



**Sports ETA**  
SPORTS EVENTS & TOURISM ASSOCIATION

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**Understanding and Leveraging  
Legalized Sports Gambling  
in the United States**

*Presented by Jackie Reau, Game Day  
February 1, 2021*

# 1

## Understanding how State Associations and Sports Commissions can leverage legalized sports gambling in their states/destinations

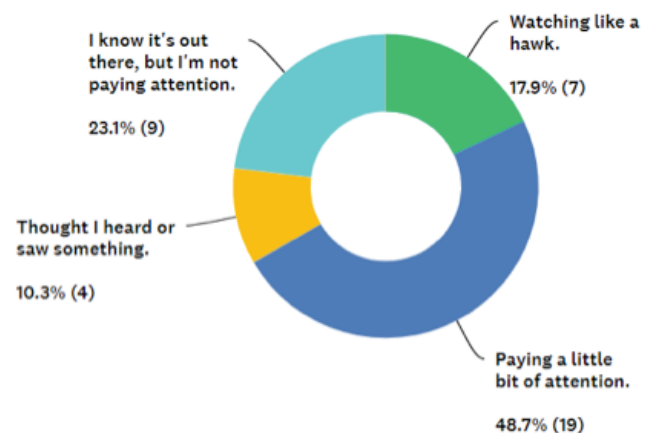
All in all, 21 U.S. states have active, regulated sports betting. The key term here is regulated. State regulations and their regulators are important to protect the integrity of the games being played, consumer protection in placing bets, and the management of sports betting by operators such as casinos. Legalized sports betting in other states has shown positive influence in adding revenue to state coffers, but also slowing illegal, off-shore gambling and increasing fan engagement among sports including women's sports and niche sporting events.



State Sports Associations and Sports Commissions should serve as a resource to the sports betting industry and its key players: State regulators, gaming operators, colleges/university athletic departments, professional sports organizations and sporting events.

**Legalized sports betting in other states has shown positive influence in adding revenue to state coffers...**

### Sports ETA Research Among Members (2020)








# 2

## Opportunities for State Associations and Sports Commissions

While legalized sporting betting may be polarizing to some members, it is important for the 39 of 50 states who have legalized or will legalize sports betting in the coming years are informed and educated about the industry, maintaining the integrity of sporting events and crafting strategies to drive revenue to their destinations through tax revenue, new events and sponsorship and increased travel tied to sports betting opportunities.

Here are a few opportunities to leverage legalized sports gambling in your market:

-  Government/Lawmaker education and advocacy around legalized sports gambling to positively impact the sports events tourism industry.
-  Serve as a resource to the sports betting industry and its key players: State regulators, gaming operators, colleges/university athletic departments, professional sports organizations and sporting events.
-  Train and appoint a Sports Integrity Officer within your organization to guide teams and events in managing gambling in your state and foster relationships with state regulators and operators. See Ohio University's Master's Certificate in Sports Gambling Education.
-  Potential opportunities for State Sports Associations and Sports Commissions may include: Advocacy for revenue from gambling to be earmarked for sports facilities, increased sponsorship revenue from gaming operators, new sporting events with sports betting ties to be hosted in the state and more.
-  Future innovation for State Associations and Sports Commissions to drive new revenue, events, promotions and sponsorships. Think about a new event series focused on betting milestones in partnership with your hotels, teams, restaurants and transportation partners: Super Bowl, March Madness, Master's Golf Tournament, All-Star Games, Fantasy Football Drafts and NFL weekends.



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# 3

## State-by-State Legalization Notes

### Six U.S. States That Should Begin Offering Live Legalized Sports Betting in 2021

Source: Action Network

#### Louisiana

- Awaiting further action by legislature
- In 2020, voters in 55 of the state's 64 parishes supported legal sports betting, including all those around New Orleans, Baton Rouge and Lafayette. Louisiana is the first to approve sports betting at a county or parish level, so it remains to be seen what sports betting will look like when it launches in 2021 or 2022.
- Lawmakers will also need to determine key regulatory details, including allowing online access, which could be a complex legislative process.
- Retail casinos will almost assuredly be able to open retail sportsbooks as early as 2021, but it remains to be seen how (or if) online wagering would be conducted in Louisiana.

