

Pennsylvania Ban on Contributions from Gambling Industry Held Unconstitutional

July 2020

A panel of the U.S. Court of Appeals for the Third Circuit recently upheld a district court ruling that struck down Pennsylvania's ban on campaign contributions from those involved in the state's gaming industry. As *Election Law News* first reported in 2018, the ban applied to "principals" and "key employees" of holders of and applicants for Pennsylvania gaming licenses.

The Third Circuit acknowledged that "a democratic government must make every effort to fight corruption, and the perception of it." At the same time, it also affirmed the courts' long-standing recognition that contributing to candidates is part of "[p]articipating in the election of our governmental representatives [that] is the essence of our democracy." The court noted that Pennsylvania's blanket ban on contributions from covered individuals in the gaming industry precluded them from "mak[ing] even symbolic expressions of support" through small contributions that pose no threat of corruption.

The court also found Pennsylvania's law to be an anomaly. Among the 26 states that have some form of legalized gambling outside of tribal casinos, Pennsylvania was the only state that imposed a blanket ban on contributions from those with an interest in the gaming industry. Like the district court, the Third Circuit found that Pennsylvania had failed to provide sufficient evidence to demonstrate that its law was "closely drawn" to address the state's concerns about corruption.

Additional contribution restrictions at the federal, state, and local levels are common for certain industries, lobbyists and their principals, and government contractors. If you have any questions about whether you are subject to any of these enhanced contribution

Authors

D. Mark Renaud
Partner
202.719.7405
mrenaud@wiley.law

Practice Areas

Election Law & Government Ethics
Federal & State Campaign Finance
Issues and Appeals
Lobbying & Campaign Finance Reporting
Services

restrictions, please consult Wiley's Election Law Practice.