P.L. 2021, CHAPTER 193, approved August 5, 2021 Assembly, No. 4909 (First Reprint)

AN ACT concerning the placement of wagers on horse races, and
 supplementing chapter 5 of Title 5 of the Revised Statutes and
 amending P.L.2002, c.89.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

6 7

4 5

8 1. (New section) This act shall be known and may be cited as9 the "Fixed Odds Wagering Act."

10 11

2. (New section) The Legislature finds and declares that:

a. The horse racing industry is economically important to this
State, and the general welfare of the people of the State will be
promoted by the advancement of horse racing and related projects
and facilities in the State.

b. It is the intent of the Legislature, by authorizing fixed odds
wagering, to promote the economic future of the horse racing
industry in this State, to foster the potential for increased
commerce, employment, and recreational opportunities in this State
and to preserve the State's open spaces.

c. It is the further intent of the Legislature that fixed odds
wagers may be taken in person, by direct telephone call, or by
communication through other electronic media from residents of
this State on horse races conducted within and outside of this State.

d. It is the further intent of the Legislature to permit persons
located in New Jersey who are not residents or account holders to
wager on fixed odds at racetracks in person or by electronic means.

e. The Legislature has determined that the Division of Gaming
Enforcement, in consultation with the New Jersey Racing
Commission, is best suited to oversee, license, and regulate fixed
odds wagering in the State.

32 33

3. (New section) As used in this act:

¹"Advance deposit wagering" means a form of horse racing
 wagering in which account holders must fund their account before
 being permitted to place bets and refers to a fixed odds wagering

37 <u>licensee.</u>¹

Matter underlined <u>thus</u> is new matter.

EXPLANATION – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter enclosed in superscript numerals has been adopted as follows: ¹Senate floor amendments adopted June 21, 2021.

1 "Authority" means the New Jersey Sports and Exposition Authority created by section 4 of P.L.1971, c.137 (C.5:10-4). 2 3 "Division" means the New Jersey Division of Gaming Enforcement in the New Jersey Department of Law and Public 4 5 Safety created by section 55 of P.L.1977, c.110 (C.5:12-55). "Fixed odds wagering" means a form of horse racing wagering 6 7 against odds offered by a bookmaker in which account holders may 8 lock in their odds when the bet is first placed and no fluctuation in 9 potential payout may occur. 10 "Fixed odds wagering account" means the account established 11 with the fixed odds wagering licensee by a person participating in 12 fixed odds wagering. "Fixed odds wagering licensee" means the authority, provided 13 14 that the division has granted its approval for the authority or a 15 racetrack permit holder to establish fixed odds wagering as 16 provided for in this act, P.L., c. (pending before the Legislature 17 as this bill). 18 "Fixed odds wagering system" means a system through which 19 fixed odds wagers are processed. ¹"Internet sports pool operator" means an entity that is licensed 20 21 as a casino service industry enterprise pursuant to section 92 of 22 P.L.1977, c.110 (C.5:12-92) and that holds a permit issued by the 23 division to operate an online sports pool.¹ 24 "Operating board" means the board established to negotiate, 25 manage, and oversee any agreements made for the purposes of 26 operating an account wagering system, off-track wagering facility, 27 exchange wagering system, or fixed odds wagering system. "Participation agreement" means the written contract entered into 28 29 pursuant to this act, P.L., c. (pending before the Legislature as 30 this bill), that shall set forth the manner in which the fixed odds 31 wagering system shall be managed, operated, and capitalized, as 32 well as how expenses and revenues shall be allocated and 33 distributed by and among the authority and the other eligible 34 participants subject to the agreement, including standardbred and 35 thoroughbred permit holders in this State. 36 "Permit holder" means the holder of an annual permit to conduct 37 a horse race meeting issued by the commission. 38 39 4. (New section) Notwithstanding any law, rule, or regulation 40 to the contrary, fixed odds wagering by residents of this State on the 41 results of horse races conducted in this State or jurisdictions outside 42 of this State shall be lawful provided that: fixed odds wagering shall only be conducted by the fixed 43 a. 44 odds wagering licensee pursuant to a valid fixed odds wagering 45 license issued by the division as provided for in this act; 46 b. fixed odds wagering shall be conducted pursuant to and in 47 compliance with the provisions of the Interstate Horse Racing Act 48 of 1978, 15 U.S.C. ss.3001 - 3007, as amended, this act, any related

