THE GENERAL ASSEMBLY OF PENNSYLVANIA

No. 878 Session of 2020

INTRODUCED BY KILLION, COSTA, FARNESE, MENSCH AND STEFANO, OCTOBER 2, 2020

REFERRED TO RULES AND EXECUTIVE NOMINATIONS, OCTOBER 2, 2020

A RESOLUTION

| 1 2 3 | Directing the Legislative Budget and Finance Committee to conduct a study regarding the opportunities for economic growth of Esports in this Commonwealth. |
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| 4 | WHEREAS, Esports is expected to grow 60% globally from 2018 |
| 5 | through 2023; and |
| 6 | WHEREAS, Estimates show that 40% of the global Esports |
| 7 | viewership will come from the United States, highlighting the |
| 8 | rapid growth of the industry's popularity in this country; and |
| 9 | WHEREAS, According to the Pennsylvania Esports Coalition (PA |
| 10 | ESC), Esports already provides significant opportunities for |
| 11 | economic growth in this Commonwealth; and |
| 12 | WHEREAS, The PA ESC reports that across this Commonwealth |
| 13 | Esports is connecting the remarkable economic benefits of this |
| 14 | global sport to Pennsylvania's economic future through |
| 15 | successful professional franchises and athletes, technological |
| 16 | innovation and development and emerging varsity Esports programs |
| 17 | at colleges and universities, which are boosting enrollment and |
| 18 | recruitment prospects; and |

WHEREAS, Pennsylvania will see an increase in demand upon
 technology infrastructure, traditional gaming, job training,
 higher education curriculum and economic development related to
 the growth of Esports; and

5 WHEREAS, As this emerging and rapidly growing industry evolves, the Commonwealth must study the many aspects of the 6 7 industry that will be subject to existing laws or regulatory 8 structures and evaluate if the Commonwealth's current framework related to taxation, regulation, consumer protection and 9 10 community safety, and any other way in which the Commonwealth may interact with this industry, adequately contemplate the way 11 in which Esports will operate in this Commonwealth and evaluate 12 13 what steps can be taken to help foster the industry's growth 14 while also protecting the interests of Commonwealth residents; 15 and

16 WHEREAS, The Commonwealth has the opportunity to 17 strategically invest in Esports-related infrastructure, 18 workforce development and business operations-related 19 investments; and

20 WHEREAS, Prior to making such investments, the Commonwealth 21 should study which type of Commonwealth investments would yield 22 the greatest qualitative and quantitative return for

23 Commonwealth residents; and

24 WHEREAS, Pennsylvania has demonstrated success and commitment 25 to the Esports industry; and

26 WHEREAS, Pennsylvania has suffered an unprecedented economic 27 hardship during the pandemic; and

28 WHEREAS, New businesses are forming and existing models are 29 adapting to incorporate Esports; and

30 WHEREAS, Esports impacts higher education and future

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1 technology development; and

2 WHEREAS, Future tax base definitions may be challenged in a 3 new post-COVID economy; and

4 WHEREAS, The Senate is planning ahead to grow Pennsylvania's 5 economy on a long-term outlook; and

6 WHEREAS, The Senate is seeking input to create opportunity 7 from a comprehensive evaluation of this large and fast-growing 8 industry; therefore be it

9 RESOLVED, That the Senate direct the Legislative Budget and 10 Finance Committee to lead a comprehensive evaluation of the 11 issues expressed in this resolution, in consultation with the 12 Community, Economic and Recreational Committee of the Senate; 13 and be it further

14 RESOLVED, That the Legislative Budget and Finance Committee 15 produce a comprehensive report on the issues raised in this 16 resolution; and be it further

17 RESOLVED, That the Legislative Budget and Finance Committee 18 report shall include:

19 (1) an overview of the recent growth of Esports and the 20 creation of new businesses directly and indirectly related to 21 Esports;

(2) the potential opportunities for State government toinvest in and grow Esports in Pennsylvania;

(3) an accounting for the recent economic downturns that growth in Esports could mitigate, such as future tax revenue, future private sector investment and higher education enrollment;

(4) recommendations on what existing Commonwealth laws
and regulations should be revised to help foster growth of
the industry and ensure proper governance and oversight;

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(5) an overview of what infrastructure resources are
 most critical for the future growth of the Esports sector;

3 (6) a discussion of what workforce training programs
4 will be required to help foster the growth of the Esports
5 industry;

6 and be it further

7 RESOLVED, That the Legislative Budget and Finance Committee
8 shall submit the report to the General Assembly and the Governor
9 no later than May 1, 2021.