

Catania Gaming Consultants



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Mixed Signals on Internet Gambling in NJ

A proposed law would allow Internet gambling by New Jersey residents, to be offered on web sites through the state's casinos in Atlantic City. New Jersey currently offers wagering on horse racing to state residents. The bill would expand the law to permit Internet versions of games currently allowed in Atlantic City casinos.

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The bill was introduced by Sen. Raymond J. Lesniak, who also introduced a separate bill which calls for New Jersey residents to vote on a constitutional amendment that would permit sports wagering in Atlantic City casinos, and by state residents via an intra-state Internet gambling system.

Not everyone has reacted positively to the bill, despite the fact that Atlantic City casinos have been hurt by the recession as well as competition from neighboring states. Incoming NJ Governor Christie's transition report on sports and gaming recommended that the state "not waste state money to pursue intrastate Internet wagering or sports betting until federal laws change."

Casino representatives have expressed opposition on the ground that the legislation would allow racetracks to get video lottery terminals, and Atlantic City's gaming industry has vigorously opposed attempts by the tracks to operate slot

machine-like terminals, saying they would greatly increase competition for gambling customers.

Resistance has come from opponents of gambling who advocate on compulsive gambling issues. Although efforts to legalize and regulate online gambling on a national level continue in Washington, it is believed by some that if states assert their right to regulate Internet gambling within their borders, one side effect may be a breaking of the deadlock in Congress.

Frank Catania to Testify in California on Efforts to Legalize Online Poker

The California Senate Governmental Organization Committee will take up the question of online poker when it meets on February 9th. Frank Catania will be testifying at the hearing, and speaking to the merits of sanctioning intrastate online poker. California would become the first state to specifically authorize intrastate online poker, if legislation is introduced and approved by the legislature and governor.

Currently there is no specific legislation introduced for regulated online poker in California, but any legislative effort would not be the state's first attempt at licensing and regulating online poker. Assemblyman Lloyd Levine had previously introduced legislation that would have established a regulatory scheme for online poker in February 2008, but the state legislature didn't act on the proposed bill.

Gambling Soon To Come to a TV Near You?

London-based online betting company, Betfair, announced the launch of what it claims is the first betting application for TV's running the Yahoo! TV Widget Engine. The company also said that, it has created a specialist interactive TV team to develop interactive gambling services for the Yahoo! widget platform. In those countries that allow it, the Betfair TV Widget can provide sports enthusiasts with an online gambling experience to enhance their sports television watching.

Nevada Clarifies "Conduct Unbecoming" Regulations

Nevada gaming regulators strengthened their authority to discipline casino employees for misconduct outside the workplace. A state law amendment clarifies that gaming license holders who fail to uphold the same personal and professional standards required to initially obtain their licenses may be disciplined.

The Gaming Control Board pressed for this law, which resembles rules in existing gaming regulations, to counter any legal argument that the board might be overstepping its authority by disciplining a casino license holder for any infraction. Regulators have broad discretion to issue warnings, impose conditional licenses with probationary periods and even revoke licenses — a rarely invoked power that essentially bans individuals from the casino industry for life.

The standard for personal and business behavior is deliberately broad. It includes disciplinary action for activities "inimical to the public health, safety, morals, good order and general welfare of the people of the state of Nevada, or that would reflect or tend to reflect discredit upon the state of Nevada or the gaming industry." Moreover, associating with "persons of notorious or unsavory reputation," people with "extensive police records" or involved with "subversive movements" or people who could damage the state's or industry's reputation because they are unethical or otherwise unprofessional could be grounds for punishment.

UK Unveils New Online Gambling Proposals

The UK government disclosed long-anticipated proposals to regulate offshore gambling websites aimed at UK customers. Sports minister Gerry Sutcliffe said that under the proposals, all operators targeting British customers would have to be licensed by the Gambling Commission and comply with UK laws.

Under the proposals, all operators active in the British market would have to comply with the Gambling Act and be required to report suspicious betting activity to the commission and sport governing bodies. They will also have to comply with British license requirements, including the protection of children, and demonstrate how they will contribute to the research, education and treatment of problem gambling in Britain.

In a written statement to Parliament, Sutcliffe said: “British gamblers form one of the largest customer bases for online gambling in the EU. Yet, for many reasons, increasingly few companies active in the British market are now regulated by the commission. Though British consumers are not unprotected - most overseas jurisdictions have regulatory systems - standards vary and requirements differ from our own. Therefore I feel that change is necessary to ensure the protections in the Gambling Act - to keep gambling crime free, to ensure gambling is fair and open and to ensure that children and vulnerable people are protected from harm - continue to be afforded to British consumers.”

Many bookmakers have chosen to shift their online businesses overseas to avoid UK taxes, but the move has cut into the amount of revenue raised by the Horserace Betting Levy to support British racing.

Staying or Going? Still No Answer on MGM in NJ

Reports differ on whether MGM Mirage will sell its stake in the Atlantic City Borgata Casino and depart New Jersey or stay on and challenge a report by the Division of Gaming Enforcement requiring that MGM sever its Macau partnership with Pansy Ho because she is the daughter of controversial casino boss Stanley Ho, who has reputed ties to Asian organized crime.

Nevada gaming regulators approved the partnership in 2007, saying that MGM had structured the Pansy Ho partnership in such a way that her father would not be able to exert his influence on the business. Nevada regulators said Pansy Ho, who runs a ferry and tourism company founded by her father, is a suitable partner because she is a successful and ethical businesswoman in her own right

