



Chairman Bell, Members of the Committee,

Thank you for the opportunity to testify today. My name is Rebecca London, and I am here today to provide testimony for DraftKings in support of HCR 3032. DraftKings is a digital sports entertainment and gaming company created to fuel the competitive spirit of sports fans with products that range across daily fantasy, regulated gaming and digital media. Headquartered in Boston and launched in 2012, DraftKings is the only U.S.-based vertically integrated sports betting operator. DraftKings' Sportsbook is live with mobile and/or retail sports betting operations in 14 states.

HCR 3032 would let the people of North Dakota decide whether or not to approve sports betting at the November 2022 election. This proposed Constitutional Amendment would amend Article XI, section 25, to very plainly state that the North Dakota Legislature shall authorize, license and regulate sports betting within the state of North Dakota.

We believe that a Constitutional Amendment to expressly authorize sports betting is an important step towards the ultimate goal of creating a robust and successful sports betting market in the state of North Dakota. This is an opportunity that could pay dividends to the state for decades to come, so it's worth making sure that there is a carefully constructed and sound legal foundation to build a successful sports betting infrastructure that includes, in particular, the ability for North Dakotans all over the state to access sports betting when and where they want, like many are already doing on illegal, offshore sites.

To date, 22 states as well as Washington DC and Puerto Rico have authorized sports betting. Additionally, three states put sports betting on the ballot in the November 2020 election, and the results were overwhelmingly in favor of legalizing and regulating sports betting. This includes South Dakota, where over 58% of voters supported sports betting and the legislature is now crafting legislation. The popular support for sports betting has been tremendous, and we believe North Dakotans deserve an opportunity to make their voices heard on this issue.

As we have learned from experience in other states, the most critical component of a successful sports betting framework is the ability for customers to partake in mobile sports betting from internet-connected devices within the state, because that is the tool that is most likely to draw them from the illegal market. The ability to participate in sports betting over the internet has consistently proven to be the difference between a successful market and an underperforming market.

It is important to recognize that sports wagering is already taking place in North Dakota, with an estimated 138,000 people betting over \$355 million in illegal wagers each year. Nearly all the sports wagers in North Dakota are placed online through websites in the robust illegal market. The offshore market offers no consumer protections or problem gaming guardrails, and generates no tax revenue for the state.



In New Jersey, which has surpassed even Nevada to become the most successful state to implement sports betting, over 90% of bets are placed by customers using mobile apps and websites. This same dynamic holds true in states that have more recently legalized sports wagering. Colorado, which authorized sports betting by ballot initiative in 2019 and began taking bets in 2020, has seen over 97% of their sports bets come from mobile apps and websites.

Passing HCR 3032 will allow North Dakotans to decide for themselves whether to bring legalized sports wagering to your state. I also know there are efforts under way to pass enabling legislation that would allow the market to be stood up quickly after North Dakotans vote in November 2022 on whether to pass HCR 3032. We also support this approach, to quickly and effectively begin eradicating the illegal market, should the people of your state decide that they want to legalize sports wagering.

We believe allowing North Dakotans to vote on a constitutional amendment to allow sports betting is the best path forward. I urge you to support HCR 3032 and would be happy to answer any questions you have.