



Statement of the National Football League

Senate Committee on Legal and Constitutional Affairs

November 7, 2012

Mr. Chairman, Members of the Committee,

My name is Jeff Pash. I am Executive Vice President and General Counsel of the National Football League. On behalf of the NFL, I appreciate the opportunity to present testimony in strong opposition to Bill C-290, which would amend Canada's Criminal Code as it relates to single sports wagering. The NFL offers this testimony jointly with the three NFL clubs neighboring the Canadian border – the Buffalo Bills, Detroit Lions, and the Seattle Seahawks.

We oppose further government-operated sports gambling on individual NFL games because it presents a threat to the integrity of those games and to the long-term relationship between the NFL and our fans.

We understand that it is not our place to explain to the Canadian government how to conduct its business, address its finances, nor which public policy choices to make. Nevertheless, when the proposal before the Committee intends to turn our games into a money-making venture for the provincial governments to the detriment of our players, our coaches and how our fans perceive our games, we must object.

Before both federal and state governments in the United States, the NFL has been active for decades in promoting laws that limit or prohibit sports betting. For example, in 1992, the Professional and Amateur Sports Protection Act ("PASPA") passed the Congress in response to efforts in many states to legalize sports wagering. These proposals followed challenging economic times when the states were looking for new sources of revenue. We were pleased the Congress succeeded in limiting sports gambling to the four states where it already existed and outlawing it in the other 46 states.

When sports gambling on the internet threatened to undermine the success of PASPA, the NFL advocated the passage of the Unlawful Internet Gambling Enforcement Act of 2006 in

Congress to stop illegal internet sports gambling. We worked with the Congress and the Department of the Treasury on the regulations to enforce the statute in the years following passage.

In conjunction with Major League Baseball, the National Hockey League, the National Basketball Association and the National Collegiate Athletic Association, the NFL has sued to defend these laws against periodic challenges in the states. In Delaware, the federal courts rejected that state's efforts to expand their sports gambling offerings. We are currently in court to stop the state of New Jersey from beginning a sports gambling offering in direct contravention of PASPA.

The NFL's opposition to sports gambling, as you can see, has been consistent for many years. The primary reason for our efforts is summarized by a quote from former United States Senator and NBA Hall of Famer Bill Bradley. In 1992, Senator Bradley explained his support for PASPA when he said:

State sanctioned sports betting conveys the message that sports are more about money than personal achievement and sportsmanship . . . sports betting threatens the integrity and public confidence in professional and amateur team sports, converting sports from wholesome entertainment into a vehicle for gambling . . . [S]ports gambling raises people suspicions about point-shaving and game-fixing . . . All of this puts undue pressure on players, coaches and officials.

If more sports gambling on single games were legalized, fan interest would be less focused on whether a team wins or loses and more about whether the point spread is covered. Not only is this grossly inconsistent with the values of sports and the NFL, but it also will inevitably lead fans to question whether an erroneous officiating call, failed coaching decision or dropped pass late in the game resulted from an honest mistake or an intentional act by a corrupt referee, coach or player. This perception, if widely accepted, challenges the integrity of our sport.

The United States Congress recognized the importance of sports as trusted national institutions, reliant on public confidence in the integrity of our games, and therefore deserving protection from corruption when it overwhelmingly passed PASPA. Congress found that "[w]idespread legalization of sports gambling would inevitably promote suspicion about controversial plays and lead fans to think 'the fix was in' whenever their team failed to beat the point spread." 1992 U.S.C.C.A.N. 3556.

A proliferation of government endorsed sports gambling threatens to harm the reputation and goodwill of the professional sports leagues, and to adversely affect the way that the public views amateur and professional sports. Once the reputations and good will of the sports leagues has been compromised, and the bonds of loyalty between the fans and their teams broken, the damage done to professional sports will be irreparable.

Our product is athletic competition. We spend an enormous amount of time and significant financial resources on our systems: the rookie draft, veteran free agency, the salary cap, the playing schedule, etc. All are designed to work in concert to achieve competitive parity. Most of our games are decided by just a few key plays, many by just one play. This delicate balance is easily upset. Public confidence in this balance can be easily lost, with just one play.

We recognize that some people bet on sports illegally. Yet, when a federal, state or provincial government steps in to legalize it, then the activity takes on a new and different character. Not only does sports gambling becoming more accepted in society, removing the illicit stain to the activity, but the government puts itself in a position of supporting and promoting sports gambling. After all, provincial revenue will depend on the volume of the wagers. In time this endangers the nature of the sport itself from one about human endeavor and teamwork to one where our players and teams are perceived as just another casino game.

We need not look far to see the numerous sports betting scandals that have plagued professional sports, tarnishing their images. Indeed, the Tim Donaghy- NBA officiating scandal in 2007 caused real damage to the NBA and required them to rebuild its trust with its fan base. Earlier this year, match-fixing in Italian soccer leagues as a result of a sports gambling ring led Italian Prime Minister Mario Monti to consider banning their national pastime for two years. These are not isolated incidents. Stories of gambling-based corruption in soccer, cricket and other sports in countries around the globe in just the past year or two years are easily identified. These all too common incidents remind us that threats to the integrity of the game are real.

Some argue that the risk of corruption is outweighed by the revenue added to the government's coffers in difficult economic times. This is another bet not worth taking. The financial benefit that government desires in legalizing sports gambling is too often a myth and not worth the societal price paid. For example, the one state where single game sports betting is legal in the United States is Nevada. Yet, the Nevada gaming control board estimated in 2009 that revenue to the state associated with sports betting accounted for only 1.1% of Nevada's total gaming win – a total of only approximately \$7 million. Yet, there are societal costs associated with gambling, including with sports wagering. Some percentage will become problem sports gamblers incurring costs to their families and their communities which may exceed the new tax revenue added.

Others argue that legalized sports gambling will drive bookmakers out of business and raise much needed tax dollars leading to flush, but unrealistic, revenue projections. Logic suggests that sports gamblers will increase as the legal opportunities to gamble increase. Yet, the idea that new sports casinos will eliminate the illegal market overlooks the realities of that business. The serious sports gambler will still be drawn by the ease with which he can reach his bookmaker by phone at any hour, where his bet is always accepted, and where he will never need to be concerned with taxes, fees nor report his winnings.

Gambling on sports threatens the integrity of our games and the values that they represent. For this reason, the NFL has strict policies relative to gambling in general and sports betting in particular. The League prohibits NFL club owners, coaches, players and anyone else connected with the NFL from gambling on NFL games or associating in any way with those involved in gambling on sports. Anyone who does so faces severe disciplinary action by the Commissioner, including a potential lifetime suspension. We have posted our antigambling rules in every stadium locker room and have shared these rules with every player and every other individual associated with the League.

The League has also informed the major television networks that broadcast our games that we regard sports gambling commercials and the dissemination of wagering information as unacceptable during football telecasts.

In conclusion, Mr. Chairman, we urge the defeat of Bill C-290. Proponents argue that sports gambling is a victimless crime. We disagree. Gambling on sports threatens the integrity of our game and jeopardizes the relationship of our fans to our game. This is preventable. We encourage you to defeat this legislation.

Thank you.