

Full Speed Ahead For New Jersey Sports-Betting Tour With Stops In Europe, Nevada

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Less than a week after the December 4 hearing by the U.S. Supreme Court on sports betting, New Jersey regulators traveled to Europe to meet with sports wagering officials and a trip to Nevada could occur as early as next week.

"They are in an intensive fact-finding period where the DGE [New Jersey Division of Gaming Enforcement] is meeting actively with a number of stakeholders and operators, both in Europe and here," Jeremy Kleiman, a gaming attorney with the firm of Saiber Law in Florham Park, New Jersey, told GamblingCompliance.

Kleiman said he met with DGE officials last week in London.

"They're gathering information on best practices as they start drafting regulations," Kleiman said.

"I think their plan is to have fully baked draft regulations in the coming months," he said.

The DGE did not reply to a request for comment.

New Jersey's experience as a pioneer in internet gambling regulation in the United States is expected to be a huge asset as the state plans to enter the sports-betting market both online and at brick-and-mortar casinos and racetracks.

To understand how aggressively New Jersey is preparing to launch sports-betting operations next year, one only needs to look at Monmouth Park, the racetrack managed by attorney Dennis Drazin, the chief strategist in New Jersey's appeal to the Supreme Court.

Since 2013, William Hill has been operating a "sports bar" at Monmouth Park offering free play on sporting events, as well as fantasy sports.

"We would open [sports betting] probably within two weeks [of a favorable Supreme Court ruling] in that facility," Drazin said. "We spent well over a million dollars getting that ready."

Not only is William Hill planning to operate a second sportsbook at Monmouth Park, but the racetrack is designing two more books — for a total of four — to open by 2020.

"At this point, New Jersey is all in," Drazin said. "We believe sports betting is going to happen, and we're moving forward to do whatever we can do to be ready to open as quickly as possible after the court ruling."

Make no mistake, the excitement which swept across the global sports-betting community immediately after the Supreme Court hearing has shown no signs of dissipating.

Drazin, who has been besieged by calls about sports betting since the hearing on the fate of the Professional and Amateur Sports Protection Act (PASPA), said he thinks the anticipation of victory has actually increased.

"Everyone who has been saying to me for years, 'You're Don Quixote tilting at windmills. You know, you'll never get this done.' Now, they all want to take credit and say, 'We were there.' They want to act like they were helping me," Drazin said.

If the Supreme Court issues a ruling that fully overturns PASPA, New Jersey is likely to pass a new law allowing sports betting to be regulated and taxed by the state government.

Until such a law is passed, however, wagers could be allowed under the 2014 New Jersey law that allows private regulation by racetracks and casinos, according to Drazin. This was the law at the center of the Supreme Court case.

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Meanwhile, New Jersey is also well positioned from an online perspective given that its 2013 internet gaming law allows for the operation of "any game that the [DGE] may determine by regulation to be suitable for use for wagering through the internet."

DGE director David Rebuck has already said his agency is **planning to move forward** with online sports betting should New Jersey win in the Supreme Court, a potentially transformative expansion of the state's internet gaming market.

New Jersey's online casinos are on track to earn around \$245m in total revenue this year and adding sports betting to their product mix would roughly double the size of the market, according to projections by GamblingCompliance.

Perhaps the biggest challenge confronting the sports-betting industry is persuading other states to become as aggressive and knowledgeable as New Jersey when it comes to preparing for a post-PASPA future.

Even in New Jersey, "everyone else is kind of lagging behind us [Monmouth Park]," Drazin said. "The casinos and the racetracks have started to pick our brains to find out what we know because they've kind of sat back, thinking this would never happen."

Other states such as Pennsylvania, which passed a bill this year to allow online and land-based sports betting if the Supreme Court overturns PASPA, are years behind New Jersey's preparation for regulating wagers on games.

"They've positioned themselves to be the first movers here [on sports betting]," Kleiman said of New Jersey.

Another busy person these days is **George Rover**, a former deputy director of New Jersey's DGE, who has become a gaming consultant.

"I've received a lot of calls from people, not just in the United States but also outside the country, seeking to talk about what I believe the future is and possibly potential business opportunities," Rover said.

If the Supreme Court overturns PASPA or issues a narrower ruling which allows only New Jersey to proceed with sports betting, Rover said, "the [New Jersey] regulators themselves are going to be ready to move forward and they're going to hope that the operators are going to be ready as well."

A new governor, Democrat Phil Murphy, will succeed Republican Chris Christie on January 16, but the change is not expected to affect New Jersey's inexorable march toward sports betting.

"This has always been a bipartisan issue in New Jersey," Rover said.

Among the benefits of sports betting for New Jersey would be the ability to forge sports-betting compacts with other states, according to Chris Soriano, a gaming attorney with Duane Morris law firm in Cherry Hill, New Jersey.

"New Jersey would already have a regulatory framework in place," Soriano said. "There could be some issues under the Wire Act, but compacting is certainly worth consideration."

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