

Sports Betting

Introduction

In 2018, the U.S. Supreme Court overturned the Professional and Amateur Sports Protection Act of 1992, the federal law that banned sports betting in every state outside of Nevada. Previously, Nevada was the only state in the country where sports betting was legal.

Of course, sports betting was occurring in all 50 states. It was just done illegally and under-the-table through bookies or offshore websites.

The ruling was a positive step for freedom, and Mississippi was at the leading edge of allowing residents to place bets on sports. Mississippi had already passed pre-emptive legislation that would legalize sports betting should this ruling occur. As a result, in 2018, Mississippi was the only state in the Southeastern Conference footprint where legal sports betting was available.

And Mississippi is counting on the projected revenue. Revenue from sports gambling is a major part of the \$1 billion transportation package lawmakers adopted in the 2018 special session.

But much like casinos, competition has emerged that will continue to limit revenue in Mississippi. Within a year of the ruling, both Arkansas and Tennessee legalized sports betting.

Additionally, Mississippi's requirement that you must be in a casino to place bets greatly limits the pool of those who will legally bet. It may be a boom during peak times, such as the Super Bowl or March Madness, but generally speaking a person in Jackson isn't going to drive to Vicksburg to place a bet on a random baseball game in July. They will continue to bet illegally because bookies are not going to disappear overnight.

While Mississippi made a positive first step in being ahead of the curve, all of the data shows that states need to create an avenue for individuals to bet online to generate the most revenue.

Key Facts

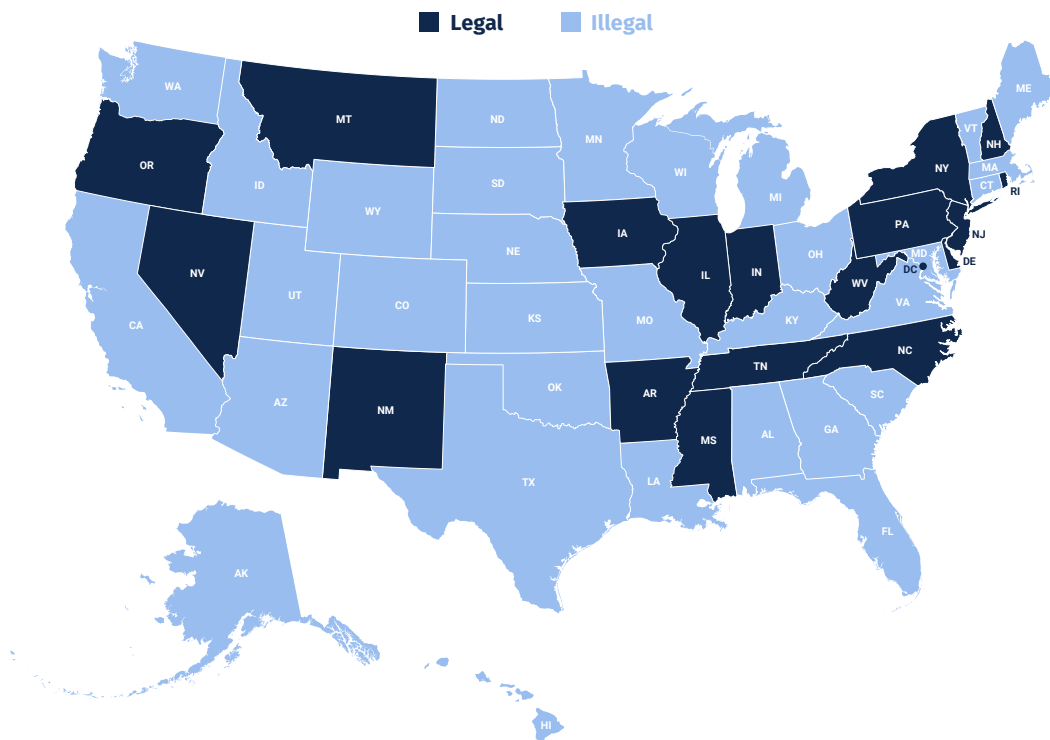
- On August 1, 2018, Mississippi was the fourth state in the country to roll out sports betting.

- As of September, 2019, sports betting is legal in 18 states and the District of Columbia, though not necessarily operational. It is estimated that 40 states will have legal sports betting by 2024.
- During the first year of legal sports betting in Mississippi, people wagered \$303 million at casinos in the state.
- Sports betting is a \$150 billion industry in the United States.
- During the first eight months of 2019, New Jersey received five times the revenue from online sports betting as they did from retail betting venues.

Recommendations

- + Permit sports betting online or via an app if you are in the state rather than requiring an individual be in a casino to bet.
- + Permit sports betting at college sports stadiums.

Sports Betting Across America



Source: USA Today