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SCAMS & FRAUD

Online Sports Betting Can Be a Gamble as Scams Flourish

Older bettors may be more vulnerable as criminals look to profit from the multi-billion-dollar industry

By Matt Alderton, AARP

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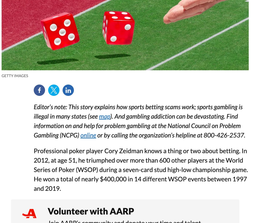

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Editor's note: This story explains how sports betting scams work; sports gambling is illegal in many states (see map). And gambling addiction can be devastating. Find information on and help for problem gambling at the National Council on Problem Gambling (NCPG) online or by calling the organization's helpline at 800-426-2537.

Professional poker player Cory Zeidman knows a thing or two about betting. In 2012, at age 51, he triumphed over more than 600 other players at the World Series of Poker (WSOP) during a seven-card stud high-low championship game. He won a total of nearly $400,000 in 14 different WSOP events between 1997 and 2019 .

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But the money Zeidman made at poker pales in comparison to the fortune he made from an elaborate sports betting fraud scheme: In 2022, federal prosecutors accused him and several co-conspirators of perpetrating a years-long scam to defraud prospective sports bettors by claiming to have inside information on college and professional sporting events. Using fake names and high-pressure sales tactics, the scammers charged bettors exorbitant fees to obtain "privileged" intel that was fictitious or based on open-source internet research — for example, non-public information about injured players, "dirty" referees or "fixed" games.

Between January 2004 and March 2020, prosecutors allege, Zeidman and his partners stole more than $25 million from victims in Long Island, N.Y., and Boca Raton, Fla.

In December 2024, Zeidman, 63, pled guilty to conspiring to commit mail and wire fraud. He faces a maximum sentence of 20 years in prison and forfeiture and restitution of approximately $3.6 million. Although his experience as a professional gambler made him particularly effective, Zeidman is not unique.

With its rapid legalization and associated growth in jurisdictions across the United States, sports betting is becoming an increasingly popular vehicle through which criminals can exploit their victims — including older adults. About 18 percent of people 65 and older said they participate in online sports betting "very often," and 23 percent do so "somewhat often," according to a January 2024 survey of 3,071 U.S. adults conducted by Siena College Research Institute (SCRI) and St. Bonaventure University's Jandoli School of Communications. The American Sports Fanship Survey found that, overall, 39 percent of Americans bet on sporting events.

Why older adults are vulnerable

Sports betting scams can target anyone, but older adults can be more vulnerable as they may have less digital savvy than younger people, many of whom are digital natives, says Alexander Korsager, chief gambling officer at Casino.org, an educational website dedicated to helping consumers find trusted internet casinos and reputable online gambling sites.

Meanwhile, more gambling platforms are popping up every day, Korsager adds, "making it really difficult to know who is legitimate outside of the really big players that everyone knows... Because of that, scammers have an easy time preying on people who don't have a lot of experience and brand awareness."

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The rise of online sports betting — and sports betting scams

Sports betting was illegal in most of the United States until 2018. That's when the U.S. Supreme Court decided the landmark case of Murphy v. National Collegiate Athletic Association, declaring a 1992 federal ban on sports gambling unconstitutional.

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"There were a couple of minor exceptions, but up until then, sports betting was illegal pretty much everywhere except Nevada," says Adam Small, co-founder and CEO of Third Planet Affiliates, which owns and operates the sports betting news websites Props.com and CasinoReports.com, as well as the lottery news website LotteryGeeks.com. "Now there are close to 40 states that have legal sports betting in some form or another," he notes, and 50 states have illegal sports betting, whether it's your corner street bookie or offshore gambling sites that you can find online. Some of them are fairly legitimate despite operating illegally, and some of them are quite illegitimate. And it's very hard to know the difference."

It's that ambiguity that makes online sports betting so appealing to scammers, who see dollar signs in the industry's enormous growth: Sports betting in the United States generated $13.71 billion in 2024, up from $10.92 billion in 2023 and a massive leap from $4.29 billion in 2021, according to the American Gaming Association. The association estimated that Americans would legally wager $3.1 billion on the 2025 NCAA March Madness men's and women's games alone, up from $2.7 billion last year.

What sports betting scams look like

"Scamicappers"

The Better Business Bureau (BBB) is among the many consumer advocates who have warned of scammers' interest in sports betting. In February 2025, it issued a scam alert based on multiple reports from its BBB Scam Tracker tool. According to the alert, "con artists are posing as self-proclaimed handicappers who use insider information to place guaranteed bets on upcoming games."

"Scamicappers," or "capper-scammers" — like Zeidman — are successful because they're subtle, according to Leslie K. Harris, marketing director and purchasing agent at Double Eagle Hotel & Casino in Cripple Creek, Colo.

"They create the illusion of expertise through inflated reviews and fake statistics of successful forecasts," Harris explains. "The buyer pays for a 'guaranteed' win, but even if the bet goes through, the scheme is already working — the fraudster sold the same bet with different outcomes to hundreds of people. And those who lost just hear the standard, 'This is a sport; it happens.' If the client is too persistent, they are banned or tricked into paying again for supposedly even more accurate forecasts."

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Fake betting platforms

"In Colorado, where sports betting is thriving, scammers are adapting faster than regulators," Harris says. "Fake bookmakers launch websites that copy legitimate platforms, luring players with bonuses, and then simply disappear or block withdrawals under the pretext of 'verification.'"

