Testimony of Andy Levinson, PGA TOUR Senior Vice President of Tournament Administration

House Finance Committee Hearing on HB 194

October 9, 2019

Mr. Chairman and Members of the Committee:

My name is Andy Levinson, and I am the PGA TOUR's Senior Vice President of Tournament Administration. Today I am representing a coalition of the PGA TOUR, Major League Baseball, and the National Basketball Association. We have come together to speak with one voice on the topic of sports betting.

Ohio is home to the Cleveland Indians, Cincinnati Reds, and Cleveland Cavaliers. In fact, the Reds were Major League Baseball's first professional team, celebrating 150 years this year. Ohio is also home to seven minor league baseball teams. Millions of Ohioans cheer for these teams and the teams serve as economic anchors of their communities.

The PGA TOUR is proud to host three tournaments in Ohio, including the iconic Memorial Golf Tournament, hosted by Jack Nicklaus in Dublin. Our Senior Players Championship was in Akron this year and our Korn Ferry Tour hosts an event right here in Columbus. Our PGA TOUR events are structured to contribute to the communities in which they play generating a total of \$72M for Ohio charities. The Memorial Tournament has had a 42-year relationship with its primary benefactor, the Nationwide Children's Hospital in Columbus and The Memorial Neonatal Intensive Care Unit at the hospital. Proceeds from the tournament support Nationwide Children's Hospital, The James Cancer Hospital; The First Tee of Central Ohio; the Shriners and Lions Clubs in Ohio; and many more. Since 1976, the Memorial Tournament has made over \$28 million in charitable contributions.

When we talk about sports betting, our foremost concern is protecting our fans and our games. We have nothing if our fans don't believe our athletes are trying their best, or they believe that the outcomes are contrived in any way. Sports betting puts that at risk, along with the hundreds of millions of dollars in charitable contributions and economic impact to Ohio communities.

That's why since HB 194 was introduced, we have been talking to members of this committee and your colleagues about policy ideas we think are important to help us

protect our fans and our games. We appreciate amendments made to the bill yesterday included fixes to language related to real-time betting line information sharing, and a procedure for sports governing bodies to petition the regulator on bets that impose an undue integrity risk. But HB 194 fails to include mandated use of official league data for in-play betting, and for that reason we must oppose HB 194.

We believe that legislation should require bookmakers to use official league data for live betting, meaning bets placed during a game where activity on the field changes the lines and odds of a bet in real-time. In sports betting, data decides the bets – it's the equivalent of the ball in roulette, or cards in blackjack. We believe that, for live betting – where integrity, timeliness, accuracy and consistency are paramount – the data should come from the official source, the leagues, and not from pirated sources like web scrapers and on-site operatives.

Official league data is the most safe, secure data available, and it has the highest standard of integrity. It comes from the source with the strongest interest in the integrity of the sport. It's also best for consumers. It gives consumers trust and confidence that their bets are being settled correctly. Today's sports betting customers, and the customers of the future, are increasingly interested in "in-play" betting, where customers wager on outcomes in real-time during games. With these "in-play bets," the need for accurate and uniform data becomes far more apparent and necessary.

For example, a golf bet could be taken on whether a drive is more or less than 300 yards. Imagine one sportsbook indicates the drive distance as 299 yards, while another marks it as 301 yards. Imagine the reaction of the losing customer. Dissatisfaction will spill over not only to the sportsbook but, potentially, to the PGA TOUR itself, creating disenchantment and suspicion of a "rigged" system. If Ohio sportsbooks are allowed to gather data from unauthorized sources, such as eyewitness accounts or pirated data, the risk of inaccurate, delayed, or inconsistent information could jeopardize the credibility of the entire system.

I would also like to briefly dispel a few myths about official data. We are not asking that a sportsbook buy the final results of games, like who won the Indians-White Sox game. We are only talking about live betting where the integrity and consumer risks are most pronounced. Betting operators do not have to offer live betting, but if they do, they should be required to use the only safe, accurate and consistent source. Also, we are not looking to take advantage of a monopoly power. We readily accept that official data would only be required if the league is offering it on commercially reasonable terms. A responsible, legal, regulated sports betting system should not include pirated data sources. We believe the use of official data is best for integrity, best for consumers, and good, fair policy.

Thank you for the opportunity to testify today. I am happy to answer any questions.