BY: JOHN PAUL HICKS

On May 14, 2018, the Supreme Court of the United States decided Murphy v. NCAA, which overturned the congressional restriction on gambling based on federalism. This landmark decision paves the way for states like Kentucky to pass legislation on the legalization of sports gambling and effectively grab a share of an industry that profits $150 billion dollars annually. Estimates have ranged from Kentucky realizing $5 million to $30 million dollars of revenue through the taxation of sports gambling annually. Additionally, this much needed potential revenue for the Commonwealth could offset budget deficits found in Medicaid and other social services. Some estimates have sports gambling in Kentucky beginning as early as summer 2019.

State lawmakers from both sides of the aisle have come together to pre-file a sports betting bill prior to the next legislative session. Lawmakers want the passage of sports gambling to support the horse industry. If passed, the bill would allow wagers to be placed on professional and collegiate events, with a $250,000 annual license, and the tax rate would be three percent on the amount wagered. While this legislation would be extremely beneficial for the Commonwealth, the wager amount tax will deter sports betting companies from operating in Kentucky.
While the increase in revenue will help the financial stability of the Commonwealth, not everyone is eager to have sports gambling become legal in the Bluegrass State. Opponents of the legalization of sports gambling have cited issues from the integrity of the event to the mental health of the individual placing the wager. The potential addictive aspect of gambling on youth, families, and individuals with lower income is at the center of this argument. However, the logic used in this argument seems to view citizens as not intelligent enough to make decisions and seems to defer individuals' freedoms and decision-making abilities to that of the government. Additionally, this logic sets back individual freedoms to the prohibition era. Except in this instance, many of the neighboring states and unlicensed bookmakers will benefit from the status quo on sports gambling. Finally, the argument fails to recognize that gambling on horse racing is currently legal in the Commonwealth and there are currently no income restrictions to attending and placing a wager at these events.

In conclusion, there will be some unintended consequences to passing legislation which legalizes sports gambling in Kentucky beyond horse racing events. However, the unintended consequence of not passing sports gambling legislation is just as much of a gamble. In the latter scenario, the Commonwealth would be the only state in the region not to have legalized gambling in the coming years. Lawmakers and citizens alike would be reduced to watching the budget deficit grow year after year while discretionary income pours into bordering states. Sports gambling, like other entertainment options, should be legalized, regulated, and taxed to benefit the Commonwealth and its citizens.

[iv] Id.
(ix) Id.
The author of this article is extremely knowledgeable of this subject and I can't wait to read future publishing's of his :)