

Michigan introduces bills to legalize sports & internet gambling

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The Supreme Court in May overturned a federal ruling that prohibited most states from legalizing sports gambling. Now some states are getting in the game.

According to <u>ESPN's sports-betting bill tracker</u>, three states have full legalization, three have had bills passed and more than a dozen others have introduced new legislation. In Michigan, two gambling bills have been introduced: <u>HB 4060</u>, which would legalize sports gambling in the state's casinos, and <u>HB 4926</u>, which would legalize internet gambling. While HB 4060 has yet to be called for a vote, HB 4926 passed the House and will likely be voted on by the Senate when it is back in session.

While states were not prohibited from legalizing internet gambling (only prohibited from sports gambling), the vote shows more willingness from Michigan to advance laws that are more open to gambling.

"This is America," State Rep. Robert Kosowski, D-Westland, sponsor of HB 4060, told Watchdog News when pointing out that sports gambling should be legal in the state. He said that people already gamble illegally, so it would make sense for the state to legalize it and regulate it. Michigan residents also currently gamble at bingos and charity poker, he said.

"I don't see the difference," Kosowski said. He expects that the legalization of sports gambling could bring in between a half a billion and a billion dollars.

In New Jersey, internet gambling has been legal for five years, and the state just passed a bill legalizing sports gambling. According to a <u>poll by Fairleigh Dickinson University</u>, 62 percent of people from New Jersey support the Supreme Court's decision to allow gambling to be legalized in all states. Regina M. Egea, president of the Garden State Initiative, a New-Jersey-based free-market think tank, told Watchdog News that she expects to see more activity in their racetracks and their casinos in Atlantic City. However, she pointed out that the state's revenue predictions are "all over the place" and uncertain.

Pennsylvania legalized internet gambling last year, and passed a bill legalizing sports gambling this year. Bob Dick, a senior policy analyst at the Commonwealth Foundation, a free market think tank, said that legalization of internet gambling has provided a boost to local economies, but also warned that politicians should be wary of expecting the revenue to be a solution to a state's fiscal problems.

Ike Brannon, a fellow at the free-market think tank the Cato Institute, offered similar warnings to politicians, but went further.

"A general rule is that legalizing illegal things doesn't produce quite the revenue anticipated," he said. "The government often taxes it above an optimal level and people use their old weed suppliers/bookies."

While there are still some critics of legalized gambling who say that it could lead to an increase in gambling addictions, Kosowski disagrees. He said that he believes they would be less likely to abuse betting when in a casino than when dealing illegally with a bookie, because those who work at a casino can refer an addict to a hotline. Dick offered a similar point of view, saying that it's not the government's responsibility to curb addiction, and even if it was, there would be no guarantee it could do so.

Although Kosowski recognized that some people get addicted to gambling, he said that he believes they would be less likely to abuse betting when in a casino than when dealing illegally with a bookie, because those who work at a casino could refer an addict to a hotline.