

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3090

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3090, with committee amendments.

As amended, the bill authorizes fixed odds wagering on horse races through one or more fixed odds wagering systems.

This bill authorizes fixed odds wagering on horse races and provides that the New Jersey Division of Gaming Enforcement may issue a license to the New Jersey Sports and Exposition Authority to establish a system. Under the bill, fixed odds wagering may be conducted through a fixed odds wagering system by fixed odds wagering account holders.

The bill authorizes the division to consider an application by the authority to establish the system.

The bill provides that the authority may enter into a contract or agreement with a person or entity to conduct or operate the system, and may transfer the license to a successor in interest upon approval of the division and the Attorney General.

The bill also prescribes certain conditions for the establishment of the system, including, but not limited to, the requirement for: (a) a fixed odds wagering account holder to be at least 18 years of age, and physically present in this State; (b) necessary documentation to be submitted by an applicant for a fixed odds wagering account in order to open the fixed odds wagering account and place wagers through the fixed odds wagering system; (c) the types of credits and debits that may be made to a fixed odds wagering account by the authority and the fixed odds wagering account holder; and (d) the manner in which wagers may be placed, in person, by direct telephone call, or by communication through other electronic media.

The bill further provides that the division would promulgate the necessary rules and regulations with respect to fixed odds wagering, including, but not limited to, the manner in which fixed odds wagers may be accepted; the requirements for any person to participate in fixed odds wagering; conditions under which the fixed odds wagering license is issued or renewed in this State; performance of an annual audit of the fixed odds wagering licensee's books and records pertaining to fixed odds wagering; and the licensing of employees engaged in conducting wagering related activities.

As amended by the committee, this bill is identical to Assembly Bill No. 4909.

COMMITTEE AMENDMENTS:

The committee amendments correct a technical error in subsection a. of section 12 of the bill.

FISCAL IMPACT:

The Office of Legislative Services anticipates that the bill will increase annual State administrative expenditures by an indeterminate amount ascribable to the oversight and regulation of fixed odds wagering, including the licensing of operators and employees of fixed odds wagering systems. Furthermore, annual State revenue will rise by an indeterminate amount from application fees collected for one-year licenses for operators and employees of fixed odds wagering systems and the distribution of gamblers' dormant fixed odds wagering account balances as well as expired tickets. Depending on circumstances, the State share of dormant account and expired ticket distributions may be credited to the General Fund or the off-budget New Jersey Racing Industry Special Fund.