

National Football League

Chairman Leo Housakos Standing Senate Committee on Transport and Communications Senate of Canada

RE: S.269

September 26, 2024

Chair Housakos and Members of the Committee, on behalf of the National Football League ("NFL") and its member clubs, we appreciate the opportunity to share with the Standing Senate Committee on Transport and our position on issues surrounding sports wagering advertising in Canada. We look forward to being of assistance to Parliament as it considers this important subject.

There is no greater priority for the NFL than protecting the integrity of our games. Our fans deserve to know that we are doing everything possible to ensure no improper influences affect how our games are played. Our players, coaches and other League and club personnel deserve to know that we are taking all appropriate steps to ensure our games are not subjected to unfair and unwarranted allegations relating to sports gambling or manipulation. The NFL employs a multi-faceted approach to achieving these goals, which is grounded in policies, education, training, and partnerships with a variety of organizations to monitor, protect, and enhance the integrity of our sport.

We also work closely to advise legislators and regulators on critical consumer protections pertaining to sports betting. Additionally, the NFL has worked to establish the Coalition of Responsible Sports Betting Advertising to establish safeguards around how sports betting is presented to consumers during our game broadcasts. The Coalition for Responsible Sports Betting Advertising is a voluntary association of sports leagues and media entities (including the NFL, MLB, MLS, NASCAR, NBA, WNBA, NHL, PGA Tour, NBCUniversal, and FOX) who have come together with a commitment to doing our part to help ensure a responsible approach to sports betting advertising. We believe sports betting advertising should be directed only at audiences that are primarily composed of adults and which contain responsibility messaging. Further, we are conscientious to avoid oversaturation of LSB advertising - our League Ad Policy limits the number of LSB ads which may be shown during the broadcast of our games. Our

broadcast partners have complied with this requirement. As of last season, sports betting ads represented a small percentage of national and local NFL in-game ads across all markets..

One of the clear benefits of the legalization of sports betting has been the conversion of the massive illegal market into the daylight of legal markets, enabling regulated gambling activities to be monitored and taxed, as well as enhanced sport integrity protections. Illegal sports book operators do not offer the important consumer and security protections that legal sites do. They do not use anti-money laundering protocols, identity and age verification, sports integrity monitoring processes, responsible gambling commitments, or financial and cyber security systems. Canadians' money wagered on these illegal platforms is flowing offshore to fund enterprises and individuals with no transparency.

Based on the experiences of U.S. states to date, the illegal market in the United States is clearly larger than industry estimates before the United States Supreme Court ruled to overturn PASPA in Murphy v. NCAA. A state passing sports betting legislation does not guarantee on its own, however, that it will minimize the illegal market in that state due to several factors. Participants in the illegal market have become comfortable participating in such markets, may receive better odds from illegal bookmakers, and may be able to avoid paying taxes altogether. The elimination of illegal gambling, especially offshore betting operators, requires not simply a legal alternative, but robust, active monitoring and enforcement backed by significant civil and criminal penalties for violations. Unreasonably curtailing responsible advertising will inevitably hamper the important effort to channelize illegal sports betting into the legal market.

The NFL appreciates the Committee's time and consideration of these matters as it evaluates any potential action regarding sports betting advertising. We are available to discuss further if the Committee has any questions.

Sincerely,

Jonathan D. Nabavi

Vice President, Public Policy and Government Affairs

The National Football League

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