



Testimony of Susan Sheridan Tucker  
Executive Director of Minnesota Alliance on Problem Gambling  
SF 1949 Lawful Sports Betting  
State Senate Commerce and Consumer Protection Committee  
March 5, 2024

Chair Klein and Members of the Committee,

Good afternoon, I'm Susan Sheridan Tucker, Executive Director of Minnesota Alliance on Problem Gambling (MNAPG).

MNAPG is a tax-exempt, non-profit organization dedicated to improving the lives of those affected by problem gambling through advocacy, education, training and research. We have been in existence since 2001 and we are the state affiliate to the National Council on Problem Gambling (NCPG). I'm in my second term on the National Board and am currently the board president.

We maintain a neutral position on legalizing gambling; however, we fully support comprehensive consumer protections **for all** who choose to gamble. The more commonsense protections we put in place, the less likely we will contribute to growing the number of people who become addicted.

With any anticipated gambling expansion, the need for help also increases. The current funding structure for gambling disorder provided by the state of Minnesota is wholly insufficient now to address the needs we have been seeing for decades. We have great concerns that if sports betting is legalized without sufficient funds for treatment, prevention and research, Minnesota could have another public health crisis to deal with. Already, with the addition of sports betting, legal or not, Minnesota is experiencing an uptick as expressed by the treatment providers who are on the front lines everyday working with individuals and families who are negatively impacted by this addiction.

MNAPG as well as NCPG is committed to its neutral stance on legalizing gambling. While I cannot express whether I'm for or against a particular amendment or the very proposed expansion of sports betting, I can speak to what we are seeing in the other 38 states + D.C who have already passed sports betting since May 2018.

What follows are some early findings. I share these with you as a point of information. MNAPG deals with this on a daily basis. We work with those directly impacted; family members, people in recovery and those becoming more aware that they may have a problem with their gambling. As policymakers you may have little exposure to gambling addiction, unless you've had a family member or friend affected.

Here are some early facts:

- Since 2021, Helpline calls to 1-800- Gambler have increased 43%, texts increased by 59.8% and chat volume increased by 84.1%. Minnesota over the same time period, has seen similar increases in calls to its helpline. (Any MN who calls 1-880-Gambler will be automatically directed to the MN problem gambling helpline 1-800-333-4673)

- NCPG estimates that the annual national social cost of problem gambling is \$14 billion. These costs include gambling related criminal justice and healthcare spending as well as job loss, bankruptcy and other consequences. This estimate was based on the formula developed by research from the 1999 National Gambling Impact Study Commission and updated to account for inflation and the current U.S. adult population as of December 2023)
- MN treatment providers are seeing more young adult men who are clinically diagnosed with gambling disorder
- NCAA acknowledges it has a problem with college athletes. Their recent study indicated that 58% of their athletes had placed bets. Knowing they were at risk for losing their scholarships and facing other penalties for breaking their contracts.
- Advertising is having a direct impact on players. Bonus bets, free bets have enticed them to play longer than they would have likely played, which inevitably leads to losing more money and many will begin to chase their losses in hopes of regaining what was lost.
- Students are gambling using their financial aid funds and money set assigned for rent and food.
- Prop bets (in-game betting) entice players to gamble more frequently on things that may not even be directly to the game itself (i.e., What's the color of the Gatorade thrown over the coach's head, how many times will the cameras zoom in on Taylor Swift.)
- Parlay bets (betting on at least 2 or more aspects of the game to come through). All must happen for a win. While much higher odds and payout, these are far riskier bets and attractive to many young people. "It adds excitement to the game."
- A recent NJ prevalence study, the first state to legalize sports betting in May 2018, indicates sports bettors were significantly more likely than others who gamble to use tobacco, alcohol or drugs and experience moderate or severe mental health problems such as anxiety and depression.
- More than a third of sports bettors expressed morbid thoughts or suicidal ideation, 10% had attempted suicide and 13% reported engaging in non-suicidal self-injury.

### **NCAA April 2023 Survey**

The NCAA has also recognized they have a problem on their hands. In a report dated April 2023, it contains sobering statistics about student athletes' involvement with gambling. The full report can be found here. <https://www.ncaa.org/news/2023/5/24/media-center-ncaa-releases-sports-wagering-survey-data.aspx>

I've pulled some of the more salient data points.

