

State of New Jersey

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STATE ATHLETIC CONTROL BOARD

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MEMORANDUM

TO:

ALL LICENSEES, OFFICIALS, AND EMPLOYEES

FROM:

Larry Hazzard, Sr., Commissioner

DATE:

November 12, 2024

SUBJECT: Sports Betting Policy

This memorandum sets forth the policy of the New Jersey State Athletic Control Board (SACB or the Board) with respect to sports betting. Some of the guidance provided in this memorandum was disseminated after sports wagering was legalized in New Jersey in 2018. With the proliferation of sports betting in other states, national interest in sports betting (both legal and illegal) has increased. This heightened scrutiny has brought to light actions taken by athletes, coaches, and others for betting purposes which have threatened the integrity of their sports events, including combative sports events. Accordingly, the Board finds it necessary at this time to enhance existing guidelines related to officials and to expand the scope of its sports betting policy to set forth expectations for other licensees, including but not limited to promoters, matchmakers, managers, seconds, and contestants, as well as the Board itself, the Commissioner, Deputy Commissioner, and other employees.

Pursuant to N.J.S.A. 5:2A-1 et seq. (the Act), combative sports contests must be subject to a system of strict control and regulation. N.J.S.A. 5:2A-2 sets forth the legislative intent that such system must, among other purposes, "promote the public

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confidence and trust in the regulatory process and the conduct of boxing, wrestling, extreme wrestling, kick boxing and combative sports exhibitions, events, performances and contests." *N.J.S.A.* 5:2A-4 authorizes the Board to exercise "sole discretion, management, control and supervision" over all combative sports events in New Jersey.

The Act requires certain persons to seek licensure from the Board in connection with any public boxing, wrestling, extreme wrestling, kick boxing, or combative sports event. *N.J.S.A.* 5:2A-14. This requirement specifically applies to: "all promoters, boxers, wrestlers, extreme wrestlers, kick boxers, combative sports contestants or performers, their managers, scorers and trainers; booking agents; ring officials and other persons the board deems necessary." *N.J.S.A.* 5:2A-14(b). All licensees are required to possess good character, honesty, integrity and responsibility. *N.J.S.A.* 5:2A-15(a). The Board is authorized, upon its own motion, to temporarily suspend a licensee where necessary to protect the public welfare and the best interests of public boxing, wrestling, extreme wrestling, kick boxing or combative sports. *N.J.S.A.* 5:2A-17(b). It is further authorized to revoke any license after a hearing for cause and to discipline any licensee who has violated the provisions of the Act or regulations made pursuant thereto. *N.J.S.A.* 5:2A-17(a).

The Board is authorized to employ a Commissioner, Deputy Commissioner, and other personnel and to appoint ringside officials as it deems necessary, all of whom must comply with certain ethical obligations in the performance of their duties. By law, Board Members, employees, and officials are prohibited from acting in their official capacity in any matter in which they have a direct or indirect financial interest that might reasonably be expected to impair their objectivity or independence of judgment. *N.J.S.A.* 5:2A-6(c). They are further prohibited from holding any interest, direct or indirect, in any license applicant or licensee. *N.J.S.A.* 5:2A-6e; *N.J.A.C.* 13:46-23.1. Board Members, employees, and officials also are subject to the Department of Law and Public Safety (LPS) Code of Ethics. The LPS Code of Ethics prohibits them from performing their duties in a biased or partial manner, disclosing any information not available to the general public, using information for the furtherance of any private interest, and engaging in certain transactions and activities which are in substantial conflict with the proper discharge of their duties. LPS Code of Ethics Section B.

The establishment and enforcement of a sports betting policy supports the legislative intent to promote the public's confidence in the conduct of combative sports events. It is also consistent with the Board's authority to ensure all licensees possess good character, honesty, integrity, and responsibility and with the ethical obligations applicable to Board Members, their employees, and agents. Accordingly, the following policy will apply. Be aware, however, that this policy is not intended to be inconsistent with, or supersede any applicable statutes enacted, or regulations or policies disseminated through the New Jersey Division of Gaming Enforcement, which has separate authority regarding the regulation of sports wagering.

SECTION 1. APPLICABILITY

This policy applies to the following persons:

- A. Inspectors, timekeepers, judges, referees, and physicians (collectively, Board Officials)
- **B.** Members of the Board, including the Chairman (collectively, **Board Members**); and
- **C.** The Commissioner, Deputy Commissioner, and other personnel employed by the Board (collectively, **Board Employees**).

Promoters are strongly encouraged to develop their own integrity policies relating to sports betting. At a minimum, promoters, participants and their agents; managers and seconds must comply with the standards set forth in Section 4.

