

# ASSEMBLY RESOLUTION No. 41

## STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

**Sponsored by:**

**Assemblywoman JOANN DOWNEY**

**District 11 (Monmouth)**

**Assemblyman ERIC HOUGHTALING**

**District 11 (Monmouth)**

**SYNOPSIS**

Urges United States Congress to lift ban on sports wagering.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



AR41 DOWNEY, HOUGHTALING

2

1    **AN ASSEMBLY RESOLUTION** urging the United States Congress to  
2       lift the federal ban on sports wagering.  
3  
4    **WHEREAS**, In 1992, Congress enacted the Professional and  
5       Amateur Sports Protection Act (PASPA), which prohibits sports  
6       wagering conducted by, or authorized under the law of, any  
7       State or other governmental entity; and  
8    **WHEREAS**, Under the terms of PASPA, Nevada is the only state that  
9       can offer single-game sports wagering, and Nevada's economy has  
10      prospered as a result of its sports wagering industry; and  
11   **WHEREAS**, According to a study conducted by the Center for Gaming  
12      Research at the University of Nevada, Las Vegas, about \$72.5  
13      billion has been legally wagered on sports in Nevada since 1992;  
14      and  
15   **WHEREAS**, In Nevada, bettors wagered approximately \$132.5 million  
16      on Super Bowl 50, and Super Bowl weekend generated additional  
17      non-gaming revenue, as the game attracted an estimated 296,000  
18      visitors to the Las Vegas area; and  
19   **WHEREAS**, While nearly \$4 billion is bet on sports legally in Las  
20      Vegas annually, as much as \$380 billion is wagered illegally  
21      through a shadow industry of offshore online betting houses, office  
22      pools, and neighborhood bookmakers; and  
23   **WHEREAS**, The federal sports wagering ban is not effective in curbing  
24      illegal sport gambling, so lifting the ban on sports wagering would  
25      allow state gaming enforcement agencies to properly regulate and  
26      police this activity; and  
27   **WHEREAS**, In November 2011, New Jersey voters overwhelmingly  
28      approved a Statewide referendum that provided an exception to the  
29      State Constitution's prohibition on gambling to allow wagering on  
30      sports; and  
31   **WHEREAS**, The State of New Jersey would benefit significantly from  
32      an end to the federal ban, as sports wagering at Atlantic City  
33      casinos would be subject to taxation, thereby generating more  
34      income for the State; and  
35   **WHEREAS**, An end to the federal ban on sports wagering would  
36      breathe new life into the State's horse racing industry, as  
37      Monmouth Park Racetrack was set to open the State's first  
38      sportsbook on October 26, 2014, until a federal court issued an  
39      injunction barring sports wagering in New Jersey because of  
40      PASPA; and  
41   **WHEREAS**, The legalization of sports wagering at the State's casinos  
42      and racetracks would enhance Atlantic City as a gaming and  
43      tourism destination and revitalize New Jersey's horse racing  
44      industry; now, therefore,  
45  
46        **BE IT RESOLVED** *by the General Assembly of the State of New*  
47       *Jersey:*

## AR41 DOWNEY, HOUGHTALING

3

1. This House respectfully urges the United States Congress to repeal the federal ban on sports wagering.

2. Copies of this resolution, as filed with the Secretary of State, shall be transmitted by the Clerk of the General Assembly to the Speaker and Minority Leader of the United States House of Representatives, the Majority and Minority Leaders of the United States Senate, and to each member of Congress elected from this State.

## STATEMENT

This Assembly resolution urges the United States Congress to lift the federal ban on sports wagering.

Sports wagering is currently illegal under the “Professional and Amateur Sports Protection Act,” (28 U.S.C. s.3701 et seq.); although, when the act took effect on January 1, 1993, it grandfathered the states of Nevada, Oregon, Delaware, and Montana, and gave New Jersey one year to enact a law to authorize sports wagering. New Jersey failed to authorize sports wagering before January 1, 1994 and therefore is subject to PASPA’s ban on sports wagering. Nevada is currently the only state where single-game sports wagering is legal, regulated, policed, and taxed.

Although sports wagering is illegal under federal law, the prohibition has failed to curb that activity. It is estimated that Americans wager about \$380 billion each year on sports alone, and the legal wagers on sporting events placed in Nevada amount to a miniscule percentage of that total. By legalizing sports wagering, state gaming enforcement agencies could finally regulate and police this illegal activity, and states could also tax it to generate additional revenue for important programs and initiatives. The legalization of sports wagering would enhance Atlantic City as a gaming and tourism destination and revitalize New Jersey's horse racing industry.