

Remote betting centers approved in Mexico

The Supreme Court of Justice of the Nation (SCJN) validated, by eight votes against 2, the constitutionality of remote betting centers (CAR), with the argument that “it is preferable” that those places exist under the regulation and supervision of the Government Secretary (SG), instead of leaving the activity without any control.

Within the session, everyone took back from last Thursday’s vote, in which unconstitutionality of card games had been declared, although it had been considered legal last Monday. At last, the ministers convalidated almost all the Regulation of the Law of Games and Draws, and supported the federal government in the constitutional controversy presented by the Chamber of Legislators.

With this decision, the Court gave way to the government to issue permits for the creation of CAR, with the only condition that the bets have to do with legal games or sports, although the ministers considered that bets with numbers in those centers are also legal.

Besides, it allows SG to put the percentage that each licensee of a betting center should allocate (besides legal taxes) to public charity.

Minister Góngora Pimentel reminded his colleagues that it was unconstitutional to leave to the discretion of an administrative authority the fact of fixing a tribute if there are no clear rules to do so. He also pointed that none of them knew the terms and conditions of the licenses granted from May 1995 up to date, so the way in which SG had established the alleged fees was discretionary.

This way, votes from Margarita Beatriz Luna Ramos, Fernando

Franco, José de Jesús Gudiño Pelayo and Sergio Valls prevented from declaring unconstitutional the discretionary faculty of the federal government.

On top of that, in the public session held last Monday, the president minister, Guillermo I. Ortiz Mayagoitia, ordered the performance of a new ballot on issues previously treated. With regards to card games, which had been declared unconstitutional on last Thursday session, once the new ballot was performed, two members (Silva Meza and Góngora) changed their criteria and convalidated this game.

In order to justify this change, both affirmed that they were in favour of allowing card games, but exclusively in regional events that are installed in the country in a temporary way.

This way, they confirmed that games of chance that are supposedly banned, like roulette or dice, are allowed in gaming exhibitions. Then, in a press conference, Ministers Olga Sánchez Cordero and Margarita Beatriz Luna Ramos denied that the decision on remote betting centres means that there is a chance that casinos are installed in Mexico. "These are two different things", they remarked.

This way, it concludes the controversy generated due to the granting of almost 200 licenses for CAR granted by ex Government Secretary Santiago Creel before leaving his position to look for PAN nomination for president. This decision was seriously questioned by PRI and PRD legislators, because the company Apuestas Internacionales, subsidiary of Televisa, had been granted 130 licenses, which aroused suspicion on the support he had obtained regarding the presidential election last July.

The lawsuit was presented on November 30th , 2004, before the Court, and they immediately showed support signs in favour of the Federal Government, specially once the examining minister, Olga Sánchez Cordero, denied a suspension demanded by

legislators in order to freeze the 198 licenses granted by the government on May 2005, until the court took a definite decision regarding the regulation.

Finally, just Ministers Juan N. Silva Meza and Genaro Góngora Pimentel maintained the creteria under the unconstitutionality of such centers.

The majority justified its argumentation affirming that, although the concern on the "social impact" that the proliferation of such betting centers would have on society was praiseworthy, it was better if the authority regulated the activity instead of the fact that citizens use other media like Internet, in which there is no control and you just need a credit card.