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New York should pass a sports-betting law immediately

By Daniel Wallach
4-5 minutes

It has been just a few short weeks since the US Supreme Court [overturned the federal law](#) that had prohibited states from legalizing sports betting. And states like Delaware, New Jersey, Mississippi and West Virginia have already moved toward legalization.

New York shouldn't get left behind.

Five years ago, state legislators moved to enact a sports-betting law that would've allowed the four Upstate casinos to take sports bets as soon as the federal law was overturned. But that law — which was viewed as a placeholder — is in desperate need of an upgrade if New York is to compete.

On Monday, New Jersey Gov. Phil Murphy [signed into law](#) sweeping new legislation that would permit the Garden State's racetracks and casinos to operate sports books — both in a land-based setting and eventually online. New laws in other states, including Pennsylvania, will go into effect over the summer.

The state could generate as much as \$1.2 billion in sports-betting revenues annually, according to a 2017 report by Oxford Economics. And New York's nascent but struggling casino industry could certainly use the boost.

But with only days before lawmakers recess for the summer, prospects for a bill are grim. That would be huge mistake. With competition emerging from neighboring states such as New Jersey — which successfully launched sports betting at Monmouth Park Racetrack this week, and with the Meadowlands looming as a potentially even greater long-term threat — lawmakers must act.

To create a successful statewide betting market, the product needs to be readily accessible — with full mobile and online access — and it must ensure transparency and protect consumers' privacy.

In New York, the first step is to take the current law passed in 2013, which authorized in-person sports betting at the four Upstate casinos, and update it to reflect the reality of today's heavy Internet usage. The 2013 law may have been forward-looking at the time, but it's now outdated since it doesn't authorize online betting — as do new laws in New Jersey and Pennsylvania — and contains essentially no anticorruption protections.

But New York will have to do more than merely compete with its neighbors; it'll have to compete with illegal online-betting services that aren't going away yet. That means matching or exceeding not only the quality of the product but the ease-of-use and data security.

Eighty percent of illegal betting is conducted online, so if we hope to create an alternative to the black market, we must revise the law in New York to authorize mobile betting, including the ability for customers to establish their online-wagering accounts over the Internet instead of requiring them to physically travel to a brick-and-mortar gaming venue just to open an account.

In addition, mobile betting produces tighter regulation of gaming markets and far superior security and accuracy than in-person exchanges.

Mobile is Step One. Step Two would be adding the protections needed to police the betting markets. Sports betting can incentivize corruption, so we must ensure that sporting events are free from match-manipulation and other corruptive influences.

At a minimum, state law must require sports-betting operators to report suspicious betting patterns immediately, mandate cooperation in league investigations, require the real-time sharing of anonymized account-level betting data to aid in integrity monitoring and restrict certain types of bets that are more susceptible to outside influences or more easily prone to manipulation.

New York lawmakers were prescient in passing a law five years ago that anticipated where we are today. But the Legislature needs to finish the job and ensure the state has a first-class, competitive and safe sports-betting market.

Daniel Wallach is a leading sports and gaming law attorney and a partner at the Becker law firm.