

Legislators make a push for legalized sports wagering in Atlantic City

By Gary Trask

With a local team heading to the Super Bowl and casino revenues down for the first time, New Jersey's Assembly Tourism and Gaming Committee is betting that the time is right to resurrect the idea of making betting on professional sports legal in Atlantic City.

Spearheaded by assemblymen Nelson Albano (D-Cumberland/Atlantic/Cape May), Louis Greenwald (D-Camden) and John Burzichelli (D-Gloucester), the committee introduced legislation last Thursday that they say would help Atlantic City's casinos „weather mounting gambling competition in other states“ and „strengthen New Jersey's economy.“

„There are multiple dividends for New Jersey if sports gambling were to be provided at Atlantic City's casinos,“ said Albano. „With the Super Bowl (coming up), Atlantic City's casinos are again losing out as bettors flock to Las Vegas. We need to ensure Atlantic City stays on the cutting edge and has a competitive advantage against the new wave of gambling offerings in other states.“

This weekend two east coast teams will square off in Super Bowl XVII when the N.Y. Giants try to knock off the undefeated New England Patriots in Arizona. According to a release issued by the committee, bettors in Nevada alone wagered USD 93.1 million on last year's Super Bowl. Overall, as much as USD 400 billion is bet on sports nationally each year in the United States.

„If New Jersey could tap into even a fraction of the national

sports book, the state could generate millions of dollars in new direct revenues and economic dividends from increased tourism," said Greenwald about the bill that would allow licensed casinos to accept in-person wagers solely on professional sports – unlike Nevada, which allows wagering on collegiate and professional sporting events. „It wouldn't be a revenue avalanche, but the betting opportunity would certainly strengthen Atlantic City's marketability and gambling hand.“

And after a recent report by the state's Casino Control Commission, it appears the AC's „gambling hand“ is in need of some strengthening. According to the report, casino revenues fell 5.7 percent in 2007 to USD 4.92 billion. In December alone, revenues declined by 10.6 percent. In the face of competition from slot machines at race tracks in Pennsylvania and New York, slot revenues declined by 8.9 percent to USD 3.46 billion.

„What happened to the industry in 2007 was clearly the result of new competition and a partial ban on smoking in Atlantic City's casinos," commission chair Linda Kassekert said. „While this is the first year that revenues have decreased, the future for the industry is very bright.“

But the lawmakers claim that legalized sports betting would do more than just make Atlantic City a more desirable destination. They said that it could also counteract illegal sports wagering enterprises that they say have helped finance other criminal activities in the state. In November, state Attorney General Anne Milgram announced the break-up of a USD 22 million illegal sports-betting ring operated out of a poker room at Atlantic City's Borgata Hotel Casino & Spa. Among the 23 individuals charged in „Operation High Roller“ were four men with ties to organized crime.

„Sports betting already exists in New Jersey, but only the criminals are enjoying the profits," said Burzichelli, the committee chairman. „Legal, carefully regulated sports

wagering would bolster both Atlantic City and the state. New Jersey should go all-in."

This, of course, isn't the first time a push for legalized sports gambling in Atlantic City has surfaced. In 1992, a federal law limiting sports gaming to Nevada was amended to give New Jersey and four other states an opportunity to approve sports betting, provided they acted prior to Jan. 1, 1994. But the former Republican-controlled Assembly failed to put the question before voters in the November 1993 general election, and the deadline passed. As a result, Nevada, Oregon, Delaware, and Montana are the only states that legally can offer sports betting; only Nevada and Oregon actually provide such wagering.

„With the growth of out-of-state slots parlors and ‚racinos,‘ we should try to correct the mistake New Jersey made 15 years ago," said Albano. „Atlantic City needs to up the ante so it can remain the East Coast's premier gaming destination."

Albano, Greenwald, and Burzichelli said New Jersey has „decent odds" for successfully challenging the federal law in court and having it ruled unconstitutional. They said the federal dictate infringes on states' rights and that the constitutionality of the federal law remains untested.

Following last week's hearing, the measure, which was released 8-0, now heads Assembly Speaker Joseph Roberts (D-5th), who decides if and when to post it for a floor vote. The committee is hopeful that a ballot question could appear on an election ballot as early as next November.

„Ever since its inception, Atlantic City's casinos have scored big for taxpayers, senior citizens, and residents with disabilities," added Greenwald. „Now, aggressive marketing campaigns from out-of-state gaming interests have become a real and present danger to Atlantic City. With one of the state's most important industries in the crosshairs, it is

imperative that we seize this unique opportunity.”