

## PROPOSITION 1

This amendment proposed by Senate Constitutional Amendment 10 of the 2021–2022 Regular Session (Resolution Chapter 97, Statutes of 2022) expressly amends the California Constitution by adding a section thereto; therefore, new provisions proposed to be added are printed in *italic type* to indicate that they are new.

### PROPOSED AMENDMENT TO ARTICLE I

That Section 1.1 is added to Article I thereof, to read:

*SEC. 1.1. The state shall not deny or interfere with an individual's reproductive freedom in their most intimate decisions, which includes their fundamental right to choose to have an abortion and their fundamental right to choose or refuse contraceptives. This section is intended to further the constitutional right to privacy guaranteed by Section 1, and the constitutional right to not be denied equal protection guaranteed by Section 7. Nothing herein narrows or limits the right to privacy or equal protection.*

## PROPOSITION 26

This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends a section of the California Constitution and adds sections to the Business Professions Code and the Government Code; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

### PROPOSED LAW

#### SECTION 1. Title.

This measure shall be known as the “California Sports Wagering Regulation and Unlawful Gambling Enforcement Act.”

#### SEC. 2. Findings and Declarations.

(a) In May 2018, the United States Supreme Court eliminated the federal prohibition on sports wagering. As a result, states now have the freedom to authorize sports wagering within their borders and establish regulations, consumer protections, responsible gambling measures, and taxes on sports wagering. Already 20 states have chosen to regulate and tax sports wagering in a manner that provides for consumer protections, responsible gambling, and gives adults the choice to participate in this activity.

(b) Unregulated and untaxed sports wagering is happening throughout California without any consumer or responsible gambling protections. Leading economists and industry experts estimate that during the federal prohibition on sports wagering, a thriving black market flourished with billions of

dollars wagered annually across the United States. The illegal sports wagering market in California continues to thrive and will continue to be an attractive option due to its untaxed, unregulated, and unlicensed nature.

(c) Unregulated gambling enterprises are a threat to public safety and public health as they are often conducted by criminal elements. Accordingly, no person in this state has a right to operate a gambling enterprise except as may be expressly permitted by federal, state, or local law.

(d) Leading economists and industry experts estimate a legal and regulated sports wagering market in California could generate hundreds of millions of dollars in economic activity in the initial years, which would result in tens of millions of dollars in annual tax revenue for the State of California.

(e) Sports wagering should be regulated and taxed in California to stamp out the black market of illegal gambling operations to allow adults the choice to participate in this activity with strong consumer protections.

(f) Taxing sports wagering would create new revenue to increase funding for programs related to preventing problems associated with problem gambling and mental health, and help finance the state's general fund priorities related to education and public safety.

(g) Californians 21 years of age or older should have the choice to participate in legal sports wagering in highly regulated and safe facilities that are experienced in gaming operations and are in good standing with the appropriate federal, state, and local regulatory agencies.

(h) In keeping with our California values of protecting our children and young people, sports wagering must be tightly regulated. It must be limited to only adults 21 years old or older. Existing law recognizes that gambling can become addictive and is not an activity to be promoted or legitimized as entertainment for children and families. Accordingly, there shall be no advertising or marketing of sports wagering directed to children.

(i) In order to protect our students and our colleges and universities, sports wagering on high school sports and on California-based college teams must also be strictly prohibited.

(j) To prevent the exploitation of animals, sports wagering will not be allowed on any currently prohibited form of animal contests, such as greyhound or other dog races.

(k) Public confidence that legal gambling, including sports wagering, will not endanger public health, safety, or welfare requires that comprehensive measures be enacted and enforced to ensure that gambling is free from criminal and corruptive elements, that it is conducted honestly and competitively, and that it is conducted only at suitable locations. The California gaming industry must be held accountable to ensure they are complying with