

January 14, 2025

Dear Gov. Walz and Minnesota Legislative Leadership:

Peace be with you. We write at the beginning of the legislative biennium to offer our prayers. In these challenging times, we encourage you, where possible, to move beyond mere compromise to collaboration, and to devise creative solutions to the true problems impacting Minnesotans.

We write, moreover, to implore you to not waste time with harmful proposals to expand gambling in Minnesota, particularly in the form of online sports betting platforms.

Expanding gambling in this form would be irresponsible, especially in light of the troubling data documenting the effect that it has had in other states since this relatively new industry was made possible by a 2018 U.S. Supreme Court decision.

Putting a sports book in people's pockets via their cellphone will likely create another public health crisis, while benefiting at best a privileged few. In a recent study by scholars at Southern Methodist University of 700,000 online sports gamblers, fewer than five percent of the bettors emerged with profits. As is well known, those few who do prevail can be removed from the platform by the company if they get too successful. The house—or in this case, the algorithm—always wins.

In fact, three percent of bettors account for 50 percent of the profits generated by online sports betting platforms, meaning that the industry is reliant on the most heavily addicted users for its revenue.

A recent commission of 22 academic experts convened by the medical journal *The Lancet* concluded that existing studies and surveys demonstrate that gambling's prevalence poses a significant threat to public health. Commentator Saagar Enjeti believes that online sports gambling likely represents the next opioid crisis.

We know that the risks of gambling addiction have grown 30 percent nationally since 2018. The data shows that calls to gambling helplines in Virginia rose 387 percent after the first year of legalization. In New Jersey, it is believed six percent of residents now have a gambling disorder.

And in the United Kingdom, a recent study indicated that there were 400 suicides a year due to problem gambling and that 55,000 of the 395,000 problem gamblers in that country were children ages 11-16.

The financial costs to Minnesota families could be severe. Legalization of sports betting has been estimated to increase the risk of bankruptcy by 25 to 30 percent. And according to scholars at Northeastern University, for every dollar spent on sports gambling, households put two fewer dollars into investment accounts.

Even Congress is considering regulation as the NCAA is lobbying to ban in-game "prop" betting on college athletics, as one in three high-profile college athletes have received abusive messages from people with gambling interests.

And that leads us to the "big tell" regarding the predatory pursuit of profits of online gambling platforms: their refusal to ban prop bets or "in-game" betting. In a hearing last year in the Minnesota Senate Commerce Committee, lobbyists for online sports gambling platforms actually seemed to boast that the vast majority of their

revenue by 2030 will derive from prop bets, which are the most likely to fuel gambling addiction and lead to financial ruin as people chase their losses.

What is being proposed by gambling interests is not just enabling fans to put money on the Vikings game. It is making available at one's fingertips an endless array of sports betting opportunities. When the losses pile up, far too many gamblers will continue to chase them and will have easy means of doing so via an app. Safeguards have been shown to be illusory and easily circumvented.

There are no benefits that will accrue to the state from legalization, especially online platforms. Tax revenue is paltry, especially in bills like those proposed in Minnesota where most of the revenue goes back into various forms of gambling or addressing problems created by gambling.

Nor will consumers enjoy greater protection as a result of legalization. A study from Massachusetts shows that legalization of online platforms does not mean the offshore sites go away; instead, they just become a complement for active sports bettors who want to use multiple platforms.

We are not against games of chance per se, and we would not spend energy opposing a bill that limited sports gambling to a few on-site venues, such as tribal casinos.

Our contention is that the potential harms of the legislation that we have seen move through the committee process in prior years outweigh any potential social benefit. Basically, legalizing sports betting does nothing other than make available more hedonistic benefits to the few privileged people who can absorb the losses, all the while imposing costs on their families, communities, and the state as a whole.

We encourage you to connect with our MCC staff with any questions about the matter. We are grateful for your consideration and hope this letter serves as a resource to you.

Sincerely,

Archbishop Bernard A. Hebda

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