

# Lobbyist Hopes Michigan Will Reverse Trend To Marginalize Online Gambling

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State legislatures continue to be much more receptive to sports betting than internet gambling but the founder of an online gaming trade association is hoping Michigan may buck the trend.

The Michigan legislature is mulling a legislative package this year which [combines internet gambling with sports betting](#) and is projected to generate about \$225m in new revenue.

“We’re hoping that if a big state like Michigan can come online with poker ... and they have other types of casino games, that could be potentially a changer,” said Jeff Ifrah, founder of the iDevelopment and Economic Association (iDEA), which represents online gaming companies.

Why states are far less likely to legalize internet gambling than sports betting continues to bewilder Ifrah and other executives in the online gaming industry.

After all, up to 40 percent of customers who bet on sports at brick and mortar casinos cross over to play poker and other games, according to Ifrah.

“Why wouldn’t every state want that? But yet, there’s a huge reluctance to touch that form of online gaming,” Ifrah said.

“You don’t want to go online with sports [betting] and leave money on the table by not also adopting poker and casino [games],” he said.

Even in [New Jersey](#), the nation’s leader in internet gambling, online games are treated like “the ugly, red-headed stepchild,” Ifrah said.

“But yet, if you look at the statistics, the statistics tell you that New Jersey is making more money on online gaming than they are on sports [betting], and that’s the case everywhere,” he said. “It will always be that way.”

Ifrah attributes much of the success of internet gambling in New Jersey to [David Rebeck](#), director of the state’s Division of Gaming Enforcement (DGE); and George Rover, the DGE’s former deputy director who is now chief integrity officer of the Sports Wagering Integrity Monitoring Association.

“With Rebeck, you have this guy who looks like your typical prosecutor,” Ifrah said. “When you look at him — if you don’t know him — you do not want to mess with him. You had him and then you had Rover ... just New Jersey tough guys who look like they used to be cops.”

Although their jobs did not require it, Rebeck and Rover considered it their mission to make internet gambling a success in New Jersey.

Rebeck raised the bar even higher last year when he boldly predicted [New Jersey would surpass Nevada](#) in sports-betting revenue. It happened in less than a year.

“That’s not a government mindset, ‘Go beat, Nevada,’” Ifrah said.

“That’s like what people on Wall Street do with each other or [what] start-ups in Silicon Valley do or hedge funds start thinking about with their portfolio, and I would say that’s probably the answer as to why they’re so successful,” he said.

“I think that’s what it takes; someone who has that kind of vision.”

Ifrah, 51, said he sees similar traits in [Beth Bresnahan](#), director of the D.C. Lottery, who aggressively sought authority to regulate sports betting in the nation’s capital.

“It’s not part of the job requirement,” Ifrah said. “And yet here she is; she’s like this very ambitious, capable person who wants to start up this whole new business in D.C.”

As for the agenda of iDEA, Ifrah said the trade association seeks to represent online gaming interests in Congress and in state legislatures.

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But iDEA is not an alternative to the [American Gaming Association](#) (AGA), the chief lobbying arm for the gaming industry in the nation's capital, according to Ifrah.

"Their core client has always been brick-and-mortar casinos; not these cloud-in-the-sky mobile operators," Ifrah said of the AGA.

The opposition to internet gambling of powerful AGA members like [Las Vegas Sands chairman Sheldon Adelson](#) and casino magnate Steve Wynn made online gaming operators eager to form a trade association of their own.

Since its founding in 2012, iDEA has grown from 11 to 25 members.

Before going out on his own with an internet gambling practice, Ifrah worked at heavyweight law firms such as Paul Hastings and Greenberg Traurig.

But he grew frustrated with those firms' emphasis on traditional clients such as Sears and their scorn for internet gaming companies as "fly-by-night" operations.

Vindication came in June 2014 when Ifrah helped represent PokerStars as it was purchased for \$5bn by [Amaya](#).

Sears, by the way, is in bankruptcy.

Ifrah also represented PokerStars on [Black Friday](#) (April 15, 2011) when the U.S. Department of Justice seized the internet domains of PokerStars, Full Tilt, Absolute and Ultimate Bet.

"Let's face it; the whole case was about [Poker]Stars. The others were failing," Ifrah said.

PokerStars was like "low hanging fruit" to prosecutor [Preet Bahara](#), the former U.S. attorney for the Southern District of New York, according to Ifrah.

"They brought the action because they wanted a big payday," Ifrah said. "It was almost a \$1bn case."

Before Black Friday, online customers were not complaining about PokerStars or its games, according to Ifrah.

"If consumers are getting hurt; if there's going to be some sort of impact or injury to our financial systems, to our public trust, those are all valid reasons ... for a prosecutor to bring a case," he said. "In this particular case, none of those things were true."

Ifrah weathered a personal crisis last week when his son, Ami, a second-year medical student at Temple University, was confined in a lockdown during a seven-hour police shoot-out in Philadelphia.

Ami was not hurt during the incident.

Ifrah, 51, was born and grew up in Buffalo, New York, after his parents emigrated from North Africa in 1958.

"They were raised under the French and Spanish colonial powers in North Africa but when the French and Spanish colonial powers left in the late 1950s, there were laws passed across North Africa that Jews couldn't be citizens anymore," Ifrah said.

After moving first to Montreal, his parents relocated to Toronto before settling in Buffalo. Ifrah has four sisters and he is the middle child.

He and his wife, Barbara, whom he met in law school, live in Baltimore, Maryland, and have six children and two grandchildren.

Ifrah earned his undergraduate and law degrees from Yeshiva University in New York before enlisting in the U.S. Army as a legal officer.

He said he has cousins in France where military service is mandatory.

"I had always thought about it, and I just wanted to do it."

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