

# New Jersey Assembly Passes Exchange Betting Bill

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New Jersey moved closer to becoming the first state to approve exchange betting this week when the state assembly voted 78-0 to pass a bill that would allow gamblers to set their own odds for horse races and wager against each other.

The bill, which passed in the early hours of Tuesday morning, advances to the New Jersey Senate, which is not expected to consider it until September.

If the Senate passes the bill this year and Gov. Chris Christie, R-N.J. signs it into law, exchange betting could begin as early as next spring, according to Assemblywoman Connie Wagner.

Meanwhile, Christie extended the deadline for a report that could determine the fate of the exchange betting bill and other gambling legislation in New Jersey.

The extension came in a June 28 letter from Jeffrey Chiesa, the governor's chief counsel, to Jon Hanson, the chairman of a commission studying how to increase state revenues from gambling businesses in New Jersey.

"I am aware that the commission has made substantial progress on its final report and policy recommendations," Chiesa said in the letter.

"However, given the broad and wide-ranging scope of the commission's review and the emergence of additional matters to consider within your mandate, the governor has granted an extension of time until Aug. 1, 2010," Chiesa said.

The original deadline for the report was Wednesday.

"I don't read anything into the delay of the report," said Wagner, a Democrat from Paramus who co-sponsored the exchange betting bill with Republican Assemblywoman Caroline Casagrande of Freehold, N.J.

"I can't imagine a vote that strong, which is very rare in the assembly and shows bipartisan support, would be turned away by the report to the governor," she said.

There are 80 members of the assembly and only two did not vote on the exchange betting bill.

The goal of the exchange betting bill is to attract younger, internet-savvy gamblers to the beleaguered horse racing tracks of New Jersey which are drawing smaller and older crowds.

Exchange betting can operate successfully with far low takeout rates than traditional pool betting systems, with gamblers setting their own odds and betting against each other, but is not able to provide the complex multiple bets beloved of older gamblers.

Wagner said New Jersey hopes to emulate the success of exchange betting at horse racing tracks in the United Kingdom, France, Australia and New Zealand.

"This not a pleasant time for government; there's no money," Wagner said.

"This bill is good for New Jersey because it will create revenue for the state and jobs."

Before the vote, the bill was amended to address concerns expressed by Donald Weinbaum, executive director of the Council on Compulsive Gambling New Jersey, Inc.

For example, Weinbaum sought a provision that would include a self-exclusion list for gamblers who volunteer to be on it.

Although he said he was pleased to see the amendments added, Weinbaum said the council is not going to support or oppose the exchange betting bill.

"We remain neutral on any bill that expands gambling," he said.

Wagner said the bill may be amended yet again in the Senate to allow all horse racing tracks in New Jersey to offer exchange betting, not just those operated by the state.

The exchange betting bill will be reviewed by the Senate State Government, Wagering, Tourism and Historical Preservation Committee.

The committee's chairman is Democratic Sen. Jim Whelan, who is a former mayor of Atlantic City.

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