

In 2021, the State of Florida and the Seminole Tribe entered into a compact that appeared to allow online sports wagers throughout the state. The related enabling legislation, signed by Governor DeSantis, further provided that sports wagers shall be deemed to take place where the servers are located - e.g., on Tribal land and, as such, "do not violate the laws of [Florida]."1

The compact became effective when the Secretary of the Interior failed to act within 45 days of its submission by either approving or denying the agreement.² In turn, the compact was published in the Federal Register.³

The plaintiffs, two non-tribal, brick and mortar gaming operators – the Magic City Casino and the Bonita Springs Poker Room – filed suit in the U.S. District Court for District of Columbia alleging violations of the Indian Gaming Regulatory Act ("IGRA"),4 the federal Wire Act,5 the Unlawful Gambling Enforcement Act⁶ and the Fifth Amendment of the U.S. Constitution. The district court granted summary judgment in favor of the plaintiffs by finding that the compact attempts to authorize sports betting on and off Indian lands in violation of IGRA.7

On June 30, 2023, the U.S. Court of Appeals for the District of Columbia overturned the district court's opinion. In reaching its decision, the court relied on the U.S. Supreme Court's decision in Michigan v. Bay Mills Indian Cmty.8, which held that while IGRA "regulate[s] gaming on Indian lands, and nowhere else,"9 it also expressly contemplates that state tribal compacts may address off-reservation activity that is directly related to gaming.¹⁰

Specifically, the Court of Appeals held that the "district court erred by reading into the Compact a legal effect it does not (and cannot) have, namely, independently authorizing betting by patrons located outside of the Tribe's land."11 In other words, the Court of Appeals determined that the company did not authorize off-reservation sports betting. Further, the court held that the legality of placing bets from non-tribal lands in Florida is a possible state law question, but it is not one for the federal courts to decide. The compact, the court concluded, only authorizes betting on tribal land as permitted by IGRA.¹²

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¹ Fl. Stat. § 285.710(13)(b)(7).

² See 25 U.S.C. § 2710(d)(8)(C).

³ 86 Fed. Reg. 44, 037-01 (Aug. 11, 2021).

^{4 25} U.S.C. § 2701, et seq.

⁵ 18 U.S.C. § 1801, et seq.

^{6 31} U.S.C. § 5361, et seq.

⁷ See W. Flagler Assocs. v. Haaland, 573 F. Supp. 3d 260, 273 (D.D.C. 2021).

^{8 572} U.S. 782, 795 (2014).

⁹ W. Flagler Assocs. v. Haaland, No. 21-5265 (D.C. Cir. Jun. 30, 2023)

¹⁰ Id.; see also 25 U.S.C. § 2710(d)(3)(C)(viii).

¹¹ W. Flagler Assocs. v. Haaland, No. 21-5265.

¹² Id.