



Testimony of Susan Sheridan Tucker
Executive Director of Minnesota Alliance on Problem Gambling
Information Hearing on Economic, Health and Social Harms
resulting from online sports gambling
State Senate Finance Committee
January 8, 2025

Chair Marty and Members of the Committee,

I'm Susan Sheridan Tucker, Executive Director of Minnesota Alliance on Problem Gambling (MNAPG). I appreciate this opportunity to share with the committee the work that we do in support of those negatively impacted by problem gambling and why it is so important to increase the funding.

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 are the state affiliate to the National Council on Problem Gambling. I'm in my second term on the National Board and am in my second year as the board president. MNAPG has been in existence since 2001. We are uniquely qualified to address numerous issues relating to problem gambling. We help people connect to the resources they need to better understand the complexities of this addiction and for those ready and willing, we direct them to help.

We maintain a neutral position on legalizing gambling; however, we fully support comprehensive consumer protections for all who choose to gamble. We also need Minnesota to increase the funding for problem gambling/gambling disorder services.

Full disclosure, MNAPG does accept donations from gambling entities. We are dependent on state dollars generated from gambling revenue to do the work we do. I know that Draft Kings will be testifying later on and I want to acknowledge that they have funded MNAPG. Their funds are enabling us to create a pilot training program for the racetrack employees. I don't doubt that Draft Kings is trying to be more transparent and proactive with their customers. I know they have instituted some guardrails for their customers, however, I would urge all legislative leaders not to rely on the industry itself to self-regulate. Our duty to the people of Minnesota is to provide best practices in consumer protection, which will evolve over time as technologies are further refined and utilized.

I applaud Senator Marty for his efforts to explore the human and economic costs of gambling addiction. I know he's been talking to many experts around the country and appreciate his due diligence. Since 2018 when the sports betting ban was lifted, this is the first opportunity to publicly address the consequences associated with gambling addiction, of which there are many. Most of the hearings have related to the expected revenues to be generated and who would get a piece of the pie. I've been dismayed with the proposed senate sports betting bill which has turned into an additional revenue stream for existing gambling entities while not adequately addressing the social costs that currently exist and will likely increase with the expansion of any form of gambling.

We're not even beginning to address the impact that gambling has on families. Children exposed to gambling at an early age have a greater likelihood of developing an addiction as they age. We're also not addressing the trauma that families undergo when they discover a loved one who has gambling disorder

has overturned their world. Housing, jobs, school, relationships, health and financial stability are all negatively impacted. Many children are subjected to living under conditions where a parent or parents are not able to properly care for them, creating generational issues that may result in need of mental or behavioral health services down the line. We also know that those low income earners have fewer safety resources to prevent financial ruin.

Even without legalized sports betting, 250,000 Minnesota adults have an issue with gambling and over six thousand high school students. Additionally for every gambler there are 8 -10 others affected. That amounts to 2,000,000 Minnesotans. Yet somehow, we've managed to do just the bare minimum, helping to maintain its reputation as the hidden addiction. Past legislatures set aside a bit of money to the issue without fully understanding the implications of this addiction and there's been no reforms made to the state problem gambling program in decades, let alone updating regulations as the industry matured and technologies used are designed to be more predatory.

We know there is massive discrimination regarding this addiction. According to the National Council on Problem Gambling, **while substance abuse is seven times more prevalent than gambling addiction, it gets 338 times the funding.** There's no federal funding available, insurance companies don't typically cover gambling disorder and Minnesota doesn't recognize it has a public health issue. (We've been participating in the state's suicide prevention plan task force after we realized there was no mention of gambling as a potential risk. Gamblers have the highest risk of suicide of any addiction.)

Are you aware the state hasn't determined a standard of care for gambling disorder? We've been dealing with a department in DHS that has had more turnover, little direction and essentially has acted as a barrier to the reforms we have been advocating. Did you also know that 65% of all gamblers have other addictions and mental health issues, yet Minnesota doesn't require screening for gambling when they enter one of those facilities? There's only one program in the state that offers as an elective on problem gambling in their LADC program. If we don't acknowledge the addiction, then the care the person is receiving for depression, anxiety, or other addictions will never be fully addressed and there's a greater likelihood of re-occurrence and multiple treatments.

