

Written Statement Susan Sheridan Tucker
Executive Director, Northstar Problem Gambling Alliance
Minnesota Sports Waging SF 1894
Senate State Government Finance and Policy and Elections Committee
March 3, 2020

Chair Kiffmeyer and Members of the Committee

Good afternoon, I'm Susan Sheridan Tucker, Executive Director of Northstar Problem Gambling Alliance. For almost 20 years, we have been the state affiliate to the National Council on Problem Gambling. Northstar Problem Gambling Alliance is a nonprofit organization dedicated to improving the lives of those affected by problem gambling through advocacy, education, training and research. We are neutral on legalizing gambling. This means we do not support or oppose the expansion of sports betting in Minnesota. We will insist, however, that any measure affecting the availability of gambling must provide for those adversely affected by this activity and will oppose any bill that does not include these provisions.

Governor Walz has recognized March as Problem Gambling Awareness Month. All over the country organizations like ours, will make special efforts throughout the month to educate all that *problem gambling is an addiction, a public health issue and treatment is available and works*. We recognize that most Minnesotans can gamble without a problem. We must not forget however the 4% who experience serious negative consequences as a result of their gambling and the 1-2% that may meet clinical criteria for a gambling disorder. We must not expand an industry without making provisions for the real people and their families who suffer the psychological, emotional and financial consequences from this insidious addiction.

I am here to comment on SF 1894. Unlike the bill introduced last session, this version fails to set aside any money for treatment, training, prevention, research and responsible gambling. This is a huge missed opportunity for Minnesota to set a new standard for its gaming industry. Nor does it provide enough language to

identify whose standards the new commission will apply to address and prevent compulsive and problem gambling (Sec 2 subd.8.4)

The United States is undergoing a rapid and massive expansion of gambling since the US Supreme Court overturned Murphy vs. NCAA in May 2018; the case that opened the door for states to pass sports betting legislation.

As a result of this rapid expansion, the National Council on Problem Gambling and the Northstar Problem Gambling Alliance *urge* including the following 4 principles in the bill.

- 1. <u>Ensure that any expansion legislation includes dedicated funds to prevent</u> and treat gambling addiction.
 - a. Specifically, we recommend language which provides 1% of the tax revenue from Sports Betting to be allocated to the state's compulsive gambling program established under statute §245.98, with ½ of one percent appropriated to DHS and the other ½ of one percent to the state affiliate of the National Council on Problem Gambling. This will enable us to expand our outreach, training and research and enable more dollars to be available for treatment for the anticipated increased number of Minnesotans with problem gambling.
- 2. Require operators to implement responsible gaming programs that include comprehensive employee training, access to self-exclusion programs, ability to set limits on time and money spent on betting and specific requirements for the inclusion of help/prevention messages in external marketing.
 - a. Other states have legislated or negotiated agreements whereby responsible gaming programs are integral to the operators' business plans, including programs for employees who encounter problem gamblers and employees who themselves have a gambling disorder.
- 3. <u>Identify an agency or entity with the tools and expertise to enforce responsible gaming requirements and create a comprehensive self-exclusion program.</u>

4. Conduct research of the prevalence of gambling addiction prior to expansion and at regular periods thereafter in order to monitor impacts of gambling and have data that will support evidence-based mitigation efforts.

In response to the Supreme Court ruling, in November 2018, the national council commissioned the largest ever national study of gambling attitudes and experiences, with questions relating to sports betting. This survey clearly demonstrated that those who participate in sports betting are several times more likely to show problematic gambling behavior than those who limit their gambling to activities currently available in Minnesota, such as casinos and the lottery. I must caution, that we do not know whether this is because sports betting is inherently more risky than other forms, because it appeals to those at the highest risk (such as young males) *or* because it is currently largely available through unregulated offshore sites that make no provision for the safety or well-being of their customers. Regardless of the cause, *it is clear that we must take action to* minimize risk and ensure the well-being of the Minnesota public.

We would be happy to share with you in greater detail the findings of our studies.

Why wouldn't Minnesota want to include consumer protection tools? Informed players who understand the risks express greater satisfaction with their gambling experience. Gaming regulators around the world are adopting more responsible gambling programs because they have made this connection and acknowledge they would prefer to have healthy players participate in their business.

We ask that before this bill goes any further, please build in the provisions NPGA and NCPG supports. Any and all gambling expansion should mandate adequate consumer protections and set aside at least 1% of the funds from the tax revenue to support Minnesota's problem gambling programs. We look forward to working with the authors of the bill to ensure that any expansion of sports betting comes with the greatest benefit to the state, at the least risk to its citizens.

Thank you for the opportunity to testify today.