

# ASSEMBLY, No. 4398

## STATE OF NEW JERSEY

### 221st LEGISLATURE

INTRODUCED MAY 16, 2024

**Sponsored by:**

**Assemblywoman VICTORIA A. FLYNN**

**District 13 (Monmouth)**

**Assemblyman GERRY SCHARFENBERGER**

**District 13 (Monmouth)**

**SYNOPSIS**

Establishes hotline for reporting behavior negatively affecting integrity of sporting events and excludes persons responsible from future sports wagering activities; prohibits certain sports wagering advertisements; requires independent oversight of sports wagering operations to ensure integrity.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the integrity of sports wagering operations,  
2 sporting events, and sports wagering advertising, and amending  
3 P.L.2018, c.33.

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Section 2 of P.L.2018, c.33 (C.5:12A-11) is amended to read  
9 as follows:

10 2. a. The division shall issue all sports wagering licenses and  
11 renewals thereof to casinos. The racing commission shall issue all  
12 initial sports wagering licenses to racetracks but the division shall  
13 have responsibility for the renewal thereof. In addition to casino  
14 games permitted pursuant to the provisions of P.L.1977, c.110  
15 (C.5:12-1 et seq.), a casino which holds a sports wagering license  
16 issued by the division may operate a sports pool in accordance with  
17 the provisions of this act and applicable regulations promulgated  
18 pursuant to this act. A racetrack which holds an initial sports  
19 wagering license issued by the racing commission or a sports  
20 wagering license that has been renewed by the division may operate  
21 a sports pool in accordance with the provisions of this act and  
22 applicable regulations promulgated pursuant to this act.

23 The division may issue a transactional waiver to allow the  
24 continued operation of an established sports wagering lounge and  
25 authorization to conduct up to three online sports wagering  
26 operations when a racetrack that holds a license issued by the racing  
27 commission pursuant to P.L.1940, c.17 (C.5:5-22, et seq.)  
28 undergoes a material change in ownership to a degree such that it  
29 would be required to file a new application with the racing  
30 commission in order to continue to operate pursuant to P.L.1940,  
31 c.17 (C.5:5-22 et seq.). A transactional waiver issued pursuant to  
32 this section shall be for an initial period of up to six months and  
33 may be renewed during the pendency of the racing commission's  
34 consideration of a new application for up to three one-year periods,  
35 but the division shall have the right to reexamine and rescind the  
36 grant of the waiver at any time.

37 A racetrack at which a permit holder has scheduled a  
38 standardbred horse race meeting within one year preceding the  
39 effective date of P.L.2018, c.33 (C.5:12A-10 et al.) and that met the  
40 definition of a racetrack under P.L.2018, c.33 (C.5:12A-10 et al.) on  
41 the effective date thereof:

42 shall not be permitted to hold a sports wagering license as a  
43 former racetrack on or after the effective date of P.L.2021, c.350,  
44 and

45 shall, as a condition of holding a sports wagering license after  
46 the effective date of P.L.2021, c.350, schedule annually no fewer

**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 underlined thus is new matter.

1 than 151 standardbred race dates, except that the annual number of  
2 scheduled standardbred race dates may be decreased to no fewer  
3 than 75 standardbred race dates upon written consent from the  
4 Standardbred Breeders' and Owners' Association of New Jersey.