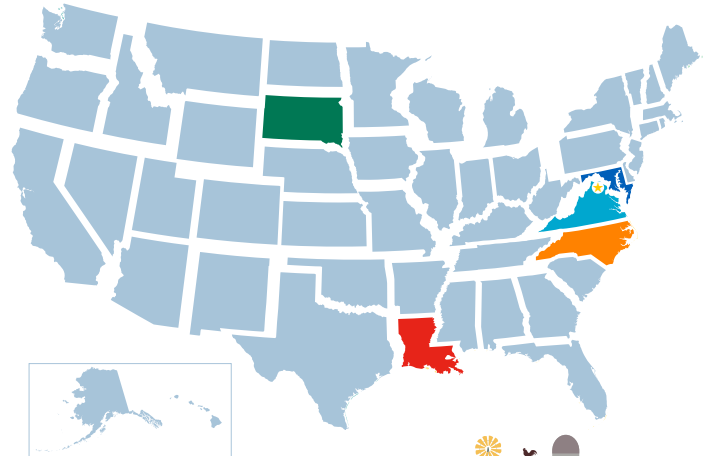
#### Maryland

- Awaiting further action by legislature
- The voters of Maryland said yes to legalizing sports gambling in the Nov. 2020 election, bringing legal wagering to the last remaining Mid-Atlantic state without a licensed sportsbook.
- There's still work to do as the legislature has to create rules, including what retail establishments will get licenses and how mobile betting will potentially work.
- But there is widespread, bipartisan support for online and retail betting, meaning Marylanders should expect the launch of a competitive, digital marketplace as early as 2021.



#### North Carolina

- Approved, awaiting first bet
- North Carolina legalized in-person sports betting in July 2019 for two tribal casinos in the western portion of the state, but both are still working toward opening their respective sportsbooks.
- While that bill did not permit any mobile wagering, the state is expected to consider statewide mobile wagering in 2021.



#### South Dakota

- Awaiting further action by legislature
- South Dakota legalized sports betting in November 2020 as part of a ballot initiative.
- Lawmakers still need to pass follow-up legislation, but bettors should expect retail books to open in the historic gaming community of Deadwood as well as tribal casinos as early as 2021.
- The state constitution only permits wagering within Deadwood and tribal lands, but some believe statewide mobile wagering could be approved as long as the servers are placed in Deadwood. This is far from a sure bet, but could open an interesting new digital market.



#### Virginia

- Approved, awaiting first bet
- Virginia's sports betting laws went into effect on July 1, 2020, but so far, they haven't taken any bets. The Virginia Lottery, which oversees sports betting, expects to approve its first online sportsbooks in late 2020 or early 2021, with betting beginning sometime in 2021.
- There should be around a dozen mobile sportsbooks live in the coming years, including many top brands.



#### Washington

- Approved, awaiting first bet
- Washington legalized sports betting on March 25, 2020, though no bets have been taken because the state is in compact negotiations with tribal representatives to develop terms of a new agreement that will allow sports betting to take place on tribal lands.
- Mobile sports betting, like Mississippi, will only be allowed if it is placed within a casino facility, a huge deterrent to the state's revenue potential. Statewide mobile betting doesn't seem like a reality anytime soon.



## States That May Begin Offering Live Legalized Sports Betting in 2021 or 2022

Source: Action Network

### Arizona



- Under consideration by legislature
- Arizona officials have touched on sports betting proposals the last few years and are still considering a path for state tribes to take sports bets.
- Key details would still need to be resolved, but officials from both parties are bullish on a deal, possibly as early as 2021. Online betting may be a tougher endeavor, but Arizona seems on solid footing for some sort of legal wagering sooner than later.

