

## March 22, 2022

Rep. John Barker Chairman Federal and State Affairs Committee Kansas House of Representatives 300 SW 10<sup>th</sup> Street Topeka, KS 66612 Rep. Tory Marie Arnberger Vice-Chair Federal and State Affairs Committee Kansas House of Representatives 300 SW 10<sup>th</sup> Street Topeka, KS 66612

## Re: NFL Letter with Concerns on HB 2740- Sports Betting

Dear Chair Barker, Vice-Chair Arnberger, and Members of the Committee:

On behalf of the National Football League ("NFL") and its member clubs, we appreciate the opportunity to share with the House Committee on Federal and State Affairs our perspective on HB 2740 and the legalization of sports betting in Kansas. We look forward to being of assistance to the Committee and to the Legislature as it considers this important and timely issue.

There is no greater priority for the NFL than protecting the integrity of our games and the welfare of our players. Fans, players, coaches and personnel deserve to know that we are doing everything possible to ensure no improper influences affect how our games are played and that we are taking all appropriate steps to ensure that their participation in our games is not subjected to unfair and unwarranted allegations relating to sports gambling.

To protect the integrity of our sporting contests and the participants in those events, there are four core standards for sports betting that we would ask this Committee and the Kansas House of Representatives to consider as it approaches a legalized sports betting framework:

- 1. A legal, regulated sports betting environment with substantial consumer protections;
- 2. Protection of our content and intellectual property, including from those who attempt to steal or misuse it;
- 3. Fan access to official, reliable league data; and
- 4. Adequate resources, monitoring and enforcement tools necessary for law enforcement to protect our fans by eliminating the illegal sports betting marketplace and penalizing bad actors here at home and abroad.

State legislators and regulators have an important role to play in ensuring that our nation's professional and amateur sports are free from corruption and that public confidence in our games, and the athletes, coaches and administrators involved in them, remains intact.

While a number of those provisions have been included in the bill, we remain concerned that as currently written a number of important issues are not fully addressed. As the committee continues to discuss and work on the legislation, we would urge that the language on official league data and objectionable bets/prohibited wagers previously included in HB 2199 and House Sub. SB 84 from the 2021 legislation session, be used in HB 2740.

Across sports, betting outcomes increasingly turn on granular details such as yardage gained on a play from scrimmage, the number of sacks by a defense, or strikes by a pitcher in baseball. Ensuring the timeliness and accuracy of the information used to settle these wagers is accordingly an essential component of consumer protection, requiring the official data provided by the sports leagues themselves. We therefore believe league data should be the standard in this legal and regulated space, as it establishes the importance of verifying outcomes and settling wagers timely and accurately to protect all consumers. Prescribing and defining it specifically in legislative language as it was in HB 2199 and SB 84, is an important part in ensuring that it is included in the marketplace.

We appreciate this committee's recognition that some bets types are inherently objectionable and there should be a process to identity and prohibit them outright. That process included for doing so should explicitly include and acknowledge the sports governing body. In addition, we would suggest that the legislature particularly prohibit prop bets related to penalties, player disciplinary rulings, replay reviews, and officiating matters more broadly. While such bets currently comprise only a small fraction of wagers offered in sports betting markets (and accordingly would not have a material impact on an operator's business if prohibited), we believe they may pose an outsized risk to the public's perception of game integrity.

We are hopeful that as the committee reviews HB 2740 they will work closely with all stakeholders, including sports organizations to support consensus legislation. Addressing the concerns raised above will ensure that Kansas is a leader in protecting sports integrity and in line with other states that passed strong legislation to benefit consumers in your state.

Thank you again for providing an opportunity for us to submit our comments. We would be happy to meet in the future to discuss our views on sports betting in greater detail, and will make ourselves available for the work session. Please contact Jonathan Nabavi (Jonathan.Nabavi@nfl.com or 202-971-9000) or Marvin Yates (Marvin.Yates@nfl.com or 202-615-2587) with any questions.

Sincerely,

Jonathan Nabavi Vice President Public Policy & Government Affairs National Football League