5 A casino which holds a sports wagering license and a racetrack  
6 which holds a sports wagering license may enter into an agreement  
7 to jointly operate a sports pool at the racetrack, in accordance with  
8 the provisions of this act and applicable regulations promulgated  
9 pursuant to this act. A casino or racetrack that holds a sports  
10 wagering license may conduct an online sports pool or may  
11 authorize an internet sports pool operator licensed as a casino  
12 service industry enterprise pursuant to section 92 of P.L.1977, c.110  
13 (C.5:12-92), or an applicant for such license, to operate an online  
14 sports pool on its behalf provided the terms of the agreement are  
15 approved by the division; provided, however, that each sports  
16 wagering licensee may provide no more than three individually  
17 branded websites, each of which may have an accompanying mobile  
18 application bearing the same brand as the website for an online  
19 sports pool, those websites and mobile applications, in the case of a  
20 casino being in addition to or, in the discretion of the casino, in  
21 conjunction with, any websites and mobile applications that also  
22 offer other types of Internet gaming pursuant to P.L.2013, c.27  
23 (C.5:12-95.17 et seq.). No online sports pool shall be opened to the  
24 public, and no sports wagering, except for test purposes, may be  
25 conducted therein, until an Internet sports pool operator receives  
26 approval from the division to conduct an online sports pool on  
27 behalf of a casino or racetrack that holds a sports wagering license.  
28 Sports wagering licensees and operators may provide promotional  
29 credits, incentives, bonuses, complimentaries, or similar benefits  
30 designed to induce sports betters to wager. The division, in  
31 consultation with the commission, shall establish by rule standards  
32 governing the provision of these measures. The server or other  
33 equipment used by a racetrack to accept wagers at a sports pool or  
34 online sports pool shall be located in that racetrack or in any  
35 location in Atlantic City which conforms to the requirements of  
36 section 20 of P.L.2013, c.27 (C.5:12-95.22) and any additional  
37 requirements which the division may impose by regulation. The  
38 server or other equipment used by a casino to accept wagers at a  
39 sports pool or online sports pool shall conform to the requirements  
40 of section 20 of P.L.2013, c.27 (C.5:12-95.22) and any additional  
41 requirements which the division may impose by regulation.

42 With regard to this act, P.L.2018, c.33 (C.5:12A-10 et al.), the  
43 duties specified in section 63 of P.L.1977, c.110 (C.5:12-63) of the  
44 Casino Control Commission shall apply to the extent not  
45 inconsistent with the provisions of this act. In addition to the duties  
46 specified in section 76 of P.L.1977, c.110 (C.5:12-76), the division  
47 or racing commission, as required pursuant to this act, shall hear  
48 and decide promptly and in reasonable order all applications for a

1 license to operate a sports pool. In addition to the duties specified  
2 in section 76 of P.L.1977, c.110 (C.5:12-76), the division shall have  
3 the general responsibility for the implementation of this act, except  
4 with respect to the authority to issue sports wagering licenses to a  
5 racetrack as provided by this act, and shall have all other duties  
6 specified in that section with regard to the operation of a sports  
7 pool.

8 The license to operate a sports pool shall be in addition to any  
9 other license required to be issued pursuant to P.L.1977, c.110  
10 (C.5:12-1 et seq.) to operate a casino or pursuant to P.L.1940, c.17  
11 (C.5:5-22 et seq.) to conduct horse racing. The division and the  
12 racing commission shall each have the authority to charge a casino  
13 or a racetrack a fee for the issuance or, in the case of the division  
14 renewal, of a sports wagering license in an amount of \$100,000 for  
15 initial issuance and in the case of a renewal a reasonable fee that is  
16 based upon the expense associated with renewal, enforcement, and  
17 gambling addiction programs. No sports wagering license shall be  
18 issued by the division or racing commission to any entity unless it  
19 has established its financial stability, integrity and responsibility  
20 and its good character, honesty and integrity. No casino or  
21 racetrack shall be permitted to operate a sports pool or accept  
22 wagers via an online sports pool unless a sports wagering lounge is  
23 established and has commenced operation in its facility; provided,  
24 however, that an applicant for a sports wagering license may  
25 petition the agency issuing the sports wagering license pursuant to  
26 this act to commence operation of the sports pool at a temporary  
27 facility and/or an online sports pool during the pendency of  
28 construction of a sports wagering lounge in its facility. Such  
29 temporary facility may include, at the discretion of the agency  
30 issuing the sports wagering license pursuant to this act, the  
31 utilization of designated windows at the current casino cage or  
32 racetrack betting window for purposes of placing sports betting  
33 wagers and self-service wagering machines located at the racetrack  
34 or casino hotel complex. No license to operate a sports pool shall  
35 be issued to any entity which is disqualified under the criteria of  
36 section 86 of P.L.1977, c.110 (C.5:12-86).

