



SPORTS BETTING ALLIANCE

bet365



ABOUT THE SPORTS BETTING ALLIANCE

WHO WE ARE

The Sports Betting Alliance (SBA) is a coalition of America's leading licensed sports betting operators — advocating for safe, well-regulated, competitive online sports wagering and online gaming markets across the United States.

OUR MEMBERS

bet365

 **BETMGM**

 **DRAFT
KINGS**

 **Fanatics**

 **FANDUEL**

**SBA members make up 85%+ of the
U.S. legal sports betting market**

*200+ dedicated Responsible Gaming staff across
member companies*

WHAT WE STAND FOR

Consumer Protection First

Licensed operators face strict legal standards on age verification, geolocation, and responsible gaming that offshore sites never meet.

Competitive, Open Markets

We oppose monopolies and retail-only restrictions. Competition drives better products and more revenue for states.

Shrinking the Illegal Market

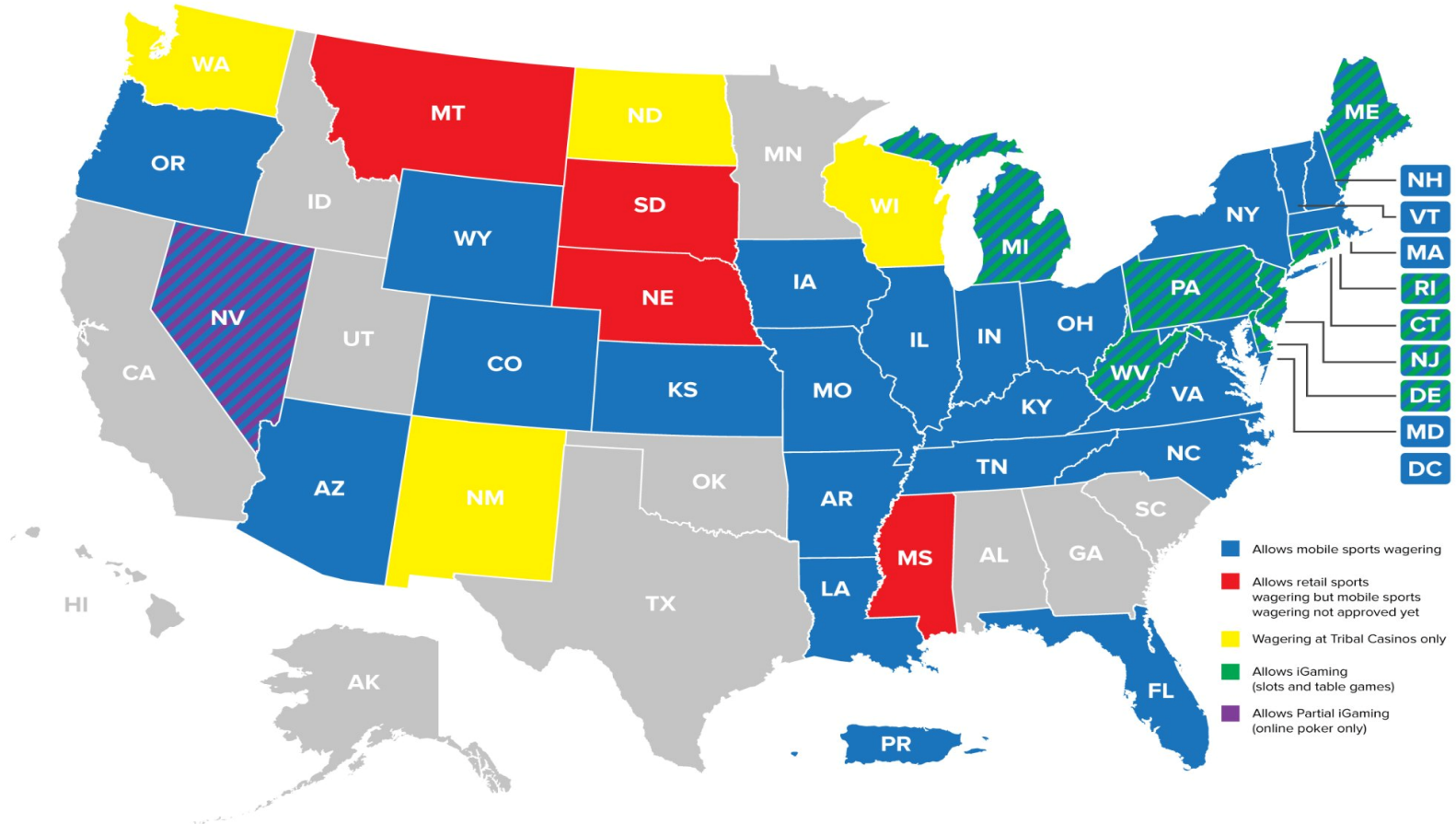
Every state launching regulated mobile betting sees offshore activity decline sharply. Legal markets protect bettors.