MNAPG has many concerns about expanding gambling opportunities in this state before we fully address the needs associated with it. You will hear today from just a tiny sample of those negatively impacted by this addiction. The time allotted here doesn't do justice to their stories or the pain and stress each has faced. But as you listen or read their testimonies, please set aside your beliefs that individuals are moral failures because of their addiction or they lack will power. Gambling addiction is recognized in the Diagnostic Systems Manual as a real addition. Please understand, it takes enormous courage to share one's story, particularly in an environment that often blames the victim. My hope is that we can finally face the reality gambling addiction plays throughout our state and equitably fund and include gambling addiction prevention in the same venues we do for drugs, alcohol and tobacco.

I know for many legislators this is not a front burner issue and for some, approving sports betting seems like a nonissue. Everyone is doing it, so why not make it legal? Again, MNAPG remains neutral regarding the legality of gambling, but urges you to fully support the best consumer protections that are available now and to recognize the need to regularly review regulatory standards, particularly as AI and other technologies are incorporated into operations.

The gaming industry has vastly changed since most Minnesota's forms of gambling were introduced in the late 80s and particularly since 2018. Technology advancements have created opportunities for the

gambling industry to intimately know their customers and to create opportunities to groom young audiences in hopes of gaining future customers. As a state sanctioned activity, the state should also have access to the key aggregated data so that it can appropriately regulate and understand where and how consumers can be protected from predatory behaviors and frankly in some instances, from their addiction. Without the right data, we'll never know the full story.

Gambling is predicated on the odds primarily being stacked against the player. It's designed to be addictive and if someone already has an addiction, mental health issue or a family history of addiction, they are more likely to develop gambling disorder. Just to be clear, MNAPG understands that not everyone will become addicted, but all regulations should be written to support player protection and safer play.

Dismiss the notion that the need to legalize sports betting will turn those who rely on the black market and will come over to the legal market. The black market will always exist and the legal market will be in a constant marketing effort to gain new customers by grooming younger and younger audiences. It's happening as we speak. Certain streaming services attract young viewers to watch an influencer gamble. Network, cable and streaming outlets airing sports talk constantly about the odds, what one should bet and of course this is further normalized with the onslaught of ads within a game. Young people are influenced by all these things and yet we're not allowing any alternative messages within our schools. MNAPG has had to go door to door, presenting our materials to the schools. We've mailed out over 2000 toolkits and show up in spaces where teachers, parents and coaches come in hopes they will accept our offer to present and encourage further conversations.

This is just a small part of what we do. As an organization named in some of the proposed sports betting bills to receive a tiny percentage of these funds, I want you to know how we currently spend our dollars.

We are a staff of two ½. Most of our work falls under awareness and education. We work tirelessly to get the word across that state that gambling addiction is real, treatment is available, it works and in Minnesota it's at no cost, if insurance doesn't cover it. There are very few insurance policies that cover gambling addiction.

Our education and awareness efforts include:

- **Comprehensive website** full of resources for the gambler, concerned others and professionals.
- **Our national award-winning quarterly newsletter** addresses the most current trends as well as sharing a recovery story to provide hope, with a **readership of over 10,000**.
- In the past 3 years we have been able to do some **targeted ads** in the Star Tribune, social media platforms and when accepted, publish op-ed pieces pertaining to problem gambling, gambling addiction and the recent attempts to legalize sport betting.
- In 2023, we produced a thirty second and fifteen second PSA which we streamed on digital platforms directed to those who indicate an interest in gambling.
- We **communicate quarterly** with some of the **sixteen providers** in the state, to maintain relationships and to hear firsthand of the trends they see in their clients. We seek their input for training needs and desired speakers to invite to our annual conference.
- **We have partnered with GamFin**, an organization that provides financial services to those who have been negatively impacted by their gambling losses. We subsidize the costs associated with the meetings with the financial advisor, the client and the counselor. Gambling counselors, ironically, do not receive any training around finances. This enables a

