
February 27, 2023**Re: Maine Department of Public Safety, Gambling Control Unit, Chapter 64 Regulations: Advertising and Promotions**

Dear Members of the Maine Gambling Control Unit:

The American Gaming Association (AGA) appreciates the opportunity to comment on your efforts to establish a regulatory environment for Maine citizens to access legal channels for wagering on sporting events. The AGA urges the Maine Gambling Control Unit to remove the restrictions on advertising contained in the proposed regulations, which – if adopted – will undermine a critical tool that the legal industry uses to inform the public about licensed operators, further empower illegal sportsbooks, and limit the success of the legal market in Maine.

The AGA is the national trade association of the casino gaming industry, representing commercial and tribal casinos, regulated sportsbooks, gaming suppliers and vendors. The gaming industry is a key economic driver, creating tax revenue and jobs for communities across the country. Maine’s two commercial casinos, the Hollywood Casino in Bangor and the Oxford Casino in Oxford support almost 1,500 jobs and contribute over \$85 million in tax impact.

As Maine has recognized, legal sports betting enhances consumer protections and helps promote transparency and game integrity, while also supporting job growth and generating tax revenue. However, to realize these benefits, it is important to avoid policy decisions that – even if well- intended – will ultimately undermine the ability of the regulated marketplace to compete against illegal sportsbook operators. Despite recent legalization trends, a recent study by the AGA confirms that a vast illegal sports betting market continues to exist, and that Americans wager over \$63 billion through these channels each year. These illicit platforms have established well-known brands that operate with a high degree of visibility and are readily accessible to every citizen in Maine and other states who have an internet connection or smart phone. In addition to not paying state or federal taxes or having comparable regulatory compliance costs and obligations, these illegal sites also enjoy many other competitive advantages that allow them to offer better odds and promotions while ignoring any commitment to responsible gaming.

Legal sportsbook advertising has an essential role in drawing bettors away from the predatory illegal market to the protections of the legal, regulated market. Particularly in new markets, advertising helps to inform the public about which sportsbooks are legal, as well as to ensure customers receive responsible gaming messages. Placing broad and overly burdensome restrictions on legal sportsbook advertising will only exacerbate the competitive advantages enjoyed by illegal operators and hamper efforts to effectively draw customers into the regulated market. AGA’s research shows that while consumers want to use legal operators, the availability of these illegal sites is driving confusion: in 2022, about half of all searches for sportsbook brands were for illegal operators, and in major unregulated markets such as California, Texas, and Florida, nearly 80% of sportsbook searches were for illegal sites. That trend, however, is reversed in major legalized markets, with advertising playing a critical role in informing the public about which operators are legal and regulated.

From the start, our industry’s top priority has been getting sports betting right and that includes advertising. The AGA’s Responsible Marketing Code on Sports Wagering sets a high standard for operators by prohibiting targeting underage and vulnerable populations and mandates inclusion of responsible gambling resources. It also provides a means for any member of the public to file a complaint to ensure compliance with the code. The AGA also launched our *Have a Game Plan*.® *Bet Responsibly*.™ initiative in 2019 to bring the sports betting ecosystem together to teach consumers the fundamentals of responsible sports betting as legal activity expands nationally. With more than 30 campaign partners, research shows that these efforts are making a difference. Over the last year, 40 percent of Americans recalled seeing or hearing advertising related to responsible gaming.

While sports betting only constituted one percent of total broadcast ads last year, the industry, media partners and sports leagues recognize the need to ensure a sustainable and responsible advertising market. The AGA recognizes the importance of a regulatory structure that protects consumers, including ensuring that consumers receive information on which sportsbooks are licensed and regulated by the state and where they can access important responsible gaming resources. Statutory and regulatory restrictions or bans will only impede the ability to inform consumers about the availability of legal sportsbooks and the tenets of responsible gaming, and strengthen the competitive advantage enjoyed by illegal betting operations.

Sincerely,

A handwritten signature in black ink, appearing to read "W. C. Miller, Jr.", with a stylized flourish at the end.

William C. Miller, Jr.
President & CEO