- 58% of respondents have participated in at least one sports betting activity
- 37% have taken part in two-or-more betting activities, 24% in three-or-more, and 11% in four-or more
- The likelihood of engaging in betting activities, the amount wagered, and the amount lost increases as educational attainment level increases, although this could be attributable to other factors such as an increase in age
- White or Caucasian respondents are the least likely to engage in betting activities at 54%, Asian respondents at 55%, Hispanic or Latino respondents at 63%, and Black or African American

respondents at 68%

- Two-thirds of men have engaged in sports betting activities, as have 51% of women
- Respondents living in areas where betting is legal versus those in areas where betting is illegal report taking part in each sports betting activity at nearly the same rate.

This does not mean all will develop a gambling disorder, however, we're exposing children and young adults much earlier to gambling, which for some will cause health and financial issues as they get older.

### Aggregation of Risky Behaviors

- Respondents were grouped by whether they had undertaken the following risky behaviors:
  - Betting either a few times a week or daily
  - Betting \$50 or more in a typical wager, and/or
  - Losing more than \$500 betting on sports in a single day
- The goal of this grouping was to build a profile of the highest risk group of gamblers
  - **16% of all 18–22-year-olds** had engaged in at least one of these risky behaviors Majorities of these higher risk gamblers are engaging in three or more betting activities, and more than half are using mobile apps to bet as well as playing daily fantasy sports
  - **Higher risk gamblers use a broader variety of bet types**, and bet on a larger number of sports, leagues, and events, than their peers
  - **70% of these bettors strongly or somewhat agree that they could win a lot of money if they consistently gambled**
  - **These higher risk gamblers report higher ad recall than their lower risk peers, and about 80% of higher risk gamblers say the ads they have seen make them more likely to gamble**
  - Respondents from the Northeast and South, as well as Black or African American respondents are overrepresented among higher-risk gamblers.

### Advertisement Betting Effect

*(Asked to respondents who had seen advertising) Have the advertisements you have seen or heard made you more likely or less likely to engage in sports betting activities? Or have they had no effect?*

- Much more likely **14.5%**
- Somewhat more likely **38.3%**
- Somewhat less likely **14.7%**
- Much less likely **4.9%**
- No effect **27.5%**
- Among those that recall seeing advertising, ads are broadly effective, with majorities or large pluralities of each demographic group reporting they are more likely to bet after seeing advertising
- While Black or African American respondents recall seeing advertisements at a similar rate to

respondents of other ethnicities, the advertisements have an outsized effect on increasing betting likelihood with this group, with 65% saying they are more likely to bet after seeing ads

- While a narrow plurality of non-bettors recall seeing advertisements, the advertisements do not seem to be effective at converting this group to bettors, as 68% report the advertisements either have no effect or make them less likely to bet

## Bet Types

*(Asked only to those who had placed a bet on a sports event or league on a mobile app, website, in-person sports book, casino, or online sportsbook located outside of the United States) Which of the following types of bets have you placed? Please check all that apply.*

- Live in-game **60.8%**
  - Money line **44.3%**
  - Over/under **40.4%**
  - Parlays **38.3%**
  - Point spread **36.3%**
  - Futures **24.0%**
  - Props **18.4%**
  - Other **0.8%**
  - Not sure **4.2%**
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- 18–22-year-old bettors have more experience placing live-in game bets than any other type of bet
  - An important population of live in-game bettors are women, with 64% of female bettors having placed this type of bet. Women place live in-game bets at a relatively higher rate than men and are comparatively less likely to engage in traditional forms of betting.
  - 60% of respondents pursuing degrees engage in betting activities, compared to 54% of those who are not pursuing a degree, but there is significant deviation in the frequency or amounts they wager
  - While those pursuing associate and master's degrees bet at a rate that is 8-10% higher than the general population, those pursuing a bachelor's degree are not significantly different from the general population of 18–22-year-olds.
  - 67% of individuals that live on a college campus while pursuing a degree are bettors, and they also tend to bet at a higher frequency. However, those on campus tend to wager smaller amounts and suffer smaller losses than their peers.
  - It's unclear if college campuses are being specifically targeted for advertisements by sports betting platform providers, but 63% of students on-campus recall seeing betting ads, a higher rate than the general population, and higher than those that commute to campus or attend virtually.

