



THE FUTURE OF iGAMING UNDER PRESIDENT DONALD TRUMP AND ATTORNEY GENERAL JEFF SESSIONS: DOES PRESIDENT TRUMP HAVE THE SAME OPINION OF iGAMING THAT HE HAD IN 2011? SHOULD IT BE REGULATED?

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During his confirmation hearing on January 10, 2017, then-nominee for Attorney General Jeff Sessions was asked his view of the 2011 Department of Justice opinion confirming that the federal Wire Act applies only to sports betting (the “DoJ Opinion”). Sessions said he was “shocked” by the DoJ Opinion and that he opposed it. He also said he “*would revisit it or make a decision about it based on careful study.*”

This exchange concerned online gaming operators, and encouraged those who support legislation that would impose a federal ban on internet gaming, such as the “Restoration of America’s Wire Act” (“RAWA”)—companion bills that were introduced in the last Congress. The RAWA purported to “restore” the federal Wire Act to the status quo that existed before the DoJ Opinion was issued. (The DoJ Opinion removed the legal uncertainty that had prevented states from authorizing non-sports-related online gaming. It provided a “green light” to state lotteries seeking to sell lottery products online and to states such as Delaware, Nevada and New Jersey, that wanted to license commercial operators to conduct online gaming within state borders. Importantly, it partially returned to the states their historic prerogative to determine for themselves what forms of gambling (if any) should be permitted within their borders.)

Whether Attorney General Sessions considers reversing the DoJ Opinion will depend in part on President Donald Trump (as well as, presumably, the legal reasoning contained in the DoJ Opinion). If Mr. Trump’s views on internet gaming today are consistent with his views on the subject in the past, online gaming operators should have little reason for concern. However, this may not be the case.

In 2011, before the DoJ Opinion issued, Mr. Trump and his daughter Ivanka were preparing to enter the online gaming business. Mr. Trump argued that online gambling should be legalized in the U.S., stating: “*It should be approved here [in the U.S.] ... An awful lot of money is leaving the U.S. that should and could stay in this country.*”

In addition, a 2011 Forbes article refers to Mr. Trump as an “Internet Gambling Mogul,” and quotes him as follows: “*This [legalization of online gaming in the U.S.] has to happen because many other countries are doing it and like usual the U.S. is just missing out. ... It seems inevitable, but with this country you never know if it’s inevitable.*”

Finally, in a later 2011 article, Ivanka Trump is quoted as saying: “*It [i.e., online gambling] would be a tremendous source of taxable revenue for states or the federal government and an enormous generator of jobs.*”

Against this backdrop, however, is the reality that Mr. Trump’s past statements sometimes have little bearing on his views today. For example, in the past Mr. Trump has been a Democrat, pro-choice and in support of the 2003 invasion of Iraq, positions he does not hold today. More important perhaps, Sheldon Adelson—the billionaire owner of Las

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tery from basing a game on the results of a live sporting event by excluding horse racing from this prohibition. This approach has precedent across the country in states such as Kentucky and Minnesota which expressly allow for lottery games based on the results of live horse racing despite a prohibition against combining lottery with other live sporting events. More details about the bill will be available in the coming weeks.

“We are very happy to count EquiLottery as the newest member of our organization,” said West Virginia Racing United President Randy Funkhouser. “Their support of racing in West Virginia through our organization shows EquiLottery is not just an innovative product, but is also committed to being an active part of our local industry. We look forward to the opportunity to work on this legislation together and share

the excitement of live horse racing with hundreds of thousands of West Virginians who are not currently engaged with our product.”

Since its public announcement over the summer of 2014, EquiLottery has worked diligently to develop its lottery product based on the results of live horse racing. During that time, this innovative company has structured agreements with lottery industry leader IGT Global Solutions and leading tote provider AmTote International to be able to deliver a cohesive lottery experience. EquiLottery is also developing its IOS and Android mobile app which will allow players features such as watching races live and on replay, scanning tickets and setting push notifications for upcoming races.

