racing commission following consultation
6 with the sports wagering licensees shall annually cause a report to
7 be prepared and distributed to the Governor on the impact of sports
8 wagering, including Internet wagering on sports events, on problem
9 gamblers and gambling addiction in New Jersey. The report shall
10 be prepared by a private organization or entity with expertise in
11 serving the needs of persons with gambling addictions, which
12 organization or entity shall be selected jointly by the division and
13 the racing commission. The report shall be prepared and distributed
14 under the supervision of, and in coordination with, the division and
15 the racing commission. Any costs associated with the preparation
16 and distribution of the report shall be borne by casino and racetrack
17 licensees who have been authorized by the division or the racing
18 commission to conduct Internet gaming and the division and the
19 racing commission shall be authorized to assess a fee against such
20 licensees for these purposes. The division and the racing
21 commission may also report periodically to the Governor on the
22 effectiveness of the statutory and regulatory controls in place to
23 ensure the integrity of gaming operations through the Internet.

24 b. A sports pool shall be operated in a sports wagering lounge
25 located at a casino or racetrack. A sports wagering lounge may be
26 located at a casino simulcasting facility. The lounge shall conform
27 to all requirements concerning square footage, design, equipment,
28 security measures and related matters which the division shall by
29 regulation prescribe. The space required for the establishment of a
30 lounge shall not reduce the space authorized for casino gaming
31 activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83).

32 c. No sports pool or online sports pool shall be offered or made
33 available for wagering to the public by any entity other than a sports
34 wagering licensee, pursuant to P.L. , c. (C.) (pending before
35 the Legislature as this bill), an applicant for such license, operating
36 such pool on behalf of a licensee, or an Internet sports pool
37 operator, on behalf of a sports wagering licensee. Any person who
38 offers a sports pool or an online sports pool without approval of the
39 division or racing commission to do so is guilty of a crime of the
40 fourth degree and notwithstanding the provisions of N.J.S.2C:43-3,
41 shall be subject to a fine of not more than \$25,000. and in the case
42 of a person other than a natural person, to a fine of not more than
43 \$100,000. and any other appropriate disposition authorized by
44 subsection b. of N.J.S.2C:43-2.

45 d. The operator shall establish or display the odds at which
46 wagers may be placed on sports events.

47 e. An operator shall accept wagers on sports events only from
48 persons physically present in the sports wagering lounge; through

1 self-service wagering machines located in its facility as authorized
2 by the agency issuing the sports wagering license; or through an
3 online sports pool. A person placing a wager on a sports event shall
4 be at least 21 years of age.

5 f. (1) Any person who is an athlete, coach, referee, ²direct
6 or indirect legal or beneficial owner of 10 percent or greater,²
7 director of a sports governing body or any of its member teams, a
8 sports governing body or any of its member teams, a player or a
9 referee personnel member, in or on any sports event overseen by
10 that person's sports governing body based on publicly available
11 information ¹and ¹a person who holds a position of authority or
12 influence sufficient to exert influence over the participants in a
13 sporting contest, including but not limited to coaches, managers,
14 handlers, athletic trainers, or horse trainers ¹and ¹a person with
15 access to certain types of exclusive information on any sports event
16 overseen by that person's sports governing body based on publicly
17 available information, or a person identified by any lists provided
18 by the sports governing body to the division and the racing
19 commission shall not be permitted to have any ownership interest
20 in, control of, or otherwise be employed by an operator, a sports
21 wagering licensee, or a facility in which a sports wagering lounge is
22 located or place a wager on a sports event that is overseen by that
23 person's sports governing body based on publicly available
24 information. Any employee of a sports governing body or its
25 member teams who is not prohibited from wagering on a sports
26 event shall, nevertheless, provide notice to the division prior to
27 placing a wager on a sports event. ²The direct or indirect legal or
28 beneficial owner of 10 percent or more of a sports governing body
29 or any of its member teams shall not place or accept any wager on a
30 sports event in which any member team of that sports governing
31 body participates.² Any person who violates this paragraph shall be
32 guilty of a disorderly persons offense and shall be fined not less
33 than \$500 ¹and ¹not more than \$1,000.

34 (2) The prohibition set forth in ¹section f (1) paragraph (1) of
35 this subsection¹ shall not apply to any person who is a direct or
36 indirect owner of a specific sports governing body member team
37 and (i) has less than 10 percent direct or indirect ownership interest
38 in a casino or racetrack or (ii) the shares of such person are
39 registered pursuant to section 12 of the Securities Exchange Act of
40 1934, as amended (15 U.S.C. s.781), and the value of the ownership
41 of such team represents less than one percent of the person's total
42 enterprise value.

43 (3) ²To the extent a person does not qualify for the exemption
44 set forth in ¹section f (2) paragraph (2) of this subsection¹, the
45 agency issuing the sports wagering license pursuant to this act ¹and ¹
46 may grant a sports wagering license to a person that is a direct or
47 indirect legal or beneficial owner of 10 percent or greater of a

1 sports governing body's member team or teams provided that such
2 person divests of the disqualifying asset within one year of its
3 application for a sports wagering license. Any person who fails to
4 divest of the disqualifying asset shall be required to immediately
5 surrender their sports wagering license and any profits derived from
6 the operation of the sports pool during the period of operation shall
7 be paid to the State.

8 (4)² An operator shall adopt procedures to prevent persons from
9 wagering on sports events who are prohibited from placing sports
10 wagers. An operator shall not accept wagers from any person
11 whose identity is known to the operator and:

12 whose name appears on the exclusion list maintained by the
13 division pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);

14 whose name appears on any self-exclusion list maintained by the
15 division pursuant to sections 1 and 2 of P.L.2001, c.39 (C.5:12-71.2
16 and C.5:12-71.3, respectively);

17 who is the operator, director, officer, owner, or employee of the
18 operator or any relative thereof living in the same household as the
19 operator;

20 who has access to nonpublic confidential information held by the
21 operator; or

22 who is an agent or proxy for any other person.

23 ²[(5)] (4)² An operator shall adopt procedures to obtain
24 personally identifiable information from any individual who places
25 any single wager in an amount of \$10,000 or greater on a sports
26 event while physically present in a racetrack facility or a casino.

27 Sections 1 and 2 of P.L.2002, c.89 (C.5:5-65.1 and C.5:5-65.2,
28 respectively) shall apply to the conduct of sports wagering under
29 this act.

30 g. The holder of a sports wagering license may contract with an
31 entity to conduct that operation, in accordance with the regulations
32 of the division. That entity shall obtain a license as a casino service
33 industry enterprise prior to the execution of any such contract, and
34 such license shall be issued pursuant to the provisions of P.L.1977,
35 c.110 (C.5:12-1 et seq.) and in accordance with the regulations
36 promulgated by the division in consultation with the commission.

37 h. If any provision of this act, P.L. , c. (C.) (pending
38 before the Legislature as this bill), or its application to any person
39 or circumstance, is held invalid, the invalidity shall not affect other
40 provisions or applications of this act which can be given effect
41 without the invalid provision or application, and to this end the
42 provisions of this act are severable.

43 i. An operator shall promptly report to the division:

44 any criminal or disciplinary proceedings commenced against the
45 operator or its employees in connection with the operations of the
46 sports pool or online sports pool;

47 any abnormal betting activity or patterns that may indicate a
48 concern about the integrity of a sports event or events;

1 any other conduct with the potential to corrupt a betting outcome
2 of a sports event for purposes of financial gain, including but not
3 limited to match fixing; and

4 suspicious or illegal wagering activities, including the use of
5 funds derived from illegal activity, wagers to conceal or launder
6 funds derived from illegal activity, use of agents to place wagers, or
7 use of false identification.

8 The division is authorized to share any information under this
9 section with any law enforcement entity, team, sports governing
10 body, or regulatory agency the division deems appropriate.

11 j. An operator shall maintain records of sports wagering
12 operations in accordance with regulations promulgated by the
13 division.

14 k. ²Notwithstanding any law to the contrary or any
15 restrictions, the holder of a sports wagering license, or the operator,
16 at no cost to the entity, shall be entitled to receive a plenary retail
17 consumption license for the sale of alcoholic beverages in, on or
18 about any premises licensed as a sports lounge, pursuant to the
19 provisions of R.S.33:1-12.

20 l. ²A sports wagering licensee may, in addition to having a
21 sports wagering lounge, conduct wagering on authorized sports
22 events through one or more kiosks or self-service wagering stations
23 located within its facility. Such self-service wagering stations
24 located at a casino may offer any game authorized under rules
25 established by the division. Such self-service wagering stations
26 located at a racetrack may offer wagering only on authorized sports
27 events and horse races.

28 ²[m.] l.² All wagers on sports events authorized under this
29 provision shall be initiated, received and otherwise made within this
30 State unless otherwise determined by the division in accordance
31 with applicable federal and state laws. Consistent with the intent of
32 the United States Congress as articulated in the Unlawful Internet
33 Gambling Enforcement Act of 2006 (31 U.S.C. s.5361 et seq.), the
34 intermediate routing of electronic data relating to a lawful intrastate
35 wager authorized under this provision shall not determine the
36 location or locations in which such wager is initiated, received or
37 otherwise made.

38
39 3. (New section) a. Corporate applicants for and holders of a
40 sports wagering license shall be required to disclose the identity of
41 the following: each board appointed officer of the corporation; each
42 director of the corporation; each person who directly holds any
43 voting or controlling interest of 5 percent or more of the securities
44 issued by such applicant or holder; each person who directly holds
45 any non-voting or passive ownership interest of 25 percent or more
46 of the securities issued by such applicant or holder; and each
47 holding or intermediary company of an applicant for or holder of an
48 operator.

1 b. As to each holding, intermediary and subsidiary company of
2 an applicant for or holder of a sports wagering license, such
3 applicants and holders shall be required to establish and maintain
4 the qualifications of the following: each board appointed officer of
5 the corporation; each director of the corporation; each person who
6 directly holds any voting or controlling interest of 5 percent or more
7 of the securities issued by such applicant or holder; and each person
8 who directly holds any non-voting or passive ownership interest of
9 25 percent or more in such holding or intermediary company.

10 c. The racing commission or the division shall have the
11 authority to waive any or all of the qualification requirements for
12 any person listed in subsections a. or b. of this section.

13 d. All persons employed directly in wagering-related activities
14 conducted within a casino or a racetrack in a sports wagering
15 lounge and an online sports pool shall be licensed as a casino key
16 employee or registered as a casino employee, as determined by the
17 commission, pursuant to the provisions of P.L.1977, c.110 (C.5:12-
18 1 et seq.). All other employees who are working in the sports
19 wagering lounge may be required to be registered, if appropriate, in
20 accordance with regulations of the division promulgated in
21 consultation with the commission.

22 e. Each operator shall designate one or more casino key
23 employees who shall be responsible for the operation of the sports
24 pool. At least one such casino key employee shall be on the
25 premises whenever sports wagering is conducted.

26

27 4. (New section) a. Except as otherwise provided by this act,
28 the division shall have the authority to regulate sports pools, online
29 sports pools, and the conduct of sports wagering under this act to
30 the same extent that the division regulates casino games. No casino
31 or racetrack shall be authorized to operate a sports pool or online
32 sports pool unless it has produced, to the satisfaction of the agency
33 issuing the sports wagering license, information, documentation,
34 and assurances concerning its financial background and resources,
35 including cash reserves, that are sufficient to demonstrate that it has
36 the financial stability, integrity, and responsibility to operate a
37 sports pool or online sports pool. In developing rules and
38 regulations applicable to sports wagering, the division may examine
39 the regulations implemented in other states where sports wagering
40 is conducted and may, as far as practicable, adopt a similar
41 regulatory framework. The division, in consultation with the
42 commission, shall promulgate regulations necessary to carry out the
43 provisions of this act, including, but not limited to, regulations
44 governing the:

45 (1) amount of cash reserves to be maintained by operators to
46 cover winning wagers;

47 (2) acceptance of wagers on a series of sports events;

48 (3) maximum wagers which may be accepted by an operator

1 from any one patron on any one sports event;
2 (4) type of wagering tickets which may be used;
3 (5) method of issuing tickets;
4 (6) method of accounting to be used by operators;
5 (7) types of records which shall be kept;
6 (8) use of credit and checks by patrons;
7 (9) type of system for wagering;
8 (10) protections for a person placing a wager; and
9 (11) display of the words, "If you or someone you know has a
10 gambling problem and wants help, call 1-800 GAMBLER," or some
11 comparable language approved by the division, which language
12 shall include the words "gambling problem" and "call 1-800
13 GAMBLER," in all print, billboard, sign, online, or broadcast
14 advertisements of a sports pool and online sports pool and in every
15 sports wagering lounge.

16 b. Notwithstanding any other provision of P.L. c. (C.)
17 (pending before the Legislature as this bill) or of the Administrative
18 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the
19 contrary, during the 90-day period following the effective date of
20 this act, the division and the racing commission may, after notice
21 provided in accordance with this subsection, summarily adopt,
22 amend, or repeal any order, rule, or regulation for a period not to
23 exceed 270 days for the purpose of ensuring the expeditious and
24 effective implementation of sports wagering at casinos or racetracks
25 in accordance with this act. Any summary rulemaking authorized
26 by this subsection shall be subject to such terms and conditions as
27 the division and the racing commission may deem appropriate.
28 Such rules shall be effective when published by the division and the
29 racing commission on their respective websites and shall allow for
30 the immediate application of ¹**any**¹ racetrack licensed by the
31 racing commission, or casino licensed by the division, to the
32 respective agency by which they are ¹**currently**¹ licensed or
33 permitted, for a transactional waiver to immediately commence
34 sports wagering. Upon the filing of such application, these rules
35 shall further provide that, upon a showing therein that the applicant
36 is ¹**presently**¹ licensed or permitted by the appropriate agency
37 ¹**that**¹ a sports wagering license shall immediately be issued to
38 the respective applicant allowing for its immediate commencement
39 of sports wagering subject to the condition that it conform to the
40 entity and individual or other licensing, facility and any other
41 requirements set forth in the respective rules of each within 270
42 days. In the event such rules are not complied with within such time
43 period, the non-complying racetrack or casino will not thereafter be
44 eligible to conduct sports wagering until such compliance is
45 achieved. Notice of any emergency rulemaking action taken by the
46 division or the racing commission pursuant to this subsection shall
47 be published in the New Jersey Register, and provided to the
48 newspapers designated by the division and racing commission

1 pursuant to subsection d. of section 3 of P.L.1975, c.231 (C.10:4-8),
2 not later than 30 days subsequent to the implementation of the
3 emergency rules. The text of any emergency rule adopted by the
4 division and the racing commission pursuant to this section shall be
5 available in each racetrack, casino, sports wagering lounge, and
6 simulcasting facility implementing the provisions of emergency
7 rulemaking.

8 c. Any person employed on the effective date of this act,
9 P.L. , c. (C.) (pending before the Legislature as this bill), by
10 a permitholder in the admissions department or parimutuel clerk
11 department of a racetrack operated by the permitholder shall be
12 given a one-time right of first refusal offer of employment at the
13 sports pool, including an online sports pool, that opens at that
14 racetrack, for the then available positions of similar employment in
15 that sports pool, or with any vendor contracting with the licensee to
16 operate the sports pool.

17

18 5. (New section) Each operator shall adopt comprehensive house
19 rules governing sports wagering transactions with its patrons which
20 shall be approved by the division. The rules shall specify the amounts
21 to be paid on winning wagers and the effect of schedule changes. The
22 house rules, together with any other information the division deems
23 appropriate, shall be conspicuously displayed in the sports wagering
24 lounge, posted on the operator's Internet website, and included in the
25 terms and conditions of the account wagering system, and copies shall
26 be made readily available to patrons.

27

28 6. (New section) Whenever a casino licensee and a racetrack
29 permit holder enter into an agreement to jointly establish a sports
30 wagering lounge, and to operate and conduct sports wagering under
31 this act, the agreement shall specify the distribution of revenues
32 from the joint sports wagering operation among the parties to the
33 agreement.

34

35 7. (New section) The sums received by the casino from sports
36 wagering or from a joint sports wagering operation, less only the
37 total of all sums actually paid out as winnings to patrons^{1,1} shall not
38 be taxed as gross revenue as specified under section 24 of P.L.1977,
39 c.110 (C.5:12-24) but shall be subject to an 8.5 percent tax, except
40 that sums received from Internet wagering on sports events ¹, less
41 only the total of all sums actually paid out as winnings to patrons,¹
42 shall be subject to a 13 percent tax, which shall be paid to the
43 Casino Revenue Fund and the investment alternative tax established
44 by section 3 of P.L.1984, c.218 (C.5:12-144.1) which investment
45 alternative tax funds shall be used exclusively for ²**[the Meet]**
46 tourism and marketing for the City of² Atlantic City ²**[marketing**
47 **program]**², provided, however, that the cash equivalent value of
48 any merchandise or thing of value included in a jackpot or payout

1 shall not be included in the total of all sums paid out as winnings to
2 patrons for purposes of determining revenue under this paragraph.

3 The sums actually received by the horse racing permit holder
4 from any sports wagering operation, either jointly established with a
5 casino or established independently or with non-casino partners,
6 less only the total of all sums actually paid out as winnings to
7 patrons, shall be subject to an 8.5 percent tax ¹,¹ except ¹that¹ sums
8 received from Internet wagering on sports events ¹, less only the
9 total of all sums actually paid out as winnings to patrons,¹ shall be
10 subject to a 13 percent tax, to be collected by the division and paid
11 to the State General Fund and to an additional tax of 1.25 percent
12 on amounts actually received from a sports wagering operation
13 ¹**[with 0.75 percent paid]** , less only the total of all sums actually
14 paid out as winnings to patrons, to be paid to the Division of Local
15 Government Services in the Department of Community Affairs for
16 distribution, upon application by a municipality or county,¹ to the
17 municipality and ¹**[0.5 percent paid]**¹ to the county in which the
18 sports wagering lounge is located or to an economic development
19 authority of that municipality and county ¹**[**, as determined by the
20 governing body of the municipality or county,¹**]** with those amounts
21 used for economic development purposes, provided, however, that
22 the cash equivalent value of any merchandise or thing of value
23 included in a jackpot or payout shall not be included in the total of
24 all sums paid out as winnings to patrons for purposes of
25 determining revenue under this paragraph.

26 A percentage of the fee paid for a license to operate a sports pool
27 shall be deposited into the State General Fund for appropriation by
28 the Legislature to the Department of Health ¹**[and Senior**
29 **Services]**¹ to provide funds for ¹**[evidenced based]** evidence-
30 based¹ prevention, education, and treatment programs for
31 compulsive gambling ¹**[programs]**¹ that meet the criteria developed
32 pursuant to section 2 of P.L.1993, c.229 (C.26:2-169), such as those
33 provided by the Council on Compulsive Gambling of New Jersey,
34 and including the development and implementation of programs
35 that identify and assist problem gamblers. The percentage shall be
36 determined by the division.

37

38 8. (New section) Sports wagering lounges at which a sports
39 pool is operated shall be a permitted use in all commercial, retail,
40 industrial, non-residential and mixed-use zoning districts of a
41 municipality.

42

43 9. (New section) If a patron does not claim a winning sports
44 pool wager within one year from the time of the event, the
45 obligation of the operator to pay the winnings shall expire and the
46 funds shall be distributed as follows:

1 for wagers placed with a sports pool operated by or on behalf of
2 a casino, the casino shall retain 50 percent and remit the remaining
3 50 percent to the Casino Revenue Fund;

4 for wagers placed with a sports pool operated by or on behalf of
5 a racetrack, the racetrack shall retain 50 percent and remit the
6 remaining 50 percent to the State General Fund; and

7 for wagers placed with a sports pool jointly operated by a casino
8 and a racetrack, the casino and racetrack shall retain a total of 50
9 percent which shall be apportioned among them pursuant to the
10 terms of their operation agreement, and the remaining 50 percent
11 shall be apportioned in the same manner, with the casino percentage
12 being deposited in the Casino Revenue Fund and the racetrack
13 percentage being deposited in the State General Fund.

14

15 10. (New section) Notwithstanding any other provision of
16 P.L.2013, c.27 (C.5:12-95.17 et al.), wagers may be accepted
17 thereunder or pooled with wagers from persons who are not
18 physically present in this State if the division determines that such
19 wagering is not inconsistent with federal law or the law of the
20 jurisdiction, including any foreign nation, in which any such person
21 is located, or such wagering is conducted pursuant to a reciprocal
22 agreement to which the State is a party that is not inconsistent with
23 federal law.

