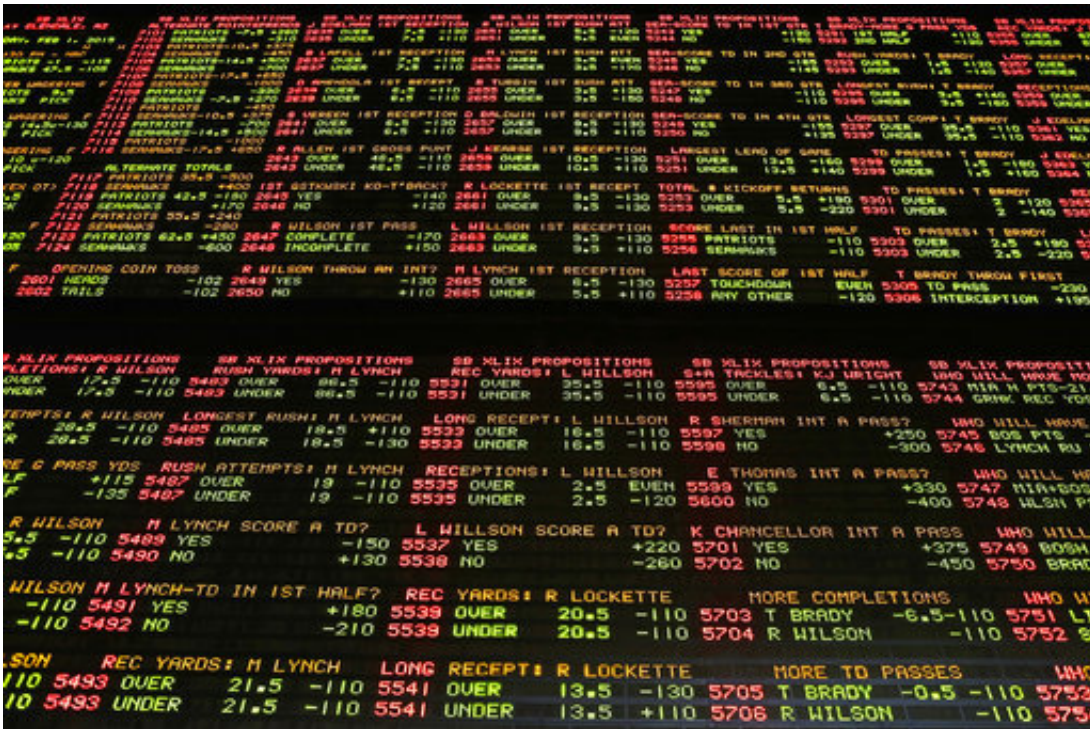


Sports betting case could pay off for internet gambling

November 22 2017, by Wayne Parry



In this Jan. 27, 2015, file photo, Super Bowl proposition bets are displayed on a board at the Westgate Las Vegas SuperBook race and sports book in Las Vegas. The U.S. Supreme Court is set to hear arguments Dec. 4, 2017, as the state of New Jersey challenges a 1992 law forbidding state-authorized sports gambling in all but four states that met a 1991 deadline to legalize it: Delaware, Montana, Nevada and Oregon. (AP Photo/John Locher, File)

Internet gambling in the United States has been limited to just three

states since it began in 2013, but it could soon get a big boost from an unlikely source: the U.S. Supreme Court.

Some gambling industry officials, regulators and analysts think that a favorable ruling by the high court in New Jersey's challenge to legalize sports betting could also lead to an expansion of [internet gambling](#).

"If we win sports wagering, online gaming will go to every state that adopts sports betting," said David Rebeck, director of the New Jersey Division of Gaming Enforcement, who predicts a favorable sports betting ruling could help [internet](#) gambling "explode" across the nation. "As soon as sports wagering is legalized, online gambling will follow right behind it."

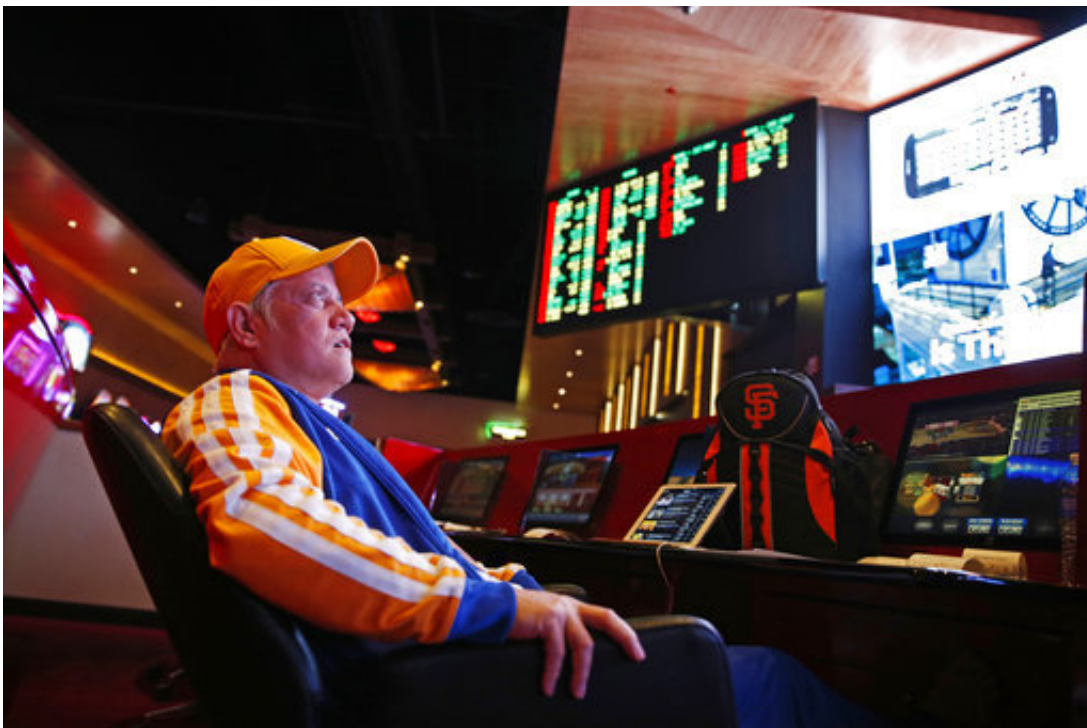
The Supreme Court will hear arguments in New Jersey's case on Dec. 4; a ruling could be weeks or months away. The state is taking aim at a 1992 law that forbids state-authorized sports gambling in all but four [states](#) that met a 1991 deadline to legalize it: Delaware, Montana, Nevada and Oregon. Nevada is the only state to allow single-game wagering.

