



Ethan Miller, Getty Images

Gamblers line up to place bets on the 2018 NCAA Basketball Tournament at the Westgate Las Vegas Casino.

Why Legalizing Sports Betting Is Good for the NCAA

By John Wolohan

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Last week the United States Supreme Court, in a long-awaited decision that is sure to have major implications for college athletics, struck down the federal ban on single-game sports betting in states other than Nevada (where the ban did not apply). In (formerly *Christie v. NCAA*), which had been winding its way through the federal courts since 2012, the court ruled that the federal government had overstepped its powers by infringing on states' rights in violation of the 10th Amendment when it passed the Professional and Amateur Sports Protection Act.

With at least two states, Delaware and New Jersey, ready to pass sports-gambling legislation in the next few weeks, and possibly as many as 20 more within the next few years, the NCAA and its member institutions are pressing Congress to enact another federal law regulating sports betting. The NCAA says that it needs such a law to protect the integrity of its games, arguing that without federal protection, its games and athletes will be open to match fixing. In particular, the

NCAA is worried because, unlike professional athletes, who are often paid millions of dollars in salary, college athletes are paid only in educational benefits. While those benefits can be worth hundreds of thousands of dollars over an athlete's career in college, they buy very little when an athlete wants to go out to dinner. It is little wonder, therefore, that some gamblers have been able to entice athletes to provide insider information or fix games.

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Knowing that game fixing was not only a violation of NCAA rules but was also criminal, why would a college athlete be willing to risk jail and a potential professional career to fix a few games? The answer is in the vast amount of money involved. According to the Nevada Gaming Control Board, of the \$4.8 billion bet with Nevada sports books in 2017, around \$300 million was on the NCAA Basketball Tournament. While these numbers may seem large, the board estimated that an additional \$150 billion to \$300 billion was wagered illegally, including an estimated \$10 billion on the NCAA tournament. Therefore, even though the NCAA educates athletes on gambling, and should step up its efforts in the future, with so much money involved it is easy to see why gamblers would want to target college athletes.

The Supreme Court's decision may not have been a surprise to those following the case for the last six years — professional sports leagues have been in discussions with state legislatures, trying to influence new state laws — but the NCAA and its member institutions are only now reacting. However, instead of lobbying the states, the NCAA is urging the federal government to pass new national legislation on sports gambling, an effort that may be too late.

With the NCAA apparently dropping the ball, athletic departments are trying to catch up by taking their concerns to state legislatures, but so far, the only two solutions states have come up with are prohibiting gambling on state-college competitions or on college events played within the state, and paying colleges a portion of the gambling money to fund additional employees within athletics departments who would monitor the betting lines and work with sports books.

Both demands seem needless. As noted previously, gambling is not a new threat to college athletics; it's been legal in Nevada since 1931. Both the NCAA and the Nevada sports books have an interest in keeping the games clean, so they work together to monitor and guard against game fixing. Those efforts are only going to be enhanced as more states legalize sports betting. For example, as more money is bet through the legal sports books and less with illegal bookies, the state and the NCAA should be better able to monitor teams and games for problems.

That doesn't mean gambling on college games is going to be without problems. Perhaps the biggest headache the NCAA will face from the *Murphy* decision is its impact on the debate over paying elite college athletes. Since this issue is not going away anytime soon, especially with the various antitrust cases making their way through the courts, it is essential that NCAA colleges are not seen as profiting from gambling. Yet one of their first reactions after the Supreme Court's decision was to demand [a piece of the action](#) from the states. If they receive the extra money, it will only give critics of the NCAA more ammunition in their argument that the colleges are exploiting athletes and that the line between college and professional sports is increasingly blurry.

Since colleges seem opposed to paying their athletes with any gambling windfall, I suggest that the states set aside any gambling-related money that might have gone to colleges and give it to youth sports programs in the state. This should not only help ensure that there are plenty of skilled college athletes in the future, but also better define the difference between college and professional sports.

The NCAA has opposed the expansion of sports gambling, but in fact it should be celebrating. The biggest sources of revenue for college athletic programs are television money and gate receipts. And although Kentucky, Syracuse, and Louisville may each have averaged over 20,000 fans for their basketball games in 2017, according to the NCAA the average attendance for Division I colleges has declined for the last 10 years. At the Football Bowl Subdivision level, the average attendance has declined for four straight years. However, what is more troubling than fewer people attending games is that people are also watching fewer games on television.

With expenses at top-level athletic programs running into the tens of millions of dollars, NCAA institutions have been questioning how to keep their fans engaged and attending games. The Supreme Court just gave them their answer: Given that people who bet on sports watch more games than the average fan, when sports gambling becomes legal it should lead to an increase in game attendance and TV viewers — and that would be a victory for the NCAA.

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