

Court again says N.J. can't legalize sports betting

By David Porter, AP

NEWARK, N.J. – A federal appeals court on Tuesday dealt another defeat to New Jersey's yearslong attempt to legalize sports betting, setting aside the state's challenge to a federal betting ban.

The 3rd U.S. Circuit Court of Appeals ruling invalidated a law passed by New Jersey in 2014 that would have allowed sports betting at casinos and racetracks. The court found New Jersey's law repealing prohibitions against sports gambling violated the 1992 Professional and Amateur Sports Protection Act, which forbids state-authorized sports gambling.

"Because PASPA, by its terms, prohibits states from authorizing by law sports gambling, and because the 2014 law does exactly that, the 2014 law violates federal law," the court wrote.

Currently, only Nevada offers legal sports betting on individual games. Delaware offers multigame parlay betting in which players must pick several games correctly to win. Both were given exemptions when PASPA was passed.

New Jersey Gov. Chris Christie and supporters in the state Legislature have sought to legalize sports gambling to help prop up the struggling casino and horse racing industries. It's estimated up to hundreds of billions of dollars are bet illegally on sports annually in the U.S.

The dispute has a lengthy legal history. The four major professional sports leagues and the NCAA sued the state in 2012, after New Jersey voters approved sports gambling the previous year. The leagues claimed the expansion of legal

sports betting to New Jersey would damage the integrity of their games and lead to more game-fixing.

After the 3rd Circuit rejected the state's constitutional challenge to PASPA, Christie signed a bill into law in the fall of 2014 that repealed prohibitions against sports gambling at casinos and racetracks. That tactic – repealing prohibitions instead of approving gambling – was seen as a way to get around the federal law.

Though each court ruling has gone against the state, there have been dissents in two previous three-judge rulings at the 3rd Circuit.

One of the judges who dissented in an earlier ruling also wrote a dissent Tuesday. Judge Julio Fuentes wrote that New Jersey's repeal meant it wasn't actually authorizing sports gambling.

"I do not see how a partial repeal of prohibitions is tantamount to authorizing by law a sports wagering scheme in violation of PASPA," Fuentes wrote.

The Aug. 9 ruling came after a hearing by the full 3rd Circuit, called an en banc hearing. In an earlier iteration of the case, the 3rd Circuit declined New Jersey's request in 2013 for the full circuit to rehear the case.

The state can appeal the ruling to the Supreme Court, which has already declined to hear the case once before. Messages left with Christie's office and the state attorney general's office weren't immediately returned Tuesday.

Through a spokesman, the NFL declined comment.

Sports betting supporters have called the leagues' stance hypocritical, saying the leagues condone and profit from sports fantasy leagues in which participants assemble rosters of players from different teams and compete against others.