**Fiscal Facts: As states approve sports betting, Wisconsin does so on limited scale**

Amid a recent sea change in the legality of sports betting, Wisconsin has chosen a middle path between states where it remains illegal, and those that permit online gaming.

In the wake of a 2018 U.S. Supreme Court ruling, sports betting has been legalized in 39 states, including 3 of Wisconsin's 4 neighboring states. In 31 states, legalization has occurred for the next frontier: online sports betting.

Wisconsin permits sports betting, but only via compacts with its tribal nations. As of Dec. 30, 9 tribal nations had amended their gaming compacts with the state to authorize sports wagering. These operations primarily consist of retail -- rather than online -- sports betting.

Meanwhile, non-tribal sports betting remains banned under the Wisconsin Constitution. Any effort to broaden access in Wisconsin beyond tribal gaming, should policymakers desire it, would require amending the constitution.

In exchange for having exclusive rights to conduct certain gaming operations, the tribal compacts also stipulate they make annual payments to the state. These revenues go to programs including gambling regulation as well as health, veterans, higher education, and other programs.

States that have legalized sports betting have reaped financial rewards in the form of hundreds of millions of dollars in tax revenue. The revenue increase has been especially large in states that now permit adults to place sports bets online.

However, these states also are encountering some negative impacts. New research suggests the availability of sports betting in some other states can negatively affect household finances, particularly in the case of low-income participants and online betting.

Of particular note for Wisconsin: in 2021, Florida gave the Seminole tribe exclusive authority to conduct online sports betting with users anywhere in that state, provided bets were placed through a server on tribal lands. This faced a court challenge but was recently upheld by a federal appeals court.

This creates a potential precedent for a Wisconsin tribe to seek to renegotiate the terms of their compact with the state of Wisconsin. Though this possibility remains for now hypothetical, policymakers and the public may wish to consider and discuss their views on it.

The potential benefits of online sports betting to state coffers are considerable. At the same time, policymakers also should consider the implications of making gambling available in all places and at all times, with just a few taps on a screen.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*