37 No later than five years after the date of the issuance of a license  
38 and every five years thereafter or within such lesser periods as the  
39 agency issuing the sports wagering license pursuant to this act may  
40 direct, a licensee shall submit to the said agency such  
41 documentation or information as the division or racing commission  
42 may by regulation require, to demonstrate to the satisfaction of the  
43 agency that the licensee continues to meet the requirements of the  
44 law and regulations.

45 The division and the racing commission following consultation  
46 with the sports wagering licensees, sport governing bodies, athletic  
47 conferences, and collegiate athletics programs shall annually cause  
48 a report to be prepared and distributed to the Governor on the

1 impact of sports wagering, including Internet wagering on sports  
2 events, on problem gamblers, the harassment or coercion of  
3 participants in sporting events or other acts which affect the  
4 integrity of athletes or competitors, sporting or athletic  
5 competitions, or sports wagering operations, and gambling  
6 addiction in New Jersey. The report shall be prepared by a private  
7 organization or entity with expertise in serving the needs of persons  
8 with gambling addictions, which organization or entity shall be  
9 selected jointly by the division and the racing commission. The  
10 report shall be prepared and distributed under the supervision of,  
11 and in coordination with, the division and the racing commission.  
12 Any costs associated with the preparation and distribution of the  
13 report shall be borne by casino and racetrack licensees who have  
14 been authorized by the division or the racing commission to conduct  
15 Internet gaming and the division and the racing commission shall be  
16 authorized to assess a fee against such licensees for these purposes.  
17 The division and the racing commission may also report  
18 periodically to the Governor on the effectiveness of the statutory  
19 and regulatory controls in place to ensure the integrity of gaming  
20 operations through the Internet.

21 b. A sports pool shall be operated in a sports wagering lounge  
22 located at a casino or racetrack. A sports wagering lounge may be  
23 located at a casino simulcasting facility. The lounge shall conform  
24 to all requirements concerning square footage, design, equipment,  
25 security measures and related matters which the division shall by  
26 regulation prescribe. The space required for the establishment of a  
27 lounge shall not reduce the space authorized for casino gaming  
28 activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83).

29 c. No sports pool or online sports pool shall be offered or made  
30 available for wagering to the public by any entity other than a sports  
31 wagering licensee, pursuant to P.L.2018, c.33 (C.5:12A-10 et al.),  
32 an applicant for such license, operating such pool on behalf of a  
33 licensee, or an Internet sports pool operator, on behalf of a sports  
34 wagering licensee. Any person who offers a sports pool or an  
35 online sports pool without approval of the division or racing  
36 commission to do so is guilty of a crime of the fourth degree and  
37 notwithstanding the provisions of N.J.S.2C:43-3, shall be subject to  
38 a fine of not more than \$25,000 and in the case of a person other  
39 than a natural person, to a fine of not more than \$100,000 and any  
40 other appropriate disposition authorized by subsection b. of  
41 N.J.S.2C:43-2.

42 d. The operator shall establish or display the odds at which  
43 wagers may be placed on sports events.

44 e. An operator shall accept wagers on sports events only from  
45 persons physically present in the sports wagering lounge; through  
46 self-service wagering machines located in its facility as authorized  
47 by the agency issuing the sports wagering license; or through an

1 online sports pool. A person placing a wager on a sports event shall  
2 be at least 21 years of age.

3 f. (1) Any person who is:  
4 an athlete, coach, referee, or director of a sports governing body  
5 or any of its member teams;

6 a sports governing body or any of its member teams;  
7 a player or a referee personnel member, in or on any sports event  
8 overseen by that person's sports governing body based on publicly  
9 available information;

10 a person who holds a position of authority or influence sufficient  
11 to exert influence over the participants in a sporting contest,  
12 including but not limited to coaches, managers, handlers, athletic  
13 trainers, or horse trainers;

14 a person with access to certain types of exclusive information on  
15 any sports event overseen by that person's sports governing body  
16 based on publicly available information; or

17 a person identified by any lists provided by the sports governing  
18 body to the division and the racing commission,

19 shall not be permitted to have any ownership interest in, control  
20 of, or otherwise be employed by an operator, a sports wagering  
21 licensee, or a facility in which a sports wagering lounge is located  
22 or place a wager on a sports event that is overseen by that person's  
23 sports governing body based on publicly available information.

