

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE CONCURRENT RESOLUTION No. 133

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Concurrent Resolution No. 133, with committee amendments.

As amended, the concurrent resolution amends the State Constitution to permit sports wagering through casinos and current or former horse racetracks on all collegiate athletic competitions.

The concurrent resolution permits wagering even if a collegiate athletic event occurs in New Jersey or if such event includes a New Jersey college team.

COMMITTEE AMENDMENTS:

The committee amendments:

(1) remove all restrictions on what college athletic events may be wagered on;

(2) provide that all college athletic events may be wagered on, even if the event occurs in New Jersey or includes a New Jersey college team; and

(3) remove the requirement that the college athletic events would need to be sanctioned by a nonprofit collegiate athletic association led by its members.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the concurrent resolution will annually increase State revenues deposited into the Casino Revenue Fund and the General Fund, as well as the revenues received by the Casino Reinvestment Development Authority (CRDA) and certain local government units.

These revenue increases would result from the expansion of the sports wagering tax base to include wagers placed on collegiate sporting events that take place in the State or in which a New Jersey college team participates. Currently, the State Constitution prohibits sports wagering on these events. The OLS assumes that the total volume of sports wagers will be increased by this expansion, thereby increasing (1) the sports wagering revenues generated by licensed casinos and racetracks, and (2) the total tax liabilities of those entities.

Given that the OLS cannot predict the number of in-State collegiate sporting events that will occur annually or the number of events involving New Jersey teams on which people will wager and in what amounts, the OLS is unable to quantify the magnitude of the anticipated revenue increases that would result from the concurrent resolution.