24

25 11. Section 24 of P.L.1977, c.110 (C.5:12-24) is amended to
26 read as follows:

27 24. "Gross Revenue"-- The total of all sums actually received by
28 a casino licensee from gaming operations, less only the total of all
29 sums actually paid out as winnings to patrons; provided, however,
30 that the cash equivalent value of any merchandise or thing of value
31 included in a jackpot or payout shall not be included in the total of
32 all sums paid out as winnings to patrons for purposes of
33 determining gross revenue. "Gross Revenue" shall not include any
34 amount received by a casino from casino simulcasting pursuant to
35 the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.) or
36 from sports wagering pursuant to P.L. , c. (C.) (pending
37 before the Legislature as this bill).

38 (cf: P.L.2014, c.62, s.3)

39

40 12. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to
41 read as follows:

42 104. a. Unless otherwise provided in this subsection, no
43 agreement shall be lawful which provides for the payment, however
44 defined, of any direct or indirect interest, percentage or share of:
45 any money or property gambled at a casino or simulcasting facility;
46 any money or property derived from casino gaming activity or
47 wagering at a simulcasting facility; or any revenues, profits or

1 earnings of a casino or simulcasting facility. Notwithstanding the
2 foregoing:

3 (1) Agreements which provide only for the payment of a fixed
4 sum which is in no way affected by the amount of any such money,
5 property, revenues, profits or earnings shall not be subject to the
6 provisions of this subsection; and receipts, rentals or charges for
7 real property, personal property or services shall not lose their
8 character as payments of a fixed sum because of contract, lease, or
9 license provisions for adjustments in charges, rentals or fees on
10 account of changes in taxes or assessments, cost-of-living index
11 escalations, expansion or improvement of facilities, or changes in
12 services supplied.

13 (2) Agreements between a casino licensee and a junket
14 enterprise or junket representative licensed, qualified or registered
15 in accordance with the provisions of P.L.1977, c.110 (C.5:12-1 et
16 seq.) and the regulations of the division which provide for the
17 compensation of the junket enterprise or junket representative by
18 the casino licensee based upon the actual casino gaming or
19 simulcast wagering activities of a patron procured or referred by the
20 junket enterprise or junket representative shall be lawful if filed
21 with the division prior to the conduct of any junket that is governed
22 by the agreement.

23 (3) Agreements between a casino licensee and its employees
24 which provide for casino employee or casino key employee profit
25 sharing shall be lawful if the agreement is in writing and filed with
26 the division prior to its effective date. Such agreements may be
27 reviewed by the division under any relevant provision of P.L.1977,
28 c.110 (C.5:12-1 et seq.).

29 (4) Agreements to lease an approved casino hotel or the land
30 thereunder and agreements for the complete management of all
31 casino gaming operations in a casino hotel shall not be subject to
32 the provisions of this subsection but shall rather be subject to the
33 provisions of subsections b. and c. of section 82 of this act.

34 (5) Agreements which provide for percentage charges between
35 the casino licensee and a holding company or intermediary
36 company of the casino licensee shall be in writing and filed with the
37 division but shall not be subject to the provisions of this subsection.

38 (6) Agreements relating to simulcast racing and wagering
39 between a casino licensee and an in-State or out-of-State sending
40 track licensed or exempt from licensure in accordance with section
41 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with
42 the division, and be lawful and effective only if expressly approved
43 as to their terms by the division and the New Jersey Racing
44 Commission, except that any such agreements which provide for a
45 percentage of the parimutuel pool wagered at a simulcasting facility
46 to be paid to the sending track shall not be subject to the provisions
47 of this subsection.

1 (7) Agreements relating to simulcast racing and wagering
2 between a casino licensee and a casino service industry enterprise
3 licensed pursuant to the provisions of subsection a. of section 92 of
4 P.L.1977, c.110 (C.5:12-92) as a hub facility, as defined in joint
5 regulations of the Division of Gaming Enforcement and the New
6 Jersey Racing Commission, shall be in writing, be filed with the
7 commission, and be lawful and effective only if expressly approved
8 as to their terms by the commission and the New Jersey Racing
9 Commission, except that any such agreements which provide for a
10 percentage of the casino licensee's share of the parimutuel pool
11 wagered at a simulcasting facility to be paid to the hub facility shall
12 not be subject to the provisions of this subsection.

13 (8) Agreements relating to simulcast racing and wagering
14 between a casino licensee and a casino service industry enterprise
15 licensed pursuant to the provisions of subsection a. of section 92 of
16 P.L.1977, c.110 (C.5:12-92) to conduct casino simulcasting in a
17 simulcasting facility shall be in writing, be filed with the
18 commission, and be lawful and effective only if expressly approved
19 as to their terms by the commission, except that any such
20 agreements which provide for a percentage of the casino licensee's
21 share of the parimutuel pool wagered at a simulcasting facility to be
22 paid to the casino service industry enterprise shall not be subject to
23 the provisions of this subsection.

24 (9) Written agreements relating to the operation of multi-casino
25 or multi-state progressive slot machine systems between one or
26 more casino licensees and a casino service industry enterprise
27 licensed pursuant to the provisions of subsection a. of section 92 of
28 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such
29 license, which provide for an interest, percentage or share of the
30 casino licensee's revenues, profits or earnings from the operation of
31 such multi-casino or multi-state progressive slot machines to be
32 paid to the casino service industry enterprise licensee or applicant
33 shall not be subject to the provisions of this subsection if the
34 agreements are filed with and approved by the division.

35 (10) A written agreement between a casino licensee and a casino
36 service industry enterprise licensed pursuant to subsection a. of
37 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
38 for such license, relating to the construction, renovation or
39 operation of qualifying sleeping units, as defined in section 27 of
40 P.L.1977, c.110 (C.5:12-27), or of non-gaming amenities, as
41 defined by the division, within the limits of the city of Atlantic
42 City, regardless of whether such qualifying sleeping units or non-
43 gaming amenities are connected to a casino hotel facility, which
44 provides for an interest, percentage or share of the casino licensee's
45 revenues, profits or earnings, not to exceed 5% of the casino
46 licensee's revenues, to be paid to the casino service industry
47 enterprise licensee or applicant in return for the construction,
48 renovation or operation of such qualifying sleeping units or non-

1 gaming amenities shall not be subject to the provisions of this
2 subsection provided that: (i) the agreement requires a capital
3 investment, at least 10% of which shall be made by the casino
4 service industry enterprise licensee or applicant over the term of the
5 agreement, of not less than \$30 million, which minimum amount
6 shall be adjusted periodically by the division for inflation; (ii) the
7 division finds that the total amount of casino revenues, profits or
8 earnings that can be paid to the casino service industry enterprise
9 licensee or applicant pursuant to this agreement is commercially
10 reasonable under the circumstances; and (iii) the agreement is filed
11 with and approved by the division.

12 (11) A written agreement between a casino licensee holding an
13 Internet gaming permit and a casino service industry enterprise
14 licensed pursuant to subsection a. of section 92 of P.L.1977, c.110
15 (C.5:12-92), or an eligible applicant for such a license, in
16 connection with the conduct of Internet gaming under P.L.2013,
17 c.27 (C.5:12-95.17 et al.), which provides for a percentage of the
18 casino licensee's Internet gaming gross revenue to be paid to the
19 casino service industry enterprise licensee shall not be subject to the
20 provisions of this subsection, provided that the agreement shall be
21 in writing, filed with the division, and shall be lawful and effective
22 only if the terms thereof are expressly approved by the division.

23 (12) A written agreement between a casino licensee and a casino
24 service industry enterprise licensed pursuant to subsection a. of
25 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
26 for such a license, in connection with the conduct of mobile gaming
27 under section 100 of P.L.1977, c.110 (C.5:12-100), or mobile sports
28 pool operations within a casino hotel facility in areas in which
29 mobile gaming under section 100 of P.L.1977, c.110 (5:12-100) is
30 authorized, which provides for a percentage of the casino licensee's
31 gross revenue from mobile gaming to be paid to the casino service
32 industry enterprise licensee shall not be subject to the provisions of
33 this subsection, provided that the agreement shall be in writing,
34 filed with the division, and shall be lawful and effective only if the
35 terms thereof are expressly approved by the division.

36 (13) A written agreement between a casino licensee and a casino
37 service industry enterprise licensed pursuant to subsection a. of
38 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
39 for such a license, in connection with the conduct of a sports pool,
40 including an online sports pool, mobile sports pool operations
41 within a casino hotel facility in areas in which mobile gaming under
42 section 100 of P.L.1977, c.110 (5:12-100) is authorized, or both,
43 which provides for a percentage of the casino licensee's gross
44 revenue from the operations of a sports pool, including online
45 sports pool and mobile operations, to be paid to the casino service
46 industry enterprise licensee shall not be subject to the provisions of
47 this subsection, provided that the agreement shall be in writing,

1 filed with the division, and shall be lawful and effective only if the
2 terms thereof are expressly approved by the division.

3 b. Each casino applicant or licensee shall maintain, in
4 accordance with the rules of the division, a record of each written or
5 unwritten agreement regarding the realty, construction,
6 maintenance, or business of a proposed or existing casino hotel or
7 related facility. The foregoing obligation shall apply regardless of
8 whether the casino applicant or licensee is a party to the agreement.
9 Any such agreement may be reviewed by the division on the basis
10 of the reasonableness of its terms, including the terms of
11 compensation, and of the qualifications of the owners, officers,
12 employees, and directors of any enterprise involved in the
13 agreement, which qualifications shall be reviewed according to the
14 standards enumerated in section 86 of P.L.1977, c.110 (C.5:12-86).
15 If the division disapproves such an agreement or the owners,
16 officers, employees, or directors of any enterprise involved therein,
17 the division may require its termination.

18 Every agreement required to be maintained, and every related
19 agreement the performance of which is dependent upon the
20 performance of any such agreement, shall be deemed to include a
21 provision to the effect that, if the commission shall require
22 termination of an agreement pursuant to its authority under
23 P.L.1977, c.110 (C.5:12-1 et seq.), such termination shall occur
24 without liability on the part of the casino applicant or licensee or
25 any qualified party to the agreement or any related agreement.
26 Failure expressly to include such a provision in the agreement shall
27 not constitute a defense in any action brought to terminate the
28 agreement. If the agreement is not maintained or presented to the
29 commission in accordance with division regulations, or the
30 disapproved agreement is not terminated, the division may pursue
31 any remedy or combination of remedies provided in this act.

32 For the purposes of this subsection, "casino applicant" includes
33 any person required to hold a casino license pursuant to section 82
34 of P.L.1977, c.110 (C.5:12-82) who has applied to the division for a
35 casino license or any approval required under P.L.1977, c.110
36 (C.5:12-1 et seq.).

37 c. Nothing in this act shall be deemed to permit the transfer of
38 any license, or any interest in any license, or any certificate of
39 compliance or any commitment or reservation.

40 (cf: P.L.2013, c.27, s.14)

41

42 13. Section 1 of P.L.2008, c.12(C.5:12-38a) is amended to read
43 as follows:

44 1. "Promotional gaming credit" - A slot machine credit, sports
45 wagering credit or other item approved by the division that is issued
46 by a licensee to a patron for the purpose of enabling the placement
47 of a wager at a slot machine or in a sports pool in the licensee's
48 casino or through the licensee's Internet gaming system. No such

1 credit shall be reported as a promotional gaming credit unless the
2 casino licensee can establish that the credit was issued by the casino
3 licensee and received from a patron as a wager at a slot machine or
4 in a sports pool in the licensee's casino or Internet gaming system.
5 (cf: P.L. 2013, c.27, s.34)

6
7 14. Section 3 of P.L.2016, c.5 (C.52:27BBBB-20) is amended to
8 read as follows:

9 3. a. As used in P.L.2016, c.5 (C.52:27BBBB-18 et al.):

10 "Atlantic City" means the City of Atlantic City, in Atlantic
11 County;

12 "Base amount" means the amount of the payment in lieu of taxes
13 as determined by subparagraph (d) of paragraph (3) of subsection c.
14 of this section;

15 "Casino gaming property" means one or more parcels of real
16 property located in Atlantic City, and any adjacent property utilized
17 in connection with such property, upon which there is located a
18 facility licensed to be used for casino gaming in 2014 or thereafter,
19 whether or not in actual operation, which has more than 500 guest
20 hotel rooms, and is not subject to recorded covenants prohibiting
21 casino gaming;

22 "Division" means the Division of Gaming Enforcement in the
23 Department of Law and Public Safety;

24 "Gross gaming revenue" (GGR) means the total amount of
25 revenue raised through casino gaming, including revenue from
26 sports pool operations, from all of the casino gaming properties
27 located in Atlantic City as determined by the division;

28 "Local Finance Board" means the Local Finance Board in the
29 Division of Local Government Services in the Department of
30 Community Affairs; and

31 "Treasury" means the Department of the Treasury.

32 b. Beginning with calendar year 2017, and for the next
33 succeeding nine calendar years, casino gaming properties located in
34 Atlantic City shall be exempt from local property taxation on real
35 property and improvements, including accessory hotels, conference
36 centers, parking garages, and other appurtenant facilities, except
37 that any new improvement developed on a casino gaming property
38 that is made outside of the perimeter footprint of any improvement
39 existing as of the effective date of this act and any real property, not
40 formerly qualified as casino gaming property, acquired after such
41 date by an owner of casino gaming property shall not be exempt
42 from local property taxation in any calendar year and shall be
43 subject to local property taxation annually at Atlantic City's general
44 property tax rate. The provisions of this section shall not apply to
45 any casino property that operates under a small scale casino facility
46 license or a staged casino facility license pursuant to section 1 of
47 P.L.2010, c.115 (C.5:12-80.1).

1 c. (1) In exchange for the property tax exemption granted in
2 subsection b. of this section, each owner of each casino gaming
3 property shall sign a 10-year financial agreement with Atlantic City
4 for each casino gaming property promising to make quarterly
5 payments to the city of its allocated portion of the annual amount of
6 the payment in lieu of taxes as determined by this section. The
7 owner of each casino gaming property shall be responsible for the
8 payments allocated to that property and shall be subject to the lien
9 provisions of R.S.54:5-6 if those payments are not made.

10 (2) Any new owner of a casino gaming property following the
11 effective date of P.L.2016, c.5 (C.52:27BBBB-18 et al.) shall
12 immediately become responsible for signing a financial agreement
13 with Atlantic City promising to make payments consistent with this
14 section.

15 (3) (a) The total amount of the payment in lieu of property
16 taxes owed to Atlantic City for calendar year 2017 shall be \$120
17 million. To the extent that any owner of a casino gaming property
18 has paid property taxes for calendar year 2017 prior to the date
19 P.L.2016, c.5 (C.52:27BBBB-18 et al.) becomes operative, the
20 amount of property taxes so paid shall be credited toward that
21 owner's allocated share of the \$120 million total payment in lieu of
22 property taxes.

23 (b) For calendar year 2018 and for each calendar year thereafter,
24 the amount of the payment in lieu of property taxes owed to
25 Atlantic City shall increase by two percent per year in every year in
26 which there is no upward adjustment to the base amount of the
27 payment in lieu of taxes from the previous calendar year as
28 determined by subparagraph (d) of this paragraph.

29 (c) For calendar year 2018 and for each calendar year thereafter,
30 the total amount of the payment in lieu of property taxes owed to
31 Atlantic City shall be the base amount as determined by
32 subparagraph (d) of this paragraph and the total amount of the
33 annual increases to date as determined by subparagraph (b) of this
34 paragraph.

35 (d) For calendar year 2018 and for each calendar year thereafter,
36 the base amount of the payment in lieu of taxes shall be determined
37 as follows:

38 If the amount of the GGR in the preceding calendar year is
39 between \$3.4 billion and \$3.8 billion, the base amount shall be \$165
40 million, or in the case of an upward adjustment, \$15 million more
41 than the PILOT in the previous year, whichever is greater;

42 If the amount of the GGR in the preceding calendar year is
43 between \$3.0 billion and \$3.4 billion, the base amount shall be \$150
44 million, or in the case of an upward adjustment, \$20 million more
45 than the PILOT in the previous year, whichever is greater;

46 If the amount of the GGR in the preceding calendar year is
47 between \$2.6 billion and \$3.0 billion, the base amount shall be \$130

1 million, or in the case of an upward adjustment, \$10 million more
2 than the PILOT in the previous year, whichever is greater;

3 If the amount of the GGR in the preceding calendar year is
4 between \$2.2 billion and \$2.6 billion, the base amount shall be \$120
5 million, or in the case of an upward adjustment, \$10 million more
6 than the PILOT in the previous year, whichever is greater;

7 If the amount of the GGR in the preceding calendar year is
8 between \$1.8 billion and \$2.2 billion and the aggregate gross
9 revenues from all of the casino gaming properties located in
10 Atlantic City from all revenue streams, excluding GGR, have not
11 increased compared to the prior calendar year by more than the
12 amount by which GGR is less than \$2.2 billion, as determined by
13 the division, the base amount shall be \$110 million, or in the case of
14 an upward adjustment, \$20 million more than the PILOT in the
15 previous year, whichever is greater;

16 If the amount of the GGR in the preceding calendar year is \$1.8
17 billion or less and the aggregate gross revenue from all of the casino
18 gaming properties located in Atlantic City from all revenue streams,
19 excluding GGR have not increased compared to the prior calendar
20 year by more than the amount by which GGR is less than \$1.8
21 billion as determined by the division, the base amount shall be \$90
22 million.

23 (4) The amount of the payment in lieu of property taxes owed
24 pursuant to this subsection shall be calculated annually each
25 calendar year for each casino gaming property using a formula
26 implemented by the Local Finance Board, in consultation with the
27 division, using the following criteria:

28 The geographic footprint of the real property, expressed in acres,
29 owned by each casino gaming property;

30 The number of hotel guest rooms in each casino gaming
31 property; and

32 The gross gaming revenue of the casino in each casino gaming
33 property from the prior calendar year.

34 Each of these three criteria shall bear equal weight in the formula
35 implemented by the Local Finance Board, in consultation with the
36 division, pursuant to this paragraph, provided that during calendar
37 years 2017, 2018, 2019, 2020, and 2021, if the formula results in
38 any individual casino gaming property being allocated an amount
39 that is in excess of the total real property taxes due and payable by
40 the casino gaming property in calendar year 2015, then that casino
41 gaming property shall receive a credit against the obligation of the
42 operator of that property under paragraph (2) of subsection a. of
43 section 3 of P.L.1984, c.218 (C.5:12-144.1) in the amount of such
44 excess. If, after that credit against the obligation of the operator of
45 that property under paragraph (2) of subsection a. of section 3 of
46 P.L.1984, c.218 (C.5:12-144.1), that casino gaming property would
47 still be liable for a payment in lieu of property taxes in excess of the
48 total real property taxes due and payable by the casino gaming

1 property in calendar year 2015, the casino gaming property shall not
2 be required to make any additional payment in lieu of property tax
3 payment. Instead, any additional amount that would have been
4 owed by that casino gaming property shall be added, by
5 proportional share, to the payment in lieu of property taxes to be
6 paid by every other casino gaming property in order to provide
7 Atlantic City the total amount of the payment in lieu of property
8 taxes due and owing for that calendar year.

9 d. When a new casino gaming property is added or when an
10 existing casino gaming property no longer qualifies as a casino
11 gaming property as defined in subsection a. of this section, Atlantic
12 City's financial agreement with each owner of each casino gaming
13 property shall be amended to reflect the change and the allocation
14 of the payment in lieu of property taxes between the casino gaming
15 properties.

16 e. The provisions of R.S.54:5-6 shall apply to any amount
17 required to be paid under this section, and the municipality shall
18 have the same rights against any casino gaming property for such
19 unpaid amounts relating to that property as if such amounts were
20 unpaid property taxes.

21 (cf: P.L.2016, c. 5, s.3)

22

23 15. Sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through
24 C.5:12A-9) are repealed.

25

26 16. This act shall take effect immediately ¹, except that
27 provisions allowing online or Internet sports wagering shall take
28 effect 30 days thereafter¹.

29

30

31

32

33 _____
34 Allows wagering at casinos and racetracks on certain
professional and collegiate sports or athletic events.

