GOLDEN: Don't bet on sports wagering

Carl Golden 6:04 p.m. EDT October 2, 2014

About a month ago, Gov. Chris Christie startled participants in a summit meeting on the future of Atlantic City by announcing the state would no longer enforce the law prohibiting placing bets on athletic contests, permitting casinos and racetracks to open sports books without fear of criminal prosecution.

The initial burst of enthusiasm over Christie's announcement — one track owner confidently predicted he would be accepting bets within a week, but quickly backed off — has cooled in light of considerable uncertainty over whether any facility that offers sports betting remains liable for prosecution under federal law.

The casino industry and racetrack operators — while welcoming the administration's move — have adopted a wait-and-see attitude, understandably and wisely reluctant to rush headlong into accepting wagers on professional and amateur games in the absence of assurances from a federal court that they are immune from prosecution.

Gambling industry leaders and executives are not about to sink considerable sums of money into this new venture (new to New Jersey, at least), while facing the possibility of federal criminal charges that could jeopardize their operating licenses.

Christie's directive to disregard the state law grew from a federal court decision that held that while states were barred from licensing or regulating such wagering, states were free to repeal their own prohibitions.

The federal prohibition, however, remains in place until a court rules otherwise or until Congress repeals the 1992 law banning sports betting in states in which it was not already permissible.

In the most recent developments, l8p#l a majwis owfes freTc.009.(ht, nsporgsaxde -eheayTrcorsx spor8weversw@yerans.)]TJ9m ion filed court papers opposing the state's action and a legislator announced he would re-introduce a bill to repeal the anti-sports betting statutes.

Legalizing wagering on sports events has long been sought by legislators and the gaming industry, given added urgency by the closure of four Atlantic City casino hotels this year, the prospect of a fifth shutdown next month, the loss of more than 8,000 jobs, and the continuing decline in profits.

Online gaming — once touted as a lucrative new revenue source — has been disappointing, producing but a fraction of initial estimates.

Proponents of sports betting argue that lifting the ban is a logical, overdue next step in the evolution of legalized gaming. They point out that billions of dollars change hands illegally each year, money that falls into the pockets of organized crime while depriving states of millions in tax revenue.

They liken laws against sports wagering to the ban on alcohol enacted in the 1920s — Prohibition — that turned ordinary citizens into lawbreakers and made millionaires of a rather unsavory bunch of characters before the federal government recognized the law's folly and repealed it.

Supporters contend further that with lotteries, parimutuel betting at tracks and casinos already entrenched presences and tax generators in many states, it makes little sense to continue to maintain the illegality of sports betting.

The laws, they say, are the last vestiges of society's streak of puritanism based on government enforcement of a code of moral conduct. With gambling an accepted part of daily life, despite examples of addiction, personal financial ruin and criminal behavior, the prohibition is no longer relevant.

The opposition by sports organizations is dismissed as the epitome of hypocrisy. Supporters point to these groups as willingly participating with the media in disseminating valuable information to gamblers — point spreads, player injury reports, past performances and favored teams.

The leagues have argued successfully so far that betting on the outcomes of their contests damages the integrity of the sports. Every dropped forward pass, strikeout, or missed basket, they say, will lead inevitably to questions about honest player effort and allegations of fixes.

As an effective method to re-energize the casino industry and extend badly-needed assistance to a struggling Atlantic City, sports betting will be a tremendous draw during high profile events — the Super Bowl and the NCAA basketball tournament are most often mentioned — enticing thousands of gamblers who will spend money on hotels, entertainment, dining, and shopping.