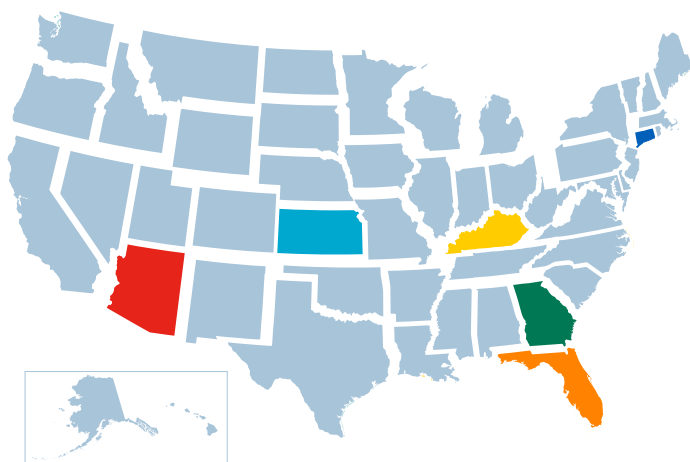
### Connecticut

- Under consideration by legislature
- Connecticut lawmakers have supported sports betting since the federal wagering ban was struck down, but have not been able to work out a deal that appeases all the state's powerful gaming interests, including the tribes.
- With politicians largely supportive, Connecticut remains one of the more plausible states to pass a sports betting bill. But until, or if, stakeholders can reach a deal, sports betting remains illegal.



### Florida

- 2021 action possible
- Some Florida politicians have come out in support of legal wagering, but a host of legal and logistical obstacles have thwarted any legislative efforts.
- Miami-based sports betting legislation expert Daniel Wallach said a 2018 constitutional amendment that prohibits lawmakers from passing gaming legislation without a voter referendum would not necessarily stop the legislature from authorizing sports gambling. It could still be a major legal stumbling block.
- The other major concern is the interests of the Seminole Tribe of Florida. The proprietors of the state's largest casinos, any new gaming idea would have to earn their approval. Though the Seminoles would almost assuredly support the right to open sportsbooks in Florida, as they have in other states, any authorization would have to come on their terms, which may not include online betting.
- Meanwhile, the state continues a multi-year standoff over slot machine tax payments and exclusivity rights that also will need to be settled before sports betting authorization can take shape.



### Georgia



- Under consideration by legislature
- Polls in Georgia say that voters are in favor of legalized sports betting. Executives from the Atlanta Falcons, Atlanta Braves, Atlanta Hawks and Atlanta United also came out in support of sports betting in late 2019. A last-minute legalization bill failed in the final moments of the 2020 legislative session, but legal betting could get another look in 2021.
- The state doesn't have casino gaming of any kind, which complicates the process, and conservative Georgia Gov. Brian Kemp might also be a veto threat to sports gambling progress.
- Popular support is on sports betting's side, but it's not clear if that's enough to overcome entrenched anti-gambling sentiment in the statehouse.

### Kansas

- Under consideration by legislature
- Kansas seemed like a safe bet to approval legal wagering in 2020 after both the House and Senate introduced bills to do so. However, the COVID-19 pandemic prematurely shuttered that year's session, and lawmakers will have to take up a new bill in 2021.
- The 2020 progress is an encouraging sign, and it appears the idea of sports betting has gained support in Kansas. Key regulatory issues will need to be resolved, and it remains to be seen if online betting is politically palatable, but Kansas could be among the favorites to pass legal retail betting as early as 2021.



### Kentucky

- Under consideration by legislature
- A sports betting bill zoomed out a legislative committee in the Kentucky House in early 2020, but quickly hit a snag as Republican leadership tanked the bill despite bipartisan support. Conservative, anti-gambling sentiment runs deep in Kentucky and remains a massive political barrier.
- Kentucky will now have to wait until 2021, at least, for legal sports betting, and in odd years, the state requires bills to get 60% support for them to pass, an extra hurdle to clear that wasn't present in 2020.
- The good news is that Democratic Gov. Andy Beshear is a big proponent of sports betting legalization, but until Republicans get on board, Kentucky sports betting may not happen. In that environment, it makes statewide mobile wagering even more difficult.



### Maine

- Governor vetoed bill
- A Maine online sports betting bill seemed like a sure bet until Gov. Janet Mills vetoed what would have been the most competitive market in New England.
- Mills was “unconvinced at this time” that the state’s residents wanted expanded gambling, and thought the proposal lacked protections for problem gambling.
- A veto override fell a few votes short, but sports betting backers are hoping to work with Mills on a new sports betting bill in 2021.