24 Any employee of a sports governing body or its member teams  
25 who is not prohibited from wagering on a sports event shall,  
26 nevertheless, provide notice to the division prior to placing a wager  
27 on a sports event. The direct or indirect legal or beneficial owner of  
28 10 percent or more of a sports governing body shall not place or  
29 accept any wager on a sports event in which any member team of  
30 that sports governing body participates. The direct or indirect legal  
31 or beneficial owner of 10 percent or more of a member team of a  
32 sports governing body shall not place or accept any wager on a  
33 sports event in which that member team participates. Any person  
34 who violates this paragraph shall be guilty of a disorderly persons  
35 offense and shall be fined not less than \$500 and not more than  
36 \$1,000.

37 (2) The prohibition set forth in paragraph (1) of this subsection  
38 shall not apply to any person who is a direct or indirect owner of a  
39 specific sports governing body member team and (i) has less than  
40 10 percent direct or indirect ownership interest in a casino or  
41 racetrack or (ii) the shares of such person are registered pursuant to  
42 section 12 of the Securities Exchange Act of 1934, as amended (15  
43 U.S.C. s.78l), and the value of the ownership of such team  
44 represents less than one percent of the person's total enterprise  
45 value.

46 (3) An operator shall adopt procedures to prevent persons from  
47 wagering on sports events who are prohibited from placing sports

1 wagers. An operator shall not accept wagers from any person  
2 whose identity is known to the operator and:

3 whose name appears on the exclusion list maintained by the  
4 division pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);

5 whose name appears on any self-exclusion list maintained by the  
6 division pursuant to sections 1 and 2 of P.L.2001, c.39 (C.5:12-71.2  
7 and C.5:12-71.3, respectively);

8 who is the operator, director, officer, owner, or employee of the  
9 operator or any relative thereof living in the same household as the  
10 operator;

11 who has access to nonpublic confidential information held by the  
12 operator; or

13 who is an agent or proxy for any other person.

14 (4) An operator shall adopt procedures to obtain personally  
15 identifiable information from any individual who places any single  
16 wager in an amount of \$10,000 or greater on a sports event while  
17 physically present in a racetrack facility or a casino.

18 Sections 1 and 2 of P.L.2002, c.89 (C.5:5-65.1 and C.5:5-65.2,  
19 respectively) shall apply to the conduct of sports wagering under  
20 this act.

21 g. The holder of a sports wagering license may contract with an  
22 entity to conduct that operation, in accordance with the regulations  
23 of and approval by the division. That entity shall obtain a license as  
24 a casino service industry enterprise prior to the execution of any  
25 such contract, and such license shall be issued pursuant to the  
26 provisions of P.L.1977, c.110 (C.5:12-1 et seq.) and in accordance  
27 with the regulations promulgated by the division in consultation  
28 with the commission. That entity shall, upon approval of the  
29 division, expand on any initial license granted by the division prior  
30 to entering into any such contract. The approval shall be in  
31 accordance with the terms and conditions set forth by the division.

32 h. If any provision of this act, P.L.2018, c.33 (C.5:12A-10 et  
33 al.), or its application to any person or circumstance, is held invalid,  
34 the invalidity shall not affect other provisions or applications of this  
35 act which can be given effect without the invalid provision or  
36 application, and to this end the provisions of this act are severable.

37 i. An operator shall promptly report to the division:

38 any criminal or disciplinary proceedings commenced against the  
39 operator or its employees in connection with the operations of the  
40 sports pool or online sports pool;

41 any abnormal betting activity or patterns that may indicate a  
42 concern about the integrity of a sports event or events;

43 any other conduct with the potential to corrupt a betting outcome  
44 of a sports event for purposes of financial gain, including but not  
45 limited to the harassment or coercion of participants in any sporting  
46 event or athletic competitions, match fixing; and

47 suspicious or illegal wagering activities, including the use of  
48 funds derived from illegal activity, wagers to conceal or launder

1 funds derived from illegal activity, use of agents to place wagers, or  
2 use of false identification.

