

**EXECUTIVE ORDER NO. 360**

WHEREAS, the State of New Jersey is a global leader in developing standards for the licensing and regulation of gaming, including those games of chance that can be considered gambling as well as games of skill like fantasy sports activities; and

WHEREAS, New Jersey currently has several forms of legal gambling, including lottery, bingos, raffles, amusement games, sports betting, and wagering on horse racing such as pari-mutuel wagering, some of which have become available in recent years not only in-person but also over the Internet and on mobile phone applications; and

WHEREAS, New Jersey was an early leader within the United States when it launched legalized Internet casino gambling in 2013, and New Jersey prevailed in litigation that led to the legalization of sports betting at the state level in 2018; and

WHEREAS, pari-mutuel wagering consists of a system of betting where bets are pooled and odds are calculated based on the bets placed by others in the pool; and

WHEREAS, a fantasy sports activity is a fantasy or simulated activity or contest with an entry fee where a participant owns or manages an imaginary team composed of real athletes and competes against other participants or a target score for a prize, and the winner is determined by the statistical performance of the athletes; and

WHEREAS, total gambling revenue from casino gambling, Internet gambling, and sports wagering was \$5.78 billion in calendar year 2023, which reflects a 10.9% increase from \$5.21 billion reported for the prior year; and

WHEREAS, online casino gambling, operated by casinos through agreements with third-party vendors, has experienced significant revenue growth on an annual basis since 2018, with Internet gambling win reaching \$1.92 billion for calendar year 2023,

representing an increase of 15.7% from \$1.66 billion reported for the prior year; and

WHEREAS, pari-mutuel wagering on horse racing has expanded from wagering at the racetracks on live races to include wagering simulcast races; and

WHEREAS, pari-mutuel wagering has also expanded to take place around the State at the off-track wagering facilities, the casino simulcasting facility, and online through the account wagering system; and

WHEREAS, a new form of wagering on horse racing, fixed odds wagering, is now offered to patrons after legalization in 2021; and

WHEREAS, handle is the total amount of money wagered by bettors; and total gross handle from pari-mutuel wagering at New Jersey racetracks, including on-track live handle and both intrastate and interstate simulcasting handle, was \$190.93 million in calendar year 2023; and

WHEREAS, total handle from account wagering online, on mobile, and off-track wagering facilities was \$336.65 million for calendar year 2023; and

WHEREAS, total handle from pari-mutuel wagering at the casino simulcasting facility was \$19.40 million in calendar year 2023; and

WHEREAS, the New Jersey Lottery recorded approximately \$3.73 billion in sales in fiscal year 2023, which reflects a 2.55% increase from the prior year, and contributed \$1.17 billion to the State to support the State pension system in fiscal year 2023; and

WHEREAS, the New Jersey State Lottery Commission has since 2019 allowed individuals located within New Jersey to purchase lottery tickets online from third-party lottery couriers and recently adopted regulations that will allow individuals located

within New Jersey to purchase lottery tickets online directly from the Division of State Lottery; and

WHEREAS, fantasy sports activities were legalized in 2017 at the state level; and

WHEREAS, the New Jersey Division of Consumer Affairs issues permits to fantasy sports operators to offer permitted fantasy sports activities that, although regulated by the Division of Consumer Affairs as games of skill and expressly not considered gambling by law, have been studied alongside gambling activities; and

WHEREAS, the gross revenue of New Jersey-permitted fantasy sports operators from New Jersey participants in calendar year 2023 was \$137.4 million; and

WHEREAS, the Legalized Games of Chance Control Commission regulates bingos, raffles, and amusement games, which are forms of gambling; and

WHEREAS, sports betting remains popular, particularly online where handle exceeded \$11.44 billion for 2023; and

WHEREAS, total sports wagering handle, including futures wagers, was \$1.72 billion for the month of January 2024, which is the highest sports wagering handle New Jersey has seen since the launch of sports wagering in 2018, and Internet gambling win also reached a new monthly record high of \$183.3 million in January 2024; and

WHEREAS, a study published by Rutgers University, School of Social Work, Center for Gambling Studies in 2023 found that the proportion of gamblers who gambled both online and in-person has nearly doubled from 19% to 36% since 2017, and the proportion of gamblers who are gambling exclusively online has nearly tripled from 5% to nearly 15%; and

