



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2021-801, **Version:** 1

A resolution supporting HB824/SB1029 currently pending in the Tennessee General Assembly to prohibit sports betting license holders from allowing bets to be taken where alternative financial services establishments provide flex loans, title loans, deferred presentment loans, or check cashing.

WHEREAS, the Tennessee Sports Gaming Act, codified as Part 3, Chapter 51 of Title 4 of the Tennessee Code Annotated, provides a mechanism for persons to obtain a license to offer sports betting to customers; and

WHEREAS, T.C.A. § 51-4-318 provides that the holder of a state license to accept wagers from bettors on sporting events shall not offer, accept, or extend credit to a bettor; and

WHEREAS, despite this prohibition on extending credit, on January 6, 2021, the Tennessee Education Lottery Corporation Sports Wagering Advisory Council granted a sports betting license to Action 24/7, which is a sports book operation affiliated with Advance Financial; and

WHEREAS, Advance Financial is a state-licensed alternative financial services operation headquartered in Nashville with more than 100 physical storefronts in Tennessee that provides high fee, high interest loans to persons who often cannot obtain credit through traditional financial institutions; and

WHEREAS, the license granted to Action 24/7 now enables Advance Financial to serve both as a lender of high interest loans and a store where a customer can deposit funds for gambling; and

WHEREAS, studies from the Florida Family Policy Council and University at Buffalo Research Institute on Addictions (RIA) have shown that persons living in lower income households are twice as likely to have gambling problems than the general population; and

WHEREAS, HB824 sponsored by Rep. Jernigan and SB1029 sponsored by Sen. Briggs would prohibit a sports betting license holder from allowing a person placing a bet or wager to engage in the following activities in the same building where the person placed the bet or wager: (1) Entering into a flex loan plan pursuant to the Flexible Credit Act, compiled in title 45, chapter 12; (2) Entering into a title pledge agreement pursuant to the Tennessee Title Pledge Act, compiled in title 45, chapter 15; (3) Entering into a deferred presentment services agreement pursuant to the Deferred Presentment Services Act, compiled in title 45, chapter 17; or (4) Entering into a transaction pursuant to the Check Cashing Act of 1997, compiled in chapter 45, chapter 18; and

WHEREAS, HB824/SB1029 would further prohibit a license holder from including in a sports betting contract that the proceeds of a winning bet be applied to an outstanding amount owed to an alternative financial services institution; and

WHEREAS, facilitating sports betting for customers of Advance Financial who may be gambling addicts does not further the interests of the State of Tennessee, and the Tennessee General Assembly should enact a law to prohibit this practice.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan County Council hereby goes on record as supporting HB824/SB1029 currently pending in the Tennessee General Assembly to prohibit sports betting license holders from allowing bets to be taken where alternative financial services establishments provide flex loans, title loans, deferred presentment loans, or check cashing.

Section 2. The Metropolitan Clerk is directed to send a copy of this Resolution to each member of the Davidson County Delegation to the Tennessee General Assembly.

Section 3. This Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.