

Court Upholds Law Prohibiting Sports Betting in New Jersey

by Anthony Caruso on September 20, 2013

The legalization of sports betting in New Jersey is becoming more bleak, following a court's recent decision to uphold a lower court's ruling prohibiting passage of the betting legislation.

A three-panel federal appeals court affirmed the ruling that the Garden State's new sports betting law violates federal statute, and therefore should not be implemented. While legal analysts were divided about how the federal appeals court would rule, recent attention the case garnered about sports law, state sovereignty and the integrity of sports has led many to believe that the issue will eventually be decided by the U.S. Supreme Court. State Sen. Ray Lesniak - a strong supporter for legalizing sports gambling - said as much following the ruling, which may pave the way for the nation's premier court to make a final determination about the dispute, which is beginning to prompt other states to consider their own sports betting options.

"The only beneficiaries of today's court decision are organized crime-run sports betting rings and offshore Internet sports betting gaming sites," said Lesniak. "We will either take our appeal to the U.S. Supreme Court or ask the entire court of appeals bench, which may give us a quicker decision, to take a look at this issue."

Many states take the view that the 1992 Professional and Amateur Sports Protection Act is discriminatory against the states not included under the law, which currently allows a handful of states - Nevada, Oregon, Montana, and Delaware - to maintain sports betting. Rather than being a federal constitutional issue, many states - such as New Jersey - view it as a state issue and a threat their sovereignty.

After all, voters overwhelmingly passed a sports betting referendum in 2011. In addition, with many states experiencing budgetary shortfalls and trying to overcome the grips of high unemployment, regulated sports betting has the potential to provide ailing states with revenue and put an end to illegal sports gambling that could take money away from the state. We can expect to see these issues discussed at length should the case make it to the Supreme Court.