1 intrastate contracts, and rules and regulations promulgated by the 2 division pursuant to this act;

3 c. in addition to the provisions of the Interstate Horse Racing Act of 1978, 15 U.S.C. ss.3001 - 3007, fixed odds wagering 4 5 conducted on in-State races shall require a written agreement with 6 the Standardbred Breeders and Owners Association of New Jersey 7 and the New Jersey Thoroughbred Horsemen's Association for such 8 wagering on the associations' respective breeds;

9 d. the division has approved a contract or agreement, if any, 10 with a person or entity to conduct or operate fixed odds wagering 11 and to act as the agent for the authority or racetrack permit holder in 12 all fixed odds wagering matters approved by the division, pursuant 13 to section 5 of this act, P.L. , c. (C.)(pending before the 14 Legislature as this bill), including but not limited to the portion of 15 fixed odds revenues payable to such person or entity conducting or 16 operating fixed odds wagering;

17 e. fixed odds wagers are submitted to and accepted by the fixed 18 odds wagering licensee in person, by direct telephone call, or by 19 communication through other electronic media, as appropriate; and 20 fixed odds wagers are placed through the fixed odds f. 21 wagering system authorized in accordance with the provisions of 22 this act, P.L., c. (C.)(pending before the Legislature as this 23 bill), and in accordance with division rules, regulations, and 24 conditions established therefor.

25

26 5. (New section) a. The division is hereby authorized to issue 27 a license to the authority, or to the racetrack permit holder, to 28 establish fixed odds wagering in accordance with the provisions of 29)(pending before the Legislature as this this act, P.L. , c. (C. 30 bill). The licensing process shall include the filing by the authority 31 of a fixed odds wagering license application developed by the division. The division may issue more than one license to the 32 33 authority for the purpose of establishing additional fixed odds 34 wagering systems. The division may issue an individual license to 35 a racetrack permit holder if the authority and racetrack permit 36 holder have mutually agreed to a transfer of licensing, pursuant to 37 the provisions of section 6 of P.L., c. (C.) (pending before the 38 Legislature as this bill). Each new wagering system shall require a 39 license. All provisions of law concerning such license and the fixed 40 odds wagering system shall apply to each license and each system 41 established. Any reference in law to the license, the assignee, or the 42 fixed odds wagering system shall refer to all licenses, assignees, 43 and systems. A license issued pursuant to this act shall be valid for 44 a term of one year.

45 Any participation agreement shall include an agreement by the 46 operator to pay a proportional share of the available net project 47 revenues determined by the operating board to the standardbred or 48 thoroughbred permit holder, as the case may be, and a renegotiation mechanism to adjust a proportional share following the
 addition or removal of an operator.

b. At the time of filing an application for licensure under this
section, the authority shall submit to the division a nonrefundable
filing fee in an amount established by regulation by the division,
and a certification in a form prescribed by the division which
specifies, but is not limited to, information about the operation of
the system and the authority's participation therein.

9 c. Within 14 days of receipt of a completed application, 10 certification and applicable fees, the division's director shall 11 determine whether the same is in due form and meets the 12 requirements of law and regulations in all respects. No later than 60 days following the receipt of the application, the division shall 13 14 make a final determination on the application. The division shall 15 approve the application if it determines that the authority has 16 demonstrated by clear and convincing evidence that wagers placed 17 through the proposed fixed odds wagering system will be accurately 18 processed and that there will be sufficient safeguards to maintain 19 the integrity of the horse racing industry in this State.

20 d. The division's determination shall be submitted to the 21 Attorney General for review and approval. The determination of the division shall be deemed approved by the Attorney General if 22 23 affirmatively approved or not disapproved by the Attorney General 24 within 14 days of the date of submission. The decision of the 25 Attorney General shall be deemed a final decision. Upon approval 26 by the Attorney General, the division shall issue to the authority a 27 license to establish the system. The fixed odds wagering license 28 shall be valid for a term of one year, and shall be subject to renewal 29 annually, unless a different timeframe is otherwise prescribed by 30 regulation of the division.

