



The Public Health Concerns of iGambling. Understanding the Social and Economic Impacts.

DOURA-SCHAWOHL
CONSULTING

Accolades



- Brianne Doura-Schawohl is a passionate, seasoned government relations professional with a decade of leadership in advocacy, public policy, government affairs, and communications.
- History of experience and achievements in United States State and Congressional legislative work, including a diverse portfolio of complex problem gambling policy issues.
- Works with Congress and state legislatures and regulators to provide expert advice on gambling policy. She continues to work with stakeholders on both sides of the aisle across the country.
- Featured in numerous local, state, national, and international media, including CNBC, ESPN, Forbes, Bloomberg, The Financial Times, The New York Times, The Washington Post, The Washington Times, The Guardian, CBC, and others.
- She continues to speak at many conferences and other public events on gaming policy in the United States, Europe, Canada, and Australia.
- Serves on the Board of Trustees for Kindbridge Research Institute

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Gambling Now



Problem Gambling in America

- The national annual social cost of problem gambling is \$14 billion.
- NCPG estimates 9 million American adults suffer from gambling addiction.
- There are currently no federal funds designated for problem gambling treatment or research, unlike the billions in funding for alcohol, tobacco, and drug addiction.



Gambling Related Harm

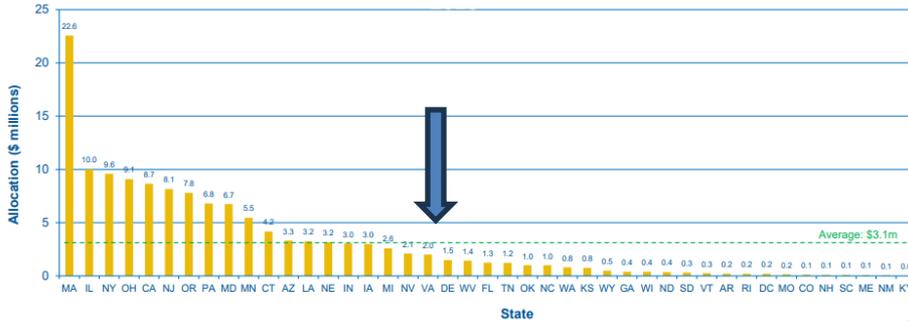
- **5.5% of women** and **11.9% of men** globally experience some level of harm from gambling.
- Individuals with a gambling disorder were **15x more likely to die by suicide** than the general population.
- One study found **4.2% of suicides** were found to be gambling-related
- For every person who gambles at high-risk levels, an average of **6 others are negatively impacted**
 - This number is likely much higher in kinship cultures, including Indigenous peoples.



Problem Gambling Infrastructure in Virginia

U.S. State Agency Problem Gambling Services Allocations, by state: 2023¹

There was a wide range of state allocation levels, from \$22.6m for MA and \$.01m for KY. The average 2023 allocation was \$3.1m. (The median was \$1.2m.)



- Total average \$ per PG per capita is **54 cents**
- **8 jurisdictions** with \$0
- The estimated annual social costs incurred by the state of Virginia is **\$331 million**
- Substance abuse was **338x** more funded than publicly funded Problem Gambling services, only **7.1 times more prevalent**



State of the Nation

“How do Americans feel about the fact that sports betting is now legal in much of the U.S.?”

Only 8% say it is a good thing for society

[About 1 in 5 Americans say they have bet on sports in the past year | Pew Research Center](#)

Total Consumption Model:

There is a positive relationship between the amount of gambling losses in the population and the extent of excessive gambling. In other words, in line with the TCM, when levels of gambling increase in the population, so do gambling losses.

Furthermore, the researchers found that this pattern was consistent across different categorizations of population groups for various forms of gambling.

The results of this study show that gambling losses increase at all levels of gambling with increasing total amount of losses in the population. These findings suggest that gambling problems are not simply caused by individual characteristics but are also influenced by gambling patterns in the broader population.