WHEREAS, the Rutgers study also examined participation in the following 15 activities: lottery, scratch-off lottery tickets, high-risk stocks, gambling machines (like slots and video poker), games of skill, live casino table games, sports wagering, season fantasy sports, bingo, cryptocurrency trading, live poker or poker tournament, daily fantasy sports, horse racetrack or off-track, esports wagering, and keno; and

WHEREAS, the Rutgers study further examined the behavior of high-risk problem gamblers, which are defined in the study as those persons who reported gambling in the past year and scored an 8 or greater on the Problem Gambling Severity Index, and the behavior of moderate-risk problem gamblers, which are those persons who reported gambling in the past year and scored 3 to 7 on the Problem Gambling Severity Index; and

WHEREAS, high-risk problem gambling is correlated to gambling disorder, which is recognized as a non-substance-related mental health disorder in the current edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association; and

WHEREAS, the Rutgers study found that gambling participation among high-risk problem gamblers has increased from an average of seven gambling activities in 2017 to an average of eleven activities in 2023, and gambling participation among moderate-risk gamblers has increased from an average of four gambling activities to an average of six gambling activities over the same time period; and

WHEREAS, the Rutgers study estimated that nearly six percent of New Jersey residents are at high risk for problem gambling, which is significantly higher than the national average of one to two percent; and

WHEREAS, the Rutgers study found about two-thirds of high-risk problem gamblers have children or adolescents living in their homes, which is concerning as children and adolescents are likely to model the behavior of adults or siblings; and

WHEREAS, the same study found the highest rates of problem gambling were reported by gamblers who identified as Black/African American or Hispanic; and

WHEREAS, the Rutgers study also found gamblers ages 18 to 44 were most likely to be high-risk problem gamblers, with about 19% of those ages 18 to 24 at high-risk for problem gambling; and

WHEREAS, the age of majority to engage in gaming varies between 18 and 21 based upon the type of gambling permitted by the State; and

WHEREAS, general exposure to gaming activities, including gambling, has increased as gaming advertisements can be found in print and on the radio, television, the Internet, and other media; and

WHEREAS, illegal and unauthorized gambling activities may be accessible by anyone with access to the Internet; and

WHEREAS, responsible gaming provides proactive and preventative programs to ensure that individuals have the appropriate information, resources, and support to make decisions as to their gambling activities; and

WHEREAS, some individuals who could benefit from treatment services for the negative consequences of gambling, including problem gambling disorder, may face barriers to accessing such services, including financial barriers, especially for those without insurance coverage for such treatments; and

WHEREAS, the State of New Jersey is committed to serving as a model for the nation on developing effective responsible gaming policies and strategies for addressing problem gambling; and

WHEREAS, gaming and gambling activities are currently licensed and regulated by several divisions and commissions, including the New Jersey Casino Control Commission, New Jersey Division of Consumer Affairs, New Jersey Division of Gaming Enforcement, New Jersey Legalized Games of Chance Control Commission, New Jersey State Lottery Commission, and New Jersey Racing Commission; and

WHEREAS, community-based treatment and recovery services for mental health disorders are overseen by the New Jersey Department of Human Services, Division of Mental Health and Addiction Services; and

WHEREAS, the professional licensing boards housed within the New Jersey Division of Consumer Affairs license and regulate mental health professionals who treat gambling disorder, including, but not limited to, psychologists, psychiatrists, professional counselors, alcohol and drug counselors, social workers, and marriage and family therapists; and

WHEREAS, the current structure has allowed each of the above divisions and commissions to cultivate specific expertise within the form of gambling, skill games, or other areas that it oversees, but a comprehensive strategy for engaging in proactive responsible gaming efforts and for addressing problem gambling is necessary; and

WHEREAS, the responsible gaming resources that each agency makes available to the public can vary in their scope and accessibility, which can result in a New Jersey resident affected by problem gambling having to not only recognize the problem but also visit multiple locations for a solution; and

WHEREAS, legal requirements with respect to responsible gaming practices and advertising rules are also varied, which impacts the overall effectiveness of prevention efforts; and

