

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.