

Supreme Court strikes down federal ban on sports gambling

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On Monday, May 14th, the Supreme Court of the United States struck down the Professional and Amateur Sports Protection Act (PASPA), a federal law that banned sports betting in almost every state across the country. The decision came in a case brought by the State of New Jersey which sought to make sports wagering legal at racetracks and casinos in the state. The Supreme Court ruled 7-2 that PASPA's provisions prohibiting states from authorizing and licensing a sports gambling scheme violates the 10th Amendment's anti-commandeering provisions, which limits the federal government's ability to take over or "commandeer" state officials or a state law.

In delivering the opinion of the court, Justice Samuel Alito said legalization of sports gambling requires an important policy choice, but the choice is not the court's to make. "Congress can regulate sports gambling directly, but if it elects not to do so, each State is free to act on its own. Our job is to interpret the law Congress has enacted and decide whether it is consistent with the Constitution. PASPA is not," he said. "PASPA 'regulates state governments' regulation' of their citizens. The Constitution gives Congress no such power."

Reportedly, at least 20 states have already prepared some form of sports betting legislation pending today's decision. Some states, like Connecticut, are reportedly ready to act on their proposed legislation immediately after the Supreme Court's ruling. Legalized sports gambling will, of course, generate significant revenue for the states that legalize the activity, which is the main driver behind their push to legalize sports gambling. Unless Congress acts to regulate sports gambling directly, state legislatures will become fairly busy on this topic.

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