ASSEMBLY, No. 4111

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 4, 2018

Sponsored by:

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Co-Sponsored by:

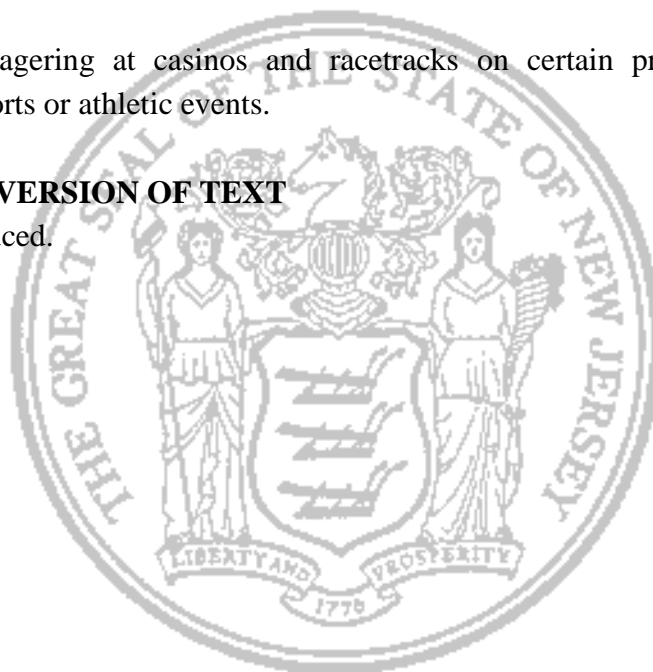
**Assemblywoman Murphy, Assemblymen Holley, Land, DeAngelo,
Andrzejczak, Thomson, Dancer and Assemblywoman Swain**

SYNOPSIS

Allows wagering at casinos and racetracks on certain professional and collegiate sports or athletic events.

CURRENT VERSION OF TEXT

As introduced.



A4111 HOUGHTALING, BURZICHELLI

2

1 AN ACT allowing wagering at casinos and racetracks on the results
2 of certain professional or collegiate sports or athletic events,
3 supplementing Title 5 of the Revised Statutes, amending and
4 repealing various parts of the statutory law.

5

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

8

9 1. (New section) As used in this act:

10 "casino" means a licensed casino or gambling house located in
11 Atlantic City at which casino gambling is conducted pursuant to the
12 provisions of P.L.1977, c.110 (C.5:12-1 et seq.);

13 "commission" means the Casino Control Commission
14 established pursuant to section 50 of P.L.1977, c.110 (C.5:12-50);

15 "collegiate sport or athletic event" means a sport or athletic event
16 offered or sponsored by or played in connection with a public or
17 private institution that offers educational services beyond the
18 secondary level;

19 "division" means the Division of Gaming Enforcement
20 established pursuant to section 55 of P.L.1977, c.110 (C.5:12-55);

21 "former racetrack" means any former racetrack where a horse
22 race meeting was conducted within 15 years prior to the effective
23 date of P.L.2014, c.62 (C.5:12A-7 et seq.), excluding premises
24 other than the land contained within the racecourse oval;

25 "Internet sports pool operator" means an entity that is licensed as
26 a casino service industry enterprise pursuant to section 92 of
27 P.L.1977, c.110 (C.5:12-92) and that holds a permit issued by the
28 division to operate an online sports pool;

29 "online sports pool" means a sports wagering operation in which
30 wagers on sports events are made through computers or mobile or
31 interactive devices and accepted at a sports wagering lounge
32 through an online gaming system which is operating pursuant to a
33 sports wagering permit issued by the division or racing commission
34 pursuant to P.L. , c. (C.) (pending before the Legislature as
35 this bill);

36 "operator" means a casino or a racetrack which has elected to
37 operate a sports pool, either independently or jointly, and any entity
38 with whom a casino or racetrack licensed to operate a sports pool
39 contracts to operate a sports pool or online sports pool, including an
40 Internet sports pool operator, on its behalf;

41 "professional sport or athletic event" means an event at which
42 two or more persons participate in sports or athletic events and
43 receive compensation in excess of actual expenses for their
44 participation in such event;

45 "prohibited sports event" means any collegiate sport or athletic
46 event that takes place in New Jersey or a sport or athletic event in

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 which any New Jersey college team participates regardless of where
2 the event takes place. A “prohibited sports event” does not include
3 the other games of a collegiate sport or athletic tournament in which
4 a New Jersey college team participates, nor does it include any
5 games of a collegiate tournament that occurs outside New Jersey
6 even though some of the individual games or events are held in
7 New Jersey. A prohibited sports event includes all high school
8 sports events, electronic sports, and competitive video games but
9 does not include international sports events in which persons under
10 age 18 make up a minority of the participants;

11 "racetrack" means the physical facility and the land, as of the
12 effective date of P.L. , c. (C.) (pending before the Legislature
13 as this bill), where a permit holder conducts a horse race meeting
14 with wagering under a license issued by the racing commission
15 pursuant to P.L.1940, c.17 (C.5:5-22 et seq.), and includes any
16 former racetrack;

17 "racing commission" means the New Jersey Racing Commission
18 established by section 1 of P.L.1940, c.17 (C.5:5-22);

19 "sports event" means any professional sport or athletic event, any
20 Olympic or international sports competition event and any
21 collegiate sport or athletic event, or any portion thereof, including,
22 but not limited to, the individual performance statistics of athletes
23 in a sports event or combination of sports events, except “sports
24 event” shall not include a prohibited sports event or a fantasy sports
25 activity, as defined in section 2 of P.L.2017, c.231 (C.5:20-2);

26 "sports pool" means the business of accepting wagers on any
27 sports event by any system or method of wagering, including but
28 not limited to single-game bets, teaser bets, parlays, over-under,
29 moneyline, pools, exchange wagering, in-game wagering, in-play
30 bets, proposition bets, and straight bets; and

31 "sports wagering lounge" means an area wherein a licensed
32 sports pool is operated located in a casino hotel or racetrack.

33

34 2. (New section) a. In addition to casino games permitted
35 pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.), a
36 casino which holds a sports wagering license issued by the division
37 may operate a sports pool in accordance with the provisions of this
38 act and applicable regulations promulgated pursuant to this act. A
39 racetrack which holds a sports wagering license issued by the racing
40 commission may operate a sports pool in accordance with the
41 provisions of this act and applicable regulations promulgated
42 pursuant to this act. A casino which holds a sports wagering license
43 and a racetrack which holds a sports wagering license may enter
44 into an agreement to jointly operate a sports pool at the racetrack, in
45 accordance with the provisions of this act and applicable
46 regulations promulgated pursuant to this act. A casino or racetrack
47 that holds a sports wagering license may conduct an online sports
48 pool or may authorize an internet sports pool operator licensed as a

1 casino service industry enterprise pursuant to section 92 of
2 P.L.1977, c.110 (C.5:12-92), or an applicant for such license, to
3 operate an online sports pool on its behalf provided the terms of the
4 agreement are approved by the division, in the case of a casino, or
5 the racing commission, in the case of a racetrack; provided,
6 however, that each sports wagering licensee may provide no more
7 than three individually branded websites, each of which may have
8 an accompanying mobile application bearing the same brand as the
9 website for an online sports pool, those websites and mobile
10 applications, in the case of a casino being in addition to or, in the
11 discretion of the casino, in conjunction with, any websites and
12 mobile applications that also offer other types of Internet gaming
13 pursuant to P.L.2013, c.27 (C.5:12-95.17 et seq.). No online sports
14 pool shall be opened to the public, and no sports wagering, except
15 for test purposes, may be conducted therein, until an Internet sports
16 pool operator receives from the division a permit to conduct an
17 online sports pool. Sports wagering licensees and operators may
18 provide promotional credits, incentives, bonuses, complimentaries,
19 or similar benefits designed to induce sports betters to wager. The
20 division, in consultation with the commission, shall establish by
21 rule standards governing the provision of these measures.

22 With regard to this act, P.L. , c. (C.) (pending before the
23 Legislature as this bill), the duties specified in section 63 of
24 P.L.1977, c.110 (C.5:12-63) of the Casino Control Commission
25 shall apply to the extent not inconsistent with the provisions of this
26 act. In addition to the duties specified in section 76 of P.L.1977,
27 c.110 (C.5:12-76), the division or racing commission, as required
28 pursuant to this act, shall hear and decide promptly and in
29 reasonable order all applications for a license to operate a sports
30 pool. In addition to the duties specified in section 76 of P.L.1977,
31 c.110 (C.5:12-76), the division shall have the general responsibility
32 for the implementation of this act, except with respect to the
33 authority to issue sports wagering licenses to a racetrack as
34 provided by this act, and shall have all other duties specified in that
35 section with regard to the operation of a sports pool.

36 The license to operate a sports pool shall be in addition to any
37 other license required to be issued pursuant to P.L.1977, c.110
38 (C.5:12-1 et seq.) to operate a casino or pursuant to P.L.1940, c. 17
39 (C.5:5-22 et seq.) to conduct horse racing. The division and the
40 racing commission shall each have the authority to charge a casino
41 or a racetrack a fee for the issuance or renewal of a sports wagering
42 license in an amount that is based upon the expense associated with
43 such issuance or renewal. No sports wagering license shall be
44 issued by the division or racing commission to any entity unless it
45 has established its financial stability, integrity and responsibility
46 and its good character, honesty and integrity. No casino or
47 racetrack shall be permitted to operate a sports pool or accept
48 wagers via an online sports pool unless a sports wagering lounge is

1 established and has commenced operation in its facility; provided,
2 however, that an applicant for a sports wagering license may
3 petition the agency issuing the sports wagering license pursuant to
4 this act to commence operation of the sports pool at a temporary
5 facility and/or an online sports pool during the pendency of
6 construction of a sports wagering lounge in its facility. Such
7 temporary facility may include, at the discretion of the agency
8 issuing the sports wagering license pursuant to this act, the
9 utilization of designated windows at the current casino cage or
10 racetrack betting window for purposes of placing sports betting
11 wagers and self-service wagering machines located at the racetrack
12 or casino hotel complex. No license to operate a sports pool shall
13 be issued to any entity which is disqualified under the criteria of
14 section 86 of P.L.1977, c.110 (C.5:12-86) or to any person that
15 operated a sports pool in New Jersey within one year prior to the
16 enactment of this act.

17 No later than five years after the date of the issuance of a license
18 and every five years thereafter or within such lesser periods as the
19 agency issuing the sports wagering license pursuant to this act may
20 direct, a licensee shall submit to the said agency such
21 documentation or information as the division or racing commission
22 may by regulation require, to demonstrate to the satisfaction of the
23 agency that the licensee continues to meet the requirements of the
24 law and regulations.

25 The division and the racing commission following consultation
26 with the sports wagering licensees shall annually cause a report to
27 be prepared and distributed to the Governor on the impact of sports
28 wagering, including Internet wagering on sports events, on problem
29 gamblers and gambling addiction in New Jersey. The report shall
30 be prepared by a private organization or entity with expertise in
31 serving the needs of persons with gambling addictions, which
32 organization or entity shall be selected jointly by the division and
33 the racing commission. The report shall be prepared and distributed
34 under the supervision of, and in coordination with, the division and
35 the racing commission. Any costs associated with the preparation
36 and distribution of the report shall be borne by casino and racetrack
37 licensees who have been authorized by the division or the racing
38 commission to conduct Internet gaming and the division and the
39 racing commission shall be authorized to assess a fee against such
40 licensees for these purposes. The division and the racing
41 commission may also report periodically to the Governor on the
42 effectiveness of the statutory and regulatory controls in place to
43 ensure the integrity of gaming operations through the Internet.

44 b. A sports pool shall be operated in a sports wagering lounge
45 located at a casino or racetrack. A sports wagering lounge may be
46 located at a casino simulcasting facility. The lounge shall conform
47 to all requirements concerning square footage, design, equipment,
48 security measures and related matters which the division shall by

1 regulation prescribe. The space required for the establishment of a
2 lounge shall not reduce the space authorized for casino gaming
3 activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83).

4 c. No sports pool or online sports pool shall be offered or made
5 available for wagering to the public by any entity other than a sports
6 wagering licensee, pursuant to P.L. , c. (C.) (pending before
7 the Legislature as this bill), an applicant for such license, operating
8 such pool on behalf of a licensee, or an Internet sports pool
9 operator, on behalf of a sports wagering licensee. Any person who
10 offers a sports pool or an online sports pool without approval of the
11 division or racing commission to do so is guilty of a crime of the
12 fourth degree and notwithstanding the provisions of N.J.S.2C:43-3,
13 shall be subject to a fine of not more than \$25,000. and in the case
14 of a person other than a natural person, to a fine of not more than
15 \$100,000. and any other appropriate disposition authorized by
16 subsection b. of N.J.S.2C:43-2.

17 d. The operator shall establish or display the odds at which
18 wagers may be placed on sports events.

19 e. An operator shall accept wagers on sports events only from
20 persons physically present in the sports wagering lounge; through
21 self-service wagering machines located in its facility as authorized
22 by the agency issuing the sports wagering license; or through an
23 online sports pool. A person placing a wager on a sports event shall
24 be at least 21 years of age.

25 f. (1) Any person who is an athlete, coach, referee, direct or
26 indirect legal or beneficial owner of 10 percent or greater, or
27 director of a sports governing body or any of its member teams, a
28 sports governing body or any of its member teams, a player or a
29 referee personnel member, in or on any sports event overseen by
30 that person's sports governing body based on publicly available
31 information; a person who holds a position of authority or influence
32 sufficient to exert influence over the participants in a sporting
33 contest, including but not limited to coaches, managers, handlers,
34 athletic trainers, or horse trainers; a person with access to certain
35 types of exclusive information on any sports event overseen by that
36 person's sports governing body based on publicly available
37 information, or a person identified by any lists provided by the
38 sports governing body to the division and the racing commission
39 shall not be permitted to have any ownership interest in, control of,
40 or otherwise be employed by an operator, a sports wagering
41 licensee, or a facility in which a sports wagering lounge is located
42 or place a wager on a sports event that is overseen by that person's
43 sports governing body based on publicly available information.
44 Any employee of a sports governing body or its member teams who
45 is not prohibited from wagering on a sports event shall,
46 nevertheless, provide notice to the division prior to placing a wager
47 on a sports event. Any person who violates this paragraph shall be
48 guilty of a disorderly persons offense and shall be fined not less

1 than \$500. not more than \$1,000.

2 (2) The prohibition set forth in section f (1) shall not apply to
3 any person who is a direct or indirect owner of a specific sports
4 governing body member team and (i) has less than 10 percent direct
5 or indirect ownership interest in a casino or racetrack or (ii) the
6 shares of such person are registered pursuant to section 12 of the
7 Securities Exchange Act of 1934, as amended (15 U.S.C. s.781),
8 and the value of the ownership of such team represents less than
9 one percent of the person's total enterprise value.

10 (3) To the extent a person does not qualify for the exemption set
11 forth in section f (2), the agency issuing the sports wagering license
12 pursuant to this act, may grant a sports wagering license to a person
13 that is a direct or indirect legal or beneficial owner of 10 percent or
14 greater of a sports governing body's member team or teams
15 provided that such person divests of the disqualifying asset within
16 one year of its application for a sports wagering license. Any
17 person who fails to divest of the disqualifying asset shall be
18 required to immediately surrender their sports wagering license and
19 any profits derived from the operation of the sports pool during the
20 period of operation shall be paid to the State.

21 (4) An operator shall adopt procedures to prevent persons from
22 wagering on sports events who are prohibited from placing sports
23 wagers. An operator shall not accept wagers from any person
24 whose identity is known to the operator and:

25 whose name appears on the exclusion list maintained by the
26 division pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);

27 whose name appears on any self-exclusion list maintained by the
28 division pursuant to sections 1 and 2 of P.L.2001, c.39 (C.5:12-71.2
29 and C.5:12-71.3, respectively);

30 who is the operator, director, officer, owner, or employee of the
31 operator or any relative thereof living in the same household as the
32 operator;

33 who has access to nonpublic confidential information held by the
34 operator; or

35 who is an agent or proxy for any other person.

36 (5) An operator shall adopt procedures to obtain personally
37 identifiable information from any individual who places any single
38 wager in an amount of \$10,000 or greater on a sports event while
39 physically present in a racetrack facility or a casino.

40 Sections 1 and 2 of P.L.2002, c.89 (C.5:5-65.1 and C.5:5-65.2,
41 respectively) shall apply to the conduct of sports wagering under
42 this act.

43 g. The holder of a sports wagering license may contract with an
44 entity to conduct that operation, in accordance with the regulations
45 of the division. That entity shall obtain a license as a casino service
46 industry enterprise prior to the execution of any such contract, and
47 such license shall be issued pursuant to the provisions of P.L.1977,
48 c.110 (C.5:12-1 et seq.) and in accordance with the regulations

1 promulgated by the division in consultation with the commission.

2 h. If any provision of this act, P.L. , c. (C.) (pending
3 before the Legislature as this bill), or its application to any person
4 or circumstance, is held invalid, the invalidity shall not affect other
5 provisions or applications of this act which can be given effect
6 without the invalid provision or application, and to this end the
7 provisions of this act are severable.

8 i. An operator shall promptly report to the division:

9 any criminal or disciplinary proceedings commenced against the
10 operator or its employees in connection with the operations of the
11 sports pool or online sports pool;

12 any abnormal betting activity or patterns that may indicate a
13 concern about the integrity of a sports event or events;

14 any other conduct with the potential to corrupt a betting outcome
15 of a sports event for purposes of financial gain, including but not
16 limited to match fixing; and

17 suspicious or illegal wagering activities, including the use of
18 funds derived from illegal activity, wagers to conceal or launder
19 funds derived from illegal activity, use of agents to place wagers, or
20 use of false identification.

21 The division is authorized to share any information under this
22 section with any law enforcement entity, team, sports governing
23 body, or regulatory agency the division deems appropriate.

24 j. An operator shall maintain records of sports wagering
25 operations in accordance with regulations promulgated by the
26 division.

27 k. Notwithstanding any law to the contrary or any restrictions,
28 the holder of a sports wagering license, or the operator, at no cost to
29 the entity, shall be entitled to receive a plenary retail consumption
30 license for the sale of alcoholic beverages in, on or about any
31 premises licensed as a sports lounge, pursuant to the provisions of
32 R.S.33:1-12.

33 l. A sports wagering licensee may, in addition to having a
34 sports wagering lounge, conduct wagering on authorized sports
35 events through one or more kiosks or self-service wagering stations
36 located within its facility. Such self-service wagering stations
37 located at a casino may offer any game authorized under rules
38 established by the division. Such self-service wagering stations
39 located at a racetrack may offer wagering only on authorized sports
40 events and horse races.

41 m. All wagers on sports events authorized under this provision
42 shall be initiated, received and otherwise made within this State
43 unless otherwise determined by the division in accordance with
44 applicable federal and state laws. Consistent with the intent of the
45 United States Congress as articulated in the Unlawful Internet
46 Gambling Enforcement Act of 2006 (31 U.S.C. s.5361 et seq.), the
47 intermediate routing of electronic data relating to a lawful intrastate
48 wager authorized under this provision shall not determine the

1 location or locations in which such wager is initiated, received or
2 otherwise made.

3
4 3. (New section) a. Corporate applicants for and holders of a
5 sports wagering license shall be required to disclose the identity of
6 the following: each board appointed officer of the corporation; each
7 director of the corporation; each person who directly holds any
8 voting or controlling interest of 5 percent or more of the securities
9 issued by such applicant or holder; each person who directly holds
10 any non-voting or passive ownership interest of 25 percent or more
11 of the securities issued by such applicant or holder; and each
12 holding or intermediary company of an applicant for or holder of an
13 operator.

14 b. As to each holding, intermediary and subsidiary company of
15 an applicant for or holder of a sports wagering license, such
16 applicants and holders shall be required to establish and maintain
17 the qualifications of the following: each board appointed officer of
18 the corporation; each director of the corporation; each person who
19 directly holds any voting or controlling interest of 5 percent or more
20 of the securities issued by such applicant or holder; and each person
21 who directly holds any non-voting or passive ownership interest of
22 25 percent or more in such holding or intermediary company.

23 c. The racing commission or the division shall have the
24 authority to waive any or all of the qualification requirements for
25 any person listed in subsections a. or b. of this section.

26 d. All persons employed directly in wagering-related activities
27 conducted within a casino or a racetrack in a sports wagering
28 lounge and an online sports pool shall be licensed as a casino key
29 employee or registered as a casino employee, as determined by the
30 commission, pursuant to the provisions of P.L.1977, c.110 (C.5:12-
31 1 et seq.). All other employees who are working in the sports
32 wagering lounge may be required to be registered, if appropriate, in
33 accordance with regulations of the division promulgated in
34 consultation with the commission.

