

North American Association of State & Provincial Lotteries

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Concord, Ohio – In the wake of the U.S. Supreme Court decision regarding sports betting, U.S. lotteries remain keenly focused on any activities that might help or hinder their mission to maximize revenues for good causes in all lottery jurisdictions, according to the lottery industry's North American trade association.

"As states begin to consider sports wagering, the lottery industry is ready to help establish the real-world network that would be involved if called upon to do so," said Charles McIntyre, Executive Director of the New Hampshire Lottery and President of the North American Association of State and Provincial Lotteries (NASPL). The organization, based in Concord, Ohio, represents all government-sanctioned lotteries in the United States and Canada.

McIntyre noted that U.S. lotteries already have strong relationships with more than 200,000 retail locations across all lottery jurisdictions, many of which are the bars, clubs and pubs that would be natural venues for sports-betting products. In addition, some American lotteries already sell their products on the internet, a potential avenue for sports betting if a state allows that option. McIntyre also noted that all lotteries have the technical expertise to offer a wealth of detailed sports information – upon which sports bettors rely – via their well-developed websites, and most also have mobile apps.

The U.S. Supreme Court ruled May 14 that states themselves should have the right to regulate and tax sports betting, and that it was unconstitutional for the federal government to ban them from doing so.

The Court's decision came in the case of Murphy, Governor of New Jersey vs. the National Collegiate Athletic Association, a challenge by New Jersey to the federal Professional and Amateur Sports Protection Act (PASPA), which banned all states outside of Nevada from offering single-event sports betting. Three other states -- Montana, Oregon and Delaware -- were allowed to offer limited forms of sports betting under PASPA.

The Court determined that PASPA, passed by Congress in 1992, attempted to "regulate state governments' regulation" of their citizens by preventing them from enacting sports betting laws. The Court said that under the U.S. Constitution, Congress does not have the right to do so. The Court also noted that under the 10th Amendment of the U.S. Constitution, all legislative power not conferred on Congress is reserved for the states.

"The legalization of sports gambling requires an important policy choice, but the choice is not ours 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," Justice Samuel Alito wrote for the Court.

McIntyre noted that NASPL members agreed to a resolution in 2011 and reaffirmed it by acclamation in 2012 that states have the right to determine the best gaming alternatives for their own jurisdictions. The resolution states:

“NASPL, on behalf of its membership, is opposed to federal legislation that would encroach on the traditional state prerogative to regulate gaming within each state’s borders. Bills such as this would federalize the internet as a gaming portal, and create a costly and duplicative federal gaming-licensing regime, and moreover, they would impair the ability of states to represent the sensibility of their citizens, which states are uniquely qualified to do and which they accomplish by regulating gaming within their borders to, among other reasons, raise revenue for worthy causes. We believe that the use, regulation, and ultimate beneficiaries of the internet for gaming are best left to the legislative determination of each state. Throughout U.S. history, states have retained, under the Tenth Amendment to the Constitution, the authority to establish their own gambling policies and the federal government has deferred to the states by enacting only the laws necessary to support state policies. Lotteries move cautiously and deliberately toward new revenue opportunities, always keeping in the forefront the express mission to maximize the dollars for the good causes supported in each state and the District, and the regulatory and statutory framework within which the individual lotteries operate.”

This resolution was adopted in the face of proposed federal regulation of internet wagering, but its principles apply to any attempt by the federal government to impinge upon states’ rights. The Supreme Court made it clear that PASPA did exactly that.

Estimates claim that Americans spend anywhere from \$67 billion to \$400 billion on illegal sports gambling annually. In addition to forcing those interested in sports gambling to engage in unlawful behavior, PASPA prevented states from enacting consumer protections, hindered law enforcement from investigating and prosecuting illicit activity, and unlawfully blocked state lawmakers from acting on the will of their own residents.

“NASPL respects the sovereignty of state governments to legislate gambling within their respective jurisdictions,” McIntyre noted. “Member lotteries operate within strict state laws to transparently support benefits to good causes while protecting the population by offering safe games in a legal and socially responsible manner.

“The court’s ruling on PASPA will help preserve the founding principles and integrity of American lotteries. The ruling will also potentially provide the freedom necessary to enhance the more than \$22 billion that American lotteries returned to their states in FY2017, helping to fund a wide range of programs, services and scholarships within each state.”

About NASPL

The North American Association of State and Provincial Lotteries was founded in 1971. Membership includes all government-sanctioned lotteries in the US and Canada. NASPL’s basic mission is to assemble and disseminate information on the lottery industry through education and communications, and where appropriate publicly advocate the positions of the Association on matters of general policy.

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