31 With the approval of the division, the authority or racetrack e. 32 permit holder may enter into a contract or agreement with a person 33 or entity to conduct or operate the system and to act as the agent of 34 the authority in all fixed odds wagering matters approved by the 35 division. The fixed odds wagering license may not be transferred or 36 assigned to a successor in interest without the approval of the 37 division and the Attorney General, which approval may not be 38 unreasonably withheld.

39

40 6. (New section) The authority may transfer the operation and 41 control of a fixed odds wagering operation to an individual 42 racetrack permit holder if both the authority and racetrack permit 43 holder mutually agree to such transfer. The division and the 44 Attorney General shall approve the transfer following the written 45 agreement of the authority and racetrack permit holder. The 46 division and the Attorney General shall review the agreement and 47 determine if the racetrack permit holder has the appropriate 48 apparatus to operate as a licensee of a fixed odds wagering system.

5

1 If the transfer is not approved by the division and the Attorney 2 General, the authority shall remain the fixed odds wagering 3 licensee. Any agreement between the authority and a racetrack 4 permit holder that does not receive approval from the division and 5 Attorney General for a transfer may not be re-submitted for review 6 until one year following the prior determination by the division and 7 the Attorney General.

8

9 7. (New section) a. The division, in consultation with the New 10 Jersey Racing Commission, shall have full power to prescribe rules, 11 regulations, and conditions under which fixed odds wagering may 12 be conducted in this State, consistent with this act, including the 13 manner in which fixed odds wagers may be accepted, the 14 requirements for any person to participate in fixed odds wagering, 15 and the reasonable approval of any and all agreements made 16 pursuant to subsection c. of section 4 of this act, P.L. 17 c. (C.)(pending before the Legislature as this bill).

18 b. The division shall have full power to prescribe rules, 19 regulations, and conditions under which the fixed odds wagering 20 license is issued or renewed in this State, including requiring an 21 annual audit of a fixed odds wagering licensee's books and records pertaining to fixed odds wagering, requiring all hub facilities, 22 23 servers, and technicians related to a fixed odds wagering operation 24 by a licensee in this State be located in this State, and to revoke, 25 suspend, or refuse to renew the license if in the opinion of the 26 division the revocation of, suspension of, or refusal to renew such 27 license is in the public interest; provided, however, that such rules, 28 regulations, and conditions shall be uniform in their application.

29 The division shall have no right or power to determine who c. 30 shall be officers, directors, or employees of any fixed odds 31 wagering licensee, or the salaries thereof; provided, however, that 32 the division may compel the discharge of any official or employee 33 of the fixed odds wagering licensee or the fixed odds wagering 34 system who: (1) fails or refuses for any reason to comply with the 35 rules or regulations of the division; (2) fails or refuses for any 36 reason to comply with any of the provisions of this act; (3) fails to 37 establish by clear and convincing evidence in the opinion of the 38 division good character, honesty, competency, and integrity; or (4) 39 has been convicted of a crime involving fraud, dishonesty, or moral 40 turpitude.

41 d. Notwithstanding the provisions of the "Administrative 42 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), within 90 43 days of the effective date of P.L. , c. (pending before the 44 Legislature as this bill), the director of the division shall adopt, 45 immediately upon filing proper notice with the Office of 46 Administrative Law, such temporary rules and regulations 47 necessary to effectuate the purposes of this act. The rules and 48 regulations so adopted shall be effective for a period not to exceed

6

18 months from the date of the filing. The rules and regulations
shall thereafter be amended, adopted, or readopted by the director in
accordance with the requirements of the "Administrative Procedure
Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

