States Offering Legal Sports Betting

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Issue
Summarize the types of games that states with legal sports betting may offer.

Summary
With certain exceptions, sports betting is prohibited under federal law. The main federal law that prohibits sports betting is the Professional and Amateur Sports Protection Act (PASPA) (28 U.S.C. § 3701 et seq.). The law exempts certain sports betting schemes that were in effect when the act was passed (i.e., those in Delaware, Montana, Nevada, and Oregon) (28 U.S.C. § 3704).

Betting on individual sporting events is legal only in Nevada and limited forms of sports betting are legal in Delaware, Montana, and Oregon. Delaware’s lottery offers NFL parlay bets (i.e., betting on the outcomes of three or more games in one bet) and Montana allows sports pools and sports tab games and its lottery offers a fantasy sports game for football and racing. Oregon currently does not offer any sports betting.

Delaware
The Delaware Lottery offers parlay bets on NFL games where players must bet on at least three separate games on a single bet (Del. Code Ann. tit. 29 § 4825). Parlay bets are bets where the player must win all the individual bets to win the entire bet with a greater payout than if the player bet on the games individually. In other words, a player who bets on three separate NFL games must win all three bets in order to win the overall bet.
Delaware is only allowed to offer parlay bets because the Third Circuit Court of Appeals ruled the state’s original plan of offering single-game bets and wagering on professional and college sports violated PASPA (OFC Comm Baseball v. Markell, 579 F.3d 293 (3d Cir. 2009)). The court interpreted PASPA to preclude Delaware from offering anything more than what it had offered prior to the federal law, which was a multi-game parlay involving NFL teams.

Delaware law requires players to be at least age 21. The lottery must also license the (1) places that operate the sports lottery and (2) lottery agents who sell the tickets (Del. Code Ann. tit. 29 § 4825).

**Montana**

Although Montana law specifically prohibits the betting on the outcome of an individual sports event, it authorizes sports pools, sports tab games, and fantasy sports games (Mont. Code Ann. §§ 23-5-806, -5-502, & -5-802). Montana law requires players to be at least age 18 (Mont. Code Ann. § 23-5-158).

Montana law allows sports pools and sports tab games, which use the score of a game or series of games to determine the winner (Mont. Code Ann. § 23-5-502 & Mont. Admin. R. 23.16.1702). Among other authorized contests, the law allows licensed alcoholic beverage establishments to hold “betting square contests,” where they have a square divided into horizontal rows and vertical columns and randomly numbered. Additionally, before the sports event, the horizontal and vertical axis must be assigned a team or competitor (e.g., the Patriots score are numbered on the vertical axis and Eagles score on the horizontal axis). A winner is determined by matching the numbers assigned to a space with the only or last digit of the score in the sports contest. For example, if the score to a game was 41-33 Eagles over the Patriots, the winner would be those holding the space corresponding to horizontal 1 and vertical 3.

Additionally, Montana’s lottery offers two separate fantasy sports games (football and racing) (Mont. Code Ann. § 23-4-301 et seq.). Players respectively select players or drivers and points are assigned based on how they perform in an individual week (e.g., throwing for a touchdown is worth four points and winning a race is worth 170 points). The numbers are then added together and compared to the other players, with the top three scores receiving a portion of the money bet that week.
Nevada

Nevada is the only state to offer a full range of sports betting in licensed sports books, including betting on individual games (Nev. Rev. Stat. §§ 463.0193 & 463.245). Sports books allow players to bet on college and professional football and basketball, baseball, hockey, golf, and tennis, among others. Nevada law requires sports books to be licensed by the Gaming Control Board (Nev. Admin. Code § 22.020).

Nevada law requires players to be at least age 21 (Nev. Rev. Stat. § 463.350). The law imposes certain restrictions on sports books, including limiting an establishment (including a casino) to one book and prohibiting revenue sharing (Nev. Rev. Stat. § 463.245). By regulation, books must also, among other things, have a certain minimum amount of cash reserves; follow certain guidelines on accepting wagers, with additional requirements for wagers over $10,000; and keep certain records and report them to the board (Nev. Admin. Code § 22.010 et seq.).

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