

Judge denies sports betting in N.J.

By Geoff Mulvihill, AP

A federal judge ruled Friday night that New Jersey cannot partially lift a prohibition on sports betting in an effort to boost the state's struggling horse racing and casino industries.

The decision from U.S. District Judge Michael Shipp was the expected outcome since the judge had ruled similarly in the past.

The state, locked in a legal battle with the NCAA and four professional sports leagues, is expected to appeal to a higher court.

"We are going to continue pursuing every legal option available," State Senate President Steve Sweeney said in a statement Friday. "The economic impact that sports wagering can have on New Jersey is far too important to simply shrug our shoulders and move on."

A federal law bans New Jersey and most other states from authorizing betting on sports. But the state contended it did not want to license or authorize the betting. Instead, it was seeking to end a prohibition and that it would not regulate sports betting.

But Shipp agreed with the sports leagues that setting parameters such as limiting sports gambling to certain places amounts to regulation, but noted, that he "finds that the present case is not nearly as clear as either the leagues or the defendants assert."

While Shipp agreed with the central part of the sports'

leagues argument, he dismissed some of their other arguments.

New Jersey has been pushing persistently to allow sports betting at horse tracks and casinos in an effort to support both struggling industries. Voters have approved the concept, but a federal court rejected it in a slightly different form. The U.S. Supreme Court declined to hear the case earlier this year, and it seemed that might be the end of it.

But as the financial crisis in Atlantic City's casinos deepened, Gov. Chris Christie's administration tried a new approach. Instead of legalizing sports gambling in defiance of the leagues and federal government, it called for not enforcing the state's ban. The Legislature followed with a bill to lift the ban as it pertains to casinos and tracks. Christie signed that into law last month.

The NCAA and four major professional sports leagues contend that federal law would allow the state to lift the ban entirely – but not to allow sports betting with some conditions, such as limiting it to certain locations and keeping minors from participating.

The ruling comes just over a week after NBA Commissioner Adam Silver said he supports legalizing sports gambling – though not in the way it would happen if New Jersey prevailed. Silver is the first commissioner of a major U.S. sports league to make such a stand.