

Nevada officials studying feds' ruling on online poker

By Richard N. Velotta, Las Vegas Sun

The Nevada Attorney General's office has begun studying the U.S. Department of Justice's surprising new interpretation of online gambling to determine what effects it might have on the state.

What's certain is that the race to offer online poker play has begun among several states and that Nevada has a lead, thanks to last month's approval of new regulations.

But even more states are likely to jump in as well, leading to the prospect of different states providing games with different legal and regulatory standards and tax rates — exactly what the gaming industry didn't want.

The Justice Department since the George W. Bush administration had concluded that the federal Wire Act prohibited gambling over the Internet across state lines, and many industry leaders have lobbied for federal lawmakers to approve legislation legalizing, regulating and taxing online poker play.

But on Dec. 23, in response to inquiries from Illinois and New York on whether they could sell lottery tickets to out-of-state residents over the Internet, the department issued a letter saying the Wire Act applied “solely to sport-related gambling activities in interstate and foreign commerce,” leading most in the industry to conclude that online poker was allowable.

Now, many industry leaders are renewing their call for lawmakers to pass legislation regulating poker play to head off an expected rush of offshore companies introducing poker

websites.

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