



March 8, 2022

Delivered Via Email

Honorable Melissa Hortman
Speaker of the House
463 State Office Building
Saint Paul, MN 55155

Honorable Jeremy Miller
Senate Majority Leader
3113 Minnesota Senate Building
Saint Paul, MN 55155

Honorable Kurt Daudt
House Minority Leader
267 State Office Building
Saint Paul, MN 55155

Honorable Melisa López Franzen
Senate Minority Leader
2221 Minnesota Senate Building
Saint Paul, MN 55155

Honorable Zack Stephenson, Chair
House Commerce Finance & Policy Comm.
509 State Office Building
Saint Paul, MN 55155

Honorable Roger Chamberlain, Chair
Senate Education Finance & Policy Comm.
3225 Minnesota Senate Building
Saint Paul, MN 55155

Re: Proposed Minnesota Sports Betting Legislation

Dear Honorable Members of the Minnesota Legislature,

As Minnesota's hometown sports teams, we write to you concerning the effort to bring legalized sports betting to Minnesota. Success in this effort will benefit a wide spectrum of key stakeholders throughout the State of Minnesota, including our fans, Minnesota consumers, our State government, and our tribal gaming partners. Additionally, it will address the problem of offshore sports betting companies that offer no protections to Minnesota consumers and generate no tax revenue for Minnesota. As legalization potentially moves forward, we will continue to advocate that sports betting activity occurring illegally in Minnesota be brought out of the shadows and be properly regulated.

Minnesota's professional sports teams are integral stakeholders in the State's sports betting debate. The teams are united in our position on sports betting, and we recognize: we have strong ties to our communities; collectively deliver millions of passionate fans to the sports betting universe; and provide critical content for sports betting operators. As part of our efforts to develop the principles outlined below, we have consulted with our respective leagues – the NFL, NBA, WNBA, NHL, MLS and MLB – on integrity issues and the overall fan experience. Additionally, we have consulted with our respective tribal partners, who have extensive experience with gaming issues, and whom we have enjoyed longstanding business relationships.

We feel strongly any legislation should have robust consumer protections, a low tax rate, and provisions to protect against underage betting. Authorizing sports betting will protect and create jobs here in Minnesota at a time when employers have been forced to rethink their workforce numbers. Legalizing sports betting will not only create jobs and generate tax revenue, but also stimulate businesses across the State as sports betting operators invest millions of dollars with local businesses to establish a presence in the Minnesota market. While more dialogue is required, we are hopeful that we can move forward in developing a sports betting framework that works for Minnesota.

As a collective, we believe legislation should reflect the following commercial and consumer protection principles:

- **Foster An Open, Competitive Market:** Minnesota sports bettors deserve a market shaped by competition and a wide array of legal betting options. Instead of a restricted market with a limited number of operators, we believe Minnesota should follow the market standard established in other tribal gaming states by issuing one statewide online betting license per tribe.
- **Allow For Customers To Register And Deposit Remotely:** In order to offer proper consumer protections and to siphon betting activity away from the illegal market, the legal betting industry should be open and accessible to as many Minnesotans as possible. As such, we believe online betting customers should be able to register for an online betting account and deposit money in that account from any location they choose.
- **Set A Reasonable Tax Rate and License Fee:** While legalized sports betting will generate some meaningful revenue for our State, we believe its chief benefits are the development of sufficient consumer protections and curtailing illegal betting activity. We believe a competitive marketplace that attracts a range of operators is best fostered by a low tax rate on revenue, not on handle, as well as a low license fee.
- **In-Stadium Preferred Partners:** Each of our franchises are blessed to have passionate fan bases, with many of those fans being active sports bettors. In order to provide a customized and exclusive experience that caters to our fans, we believe the teams should have the option, pursuant to a commercial agreement between a team and a betting operator, to authorize only “preferred” online betting platforms to operate and/or market their product in and around our respective stadium or arena areas.
- **Utilize Official League Data:** The accuracy of the events occurring on the field of play is of paramount importance to the teams, our leagues and the integrity of sports betting itself. To that end, the use of official data is critical to ensuring that accuracy, particularly when it comes to in-game betting. This is why we believe that betting platforms should be required to utilize official league data as sanctioned by the major American professional sports leagues.
- **Require Third-Party Integrity Monitoring:** With more betting on our games happening than ever before, it’s integral to safeguard the integrity of our sports. We hope that Minnesota follows the lead of several states that have recently legalized sports betting by requiring operators to contract with a licensed, third-party integrity monitoring provider, and to cooperate with league integrity-related investigations.

- **Exclude Prohibited Bet Types:** Minnesota should ensure that objectionable types of bets, such as betting on whether injuries will occur, betting on negative outcomes (i.e., will a free throw be missed), or betting on penalties are not allowed, and give leagues the ability to request that the State regulator prohibit certain bet types.
- **Prohibited Bettors:** Those in and around our sports who should not be betting in Minnesota. We call on the legislature to require anyone connected with sporting events who should be prohibited from betting, such as athletes, coaches, trainers, team employees, are in fact prohibited from betting.
- **Responsible Marketing:** Ensure betting platforms advertise and market responsibly, including limiting the number of ads that individuals interact with, and agreeing not to target underage individuals.
- **Anti-Fraud and Anti-Money Laundering:** Require online betting platforms to detect and prevent the unauthorized use of online betting accounts, and to detect and prevent fraud, money laundering, and collusion.

We recognize there is a huge sports betting market in Minnesota but strongly believe that creating a competitive, legalized sports betting framework is essential to capturing the benefits of that market for Minnesota. Legalization will yield additional State tax revenue, preserve the integrity of the sports content on which bets are placed, and protect all Minnesota consumers (including from unscrupulous and illegal mobile sports book operators that currently advertise to Minnesota consumers).

We greatly appreciate the work and leadership of the Minnesota Legislature and Minnesota's tribal governments on this topic. We look forward to future conversations and collaborative efforts to advance this important issue.

Sincerely,

Shari Ballard
CEO
Minnesota United FC

Ethan Casson
CEO
Minnesota Timberwolves and Lynx

Matt Majka
President
Minnesota Wild

Andrew Miller
Chief Operating Officer
Minnesota Vikings

David St. Peter
President & CEO
Minnesota Twins