

THE PLAYERS ASSOCIATIONS



We are here today on behalf of the labor unions that represent the athletes in the major professional team sports played in the United States. We are comprised of the National Football League Players Association (NFLPA), National Basketball Players Association (NBPA), Major League Baseball Players Association (MLBPA), National Hockey League Players' Association (NHLPA), and Major League Soccer Players Association (MLSPA) and are collectively known as The Players Associations. We represent thousands of professional athletes who play in North America's major team sports leagues. Combined, these individuals are responsible for creating countless jobs and a significant economic footprint in the New England Region. As the State of Connecticut continues its examination of the evolving landscape of sports betting, we ask that it include in its examination all of the concerns of the athletes, both professional and amateur, who play the games on which betting is being legalized. Players are not only the faces of the sports, but they are at the center of the legislative and regulatory frameworks that states are establishing. Players are most likely to be directly impacted personally, legally and, in the case of our members, economically, by the choices the states make or choose not to make, with regard to sports wagering. The concerns and issues our Associations have been advocating for are common to every sport in the United States. We have been working with many states to help put in place legislative and regulatory frameworks that will protect our athletes and address our core concerns.

We believe the State of Connecticut is now poised to enact meaningful legislation related to sports betting, while ensuring players are adequately protected. Broadly, we believe that on any charge involving the conduct of a professional athlete, the regulating entity must give deference to rules collectively negotiated between a league and its Players Association governing player safety, use of personal biometric data, coordination with inquiries in other states, and the investigation and resolution of a gambling related charge involving a professional athlete. We also cannot stress enough the importance of having our issues, which are outlined below, enshrined in statute versus relying on the regulating entity to address them.

I. Personal Safety: The protection of players, their families, umpires, referees, club officials, and other personnel is paramount. The likelihood of an adverse incident arising from sports wagering, and involving any of the aforementioned parties, will continue to increase as more and more states enact legislation. It is important that you not only address safety during games and in restricted areas, parking lots, at team events, and where athletes are training, but also where they live their lives as citizens of the state outside of their work environment. These protections must address a broad spectrum of misconduct, including physical or attempted assault, verbal threats, intimidation, and harassment. While some states have outlined that all entities who present sporting contests are encouraged to take reasonable measures to ensure the safety and security of all involved, our Associations call on you to outline exactly what those measures should look like with the above points in mind. Additionally, fans must be made aware of what constitutes a breach in conduct and what the penalties are through a notice to the public similar to state sponsored impaired and distracted driving campaigns.

II. Reporting Prohibited Contacts: Structure, Process, and Procedures: There must be a procedure for players and other personnel to confidentially report an incident where he or she is contacted or coerced to impact, influence, or manipulate a game or statistical result. Care must also be given to ensure players are not dissuaded from reporting prohibited contact for fear of any personal, legal, economic, or other

ramifications. While there are approaches to address this in some states, some fall short with respect to which entity a player can confidentially report potential misconduct. There must be processes surrounding reporting prohibited contact and they must include safeguards related to information sharing and safety.

Properly and swiftly identifying and punishing those who threaten or attempt to coerce players will take total agreement and cooperation of all informed parties. The unions representing players must play a material role in processing and elevating player complaints of misconduct. There must be a streamlined and expeditious approach to punishing those responsible for prohibited conduct while ensuring that all appropriate interests are accounted for as the resolution process begins and unfolds.

III. Investigations and Allegations: Structure, Process, Timing, and Procedures: We believe that a player's legal rights must be protected throughout the investigation and adjudication process. Procedures will have to be established to determine what complaints will be investigated, the requisite evidentiary basis to be satisfied before any investigation can occur, and the length of time associated with each stage of the investigation. Rules governing any investigation, required disclosure of investigative files to Associations, and subsequent adjudication must be set as well.

To date, there has been little to no discussion of how to coordinate what could easily become a very complex and complicated multi-state regulatory world, each potentially with its own rules and requirements. States have fallen short in ensuring that the regulator would be able to manage cross-state investigations. There has been little discussion about the very real probability of overlapping and competing state investigations or whether the outcome of one investigation will or should be binding upon a subsequent inquiry in another jurisdiction. There has also been little discussion of who will bear the cost of legal and other fees that will derive from inquiries and investigations. These issues must be discussed further, and inevitable jurisdictional and investigatory overlap must be accounted for. These issues will be exacerbated based upon the types of bets that are available to the consumer, which is why it is important to seek the consent of the players and the leagues in which they play as to the kinds of bets that will be allowed in their particular sport. This is especially true with respect to betting at sports venues, which some states allow for. A fair, neutral procedure that ensures due process and proper qualified representation for all parties involved is a necessity.

