

Adams Testimony.pdf

Uploaded by: Chris Adams

Position: FAV

SB 621

Gaming - Sports Wagering - Independent Evaluation of Sports Wagering Content

Senate Budget and Tax Committee

March 8, 2023

SUPPORT

Since it first became legal in 2018, sports betting is now active in 36 states and DC – with more on the way.

This bill aims to create the guardrails whose absence in other industries caused collapses like FTX, Theranos, Enron, Lehman Brothers, Housing, etc. For the sports betting industry to stabilize and prosper a separation of the functions of “sports book platform” and “expert-giving-advice about how to bet” needs to be implemented. It is consumer protection and aimed at the root cause/structural flaw in the industry.

My name is Chris Adams and I am the founder of SharpRank. After spending the first part of my career in audit then investment banking, I was struck by a radio ad while driving home. This ad included statistically impossible claims about an ability to predict the outcome of games and a guarantee to win money if the listener was to call and buy the advice. As a licensed investment banker who had to endure months of compliance, background checks, and licensing exams, I was dumbfounded. Had I done anything remotely close to this, my license would have been stripped, I would have been fined, there would be potential jail time, and I would be completely black balled from my industry.

I decided to create a company to audit the kind of advice these expert “sharps” claim to communicate. This idea was born out of my deep understanding of financial markets, passion for sports and concern for vulnerable consumers. We founded the company and headquartered it in Timonium, Maryland. I am a Towson High and UMBC graduate, and SharpRank has hired from within the state as well as brought jobs to it.

The same principles that founded the SEC and the legislation (ie. global research analyst settlement, Sarbanes Oxley, Dodd Frank, etc.) that followed the aforementioned collapses serve as a guide for how to address this new market before it suffers a similar tragic collapse. To be clear, this legislation or SharpRank are in no way anti-enterprise. It provides immense value to the industry as a whole and its participants (*squeezes the black market because they cannot comply, eases affiliate discussions, opens up more hesitant states, sets standards for the entire industry, and more – all while protecting the people that get hurt the most in collapses, the public*).

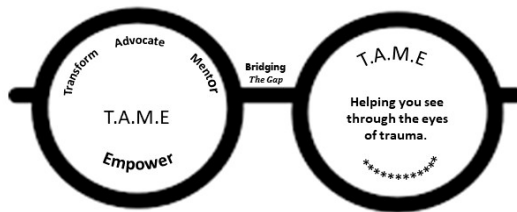
Other states are discussing similar types of legislation or regulation, either to create an audit requirement and give some amount of oversight to the state’s gaming commissions or to limit the kind of speech that can be used to advertise sports betting. **The problem with glamorizing and perpetuating the “Wild West” is reality was not the movies: life expectancy was extremely low, living conditions were horrible, there were rampant diseases with no cure, violence was the solution to problems, etc.**

I ask that my home state be a leader on this issue and support the passage of Senate Bill 621.

TAME Question _.pdf

Uploaded by: Adrian Muldrow

Position: FWA



Written testimony Question:

Who is executing the Problem Gambling Fund? Are there any other organizations that can propose a better way to administer such an effort? Are there any minority participants?

Adrian Muldrow
443-546-5639
tamellc1@gmail.com

T.A.M.E
Transformative Advocacy Mentoring Empower
www.tame1.org

SB621_Zucker_FWA.pdf

Uploaded by: Senator Craig Zucker

Position: FWA

CRAIG J. ZUCKER
Legislative District 14
Montgomery County

Budget and Taxation Committee
Chair, Capital Budget Subcommittee

Chair, Senate Democratic Caucus



James Senate Office Building
11 Bladen Street, Room 122
Annapolis, Maryland 21401
410-841-3625 · 301-858-3625
800-492-7122 Ext. 3625
Fax 410-841-3618 · 301-858-3618
Craig.Zucker@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Craig J. Zucker
Senate Bill 621 – Sports Wagering – Independent Evaluation of Sports Wagering Content
Senate Budget and Taxation Committee
March 8, 2023
1:00PM
Position: Favorable with Amendments

Good afternoon, Chairman Guzzone, Vice Chair Rosapepe, and distinguished members of the committee. It is my pleasure to testify today in support of **Senate Bill 621 – Sports Wagering – Independent Evaluation of Sports Wagering Content**.