Responsible Gaming Investment

SBA members invest tens of millions in RG tools and support state-mandated problem gambling funding requirements.

SPORTS WAGERING AND IGAMING IN THE U.S.

39 states plus the District of Columbia and Puerto Rico have legalized sports wagering and 8 states have legalized iGaming



NATIONAL LANDSCAPE

39

States + D.C. &
Puerto Rico

Have Legalized Online Sports Wagering

\$157B+

Legally Wagered
Nationally

FY2025 — up from \$4.6B in 2018

\$9.6B+

Total State Tax Revenue
To Date

*Combined tax revenue generated from online
sports betting in states where it is legal*

- ▶ 30 states + D.C. now allow true statewide mobile betting — the fastest-growing, highest-revenue segment
- ▶ Sports betting added ~\$12.4B of real GDP growth nationally from 2019–2024 (*Public Policy Institute*)
- ▶ Montana is retail-only — Montana bettors are actively migrating to offshore apps today

CONSUMER BEHAVIOR: SPORTS BETTING IS ALREADY HAPPENING

MYTH: Legislators can stop online sports betting from occurring

REALITY: The choice is only WHERE it happens

\$120B → \$64B illegal wagers fell as legal markets expanded (2023–2024)

Source: Rotthoff / Walker & Evans

\$12.4B in real GDP growth from sports betting (2019–2024)

Source: Public Policy Institute

27–55% drop in offshore searches after OSB legalization — in every state measured

Source: Google Trends; Bovada search data

LEGAL MARKETS SHRINK THE ILLEGAL MARKET

% drop in Bovada searches in the full year after OSB legalization:

VA	IA	MD	LA	CO	AZ	NJ
-27%	-29%	-31%	-34%	-38%	-39%	-43%
IL	TN	NY	CT	IN	MI	OH
-44%	-46%	-48%	-49%	-52%	-54%	-55%

Source: Google Trends data

Every state that launched legal OSB saw residents abandon offshore platforms — demand for Bovada dropped 27–55%.

REVENUE & ECONOMIC BENEFITS

Montana Today vs. Comparable Competitive Mobile States

MONTANA TODAY

Retail-Only / Single Operator

\$66.5M Handle (2024)

\$7.2M Gross Gaming Revenue

~\$610K State Tax Revenue (2024)

~\$2.68M Total Tax Since 2020



DraftKings / FanDuel unavailable



IOWA

~2.3M adults / 17 operators

\$2.77B Handle (2024 record)

\$218M Gross Gaming Revenue

~\$22M State Tax Revenue (2024)

6.75% Tax rate on GGR

2019 Launch year — 5 yrs of data

WEST VIRGINIA

~1.4M adults / 5 operators

~\$235M Gross Gaming Revenue (2024)

~\$23.5M State Tax Revenue (2024)

10% Tax rate on GGR

2018 Launch year — early adopter

0 Pro sports teams

Iowa & WV - generate **35–40x more tax revenue** than Montana's current model.

BENEFITS OF A COMPETITIVE MOBILE MARKET

1 Geolocation & Age Verification

Licensed operators use bank-grade identity verification and real-time GPS to confirm bets are placed only by verified adults within state lines — protections entirely absent from offshore platforms.

2 Responsible Gaming Tools

Legal apps mandate deposit limits, self-exclusion, session reminders, and AI-driven early intervention. States can require dedicated problem gambling funding streams.

3 Regulatory Oversight & Integrity

Licensed sportsbooks submit to audits, transparent digital records, and enforcement — accountability that strengthens game integrity and enables fraud detection.

4 Capturing Existing Demand

Mobile markets bring offshore dollars into the regulated system. Competitive states retain 94%+ of wagers with legal operators, maximizing consumer protection and tax capture.

LESSONS FROM OTHER STATES

⚠️ RETAIL-ONLY MARKETS

Examples: Mississippi, South Dakota, Nebraska

Limited adoption, low handles, offshore dominates. South Dakota generated just \$118K in sports betting tax — compared to millions in comparable mobile states. Retail creates barriers without eliminating illegal activity.

⚠️ SINGLE-SOURCE MONOPOLY

Examples: D.C. (pre-2024), Oregon

D.C.'s lottery monopoly (Intralot) drew widespread consumer frustration — bettors migrated offshore. After opening to competition in 2024 the market rapidly grew.

✓ COMPETITIVE MOBILE MARKETS

Examples: New York, New Jersey, Illinois, Michigan

Multi-operator markets generate the highest handles, strongest tax revenue, and greatest consumer protection. NY reached \$1B+ in annual tax revenue. NJ retains 94%+ of wagers in the legal market, starving offshore.

The evidence is clear: open, competitive mobile markets consistently outperform monopoly and retail-only models.



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Thank you!