

Before the Senate Judiciary B and Revenue and Fiscal Affairs Committees – Dec

Testimony of Brandt Iden on Behalf of the Sports Betting Alliance – December 11, 2024

Good morning, ladies and gentlemen. I'm Brandt Iden, VP of Government Affairs for Fanatics Betting and Gaming. Fanatics is proud to be a licensed sports betting operator here in Louisiana. Additionally, our company footprint encompasses 22 other jurisdictions across the country where we offer regulated sports betting and 4 states where we offer online casinos. Today, I am before you representing my company, along with the Sports Betting Alliance, a trade association for online gaming operators, which also includes BetMGM, DraftKings and FanDuel.

Those of us here today know that Louisiana has not yet authorized iCasino. However, that news would come as a surprise to the thousands of Louisianas across the state who are already playing these games for money. iCasino games are readily available online in the form of illegal casinos and unregulated "sweepstakes" casinos. In these online games, people are depositing money, playing casino games like roulette, blackjack, and slots, and winning—or losing—just as they would in a real casino. The difference is, these casinos have no oversight, no consumer protections, and generate no revenue for the state.

There is a huge need in Louisiana, right now, to ensure that when people play these games, they're protected and that the tax revenues from these regulated products are flowing to the state, rather than nefarious profiteering offshore companies. In fact, it's estimated that iCasino would generate \$200 million in annual tax revenue for Louisiana if it was offered as a legal product.

As a former legislator from Michigan, I understand the serious nature of the policy implications before you today. In fact, in 2019 Michigan was similarly faced with the policy decision as to whether iCasino should be offered responsibly and securely, and whether it would provide impactful revenue for the state. That same legislation was enacted into law and not only has the state been recognized for industry leading consumer protections, but the revenues to the state have been 10 times what was forecasted by the state's fiscal agency. Since 2021, Michigan has generated over a billion dollars in tax revenue from igaming alone. Real dollars, which have made an incredible difference in supporting education, local government – like the City of Detroit, and the state's horse racing industry.

Having a legal, tax revenue-generating online industry has also provided the state regulatory agency with the necessary tools to enforce its laws against illegal operators like those that are operating in Louisiana. As an example, Michigan regulators have stopped offshore illegal sites like Bovada and online sweepstakes casinos like Chumba from operating in the state.

iCasino represents a chance for Louisiana to further modernize its gaming offerings in a way that boosts existing brick and mortar businesses. Online casinos will support existing retail casinos by bringing in new revenue and providing new entertainment offerings for different demographics. States which offer online casino gaming have, on average, realized a 1.9% annual increase in land-based gaming revenue after the introduction of the new products. Moreover, multiple studies have shown that iCasino boosts land-based gaming jobs and adds hundreds of new jobs, like those required for online live dealer games.

In closing, Fanatics, along with our trade association, the Sports Betting Alliance, support legalizing iCasino as a result of the many benefits I've outlined here today that it would bring to your great state. We look forward to working with this committee and the legislature as you shape the future of gaming in Louisiana. Thank you for the opportunity and I am happy to answer any questions.