WHEREAS, clinicians who treat gambling disorder possess varied credentials, which may affect the effectiveness of such treatment; and

WHEREAS, my Administration is dedicated to promoting cooperation both within government and with the private sector and stakeholder communities; and

WHEREAS, existing responsible gaming and problem gambling efforts would be enhanced through statewide cooperation between and among the various agencies that regulate gambling as well as non-profit organizations and academic institutions whose focus is the treatment or study of problem gambling;

NOW, THEREFORE, I, PHILIP D. MURPHY, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. There is hereby established the Responsible Gaming Task Force ("Task Force"), which shall be responsible for providing advice and recommendations to the Governor's Office and to the Attorney General regarding reforms to support responsible gaming and to address problem gambling in New Jersey.

2. The objectives of the Task Force shall include the following:

- a. Review all responsible gaming and problem gambling resources that each agency makes available to the public;
- b. Review the obligations and requirements related to responsible gaming and problem gambling practices and advertising rules that each agency currently imposes on its regulated entities;
- c. Review the impact of gaming and gambling offerings on underage individuals;

- d. Review the impact of gaming and gambling offerings on vulnerable populations;
- e. Develop a strategy for how existing funding and any future funding for responsible gaming can be most effectively utilized;
- f. Develop a strategy for making responsible gaming resources more uniformly available across multiple forms of gambling, including those already available for self-exclusion from gambling activities;
- g. Recommend any needed changes to standardize or strengthen the existing obligations and requirements on regulated entities related to responsible gaming and problem gambling practices and advertising rules;
- h. Evaluate and recommend standards for clinicians who treat gambling disorder; and
- i. Recommend any other necessary changes to existing policies, whether by executive action or legislation, to support responsible gaming and address problem gambling.

3. The Task Force shall consist of the following seven members:

- a. The Attorney General, or designee, who shall serve as Chair;
- b. The Chair of the New Jersey Casino Control Commission, or designee;
- c. The Director of the New Jersey Division of Consumer Affairs, or designee;
- d. The Director of the New Jersey Division of Gaming Enforcement, or designee;

- e. The Director of the Division of State Lottery, or designee;
- f. The Executive Director of the New Jersey Racing Commission, or designee; and
- g. The Commissioner of the Department of Human Services, or designee, who may be the Assistant Commissioner of the New Jersey Division of Mental Health and Addiction Services.

4. All members and designees shall serve at the pleasure of the appointing agency, or in the case of those appointed by the Governor, at the pleasure of the Governor, and all shall serve without compensation.

5. The Task Force shall be authorized to call upon any department, office, division, or agency of this State to supply it with information or other assistance as the Task Force determines to be necessary to discharge its duties under this Order.

6. Each Executive Branch department and agency is hereby required, to the extent not inconsistent with law as well as consistent with budgetary constraints, to cooperate fully with the Task Force within the limits of its statutory authority and to furnish the Task Force with such assistance on as timely a basis as is necessary to accomplish the purposes of this Order. To the extent necessary, the Department of Law and Public Safety shall provide professional and clerical staff to the Task Force.

7. The Task Force may consult with experts, representatives of regulated entities, or other knowledgeable individuals in the public or private sector with respect to any aspect of its mission.

8. The Task Force shall organize and meet as soon as practicable to begin performing the charges set forth in this Order.

9. The Task Force, which shall be purely advisory in nature, shall issue a final report of its findings and recommendations to the Governor's Office and Attorney General no later than March 31, 2025. The Task Force shall expire upon the issuance of this report.

10. Nothing in this Order shall be construed to supersede any federal, State, or local law.

11. For purposes of this Order, "Executive Branch departments and agencies" shall mean any of the principal departments in the Executive Branch of State government and any agency, authority, board, bureau, commission, division, institution, office, or other instrumentality within or created by any such department, and any independent State authority, commission, instrumentality, or agency over which the Governor exercises executive authority, as determined by the Attorney General.

12. This Order shall take effect immediately.

GIVEN, under my hand and seal this  
14<sup>th</sup> day of June,  
Two Thousand and Twenty-Four,  
and of the Independence of  
the United States, the Two  
Hundred and Forty-Eighth.

[seal]

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor