

## Casinos, Horse-racing advocates urge support of ballot question to legalize sports betting in New Jersey

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By JOHN FROONJIAN, Staff Writer

TRENTON \_ Longtime adversaries became allies Monday as advocates of the casino and horse racing industries joined Monday in support of a referendum and legislation to legalize sports betting in New Jersey.

Five representatives of the state's horse industry appeared before the Senate gaming and tourism committee in support of a Nov. 8 ballot question asking voters to approve sports wagering at Atlantic City casinos and racetracks. A statement by the Casino Association of New Jersey endorsing sports betting also was read into the record.

The two industries have long been at odds over racetracks' desire to have casino-style gaming. The casinos oppose expanding such gambling beyond Atlantic City, the only location in which casinos are permitted under the state Constitution. But both industries support sports betting.

Committee Chairman Jim Whelan, D-Atlantic, said he called the hearing to start work on a law to implement sports betting should the voters approve it. He said he would like the Legislature to begin work to pass enabling legislation as soon as Nov. 9.

A federal ban prohibits sports betting in all but four states. Sen. Raymond Lesniak, D-Union, had sued in federal court to overturn that ban. But his suit was dismissed because without voter approval a law to rule on, New Jersey had no standing to sue.

Lesniak said his research has convinced him the ban is unconstitutional. Whelan said his committee was beginning work on legislation now to move a process that would involve a return to the courts quickly if voters give their approval.

"There's no reason the politicians in Washington should deny New Jersey what they have given to Nevada," Lesniak said.

One issue to be worked out in a bill would be how to regulate the new form of gambling. Whelan said he believes the state Division of Gaming Enforcement would be best equipped to regulate sports betting at both casinos and racetracks.

Joseph Kelly, president of the Greater Atlantic City Chamber, urged the committee to restrict sports betting to only Atlantic City.

But Whelan noted that the public question includes racetracks as well as casinos, and he said lawmakers around the state would insist that struggling racetracks also be allowed to take bets on sporting events.

The proposal would not allow bets on any collegiate games played in New Jersey or any games involving a New Jersey college team.

Adam Ozimek of Econsult, a Philadelphia economic consulting firm, said research he has conducted on Internet betting projected that online sports betting alone would generate \$217 million in new revenues for New Jersey casinos and racetracks and create 1,600 jobs. He said diversifying gambling options would help revive the stalled industry.

Ozimek said people prefer to bet legally, and he predicted many gamblers who now bet illegally with bookies or through offshore gambling websites would switch to legal sports betting.

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"Sports betting will allow Atlantic City to better compete, grow and reinvest in the region," the Casino Association statementsaid.

Representatives of different segments of New Jersey's horse industry, including horse breeders, track horse men and racetrack operators, said sports betting could provide revenue needed to keep racing viable.

Jeffrey Gural, a New York developer who will privately run Meadowlands Racetrack under an agreement with the state, told the committee that major investments he will make at the track alone will not attract top racing talent.

Gural said he plans to replace old facilities at the Meadowlands. But larger purses would attract better horses to race there, which would attract more racing fans. With casino subsidies of racetracks now ended, Gural said the Meadowlands will have to reduce purses when they should be increasing.

"I can spend \$100 million, but I can't get people to race horses for less money," Gural said.

He noted that New York racetracks - of which Gural said he owns two - have asked that state to authorize table games as well as slots at the racetracks, potentially increasing competition against Atlantic City.

However, Gural said the tracks have not asked New York to pursue sports betting, which could give New Jersey an advantage.

Anthony Perretti said his family is closing the state's largest horse breeding operation, located in Cream Ridge, Monmouth County, because of racing's financial problems. He said the inability to fund higher purses affects all aspects of the horse industry, from farmers to track workers.

"I'm the poster child of what's to come if there is no revenue stream," Perretti said.

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