

# Influencers

**JEFF IFRAH:** Heads new group advocating for gambling on sports.



Thomas McKinless/CQ Roll Call

## REGULATORY POLICY

# The Game Is On ... Over Control of Sports Betting

By **KATE ACKLEY**

Washington, D.C., lawyer Jeff Ifrah has put his chips in for the online gambling industry, an effort that is taking him nationwide as the states grapple with a new era of legal sports betting.

As founder and executive director of an upstart group called the iDevelopment and Economic Association (or iDEA, for short), Ifrah is urging state and local lawmakers to approve sports betting, which got the OK earlier this year from the Supreme Court, and to do so without excessive regulations and tax rates, he says.

That's also essentially his message to Congress: Leave it to the states.

The members of his group — which include online gaming outfits such as Play NJ, Betfair, Continent 8 Technologies and Golden Nugget — say that inviting the federal government in to nationalize in some way will be harmful. “And I think that they’re concerned that on a national basis, if it goes through Congress, there’ll be too many interests at play that will undermine the value that they’re able to provide.”

To keep online betting safe, Ifrah says the industry backs a

number of regulations including the use of geolocation technology to make sure players are in the proper jurisdiction and complying with local laws, and licensing requirements for employees who interact with customers. They also stipulate that companies keep minors off their platforms.

The online betting industry has powerful opponents, including the Coalition to Stop Internet Gambling, which has the backing of GOP megadonor Sheldon Adelson, a casino magnate.

Jon Bruning, Nebraska’s former attorney general, testified before the House Judiciary Com-

mittee Sept. 27 on behalf of the Coalition to Stop Internet Gambling. He called on Congress to intervene, and quickly.

“In short order Congress has to act,” Bruning argued. “Those who say there’s no need for a federal role in the regulation of online gambling need only to look to the challenges faced by states in legalizing marijuana without federal assistance.”

He added that online gambling is “uniquely susceptible to abuse by criminal organizations.” He also said that online gambling outfits may target children.

Some of the members of iDEA have been criticized, particularly by opponents of the industry, for running internet ads that may draw in children or gambling addicts.

Ifrah says technology advances are giving online gaming operators increasing control over who can make wagers, with more protections that can include background checks and verification of identification.

“When gaming goes online, you have a lot more protections than someone walking into a brick-and-mortar casino — and in real time, including background checks and the necessity of providing legitimate forms of payment and identification,” Ifrah says, adding that software programs allow online gaming companies to monitor and regulate activity closely.

Though debate over online gambling isn’t new, the Supreme Court’s decision in May to overturn a 25-year-old law (PL 102-559), called the Professional and Amateur Sports Protection Act, or PASPA, has put new focus on mobile betting as a way for states and the District of Columbia to

tap into new revenue streams.

So far, New Jersey, Delaware, Mississippi, West Virginia and New Mexico have approved sports betting; Nevada already had it before PASPA. Nevada, Delaware, New Jersey and Pennsylvania allow online gambling.

Since the high court's decision, Congress has struggled with its role.

"As more states enact laws to allow sports gambling within their borders and seek to establish standards and regulatory frameworks to govern how it may take place, Congress should examine these issues toward involving the integrity of gaming and consumer protection," said Jerrold Nadler, the New York Democrat in line to chair the House Judiciary Committee in the next Congress, during a hearing on the subject this fall.

Ifrac, 50, says his group, which isn't registered to lobby on Capitol Hill, has its own approach to influence.

"Our group's not like a typical just-advocacy lobbying group," says Ifrac.

Instead, he says, the group



Bill Clark/CC Roll Call

**HEDGING HIS BETS:** Nadler says Congress should have a role in protecting the integrity of sports gambling.

makes its pitch for lower tax rates for the sector based on the financial data from New Jersey enterprises.

"What we really do is we get all the data from folks that have operated, truly operated, in New Jersey, we get all that data, their actual proprietary financial data, and we give it to economists on an anonymous basis," Ifrac says. "They aggregate all that data together, and they will tell these regulators and legislators, this is their margin, this is how much this costs, this is how much this

costs, this actually comes from their books."

Ifrac, who appeared before the D.C. Council in October, says a 10 percent tax rate for online gaming makes sense, but rates in the 30s are unlikely to foster the industry.

"So that's why we always warn legislators: When you talk about this being a \$200 million market or \$300 million market, it's only going to get that high if you allow these online operators to spend the marketing they need to overtake and leapfrog over all of

those offshore operators who had a way head start," he says.

A former trial lawyer and officer in the U.S. Army's Judge Advocate General's Corps, Ifrac also worked as a special assistant U.S. attorney in New Jersey.

His industry group iDEA is circulating draft legislation for online and sports betting that includes such proposals as a 10 percent tax rate.

"We saw this momentum," Ifrac says. "We said, 'Let's draft a model bill that we can put in these [state] senators' hands.'" ■

## IN BRIEF

■ **Katie Rosborough** is now working for Twitter in policy communications.

She has been communications director for Republicans on the Senate Finance Committee, chaired by retiring Utahn Orrin G. Hatch.



■ **Rob MacGregor** is now a policy and congressional adviser at the Agriculture Department. He was New Mexico GOP Rep. Steve Pearce's legislative director, but Pearce is leaving Congress. He lost his gubernatorial bid last month.

■ **Jordan Ballard** is now manager of government affairs at BSE Global, the company that manages the Barclays Center, home to the New York Islanders of the National Hockey League and the Brooklyn Nets of the National Basketball Association. He was a senior legislative assistant to Texas Republican Rep. Bill Flores.

■ **Neysa Alsina** has joined the staff of New York Democratic Rep. Nydia M. Velázquez as a senior policy adviser focusing on Puerto Rico. She was previously counsel to the New York City Bar Association.



■ **Thomas Hudson**, who was an intern for California Democratic Rep. Karen Bass, has joined the Biden Foundation at a policy associate for LGBTQ equality.

■ **Katlin McKelvie Backfield** is now a senior counsel at the Senate Health, Education, Labor and Pensions Committee handling matters related to the Food and Drug Administration.



■ **Lewis H. Myers III** is now director of operations for Del. Stacey Plaskett, the Democrat from the U.S. Virgin Islands. He was previously California Democrat Norma J. Torres' scheduler.

■ **Julian Johnson** has left his position as office manager and senior legislative assistant for Georgia Democratic Rep. Sanford D. Bishop Jr. He's now a government relations representative for the U.S. Postal Service.



■ **Carissa Smith** is now the digital press secretary for the House Committee on Oversight and Government Reform where Maryland Democrat Elijah E. Cummings is slated to become chairman. She previously worked for the Ohio Democratic Party.