This variety of sports betting scams works just like a traditional phishing scam that tricks you with fake websites resembling those of legitimate banks, retailers and other businesses. "Phishing sites are practically an art," Harris continues. "[Criminals] copy the design of legal bookmakers, register domains with minimal differences — for example, one extra letter in the name — and promote them through targeted advertising or spam on social networks. The victim creates an account, tops up the balance, and then either cannot withdraw money or receives a request for endless 'additional checks' until they give in."

Account hacks

Hackers might also target sports bettors. "There are ... account hacks through fake FanDuel and DraftKings support sites," Harris says. "Users think they are changing their password, but in fact, they are simply giving scammers access to the account."

How to protect yourself from sports betting scams

Although sports betting scams can be challenging to spot, bettors of all ages can protect themselves by looking for red flags and engaging in responsible sports betting practices.

- **Look for legal, licensed operators.** "If you live in a state where sports betting isn't legal, but you're online, and you encounter a sports betting site that allows you to put in your information, that's a huge red flag," says BBB national spokesperson Melanie McGovern. If sports betting is legal in your state, make sure a sportsbook is properly licensed before placing bets with them, advises Small.
- Sportsbooks should list their state regulators and state license numbers on their website, and state regulators, in turn, should list licensed sportsbooks on their sites. "Your state's gambling commission website should list every licensed operator," Small explains. "If a gambling site isn't on that list, they're not legal. And if you're confused about it, you can just call the gambling regulator, who'll tell you if the site is legit."
- **Verify the company name and website.** The prevalence of impersonation and lookalike sites means it's important to ensure the sportsbook you're looking at is the sportsbook you think it is. "The biggest thing people need to look out for is what we call 'typosquatting,'" McGovern says. "If you type in a URL and you miss a letter or misspell it somehow, you might see a website pop up that looks identical to the website you intended to visit, and that could be a scam website."
- **Avoid offshore sites.** Although bettors in the United States may have access to offshore sportsbooks that aren't licensed or regulated by state governments, they should view them with a heavy dose of skepticism, according to Small. "Some of them are very legit companies. But if it's not licensed by the state, we tend to urge caution before putting your money in," he says. "Gambling with a licensed operator is the best way to ensure you're getting a fair game when you play."
- **Check for security signs.** When you visit a sportsbook's website, ensure an encrypted connection. If there isn't, that could indicate suspicious activity. Use a tool like Website Age Checker or the Internet Archive's Wayback Machine to see how old a sportsbook website is. "Beware of newly registered sites," Karnik continues. "Scam betting sites pop up before big sporting events and vanish afterward. Check when the site was created — if it's brand new, that's a red flag."
- **Check user reviews.** "Double-check the site's reputation through independent sources," Harris says. For example, check with the BBB. Although not all sportsbooks are BBB-accredited, many of them nevertheless have BBB ratings, according to McGovern. "A lot of them do have complaints, and some have 'F' ratings," she says. Adds Karnik, "Search for real user complaints — scammers fake positive reviews but blocked withdrawals and shady practices are harder to hide." Along with BBB, you can research companies on sites like Trustpilot or Reddit, Korsager suggests. "If you go to Reddit or a public forum and see recommendations from a lot of users with a long history and a lot of posts, that's usually a fairly good sign," he says.
- **Avoid unsolicited social media connections.** Scamicappers and other sports betting criminals often find their victims on social media sites like Facebook. Therefore, you should go to sportsbooks; sportsbooks shouldn't come to you. "Any time you're solicited on social media without provocation, that's suspicious," McGovern says.
- **Beware of guaranteed wins and "insider" information.** "Avoid deals that seem too good to be true," Karnik says. "Scam sites bait users with massive bonuses or 'guaranteed wins,' then block withdrawals." Adds Small, "I would put a red flag around anyone telling you that they're giving you information that is not public.... It's very important to understand that you don't know anything more than anybody else. And if someone is giving you information, they don't know anything more than anybody else."
- **Be cautious of nontraditional payment methods.** "Stick to credit cards or trusted digital wallets that offer fraud protection," Karnik says. "Avoid wire transfers, cryptocurrency and peer-to-peer payment apps without buyer protection." Echoes Small: "If you're playing on sites that accept credit cards, PayPal, or ACH transfers, everything is almost certainly fine. Your money's not going to disappear. But if you're being asked to set up accounts on payment sites you're not familiar with or are being asked to use crypto, I would be worried about that. You shouldn't need to set up special payment processing just for gambling."
- **Discuss your bets.** "You should talk about your betting with people you're close to," Small says. "That way, if you're risking too much or getting too deep, or trusting a person or site that you shouldn't trust, other people can sound the alarm for you. If you gamble in the quiet without telling anyone what you're doing, that's where it starts to get dangerous."
- **Remember that sports betting can be risky even without scams.** It's worth noting that while sports betting scams are one way to lose money, it's also easy to make honest mistakes and bad bets simply because you misinterpret or misunderstand the rules of the game. In that case, you might feel as though you've experienced a scam even if you haven't. New and inexperienced bettors should therefore take time to learn before they put money down.

"Do your research," Korsager advises. "Make sure you understand the terminology, for example, and make sure you understand the different bet types."

And above all else, make sure you understand the house edge. "Only spend money that you are happy to let go of because you will lose over time," Korsager concludes. "Whether it's casino gambling or sports betting, think of it as entertainment. It's just like going to the movies on a Friday night. You buy popcorn. You spend time with your partner. And for two hours you enjoy yourself. You spend maybe $60, and at the end of the night, that money is gone. But that's OK because you've had an entertaining experience. That's the mindset you need. It's not about trying to make money to get rich or pay bills; it's just about having a more enjoyable experience watching the sports that you love."

Matt Alderton is a contributing writer who specializes in health and wellness, travel and technology. His work has also appeared in USA Today, Forbes and The Washington Post.

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