

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

[First Reprint]

SENATE CONCURRENT RESOLUTION No. 133

STATE OF NEW JERSEY

DATED: JUNE 22, 2021

The Assembly Budget Committee reports favorably Senate Concurrent Resolution No. 133 (1R).

The concurrent resolution proposes to amend the State Constitution to permit wagering through casinos and current or former horse racetracks on all collegiate sporting events, including 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 any collegiate sporting or athletic event that is held in New Jersey on in which a New Jersey college team participates. Wagering is permitted only through casinos and current or former racetracks.

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 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 collegiate sporting events that will occur in the State 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 adoption of the current resolution.