Game Design



- Ability for large wagers
- Continuous gambling
- Rapid Feedback
- Instant and easy access to vast number of gambling options
- High accessibility of tech-savvy youth
- Cross promotion of products

“Five-reel, 15-payline slot. This game truly stands out in the world of online slots thanks to its \$75,000 max bet. No, that’s not a typo — you can wager up to \$75K per spin.”

“Evidence suggests that there is a relationship, albeit complex, between the availability of gambling opportunities and increased levels of related problems. Consequently, it has been asserted that the easy access to gambling provided by Internet modes may lead to the development or exacerbation of gambling problems”

(Online Gambling Addiction: the Relationship Between Internet Gambling and Disordered Gambling)



From the Headlines

A Psychiatrist Tried to Quit Gambling. Betting Apps Kept Her Hooked.

While Kavita Fischer sank deeper into six-figure losses, companies kept her going with bonus credits, VIP treatment and data tracking

'We're killing the youth of America': calls grow for crackdown on US gambling

Watchdogs see uptick in helpline calls as sports and online gambling increase

As new types of wagers continue to rise in popularity, so do concerns about how to help the gamblers who need it most

STUDY SAYS NJ IS ONE OF THE MOST GAMBLING ADDICTED STATES

Kids as Young as 11 Are Becoming Addicted to Online Gambling

What are the odds your tween or teen has been exposed to gambling marketing messages? Research shows it's pretty high—even though the legal age for gambling in the U.S. is 18 or 21.

Gambling is easier than ever. Report warns it's a global 'threat to public health.'



Problem Gambling in New Jersey



- New Jersey's rate of problem gambling is about **3x the national average**, like the findings in the 2017 report
- The overall rate of high-risk problem gambling is **5.6%**
- The low/moderate risk gambling is **13%**
- The proportion of online-only gamblers nearly tripled since 2017 to nearly 15%, the proportion of individuals who gambled at mixed venues has nearly doubled to 36%

“Those who gambled in mixed venues, compared to those who gambled only online or only in land-based venues, had significantly higher rates of tobacco, alcohol, and illicit drug use; binge drinking; alcohol or drug problems; problems with a range of addictive behaviors, and mental health problems. About 9% of this group reported having thoughts of suicide, nearly 6% had attempted suicide, and about 9% reported engaging in non-suicidal self injury. Online-only gamblers had higher rates of binge drinking, all potentially addictive behaviors, and moderate mental health problems when compared to land-based only gamblers.”



New Jersey Report to Governor on Responsible Gaming



Sen. John McKeon, D-27th District, is a leading voice on this issue. He commended the task force for its work researching the **urgent public health crisis** posed by problem gambling in New Jersey — especially among the youth.

“Last year, I introduced a package of bills aiming to better protect children and chronic gamblers, and though I am disappointed that the problem continues to grow, I am glad that this issue is receiving more and more attention from the Governor, the Task Force, and other policymakers,” said McKeon.

“I am committed to working with both the Governor and my colleagues in the Legislature to consider the recommendations made within the report, especially with regard to increasing prevention and education efforts for youth, obtaining more funding for prevention and treatment programs, and the streamlining of the delivery of grants and funding.”



Connecticut & Pennsylvania



- This year Pennsylvania passed, with overwhelming Bi-partisan support, a measure that will examine the **rise** of sports betting and related **interactive gambling in PA and the subsequent increase in** gambling related **harm**.
 - The intent is to understand what best practices could be put into place to provide guardrails for the industry and relief for individuals suffering from gambling related harm.
- Researchers in CT found that nearly **71%** of all legal gambling revenue in the state comes from the fewer than **7%** of residents who are problem (1.8%) or at-risk gamblers (4.9%).



Journal of American Medicine Association



Still, the JAMA study is part of a growing body of research suggesting that online gambling, particularly sports betting, may be driving an increase in problem gambling. Especially among young men.

According to the [American Psychological Association](#):

- 5% of young gamblers develop a gambling disorder, with a 2 to 1 ratio of male to female cases.
- More than 10% of young sports bettors have considered suicide.
- 60–80% of high school students report gambling in the past year, often introduced through loot boxes in video games.