### Massachusetts

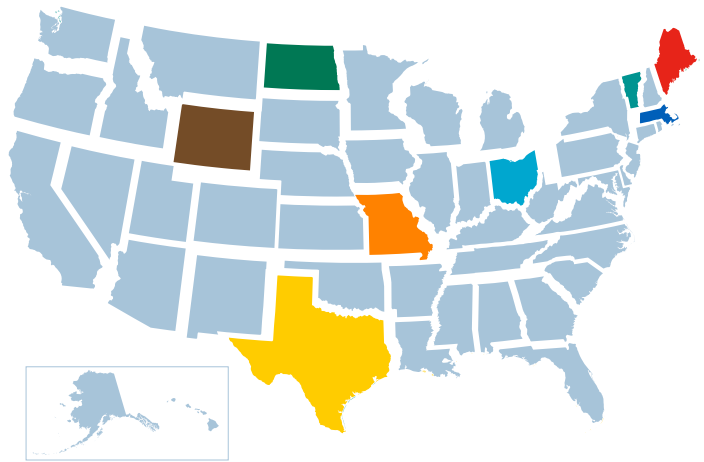
- Under consideration by legislature
- Republican Massachusetts Gov. Charlie Baker and members of both parties in the Democrat-controlled General Court support sports betting. It still hasn’t passed.
- Elected officials have not reached consensus on several key issues, such as which entities would be allowed to take bets and if legal betting should include wagers on in-state college teams. Some want only MGM and Penn National/Barstool to have sports betting since they have casinos in the state, while other legislators favor a fully-competitive market.
- Legal wagering doesn’t have some of the massive political or legal obstacles as other states, but the aforementioned issues must first be resolved before online and retail wagering can begin. Legal betting should come to Massachusetts in the next two years.

### Missouri

- Under consideration by legislature
- Had it not been for the coronavirus, it’s possible Missouri could have had sports betting in 2020. Multiple bills floated through the legislature but were dropped when the session ended early, and there are three new bills on the table now.
- It’s definitely one of the states feeling the pressure as states around them are up and running: Iowa, Illinois, Arkansas and others. Expect to see some action in 2021 for both online and in-person wagering — especially if Kansas is close to doing the same.

### North Dakota

- Possible tribal action
- There’s been no political movement to legalize sports gambling in North Dakota, but state tribes are reportedly considering opening sportsbooks, which they argue would be allowed under existing law. This would likely mean retail only, but North Dakota could be among a rare group of states that can take bets without an act of the legislature.



### Ohio

- Under consideration by legislature
- Ohio is another sports-crazy state that’s behind in legalizing sports gambling, especially given the action in many of its Midwestern neighbors.
- Lawmakers held out hope for a bill in the final moments of 2020, but it seems more likely a fresh set of legislators will have to take a new bill when the 2021 session begins.
- Legal wagering has widespread bipartisan support in the legislative and executive branches, but politicians still need to hammer out a few issues that have stalled legislation for months. There’s a good possibility online betting will be part of that.

### Texas



- 2021 action is possible
- Texas would appear to be an unlikely sports betting adopter, but a dire budget situation and investment from outside gaming interests make it a possible target in 2021.
- The Lone Star State is still a longshot, but the pressures of the 2021 session (the legislature only meets regularly in odd-numbered years) could move Texas past its long-standing gambling opposition.

### Vermont

- Under consideration by legislature
- Vermont is one of the few remaining states without casinos, but it may be okay with legal sportsbooks, at least online. The state is considering a study bill and may feel pressured to accept wagering especially as the greater New England market continues to grow.



### Wyoming

- Possible tribal action
- Lawmakers seem unlikely to take up a sports betting bill anytime soon, but the Northern Arapaho Tribe appears it may add retail sports betting under the authority of existing law, much in the way tribes in New Mexico are operating sports betting without any legislation.



## States That May Consider In The Future, Those That Are Long Shots

Source: Action Network

### Alaska



- No movement
- Alaska is pretty much nowhere on sports gambling. The 49th state might actually be the 49th to legalize it, if ever.

