Congress Should Hold Hearings on Fantasy Football

by Phyllis Schlafly

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A new form of gambling has suddenly appeared in America, and the outfits raking in the money claim that what they're doing is perfectly legal. In the last four years, two recently formed companies, DraftKings and FanDuel, have collected billions from the mostly young men who place bets on their smart phones on what's called fantasy football.

Many people first heard about this when a DraftKings employee won $350,000 for coming in second place in a FanDuel contest that cost $25 to enter and featured $5 million in cash winnings, including $1 million to the winner. The New York Attorney General is investigating whether the employee benefited from inside information, but the bigger question is the eye-popping jackpot.

Fantasy football means imaginary games played by imaginary teams in imaginary leagues, which are made up of real players whose playing statistics are compiled from real football games. So instead of betting on the actual NFL games, fantasy football participants bet on something that depends on the actual NFL games.

It's illegal in most places to bet on actual NFL games, but fantasy football enables participants to do something similar by betting on fantasy teams that win or lose based on how real NFL players perform each week in real NFL games. Participants then boost the audience for sports channels by wasting untold hours watching out-of-town teams that affect the outcome of their bets on fantasy football.

The National Football League has long sought to protect football's reputation as America's most popular sport by prohibiting legal bets on real football games, except in Las Vegas where heavily regulated oddsmakers calculate point spreads. But the opportunity of drawing a new audience of obsessive football fans to cable TV was irresistible for the NFL, which has made deals with the fantasy football industry.

The National Basketball Association and Major League Baseball have also been seduced by the lure of the fantasy sports gambling business, which hooks new participants so rapidly. As M.L.B. executive Robert Bowman explains, "It's daily. It's

quick. You know quickly if you've won or lost. It seems so obvious. How did we miss this?"

Gambling in America has always been strictly limited to state-sponsored lotteries and state-regulated casinos and horse racing. State-based gambling is reinforced by federal laws that prohibit any form of interstate gambling where bets are placed by telephone or through the mail.

In 2006, the outgoing Republican Congress voted overwhelmingly to extend the federal interstate gambling ban to the internet, which was then becoming widely available. This federal ban on internet gambling, however, contained a loophole for "fantasy sports" gambling schemes that supposedly contain some elements of skill.

Through this loophole, billions of dollars are being bet on football, to the point where it overshadows sports betting in Las Vegas. In less than a decade the number of those enticed to play fantasy football has skyrocketed to more than 50 million.

Hard-sell television ads entice viewers to participate in fantasy football games that can cost them many hundreds or thousands of dollars, and even addict them. Average American football fans, mostly men, are transformed into gamblers by get-rich-quick promises using these fantasy sports schemes.

The NFL heavily promotes this because the more that people bet on fantasy football, the higher their television ratings and the greater their revenue. The advertisements for this during football broadcasts amount to money in the bank for the NFL, and nearly every team in the NFL now has its own deal to profit from fantasy football.

The chairman and CEO of one of the biggest Las Vegas casinos, Jim Murren, observed earlier this year that politicians are "absolutely, utterly wrong" in pretending that fantasy football is not gambling. "I don't know how to run a football team," he declared, "but I do know how to run a casino, and this is gambling."

Bookmakers from the United Kingdom, where sports betting is legal, are trying to penetrate the U.S. market. "I'm all for daily fantasy betting," said one English bookmaker, "but nobody is in favor of unregulated internet gambling and that is exactly what daily fantasy sports is."

The NFL’s chief marketing officer, Mark Waller, told the Wall Street Journal that he wants to bring fantasy football into the curriculum of elementary schools. “You should be able to learn a lot, particularly around math. How many points do I need? How many points does this player get?”

By hooking children on fantasy football, the NFL hopes to lock in another generation for its television ratings -- and some will be hooked on gambling, too.

Most NFL stadiums were built using taxpayer money, and the public should have a strong say in objecting to their use to promote gambling on football. With the NFL trying to push this into elementary school curriculum, it is time to push back.

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