

ALASKA STATE SENATE

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Senator Mike Cronk

Sponsor Statement for SB 194

“An Act authorizing mobile sports wagers; relating to the regulation of mobile sports wagering; imposing a tax on mobile sports wagering revenue; relating to criminal history record checks for licensure to operate mobile sports wagering; and providing for an effective date.”

In 2018, when the US Supreme Court opened the market to legal sports wagering, the American sports betting industry posted \$441 million in revenue. Just 6 years later in 2024, the industry posted a record \$13.6 billion in revenue showing the exponential growth and normalization of sports wagering in the US.

As of February 2025, 38 states and Washington, D.C. have legalized sports betting in some form generating a combined \$6.73 billion in taxes since 2018. The rapid adoption of sports wagering by states has converted large portions of the population into the legal markets; however, there is still a robust black market. The American Gaming Association estimated in 2022 that Americans wager \$63.8 billion each year in the illegal market, meaning there are potentially millions of dollars being illegally wagered in Alaska each year.

The illegal and unregulated market continues to grow in states without legal alternatives. These black markets are predatory and offer no oversight or consumer protections and generate no revenue for the state. Google analytics show massive decreases in searches for unregulated online sportsbooks after legalization. These statistics show that legalization actively shrinks the illegal market while offering consumer protections, generating revenue for the state, and decreasing the stigma for people with addiction issues making them more likely to seek help. Alaska needs more diverse sources of revenue.

Legalizing sports wagering is a simple solution that would capture a market which already exists in this state. Everyday people are betting in Alaska using illegal means, leaving them vulnerable to exploitation while generating no fiscal benefit to the state. SB 194 would offer protections and oversight to the residents of the state, tourists, and seasonal workers traveling to Alaska. I urge everyone to support SB 194 to help Alaska join this thriving legal market.

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