5

6 8. (New section) a. A person within this State shall not be 7 permitted to open a fixed odds wagering account, or place a fixed 8 odds wager through the fixed odds wagering system, except in 9 accordance with federal law and this act, and through the fixed odds 10 wagering licensee, and no entity, other than the fixed odds wagering 11 licensee, shall accept a fixed odds wager from a person within this 12 State. A person may not place a fixed odds wager unless the person 13 has established a fixed odds wagering account with the fixed odds 14 wagering licensee and is physically present in New Jersey at the 15 time of placing the account wager, except that persons physically 16 present at a racetrack or off-track wagering facility may place a 17 wager through a teller at a window without opening a fixed odds 18 wagering account. To establish a fixed odds wagering account, a 19 person shall be physically present in New Jersey at the time of 20 establishing the wagering account, at least 18 years of age, except 21 that any person on the self-exclusion list established pursuant to 22 section 1 of P.L.2002, c.89 (C.5:5-65.1) shall be prohibited from 23 establishing a fixed odds wagering account. A resident of this State 24 who has established an account with a fixed odds wagering licensee 25 may place a fixed odds wager through the licensee while physically 26 present in New Jersey, or while physically present in another 27 jurisdiction if placing such a wager is not inconsistent with the law of that jurisdiction or with federal law. The division shall develop 28 29 protocols to accurately determine a person's location within the 30 State to effectuate the provisions of this subsection.

b. The fixed odds wagering account shall be in the name of a
natural person and may not be in the name of any beneficiary,
custodian, joint trust, corporation, partnership, or other organization
or entity.

35 A fixed odds wagering account may be established in c. 36 person, by mail, telephone, or other electronic media, by a person 37 completing an application form approved by the division. The form 38 shall include the address of the principal residence of the 39 prospective fixed odds wagering account holder and a statement 40 that a false statement made in regard to an application may subject 41 the applicant to prosecution. The fixed odds wagering licensee 42 shall verify the identification, residence, and age of the fixed odds 43 wagering account holder using methods and technologies approved 44 by the division.

d. The prospective fixed odds wagering account holder shall
submit the completed application in person, by mail, telephone, or
other electronic media, including the Internet and wireless devices,
to the fixed odds wagering licensee or such other person or entity as

1 may be approved by the division. The fixed odds wagering licensee 2 may accept or reject an application after receipt and review of the 3 application and certification, or other proof, of age and residency 4 for compliance with this act. 5 e. Any prospective fixed odds wagering account holder who 6 provides false or misleading information on the application is 7 subject to rejection of the application or cancellation of the fixed 8 odds wagering account by the fixed odds wagering licensee without 9 notice. 10 f. The fixed odds wagering licensee shall have the right to 11 suspend or close any fixed odds wagering account at its discretion. 12 Any person not in good standing with the division shall not g. 13 be entitled to maintain a fixed odds wagering account. The address provided by the applicant in the application 14 h. 15 shall be deemed the proper address for the purposes of mailing 16 checks, fixed odds wagering account withdrawals, notices, and 17 other materials. 18 i. A fixed odds wagering account shall not be assignable or 19 otherwise transferable. 20 The fixed odds wagering licensee may at any time declare j. 21 the fixed odds wagering system closed for receiving any wagers on 22 any race or closed for all fixed odds wagering. 23 24 9. (New section) a. Credits to a fixed odds wagering account 25 shall be made as follows: 26 (1) The fixed odds wagering account holder's deposits to the 27 fixed odds wagering account shall be submitted by the fixed odds wagering account holder to the fixed odds wagering licensee and 28 29 shall be in the form of one of the following: 30 (a) cash given to the fixed odds wagering licensee; 31 (b) check, money order, negotiable order of withdrawal, or wire 32 or electronic transfer, payable and remitted to the fixed odds 33 wagering licensee; or 34 (c) charges made to a fixed odds wagering account holder's debit or credit card upon the fixed odds wagering account holder's 35 direct and personal instruction, which instruction may be given by 36 37 telephone communication or other electronic means to the fixed 38 odds wagering licensee or its agent by the fixed odds wagering 39 account holder if the use of the card has been approved by the fixed 40 odds wagering licensee. 41 (2) Credit for winnings from wagers placed with funds in a fixed 42 odds wagering account shall be posted to the fixed odds wagering 43 account by the fixed odds wagering licensee. 44 (3) The fixed odds wagering licensee shall have the right to 45 refuse for any reason all or part of any fixed odds wager or deposit 46 to the fixed odds wagering account. 47 (4) Funds deposited in the fixed odds wagering account shall not 48 bear interest to the fixed odds wagering account holder.

