

New Jersey SugarHouse Makes Online Jump To Monmouth Park

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With a new NBA basketball season now underway, one online sportsbook operator has bailed on its New Jersey sports-betting partner, the Golden Nugget, because the casino is banned from offering wagers on NBA games under state law.

PlaySugarhouse.com, a brand owned by Rush Street Gaming, was previously operating in New Jersey in association with the sports-betting license of the Golden Nugget Atlantic City, but a message upon launching the site indicates it is now using the sports-betting license of Monmouth Park.

Golden Nugget owner Tilman Fertitta also owns the NBA's Houston Rockets franchise, and state law prohibits anyone who owns more than 10 percent of a professional sports team from accepting bets on any event in the league in which the team participates.

Industry experts believe that NBA betting accounts for about 15 percent of a sportsbook's activity.

"Not being able to offer it clearly prevents a sportsbook from being competitive," said Jeff Ifrah, founder of Ifrah Law in Washington, D.C.

The site's other online casino offerings are still associated with Golden Nugget.

PlaySugarhouse is the second of three skins permitted on Monmouth Park's license. The racetrack has an agreement with British bookmaker William Hill to operate its brick and mortar sportsbook at the Oceanport, New Jersey, property, as well as an online book.

A spokesman for Rush Street Gaming declined to comment on the move, and a spokesperson for Golden Nugget did not respond to a request for comment.

The move leaves Golden Nugget without an online sportsbook in operation. The casino announced a deal in May with Churchill Downs to offer online betting, but Churchill Downs set an expected launch date sometime in the first quarter of 2019.

The law that restricted Golden Nugget from taking NBA bets was conceived following a bitter legal battle between professional sports leagues and New Jersey that ultimately led to the [U.S. Supreme Court case](#) that overturned the Professional and Amateur Sports Protection Act.

Initial drafts of the legislation would have barred Fertitta from offering sports betting at all due to his team ownership, but a [late compromise](#) resulted in the current law.

“I think that as the New Jersey legislators get more familiar with sports betting, the legislation is definitely going to be amended,” Ifrah said.

In addition, Ifrah pointed out, no other state that has either passed sports-betting legislation or is currently in the process of doing so has such a strict provision.

Nevada has restrictions in place that prevent Fertitta from offering bets on the Rockets at Golden Nugget Las Vegas, but no such restriction on other NBA games.

The move by PlaySugarhouse comes amid reports that Fertitta has approached Caesars Entertainment about a potential merger. Bloomberg reports Caesars would acquire Golden Nugget in a deal valued at \$13 a share, with Fertitta becoming chairman and CEO of the combined company.

Fertitta reportedly borrowed heavily to buy the Houston Rockets for \$2.2bn last year. He is owner of Landry’s Inc., which owns such brands as Joe’s Crab Shack, and Golden Nugget casinos, which has resorts in Nevada, Louisiana, New Jersey and Mississippi.

Caesars owns Bally’s Casino Hotel and Harrah’s Casino Hotel in Atlantic City, and operates brick and mortar sportsbooks at both properties, as well as an online book.

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Sports Integrity		Casinos		
