Court decision likely to expand gambling but not in Texas

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WASHINGTON—A U.S. Supreme Court ruling that struck down a law prohibiting most state-authorized sports gambling likely will have little impact on Texas, but it could give a green light to legalized sports betting in surrounding states, some anti-gambling activists noted.

Court overturned 1992 law

On May 14, the <u>Supreme Court ruled 6-3</u> against the Professional and Amateur Sports Protection Act, which generally barred state-authorized sports gambling.

The law carved out exceptions in Nevada, Montana, Oregon and Delaware—states that had approved some forms of sports wagering before the law took effect in 1992. New Jersey—which fought for years to legalize sports gambling at its casinos and racetracks— successfully challenged the constitutionality of the law.

"The legalization of sports gambling requires an important policy choice, but the choice is not ours to make," said Justice Samuel Alito, writing for the majority. "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."

The four major U.S. professional sports leagues—MLB, NBA, NFL and NHL—along with the NCAA had urged the court to uphold the prohibition on sports gambling to protect the integrity of their games. However, some

individual owners of professional teams voiced support for legalized sports betting.

No immediate impact on Texas

While the court decision opens the door to the possibility of gambling expansion in additional states, it does not compel any state to legalize sports gambling.

The Texas Constitution generally makes gambling in the state illegal. Exceptions require two-thirds approval in both the Texas Senate and Texas House, as well as voter approval of a constitutional amendment.

"I don't think the court decision will affect Texas at all—except it probably will bring companies out of the woodwork to hire lobbyists in Austin who will try to make the argument in favor of legalized sports gambling," said Rob Kohler, a consultant with the Texas Baptist Christian Life Commission.

However, Gov. Greg Abbott, Lt. Gov. Dan Patrick and a majority of Texas lawmakers have shown no interest in expanding legalized gambling in Texas to include sports betting, he added.

Even so, he pledged to keep a close watch on efforts by online fantasy sports enterprises to gain a foothold in Texas.

Gambling expansion likely in surrounding states

Kohler also noted a strong possibility sports gambling may "spring up" in states with casinos, but he predicted it will fail to produce the kind of revenue for public education or other needs that its proponents claim.

Rodger Weems, chair of Texans Against Gambling, offered a similar assessment.

"While we are disappointed in the U.S. Supreme Court decision on statesponsored or state-authorized sports gambling, we do not believe it will have any immediate affect on Texas, at least in the short run. Texas has strong constitutional prohibitions against gambling, which this decision does not overturn." Weems said.

"Unfortunately, this is not the case in our neighboring states of Oklahoma, Louisiana, New Mexico and probably Arkansas. The decision will likely open the door to gambling expansion in those states."