3 The division is authorized to share any information under this  
4 section with any law enforcement entity, team, sports governing  
5 body, independent sports wagering monitoring service, or  
6 regulatory agency the division deems appropriate.

7 j. An operator shall maintain records of sports wagering  
8 operations in accordance with regulations promulgated by the  
9 division. The operator, with prior written approval from the  
10 division, shall contract with an independent sports wagering  
11 monitoring service to review such records and to ensure the  
12 integrity of the operator's sports wagering operations. The  
13 independent sports wagering monitoring service shall provide  
14 quarterly reports of their findings to the division.

15 k. A sports wagering licensee may, in addition to having a  
16 sports wagering lounge, conduct wagering on authorized sports  
17 events through one or more kiosks or self-service wagering stations  
18 located within its facility. Such self-service wagering stations  
19 located at a casino may offer any game authorized under rules  
20 established by the division. Such self-service wagering stations  
21 located at a racetrack may offer wagering only on authorized sports  
22 events and horse races.

23 l. All wagers on sports events authorized under this provision  
24 shall be initiated, received and otherwise made within this State  
25 unless otherwise determined by the division in accordance with  
26 applicable federal and State laws. Consistent with the intent of the  
27 United States Congress as articulated in the Unlawful Internet  
28 Gambling Enforcement Act of 2006 (31 U.S.C. s.5361 et seq.), the  
29 intermediate routing of electronic data relating to a lawful intrastate  
30 wager authorized under this provision shall not determine the  
31 location or locations in which such wager is initiated, received or  
32 otherwise made.

33 m. A sports wagering licensee shall not accept any wager on  
34 any sports event unless the sports event has been approved for  
35 wagering by the director. Except as otherwise provided in this  
36 subsection, no sports event shall be approved for wagering unless  
37 the director has certified that the sports event has appropriate  
38 policies and procedures to monitor the integrity of the athletes or  
39 competitors including the prevention of coercion or harassment of  
40 athletes or competitors. In the absence of such certification, the  
41 director shall impose a wager limit of not more than \$100 or a win  
42 limit of \$500, whichever is greater, on the amount permitted to be  
43 wagered or won on such competitions or contests by any individual.  
44 (cf: P.L.2021, c.350, s.1)

45  
46 2. Section 4 of P.L.2018, c.33 (C.5:12A-13) is amended to read  
47 as follows:

1       4. a. Except as otherwise provided by this act, the division shall  
2 have the authority to regulate sports pools, online sports pools, and  
3 the conduct of sports wagering under this act to the same extent that  
4 the division regulates casino games. No casino or racetrack shall be  
5 authorized to operate a sports pool or online sports pool unless it  
6 has produced, to the satisfaction of the agency issuing the sports  
7 wagering license, information, documentation, and assurances  
8 concerning its financial background and resources, including cash  
9 reserves, that are sufficient to demonstrate that it has the financial  
10 stability, integrity, and responsibility to operate a sports pool or  
11 online sports pool. In developing rules and regulations applicable  
12 to sports wagering, the division may examine the regulations  
13 implemented in other states where sports wagering is conducted and  
14 may, as far as practicable, adopt a similar regulatory framework.  
15 The division, in consultation with the commission, shall promulgate  
16 regulations necessary to carry out the provisions of this act,  
17 including, but not limited to, regulations governing the:

18       (1) amount of cash reserves to be maintained by operators to  
19 cover winning wagers;

20       (2) acceptance of wagers on a series of sports events;

21       (3) maximum wagers which may be accepted by an operator  
22 from any one patron on any one sports event;

23       (4) type of wagering tickets which may be used;

24       (5) method of issuing tickets;

25       (6) method of accounting to be used by operators;

26       (7) types of records which shall be kept;

27       (8) use of credit and checks by patrons;