35 e. Each operator shall designate one or more casino key
36 employees who shall be responsible for the operation of the sports
37 pool. At least one such casino key employee shall be on the
38 premises whenever sports wagering is conducted.

39
40 4. (New section) a. Except as otherwise provided by this act,
41 the division shall have the authority to regulate sports pools, online
42 sports pools, and the conduct of sports wagering under this act to
43 the same extent that the division regulates casino games. No casino
44 or racetrack shall be authorized to operate a sports pool or online
45 sports pool unless it has produced, to the satisfaction of the agency
46 issuing the sports wagering license, information, documentation,
47 and assurances concerning its financial background and resources,
48 including cash reserves, that are sufficient to demonstrate that it has

1 the financial stability, integrity, and responsibility to operate a
2 sports pool or online sports pool. In developing rules and
3 regulations applicable to sports wagering, the division may examine
4 the regulations implemented in other states where sports wagering
5 is conducted and may, as far as practicable, adopt a similar
6 regulatory framework. The division, in consultation with the
7 commission, shall promulgate regulations necessary to carry out the
8 provisions of this act, including, but not limited to, regulations
9 governing the:

10 (1) amount of cash reserves to be maintained by operators to
11 cover winning wagers;

12 (2) acceptance of wagers on a series of sports events;

13 (3) maximum wagers which may be accepted by an operator
14 from any one patron on any one sports event;

15 (4) type of wagering tickets which may be used;

16 (5) method of issuing tickets;

17 (6) method of accounting to be used by operators;

18 (7) types of records which shall be kept;

19 (8) use of credit and checks by patrons;

20 (9) type of system for wagering;

21 (10) protections for a person placing a wager; and

22 (11) display of the words, "If you or someone you know has a
23 gambling problem and wants help, call 1-800 GAMBLER," or some
24 comparable language approved by the division, which language
25 shall include the words "gambling problem" and "call 1-800
26 GAMBLER," in all print, billboard, sign, online, or broadcast
27 advertisements of a sports pool and online sports pool and in every
28 sports wagering lounge.

29 b. Notwithstanding any other provision of P.L. c. (C.)
30 (pending before the Legislature as this bill) or of the Administrative
31 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the
32 contrary, during the 90-day period following the effective date of
33 this act, the division and the racing commission may, after notice
34 provided in accordance with this subsection, summarily adopt,
35 amend, or repeal any order, rule, or regulation for a period not to
36 exceed 270 days for the purpose of ensuring the expeditious and
37 effective implementation of sports wagering at casinos or racetracks
38 in accordance with this act. Any summary rulemaking authorized
39 by this subsection shall be subject to such terms and conditions as
40 the division and the racing commission may deem appropriate.
41 Such rules shall be effective when published by the division and the
42 racing commission on their respective websites and shall allow for
43 the immediate application of ant racetrack licensed by the racing
44 commission, or casino licensed by the division, to the respective
45 agency by which they are currently licensed or permitted, for a
46 transactional waiver to immediately commence sports wagering.
47 Upon the filing of such application, these rules shall further provide
48 that, upon a showing therein that the applicant is presently licensed

1 or permitted by the appropriate agency that a sports wagering
2 license shall immediately be issued to the respective applicant
3 allowing for its immediate commencement of sports wagering
4 subject to the condition that it conform to the entity and individual
5 or other licensing, facility and any other requirements set forth in
6 the respective rules of each within 270 days. In the event such rules
7 are not complied with within such time period, the non-complying
8 racetrack or casino will not thereafter be eligible to conduct sports
9 wagering until such compliance is achieved. Notice of any
10 emergency rulemaking action taken by the division or the racing
11 commission pursuant to this subsection shall be published in the
12 New Jersey Register, and provided to the newspapers designated by
13 the division and racing commission pursuant to subsection d. of
14 section 3 of P.L.1975, c.231 (C.10:4-8), not later than 30 days
15 subsequent to the implementation of the emergency rules. The text
16 of any emergency rule adopted by the division and the racing
17 commission pursuant to this section shall be available in each
18 racetrack, casino, sports wagering lounge, and simulcasting facility
19 implementing the provisions of emergency rulemaking.

20 c. Any person employed on the effective date of this act,
21 P.L. , c. (C.) (pending before the Legislature as this bill), by
22 a permitholder in the admissions department or parimutuel clerk
23 department of a racetrack operated by the permitholder shall be
24 given a one-time right of first refusal offer of employment at the
25 sports pool, including an online sports pool, that opens at that
26 racetrack, for the then available positions of similar employment in
27 that sports pool, or with any vendor contracting with the licensee to
28 operate the sports pool.

29
30 5. (New section) Each operator shall adopt comprehensive house
31 rules governing sports wagering transactions with its patrons which
32 shall be approved by the division. The rules shall specify the amounts
33 to be paid on winning wagers and the effect of schedule changes. The
34 house rules, together with any other information the division deems
35 appropriate, shall be conspicuously displayed in the sports wagering
36 lounge, posted on the operator's Internet website, and included in the
37 terms and conditions of the account wagering system, and copies shall
38 be made readily available to patrons.

39
40 6. (New section) Whenever a casino licensee and a racetrack
41 permit holder enter into an agreement to jointly establish a sports
42 wagering lounge, and to operate and conduct sports wagering under
43 this act, the agreement shall specify the distribution of revenues
44 from the joint sports wagering operation among the parties to the
45 agreement.

46
47 7. (New section) The sums received by the casino from sports
48 wagering or from a joint sports wagering operation, less only the

1 total of all sums actually paid out as winnings to patrons shall not
2 be taxed as gross revenue as specified under section 24 of P.L.1977,
3 c.110 (C.5:12-24) but shall be subject to an 8.5 percent tax, except
4 that sums received from Internet wagering on sports events shall be
5 subject to a 13 percent tax, which shall be paid to the Casino
6 Revenue Fund and the investment alternative tax established by
7 section 3 of P.L.1984, c.218 (C.5:12-144.1) which investment
8 alternative tax funds shall be used exclusively for the Meet Atlantic
9 City marketing program, provided, however, that the cash
10 equivalent value of any merchandise or thing of value included in a
11 jackpot or payout shall not be included in the total of all sums paid
12 out as winnings to patrons for purposes of determining revenue
13 under this paragraph.

14 The sums actually received by the horse racing permit holder
15 from any sports wagering operation, either jointly established with a
16 casino or established independently or with non-casino partners,
17 less only the total of all sums actually paid out as winnings to
18 patrons, shall be subject to an 8.5 percent tax except sums received
19 from Internet wagering on sports events shall be subject to a 13
20 percent tax, to be collected by the division and paid to the State
21 General Fund and to an additional tax of 1.25 percent on amounts
22 actually received from a sports wagering operation with 0.75
23 percent paid to the municipality and 0.5 percent paid to the county
24 in which the sports wagering lounge is located or to an economic
25 development authority of that municipality and county, as
26 determined by the governing body of the municipality or county,
27 with those amounts used for economic development purposes,
28 provided, however, that the cash equivalent value of any
29 merchandise or thing of value included in a jackpot or payout shall
30 not be included in the total of all sums paid out as winnings to
31 patrons for purposes of determining revenue under this paragraph.

32 A percentage of the fee paid for a license to operate a sports pool
33 shall be deposited into the State General Fund for appropriation by
34 the Legislature to the Department of Health and Senior Services to
35 provide funds for evidenced based prevention, education, and
36 treatment programs for compulsive gambling programs that meet
37 the criteria developed pursuant to section 2 of P.L.1993, c.229
38 (C.26:2-169), such as those provided by the Council on Compulsive
39 Gambling of New Jersey, and including the development and
40 implementation of programs that identify and assist problem
41 gamblers. The percentage shall be determined by the division.

42

43 8. (New section) Sports wagering lounges at which a sports
44 pool is operated shall be a permitted use in all commercial, retail,
45 industrial, non-residential and mixed-use zoning districts of a
46 municipality.

1 9. (New section) If a patron does not claim a winning sports
2 pool wager within one year from the time of the event, the
3 obligation of the operator to pay the winnings shall expire and the
4 funds shall be distributed as follows:

5 for wagers placed with a sports pool operated by or on behalf of
6 a casino, the casino shall retain 50 percent and remit the remaining
7 50 percent to the Casino Revenue Fund;

8 for wagers placed with a sports pool operated by or on behalf of
9 a racetrack, the racetrack shall retain 50 percent and remit the
10 remaining 50 percent to the State General Fund; and

11 for wagers placed with a sports pool jointly operated by a casino
12 and a racetrack, the casino and racetrack shall retain a total of 50
13 percent which shall be apportioned among them pursuant to the
14 terms of their operation agreement, and the remaining 50 percent
15 shall be apportioned in the same manner, with the casino percentage
16 being deposited in the Casino Revenue Fund and the racetrack
17 percentage being deposited in the State General Fund.

18
19 10. (New section) Notwithstanding any other provision of
20 P.L.2013, c.27 (C.5:12-95.17 et al.), wagers may be accepted
21 thereunder or pooled with wagers from persons who are not
22 physically present in this State if the division determines that such
23 wagering is not inconsistent with federal law or the law of the
24 jurisdiction, including any foreign nation, in which any such person
25 is located, or such wagering is conducted pursuant to a reciprocal
26 agreement to which the State is a party that is not inconsistent with
27 federal law.

28
29 11. Section 24 of P.L.1977, c.110 (C.5:12-24) is amended to
30 read as follows:

31 24. "Gross Revenue"-- The total of all sums actually received by
32 a casino licensee from gaming operations, less only the total of all
33 sums actually paid out as winnings to patrons; provided, however,
34 that the cash equivalent value of any merchandise or thing of value
35 included in a jackpot or payout shall not be included in the total of
36 all sums paid out as winnings to patrons for purposes of
37 determining gross revenue. "Gross Revenue" shall not include any
38 amount received by a casino from casino simulcasting pursuant to
39 the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.) or
40 from sports wagering pursuant to P.L. , c. (C.) (pending
41 before the Legislature as this bill).

42 (cf: P.L.2014, c.62, s.3)

43
44 12. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to
45 read as follows:

46 104. a. Unless otherwise provided in this subsection, no
47 agreement shall be lawful which provides for the payment, however
48 defined, of any direct or indirect interest, percentage or share of:

1 any money or property gambled at a casino or simulcasting facility;
2 any money or property derived from casino gaming activity or
3 wagering at a simulcasting facility; or any revenues, profits or
4 earnings of a casino or simulcasting facility. Notwithstanding the
5 foregoing:

6 (1) Agreements which provide only for the payment of a fixed
7 sum which is in no way affected by the amount of any such money,
8 property, revenues, profits or earnings shall not be subject to the
9 provisions of this subsection; and receipts, rentals or charges for
10 real property, personal property or services shall not lose their
11 character as payments of a fixed sum because of contract, lease, or
12 license provisions for adjustments in charges, rentals or fees on
13 account of changes in taxes or assessments, cost-of-living index
14 escalations, expansion or improvement of facilities, or changes in
15 services supplied.

16 (2) Agreements between a casino licensee and a junket
17 enterprise or junket representative licensed, qualified or registered
18 in accordance with the provisions of P.L.1977, c.110 (C.5:12-1 et
19 seq.) and the regulations of the division which provide for the
20 compensation of the junket enterprise or junket representative by
21 the casino licensee based upon the actual casino gaming or
22 simulcast wagering activities of a patron procured or referred by the
23 junket enterprise or junket representative shall be lawful if filed
24 with the division prior to the conduct of any junket that is governed
25 by the agreement.

26 (3) Agreements between a casino licensee and its employees
27 which provide for casino employee or casino key employee profit
28 sharing shall be lawful if the agreement is in writing and filed with
29 the division prior to its effective date. Such agreements may be
30 reviewed by the division under any relevant provision of P.L.1977,
31 c.110 (C.5:12-1 et seq.).

32 (4) Agreements to lease an approved casino hotel or the land
33 thereunder and agreements for the complete management of all
34 casino gaming operations in a casino hotel shall not be subject to
35 the provisions of this subsection but shall rather be subject to the
36 provisions of subsections b. and c. of section 82 of this act.

37 (5) Agreements which provide for percentage charges between
38 the casino licensee and a holding company or intermediary
39 company of the casino licensee shall be in writing and filed with the
40 division but shall not be subject to the provisions of this subsection.

41 (6) Agreements relating to simulcast racing and wagering
42 between a casino licensee and an in-State or out-of-State sending
43 track licensed or exempt from licensure in accordance with section
44 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with
45 the division, and be lawful and effective only if expressly approved
46 as to their terms by the division and the New Jersey Racing
47 Commission, except that any such agreements which provide for a
48 percentage of the parimutuel pool wagered at a simulcasting facility

1 to be paid to the sending track shall not be subject to the provisions
2 of this subsection.

3 (7) Agreements relating to simulcast racing and wagering
4 between a casino licensee and a casino service industry enterprise
5 licensed pursuant to the provisions of subsection a. of section 92 of
6 P.L.1977, c.110 (C.5:12-92) as a hub facility, as defined in joint
7 regulations of the Division of Gaming Enforcement and the New
8 Jersey Racing Commission, shall be in writing, be filed with the
9 commission, and be lawful and effective only if expressly approved
10 as to their terms by the commission and the New Jersey Racing
11 Commission, except that any such agreements which provide for a
12 percentage of the casino licensee's share of the parimutuel pool
13 wagered at a simulcasting facility to be paid to the hub facility shall
14 not be subject to the provisions of this subsection.

15 (8) Agreements relating to simulcast racing and wagering
16 between a casino licensee and a casino service industry enterprise
17 licensed pursuant to the provisions of subsection a. of section 92 of
18 P.L.1977, c.110 (C.5:12-92) to conduct casino simulcasting in a
19 simulcasting facility shall be in writing, be filed with the
20 commission, and be lawful and effective only if expressly approved
21 as to their terms by the commission, except that any such
22 agreements which provide for a percentage of the casino licensee's
23 share of the parimutuel pool wagered at a simulcasting facility to be
24 paid to the casino service industry enterprise shall not be subject to
25 the provisions of this subsection.

26 (9) Written agreements relating to the operation of multi-casino
27 or multi-state progressive slot machine systems between one or
28 more casino licensees and a casino service industry enterprise
29 licensed pursuant to the provisions of subsection a. of section 92 of
30 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such
31 license, which provide for an interest, percentage or share of the
32 casino licensee's revenues, profits or earnings from the operation of
33 such multi-casino or multi-state progressive slot machines to be
34 paid to the casino service industry enterprise licensee or applicant
35 shall not be subject to the provisions of this subsection if the
36 agreements are filed with and approved by the division.

37 (10) A written agreement between a casino licensee and a casino
38 service industry enterprise licensed pursuant to subsection a. of
39 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
40 for such license, relating to the construction, renovation or
41 operation of qualifying sleeping units, as defined in section 27 of
42 P.L.1977, c.110 (C.5:12-27), or of non-gaming amenities, as
43 defined by the division, within the limits of the city of Atlantic
44 City, regardless of whether such qualifying sleeping units or non-
45 gaming amenities are connected to a casino hotel facility, which
46 provides for an interest, percentage or share of the casino licensee's
47 revenues, profits or earnings, not to exceed 5% of the casino
48 licensee's revenues, to be paid to the casino service industry

1 enterprise licensee or applicant in return for the construction,
2 renovation or operation of such qualifying sleeping units or non-
3 gaming amenities shall not be subject to the provisions of this
4 subsection provided that: (i) the agreement requires a capital
5 investment, at least 10% of which shall be made by the casino
6 service industry enterprise licensee or applicant over the term of the
7 agreement, of not less than \$30 million, which minimum amount
8 shall be adjusted periodically by the division for inflation; (ii) the
9 division finds that the total amount of casino revenues, profits or
10 earnings that can be paid to the casino service industry enterprise
11 licensee or applicant pursuant to this agreement is commercially
12 reasonable under the circumstances; and (iii) the agreement is filed
13 with and approved by the division.

14 (11) A written agreement between a casino licensee holding an
15 Internet gaming permit and a casino service industry enterprise
16 licensed pursuant to subsection a. of section 92 of P.L.1977, c.110
17 (C.5:12-92), or an eligible applicant for such a license, in
18 connection with the conduct of Internet gaming under P.L.2013,
19 c.27 (C.5:12-95.17 et al.), which provides for a percentage of the
20 casino licensee's Internet gaming gross revenue to be paid to the
21 casino service industry enterprise licensee shall not be subject to the
22 provisions of this subsection, provided that the agreement shall be
23 in writing, filed with the division, and shall be lawful and effective
24 only if the terms thereof are expressly approved by the division.

25 (12) A written agreement between a casino licensee and a casino
26 service industry enterprise licensed pursuant to subsection a. of
27 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
28 for such a license, in connection with the conduct of mobile gaming
29 under section 100 of P.L.1977, c.110 (C.5:12-100), or mobile sports
30 pool operations within a casino hotel facility in areas in which
31 mobile gaming under section 100 of P.L.1977, c.110 (5:12-100) is
32 authorized, which provides for a percentage of the casino licensee's
33 gross revenue from mobile gaming to be paid to the casino service
34 industry enterprise licensee shall not be subject to the provisions of
35 this subsection, provided that the agreement shall be in writing,
36 filed with the division, and shall be lawful and effective only if the
37 terms thereof are expressly approved by the division.

38 (13) A written agreement between a casino licensee and a casino
39 service industry enterprise licensed pursuant to subsection a. of
40 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
41 for such a license, in connection with the conduct of a sports pool,
42 including an online sports pool, mobile sports pool operations
43 within a casino hotel facility in areas in which mobile gaming under
44 section 100 of P.L.1977, c.110 (5:12-100) is authorized, or both,
45 which provides for a percentage of the casino licensee's gross
46 revenue from the operations of a sports pool, including online
47 sports pool and mobile operations, to be paid to the casino service
48 industry enterprise licensee shall not be subject to the provisions of

1 this subsection, provided that the agreement shall be in writing,
2 filed with the division, and shall be lawful and effective only if the
3 terms thereof are expressly approved by the division.

4 b. Each casino applicant or licensee shall maintain, in
5 accordance with the rules of the division, a record of each written or
6 unwritten agreement regarding the realty, construction,
7 maintenance, or business of a proposed or existing casino hotel or
8 related facility. The foregoing obligation shall apply regardless of
9 whether the casino applicant or licensee is a party to the agreement.
10 Any such agreement may be reviewed by the division on the basis
11 of the reasonableness of its terms, including the terms of
12 compensation, and of the qualifications of the owners, officers,
13 employees, and directors of any enterprise involved in the
14 agreement, which qualifications shall be reviewed according to the
15 standards enumerated in section 86 of P.L.1977, c.110 (C.5:12-86).
16 If the division disapproves such an agreement or the owners,
17 officers, employees, or directors of any enterprise involved therein,
18 the division may require its termination.

19 Every agreement required to be maintained, and every related
20 agreement the performance of which is dependent upon the
21 performance of any such agreement, shall be deemed to include a
22 provision to the effect that, if the commission shall require
23 termination of an agreement pursuant to its authority under
24 P.L.1977, c.110 (C.5:12-1 et seq.), such termination shall occur
25 without liability on the part of the casino applicant or licensee or
26 any qualified party to the agreement or any related agreement.
27 Failure expressly to include such a provision in the agreement shall
28 not constitute a defense in any action brought to terminate the
29 agreement. If the agreement is not maintained or presented to the
30 commission in accordance with division regulations, or the
31 disapproved agreement is not terminated, the division may pursue
32 any remedy or combination of remedies provided in this act.

33 For the purposes of this subsection, "casino applicant" includes
34 any person required to hold a casino license pursuant to section 82
35 of P.L.1977, c.110 (C.5:12-82) who has applied to the division for a
36 casino license or any approval required under P.L.1977, c.110
37 (C.5:12-1 et seq.).

