

Gambling In Sports

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Gambling in sports causes people to lose more than they gain. This can be said not only about fans, but even athletes and coaches as well. A gambling addiction is one many people in present day face in the world of sports and can be quite difficult for many to overcome. Because of issues of addiction and some organizations being caught for fixing outcomes, the question is should major sport organizations align themselves with gambling interests and/or companies?

In 2018, The Supreme Court in a 6-3 ruling “struck down a federal law that prohibits sports gambling,” known as the “Professional and Amateur Sports Protection Act,” of 1992 in which prohibited state-authorized gambling with the exception of Nevada, only being able to bet on single games (Purdum, 2018, par. 1 & 2). This ruling permitted states to decide for themselves whether sports betting would be legal, which effected regulations involving the NFL, NCAA, NBA, NHL, and MLB. Since then, tennis, soccer, boxing, MMA, and golf have joined also. The ruling that was overturned was *Murphy v. NCAA*, deeming the Professional and Amateur Sports Protection Act Unconstitutional. The original ruling was to prevent money laundering schemes and other activities (Preciado, 2023, par. 3 & 4). Legalization is now up to the states, taking the hand of the Federal Government off sports betting. Now, 33 states have legalized sports betting along with the District of Columbia, 24 of them allowing online sports betting (Preciado, 2023).

When we think of major sports betting scandals, many minds quickly attend to Pete Rose being banned from The Baseball Hall of Fame in 1991. Rose, a former Head Coach of the Cincinnati Reds, placed bets while being a coach in the Reds to win. Originally just banned from the MLB, in 1991 was banned from The Baseball Hall of Fame (Hill, 2020, Fox Sports). As of recent however, five athletes have been punished for sports betting, some of them on team facility grounds. Recently, Falcons Wide Receiver served a 1-year suspension for violating the NFL’s

gambling policy. As his suspension has concluded, four players of the Detroit Lions and one from the Washington Commanders have just been handed a suspension for violating the same policy. Although typically being able to apply for re-instatement after one year, two players, Quintez Cephus and C.J. Moore of the Lions have been officially released (Woodyard, 2023, par. 2). Aside from the concern and attention this story has received, the NFL confirmed that there was “no evidence indicating any inside information was used or that any game was compromised by the players’ betting,” (Woodyard, 2023, par. 4). The NFL is very clear, just as any other league that there is a gambling policy in place in which all athletes, staff, and coaches must adhere to. For example, multiple staff for the Lions were also let go of during March for violating the same policy (Woodyard, 2023, par. 7). The Lions organization did provide context on the suspension of Wide Receiver Jameson Williams, saying that “Jameson’s violating was not for betting on football but rather due to a technical rule regarding the actual location in which the online bet was placed,” (Woodyard, 2023, par. 12). If the bet had been placed off team grounds, it would have been legal, due to it not being placed on anything football or any association with the NFL. This array of investigations leading to suspensions, however, may potentially influence the legalization of online sports betting in the state of Michigan. Perhaps not for fans, but rather for athletes, possibly not allowing them to bet at all even away from team facilities and property.

The current system of sports betting is absolutely designed to increase revenue. The betting companies, organizations, and even the state and federal governments benefit from sports betting, especially betting online from a mobile device. In 2020 alone, “the sports betting market in the U.S. generated \$1 billion in revenue,” (Bell, 2021, par. 7). This article being published two years ago, predicted an increase six-fold by this year, 2023. According to the Michigan Journal of Economics, “Online sports betting provides benefits to the state government through tax

revenue that improves conditions of society. By implementing a new market into a state that can be taxed, the government can increase their revenue without increasing state taxes on their people. This tax revenue has been used by state governments for their general funds, social services, schooling, or statewide projects. In addition to this, the U.S. federal government has enhanced funding to social security and Medicare. The tax revenue generated from sports betting has given state and federal governments larger budgets to distribute from. The tax revenue generated from online sports betting has and will continue to expand the budgets of state and federal governments. The current federal income tax rate on sportsbooks is 24% (Gramlich 2022). In 2022, the United States government generated approximately \$953 million in tax revenue from online sportsbooks through October (Altruda 2).” (Leonardi, 2022, par. 2 & 3). Not only are sports organizations individually benefited from participants betting on games, props, parlays pertaining to their organization, but so is the government. Perhaps this was the plan all along, to legalize online sports betting to benefit them in using it as tax dollars to increase state revenue. This ultimately incentivizes teams to impact the outcome of games. If bets are placed on teams, and that team and the state both receive a shared revenue as a result, this could mean advanced sideline technology, new uniforms, equipment, and most of all bigger and better stadiums.

The question at hand, is should major sport organizations align themselves with gambling interests and companies? Given the evidence shown, there is no reason why major sports organizations such as the NFL and the NBA should not reap the benefits of sports betting. However, there should be tighter restrictions pertaining to sports gambling for players. To allow them to bet at all, is to take advantage of how players can increase their revenue aside from all the money players already bring in. It is also unreasonable that sports and states are not separate.

As organizations benefit in revenue, why should the state and federal government? The government takes enough taxpayer dollars, and to benefit from this is to take money away from teams and organizations as well as fans and spectators, money in which they did not earn.

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