SENATE CONCURRENT RESOLUTION No. 134

STATE OF NEW JERSEY

216th LEGISLATURE

INTRODUCED SEPTEMBER 15, 2014

Sponsored by:
Senator JOSEPH PENNACCHIO
District 26 (Essex, Morris and Passaic)

WITHDRAWN

SYNOPSIS

Proposes constitutional amendment giving Legislature authority to establish slot machine gambling at horse racetracks; dedicates revenues derived to support State-administered defined benefit retirement systems and improvements to Atlantic City.

CURRENT VERSION OF TEXT

As introduced.

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

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

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

PROPOSED AMENDMENT

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

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

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

B. It shall be lawful for the Legislature to authorize, by law, bona fide veterans, charitable, educational, religious or fraternal organizations, civic and service clubs, senior citizen associations or clubs, volunteer fire companies and first-aid or rescue squads to conduct games of chance of, and restricted to, the selling of rights

WITHDRAWN

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 <u>thus</u> is new matter.

to participate, and the awarding of prizes, in the specific kinds of games of chance sometimes known as raffles, conducted by the drawing for prizes or by the allotment of prizes by chance, when the entire net proceeds of such games of chance are to be devoted to educational, charitable, patriotic, religious or public-spirited uses, and in the case of bona fide veterans' organizations and senior citizen associations or clubs to the support of such organizations, in any municipality, in which such law shall be adopted by a majority of the qualified voters, voting thereon, at a general or special election as the submission thereof shall be prescribed by law and for the Legislature, from time to time, to restrict and control, by law, the conduct of such games of chance;

C. It shall be lawful for the Legislature to authorize the conduct of State lotteries restricted to the selling of rights to participate therein and the awarding of prizes by drawings when the entire net proceeds of any such lottery shall be for State institutions and State aid for education; provided, however, that it shall not be competent for the Legislature to borrow, appropriate or use, under any pretense whatsoever, lottery net proceeds for the confinement, housing, supervision or treatment of, or education programs for, adult criminal offenders or juveniles adjudged delinquent or for the construction, staffing, support, maintenance or operation of an adult or juvenile correctional facility or institution;

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

It shall also be lawful for the Legislature to authorize by law wagering at casinos or gambling houses in Atlantic City on the results of any professional, college, or amateur sport or athletic event, except that wagering shall not be permitted on a college 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;

WITHDRAWN

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

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

It shall also be lawful for the Legislature to authorize by law wagering at current or former running and harness horse racetracks in this State on the results of any professional, college, or amateur sport or athletic event, except that wagering shall not be permitted on a college 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.

<u>G. It shall be lawful for the Legislature to authorize, by law, the specific kind, restrictions, and control of gambling through the operation of slot machines at racetracks at which running or harness horse races are conducted. The State's share of revenues derived from such slot machine gambling shall be dedicated as follows: 83 percent, that shall be deposited as received, into the contingent reserve funds of the State-administered defined benefit retirement systems for public employees to support the State's annual contribution to these systems or into an account to support the payment of debt service on pension obligation bonds, as the Legislature shall provide by law; and 17 percent to fund programs to improve the business environment and tourism climate of Atlantic City as the Legislature shall provide by law.</u>

(cf: Art. IV, Sec. VII, par. 2, amended effective December 5, 2013)

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

WITHDRAWN

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

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

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

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

b. In every municipality the following question:

	YES	CONSTITUTIONAL AMENDMENT TO ALLOW SLOT MACHINE GAMBLING AT HORSE RACETRACKS Do you approve amending the New Jersey Constitution to permit slot machine gambling at New Jersey horse racetracks? Currently, slot machine gambling is only allowed in Atlantic City.
	NO	INTERPRETIVE STATEMENT This amendment would allow the Legislature to pass laws permitting slot machine gambling at New Jersey horse racetracks. The laws would provide for the specific kinds of slot machines and control and regulate their use. The State's share of revenues from slot machine gambling would be dedicated as follows: 83 percent to support the pension plans run by the State for public employees or to pay for the cost of pension obligation bonds; and 17 percent for programs to improve business and tourism in Atlantic City. Currently, slot machine gambling in New Jersey is permitted only in Atlantic City.

WITHDRAWN

STATEMENT

This constitutional amendment would give the Legislature authority to establish slot machine gambling at horse racetracks. Upon approval of this amendment, the Legislature would pass a law prescribing the specific kind, restrictions, and control of operations

of such slot machine gambling. The State's share of revenues derived from such slot machine gambling would be dedicated as follows: 83 percent, to be deposited as received, into the contingent reserve funds of the State-administered defined benefit retirement systems to support the State's annual contribution to these systems or into an account to support the payment of debt service on pension obligation bonds as the Legislature will provide by law; and 17 percent to fund programs to improve the business environment and tourism climate of Atlantic City as the Legislature will provide by law.

The operation of slot machines at horse racetracks would be mutually beneficial to both the casino industry and the horse racing industry. Racetrack slot machine gambling would provide an opportunity for casino industry operators to expand beyond the boundaries of Atlantic City and reach patrons who may not otherwise consider traveling to that city to engage in gambling activities. For the racetrack industry, the slot machines would increase attendance, drawing patrons who may not otherwise consider traveling to racetracks at which horse racing is the sole activity on which to wager. Additionally, the State would benefit from this mutually beneficial casino industry-racing industry relationship, through increased tax revenue generated directly and indirectly by new racetrack slot machine operations.

WITHDRAWN