38 c. Nothing in this act shall be deemed to permit the transfer of
39 any license, or any interest in any license, or any certificate of
40 compliance or any commitment or reservation.
41 (cf: P.L.2013, c.27, s.14)

42
43 13. Section 1 of P.L.2008, c.12(C.5:12-38a) is amended to read
44 as follows:

45 1. "Promotional gaming credit" - A slot machine credit, sports
46 wagering credit or other item approved by the division that is issued
47 by a licensee to a patron for the purpose of enabling the placement
48 of a wager at a slot machine or in a sports pool in the licensee's

1 casino or through the licensee's Internet gaming system. No such
2 credit shall be reported as a promotional gaming credit unless the
3 casino licensee can establish that the credit was issued by the casino
4 licensee and received from a patron as a wager at a slot machine or
5 in a sports pool in the licensee's casino or Internet gaming system.
6 (cf: P.L. 2013, c.27, s.34)

7
8 14. Section 3 of P.L.2016, c.5 (C.52:27BBBB-20) is amended to
9 read as follows:

10 3. a. As used in P.L.2016, c.5 (C.52:27BBBB-18 et al.):

11 "Atlantic City" means the City of Atlantic City, in Atlantic
12 County;

13 "Base amount" means the amount of the payment in lieu of taxes
14 as determined by subparagraph (d) of paragraph (3) of subsection c.
15 of this section;

16 "Casino gaming property" means one or more parcels of real
17 property located in Atlantic City, and any adjacent property utilized
18 in connection with such property, upon which there is located a
19 facility licensed to be used for casino gaming in 2014 or thereafter,
20 whether or not in actual operation, which has more than 500 guest
21 hotel rooms, and is not subject to recorded covenants prohibiting
22 casino gaming;

23 "Division" means the Division of Gaming Enforcement in the
24 Department of Law and Public Safety;

25 "Gross gaming revenue" (GGR) means the total amount of
26 revenue raised through casino gaming, including revenue from
27 sports pool operations, from all of the casino gaming properties
28 located in Atlantic City as determined by the division;

29 "Local Finance Board" means the Local Finance Board in the
30 Division of Local Government Services in the Department of
31 Community Affairs; and

32 "Treasury" means the Department of the Treasury.

33 b. Beginning with calendar year 2017, and for the next
34 succeeding nine calendar years, casino gaming properties located in
35 Atlantic City shall be exempt from local property taxation on real
36 property and improvements, including accessory hotels, conference
37 centers, parking garages, and other appurtenant facilities, except
38 that any new improvement developed on a casino gaming property
39 that is made outside of the perimeter footprint of any improvement
40 existing as of the effective date of this act and any real property, not
41 formerly qualified as casino gaming property, acquired after such
42 date by an owner of casino gaming property shall not be exempt
43 from local property taxation in any calendar year and shall be
44 subject to local property taxation annually at Atlantic City's general
45 property tax rate. The provisions of this section shall not apply to
46 any casino property that operates under a small scale casino facility
47 license or a staged casino facility license pursuant to section 1 of
48 P.L.2010, c.115 (C.5:12-80.1).

1 c. (1) In exchange for the property tax exemption granted in
2 subsection b. of this section, each owner of each casino gaming
3 property shall sign a 10-year financial agreement with Atlantic City
4 for each casino gaming property promising to make quarterly
5 payments to the city of its allocated portion of the annual amount of
6 the payment in lieu of taxes as determined by this section. The
7 owner of each casino gaming property shall be responsible for the
8 payments allocated to that property and shall be subject to the lien
9 provisions of R.S.54:5-6 if those payments are not made.

10 (2) Any new owner of a casino gaming property following the
11 effective date of P.L.2016, c.5 (C.52:27BBBB-18 et al.) shall
12 immediately become responsible for signing a financial agreement
13 with Atlantic City promising to make payments consistent with this
14 section.

15 (3) (a) The total amount of the payment in lieu of property
16 taxes owed to Atlantic City for calendar year 2017 shall be \$120
17 million. To the extent that any owner of a casino gaming property
18 has paid property taxes for calendar year 2017 prior to the date
19 P.L.2016, c.5 (C.52:27BBBB-18 et al.) becomes operative, the
20 amount of property taxes so paid shall be credited toward that
21 owner's allocated share of the \$120 million total payment in lieu of
22 property taxes.

23 (b) For calendar year 2018 and for each calendar year thereafter,
24 the amount of the payment in lieu of property taxes owed to
25 Atlantic City shall increase by two percent per year in every year in
26 which there is no upward adjustment to the base amount of the
27 payment in lieu of taxes from the previous calendar year as
28 determined by subparagraph (d) of this paragraph.

29 (c) For calendar year 2018 and for each calendar year thereafter,
30 the total amount of the payment in lieu of property taxes owed to
31 Atlantic City shall be the base amount as determined by
32 subparagraph (d) of this paragraph and the total amount of the
33 annual increases to date as determined by subparagraph (b) of this
34 paragraph.

35 (d) For calendar year 2018 and for each calendar year thereafter,
36 the base amount of the payment in lieu of taxes shall be determined
37 as follows:

38 If the amount of the GGR in the preceding calendar year is
39 between \$3.4 billion and \$3.8 billion, the base amount shall be \$165
40 million, or in the case of an upward adjustment, \$15 million more
41 than the PILOT in the previous year, whichever is greater;

42 If the amount of the GGR in the preceding calendar year is
43 between \$3.0 billion and \$3.4 billion, the base amount shall be \$150
44 million, or in the case of an upward adjustment, \$20 million more
45 than the PILOT in the previous year, whichever is greater;

46 If the amount of the GGR in the preceding calendar year is
47 between \$2.6 billion and \$3.0 billion, the base amount shall be \$130

1 million, or in the case of an upward adjustment, \$10 million more
2 than the PILOT in the previous year, whichever is greater;

3 If the amount of the GGR in the preceding calendar year is
4 between \$2.2 billion and \$2.6 billion, the base amount shall be \$120
5 million, or in the case of an upward adjustment, \$10 million more
6 than the PILOT in the previous year, whichever is greater;

7 If the amount of the GGR in the preceding calendar year is
8 between \$1.8 billion and \$2.2 billion and the aggregate gross
9 revenues from all of the casino gaming properties located in
10 Atlantic City from all revenue streams, excluding GGR, have not
11 increased compared to the prior calendar year by more than the
12 amount by which GGR is less than \$2.2 billion, as determined by
13 the division, the base amount shall be \$110 million, or in the case of
14 an upward adjustment, \$20 million more than the PILOT in the
15 previous year, whichever is greater;

16 If the amount of the GGR in the preceding calendar year is \$1.8
17 billion or less and the aggregate gross revenue from all of the casino
18 gaming properties located in Atlantic City from all revenue streams,
19 excluding GGR have not increased compared to the prior calendar
20 year by more than the amount by which GGR is less than \$1.8
21 billion as determined by the division, the base amount shall be \$90
22 million.

23 (4) The amount of the payment in lieu of property taxes owed
24 pursuant to this subsection shall be calculated annually each
25 calendar year for each casino gaming property using a formula
26 implemented by the Local Finance Board, in consultation with the
27 division, using the following criteria:

28 The geographic footprint of the real property, expressed in acres,
29 owned by each casino gaming property;

30 The number of hotel guest rooms in each casino gaming
31 property; and

32 The gross gaming revenue of the casino in each casino gaming
33 property from the prior calendar year.

34 Each of these three criteria shall bear equal weight in the formula
35 implemented by the Local Finance Board, in consultation with the
36 division, pursuant to this paragraph, provided that during calendar
37 years 2017, 2018, 2019, 2020, and 2021, if the formula results in
38 any individual casino gaming property being allocated an amount
39 that is in excess of the total real property taxes due and payable by
40 the casino gaming property in calendar year 2015, then that casino
41 gaming property shall receive a credit against the obligation of the
42 operator of that property under paragraph (2) of subsection a. of
43 section 3 of P.L.1984, c.218 (C.5:12-144.1) in the amount of such
44 excess. If, after that credit against the obligation of the operator of
45 that property under paragraph (2) of subsection a. of section 3 of
46 P.L.1984, c.218 (C.5:12-144.1), that casino gaming property would
47 still be liable for a payment in lieu of property taxes in excess of the
48 total real property taxes due and payable by the casino gaming

1 property in calendar year 2015, the casino gaming property shall not
2 be required to make any additional payment in lieu of property tax
3 payment. Instead, any additional amount that would have been
4 owed by that casino gaming property shall be added, by
5 proportional share, to the payment in lieu of property taxes to be
6 paid by every other casino gaming property in order to provide
7 Atlantic City the total amount of the payment in lieu of property
8 taxes due and owing for that calendar year.

9 d. When a new casino gaming property is added or when an
10 existing casino gaming property no longer qualifies as a casino
11 gaming property as defined in subsection a. of this section, Atlantic
12 City's financial agreement with each owner of each casino gaming
13 property shall be amended to reflect the change and the allocation
14 of the payment in lieu of property taxes between the casino gaming
15 properties.

16 e. The provisions of R.S.54:5-6 shall apply to any amount
17 required to be paid under this section, and the municipality shall
18 have the same rights against any casino gaming property for such
19 unpaid amounts relating to that property as if such amounts were
20 unpaid property taxes.

21 (cf: P.L.2016, c. 5, s.3)

22
23 15. Sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through
24 C.5:12A-9) are repealed.

25
26 16. This act shall take effect immediately.

27 28 29 STATEMENT

30
31 This bill would allow casinos in Atlantic City and racetracks in
32 this State to conduct wagering on professional and collegiate sports
33 or athletic events.

34 A casino or racetrack may establish a sports wagering lounge
35 independently at the casino or racetrack, or as a partnership between a
36 casino and a racetrack at a racetrack location. Under the bill, a
37 "racetrack" includes the site of any former racetrack. A former
38 racetrack is defined as any former racetrack where a horse race
39 meeting was conducted within 15 years prior to the effective date of
40 N.J.S.A.5:12A-7 et seq., excluding premises other than the land
41 contained within the racecourse oval. Wagering on sports events
42 will not include wagering on any collegiate sport or athletic event that
43 takes place in New Jersey or on a sport or athletic event in which any
44 New Jersey college team participates regardless of where the event
45 takes place. A "prohibited sports event" does not include the other
46 games of a collegiate sport or athletic tournament in which a New
47 Jersey college team participates, nor does it include any games of a
48 collegiate tournament that occurs outside New Jersey even though

1 some of the individual games or events are held in New Jersey. A
2 prohibited sports event includes all high school sports events but
3 does not include international sports events in which persons under
4 age 18 make up a minority of the participants. A licensee or an
5 entity with which the licensee has contracted to conduct a sports
6 wagering operation will be eligible to receive a plenary retail
7 consumption license for the sale of alcoholic beverages in, on, or
8 about any premises licensed as a sports lounge.

9 Wagers on a sports event could be placed in-person in a sports
10 wagering lounge located at a casino or racetrack. An operator may
11 also accept wagers by means of the Internet, including from persons
12 who are not physically present in this State if the division
13 determines that such wagering is not inconsistent with federal law
14 or the law of the jurisdiction, including any foreign nation, in which
15 any such person is located, or such wagering is conducted pursuant
16 to a reciprocal agreement to which the State is a party that is not
17 inconsistent with federal law. Persons placing wagers must be at
18 least 21 years of age. The bill also provides that any person whose
19 name appears on a casino exclusion list or any self-exclusion list of a
20 casino or racetrack would not be permitted to engage in sports
21 wagering. Also excluded from sports wagering would be the
22 operator, director, officer, owner, or employee of the operator or
23 any relative thereof living in the same household, anyone with
24 access to nonpublic confidential information held by the operator,
25 and anyone who is an agent or proxy for any other person.

26 Any person who is an athlete, coach, referee, team owner,
27 employee of a sports governing body or its member teams, a player
28 or referee personnel member, on any sports event overseen by that
29 person's sports governing body based on publicly available
30 information, a person with access to certain types of exclusive
31 information, or a person identified by any lists provided by the
32 sports governing body to the division and the racing commission
33 would not be permitted to place a wager on a sports event or to have
34 any ownership interest in, control of, or otherwise be employed by
35 an operator, a sports wagering licensee, or a facility in which a
36 sports wagering lounge is located that is overseen by that person's
37 sports governing body. Any person who violates this provision will
38 be guilty of a disorderly persons offense and fined not less than
39 \$500 not more than \$1,000.

40 An operator will immediately report to the division any criminal
41 or disciplinary proceedings commenced against the operator in
42 connection with its operations, any abnormal betting activity or
43 patterns that may indicate a concern about the integrity of a sports
44 event, any potential breach of a sports governing body's rules or
45 codes of conduct that pertain to sports wagering, any conduct that
46 corrupts a betting outcome of a sports event for purposes of
47 financial gain, including but not limited to match fixing, and
48 suspicious or illegal wagering activities, including the use of funds

1 derived from illegal activity, using agents to place wagers, or using
2 false identification.

3 An operator will maintain records of sports wagering operations
4 in accordance with regulations promulgated by the division.

5 A casino or racetrack will be required to demonstrate that it has the
6 necessary financial responsibility and good character to operate a
7 sports pool. The division and the racing commission will have
8 responsibility for licensing. The bill provides that, in promulgating
9 rules and regulations, the division may examine the rules and
10 regulations currently in place in states conducting sports wagering, and
11 may model such regulatory frameworks as far as practicable. Persons
12 engaged in wagering activities for a casino or racetrack will be either
13 licensed as casino key employees or registered as casino employees.

14 Under the bill, sports wagering revenue realized by a casino would
15 be subject to a 8.5 percent tax, except that sums received from
16 Internet wagering on sports events will be subject to a 13 percent
17 tax, which will be paid to the Casino Revenue Fund and the
18 investment alternative tax established by section 3 of P.L.1984,
19 c.218 (C.5:12-144.1), which funds will be used exclusively for the
20 Meet Atlantic City market program. The sums actually received by
21 the horse racing permit holder from any sports wagering operation,
22 either jointly established with a casino or established independently
23 or with non-casino partners, less only the total of all sums actually
24 paid out as winnings to patrons, will be subject to an 8.5 percent tax
25 except sums received from Internet wagering on sports events will
26 be subject to a 13 percent tax, to be collected by the division and
27 paid to the State General Fund and to an additional tax of 1.25
28 percent on amounts actually received from a sports wagering
29 operation with 0.75 percent paid to the municipality and 0.5 percent
30 paid to the county in which the sports wagering lounge is located or
31 to an economic development authority of that municipality and
32 county, as determined by the governing body of the municipality or
33 county. Also, a percentage of the fee paid for a license to operate a
34 sports pool will be appropriated by the Legislature to the Department
35 of Health and Senior Services to provide funds for compulsive
36 gambling treatment and prevention programs, with the percentage
37 determined by the division.

38 The bill repeals sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7
39 through C.5:12A-9) which partially repealed certain provisions of a
40 prior law that had authorized sports betting.

ASSEMBLY TOURISM, GAMING AND THE ARTS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4111

STATE OF NEW JERSEY

DATED: JUNE 4, 2018

The Assembly Tourism, Gaming and the Arts Committee reports favorably Assembly Bill No. 4111.

This bill would allow casinos in Atlantic City and racetracks in this State to conduct wagering on professional and collegiate sports or athletic events.

A casino or racetrack may establish a sports wagering lounge independently at the casino or racetrack, or as a partnership between a casino and a racetrack at a racetrack location. Under the bill, a “racetrack” includes the site of any former racetrack. A former racetrack is defined as any former racetrack where a horse race meeting was conducted within 15 years prior to the effective date of N.J.S.A.5:12A-7 et seq., excluding premises other than the land contained within the racecourse oval. Wagering on sports events will not include wagering on any collegiate sport or athletic event that takes place in New Jersey or on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place. A “prohibited sports event” does not include the other games of a collegiate sport or athletic tournament in which a New Jersey college team participates, nor does it include any games of a collegiate tournament that occurs outside New Jersey even though some of the individual games or events are held in New Jersey. A prohibited sports event includes all high school sports events but does not include international sports events in which persons under age 18 make up a minority of the participants. A licensee or an entity with which the licensee has contracted to conduct a sports wagering operation will be eligible to receive a plenary retail consumption license for the sale of alcoholic beverages in, on, or about any premises licensed as a sports lounge.

Wagers on a sports event could be placed in-person in a sports wagering lounge located at a casino or racetrack. An operator may also accept wagers by means of the Internet, including from persons who are not physically present in this State if the division determines that such wagering is not inconsistent with federal law or the law of the jurisdiction, including any foreign nation, in which any such person is located, or such wagering is conducted pursuant to a reciprocal agreement to which the State is a party that is not

inconsistent with federal law. Persons placing wagers must be at least 21 years of age. The bill also provides that any person whose name appears on a casino exclusion list or any self-exclusion list of a casino or racetrack would not be permitted to engage in sports wagering. Also excluded from sports wagering would be the operator, director, officer, owner, or employee of the operator or any relative thereof living in the same household, anyone with access to nonpublic confidential information held by the operator, and anyone who is an agent or proxy for any other person.

Any person who is an athlete, coach, referee, team owner, employee of a sports governing body or its member teams, a player or referee personnel member, on any sports event overseen by that person's sports governing body based on publicly available information, a person with access to certain types of exclusive information, or a person identified by any lists provided by the sports governing body to the division and the racing commission would not be permitted to place a wager on a sports event or to have any ownership interest in, control of, or otherwise be employed by an operator, a sports wagering licensee, or a facility in which a sports wagering lounge is located that is overseen by that person's sports governing body. Any person who violates this provision will be guilty of a disorderly persons offense and fined not less than \$500 not more than \$1,000.

An operator will immediately report to the division any criminal or disciplinary proceedings commenced against the operator in connection with its operations, any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event, any potential breach of a sports governing body's rules or codes of conduct that pertain to sports wagering, any conduct that corrupts a betting outcome of a sports event for purposes of financial gain, including but not limited to match fixing, and suspicious or illegal wagering activities, including the use of funds derived from illegal activity, using agents to place wagers, or using false identification.

An operator will maintain records of sports wagering operations in accordance with regulations promulgated by the division.

A casino or racetrack will be required to demonstrate that it has the necessary financial responsibility and good character to operate a sports pool. The division and the racing commission will have responsibility for licensing. The bill provides that, in promulgating rules and regulations, the division may examine the rules and regulations currently in place in states conducting sports wagering, and may model such regulatory frameworks as far as practicable. Persons engaged in wagering activities for a casino or racetrack will be either licensed as casino key employees or registered as casino employees.

Under the bill, sports wagering revenue realized by a casino will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events will be subject to a 13 percent tax, which

will be paid to the Casino Revenue Fund. Sports wagering revenue realized by a casino will also be subject to the investment alternative tax established by section 3 of P.L.1984, c.218 (C.5:12-144.1), and the funds will be used exclusively for the Meet Atlantic City marketing program. The sums actually received by the horse racing permit holder from any sports wagering operation, either jointly established with a casino or established independently or with non-casino partners, less only the total of all sums actually paid out as winnings to patrons, will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events will be subject to a 13 percent tax, to be collected by the division and paid to the State General Fund. Sums received by the horse racing permit holder will be subject to an additional tax of 1.25 percent on amounts actually received from a sports wagering operation with 0.75 percent paid to the municipality and 0.5 percent paid to the county in which the sports wagering lounge is located or to an economic development authority of that municipality and county, as determined by the governing body of the municipality or county. Also, a percentage of the fee paid for a license to operate a sports pool will be appropriated by the Legislature to the Department of Health and Senior Services to provide funds for compulsive gambling treatment and prevention programs, with the percentage determined by the division.

The bill repeals sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through C.5:12A-9), which partially repealed certain provisions of a prior law that had authorized sports betting.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4111

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 4, 2018

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4111, with committee amendments.

This bill allows casinos in Atlantic City and racetracks in this State to conduct wagering on professional and collegiate sports or athletic events.

A casino or racetrack may establish a sports wagering lounge independently at the casino or racetrack, or as a partnership between a casino and a racetrack at a racetrack location. Under the bill, a “racetrack” includes the site of any former racetrack. A former racetrack is defined as any former racetrack where a horse race meeting was conducted within 15 years prior to the effective date of N.J.S.A.5:12A-7 et seq. Wagering on sports events will not include wagering on any collegiate sport or athletic event that takes place in New Jersey or on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place. A “prohibited sports event” does not include the other games of a collegiate sport or athletic tournament in which a New Jersey college team participates, nor does it include any games of a collegiate tournament that occurs outside New Jersey even though some of the individual games or events are held in New Jersey. A prohibited sports event includes all high school sports events but does not include international sports events in which persons under age 18 make up a minority of the participants. A licensee or an entity with which the licensee has contracted to conduct a sports wagering operation will be eligible to receive a plenary retail consumption license for the sale of alcoholic beverages in, on, or about any premises licensed as a sports lounge.

