



## Supreme Court Strikes Down Federal Limits On Sports Gambling

*Murphy v. National Collegiate Athletic Association*, No. 16-476

*New Jersey Thoroughbred Horsemen's Association, Inc. v. National Collegiate Athletic Association*, No. 16-477

Decided May 14, 2018

The Supreme Court held 7-2 that a federal law prohibiting States from authorizing sports betting violates the Tenth Amendment because it impermissibly commandeers state legislatures.

### Background:

A federal law – the Professional and Amateur Sports Protection Act of 1992 (PASPA) – prohibits States from authorizing or licensing sports gambling. In 2014, the New Jersey legislature repealed existing prohibitions on sports gambling at casinos and racetracks. The NCAA and the four major professional sports leagues sued the State, arguing that the decision to allow sports gambling violated PASPA.

### Issue:

Whether PASPA's federal prohibition on state authorization of sports gambling violates the Tenth Amendment because it commandeers state legislatures.

### Court's Holding:

Yes. PASPA unconstitutionally commandeers state legislatures by dictating the content of state law regarding sports gambling (*i.e.*, preventing States from legalizing sports gambling).

*"A more direct affront to state sovereignty is not easy to imagine."*

Justice Alito,  
writing for the majority

**Gibson Dunn  
represented the  
winning party**

Petitioners Philip D. Murphy,  
as Governor of the State of  
New Jersey, *et. al.*

## What It Means:

- In a significant victory for States' rights, the Court's decision makes clear that the Tenth Amendment's anti-commandeering rule has teeth. Under that rule, Congress can neither affirmatively direct the States to enact a certain law nor prohibit them from repealing an existing law. As a result, States are now free to choose whether or not to legalize sports gambling.
- The Court also struck down the additional federal prohibitions on state-run lotteries, private operation of sports gambling schemes, and advertising of sports gambling.
- The ruling likely will lead to the legalization of sports gambling in many States. In advance of the Court's ruling, bills authorizing sports gambling had been introduced in approximately 15 States, and they have already been enacted in Pennsylvania, Mississippi, Connecticut, and West Virginia.

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Gibson Dunn's lawyers are available to assist in addressing any questions you may have regarding developments at the Supreme Court. Please feel free to contact the following practice leaders:

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