

ASSEMBLY TOURISM, GAMING AND THE ARTS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 637

STATE OF NEW JERSEY

DATED: MARCH 5, 2020

The Assembly Tourism, Gaming and the Arts Committee reports favorably Assembly Bill No. 637

This bill revises the definitions of certain sports events, revises the license processes for sports pools operators and online sports pool operators, and allows for a transactional waiver for a sports wagering lounge.

This bill requires companies that supply sports wagering equipment or services to casinos, racetracks, or online sports wagering operators to obtain a license as a casino service industry enterprise prior to conducting any business. The bill establishes a process for vendors to expand on the initial casino service industry enterprise license to supply sports wagering equipment and services.

Under existing law, the term “sports event” includes a wide variety of events. This bill expands the list of sporting events to include any skill-based attraction, including awards competitions and competitive eating contests. The director of the Division of Gaming Enforcement is required to certify that any sporting event approved for wagering has the appropriate policies and procedures in place to monitor the integrity of the sporting event. In the absence of such policies and procedures, the director will impose a wager limit not more than \$100 or a win limit of \$500, whichever is greater.

Under existing law, certain events, such as high school sporting events, are considered “prohibited sports events” and cannot be wagered on. This bill expands on “prohibited sports events” to include electronic sports competitions sponsored by or affiliated with high schools or competitions in which the majority of competitors are under the age of 18. The bill also clarifies the age limit regarding certain sports events to accommodate the growing trend of younger competitors in the video gaming community.

In response to the growing online sports wagering industry, this bill allows for a transactional waiver period of six months for racetracks with a sports wagering lounge to continue accepting bets. This allows the racetracks to continue normal operations while adding online sports wagering operations and obtaining the additional licenses from the racing commission and the Division of Gaming Enforcement. The bill allows for a renewal of the transactional waiver up to three

one-year periods following the initial waiver, at the discretion of the division.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.