



Written by [Raven Clabough](#) on August 15, 2012

New Jersey, Christie, Fight to Allow Sports Gambling

The state of New Jersey is attempting to assert its state rights by pushing to [legalize](#) sports betting. New Jersey Governor Chris Christie is leading the challenge to laws that limit legal betting on sports in a handful of states.



The *Washington Times* reports, “The long-running, high-stakes battle over betting on sports in America is coming to a head, and this time supporters are making the case that their fight against the nation’s most powerful professional and collegiate sports leagues is not on economic or policy grounds, but is a defense of states’ rights under the U.S. Constitution.”

In January, Governor Christie signed a law that permits sports betting at New Jersey’s 12 casinos, four racetracks, and on the site of a closed racetrack. He stated in May that he would move forward without attempting to get the 1992 federal law overturned.

The New Jersey law allows casinos and racetracks to operate sports betting polls approved by the state Division of Gaming Enforcement and the New Jersey Racing Commission. Under the law, the state is permitted to issue licenses for sports betting parlors.

Gambling on collegiate athletic events remains banned under New Jersey’s constitution, however.

New Jersey officials assert that permitting sports betting would generate as much as \$120 million each year, as well as thousands more jobs in the state. According to ESPN, half of the revenue generated under the new law will be used for gambling-treatment programs.

Christie’s regulations are expected to become effective within the next few months.

The governor’s efforts are already being contested by some heavy hitters, however. The National Football League, Major League Baseball, the National Hockey League, the National Basketball Association, and the NCAA have filed a lawsuit to block New Jersey’s efforts to unilaterally dismantle the federal ban on expanded sports gambling.

The major professional leagues argue that New Jersey’s plan to allow sports betting is in violation of federal law and threatens the “character and integrity” of sporting events.

ESPN [reports](#):

The leagues say New Jersey’s proposal to allow sports betting is “in clear and flagrant violation” of a 1992 federal law, the Professional and Amateur Sports Protection Act, which restricts betting on collegiate and professional games to four states: Delaware, Montana, Nevada, and Oregon. New Jersey was given a chance to become the fifth state, but declined to act during a yearlong window from 1993 to 1994.

“The sponsorship, operation, advertising, promotion, licensure and authorization of sports gambling in



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New Jersey,” the lawsuit states, “would irreparably harm amateur and professional sports by fostering suspicion that individual plays and final scores of games may have been influenced by factors other than honest athletic competition.”

According to the lawsuit, sports gambling in New Jersey would threaten the “reputations and goodwill” between fans and the teams. The leagues also contend that an expansion of sports betting “undermines the public’s faith and confidence in the character of amateur and professional team sports.”

Christie’s administration reportedly expected such a lawsuit.

“This is what New Jersey was waiting for,” said [Lloyd Levenson](#), CEO of the New Jersey-based law firm [Cooper Levenson](#), which specializes in gambling law. “The lawsuit was expected ... and the New Jersey contention is that the law is unconstitutional.”

In 2009, the state of Delaware faced a suit from the same sports leagues suing New Jersey. The suit was heard in the 3rd U.S. Circuit Court, the same court that will be hearing New Jersey’s challenge, but the court ruled against Delaware.

Legal analysts assert that the two cases are too different to compare.

“The issue has not been decided by the Delaware case,” [Levenson](#) said. “The focus of the other lawsuit was whether they could allow individual bets when they were grandfathered to do parlay bets. They didn’t deal with the constitutionality question.”

Christie believes that the state of New Jersey will prevail in the legal battle.

“I don’t believe that the federal government has the right to decide that only certain states can have sports gambling. On what basis?” the feisty Garden State governor declared. “If there was a grand nationwide prohibition, there wouldn’t be an argument, but how is it that sports gambling in New Jersey is going to affect the sports leagues more than it already affects the sports leagues in Nevada?”

Addressing the lawsuit, Christie said, “And it doesn’t acknowledge that there is illegal sports gambling going on in every state in America, as we speak. So why is this more injurious than illegal sports gambling to the operations of the league or the NCAA?”

New Jersey’s defense in the lawsuit is that the federal law, the Professional and Amateur Sports Protection Act (PASPA), is unfair because it is not applied equally across all states. As noted above, the law continues to permit Delaware, Montana, Oregon, and Nevada to allow sports betting.

Nevada is the only state of the four that offers direct sports betting, however. Delaware, Oregon, and Montana offer “parlay betting,” which is gambling that requires bettors to predict winners for several consecutive games in order to receive a payout.

Meanwhile, other states are looking to follow suit. The California Assembly is considering a bill to allow sports betting, while U.S. Rep. Frank LoBiondo of New Jersey is sponsoring a federal bill that would permit states a four-year window to implement legislation that would allow for sports betting. If New Jersey were to win the case, PASPA would be nullified, permitting other states to allow sports betting.

And New Jersey’s Casino Association applauded Christie’s law, stating that casinos should “be legally able to offer sports betting as do our counterparts in Nevada.” The association believes that ultimate outcome will be “a level playing field for all New Jersey casinos.”

Christie also has some bipartisan support in his state on the issue. Democratic State Senator Raymond Lesniak is a major proponent of Christie’s law and said that the sports leagues’ opposition to the law is



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based on flawed reasoning.

“Legalizing sports wagering recognizes the inevitable — that people are going to bet on sports whether the practice is legal or not ...,” he wrote in a recent Internet debate on the issue hosted by *U.S. News & World Report*. “By mainstreaming sports wagering, we can take some of the power away from organized crime and offshore Internet operators, and put it in the regulated hands of existing casino and racetrack operators.”

Photo:

Horses compete in the Philip H. Iselin Breeders' Cup Stakes at Monmouth Park in Oceanport, N.J. in 2006: AP Images



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