IV. Use of Personal Data and Other Information Derived Directly from Athletes: The legalization of sports betting should not jeopardize current legal protections concerning the sale or marketing of any personal health information, performance data (including anonymized data) of players, or other personal information (including name/biographical information, likeness rights, or anything else that derives directly from the athletes) of players without the express written authorization of the player (or their designated representative). These basic rights should not be dismissed as a subject of collective bargaining. No one should ever have to bargain, or give something of value up, for the right to keep their personal health or biometric data private. The definition of personal biometric data must be robust. However, it is important that the regulator continuously update this definition via regulation in order to adapt to the changing times. Biometric data that is derived directly from athletes is personal information and the extent to which you can ensure the rights of players with respect to biometric data are never a subject of collective bargaining is a must. This safeguard, coupled with language that prohibits the use of personal data without the consent of the player or their representative, will help protect the misuse of personal data derived from athletes.

V. Benevolence Fund: Our Associations support a fund for former players. We believe setting up a charitable fund to help former players who are victims of financial issues, chronic injury, family crises, or

other hardships would be widely supported and regarded in the State of Connecticut. We as the unions who represent professional athletes support that such a fund be used to help players who have been disadvantaged by betting. We would also support money from the fund supporting a local sports promotion and development foundation in the State of Connecticut, similar to the Florida Sports Foundation in the state of Florida, for example. Amateur Sports Foundations in the State of Connecticut are also entities that would benefit from such a fund, specifically to address issues related to players and legalized sports betting in the state.

We appreciate your attention to these most pressing issues. The Players Associations looks forward to serving as a resource to you as the State of Connecticut continues its consideration of legalized sports betting.

Appendix A: Language

Legislative Findings	<p><i>The General Assembly recognizes the promotion of public safety is an important consideration for sports leagues, teams, players, and fans at large. All persons who present sporting contests are encouraged to take reasonable measures to ensure the safety and security of all involved or attending sporting contests. Persons who present sporting contests are encouraged to establish codes of conduct that forbid all persons associated with the sporting contest from engaging in violent behavior and to hire, train, and equip safety and security personnel to enforce those codes of conduct. Persons who present sporting contests are further encouraged to provide public notice of those codes of conduct.</i></p>
Deference on Rules	<p><i>On any charge involving the conduct of a professional athlete, the regulating entity shall give deference to rules collectively negotiated between a league and its Players Association governing player safety, misuse of personal biometric data, coordination with inquiries in other states, and the investigation and resolution of a gambling related charge involving a professional athlete.</i></p>
Prohibited Conduct Definition	<p><i>"Prohibited conduct" includes any statement, action, and other communication intended to influence, manipulate, or control a betting outcome of a sporting contest or of any individual occurrence or performance in a sporting contest in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct" includes statements, actions, and communications made to a covered person by a third party, such as a family member or through social media. "Prohibited conduct" does not include statements, actions, or communications made or sanctioned by a team or sports governing body.</i></p>
Covered Person Definition	<p><i>"Covered person" means athletes; umpires, referees, and officials; personnel associated with clubs, teams, leagues, and athletic associations; medical professionals and athletic trainers who provide services to athletes and players; and the immediate family members and associates of such persons.</i></p>

