

Pallone says he wants to bring sports betting 'out of the shadows' in N.J.

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NEW YORK — Rep. Frank Pallone, who has positioned himself as a leading advocate for legalizing sports betting in New Jersey, said at a forum in Manhattan on Monday that his goal was to bring an underground industry “out of the shadows.”

“This is a billion-dollar industry run by organized crime, and instead we’d like to see money generated through tax revenues that could go to state education, for instance,” Pallone said at a forum hosted by the Qatar-based International Centre for Sport Security. “And if you didn’t have the sports leagues opposing sports betting, I have no doubt that we would be able to pass a law” in Congress legalizing such gambling, Pallone added.

Pallone, a Democrat from Monmouth County, reintroduced a bill in January that would permit New Jersey to join Nevada in offering full-fledged sports betting. He has also been sparring publicly with four major professional sports leagues and the NCAA, which have been engaged in a multi-year lawsuit to prevent New Jersey’s racetracks and casino’s from offering sports betting.

Since announcing his intent recently to seek Congressional hearings on the alliances that the same sports leagues have brokered with daily fantasy sports sites, Pallone said he noticed a change in the leagues’ responses.

“They don’t seem to talk about the immorality of sports betting anymore,” Pallone said. Instead, the leagues have cited a nine-year exemption in federal law for fantasy sports while asserting that even one-day fantasy sports — where fans put up money and choose a salary-capped group of players from around an entire league — is a game of skill in which fans risk money on the outcome of athletic performances of their players.

“The reason they like fantasy sports is that they are invested in it and make money off it,” Pallone said.

The panel’s moderator, James Carville, the longtime Democratic political operative and an informal adviser to the International Centre for Sport Security, insisted that the leagues already profit from Las Vegas-style sports betting.

“Take Jacksonville and Cleveland,” he said, referring to the Jaguars and Browns of the NFL. “If there is a 7½ point spread on the game and it’s a 7-point game midway through the fourth quarter, is there a single person watching that game who doesn’t have a bet on it?”

But Les Bernal, the national director of the advocacy group Stop Predatory Gambling, said that legalizing sports betting would create even more poverty decades after most states embraced other forms of gambling.

“The question you never hear in the debate — whether it’s lotteries, casinos, or now sports gambling — is whether this is a public policy that will improve people’s lives,” Bernal said. “The more you gamble, the more you lose.”

A federal appeals panel last month upheld an earlier decision blocking New Jersey’s latest bid to allow wagering on sporting events, which advocates have promoted as a way of boosting revenue at the state’s struggling racetracks and casinos.

The state responded by petitioning for the full 3rd U.S. Circuit Court of Appeals to consider the case, which was first filed in 2012. Last week, the court directed the leagues to file a response by Sept. 29.

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