28       (9) type of system for wagering;

29       (10) protections for a person placing a wager; **[and]**

30       (11) display of the words, "If you or someone you know has a  
31 gambling problem and wants help, call 1-800 GAMBLER," or some  
32 comparable language approved by the division, which language  
33 shall include the words "gambling problem" and "call 1-800  
34 GAMBLER," in all print, billboard, sign, online, or broadcast  
35 advertisements of a sports pool and online sports pool and in every  
36 sports wagering lounge;

37       (12) display of the telephone number for the telephone hotline to  
38 report instances of harassment, coercive behavior, or any activities  
39 which may be detrimental to the integrity of athletes or competitors,  
40 sporting or athletic competitions, or sports wagering operations,  
41 established pursuant to subsection d. of this section, in all print,  
42 billboard, sign, online, or broadcast advertisements of a sports pool  
43 and online sports pool and in every sports wagering lounge;

44       (13) sports pool related advertising of sports wagering licensees,  
45 their employees and agents, and their contracted operators, to  
46 ensure their advertisements are not deceptive or fraudulent and do  
47 not appeal directly to, or feature, individuals under the legal age to  
48 wager; and

1       (14) sports pool related advertising of sports wagering licensees,  
2 their employees and agents, and their contracted operators, to  
3 ensure that such advertisements warn users of any prohibited  
4 actions related to sports wagering, identify where and how an  
5 individual may report the conduct of any prohibited actions, and the  
6 consequences of engaging in any prohibited conduct.

7       b. **【**Notwithstanding any other provision of P.L.2018, c.33  
8 (C.5:12A-10 et al.) or of the "Administrative Procedure Act,"  
9 P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, during the 90-  
10 day period following the effective date of this act, the division and  
11 the racing commission may, after notice provided in accordance  
12 with this subsection, summarily adopt, amend, or repeal any order,  
13 rule, or regulation for a period not to exceed 270 days for the  
14 purpose of ensuring the expeditious and effective implementation of  
15 sports wagering at casinos or racetracks in accordance with this act.  
16 Any summary rulemaking authorized by this subsection shall be  
17 subject to such terms and conditions as the division and the racing  
18 commission may deem appropriate. Such rules shall be effective  
19 when published by the division and the racing commission on their  
20 respective websites and shall allow for the immediate application of  
21 any racetrack licensed by the racing commission, or casino licensed  
22 by the division, to the respective agency by which they are licensed  
23 or permitted, for a transactional waiver to immediately commence  
24 sports wagering. Upon the filing of such application, these rules  
25 shall further provide that, upon a showing therein that the applicant  
26 is licensed or permitted by the appropriate agency, a sports  
27 wagering license shall immediately be issued to the respective  
28 applicant allowing for its immediate commencement of sports  
29 wagering subject to the condition that it conform to the entity and  
30 individual or other licensing, facility and any other requirements set  
31 forth in the respective rules of each within 270 days. In the event  
32 such rules are not complied with within such time period, the non-  
33 complying racetrack or casino will not thereafter be eligible to  
34 conduct sports wagering until such compliance is achieved. Notice  
35 of any emergency rulemaking action taken by the division or the  
36 racing commission pursuant to this subsection shall be published in  
37 the New Jersey Register, and provided to the newspapers designated  
38 by the division and racing commission pursuant to subsection d. of  
39 section 3 of P.L.1975, c.231 (C.10:4-8), not later than 30 days  
40 subsequent to the implementation of the emergency rules. The text  
41 of any emergency rule adopted by the division and the racing  
42 commission pursuant to this section shall be available in each  
43 racetrack, casino, sports wagering lounge, and simulcasting facility  
44 implementing the provisions of emergency rulemaking. **】** (Deleted  
45 by amendment, P.L. , c. ) (pending before the Legislature as  
46 this bill).

47       c. Any person employed on the effective date of this act,  
48 P.L.2018, c.33 (C.5:12A-10 et al.), by a permitholder in the

1 admissions department or parimutuel clerk department of a  
2 racetrack operated by the permitholder shall be given a one-time  
3 right of first refusal offer of employment at the sports pool,  
4 including an online sports pool, that opens at that racetrack, for the  
5 then available positions of similar employment in that sports pool,  
6 or with any vendor contracting with the licensee to operate the  
7 sports pool.