<p>Personal Biometric Data Definition</p>	<p><i>"Personal biometric data" means any information about an athlete that is derived from his DNA, heart rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other information as may be prescribed by the regulating entity by regulation.</i></p>
<p>Personal Biometric Data Prohibition</p>	<p><i>Sports wagering operators shall ensure that their sports betting operation takes reasonable measures to prohibit bets that are resolved using or by reference to personal biometric data. A sports wagering operator shall not purchase or use any personal biometric data of an athlete unless the master sports wagering licensee has received written permission from the athlete's exclusive bargaining representative.</i></p>
<p>Reporting and Investigating Prohibited Conduct</p>	<p><i>The Department shall establish a hotline or other method of communication that allows any person to confidentially report information about prohibited conduct to the regulating entity.</i></p> <p><i>The Department shall investigate all reasonable allegations of prohibited conduct and refer any allegations it deems credible to the appropriate law enforcement entity.</i></p> <p><i>The Department shall maintain the confidentiality of the identity of any reporting person unless such person authorizes disclosure of his identity or until such time as the allegation of prohibited conduct is referred to law enforcement. If an allegation of prohibited conduct is referred to law enforcement, the Department shall disclose a reporting person's identity only to the applicable law-enforcement agency.</i></p> <p><i>If the regulating entity receives a complaint of prohibited conduct by an athlete, the regulating entity shall notify the appropriate sports governing body of the athlete to review the complaint.</i></p> <p><i>The Department and permit holders shall cooperate with investigations conducted by sports governing bodies or law-enforcement agencies. Such cooperation shall include</i></p>

	<i>providing or facilitating the provision of account-level betting information and audio or video files relating to persons placing wagers.</i>
Direct Notification on Abnormal Betting	<p><i>Required direct notification to the Department and to sports governing bodies.</i></p> <p><i>A. A permit holder shall, as soon as is commercially reasonable, report to the Department any information relating to:</i></p> <ol style="list-style-type: none"> <i>1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its operations in the State;</i> <i>2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;</i> <i>3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports betting, to the extent that such rules and codes of conduct are provided to and known by the permit holder;</i> <i>4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain, including match fixing; and</i> <i>5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to place bets, using bets to conceal or launder funds derived from illegal activity, using agents to place bets, and using false identification to place bets.</i> <p><i>B. A permit holder shall, as soon as is commercially practicable, report the information described in subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described in subdivisions A 2, 3, and 4.</i></p>
Official League Data Definition	<i>"Official league data" means statistics, results, outcomes, and other data related to a sports event obtained pursuant to an agreement with the relevant sports governing body, or an entity expressly authorized by the sports governing body to provide such information to licensees, that authorizes the use of such data for determining the outcome of tier 2 sports wagers on such sports events.</i>
Sports Governing Body Definition	<i>"Sports governing body" means an organization, headquartered in the United States, that prescribes rules and enforces codes of conduct with respect to a professional sports event and the participants therein, and, at a minimum,</i>

	<p><i>includes the professional sports associations that represent professional athletes. "Sports governing body" includes a designee of the sports governing body.</i></p>
Benevolence Fund	<p><i>Section X. (a) There shall be established separate Player Benevolence Fund to be administered by the regulating entity. 1 percent of sports wagering revenue received under section shall be deposited into the Fund. The regulating entity shall make distributions from the Player Benevolent Fund upon receipt and review of recommendations from the Player Benevolent Fund Advisory Committee established in paragraph (b) and without further appropriation.</i></p> <p><i>(b) There shall be a Player Benevolence Fund Advisory Committee consisting of 9 members, 1 of whom shall be a designee of the governor who shall serve as chair, 1 of whom shall be a designee of the treasurer and receiver general, 1 of whom shall be the designee of the senate president, 1 of whom shall be the designee of the speaker of the house of representatives, 1 of whom shall be a designee of the National Football League Players Association, 1 of whom shall be a designee of the Major League Baseball Players Association, 1 of whom shall be a designee of the National Basketball Players Association and 1 of whom shall be a designee of the National Hockey League Players Association, and 1 of whom shall be a designee of the Major League Soccer Players Association.</i></p> <p><i>(c) The Player Benevolence Fund Advisory Committee shall convene and make recommendations to the regulating entity for distribution of funds from the Player Benevolence Fund in a method to be determined by said committee. The committee shall recommend to the regulating entity a distribution schedule for funds deposited in said Player Benevolence Fund to organizations that benefit current and former professional sports players or their charitable foundations. In developing its recommendations, the advisory committee shall consider organizations involved in medical research related to athletic participation, delivery of literacy and other academic assistance to disadvantaged and underserved youth</i></p>

	<p><i>populations, financial literacy and education and others as the committee may deem appropriate.</i></p> <p><i>(d) Upon adoption, the committee shall submit its recommendations to the regulating entity and the clerks of the senate and house of representatives no later than one year after enactment of this legislation.</i></p>
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