

Testimony Before Maryland Senate – Budget and Taxation Committee
Senate Bill 340
January 29, 2025

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Good morning, Chair Guzzone, Vice Chair Rosapepe, and members of the committee. My name is Lori Kalani, and I am the Chief Responsible Gaming Officer at DraftKings. As an attorney with a background in consumer protection law, I understand the critical importance of ensuring public safety and well-being and empowering consumers to make informed decisions. I firmly believe that authorizing online casino gaming—or “iGaming”—is a necessary step in protecting Maryland's gaming community.

Today, billions of dollars are wagered on unregulated sites in Maryland and elsewhere that are easily accessible to minors and lack responsible gaming protections. By legalizing iGaming, Maryland can provide a safer, regulated alternative, ensuring that consumers are protected while the state collects tax revenues from vetted gaming operators.

At DraftKings, we are committed to creating a fun and enjoyable gaming environment for adults. Our robust responsible gaming program is central to this commitment. We have over 60 full-time staff dedicated to responsible gaming, and we’ve created tools and resources on our platform that encourage our players to enjoy gaming responsibly. This includes:

1. A comprehensive suite of tools, such as deposit and time limits, cool offs, and reminders to empower players to manage their play.
2. Engagement with players to encourage responsible gaming habits.
3. Clear, accessible processes for players seeking to self-exclude or access professional support services.

Unfortunately, these resources are absent from the illegal, unregulated iGaming sites where Maryland residents currently wager nearly \$7 billion annually. These operators lack effective age verification and player protections, yet consumers are often unaware they are playing on unauthorized sites.

Our recent research highlights the public’s struggle to distinguish between legal and illegal operators. Companies like Stake and Bovada sponsor prominent events and feature celebrities such as Ryan Seacrest in their advertising, creating the illusion of legitimacy. Yet, these unregulated platforms fail to meet even the most basic consumer protection standards.

Our research also found that players prefer legal, trusted sites when given the option. However, in the absence of legal alternatives, they turn to these unsafe platforms. By legalizing iGaming, Maryland would not only offer a safer, regulated option but also can educate the public, redirect consumers to authorized operators, and shut down illegal sites. Additionally, a legal iGaming market could generate an estimated \$500 million in annual tax revenue for the state.

At DraftKings, we believe responsible gaming is a shared commitment among lawmakers, regulators, public health organizations, and the industry. We are actively engaged with regulators, including here in Maryland, where we already operate online sports betting. We fully support legalizing iGaming to

prioritize consumer protection, strengthen responsible gaming, and ensure a safer gaming environment for all.

Thank you for the opportunity to address the committee today. I welcome the chance to speak with any of you individually about our responsible gaming program and am happy to answer your questions.