



Testimony of Bryan Seeley
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My name is Bryan Seeley, and my work at Major League Baseball focuses on investigating and combating threats to the integrity of the game. One of these threats comes from sports betting. I appreciate the opportunity to share Major League Baseball's views on how Kansas might legalize and regulate sports betting in a way that protects the integrity of our game and fairly compensates Major League Baseball and its Clubs.

I am not here today to opine on whether Kansas should legalize betting on sports. Major League Baseball recognizes, however, that legalized sports betting is a very real possibility here in Kansas and across the country, and we have an obligation to our fans and our sport to provide our perspective on the issue to ensure any sports betting law does not damage our game.

To manage the significant integrity risks posed by legalized sports betting, states must enact comprehensive regulations requiring airtight coordination and partnership between the state, the casino operators and the sports leagues to closely monitor wagers and enforce regulations to prevent potential manipulation. I am going to detail some of the areas of concern, and how they can be comprehensively addressed through policy.

Our ability to protect our sport from undue influence and manipulation is only as good as the quality of information we receive. One of the primary benefits of a regulated sports betting industry would be increased transparency into what is currently a black box – the betting data in the illegal market. This would provide access to billions of points of data, which could be aggregated, analyzed and acted upon in real time to protect games from outside influences. But to ensure this data is available to be put to proper use, we need laws requiring casinos to quickly share data with sports leagues, cooperate with league investigations and report abnormal betting activity.

Certain types of betting pose greater integrity risks than others. For example, bets on the outcome of a single, controllable act – a bet on who commits the first foul in a basketball game or if the first pitch of an inning is a ball or a strike – are more susceptible to outside influence. The sports leagues know what types of betting impose the greatest integrity risks; therefore we must be able to work with regulators to opt out of the forms of betting that are problematic.

It is also critical that casinos operating sportsbooks rely on verified, uniform sources of statistics and data. Sports betting has evolved far beyond simple wagers on the final score of a contest. Today, in-game bets – on anything from the number of runs scored in an inning to

the result of a specific at-bat – are the fastest-growing form of sports wagers. Imagine some casino operators marking a batted ball as a hit and others scoring it as an error, followed by a cascading series of bets reliant on that original subjective outcome. The possibilities for real or perceived manipulation are innumerable and would undermine the public trust in sports betting, and the sports themselves. The only way to ensure uniformity, fairness and accuracy of outcomes is to require – by statute – that casino operators use the official and indisputable data and statistics provided by sports leagues like Major League Baseball.

Any sports betting legislation should also recognize that, without the professional sports leagues, who make massive investments to create a compelling product, there would be no sports betting. The private operators of the state’s casinos will increase their profits due to our product, while we assume all of the risks associated with sports betting – as the damage from even a hint of scandal will hurt the sports leagues far worse than anyone else.

It is reasonable for those who will reap the profits of sports betting to compensate the sports leagues in recognition of the billions of dollars the leagues invest to create a compelling product as well as the risk to reputation and integrity that accompanies sports betting and the expenses the leagues will incur to rigorously protect and police integrity. Remember, greater sports betting volume, along with a massive increase in the amount of data available to review, means vastly higher costs to the sports leagues to ensure the integrity of sports and protect leagues’ hard-earned reputations.

In addition to the consumer protections I have already outlined, comprehensive sports wagering legislation should include age restrictions; reasonable advertising restrictions and prohibitions against advertising geared towards minors; and self-exclusion programs for problem gamblers.

Lastly, sports betting must be mobile. All available data and common sense tells us that mobile options have to be a part of any sports betting law. Without legal online products, the illegal market will remain nearly as strong as it is today, as many consumers will simply continue to place their bets instantly, and illegally, on their phones as opposed to traveling to a casino. Legal sports betting must be a modern product, which means mobile options, otherwise it will completely defeat a fundamental purpose of legalization.

We have carefully reviewed House Bill 2752, and it contains the type of firm regulations that meet the high standard necessary for an effective sports betting law, as it comprehensively covers all of the topics and potential problem areas I have addressed in my testimony. If Kansas is going to legalize betting on sports, it should endorse all of the integrity and partnership measures included in the current version of House Bill 2752.

When it comes to protecting the integrity of baseball, we owe it to our game and to the millions of fans across the country and in Kansas to do everything we can. Sports betting presents serious risks, but those risks can be addressed through strong, mandated partnerships between states, sports leagues and casinos. We look forward to working with the Kansas legislature and will be happy to continue this dialogue as the legislature continues its review of this important issue.