Visit Equilottery.com

WILLIAM HILL'S QUEST FOR CEO REPORTEDLY COMES TO END

Major UK bookmaker William Hill is set to promote its Interim CEO Philip Bowcock into a permanent Chief Executive. Mr. Bowcock assumed the Interim CEO post last summer after the company's former head, James Henderson, was ousted following the publication of a profit warning in March 2016.

ONLINE SPORTS BETTING OPERATOR PINNACLE HAS ANNOUNCED ITS WITHDRAWAL FROM POLAND AHEAD OF THAT COUNTRY'S INTRODUCTION OF ITS NEW GAMBLING REGIME.

The new Polish Gambling Act applies a 12% sports-betting turnover tax. ■

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Vegas Sands—gave millions of dollars in support of Mr. Trump's campaign and the two appear close. Adelson and his wife dined with Mr. Trump at the White House on February 9, 2017. Mr. Adelson backed the RAWA bills, famously vowing “to spend whatever it takes” to stop online gaming in the United States. According to one publication: “Should Congress get a bill to Trump's desk outlaw-

ing online gambling, the odds of him signing it would likely approach 100 percent, given this relationship [between Trump and Adelson].”

In summary, whether President Trump would support a bill banning or restricting online gambling in the United States is unknown, although given his relationship with Mr. Adelson, there is reason for concern. ■

Mark represents operators of casinos, internet gaming and fantasy sports contest operators, and providers of gaming systems, software, equipment and services.

- 1 Memorandum Opinion for the Assistant Attorney General, Criminal Division, “Whether Proposals by Illinois and New York to Use the Internet and Out-of-State Transaction Processors to Sell Lottery Tickets to In-State Adults Violate the Wire Act,” dated September 20, 2011 (issued December 23, 2011).
- 2 18 U.S.C. §§ 1081, 1084.
- 3 <http://www.onlinepokerreport.com/23433/jeff-sessions-ag-hearing-online-gambling/> (Online Poker Report dated January 10, 2017.) All internet websites were last accessed on February 14th or 15th, 2017.
- 4 The bills were H.R.707, introduced on February 4, 2015 by Representative Jason Chaffetz (R-UT) and its companion bill introduced on that same day by Senator Lindsey Graham (R-SC) – S.2159.
- 5 <http://www.cnsnews.com/news/article/donald-trump-us-should-legalize-internet-betting> (cnsnews dated October 23, 2011, quoting remarks Trump made to the Associated Press.)
- 6 <http://www.forbes.com/sites/nathanvardi/2011/10/20/donald-trump-internet-gambling-mogul/#6d6af8ab5e84> (Forbes online, October 20, 2011.)
- 7 Id.
- 8 <http://dailycaller.com/2011/10/31/trump-family-md-governor-at-odds-over-internet-gambling-bill/> (The Daily Caller, October 31, 2011.)

- 9 <http://www.cnn.com/2015/07/21/politics/donald-trump-election-democrat/> (CNN online, July 22, 2015.)
- 10 <http://www.nbcnews.com/meet-the-press/video/trump-in-1999-i-am-very-pro-choice-480297539914> (Meet the Press in 1999.)
- 11 <http://www.factcheck.org/2016/02/donald-trump-and-the-iraq-war/> (Fact-Check.org, February 19, 2016.)
- 12 <http://www.foxnews.com/politics/2016/10/31/adelson-pours-25-million-into-white-house-race-more-may-be-coming.html> (Fox News, October 31, 2016.) See also: <https://www.nytimes.com/2016/05/14/us/politics/sheldon-adelson-donald-trump.html> (New York Times, May 13, 2016.)
- 13 https://gamblingcompliance.com/premium-content/insights_analysis/adelson-not-counting-trump-internet-gambling-ban (GamblingCompliance, February 15, 2017.)
- 14 <http://fortune.com/2015/02/04/online-gambling-bill-adelson/> (Fortune February 4, 2015.)
- 15 <http://www.forbes.com/sites/nathanvardi/2013/11/22/sheldon-adelson-says-he-is-willing-to-spend-whatever-it-takes-to-stop-online-gambling/> (Forbes online, November 22, 2013.)
- 16 <http://www.onlinepokerreport.com/22759/trump-presidency-negative-us-online-gambling/> (Online Poker Report, November 10, 2016.)