SECTION 2. BETTING

- A. Betting on Combative Sports. Board Officials, Board Members, and Board Employees are prohibited from placing, soliciting, or facilitating a bet on any combative sports event or from receiving directly or indirectly any benefit from any bet on a combative sports event taking place in New Jersey or in any jurisdiction in the world. This prohibition includes betting on the outcome of any bout or fight, statistics, score, performance of any individual participant, futures bets, and any kind of proposition bet.
- **B. Betting on Other Sports.** Board Officials, Board Members, and Board Employees are permitted to place legal bets on sports events other than combative sports events, provided sports betting is legal in the jurisdiction where the bet is placed and the person placing the bet is eligible under applicable law to place the wager. Board Employees must register with DGE prior to placing any sports wager with a New Jersey sportsbook, in accordance with the New Jersey Sports Wagering Act, *N.J.S.A.* 5:12A-10 *et seq. See N.J.S.A.* 5:12A-11f(1).
- **C. Illegal Betting.** Board Officials, Board Members, and Board Employees are prohibited from placing bets on any sport or event with any bookie, off-shore sports betting website, or other sportsbook that is not licensed or authorized to legally accept bets.

SECTION 3. OTHER PROHIBITED CONDUCT RELATED TO BETTING

A. Match fixing. Board Officials, Board Members, and Board Employees are prohibited from influencing, manipulating, or attempting to influence or manipulate any combative sports event overseen by the Board in a manner which would lead to the outcome, score, or any other aspect of the bout being determined by anything other than merit.

- **B. Insider information.** Board Officials, Board Members, and Board Employees are required to exercise due care to avoid disclosure about a participant's injuries, health, drug test results, and other information which can be used by bettors to exploit betting markets.
- **C. Employment.** Board Officials, Board Members, and Board Employees may not be employed by a New Jersey sportsbook, its holding or intermediary companies, subsidiaries, or any other affiliates.

SECTION 4. PROMOTERS, PARTICIPANTS, AND THEIR AGENTS

- **A. Satisfactory performance.** For all public boxing, wrestling, extreme wrestling, kick boxing, or combative sports events overseen by the Board; participants are required to put forth a satisfactory performance. *N.J.A.C.* 13:46-5.15. For any promoters and their agents; managers and seconds, soliciting, encouraging or inducing another participant not to give a satisfactory performance is prohibited.
- **B. Betting.** Promoters, participants, and their agents; managers and seconds are prohibited from placing, soliciting or facilitating a bet on any combative sports event; or from receiving directly or indirectly any benefit from any bet on a combative sports event taking place in New Jersey. This prohibition includes betting on the outcome of any bout or fight, statistics, score, performance of any individual participant, futures bets, and any kind of proposition bet. This prohibition shall remain in place for the entire term of licensure.
- **C. Insider Information**. Promoters, participants, and their agents; managers and seconds are required to exercise due care to avoid disclosure about a participant's injuries, health, drug test results, and other information which can be used by bettors to exploit betting markets.
- **D. Match fixing.** Promoters, participants, and their agents; managers and seconds are prohibited from influencing, manipulating, or attempting to influence or manipulate any combative sports event overseen by the Board in a manner which would lead to the outcome, score, or any other aspect of the bout being determined by anything other than merit.

SECTION 5. DUTY TO REPORT

A. Violations. Any Board Official, Board Member, or Board Employee, promoter, participant, and their agents; managers and seconds who become aware of a violation of this policy must immediately report such violation to the Commissioner.

B. Solicitations. Board Officials, Board Members, and Board Employees, promoters, participants, and their agents; managers and seconds have an obligation to report any attempt to solicit them to influence or manipulate the outcome of a combative sports bout event that is overseen by the Board to the Commissioner.

SECTION 6. ENFORCEMENT

- **A. Training and acknowledgment.** Board Officials, Board Members, and Board Employees shall complete training regarding this policy and must acknowledge its contents.
- **B. Disciplinary action.** Violations of this policy may result in disciplinary action, which may include temporary license suspension, license revocation, and/or fines. When imposing discipline, the Board may consider factors such as the nature and severity of the violation, any prior disciplinary history, and the amount of money involved. In addition to the above sanctions which may be imposed by the Board pursuant to this policy, all are hereby reminded that the Sports Wagering Act prohibits certain persons from placing bets at a New Jersey sportsbook on a sports event overseen by their sports' governing body, and such violations are punishable as a disorderly persons offense and a fine of up to \$1,000. The Board also reserves the right to take such disciplinary action where a promoter, participant, or their agents violate any integrity policy implemented by the promoter.

This policy shall take effect immediately.

If you have any questions with regard to this policy, please contact Deputy Attorney General Nick Lembo at Nick Lembo@njoag.gov

Thank you for your anticipated attention to this important subject matter.

L.H.

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c: SACB Board Members and Staff

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