b. Debits to a fixed odds wagering account shall be made asfollows:

3 (1) Upon receipt by the fixed odds wagering licensee of a fixed 4 odds wager properly placed pursuant to section 10 of this act, 5 P.L., c. (C.)(pending before the Legislature as this bill), the 6 fixed odds wagering licensee shall determine whether there are 7 sufficient funds in the fixed odds wagering account holder's fixed 8 odds wagering account to cover the total liability resulting from the 9 fixed odds wager, taking into consideration other fixed odds wagers 10 made by the fixed odds wagering account holder in the same 11 market, and any additional applicable transaction or other fees due 12 to the fixed odds wagering licensee under the division's rules and 13 regulations, and deduct such amounts from the fixed odds wagering 14 account holder's fixed odds wagering account.

(2) The fixed odds wagering licensee may authorize a 15 16 withdrawal from a fixed odds wagering account when the fixed 17 odds wagering account holder submits to the fixed odds wagering 18 licensee, the fixed odds wagering licensee's agent, or such other 19 entity as may be approved by the division, his or her fixed odds 20 wagering account number and proper means of identification 21 pursuant to procedures approved by the division. Fixed odds 22 wagering account holders may request a withdrawal in person, by 23 mail, by telephone, or by other electronic means. If there are 24 sufficient funds in the fixed odds wagering account to cover the 25 withdrawal, after taking into consideration any existing fixed odds 26 wagers made by the fixed odds wagering account holder, the fixed 27 odds wagering licensee shall make payment within three business 28 days of receipt of the fixed odds wagering account holder's withdrawal request. Notwithstanding the foregoing, the fixed odds 29 30 wagering licensee may decline or delay fulfilling a withdrawal 31 request if the fixed odds wagering licensee reasonably suspects: (a) 32 fraud; (b) that the fixed odds wagering account holder was 33 ineligible to make one or more of the fixed odds wagers made from 34 the fixed odds wagering account; or (c) any other conditions which 35 the division may prescribe or approve. At the discretion of the 36 fixed odds wagering licensee, withdrawals may be payable in cash, 37 by a check sent to the fixed odds wagering account holder's verified 38 residence address, by wire transfer, or by other electronic transfer. 39 Withdrawals shall be made payable only to the holder of the fixed 40 odds wagering account and in no more than the amount of the 41 requested withdrawal.

42

10. (New section) a. The fixed odds wagering licensee may
accept fixed odds wagers from anyone physically present in New
Jersey who holds a valid account with a fixed odds wagering
licensee or residents of New Jersey who hold a valid account and
who are physically present in another jurisdiction where placing
such a wager is not inconsistent with the law of that jurisdiction or

9

1 with federal law, only in accordance with this act, federal law, and2 as follows:

3 (1) A wager to back or lay a particular outcome in a given
4 market, specifying the price of the wager, shall be placed directly
5 with the fixed odds wagering licensee by the holder of the fixed
6 odds wagering account.

7 (2) The fixed odds wagering account holder placing the wager
8 shall provide the fixed odds wagering licensee with the correct
9 personal identification number of the holder of the fixed odds
10 wagering account.

(3) A fixed odds wagering licensee may not accept a fixed odds
wager, or series of fixed odds wagers, when the results of which
would create a liability for the fixed odds wagering account holder
in excess of funds on deposit in the fixed odds wagering account of
that holder.

16 (4) Only the holder of a fixed odds wagering account shall place 17 a wager. Unless otherwise approved by the division, no person, 18 corporation, or other entity shall directly or indirectly act as an 19 intermediary, transmitter, or agent in the placing of wagers for a 20 holder of an fixed odds wagering account; provided, however, that 21 the use of credit or debit cards specifically approved by the fixed odds wagering licensee or the use of checks, money orders, or 22 23 negotiable orders of withdrawal or the use of telephonic, computer, 24 or electronic means by the fixed odds wagering account holder to 25 place such wagers shall not be prohibited.

(5) The fixed odds wagering account holder may place a wager
in person, by direct telephone call or by communication through
other electronic media.

b. A fixed odds wager may also be placed at a racetrack or offtrack wagering facility in person without opening a fixed odds
wagering account through a teller who shall issue a tote ticket for
the wager which may then be cashed by the teller.

33

11. (New section) Subject to the approval of the division, the
fixed odds wagering licensee shall be permitted to collect fixed
odds revenues in the manner and amounts determined by the fixed
odds wagering licensee, including but not limited to assessing a
surcharge on any person's net winnings.

39

40 12. (New section) Notwithstanding any other law, rule, or
41 regulation to the contrary, the division shall require each fixed odds
42 wagering licensee to:

a. pay such portions of the fixed odds wagering licensee's fixed
odds revenues as may be required pursuant to section 4 of this act,
P.L., c. (C.)(pending before the Legislature as this bill);

b. pay to overnight purses to standardbred and thoroughbred
permit holders for wagering on races for the permit holder's
respective breed in this State 50 percent of fixed odds revenues

retained by the fixed odds wagering licensee after the payments required pursuant to subsection a. of this section are made, and after deducting all reasonable and necessary expenses incurred by the licensee in administering, marketing, and operating the fixed odds wagering system; and

6 c. reach a business agreement with all standardbred and 7 thoroughbred permit holders within this State as it pertains to 8 wagering on the permit holder's respective breed, within one year 9 from the date when the fixed odds wagering system becomes 10 operational, for the distribution of the net fixed odds wagering 11 revenues remaining after the payments are made pursuant to 12 subsections a. and b. of this section and after the payment of operating expenses, subject to approval by the division; provided 13 14 that, if an agreement is not reached within that time frame, the division shall distribute the fixed odds wagering revenues among 15 16 the fixed odds wagering licensees and the standardbred and 17 thoroughbred permit holders in this State based on wagering on the 18 permit holder's respective breed.

19

13. (New section) ${}^{1}\underline{a}$.¹ Of the monies distributed to overnight 20 purses pursuant to subsection b. of section 12 of this act, P.L. 21 22)(pending before the Legislature as this bill) ¹<u>on in-State</u> c. (C. <u>races at the respective racetracks</u>¹, all ¹[moneys] <u>monies</u>¹ derived 23 from fixed odds wagering on thoroughbred races shall be paid to 24 25 overnight purses for thoroughbred races and all monies derived 26 from fixed odds wagering on standardbred races shall be paid to 27 overnight purses for standardbred races.

¹b. Of the monies distributed to overnight purses pursuant to
 subsection b. of section 12 of this act, P.L. , c. (C.)(pending
 before the Legislature as this bill), on out-of-State and international
 <u>races:</u>

32 (1) all monies derived from fixed odds wagering at Monmouth 33 Racetrack, including at off-track wagering facilities operated by Monmouth Racetrack and in regards to advance deposit wagering, 34 35 on thoroughbred races shall be paid to overnight purses for 36 thoroughbred races and all monies derived from fixed odds 37 wagering on standardbred races shall be paid to overnight purses for 38 standardbred races; 39 (2) all monies derived from fixed odds wagering at 40 Meadowlands Racetrack and Freehold Raceway, including at off-

40 Meadowlands Kacetrack and Freehold Kaceway, including at off 41 track wagering facilities operated by Meadowlands Racetrack and
 42 Freehold Raceway and in regards to advance deposit wagering, on
 43 thoroughbred races and standardbred races shall be paid to
 44 overnight purses, in the following manner: 65 percent shall be paid
 45 to overnight purses for thoroughbred races and 35 percent shall be

46 paid to overnight purses for standardbred races; and

47 (3) notwithstanding paragraphs (1) and (2) of this subsection, all
 48 monies derived from fixed odds wagering by any internet sports

1 pool operator or casino operator on thoroughbred races shall be paid 2 to overnight purses for thoroughbred races and all monies derived 3 from fixed odds wagering by any internet sports pool operator or 4 casino operator on standardbred races shall be paid to overnight 5 purses for standardbred races. 6 $\underline{c.}^{1}$ The formula for allocating overnight purse monies from 7 fixed odds wagering to overnight purses set forth in this section 8 may only be modified by the mutual agreement of the Standardbred 9 Breeders and Owners Association of New Jersey and the New 10 Jersey Thoroughbred Horsemen's Association. Nothing contained 11 in this section shall be construed as a precedent for establishing the 12 division of overnight purse amounts between standardbred races 13 and thoroughbred races. $1 \underline{d}$. Notwithstanding the foregoing, the sum derived from fixed 14 15 odds wagering on standardbred races pursuant to subsection b. of , c. (C. 16 section 12 of P.L.)(pending before the Legislature as 17 this bill) may be distributed as provided by a contractual agreement 18 authorized under section 11 of P.L.2013, c.266 (C.5:5-188). 19 Notwithstanding the foregoing, the sum derived from fixed odds 20 wagering on thoroughbred races pursuant to subsection b. of section 21 12 of P.L. , c. (C.)(pending before the Legislature as this 22 bill) may be distributed as provided by a contractual agreement 23 authorized under section 12 of P.L.2013, c.266 (C.5:5-189). 24 25 14. (New section) All amounts remaining in fixed odds 26 wagering accounts inactive or dormant for such period and under 27 such conditions as established by regulation shall be distributed in accordance with the division's rules and regulations. 28 29 30 15. (New section) All persons engaged in conducting wagering-31 related activities through the fixed odds wagering system, whether 32 employed directly by the fixed odds wagering licensee or by a 33 person or entity conducting or operating the system pursuant to a 34 contract or agreement with the fixed odds wagering licensee, shall 35 be licensed or registered in accordance with such regulations as may be promulgated by the division hereunder. All other employees of the system shall be licensed or registered in

36 37 38 accordance with regulations of the division. The division shall have 39 full power to prescribe rules, regulations, and conditions under 40 which all such licenses are issued, or registrations made, in this 41 State and to revoke or refuse to issue a license, or revoke or refuse 42 to accept a registration, if in the opinion of the division the 43 revocation or refusal is in the public interest, provided, however, 44 that such rules, regulations, and conditions shall be uniform in their 45 application, and further provided that no fee shall be in excess of 46 \$50 for each license so granted or registration accepted.

1 16. (New section) The provisions of this act shall be deemed to 2 be severable, and if any phrase, clause, sentence, or provision of 3 this act is declared to be unconstitutional or the applicability thereof 4 to any person is held invalid, the remainder of this act shall not 5 thereby be deemed to be unconstitutional or invalid.

7 17. (New section) The division shall promulgate rules and
8 regulations pursuant to the "Administrative Procedure Act,"
9 P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of
10 this act, P.L., c. (pending before the Legislature as this bill).

11

6

12 18. Section 1 of P.L.2002, c.89 (C.5:5-65.1) is amended to read 13 as follows:

14 The commission shall provide by regulation for the 1. a. establishment of a list of persons who voluntarily seek to be 15 16 excluded from entry into permitted racetracks and licensed off-track 17 wagering facilities located in this State and from opening or 18 maintaining a wagering account with the account wagering system 19 [or], with the exchange wagering system, or with the fixed odds 20 wagering system established in this State. A person may request 21 placement on the self-exclusion list by acknowledging in a manner 22 to be established by the commission that the person is a problem 23 gambler and by agreeing that, during a period of voluntary 24 exclusion, the person may not collect winnings or recover losses 25 resulting from wagering at a racetrack or off-track wagering facility or from account wagering [or], exchange wagering, or fixed odds 26 27 wagering.