### Alabama

- Longshot, under consideration by legislature
- Alabama is one of the few remaining states without a lottery and seems unlikely to thaw its gambling opposition.
- The legislature had a sports betting bill in the works in March before COVID-19 ended the session early that would have included both in-person and online sports betting, but passing such a bill is still a difficult task in a state with strong gaming aversions.

### California



- Possible tribal action
- California sports betting looks like it will be a reality, but only at tribal casinos and most likely not until 2023.
- State tribes are close to finalizing a 2022 ballot measure that would allow sportsbooks on tribal grounds. Wagering could begin as early as 2023 if approved, but in-person only and not online.
- Many tribal casinos are in more remote parts of the state.
- This would disappoint industry stakeholders hoping for statewide online betting in what would be the nation's most lucrative market. A 2020 proposal that would have allowed mobile sports betting while granting extend gaming options to the state commercial cardrooms fell short. That's because the tribes were against giving the state's many cardrooms table games.
- With potentially billions of dollars at stake, gaming interests will still pursue California mobile betting, but it appears the tribal casino-only option is the most likely reality for a legal wagering market.

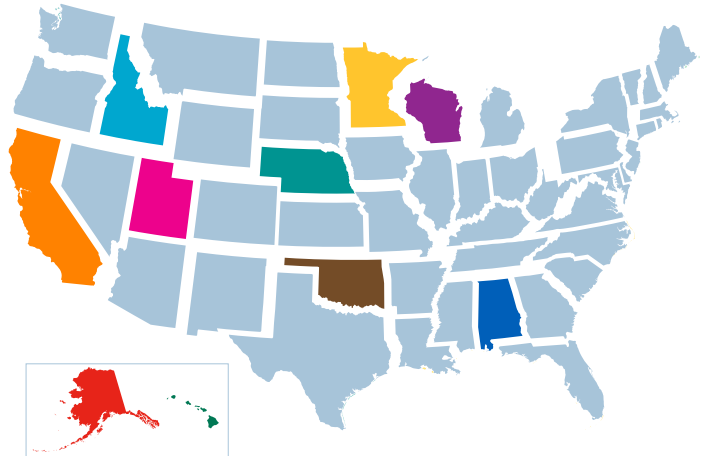
### Hawaii



- No movement
- Hawaii is one of just two states currently without any major gambling entity of any kind, and it seems sports betting will not be coming to the state for the foreseeable future, if ever.

### Idaho

- No movement
- State laws as written are currently against gambling, save for horse racing. The state doesn't allow fantasy sports, either and there's been little political appetite for legal sports betting.



### Minnesota

- Possible tribal action
- Lawmakers have considered sports betting bills in recent years, but the state has not worked out how it would work, and which entities, most notably Minnesota Native American tribes, would be allowed to take bets.

### Nebraska



- Longshot under consideration by legislature
- Voters approved three constitutional amendments in November that would legalize "games of chance" at Nebraska's licensed horse tracks. That doesn't necessarily mean sports betting will be allowed at these facilities, and any retail or online sportsbook is probably years away even if technically allowed to operate.

### Oklahoma

- Possible tribal action
- Oklahoma gaming is dominated by Native American entities and most seem disinclined to agree to sports betting until other key issues with the state government are resolved. Two tribes struck sports betting deals in 2020, but those were later invalidated, part of a larger conflict between competition gaming interests and the government.
- A court ruling that renewed a previous compact between the two entities gives tribes the upper hand in negotiations with the government. Sports betting, which makes up a small fraction of most casino's revenues, is a comparatively minor issue as billions of gaming dollars are up for further negotiations.

### Utah



- No movement
- Sports betting is likely never coming to Utah, the only state in the continental U.S. without any major legal gaming form.

### Wisconsin

- Possible tribal action
- There has been little sports betting momentum in the state legislature or Wisconsin's tribal stakeholders. Any sports betting would almost assuredly come through the state's Native American casinos.



Jackie Reau, CEO of Game Day, a media and marketing agency in Cincinnati, has been studying the legalized sports betting industry since May 2018 when the

Professional and Amateur Sports Protection Act (PASPA) of 1992 was struck down by the Supreme Court. She has earned a Master's Certificate in Sports Gambling Education from Ohio University. For more information, visit [GameDayPR.com](http://GameDayPR.com).