### Recent reversal in-game wagering

**Ohio's Governor Mike DeWine and NCAA President Charlie Baker issued statements seeking a change in college prop betting (in game betting).** The governing body for collegiate sports in the U.S. sent a letter on January 31 requesting the removal of the bets from the wagering catalog, utilizing provisions in Ohio law, and common in other states, which allows a sports governing body to request that certain wager types be restricted. "The data is clear that student-athletes are getting harassed by bettors," said Baker. "Sports betting without appropriate controls poses real risks to the well-being of student-athletes and to the integrity of collegiate competition — risks which are heightened by individual prop bets."

**As policy makers ask yourself, why expand gambling opportunities in Minnesota? Allow people to place a bet legitimately and more safely with a regulated site, yes. Generating more tax revenue, likely. Do we need to introduce specific forms of gambling that in these early days of legalization are showing troubling signs of addiction? If so, then we need to respond in kind and provide sufficient support for treatment, education and research.**

We are in the midst of the largest expansion this country has seen in over 40 years. We're only fooling ourselves if you think that if this bill doesn't pass, Minnesota doesn't need to address the inequities in its problem gambling program. Whether you decide to legalize sports betting or not, people will engage in sports wagering. Technology has brought the sports book and the casino right into our hands. Legal or not, those susceptible to addiction will become addicted with greater ease than ever before.

We are asking that you *see* this addiction. In a 2019 MN study by the Wilder Foundation, it found that problem gambling impacts 250,000 Minnesotans, plus the 7-10 others who are impacted by the gambler. Gambling addiction is not just about financial ruin, but loss of homes, relationships, careers, poor physical and mental health. This number will grow with an expansion of betting. How much? We will only know by conducting regular surveys on peoples' gambling activities and to be able to study actual aggregated player data.

We also need to be talking about it. Pretending it doesn't exist or isn't as serious as other addictions will not serve us well. We need to be adding prevention materials in the schools. Gambling is becoming so ubiquitous in our lives. The earlier one is exposed, the greater likelihood they will develop issues as an adult. Children simply don't have the capacity to understand risk, yet many of the games designed today are grooming children to do betting-like activities.

We know there is massive discrimination regarding this addiction. According to NCPG, while substance abuse is seven times more prevalent than gambling addiction, it gets 338 times the funding. There's no federal funding available for problem gambling. We are dependent on states setting sufficient funds aside and frankly Minnesota lags other states in addressing this issue.

In 2013 the DSM-V recognized gambling disorder as a peer addiction to substance use disorder, yet even today 2024, the discrepancies in the level of services continues despite pleas to DHS. Additionally, there is no standard of care that's been articulated for treatment providers or for training. Minnesota does not screen for problem gambling when people enter treatment for substance use disorder or mental health disorders, yet 67% of those with a gambling disorder also have other addiction issues.

DHS has been lax in paying attention to the fast changes occurring in the gaming industry and I don't believe Minnesota is prepared to handle what is already happening on college campuses and elsewhere among young adults. Gambling today is more sophisticated, targeted and designed to keep players engaged. For those who become addicted, the impacts can be devastating.

Minnesota has had blinders on when it comes to gambling addiction. We have let the old stereotypes of gamblers cloud our vision and we seemingly don't want to see this as the devastating addiction it can be for a small percentage of the population but touching every community. Gambling addiction discriminates against no one and anyone can fall prey to this addiction, if under the right circumstances. Do we need to wait to have a crisis on our hands before we're going to do the right thing and offer the appropriate level of services for those who are addicted to gambling and their families?

The Minnesota Alliance on Problem Gambling is committed to its mission, understands the issues and can respond quickly to the fast-changing landscape. We've been building trust among many communities that know us for our commitment to providing excellent and timely information. We strive to work collaboratively and to respond as best we can to a community's need. We need public policy to reflect the commitment to helping those who fall prey to this addiction and to support the efforts further upstream to help prevent many more from becoming addicted.

Thank you for this opportunity.  
Susan Sheridan Tucker  
Executive Director