8 d. The division shall create and maintain a telephone hotline  
9 and other intake methods which allow individuals to report  
10 instances of harassment, coercive behavior, or any activities which  
11 may be detrimental to the integrity of athletes or competitors,  
12 sporting or athletic competitions, or sports wagering operations.  
13 The division shall investigate such reports and, upon a credible  
14 finding that an individual has engaged in the alleged prohibited  
15 conduct, may take appropriate remedial action, including:

16 (1) exclusion of the person or persons from engaging in sports  
17 wagering activities conducted by sports wagering licensees in this  
18 State, or their contractor operators;

19 (2) referral to the relevant sport governing body for further  
20 action; and

21 (3) referral to law enforcement or the Attorney General for a  
22 criminal investigation.

23 Prior to undertaking any action pursuant to this section, the  
24 division shall serve notice to the person or persons subject to the  
25 action by certified mail delivered to the last known address of such  
26 person or persons and, if requested by the person or persons within  
27 30 days of such service, shall conduct a hearing before the director,  
28 or the director's designee, to affirmatively determine that such  
29 action is necessary.

30 If, upon completion of the hearing, the director, or the director's  
31 designee, determines that exclusion pursuant to paragraph (1) of  
32 this section is appropriate, the director shall make and enter an  
33 order to that effect and the director shall notify all sports wagering  
34 licensees in this State, and their contracted operators, that the  
35 person or persons subject to exclusion shall not be permitted to  
36 engage in sports wagering activities. Such order shall be subject to  
37 review by the Superior Court in accordance with the rules of court.

38 Any sports wagering licensee or contracted operator who fails to  
39 exclude such person shall be subject to penalties, as determined by  
40 the division.

41 e. The division shall promulgate, in accordance with the  
42 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
43 seq.), all rules and regulations as may be necessary to implement  
44 the provisions of this section.

45 (cf: P.L.2018, c.33, s.4)

46

47 3. This act shall take effect 60 days following the date of  
48 enactment.

STATEMENT

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This bill requires the Division of Gaming Enforcement to establish a telephone hotline and other intake methods which allow individuals to report instances of harassment, coercive behavior, or any activities which may be detrimental to the integrity of athletes or competitors, sporting or athletic competitions, or sports wagering operations and report such incidents to law enforcement or the Attorney General and to any relevant sport governing bodies.

The bill directs the division to investigate such reports and authorizes them to take remedial action as deemed necessary. The division may exclude individuals who have credibly been found to have engaged in harassment or coercive behavior related to sports wagering from engaging in sports wagering activities in this state. The division may also refer reports of harassment or coercive behavior to the relevant sports governing bodies, or to law enforcement or the Attorney General for a criminal investigation.

The bill requires the division and the racing commission following consultation with the sports wagering licensees, sport governing bodies, athletic conferences, and collegiate athletics programs to prepare an annual report to the Governor on the impact of sports wagering, including Internet wagering on sports events, on problem gamblers, the harassment or coercion of participants in sporting events or other acts which affect the integrity of athletes or competitors, sporting or athletic competitions, or sports wagering operations, and gambling addiction in New Jersey.

This bill requires licensed operators to promptly report to the division and any relevant sports governing body any conduct with the potential to corrupt a betting outcome of a sports event for purposes of financial gain, including but not limited to the harassment or coercion of participants in any sporting event or athletic competitions, or match fixing.

This bill also requires the division, in consultation with the commission, to promulgate regulations governing sports pool related advertising of sports wagering licensees, their employees and agents, and their contracted operators, to ensure their advertisements are not deceptive or fraudulent and do not appeal directly to, or feature, individuals under the legal age to wager and to ensure that such advertisements warn users of any prohibited actions related to sports wagering, identify where and how an individual may report the conduct of any prohibited actions, and the consequences of engaging in any prohibited conduct.