

## Looking to make a legal bet on this year's Super Bowl?

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Are you looking to make a legal bet on this year's Super Bowl?

The odds in New Jersey aren't in your favor.

The tradition of New Jersey residents making illegal Super Bowl bets through bookies, office pools, and on the side with friends will continue this year, despite efforts to legalize sports betting in the state. But the state's racetracks are still hoping legal gambling is coming, despite opposition from the federal government and the sports themselves.

The NFL and four other sports organizations have tied up the state's sports betting law in U.S. District Court, claiming the leagues will be harmed if New Jersey goes ahead with its plan to offer sports bets at Monmouth Park and other racetracks and at Atlantic City's 12 casinos.

U.S. District Judge Michael Shipp has scheduled a hearing for Feb. 14, too late for Super Bowl XLVII, which takes place Feb. 3 in New Orleans.

That means New Jersey misses out on a chance to regulate and tax "a substantial amount of money that will be changing hands through betting," said William J. Pascrell III, a leading sports gaming lobbyist.

"We were hoping to have sports betting in place for the Super Bowl. New Jersey has a chance to have lawful betting rather than illegal betting. We're confident that day will come," Pascrell said.

It's easy to see why the state wants in on sports betting.

The National Gambling Impact Study Commission estimated that \$380 billion is bet illegally across the nation annually. Other estimates put the figure as high as \$500 billion.

Marlboro resident Paul Cioffi, formerly a professional football player in Canada who now heads the sports information service JerseyKidPicks.com, said sports betting has long been prevalent in the state.

“Betting on games is more common than betting legally on horse races,” Cioffi said.

The Super Bowl is acknowledged as the game that gets the most action from bettors. A Poll Position national survey said 25 million people bet on last year’s Giants-Patriots Super Bowl. New Jersey’s plan is to also offer betting on other NFL games as well as the other pro sports and college games.

Monmouth Park officials say they’re ready to begin a \$5 million renovation at the Oceanport facility that will cater to sports bettors.

“It will be a Vegas-style sports book area where our Lady’s Secret Café is located near the clubhouse,” said Dennis Drazin, whose company, Darby Development, operates the racetrack.

Drazin said sports betting could provide as much as \$25 million in new revenue for the racetrack, after winning bettors are paid and the state collects a 9.25 percent tax.

“I’m excited about sports betting. If it happens, it’ll really give us a shot in the arm at Monmouth Park,” Drazin said.

Officials at other tracks and casinos have been waiting out the court fight. Some officials say they want to avoid legal tangles with regulators in other states where they have gambling licenses.

Chris McErlean, president of Pennwood Racing, which owns Freehold Raceway, said Pennwood’s parent companies have gambling businesses in 22 states and own Pennsylvania’s largest casino, “so we are watching closely to see how this progresses in terms of the legalities,” he said. “If we’re given the green light, we will be ready and eager to participate.”

Delaware, the only state east of the Rockies permitted by Congress to have sports betting since 1992, is experiencing a surge in volume after recently expanding betting from the state’s three racetrack casinos.

Now 31 restaurants, bars and nightclubs are allowed to take bets, driving business during the current NFL season up more than 40 percent compared to a year ago, said Vernon A. Kirk, director of the Delaware Lottery.

“There’s been no cannibalization. Business at the racetrack casinos is also up, despite the new sites,” Kirk said. “People now have more options. They can now bet a couple of bucks on a game while they’re sitting at a Buffalo Wild Wings.”

If New Jersey wins court approval to begin sports betting, it will benefit Delaware, Kirk said.

Delaware is limited by federal law to parlay betting (gambling on multiple games) and only on the NFL. If New Jersey is permitted to offer betting on single games and other leagues, Delaware would be likely to follow, Kirk said.

“We’d love to see New Jersey win this legal fight. We don’t think they have a chance in hell but we’d love to see them succeed because we have the infrastructure to literally flick a switch and convert to a full scale Las Vegas book operation with single game wagering and with betting on other sports,” Kirk said.

The four major professional sports leagues and the NCAA are continuing their fight to halt New Jersey’s plans after Shipp, sitting in U.S. District Court in Trenton, last month rejected arguments that the leagues couldn’t prove they would be harmed if the state proceeds with the plans.

Shipp agreed with the leagues that they have standing to contend that sports betting in New Jersey would negatively affect perception of their games.

New Jersey has argued in court papers that the 1990s law prohibiting sports gambling in all but four states — Nevada, Delaware, Oregon and Montana — is unconstitutional.

The leagues and the NCAA sued last August after Gov. Chris Christie vowed to defy the federal ban. The Legislature enacted a sports betting law, sponsored by Senator Ray Lesniak and others, after residents in a non-binding November 2011 referendum indicated by a 2-to-1 margin they wanted legal sports betting in New Jersey.

Typically in sports betting, a \$110 bet means \$10 in potential profit for the “house” sports book, with the remaining \$100 going to payoffs for winning bettors. The house profit increases or shrinks based on how accurate bettors. The house profit is subject to state taxes.

Pascrell, who was campaign director for Vote Yes on Sports Wagering in the successful referendum, said it will create a windfall for the state. He cited a study showing the government netting \$120 million annually in tax collection.

“But it’s more than that, it’s extra foot traffic at Monmouth Park and the other racetracks and casinos during March Madness. It will create jobs. It’s a tremendous lift for Atlantic City and the casinos,” Pascrell said.

The New Jersey proposal includes a minimum age of 21 for bettors. Wagering on college games would be allowed except for any college game involving New Jersey teams and other college games that take place in the state.

The sports-betting regulations compel that host sites pay a \$50,000 license fee and pay resubmission fees of \$50,000 every five years, with half of the fees going toward prevention, education and treatment programs for compulsive gamblers.

Proponents have long argued that legalizing sports betting will reduce or eliminate illegal wagering.

Not true, said Les Bernal, executive director of Stop Predatory Gambling.

“Illegal gambling will probably increase because illegal operators can entice people to do business with them by offering better odds and giving out loans,” Bernal said. “This will be a government program actively feeding off addiction and building up personal debt. Is there another state in the county where government’s partnership with the gambling industry has failed so noticeably? Atlantic City is a mess 30 years after casinos came in, racetracks are failing and crying for slots, and Revel could go under after receiving a \$260 million pledge from Chris Christie in tax incentives.”