Wagers on a sports event could be placed in-person in a sports wagering lounge located at a casino or racetrack. Thirty days after the effective date of the bill, an operator may also accept wagers by means of the Internet, including from persons who are not physically present in this State if the division determines that such wagering is not inconsistent with federal law or the law of the jurisdiction, including any foreign nation, in which any such person is located, or such wagering is conducted pursuant to a reciprocal agreement to which the State is a party that is not inconsistent with federal law. Persons

placing wagers must be at least 21 years of age. The bill also provides that any person whose name appears on a casino exclusion list or any self-exclusion list of a casino or racetrack would not be permitted to engage in sports wagering. Also excluded from sports wagering would be the operator, director, officer, owner, or employee of the operator or any relative thereof living in the same household, anyone with access to nonpublic confidential information held by the operator, and anyone who is an agent or proxy for any other person.

Any person who is an athlete, coach, referee, team owner, employee of a sports governing body or its member teams, a player or referee personnel member, on any sports event overseen by that person's sports governing body based on publicly available information, a person with access to certain types of exclusive information, or a person identified by any lists provided by the sports governing body to the division and the racing commission would not be permitted to place a wager on a sports event or to have any ownership interest in, control of, or otherwise be employed by an operator, a sports wagering licensee, or a facility in which a sports wagering lounge is located that is overseen by that person's sports governing body. Any person who violates this provision will be guilty of a disorderly persons offense and fined not less than \$500 but not more than \$1,000.

An operator will immediately report to the division any criminal or disciplinary proceedings commenced against the operator in connection with its operations, any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event, any potential breach of a sports governing body's rules or codes of conduct that pertain to sports wagering, any conduct that corrupts a betting outcome of a sports event for purposes of financial gain, including but not limited to match fixing, and suspicious or illegal wagering activities, including the use of funds derived from illegal activity, using agents to place wagers, or using false identification.

An operator will maintain records of sports wagering operations in accordance with regulations promulgated by the division.

A casino or racetrack will be required to demonstrate that it has the necessary financial responsibility and good character to operate a sports pool. The division and the racing commission will have responsibility for licensing. The bill provides that, in promulgating rules and regulations, the division may examine the rules and regulations currently in place in states conducting sports wagering, and may model such regulatory frameworks as far as practicable. Persons engaged in wagering activities for a casino or racetrack will be either licensed as casino key employees or registered as casino employees.

Under the bill, sports wagering revenue realized by a casino, less the amount paid out as winnings, will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events, less the amount paid out as winnings, will be subject to a 13 percent

tax, which will be paid to the Casino Revenue Fund. Sports wagering revenue realized by a casino will also be subject to the investment alternative tax established by section 3 of P.L.1984, c.218 (C.5:12-144.1), and the funds will be used exclusively for the Meet Atlantic City marketing program. The sums actually received by the horse racing permit holder from any sports wagering operation, either jointly established with a casino or established independently or with non-casino partners, less only the total of all sums actually paid out as winnings to patrons, will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events, less only the total of all sums actually paid out as winnings to patrons, will be subject to a 13 percent tax, to be collected by the division and paid to the State General Fund. Sums received by the horse racing permit holder will be subject to an additional tax of 1.25 percent on amounts received less the amount paid out as winnings from a sports wagering operation. Also, a percentage of the fee paid for a license to operate a sports pool will be appropriated by the Legislature to the Department of Health to provide funds for compulsive gambling treatment and prevention programs, with the percentage determined by the division.

It is the committee's intent that prior to the promulgation of permanent rules by the division, the division will consult and meet with the professional sports leagues that play either games or tournaments within this State and our contiguous states. The purpose of the consultation will be to share information on the types of bets permitted for each sport and enforcement of the same.

The bill repeals sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through C.5:12A-9), which partially repealed certain provisions of a prior law that had authorized sports betting.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

provide that the 1.25 percent tax on amounts received by racetracks from a sports wagering operation will be on the amount received less the amount paid out as winnings and will be paid to the Division of Local Government Services to be distributed, upon application, to a municipality or county in which a racetrack is located to be used for economic development purposes;

clarify the location of racetrack and casino equipment used to accept wagers; and

provide that provisions allowing online or Internet sports wagering will take effect 30 days after the effective date.

FISCAL IMPACT:

The estimated State tax revenues that could be generated from sports betting are projected to range between \$12 million and \$17 million in the first full year of operation. To the extent that the start of operations will be delayed, tax revenues will be lower accordingly in

FY 2019. This estimate is predicated upon assumptions regarding the percentage of the adult population that places wagers on sports (28 percent), a projection of the average low and high annual spending on sports wagers (\$1,500 and \$1,700), and tax rates in accordance with the provisions in the legislation: 8.5 percent tax rate on gross revenue for in-person wagering at a casino, a 13 percent tax rate on internet wagering on sports, and an estimate for unclaimed winning tickets, “expired obligations.”

Because sports wagering in New Jersey creates a new gaming market, uncertainty exists regarding projections of potential State tax revenues that would be derived from the legalization of sports betting. While metrics from other locations where sport wagering is operative such as Nevada and in Europe, can be used to estimate the potential fiscal effects of legalized sports betting in New Jersey, competition from neighboring States, uncertainty between Internet and non-Internet wagering, consumer behavior, changes in the economy, and potential growth (positive or negative) in the sports wagering market can affect tax revenues. As such, the OLS projects a range between which actual tax revenues from sports wagering may fall. However, the OLS notes that reliable data measuring the current extent of illegal sports betting and the proportion of that market that would shift to a legal New Jersey market is unavailable. In addition, revenues from and State expenditures for licensing and regulation of sports betting is indeterminate.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 4111

with Assembly Floor Amendments
(Proposed by Assemblyman HOUGHTALING)

ADOPTED: JUNE 7, 2018

These Assembly amendments:

eliminate a provision which would prohibit issuance of a license to operate a sports pool to any person that operated a sports pool in New Jersey within one year prior to the bill's enactment;

provide that investment alternative tax on casino sports wagering will go for tourism and marketing for the City of Atlantic City instead of the Meet Atlantic City marketing program;

provide that the Division of Gaming Enforcement will issue initial sports wagering licenses and renewals thereof to casinos and the New Jersey Racing Commission will issue initial sports wagering licenses to racetracks but the division will be responsible for renewals thereof;

provide that the initial license fee will be \$100,000 but that the renewal fee will be a reasonable fee to cover costs associated with renewal, enforcement, and gambling addiction programs;

remove a provision providing for a no-cost plenary retail consumption license; and

permit team owners to be licensed to conduct sports wagering but provide that if they own an interest of 10 percent or more they will not be allowed to place or accept wagers on any event in which a member team of their sports governing body participates.

SENATE, No. 2602

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MAY 14, 2018

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

Senators Brown, A.R.Bucco and O'Scanlon

SYNOPSIS

Allows wagering at casinos and racetracks on certain professional and collegiate sports or athletic events.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/22/2018)

1 AN ACT allowing wagering at casinos and racetracks on the results
2 of certain professional or collegiate sports or athletic events,
3 supplementing Title 5 of the Revised Statutes, amending
4 P.L.1977, c.110, and repealing parts of the statutory law.

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

8
9 1. (New section) As used in this act:

10 "casino" means a licensed casino or gambling house located in
11 Atlantic City at which casino gambling is conducted pursuant to the
12 provisions of P.L.1977, c.110 (C.5:12-1 et seq.);

13 "commission" means the Casino Control Commission
14 established pursuant to section 50 of P.L.1977, c.110 (C.5:12-50);

15 "collegiate sport or athletic event" means a sport or athletic event
16 offered or sponsored by or played in connection with a public or
17 private institution that offers educational services beyond the
18 secondary level;

19 "division" means the Division of Gaming Enforcement
20 established pursuant to section 55 of P.L.1977, c.110 (C.5:12-55);

21 "former racetrack" means any former racetrack where a horse
22 race meeting was conducted within 15 years prior to the effective
23 date of P.L.2014, c.62 (C.5:12-1 et seq.), excluding premises other
24 than the physical location of the racecourse oval and the land
25 contained within such racecourse oval.

26 "Internet sports pool operator" means an entity that is licensed as
27 a casino service industry enterprise pursuant to section 92 of
28 P.L.1977, c.110 (C.5:12-92) and that holds a permit issued by the
29 division to operate an online sports pool;

30 "online sports pool" means a sports wagering operation in which
31 wagers on sports events are made through computers or mobile or
32 interactive devices and accepted at a sports wagering lounge
33 through an online gaming system which is operating pursuant to a
34 sports wagering permit issued by the division or racing commission
35 pursuant to P.L. , c. (C.) (pending before the Legislature as
36 this bill);

37 "operator" means a casino or a racetrack which has elected to
38 operate a sports pool, either independently or jointly, and any entity
39 with whom a casino or racetrack licensed to operate a sports pool
40 contracts to operate a sports pool or online sports pool, including an
41 Internet sports pool operator, on its behalf;

42 "professional sport or athletic event" means an event at which
43 two or more persons participate in sports or athletic events and
44 receive compensation in excess of actual expenses for their
45 participation in such event;

46 "prohibited sports event" means any collegiate sport or athletic

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 event that takes place in New Jersey or a sport or athletic event in
2 which any New Jersey college team participates regardless of where
3 the event takes place. A “prohibited sports event” does not include
4 the other games of a collegiate sport or athletic tournament in which
5 a New Jersey college team participates, nor does it include any
6 games of a collegiate tournament that occurs outside New Jersey
7 even though some of the individual games or events are held in
8 New Jersey. A prohibited sports event includes all high school
9 sports events but does not include international sports events in
10 which persons under age 18 make up a minority of the participants;

11 "racetrack" means the physical facility where a permit holder
12 conducts a horse race meeting with wagering under a license issued
13 by the racing commission pursuant to P.L.1940, c.17 (C.5:5-22 et
14 seq.), and includes any former racetrack;

15 "racing commission" means the New Jersey Racing Commission
16 established by section 1 of P.L.1940, c.17 (C.5:5-22);

17 "sports event" means any professional sport or athletic event and
18 any collegiate sport or athletic event, or any portion thereof,
19 including, but not limited to, the individual performance statistics of
20 athletes in a sports event or combination of sports events, except
21 “sports event” shall not include a prohibited sports event or a
22 fantasy sports activity, as defined in section 2 of P.L.2017, c.231
23 (C.5:20-2);

24 "sports pool" means the business of accepting wagers on any
25 sports event by any system or method of wagering, including but
26 not limited to single-game bets, teaser bets, parlays, over-under,
27 moneyline, pools, exchange wagering, in-game wagering, in-play
28 bets, proposition bets, and straight bets; and

29 "sports wagering lounge" means an area wherein a licensed
30 sports pool is operated.

31

32 2. (New section) a. In addition to casino games permitted
33 pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.), a
34 casino which holds a sports wagering license issued by the division
35 may operate a sports pool in accordance with the provisions of this
36 act and applicable regulations promulgated pursuant to this act. In
37 addition to the conduct of wagering on horse races under regulation
38 by the racing commission pursuant to chapter 5 of Title 5 of the
39 Revised Statutes, a racetrack which holds a sports wagering license
40 issued by the racing commission pursuant to section 3 of
41 P.L. , c. (C.) (pending before the Legislature as this bill)
42 may operate a sports pool in accordance with the provisions of this
43 act and applicable regulations promulgated pursuant to this act. A
44 casino which holds a sports wagering license and a racetrack which
45 holds a sports wagering license may enter into an agreement to
46 jointly operate a sports pool at the racetrack, in accordance with the
47 provisions of this act and applicable regulations promulgated
48 pursuant to this act. A casino or racetrack that holds a sports

1 wagering license may conduct an online sports pool or may
2 authorize an internet sports pool operator licensed as a casino
3 service industry enterprise pursuant to section 92 of P.L.1977, c.110
4 (C.5:12-92), or an applicant for such license, to operate an online
5 sports pool on its behalf provided the terms of the agreement are
6 approved by the division, in the case of a casino, or the racing
7 commission, in the case of a racetrack; provided, however, that each
8 sports wagering lounge shall provide no more than two individually
9 branded websites. No online sports pool shall be opened to the
10 public, and no sports wagering, except for test purposes, may be
11 conducted therein, until an Internet sports pool operator receives
12 from the division a permit to conduct an online sports pool.

13 With regard to this act, P.L. , c. (C.) (pending before the
14 Legislature as this bill), the duties specified in section 63 of
15 P.L.1977, c.110 (C.5:12-63) of the Casino Control Commission
16 shall apply to the extent not inconsistent with the provisions of this
17 act. In addition to the duties specified in section 76 of P.L.1977,
18 c.110 (C.5:12-76), the division or racing commission, as required
19 pursuant to this act, shall hear and decide promptly and in
20 reasonable order all applications for a license to operate a sports
21 pool. In addition to the duties specified in section 76 of P.L.1977,
22 c.110 (C.5:12-76), the division shall have the general responsibility
23 for the implementation of this act, except with respect to the
24 authority to issue sports wagering licenses to a racetrack as
25 provided by this act, and shall have all other duties specified in that
26 section with regard to the operation of a sports pool.

27 The license to operate a sports pool shall be in addition to any
28 other license required to be issued pursuant to P.L.1977, c.110
29 (C.5:12-1 et seq.) to operate a casino or pursuant to P.L.1940, c. 17
30 (C.5:5-22 et seq.) to conduct horse racing. No sports wagering
31 license shall be issued by the division or racing commission to any
32 entity unless it has established its financial stability, integrity and
33 responsibility and its good character, honesty and integrity. No
34 casino or racetrack shall be permitted to operate a sports pool or
35 accept wagers via an online sports pool unless a sports wagering
36 lounge is established and has commenced operation in its facility;
37 provided, however, that an applicant for a sports wagering license
38 may petition the agency issuing the sports wagering license
39 pursuant to this act to commence operation of the sports pool at a
40 temporary facility and/or an online sports pool during the pendency
41 of construction of a sports wagering lounge in its facility. No
42 license to operate a sports pool shall be issued by the racing
43 commission to any entity which is disqualified under the criteria of
44 section 86 of P.L.1977, c.110 (C.5:12-86) or to any person that
45 operated a sports pool within one year prior to the enactment of this
46 act.

47 No later than five years after the date of the issuance of a license
48 and every five years thereafter or within such lesser periods as the

1 agency issuing the sports wagering license pursuant to this act may
2 direct, a licensee shall submit to the said agency such
3 documentation or information as the division or racing commission
4 may by regulation require, to demonstrate to the satisfaction of the
5 agency that the licensee continues to meet the requirements of the
6 law and regulations.

7 b. A sports pool shall be operated in a sports wagering lounge
8 located at a casino or racetrack. A sports wagering lounge may be
9 located at a casino simulcasting facility. The lounge shall conform
10 to all requirements concerning square footage, design, equipment,
11 security measures and related matters which the division shall by
12 regulation prescribe. The space required for the establishment of a
13 lounge shall not reduce the space authorized for casino gaming
14 activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83).

15 c. No sports pool or online sports pool shall be offered or made
16 available for wagering to the public by any entity other than a sports
17 wagering licensee, pursuant to P.L. , c. (C.) (pending before
18 the Legislature as this bill), or an applicant for such license,
19 operating such pool on behalf of a licensee. Any person who offers
20 a sports pool or an online sports pool without approval of the
21 division or racing commission to do so is guilty of a crime of the
22 fourth degree and notwithstanding the provisions of N.J.S.2C:43-3,
23 shall be subject to a fine of not more than \$25,000. and in the case of
24 a person other than a natural person, to a fine of not more than
25 \$100,000. and any other appropriate disposition authorized by
26 subsection b. of N.J.S.2C:43-2.

27 d. The operator shall establish or display the odds at which
28 wagers may be placed on sports events.

29 e. An operator shall accept wagers on sports events only from
30 persons physically present in the sports wagering lounge; through
31 self-service wagering machines located in its facility as authorized
32 by the division; or through an online sports pool. A person placing
33 a wager shall be at least 21 years of age.

34 f. (1) Any person who is an athlete, coach, referee, team
35 owner, employee of a sports governing body or its member teams,
36 or a player or referee personnel member, on any sports event
37 overseen by that person's sports governing body based on publicly
38 available information, a person with access to certain types of
39 exclusive information, or a person identified by any lists provided
40 by the sports governing body to the division and the racing
41 commission shall not be permitted to have any ownership interest
42 in, control of, or otherwise be employed by an operator or a facility
43 in which a sports wagering lounge is located or place a wager on a
44 sports event. Any person who violates this paragraph shall be
45 guilty of a disorderly persons offense and shall be fined not less
46 than \$500 not more than \$1,000.

47 (2) An operator shall adopt procedures to prevent persons from
48 wagering on sports events who are prohibited from placing sports

- 1 wagers. An operator shall not accept wagers from, any person:
2 whose name appears on the exclusion list maintained by the
3 division pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);
4 whose name appears on any self-exclusion list maintained by the
5 division pursuant to sections 1 and 2 of P.L.2001, c.39 (C.5:12-71.2
6 and C.5:12-71.3, respectively);
7 who is the operator, director, officer, owner, or employee of the
8 operator or any relative thereof living in the same household as the
9 operator;
10 who has access to nonpublic confidential information held by the
11 operator; or
12 who is an agent or proxy for any other person.

13 Sections 1 and 2 of P.L.2002, c.89 (C.5:5-65.1 and C.5:5-65.2,
14 respectively) shall apply to the conduct of sports wagering under
15 this act.

16 g. The holder of a sports wagering license may contract with an
17 entity to conduct that operation, in accordance with the regulations
18 of the division. That entity shall obtain a license as a casino service
19 industry enterprise prior to the execution of any such contract, and
20 such license shall be issued pursuant to the provisions of P.L.1977,
21 c.110 (C.5:12-1 et seq.) and in accordance with the regulations
22 promulgated by the division in consultation with the commission.

23 h. If any provision of this act, P.L. , c. (C.) (pending
24 before the Legislature as this bill), or its application to any person
25 or circumstance, is held invalid, the invalidity shall not affect other
26 provisions or applications of this act which can be given effect
27 without the invalid provision or application, and to this end the
28 provisions of this act are severable.

- 29 i. An operator shall immediately report to the division:
30 any criminal or disciplinary proceedings commenced against the
31 operator or its employees in connection with the operations of the
32 sports pool or online sports pool;
33 any abnormal betting activity or patterns that may indicate a
34 concern about the integrity of a sports event or events;
35 any potential breach of a sports governing body's rules or codes
36 of conduct that pertain to sports wagering;
37 any other conduct with the potential to corrupt a betting outcome
38 of a sports event for purposes of financial gain, including but not
39 limited to match fixing; and
40 suspicious or illegal wagering activities, including the use of
41 funds derived from illegal activity, wagers to conceal or launder
42 funds derived from illegal activity, use of agents to place wagers, or
43 use of false identification.

44 The division is authorized to share any information under this
45 section with any law enforcement entity, team, sports governing
46 body, or regulatory agency the division deems appropriate.

- 47 j. An operator shall maintain records of all wagers, including
48 personally identifiable information of the bettor, the amount and

1 type of bet, the time and date that the bet was placed, the location
2 where the bet was made, including an IP address if applicable, the
3 outcome of the bet, records of abnormal betting activity, and video
4 camera recordings in the case of in-person wagers for a period of
5 not less than three years from the date of the sports event on which
6 the wager was placed. Records shall be confidential but shall be
7 made available to the division upon request or to any party pursuant
8 to a court order. If a sports governing body notifies the division
9 that real-time information sharing for wagers placed on its sports
10 events is necessary, an operator shall share in real time the
11 information required by this subsection, other than video files, with
12 the governing body or its designee

13 k. Notwithstanding any law to the contrary or any restrictions,
14 the holder of a sports wagering license, or the operator, at no cost to
15 the entity, shall be entitled to receive a plenary retail consumption
16 license for the sale of alcoholic beverages in, on or about any
17 premises licensed as a sports lounge, pursuant to the provisions of
18 R.S.33:1-12.

19 l. A sports wagering licensee may, in addition to having a
20 sports wagering lounge, conduct wagering on authorized sports
21 events through one or more kiosks or self-service wagering stations
22 located within its facility. Such self-service wagering stations
23 located at a casino may offer any game authorized under rules
24 established by the division. Such self-service wagering stations
25 located at a racetrack may offer wagering only on authorized sports
26 events and horse races.

