

Webinar

“DOJ Opinion on the Wire Act”

Presenters

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Moderator

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Legal Status of Online Gaming Before Jan 14?

2011

DOJ's Office of Legal Counsel ("OLC") Memo:
Wire Act's prohibitions are limited to sports betting.



Judicial Opinions Reaffirm Online Gaming is Legal

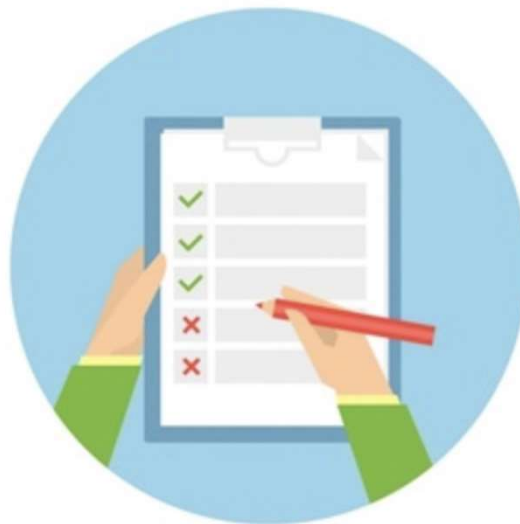
Subsequent appellate decisions reach the same conclusion, setting legal precedent:

- *In re MasterCard Int'l Inc., Internet Gambling Litig.*, (5th Cir.)
- *United States v. Lyons*, (1st Circuit Court of Appeals notes that the Wire Act applied only to sports betting).
- Supreme Court's in *Murphy v. NCAA*, 138 U.S. 1641 (2018) references Wire Act prohibiting sporting events and contests (only).



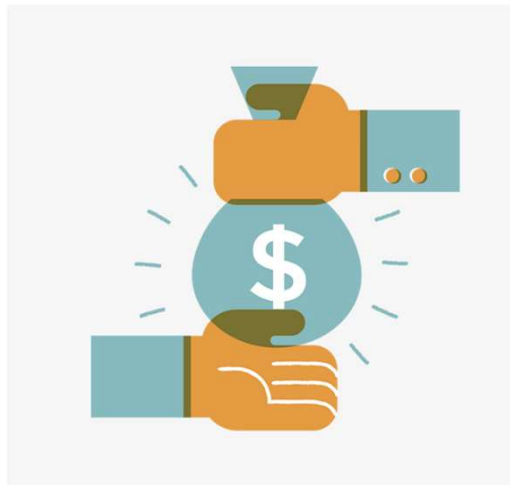
What Happened on January 14th and Why?

- **Jan. 14, 2019** - DOJ's OLC reverses 2011 position
- Rod Rosenstein confirms a 90-day window
- Critics point to Coalition To Stop Internet Gambling



Impacts

- Online casino, poker, and lottery
- State lotteries
- State lawmakers and operators challenged to keep online gaming fully intra-state
- Cross-state liquidity



Legal Path Forward

- This Opinion vs. legal precedent?
- Suits against Justice filed



**Why Arguments
in Favor of
Federal Oversight
of Online Gaming are
Outdated and Overreaching**

TECHNOLOGY

- Technology = Consumer Protection
 - participants' transactions are safe and monitored
 - fraud protection
 - identities and age verification
 - documented money sources
 - transactions recorded



ECONOMICS

- States rights are growing and effective
- Economic benefits to states From 2013 through 2016 online gaming in NJ generated:
 - \$998.3 million in revenue
 - 374 jobs (full-time)
 - \$218.9 million in wages to employees and
 - \$124.4 million in tax revenue to state and local governments, including \$83.5 million in iGaming taxes.
- Unwinding state legislation could lead to economic harm



Concluding Remarks

Questions / Comments?