The sports leagues oppose the lawsuit, arguing that legalized sports betting could taint the public's perception of the integrity of their games.

Americans already illegally bet up to \$60 billion annually on sports using offshore sites and bookmakers, according to Eilers & Krejcik Gaming. It estimates that 32 states could offer legal sports betting within five years if the Supreme Court rules in New Jersey's favor, creating a legal market of more than \$6 billion. If all 50 states joined in, the U.S. market could be worth up to \$15.8 billion, they estimate.

States are already prepping for a favorable ruling on sports betting: 13 introduced legislation regarding sports betting this year. Pennsylvania

and Connecticut both passed measures to regulate sports betting if it becomes legal.



In this Jan. 14, 2015, file photo, Amado Nanalang watches basketball games while making bets at a sports book owned and operated by CG Technology in Las Vegas. The U.S. Supreme Court is set to hear arguments Dec. 4, 2017, as the state of New Jersey challenges a 1992 law forbidding state-authorized sports gambling in all but four states that met a 1991 deadline to legalize it: Delaware, Montana, Nevada and Oregon. (AP Photo/John Locher, File)

Chris Grove, who tracks gambling legislation for Eilers & Krejcik Gaming, predicted at least 20 states will consider similar bills next year, and possibly more if the court rules in favor of New Jersey.

Experts think that the sports betting legislative push would likely help expand internet gambling. David Schwartz, who runs the Center for

Gaming Research at the University of Las Vegas-Nevada, says that offering online casino games and sports betting would go hand-in-hand online.

"It makes a lot of sense to offer sports betting over the internet," he said. "Once you have the systems for letting people bet on sports in place, it isn't a huge step to permit them to bet on casino games or poker as well."

New Jersey, Delaware and Nevada began offering internet gambling in 2013 and it will start in Pennsylvania next year.

New Jersey is by far the largest market, on track to take in \$250 million from internet gambling this year. Delaware had taken in just over \$2 million this year through the end of October, and Nevada does not report its internet gambling revenue separately from its brick-and-mortar casino revenue. Sports betting through mobile apps is also offered in Nevada.

New Jersey recently joined a multi-state compact with Nevada and Delaware to allow players to bet against each other, which could help allay complaints by some online poker players that the jackpots offered are too small to attract more players.

Richard Schwartz, whose Rush Street Interactive oversees operations for the playsugarhouse.com internet gambling site, said that merging [sports](#) and internet betting would attract a new, coveted demographic.



In this April 15, 2015, file photo, an employee at Resorts Casino Hotel tries a touchscreen tablet device the day before the opening of the casino's internet gambling lounge in Atlantic City, N.J. The U.S. Supreme Court is set to hear arguments Dec. 4, 2017, as the state of New Jersey challenges a 1992 law forbidding state-authorized sports gambling in all but four states that met a 1991 deadline to legalize it: Delaware, Montana, Nevada and Oregon. (AP Photo/Wayne Parry, File)

"I think it would attract a customer in their 30s or younger instead of the mid-40s or older that you see in casinos now," he said. "It's a new demographic that is very attractive."

Internet gambling became legal thanks to a U.S. Justice Department legal interpretation under the Obama administration that states offering it would not violate federal law. But there remains considerable uncertainty

as to whether the administration of President Donald Trump, the first former casino owner to be elected president, might move to reverse that ruling.

Las Vegas Sands chairman Sheldon Adelson, a Republican mega-donor who has supported Trump, is a staunch opponent of internet gambling. He has vowed to spend as much money as it takes to outlaw it. Though those efforts have yet to bear fruit, some in the industry say the uncertainty of whether internet gambling might be banned is making them hesitant to commit the millions of dollars it costs to set up an online operation.

A Justice Department spokesman would not discuss whether the Trump administration might take action or seek legislation to ban internet gambling or to legalize it. In an interview with The Associated Press during the presidential campaign last year, Trump declined to take a position on internet [gambling](#), saying "I have a lot of friends on both sides of this issue."

© 2017 The Associated Press. All rights reserved.

Citation: Sports betting case could pay off for internet gambling (2017, November 22) retrieved 26 June 2024 from <https://phys.org/news/2017-11-sports-case-internet-gambling.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--