With the growth of sports wagering around the country, independent, unlicensed/unpartnered sporters wagering “experts” and “influences” have been advertising to consumers regarding sporting event outcomes, including moneylines, against the spread, totals, futures, parlays, and other more without much or any regulations.

Senate Bill 621 is a consumer protection bill that will require the Maryland Lottery and Gaming Control Commission to identify and license independent evaluators to evaluate and rate sports wagering content provided by experts, influences, and content partners – which are all defined in the bill – before being allowed to advertise by, or before, April 1, 2024.

These evaluators may be compensated by a sports wagering licensee or operator that uses their evaluations in marketing materials, but may not have the following:

- 1) a relationship with a licensee or operator;
- 2) have direct or indirect financial interest, ownership, or management of any sports wagering activities;
- 3) directly or indirectly receive proceeded of sports wagering activities; and,
- 4) have any revenue sharing relationships with a licensee or operator.

Senate Bill 621 will help protect consumers from deceptive marketing and advertising around sports wagering. For these reasons, I urge a favorable report on Senate Bill 621. Thank you for your kind consideration.

SB621 LOI - MLGCA.pdf

Uploaded by: Sean Ford

Position: INFO



March 8, 2023

Budget and Taxation Committee
3 West, Senate Office Building
Annapolis, MD 21401

Re: Letter of Information – Senate Bill 621 - Gaming - Sports Wagering - Independent Evaluation of Sports Wagering Content

Dear Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget and Taxation Committee:

The Maryland Lottery and Gaming Control Agency (“MLGCA” or “Agency”) submits this letter of information to the Budget and Taxation Committee (“Committee”) as background information regarding Senate Bill 621 – Gaming - Sports Wagering - Independent Evaluation of Sports Wagering Content.

As SB621 is currently drafted, it would require the Maryland Lottery and Gaming Control Commission (“MLGCC” or “Commission”) by December 31, 2023, to identify and accredit independent evaluators that would evaluate the sports wagering content provided to sports wagering licensees and sports wagering operators by sports wagering experts, sports wagering influencers, and content partners. The bill also would require MLGCC to establish standards of practice governing sports wagering content and by April 1, 2024, require sports wagering licensees and sports wagering operators that advertise in the State to contract with an independent evaluator to evaluate and rate the sports wagering licensee’s sports wagering content experts, influencers and partners.

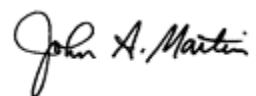
This proposed legislation may require MLGCA to hire additional personnel who have expertise in evaluating online sports wagering content to be able to identify and accredit “independent evaluators” who would evaluate and rate “sports wagering content” produced by “sports wagering experts” and “sports wagering influencers”. MLGCC only licenses persons and entities that it regulates. Under the proposed bill, MLGCC would have the unique responsibility of identifying and accrediting independent evaluators, which is something beyond its capabilities. MLGCC is also unsure of how to it would establish standards of practice governing sports wagering content. Additionally, MLGCA believes an “independent evaluator of sports wagering content” or an entity conducting an “independent evaluation of sports wagering content” that is licensed by MLGCC should not be compensated by sports wagering licensees and operators.

MLGCA appreciates the collaboration with the bill sponsor on proposed amendments that would alleviate most of these concerns by making this legislation enabling. We would like to highlight these changes as being critical to MLGCA being able to implement this proposed bill:

1. Strike all mention of “identify and accredit”, and insert “license”
2. Add a definition of “Independent Evaluator of Sports Wagering Content”
3. Add MLGCC “shall promulgate regulations for the licensure of independent evaluators”
4. Add an independent evaluator “shall pay a license fee of not less than \$5,000 as determined by MLGCC”

Thank you for your consideration of this information. If you should have any questions or need more information about this subject, please do not hesitate to contact Sean Ford, MLGCA’s Director of Legislation and Policy Development, at 410-230-8988 or sean.ford@maryland.gov.

Sincerely,

A handwritten signature in black ink that reads "John A. Martin". The signature is written in a cursive style with a large initial 'J' and a distinct 'A'.

John A. Martin
Director

cc: All Committee Members
Senators Zucker and Hettleman