b. The commission shall promulgate regulations to: (1) 28 29 establish procedures for placements on, and removals from, the list 30 of self-excluded persons; (2) establish procedures for the transmittal 31 to the permitted racetracks, licensed off-track wagering facilities, the account wagering system, [and] the exchange wagering 32 33 licensee, and the fixed odds wagering licensee of identifying 34 information concerning persons on the self-exclusion list; and (3) 35 require permitted racetracks, licensed off-track wagering facilities, 36 the account wagering system, [and] the exchange wagering licensee, and the fixed odds wagering licensee to establish 37 38 procedures designed, at a minimum, to remove persons on the self-39 exclusion list from targeted mailings or other forms of advertising 40 promotions and deny such persons access to credit, or 41 complimentaries, check cashing privileges, club programs, and 42 other similar benefits.

c. The commission, a permitted racetrack, a licensed off-track
wagering facility, the account wagering system, the exchange
wagering licensee, the fixed odds wagering licensee, or an
employee thereof shall not be liable to a person on the selfexclusion list or to another party in a judicial proceeding for harm,
monetary or otherwise, which may arise as a result of:

(1) the failure of a permitted racetrack, licensed off-track
 wagering facility or the account wagering system or the exchange
 wagering licensee or the fixed odds wagering licensee to withhold
 wagering privileges from, or restore wagering privileges to, a
 person on the self-exclusion list; or

6 (2) permitting a person on the self-exclusion list to engage in 7 wagering activity at a permitted racetrack or licensed off-track 8 wagering facility, or through the account wagering system, or 9 through the exchange wagering system, or through the fixed odds 10 wagering system.

d. Notwithstanding the provisions of section 8 of P.L.1940,
c.17 (C.5:5-28), the commission's self-exclusion list shall be
privileged and confidential and shall not be accessible to the public
pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.), as amended and
supplemented.

16 The commission, a permitted racetrack, a licensed off-track e. 17 wagering facility, the account wagering system, the exchange 18 wagering licensee, the fixed odds wagering licensee, or an 19 employee thereof shall not be liable to a person on the self-20 exclusion list or to another party in a judicial proceeding for harm, 21 monetary or otherwise, which may arise as a result of disclosure or 22 publication, other than a willfully unlawful disclosure or 23 publication, of the identity of a self-excluded person.

24 (cf: P.L.2011, c.15, s.19)

25

26 19. Section 2 of P.L.2002, c.89 (C.5:5-65.2) is amended to read
27 as follows:

2. a. A person on the self-exclusion list established pursuant to
29 section 1 of P.L.2002, c.89 (C.5:5-65.1), shall not collect, in any
30 manner or proceeding, winnings or recover losses arising as a result
31 of wagering activity at a permitted racetrack or licensed off-track
32 wagering facility, or through the account wagering system, [or]
33 through the exchange wagering system, or through the fixed odds
34 wagering system.

35 b. Money or a thing of value which has been obtained by, or is 36 owed to, a person on the self-exclusion list from a permitted 37 racetrack, licensed off-track wagering facility or account wagering 38 system [or], exchange wagering system, or fixed odds wagering 39 system as a result of wagers made by that person shall be subject to 40 forfeiture by order of the executive director of the commission, 41 following notice to the person on the self-exclusion list and 42 opportunity to be heard.

Money or a thing of value forfeited shall be deposited into the
State General Fund for appropriation by the Legislature to the
Department of Human Services to provide funds for compulsive
gambling treatment and prevention programs in the State.

c. In a proceeding brought by the commission against a liveracing permit holder, the off-track wagering licensee, the account

wagering licensee, [or] the exchange wagering licensee, or the 1 2 fixed odds wagering licensee for a willful violation of the 3 commission's self-exclusion regulations, the commission may order 4 in addition to a permit or license suspension, a fine not to exceed \$5,000 per wagering incident, the forfeiture of money or a thing of 5 6 value obtained by the permit holder, off-track wagering licensee, 7 account wagering licensee, [or] exchange wagering licensee, or 8 fixed odds wagering licensee from a person on the self-exclusion 9 list and other remedial conditions the commission deems 10 appropriate. Money or a thing of value so forfeited shall be 11 disposed of in the same manner as money or a thing of value forfeited pursuant to subsection b. of this section. 12 (cf: P.L.2011, c.15, s.20) 13 14 15 20. This act shall take effect immediately. 16 17 18 19 20 Authorizes fixed odds wagering on horse races through fixed

21 odds wagering system.