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Washington State Supreme Court Upholds Ban on Internet Gambling

TheOnline Poker Lobby Defiant Despite Washington Defeat 27 Sep, 2010 / Gambling Compliance Ltd / Tony Batt

The Poker Players Alliance is vowing to pursue court challenges against online gaming laws in other states, despite last week's decision by the Washington Supreme Court to uphold the state's controversial criminalization of Internet gambling.

John Pappas, executive director of the Poker Players Alliance, declined to name the states where his group plans to support lawsuits against Internet gambling bans. "I'm pleased that the case in Washington is going to be appealed to the U.S. Supreme Court, but I think the chances are pretty slim that the court will agree to hear the appeal," Pappas told GamblingCompliance. "But that does not preclude us from engaging in other actions in other courts," he said.

Pappas said the PPA plans to become involved in the lawsuits at a much earlier stage than it did in Washington where Renton attorney Lee Rousso challenged the state's 2006 law that makes online gambling a felony.

In a unanimous decision, the Washington state Supreme Court ruled Thursday that the state's prohibition of Internet gambling does not interfere with interstate commerce because it bans online wagering by companies inside, as well as outside the state. Written by Justice Richard Sanders, the opinion emphasized the court was not passing judgment on whether Internet gambling should be prohibited. "It is the role of the legislature, not the judiciary, to balance public policy interests and enact law," Sanders wrote.

Los Angeles attorney Sanford Millar, who specializes in gaming law, said the decision is not likely to have a large impact beyond Washington state's borders. "The thrust of the decision is consistent with the rights of states to regulate gaming," Millar said.

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On the other hand, a case before the Kentucky Supreme Court could be much more significant, according to Millar. Last week, the Kentucky Supreme Court ruled for a second time that Internet gambling operators must appear in court if they don't want the state to seize the domain names of their websites. "The use of domains is closer to the issue of interstate commerce than the Washington state case," Millar said.

Joe Kelly, a business law professor at Buffalo State College, said he was disappointed in the Washington state Supreme Court ruling because the state's ban on Internet gambling is "overbroad and borders on the irrational." "The Washington law makes Internet gambling a Class C felony, which is the same as rape," Kelly said.

A call to the Washington state attorney general's office was not returned.

Pappas, the PPA executive director, said it was "ridiculous" for the Washington state Supreme Court to defer to the legislature's ban on Internet gambling and ignore the state's regulation of online pari-mutuel horse race bets. This is the second unanimous decision this month by the Washington state Supreme Court against online gambling interests. During the week before Labor Day, the court ruled a website was engaged in illegal bookmaking by accepting bets for a fee even though losers were not required to pay off their debts.

Nevertheless, Pappas said he does not think there is an anti-gambling sentiment in the Washington state Supreme Court. "The legislature made a mess, and the court just said it was not going to undo it," Pappas said of last week's decision.

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