

Judge rejects Kentucky bid to claim illegal Web casinos

Frankfort, Kentucky – A judge yesterday declined to order 141 gambling Web sites forfeited to the state, saying he needed more time to understand the complexities of what experts call an unprecedented effort to crack down on illegal Internet gambling.

Instead, Franklin Circuit Judge Thomas Wingate ordered attorneys representing both sides to file briefs on some of the issues and scheduled a hearing for Oct. 7.

„This is the strangest case I have ever seen in my life,“ said Frankfort defense attorney Bill Johnson, who said he is representing seven of the 141 domain names.

About two dozen attorneys from Kentucky and Washington, D.C., representing gambling industry trade groups, Internet commerce organizations and freedom of speech groups attended yesterday's hearing.

Last week, Gov. Steve Beshear filed a lawsuit in Franklin Circuit Court seeking to force online gambling sites to block access by Kentucky users and pay damages or relinquish control of the names of their Web sites, called domain names.

Beshear called the sites „leeches on our communities“ that hurt Kentucky's signature industry, horse racing. He said Kentuckians spend „tens of millions of dollars“ a year on illegal Internet gambling.

After the suit was filed, Wingate filed a seizure order requiring that the domain names be transferred to the state.

Kentucky had hoped the judge would order control of the sites forfeited to the state yesterday. But at the hearing, defense

attorneys posed a lengthy list of reasons why he should dismiss the case.

Among other things, they argued that Kentucky doesn't have jurisdiction, that Web sites are not gambling devices as defined by state law, and that the court did not follow due process in seizing the sites.

„They may not like my clients and they may think they are bad people, but they haven't proved it,“ said Johnson, who didn't identify in court the Web sites he represents.

Kentuckians are still able to gamble on many of the online casinos, which still have functioning Web sites.

Operators of the sites, however, aren't allowed under the judge's seizure order issued last week to alter them in any way.

The state has taken control of two Web sites, highrollerslounge.com and luckypyramidcasino.com. Those sites are inoperable, but Justice Cabinet Secretary J. Michael Brown said Kentucky did not shut them down.

Brown said after the hearing that Kentucky's primary goal is to block access to the sites by Kentuckians and that, as demonstrated at the hearing, the state has gotten the attention of the online gambling operations.

„It's clear that if we do enough they will come to us,“ he said.

Washington, D.C.-based attorney Edward Leyden, who represents the Interactive Media Entertainment and Gaming Association, an Internet gaming trade group, said he was pleased the judge decided to give attorneys more time to make their cases.

Lawrenceburg resident Jay Springate sat in the back of the courtroom yesterday, sporting a T-shirt and hat advertising the popular online poker site PokerStars.

Springate, who said he plays poker and occasionally bets on football games for money on the Internet, said banning online gambling should not be one of the governor's priorities.

„I was really disappointed with Gov. Beshear's use of my time and my taxes as a Kentucky citizen, fooling with this nonsense when we are in the midst of an energy crisis and economic crisis and so many other things,“ he said.

Beshear spokesman Jay Blanton has said the attorneys representing the state would get paid only if the state wins.