- financial advisor to work in concert with the counselor to address specific issues relating to their current situation – debt management, asset protection, consolidation of debt, transforming their relationship with money.
- In October 2024, **we partnered with LSS Financial Counseling** to offer six free sessions with their counselors who underwent training on gambling addiction. We created this path so that those who are reluctant to seek treatment can at least begin to address some of the financial issues they are facing due to their addiction. It's available to the gambler and/or family members who are often the last to know that their financial stability has been disrupted.
 - In March 2024 we rolled **out a high school toolkit for parents, teachers and coaches**. Currently no prevention information on gambling exists in schools. Over the years we've asked to be included in the prevention materials warning students about drugs, alcohol and other substances. We've denied. We're going through the back door. The toolkit will address issues relating to youth gambling and youth gaming. To date we've distributed over **two thousand** toolkits.
 - **MNAPG has subsidized research**, in 2019 an extensive study was conducted on the Minnesota **Lao community** and their gambling prevalence.
 - We conducted a **"Positive Play"** study which examined four specific criteria of gambling in a responsible manner – Honesty & Control, Precommitment, Gambling Literary and Personal Responsibility,
 - We piggybacked on the **NCPG NGAGE 1.0 and 2.0** which provided MN specific data.
 - We **designed a normative feedback survey** to enable anyone who visits our website to see how their gambling compares with other Minnesotans. After completing the anonymous survey, the participant can print a report with the results and some helpful guidance based on their score on the PGSI.
 - **Every three years we subsidize the analysis of the Minnesota Student Survey**. Since the early 1990's we've been tracing the trends of student gambling. The last survey completed in 2022 indicates a rise in students participating in gambling and 6,000 high school students indicate they have issues with gambling.
 - **We run perennial awareness campaigns on sports betting** near the Super Bowl, we roll into March which is **Problem Gambling Awareness Month** and The NCAA Basketball tournament. We advocate for **National Problem Gambling Screening Day**, the second Tuesday of every month. Substance use disorder treatment centers nor mental health clinics screen for problem gambling, even though 65% of those with a gambling disorder also have another addiction or mental health issues. We partner with the MN Lottery in our **Gift Responsibly campaign** advising adults not to buy lottery tickets as gifts to minors.
 - We collaborate with all communities who invite us into their space. We have **translated many of our materials into Chinese, Hmong, Vietnamese, Somali and Spanish**. We've added a translation tool on our website for those who first language isn't English.
 - We have a **6-hour online training course for community influencers**. This will provide a baseline understanding of the addiction, let them know where and what resources are available and through subsequent events, we will build a wide network of individuals across the state that have developed some empathy around this addiction, will help to dispel the stigma and perhaps encourage people to seek treatment. It usually takes an individual 7-10 years to seek treatment and it's not always a linear progression.
 - **We table and or present to professional conferences** as well as community groups like the PTA, Rotary, health fairs, faith groups. We cover the state and typically attend over thirty events a year.

- **We host an annual conference**, bringing in speakers from across the country to address the leading trends in treatment, prevention and research.
- Prior to COVID **we tabled at the prisons during transition fairs**. There's a tremendous amount of gambling that goes on in our prisons, yet no services are available. We also lack a gambling diversion court. We offer training to parole officers to screen for problem gambling among those who committed money related crimes.

We do all this with a typical budget of under \$1 million dollars. In the past couple of years, we've been able to spend a bit more on advertising only because of bookkeeping errors by DHS, which underreported our funding for several years. However, one-time projects scheduled for FY23 -FY25 will spend down those monies. Typically, we receive \$225,000 out of the lottery budget (a figure that has remained the same since 2006). In 2013, the state affiliate of NCPG was named in the charitable gambling bill as part of the arrangements to pay off the Viking stadium. Annually we receive a fluctuating amount of about \$600,00-\$700,000. However, with the tax reductions made in the 2023 Session, those funds are now reduced.

We have a long laundry list of projects we would like to implement, which would include a true statewide ad campaign to educate the public on gambling addiction, available resources and to help diminish the stigma associated with this addiction. We're concerned about our youth and belief more effort must be applied at middle school and high schools, so we can really have a chance to reduce the number of people who may become addicted to gambling. We also know we need more bandwidth to do the work around the state in diverse communities. We are on the front lines daily, we have the expertise to help minimize gambling harm through expansion of education, research and prevention and we're passionate about our work.

Our hope today is that as leaders in this state you **see** gambling disorder for the devastating addiction it can be and realize the need for and importance of increasing the funding. We also need to talk about it. Pretending it doesn't exist or isn't as serious as other addictions will not serve us well.

We are amid 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 the problem gambling program. Whether you decide to legalize sports betting or not, people will engage in wagering. Technology has brought the sports book and the casino right into our hands. Legal or not, those susceptible to addiction will become addicted.

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 appreciate the opportunity to come before the committee and to share our concerns.

Susan Sheridan Tucker
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Minnesota Alliance on Problem Gambling