Online gambling: the stakes for public health

Experts at a Harvard University forum examined the rise of online gambling and policies that can help

“It’s definitely much more harmful than the usual other kinds of traditional gambling that people indulge in,” said Shekhar Saxena, professor of global health at the Harvard T.H. Chan School of Public Health. “It’s continuous, it’s intense, and it can be financially — and also physically and mentally — extremely harmful.” Online gambling can be 10 times more harmful than other forms of gambling, according to Saxena.

Studies show that online gamblers, particularly those who use multiple sites, have the highest rates of harm. “The ones with the highest rates are lying in bed at night on their iPad while their partner’s asleep,” said Lia Nower, director of Rutgers Center for Gambling Studies. This isolation allows addiction to worsen unnoticed, often exacerbating anxiety, depression and other destructive behaviors.



Lancet Public Health

Gambling: A neglected public health issue

Unfortunately, gambling has been neglected and understudied as a public health issue. In their review of interventions to reduce the burden of gambling-related harms, Lindsay Blank and colleagues conclude that the evidence is sparse and weak. But they also caution that it is imperative to ensure that a scarcity of evidence is not used as a justification for inaction. They warn that the complexity of the relation between gambling and its associated harms, together with the paucity of robust evidence, could be used as a rationale to oppose or delay policy interventions. They argue that, “The gambling industry will strongly resist and argue against proposals to introduce interventions that might regulate or restrict their commercial activities.” Gambling is a highly profitable industry, but policy makers should not ignore the substantial threats to health and wellbeing that exist.

The normalisation of gambling in many countries, its widespread and easy accessibility, and governments' addiction to revenues from gambling could be a threat to reaching the sustainable development goals. The growth of commercial gambling across sub-Saharan Africa and the so-called gamblification of sports over recent years deserves closer scrutiny, not least because gambling can deepen poverty.



World Health Organization (WHO)

- Estimates suggest 1.2% of world's adult population has a gambling disorder.
- People gambling at harmful levels generates around 60% of losses (gambling revenue).
- Gambling can threaten health, leading to increased rates of mental illness and suicide.
- Gambling can drive poverty by diverting household spending from essentials.
- Gambling harm also includes relationship breakdown, family violence, financial distress, stigma, income generated crimes (theft, fraud), and neglect of children.



I-Gambling & The Illegal Market

Sports Betting

Legal sports betting was supposed to end the black market. It didn't.

Despite the widespread legalization of sports betting in the United States, the offshore black market continues to attract billions of dollars of wagers annually.

September 12, 2024

MGCB continues illegal online gambling crackdown in Michigan

New AGA Analysis Reveals Illegal Gaming Remains Nearly a Third of the U.S. Market

“What stands out most is the unregulated market's resilience. Even as the legal market has expanded significantly since 2022, these operators have kept pace, holding on to roughly the same share of total play. This parallel market won't disappear on its own...” – Brian Wyman

Yield Sec: New Jersey (legal for online sports betting and online casino): Illegal online sports betting accounts for 22% (\$996 million) of the total GGR, while illegal online casino gaming takes 16% (\$719 million).



Economic Assessment of I-Gambling in New Jersey

- Gambling including iGambling has negative social effects, beyond the economic effects measured. There could be an additional fiscal cost of \$350 million in New Jersey Driven by problem gambling.
 - Healthcare, welfare, homelessness, and criminal justice.
- The fiscal costs off set the increased tax revenue collected from iGambling.
- The rapid growth of iGambling has been supported by advertising expenditure far greater than other sectors.
- The economic analysis assumes that the money spent in gambling is diverted from other discretionary recreational activities.
 - In reality, some gamblers may spend money that they would have otherwise saved or used on necessities or may take out credit to do so.



Economic Implications

Financial Consequences of Expanded Gambling

A [separate study by USC and UCLA](#) found that in states that recently legalized online gambling or sports betting:

- Average credit scores dropped by 0.3%.
- Credit card delinquency rates rose 8%.
- Auto loan delinquencies increased 9%.
- Bankruptcy risk surged 25%.





THANK YOU

Brianne Doura-Schawohl

774.571.9451

Twitter: @BrianneDoura

Brianne@consultbds.com

Consultbds.com

DOURA-SCHAWOHL
CONSULTING