

# Illinois Steals Sports-Betting Thunder From New York

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This was supposed to be the year of New York when it comes to online sports betting, but in a big surprise Illinois has moved into the spotlight largely because of an aggressive new governor.

As things stand, 20 states and the District of Columbia are either allowing wagers on games or have passed sportsbetting legislation and are in different phases of implementation.

Sports betting began July 16 in New York, but gamblers still cannot place their wagers online primarily due to opposition from Democratic Governor Andrew Cuomo.

In his third term and already planning to run for a fourth in 2022, Cuomo has emerged as a stick in the mud when it comes to sports betting in New York.

Cuomo, 61, claims mobile sports wagering would violate the New York Constitution, and is insisting on a referendum before legalizing online betting.

Bennett Liebman, a former professor at Albany Law School who served as the deputy secretary for gaming and racing for Cuomo from 2011 to 2014, said the sports-betting dynamic in New York is far more nuanced than in Illinois, the largest by far of the nine states to successfully pass legislation so far in 2019.

"The issue in New York is that the [Cuomo] administration maintains that the [state] constitution only allows for sports betting for individuals physically present in the casino," Liebman said.

"Much of the gambling industry argues that mobile sports wagering conducted under the aegis of the casinos should be legal."

Another complicating factor in New York is whether seven tribal gaming facilities in the state "can have mobile sports betting and how existing exclusivity zones for tribal gaming can be maintained," Liebman said.

Cuomo has hinted on several occasions this year that mobile betting was a possibility, only for officials to revert to the constitutional concerns and downplay the prospect.

It is almost as if Cuomo is emulating his late father, Mario, another governor of New York who was known as "the Hamlet on the Hudson" for perpetually dithering on running for President.

Although Cuomo has been less than enthusiastic about embracing sports betting, fellow Democratic Governor J.B.

Pritzker of Illinois has used his abundant political capital as a new governor to promote sports wagering at every opportunity.

Pritzker included projected revenues from sports wagering in his first state budget proposal in February, before telling GamblingCompliance a few weeks later at the National Governors Association conference in Washington, D.C. it was important for Illinois "to be the first state in the Midwest to allow sports betting ... and so we're going to push for it by the end of the session."

The governor was true to his word, as sports betting was later combined with a comprehensive gambling expansion package and then incorporated into a <u>massive \$45bn capital expenditure bill</u> that was another signature policy of Pritzker's first legislative session as governor.

Derisively called "the kitchen sink bill" for years, the gambling expansion legislation had languished in the Illinois General Assembly for several years before finally coming to fruition primarily because of Pritzker's strong and steady support.

"He clearly drove this process, and it's most evidenced by the fact that it was only after the governor called the newly elected mayor that the city of Chicago went public in its support for the expansion bill," said Cory Aronovitz, a Chicago gaming attorney.

If Illinois succeeded where New York failed by passing legislation, one thing the two states do have in common is

proposing policies considered lavorable to major sports leagues.

Illinois is one of just two states whose law requires use of official league data for in-play betting, while a similar data requirement was included alongside a royalty for leagues in the mobile wagering bill that passed the New York Senate in June that died in the state's Assembly.

Another controversial aspect of Illinois' law is the requirement for all mobile betting accounts to be set up in person at a casino or racetrack until additional online licenses are awarded some 18 months later.

John Holden, an assistant professor of business at Oklahoma State University, said Illinois "passed a bad bill, at least in terms of encouraging competition, reducing the size of the black market and promoting integrity of sports."

"New York has a much bigger upside than Illinois, but their current strategy of drafting legislation to primarily appease the professional sports leagues that operate in the state is bizarre," Holden said.

"The New York Yankees are not going to be moved if the state doesn't pay a fee to Major League Baseball."

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