27
28 3. (New section) a. Corporate applicants for and holders of a
29 sports wagering license shall be required to disclose the identity of
30 the following: each board appointed officer of the corporation; each
31 director of the corporation; each person who directly holds any
32 voting or controlling interest of 5 percent or more of the securities
33 issued by such applicant or holder; each person who directly holds
34 any non-voting or passive ownership interest of 25 percent or more
35 of the securities issued by such applicant or holder; and each
36 holding or intermediary company of an applicant for or holder of an
37 operator.

38 b. As to each holding, intermediary and subsidiary company of
39 an applicant for or holder of a sports wagering license, such
40 applicants and holders shall be required to establish and maintain
41 the qualifications of the following: each board appointed officer of
42 the corporation; each director of the corporation; each person who
43 directly holds any voting or controlling interest of 5 percent or more
44 of the securities issued by such applicant or holder; and each person
45 who directly holds any non-voting or passive ownership interest of
46 25 percent or more in such holding or intermediary company.

47 c. The racing commission or the division shall have the
48 authority to waive any or all of the qualification requirements for

1 any person listed in subsections a. or b. of this section.

2 d. All persons employed directly in wagering-related activities
3 conducted within a casino or a racetrack in a sports wagering
4 lounge and an online sports pool shall be licensed as a casino key
5 employee or registered as a casino employee, as determined by the
6 commission, pursuant to the provisions of P.L.1977, c.110 (C.5:12-
7 1 et seq.). All other employees who are working in the sports
8 wagering lounge may be required to be registered, if appropriate, in
9 accordance with regulations of the division promulgated in
10 consultation with the commission.

11 e. Each operator shall designate one or more casino key
12 employees who shall be responsible for the operation of the sports
13 pool. At least one such casino key employee shall be on the
14 premises whenever sports wagering is conducted.

15

16 4. (New section) Except as otherwise provided by this act, the
17 division shall have the authority to regulate sports pools, online
18 sports pools, and the conduct of sports wagering under this act to
19 the same extent that the division regulates casino games. No casino
20 or racetrack shall be authorized to operate a sports pool or online
21 sports pool unless it has produced information, documentation, and
22 assurances concerning its financial background and resources,
23 including cash reserves, that are sufficient to demonstrate that it has
24 the financial stability, integrity, and responsibility to operate a
25 sports pool or online sports pool. In developing rules and
26 regulations applicable to sports wagering, the division shall
27 examine the regulations implemented in other states where sports
28 wagering is conducted and shall, as far as practicable, adopt a
29 similar regulatory framework. The division, in consultation with
30 the commission, shall promulgate regulations necessary to carry out
31 the provisions of this act, including, but not limited to, regulations
32 governing the:

33 a. amount of cash reserves to be maintained by operators to
34 cover winning wagers;

35 b. acceptance of wagers on a series of sports events;

36 c. maximum wagers which may be accepted by an operator
37 from any one patron on any one sports event;

38 d. type of wagering tickets which may be used;

39 e. method of issuing tickets;

40 f. method of accounting to be used by operators;

41 g. types of records which shall be kept;

42 h. use of credit and checks by patrons;

43 i. type of system for wagering;

44 j. protections for a person placing a wager; and

45 k. display of the words, "If you or someone you know has a
46 gambling problem and wants help, call 1-800 GAMBLER," or some
47 comparable language approved by the division, which language
48 shall include the words "gambling problem" and "call 1-800

1 GAMBLER," in all print, billboard, sign, online, or broadcast
2 advertisements of a sports pool and online sports pool and in every
3 sports wagering lounge.

4
5 5. (New section) Each operator shall adopt comprehensive
6 house rules governing sports wagering transactions with its patrons.
7 The rules shall specify the amounts to be paid on winning wagers
8 and the effect of schedule changes. The house rules, together with
9 any other information the division deems appropriate, shall be
10 conspicuously displayed in the sports wagering lounge, posted on
11 the operator's Internet website, and included in the terms and
12 conditions of the account wagering system, and copies shall be
13 made readily available to patrons.

14
15 6. (New section) Whenever a casino licensee and a racetrack
16 permit holder enter into an agreement to jointly establish a sports
17 wagering lounge, and to operate and conduct sports wagering under
18 this act, the agreement shall specify the distribution of revenues
19 from the joint sports wagering operation among the parties to the
20 agreement.

21
22 7. (New section) The sums received by the casino from sports
23 wagering or from a joint sports wagering operation less only the
24 total of all sums actually paid out as winnings to patrons shall be
25 gross revenue as specified under section 24 of P.L.1977, c.110
26 (C.5:12-24) and subject to the 8 percent tax on gross revenues
27 pursuant to section 144 of P.L.1977, c.110 (C.5:12-144) and to the
28 investment alternative tax established by section 3 of P.L.1984,
29 c.218 (C.5:12-144.1), except that sums received from Internet
30 wagering on sports events shall be taxed as provided in section 17
31 of P.L.2013, c.27 (C.5:12-95.19); provided, however, that the cash
32 equivalent value of any merchandise or thing of value included in a
33 jackpot or payout shall not be included in the total of all sums paid
34 out as winnings to patrons for purposes of determining gross
35 revenue.

36 The sums actually received by the horse racing permit holder
37 from any sports wagering operation, either jointly established with a
38 casino or established independently or with non-casino partners,
39 less only the total of all sums actually paid out as winnings to
40 patrons, shall be subject to an 8 percent tax to be collected by the
41 division and paid to the Casino Revenue Fund created under section
42 145 of P.L.1977, c.110 (C.5:12-145) to be used for the funding of
43 programs for senior citizens and disabled residents and to an
44 additional tax of 1.25 percent on amounts actually received from a
45 sports wagering operation with 0.75 percent paid to the
46 municipality and 0.5 percent paid to the county in which the sports
47 wagering lounge is located or to an economic development
48 authority of that municipality and county, as determined by the

1 governing body of the municipality or county, with those amounts
2 used for economic development purposes, except that sums received
3 from Internet wagering on sports events shall be taxed as provided
4 in section 17 of P.L.2013, c.27 (C.5:12-95.19); provided, however,
5 that the cash equivalent value of any merchandise or thing of value
6 included in a jackpot or payout shall not be included in the total of
7 all sums paid out as winnings to patrons for purposes of
8 determining revenue under this paragraph.

9 A percentage of the fee paid for a license to operate a sports pool
10 shall be deposited into the State General Fund for appropriation by
11 the Legislature to the Department of Health and Senior Services to
12 provide funds for prevention, education, and treatment programs for
13 compulsive gambling programs that meet the criteria developed
14 pursuant to section 2 of P.L.1993, c.229 (C.26:2-169), such as those
15 provided by the Council on Compulsive Gambling of New Jersey,
16 and including the development and implementation of programs
17 that identify and assist problem gamblers. The percentage shall be
18 determined by the division.

19

20 8. (New section) Sports wagering lounges at which a sports
21 pool is operated shall be a permitted use in all commercial, retail,
22 industrial, non-residential and mixed-use zoning districts of a
23 municipality.

24

25 9. (New section) If a patron does not claim a winning sports
26 pool wager within one year from the time of the event, the
27 obligation of the operator to pay the winnings shall expire and the
28 funds shall be distributed as follows:

29 for wagers placed with a sports pool operated by or on behalf of
30 a casino, the casino shall retain 50 percent and remit the remaining
31 50 percent to the Casino Revenue Fund;

32 for wagers placed with a sports pool operated by or on behalf of
33 a racetrack, the racetrack shall retain 50 percent and remit the
34 remaining 50 percent to the State General Fund; and

35 for wagers placed with a sports pool jointly operated by a casino
36 and a racetrack, the casino and racetrack shall retain a total of 50
37 percent which shall be apportioned among them pursuant to the
38 terms of their operation agreement, and the remaining 50 percent
39 shall be apportioned in the same manner, with the casino percentage
40 being deposited in the Casino Revenue Fund and the racetrack
41 percentage being deposited in the State General Fund.

42

43 10 (New section) Notwithstanding any other provision of
44 P.L.2013, c.27 (C.5:12-95.17 et al.), wagers may be accepted
45 thereunder or pooled with wagers from persons who are not
46 physically present in this State if the division determines that such
47 wagering is not inconsistent with federal law or the law of the
48 jurisdiction, including any foreign nation, in which any such person

1 is located, or such wagering is conducted pursuant to a reciprocal
2 agreement to which the State is a party that is not inconsistent with
3 federal law.

4

5 11. Section 24 of P.L.1977, c.110 (C.5:12-24) is amended to
6 read as follows:

7 24. "Gross Revenue"-- The total of all sums actually received by
8 a casino licensee from gaming operations, including operation of a
9 sports pool, less only the total of all sums actually paid out as
10 winnings to patrons; provided, however, that the cash equivalent
11 value of any merchandise or thing of value included in a jackpot or
12 payout shall not be included in the total of all sums paid out as
13 winnings to patrons for purposes of determining gross revenue.
14 "Gross Revenue" shall not include any amount received by a casino
15 from casino simulcasting pursuant to the "Casino Simulcasting
16 Act," P.L.1992, c.19 (C.5:12-191 et al.).

17 (cf: P.L.2014, c.62, s.3)

18

19 12. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to
20 read as follows:

21 104. a. Unless otherwise provided in this subsection, no
22 agreement shall be lawful which provides for the payment, however
23 defined, of any direct or indirect interest, percentage or share of:
24 any money or property gambled at a casino or simulcasting facility;
25 any money or property derived from casino gaming activity or
26 wagering at a simulcasting facility; or any revenues, profits or
27 earnings of a casino or simulcasting facility. Notwithstanding the
28 foregoing:

29 (1) Agreements which provide only for the payment of a fixed
30 sum which is in no way affected by the amount of any such money,
31 property, revenues, profits or earnings shall not be subject to the
32 provisions of this subsection; and receipts, rentals or charges for
33 real property, personal property or services shall not lose their
34 character as payments of a fixed sum because of contract, lease, or
35 license provisions for adjustments in charges, rentals or fees on
36 account of changes in taxes or assessments, cost-of-living index
37 escalations, expansion or improvement of facilities, or changes in
38 services supplied.

39 (2) Agreements between a casino licensee and a junket
40 enterprise or junket representative licensed, qualified or registered
41 in accordance with the provisions of P.L.1977, c.110 (C.5:12-1 et
42 seq.) and the regulations of the division which provide for the
43 compensation of the junket enterprise or junket representative by
44 the casino licensee based upon the actual casino gaming or
45 simulcast wagering activities of a patron procured or referred by the
46 junket enterprise or junket representative shall be lawful if filed
47 with the division prior to the conduct of any junket that is governed
48 by the agreement.

1 (3) Agreements between a casino licensee and its employees
2 which provide for casino employee or casino key employee profit
3 sharing shall be lawful if the agreement is in writing and filed with
4 the division prior to its effective date. Such agreements may be
5 reviewed by the division under any relevant provision of P.L.1977,
6 c.110 (C.5:12-1 et seq.).

7 (4) Agreements to lease an approved casino hotel or the land
8 thereunder and agreements for the complete management of all
9 casino gaming operations in a casino hotel shall not be subject to
10 the provisions of this subsection but shall rather be subject to the
11 provisions of subsections b. and c. of section 82 of this act.

12 (5) Agreements which provide for percentage charges between
13 the casino licensee and a holding company or intermediary
14 company of the casino licensee shall be in writing and filed with the
15 division but shall not be subject to the provisions of this subsection.

16 (6) Agreements relating to simulcast racing and wagering
17 between a casino licensee and an in-State or out-of-State sending
18 track licensed or exempt from licensure in accordance with section
19 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with
20 the division, and be lawful and effective only if expressly approved
21 as to their terms by the division and the New Jersey Racing
22 Commission, except that any such agreements which provide for a
23 percentage of the parimutuel pool wagered at a simulcasting facility
24 to be paid to the sending track shall not be subject to the provisions
25 of this subsection.

26 (7) Agreements relating to simulcast racing and wagering
27 between a casino licensee and a casino service industry enterprise
28 licensed pursuant to the provisions of subsection a. of section 92 of
29 P.L.1977, c.110 (C.5:12-92) as a hub facility, as defined in joint
30 regulations of the Division of Gaming Enforcement and the New
31 Jersey Racing Commission, shall be in writing, be filed with the
32 commission, and be lawful and effective only if expressly approved
33 as to their terms by the commission and the New Jersey Racing
34 Commission, except that any such agreements which provide for a
35 percentage of the casino licensee's share of the parimutuel pool
36 wagered at a simulcasting facility to be paid to the hub facility shall
37 not be subject to the provisions of this subsection.

38 (8) Agreements relating to simulcast racing and wagering
39 between a casino licensee and a casino service industry enterprise
40 licensed pursuant to the provisions of subsection a. of section 92 of
41 P.L.1977, c.110 (C.5:12-92) to conduct casino simulcasting in a
42 simulcasting facility shall be in writing, be filed with the
43 commission, and be lawful and effective only if expressly approved
44 as to their terms by the commission, except that any such
45 agreements which provide for a percentage of the casino licensee's
46 share of the parimutuel pool wagered at a simulcasting facility to be
47 paid to the casino service industry enterprise shall not be subject to
48 the provisions of this subsection.

1 (9) Written agreements relating to the operation of multi-casino
2 or multi-state progressive slot machine systems between one or
3 more casino licensees and a casino service industry enterprise
4 licensed pursuant to the provisions of subsection a. of section 92 of
5 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such
6 license, which provide for an interest, percentage or share of the
7 casino licensee's revenues, profits or earnings from the operation of
8 such multi-casino or multi-state progressive slot machines to be
9 paid to the casino service industry enterprise licensee or applicant
10 shall not be subject to the provisions of this subsection if the
11 agreements are filed with and approved by the division.

12 (10) A written agreement between a casino licensee and a casino
13 service industry enterprise licensed pursuant to subsection a. of
14 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
15 for such license, relating to the construction, renovation or
16 operation of qualifying sleeping units, as defined in section 27 of
17 P.L.1977, c.110 (C.5:12-27), or of non-gaming amenities, as
18 defined by the division, within the limits of the city of Atlantic
19 City, regardless of whether such qualifying sleeping units or non-
20 gaming amenities are connected to a casino hotel facility, which
21 provides for an interest, percentage or share of the casino licensee's
22 revenues, profits or earnings, not to exceed 5% of the casino
23 licensee's revenues, to be paid to the casino service industry
24 enterprise licensee or applicant in return for the construction,
25 renovation or operation of such qualifying sleeping units or non-
26 gaming amenities shall not be subject to the provisions of this
27 subsection provided that: (i) the agreement requires a capital
28 investment, at least 10% of which shall be made by the casino
29 service industry enterprise licensee or applicant over the term of the
30 agreement, of not less than \$30 million, which minimum amount
31 shall be adjusted periodically by the division for inflation; (ii) the
32 division finds that the total amount of casino revenues, profits or
33 earnings that can be paid to the casino service industry enterprise
34 licensee or applicant pursuant to this agreement is commercially
35 reasonable under the circumstances; and (iii) the agreement is filed
36 with and approved by the division.

37 (11) A written agreement between a casino licensee holding an
38 Internet gaming permit and a casino service industry enterprise
39 licensed pursuant to subsection a. of section 92 of P.L.1977, c.110
40 (C.5:12-92), or an eligible applicant for such a license, in
41 connection with the conduct of Internet gaming under P.L.2013,
42 c.27 (C.5:12-95.17 et al.), which provides for a percentage of the
43 casino licensee's Internet gaming gross revenue to be paid to the
44 casino service industry enterprise licensee shall not be subject to the
45 provisions of this subsection, provided that the agreement shall be
46 in writing, filed with the division, and shall be lawful and effective
47 only if the terms thereof are expressly approved by the division.

1 (12) A written agreement between a casino licensee and a casino
2 service industry enterprise licensed pursuant to subsection a. of
3 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
4 for such a license, in connection with the conduct of mobile gaming
5 under section 100 of P.L.1977, c.110 (C.5:12-100), or mobile sports
6 pool operations within a casino hotel facility in areas in which
7 mobile gaming under section 100 of P.L.1977, c.110 (5:12-100) is
8 authorized, which provides for a percentage of the casino licensee's
9 gross revenue from mobile gaming to be paid to the casino service
10 industry enterprise licensee shall not be subject to the provisions of
11 this subsection, provided that the agreement shall be in writing,
12 filed with the division, and shall be lawful and effective only if the
13 terms thereof are expressly approved by the division.

14 (13) A written agreement between a casino licensee and a casino
15 service industry enterprise licensed pursuant to subsection a. of
16 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant
17 for such a license, in connection with the conduct of a sports pool,
18 including an online sports pool, mobile sports pool operations
19 within a casino hotel facility in areas in which mobile gaming under
20 section 100 of P.L.1977, c.110 (5:12-100) is authorized, or both,
21 which provides for a percentage of the casino licensee's gross
22 revenue from the operations of a sports pool, including online
23 sports pool and mobile operations, to be paid to the casino service
24 industry enterprise licensee shall not be subject to the provisions of
25 this subsection, provided that the agreement shall be in writing,
26 filed with the division, and shall be lawful and effective only if the
27 terms thereof are expressly approved by the division.

28 b. Each casino applicant or licensee shall maintain, in
29 accordance with the rules of the division, a record of each written or
30 unwritten agreement regarding the realty, construction,
31 maintenance, or business of a proposed or existing casino hotel or
32 related facility. The foregoing obligation shall apply regardless of
33 whether the casino applicant or licensee is a party to the agreement.
34 Any such agreement may be reviewed by the division on the basis
35 of the reasonableness of its terms, including the terms of
36 compensation, and of the qualifications of the owners, officers,
37 employees, and directors of any enterprise involved in the
38 agreement, which qualifications shall be reviewed according to the
39 standards enumerated in section 86 of P.L.1977, c.110 (C.5:12-86).
40 If the division disapproves such an agreement or the owners,
41 officers, employees, or directors of any enterprise involved therein,
42 the division may require its termination.

43 Every agreement required to be maintained, and every related
44 agreement the performance of which is dependent upon the
45 performance of any such agreement, shall be deemed to include a
46 provision to the effect that, if the commission shall require
47 termination of an agreement pursuant to its authority under
48 P.L.1977, c.110 (C.5:12-1 et seq.), such termination shall occur

1 without liability on the part of the casino applicant or licensee or
2 any qualified party to the agreement or any related agreement.
3 Failure expressly to include such a provision in the agreement shall
4 not constitute a defense in any action brought to terminate the
5 agreement. If the agreement is not maintained or presented to the
6 commission in accordance with division regulations, or the
7 disapproved agreement is not terminated, the division may pursue
8 any remedy or combination of remedies provided in this act.

9 For the purposes of this subsection, "casino applicant" includes
10 any person required to hold a casino license pursuant to section 82
11 of P.L.1977, c.110 (C.5:12-82) who has applied to the division for a
12 casino license or any approval required under P.L.1977, c.110
13 (C.5:12-1 et seq.).

14 c. Nothing in this act shall be deemed to permit the transfer of
15 any license, or any interest in any license, or any certificate of
16 compliance or any commitment or reservation.

17 (cf: P.L.2013, c.27, s.14)

18

19 13. Sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through
20 C.5:12A-9) are repealed.

21

22 14. This act shall take effect immediately.

23

24

25

STATEMENT

26

27 This bill would allow casinos in Atlantic City and racetracks in
28 this State to conduct wagering on professional and collegiate sport
29 or athletic events. The Casino Control Commission and the Division
30 of Gaming Enforcement would regulate those operations, generally in
31 line with the current duties of the commission and the division with
32 regard to casinos and their operations. The New Jersey Racing
33 Commission would be involved in approving the operation of a sports
34 pool at a racetrack and any agreement between a casino and a
35 racetrack to jointly operate a sports pool.

36 A casino or racetrack may establish a sports wagering lounge
37 independently at the casino or racetrack, or as a partnership between a
38 casino and a racetrack at a racetrack location. Under the bill, a
39 "racetrack" includes the site of any former racetrack. A former
40 racetrack is defined as any former racetrack where a horse race
41 meeting was conducted within 15 years prior to the effective date of
42 N.J.S.A.5:12-1 et seq., excluding premises other than the physical
43 location of the racecourse oval and the land contained within such
44 racecourse oval. Wagering on sports events will not include wagering
45 on any collegiate sport or athletic event that takes place in New Jersey
46 or on a sport or athletic event in which any New Jersey college team
47 participates regardless of where the event takes place. A "prohibited
48 sports event" does not include the other games of a collegiate sport

1 or athletic tournament in which a New Jersey college team
2 participates, nor does it include any games of a collegiate
3 tournament that occurs outside New Jersey even though some of the
4 individual games or events are held in New Jersey. A prohibited
5 sports event includes all high school sports events but does not
6 include international sports events in which persons under age 18
7 make up a minority of the participants. A licensee or an entity with
8 which the licensee has contracted to conduct a sports wagering
9 operation will be eligible to receive a plenary retail consumption
10 license for the sale of alcoholic beverages in, on or about any
11 premises licensed as a sports lounge.

12 Wagers on a sports event could be placed in-person in a sports
13 wagering lounge located at a casino or racetrack. An operator may
14 also accept wagers by means of the Internet from persons who are
15 not physically present in this State if the division determines that
16 such wagering is not inconsistent with federal law or the law of the
17 jurisdiction, including any foreign nation, in which any such person
18 is located, or such wagering is conducted pursuant to a reciprocal
19 agreement to which the State is a party that is not inconsistent with
20 federal law. Persons placing wagers must be at least 21 years of age.
21 The bill also provides that any person whose name appears on a casino
22 exclusion list or any self-exclusion list of a casino or racetrack would
23 not be permitted to engage in sports wagering. Also excluded from,
24 sports wagering would be officers and employees of an operator, or
25 any relative thereof living in the same household as the operator,
26 anyone with access to nonpublic confidential information held by
27 the operator, and anyone who is an agent or proxy for any other
28 person.

29 Any person who is an athlete, coach, referee, team owner,
30 employee of a sports governing body or its member teams, a player
31 or referee personnel member, on any sports event overseen by that
32 person's sports governing body based on publicly available
33 information, a person with access to certain types of exclusive
34 information, or a person identified by any lists provided by the
35 sports governing body to the division and the racing commission
36 would not be permitted to have any ownership interest in, control
37 of, or otherwise be employed by an operator or a facility in which a
38 sports wagering lounge is located or to place a wager on a sports
39 event. Any person who violates this provision will be guilty of a
40 disorderly persons offense and fined not less than \$500 not more
41 than \$1,000.

42 An operator will immediately report to the division any criminal
43 or disciplinary proceedings commenced against the operator in
44 connection with its operations, any abnormal betting activity or
45 patterns that may indicate a concern about the integrity of a sports
46 event, any potential breach of a sports governing body's rules or
47 codes of conduct that pertain to sports wagering, any conduct that
48 corrupts a betting outcome of a sports event for purposes of

1 financial gain, including but not limited to match fixing, and
2 suspicious or illegal wagering activities, including the use of funds
3 derived from illegal activity, using agents to place wagers, or using
4 false identification.

5 An operator will maintain records of all wagers, including
6 personally identifiable information of the bettor, the amount and
7 type of bet, the time and date that the bet was placed, the location
8 where the bet was made, including an IP address if applicable, the
9 outcome of the bet, records of abnormal betting activity, and video
10 camera recordings in the case of in-person wagers, for a period of
11 not less than three years from the date of the sports event on which
12 the wager was placed. Records will be confidential but made
13 available to the division upon request or to any party pursuant to a
14 court order. If a sports governing body notifies the division that
15 real-time information sharing for wagers placed on its sports events
16 is necessary, an operator will share in real time the information
17 required by this subsection, other than video files, with the
18 governing body or its designee

19 A casino or racetrack will be required to demonstrate that it has the
20 necessary financial responsibility and good character to operate a
21 sports pool. The Division of Gaming Enforcement and the New Jersey
22 Racing Commission will have responsibility for licensing and will
23 promulgate regulations for the conduct and operation of the sports
24 wagering activities. The New Jersey Racing Commission would also
25 be involved in approving the operation of a sports pool at a racetrack
26 and any agreement between a casino and a racetrack to jointly operate
27 a sports pool. The bill provides that, in promulgating rules and
28 regulations, the division would examine the rules and regulations
29 currently in place in states conducting sports wagering, and would
30 model such regulatory frameworks as far as practicable. Persons
31 engaged in wagering activities for a casino or racetrack will be either
32 licensed as casino key employees or registered as casino employees.

33 Under the bill, sports wagering gross revenue realized by a casino
34 or a racetrack would be subject to an 8 percent gross revenue tax, the
35 proceeds of which are dedicated to programs for senior citizens and
36 disabled residents. An investment alternative tax rate of 2.5 percent
37 with an investment alternative of 1.25 percent will apply to a casino,
38 except that sums received from Internet wagering on sports events
39 shall be taxed as provided in N.J.S.A.5:12-95.19. Sports wagering
40 gross revenue realized by a racetrack will be subject to an
41 additional tax of 1.25 percent on amounts actually received from a
42 sports wagering operation with 0.75 percent paid to the
43 municipality and 0.5 percent paid to the county in which the sports
44 wagering lounge is located or to an economic development
45 authority of that municipality and county, as determined by the
46 governing body of the municipality or county, with those amounts
47 used for economic development purposes, except that sums received
48 from Internet wagering on sports events shall be taxed as provided

S2602 SWEENEY, VAN DREW

18

1 in N.J.S.A.5:12-95.19. Also, a percentage of the fee paid for a license
2 to operate a sports pool will be appropriated by the Legislature to the
3 Department of Health and Senior Services to provide funds for
4 compulsive gambling treatment and prevention programs, with the
5 percentage determined by the division.

6 The bill repeals 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through
7 C.5:12A-9) which partially repealed certain provisions of a prior
8 law that had authorized sports betting.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2602

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 4, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2602, with committee amendments.

As amended, this bill would allow casinos in Atlantic City and racetracks in this State to conduct wagering on professional and collegiate sports or athletic events.

A casino or racetrack may establish a sports wagering lounge independently at the casino or racetrack, or as a partnership between a casino and a racetrack at a racetrack location. Under the bill, a “racetrack” includes the site of any former racetrack. A former racetrack is defined as any former racetrack where a horse race meeting was conducted within 15 years prior to the effective date of N.J.S.A.5:12A-7 et seq. Wagering on sports events will not include wagering on any collegiate sport or athletic event that takes place in New Jersey or on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place. A “prohibited sports event” does not include the other games of a collegiate sport or athletic tournament in which a New Jersey college team participates, nor does it include any games of a collegiate tournament that occurs outside New Jersey even though some of the individual games or events are held in New Jersey. A prohibited sports event includes all high school sports events but does not include international sports events in which persons under age 18 make up a minority of the participants. A licensee or an entity with which the licensee has contracted to conduct a sports wagering operation will be eligible to receive a plenary retail consumption license for the sale of alcoholic beverages in, on, or about any premises licensed as a sports lounge.

Wagers on a sports event could be placed in-person in a sports wagering lounge located at a casino or racetrack. Thirty days after the effective date of the bill, an operator may also accept wagers by means of the Internet, including from persons who are not physically present in this State if the division determines that such wagering is not inconsistent with federal law or the law of the jurisdiction, including any foreign nation, in which any such person is located, or such wagering is conducted pursuant to a reciprocal agreement to which the State is a party that is not inconsistent with federal law. Persons

placing wagers must be at least 21 years of age. The bill also provides that any person whose name appears on a casino exclusion list or any self-exclusion list of a casino or racetrack would not be permitted to engage in sports wagering. Also excluded from sports wagering would be the operator, director, officer, owner, or employee of the operator or any relative thereof living in the same household, anyone with access to nonpublic confidential information held by the operator, and anyone who is an agent or proxy for any other person.

Any person who is an athlete, coach, referee, team owner, employee of a sports governing body or its member teams, a player or referee personnel member, on any sports event overseen by that person's sports governing body based on publicly available information, a person with access to certain types of exclusive information, or a person identified by any lists provided by the sports governing body to the division and the racing commission would not be permitted to place a wager on a sports event or to have any ownership interest in, control of, or otherwise be employed by an operator, a sports wagering licensee, or a facility in which a sports wagering lounge is located that is overseen by that person's sports governing body. Any person who violates this provision will be guilty of a disorderly persons offense and fined not less than \$500 but not more than \$1,000.

An operator will immediately report to the division any criminal or disciplinary proceedings commenced against the operator in connection with its operations, any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event, any potential breach of a sports governing body's rules or codes of conduct that pertain to sports wagering, any conduct that corrupts a betting outcome of a sports event for purposes of financial gain, including but not limited to match fixing, and suspicious or illegal wagering activities, including the use of funds derived from illegal activity, using agents to place wagers, or using false identification.

An operator will maintain records of sports wagering operations in accordance with regulations promulgated by the division.

A casino or racetrack will be required to demonstrate that it has the necessary financial responsibility and good character to operate a sports pool. The division and the racing commission will have responsibility for licensing. The bill provides that, in promulgating rules and regulations, the division may examine the rules and regulations currently in place in states conducting sports wagering, and may model such regulatory frameworks as far as practicable. Persons engaged in wagering activities for a casino or racetrack will be either licensed as casino key employees or registered as casino employees.

Under the bill, sports wagering revenue realized by a casino, less the amount paid out as winnings, will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events, less the amount paid out as winnings, will be subject to a 13 percent

tax, which will be paid to the Casino Revenue Fund. Sports wagering revenue realized by a casino will also be subject to the investment alternative tax established by section 3 of P.L.1984, c.218 (C.5:12-144.1), and the funds will be used exclusively for the Meet Atlantic City marketing program. The sums actually received by the horse racing permit holder from any sports wagering operation, either jointly established with a casino or established independently or with non-casino partners, less only the total of all sums actually paid out as winnings to patrons, will be subject to an 8.5 percent tax, except that sums received from Internet wagering on sports events, less only the total of all sums actually paid out as winnings to patrons, will be subject to a 13 percent tax, to be collected by the division and paid to the State General Fund. Sums received by the horse racing permit holder will be subject to an additional tax of 1.25 percent on amounts received less the amount paid out as winnings from a sports wagering operation. Also, a percentage of the fee paid for a license to operate a sports pool will be appropriated by the Legislature to the Department of Health to provide funds for compulsive gambling treatment and prevention programs, with the percentage determined by the division.

It is the committee's intent that prior to the promulgation of permanent rules by the division, the division will consult and meet with the professional sports leagues that play either games or tournaments within this State and our contiguous states. The purpose of the consultation will be to share information on the types of bets permitted for each sport and enforcement of the same.

The bill repeals sections 1, 2, and 4 of P.L.2014, c.62 (C.5:12A-7 through C.5:12A-9), which partially repealed certain provisions of a prior law that had authorized sports betting.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- limit the definition of a former racetrack to the land within the racecourse oval;
- include Olympic or international sports competition events in the definition of "sports event";
- permit sports wagering licensees and operators to provide promotional credits, incentives, bonuses, complimentary, or similar benefits designed to induce sports betters to wager, subject to rules of the division;
- allow temporary sports pool facilities to use designated windows at a current casino cage or racetrack betting window for the purpose of placing sports wagers and self-service wagering machines at the racetrack or casino hotel complex;
- direct the division and the racing commission to issue an annual report of the impact of sports wagering on problem gamblers and gambling addiction in this State;
- adjust limits on person associated with sports governing bodies or member teams that limit ability to wager on sports events or have an

interest in an operator, licensee, or facility;

- allow the division to accept wagers from persons in other jurisdictions if consistent with federal and state law;

- grant the division emergency rulemaking power;

- give a right of first refusal to current racetrack employees for jobs at a sports pool at the same racetrack;

- provide that for casinos the tax rate on sports wagering will be 8.5 percent, except that the tax rate will be 13 percent for Internet wagering, paid to the Casino Revenue Fund;

- provide that for racetracks the tax rate on sports wagering will be 8.5 percent, except that the tax rate will be 13 percent for Internet wagering, paid to the State General Fund;

- provide that the 1.25 percent tax on amounts received by racetracks from a sports wagering operation will be on the amount received less the amount paid out as winnings and will be paid to the Division of Local Government Services to be distributed, upon application, to a municipality or county in which a racetrack is located to be used for economic development purposes;

- clarify the location of racetrack and casino equipment used to accept wagers; and

- provide that provisions allowing online or Internet sports wagering will take effect 30 days after the effective date.

FISCAL IMPACT:

The estimated State tax revenues that could be generated from sports betting are projected to range between \$12 million and \$17 million in the first full year of operation. To the extent that the start of operations will be delayed, tax revenues will be lower accordingly in FY 2019. This estimate is predicated upon assumptions regarding the percentage of the adult population that places wagers on sports (28 percent), a projection of the average low and high annual spending on sports wagers (\$1,500 and \$1,700), and tax rates in accordance with the provisions in the legislation: 8.5 percent tax rate on gross revenue for in-person wagering at a casino, a 13 percent tax rate on internet wagering on sports, and an estimate for unclaimed winning tickets, “expired obligations.”

STATEMENT TO
[First Reprint]
SENATE, No. 2602

with Senate Floor Amendments
(Proposed by Senator SWEENEY)

ADOPTED: JUNE 7, 2018

These Senate amendments:

eliminate a provision which would prohibit issuance of a license to operate a sports pool to any person that operated a sports pool in New Jersey within one year prior to the bill's enactment;

provide that investment alternative tax on casino sports wagering will go for tourism and marketing for the City of Atlantic City instead of the Meet Atlantic City marketing program;

provide that the Division of Gaming Enforcement will issue initial sports wagering licenses and renewals thereof to casinos and the New Jersey Racing Commission will issue initial sports wagering licenses to racetracks but the division will be responsible for renewals thereof;

provide that the initial license fee will be \$100,000 but that the renewal fee will be a reasonable fee to cover costs associated with renewal, enforcement, and gambling addiction;

remove a provision providing for a no-cost plenary retail consumption license; and

permit team owners to be licensed to conduct sports wagering but provide that if they own an interest of 10 percent or more they will not be allowed to place or accept wagers on any event in which a member team of their sports governing body participates.

State of New Jersey

Governor Phil Murphy

Governor Murphy Signs Sports Betting Legislation

06/11/2018

TRENTON – Today, Governor Phil Murphy signed Assembly Bill 4111, allowing sports betting at New Jersey casinos and racetracks for certain professional and collegiate sports or athletic events.

“Today, we’re finally making the dream of legalized sports betting a reality for New Jersey,” said **Governor Murphy**. “I’m thrilled to sign Assembly Bill 4111 because it means that our casinos in Atlantic City and our racetracks throughout our state can attract new business and new fans, boosting their own long-term financial prospects. This is the right move for New Jersey and it will strengthen our economy.”

Under the legislation, a licensed casino or racetrack may accept wagers at a sports wagering lounge at its respective premises, and can petition to operate a sports pool at a temporary facility during the construction of a sports wagering lounge. In addition, licensed casinos and racetracks can seek to operate an online sports pool beginning 30 days after the effective date of the bill.

Individuals placing wagers must be at least 21 years of age. The bill also provides that athletes, coaches, referees, and other persons with potential influence or access to non-public information regarding sporting events, are prohibited from placing bets on sporting events overseen by the league in which they participate. Additionally, wagers cannot be placed on high school sporting events or collegiate athletic events taking place in New Jersey or involving New Jersey teams.

The bill authorizes the Division of Gaming Enforcement and the New Jersey Racing Commission to issue emergency regulations for a period of up to 270 days to govern sports betting. These regulations are to allow for already-licensed casinos and racetracks to apply for a transactional waiver that will enable them to commence sports betting.

The estimated State tax revenues that could be generated from sports betting are projected at approximately \$13 million in the first full year of operation.

Bill sponsors include Assembly Members Eric Houghtaling, John J. Burzichelli, Joann Downey, Ralph R. Caputo, Raj Mukerji, Paul D. Moriarity as well as Senate President Steve Sweeney and Senators Jeff Van Drew and Vin Gopal.

On Wednesday June 13th, the New Jersey Racing Commission will hold a meeting to review regulations related to the establishment of sports betting at New Jersey racetracks. Following the Racing Commission adopting regulations, the Governor will be able to ratify the Racing Commission’s decision and licensed racetracks will then be able to apply for a temporary waiver to commence sports betting.



[Back to Top](#)

Powered by [Google Translate \(https://translate.google.com\)](https://translate.google.com)

[Translator Disclaimer \(/governor/disclaimer.shtml\)](/governor/disclaimer.shtml)

Governor Phil Murphy

[Home \(/governor/\)](/governor/)

Administration

[Governor Phil Murphy \(/governor/admin/about/\)](/governor/admin/about/)

[Lt. Governor Sheila Oliver \(/governor/admin/lt/\)](/governor/admin/lt/)

[First Lady Tammy Snyder Murphy \(/governor/admin/fl/\)](/governor/admin/fl/)

[Cabinet \(/governor/admin/cabinet/\)](/governor/admin/cabinet/)

[Boards, Commissions & Authorities \(/governor/admin/bca/\)](/governor/admin/bca/)

[Internship Opportunities \(/governor/admin/internship.shtml\)](/governor/admin/internship.shtml)

[Governor's Residence - Drumthwacket \(http://drumthwacket.org/\)](http://drumthwacket.org/)

Key Initiatives

[Economy & Jobs \(/governor/initiatives/#Economy\)](/governor/initiatives/#Economy)

[Education \(/governor/initiatives/#Education\)](/governor/initiatives/#Education)

[Environment \(/governor/initiatives/#Environment\)](/governor/initiatives/#Environment)

[Health \(/governor/initiatives/#Health\)](/governor/initiatives/#Health)

[Law & Justice \(/governor/initiatives/#Justice\)](/governor/initiatives/#Justice)

[Transportation \(/governor/initiatives/#Transportation\)](/governor/initiatives/#Transportation)

News & Events

[Press Releases \(/governor/news/news/562019/approved/news_archive.shtml\)](/governor/news/news/562019/approved/news_archive.shtml)

[Public Addresses \(/governor/news/addresses/\)](/governor/news/addresses/)

[Executive Orders \(//nj.gov/infobank/eo/\)](http://nj.gov/infobank/eo/)

[Statements on Legislation](#)

[\(/governor/news/statements/approved/statements_archive.shtml\)](/governor/news/statements/approved/statements_archive.shtml)

[Administration Reports \(/governor/news/adminreports/approved/archive.shtml\)](/governor/news/adminreports/approved/archive.shtml)

[Transition Reports \(/governor/news/reports/approved/reports_archive.shtml\)](/governor/news/reports/approved/reports_archive.shtml)

[Press Kits \(/governor/news/press/\)](/governor/news/press/)

Social

[Facebook \(https://www.facebook.com/governorphilmurphy/\)](https://www.facebook.com/governorphilmurphy/)

[Twitter \(https://twitter.com/GovMurphy\)](https://twitter.com/GovMurphy)

[Instagram \(https://www.instagram.com/govmurphy/\)](https://www.instagram.com/govmurphy/)

[Snapchat \(https://www.snapchat.com/add/philmurphy\)](https://www.snapchat.com/add/philmurphy)

[YouTube \(https://www.youtube.com/njgovernorsoffice\)](https://www.youtube.com/njgovernorsoffice)

Contact Us

[Scheduling Requests \(/governor/contact/scheduling/\)](/governor/contact/scheduling/)

[Contact Us \(/governor/contact/all/\)](/governor/contact/all/)

Statewide

[NJ Home \(//www.nj.gov\)](http://www.nj.gov)

[Services A to Z \(//www.nj.gov/nj/gov/njgov/alphaserv.html\)](http://www.nj.gov/nj/gov/njgov/alphaserv.html)

[Departments/Agencies \(//www.nj.gov/nj/gov/deptserv/\)](http://www.nj.gov/nj/gov/deptserv/)

[FAQs \(//www.nj.gov/faqs/\)](http://www.nj.gov/faqs/)

[Contact Us \(//www.nj.gov/nj/feedback.html\)](http://www.nj.gov/nj/feedback.html)

[Privacy Notice \(//www.nj.gov/nj/privacy.html\)](http://www.nj.gov/nj/privacy.html)

[Legal Statement & Disclaimers \(//www.nj.gov/nj/legal.html\)](http://www.nj.gov/nj/legal.html)

[Accessibility Statement \(//www.nj.gov/nj/accessibility.html\)](http://www.nj.gov/nj/accessibility.html)

[\(//nj.gov/opra/\)](http://nj.gov/opra/)

[\(//nj.gov/transparency/\)](http://nj.gov/transparency/)

Copyright © State of New Jersey, 1996-2018
Office of Governor PO Box 001
Trenton, NJ 08625
609-292-6000

[\(https://tech.nj.gov/\)](https://tech.nj.gov/)