



New York Council on Problem Gambling

Who We are
What We Do

Our Mission

The New York Council on Problem Gambling is a not-for profit independent corporation dedicated to **increasing public awareness** about problem and disordered gambling and **advocating for support services and treatment** for persons adversely affected by problem gambling. NYCPG maintains a neutral stance on gambling and is governed by a Board of Directors.

Partnership



Proud Partner With:



New York Council on Problem Gambling



Prioritize Problem Gambling

The Landscape

State Revenues/ New Yorkers Losses 2021

NY Lottery

- \$8.59 Billion Total Sales
- NYS Video Lottery Terminals \$929 Million

New York Racing Association

- 15.6% increase in all sources handle over the prior record of \$705,343,949 set in 2019

Commercial Casinos

- October 2019-October 2021, month to month comparison, saw a 19% increase in losses

Addressing Problem Gambling is Unique

- The majority of the gambling in NYS is State Sponsored
- Challenging for the state to both promote gambling, be tasked with generating revenues AND address the associated problems
- NYS OASAS' budget to address addiction of substances is **\$821 Million**
- NYS OMH's budget to address mental health problems is **\$4.45 Billion**
- NYS budget to address gambling problems is **\$5.7 Million**

Recent Expansion

Sports Betting Launched at Commercial Casinos

- In October, New York residents wagered over \$25.5 million on sports, resulting in the largest sports betting handle New York has seen since launching in July of 2019.

NY Lottery- Jackpocket first online lottery app

- "As we experience high jackpot moments moving forward, I believe that we can use Q3 2021 as an indicator of what's to come, with digital lottery growing over 21% since last quarter alone," said Jackpocket CEO Peter Sullivan. "Every day, consumers are opting for mobile solutions where they might not have existed previously, like the lottery."

NJ and PA exceeding MSB Projections

- This nudged the state's [online gambling] annual total to \$1.05bn through the first ten months of the year, joining New Jersey in topping the \$1bn milestone in annual online casino revenue through October.
- New Jersey's red-hot sports betting industry smashed its own national record in October for the highest amount of bets taken in a single month, topping \$1.3 billion.

The Problem

Mobile Sports Betting and Problem Gambling Lessons Learned

Australia

- In a recent study, 9.1% of Australian adults had experienced some level of harm from their own gambling and 6.0% from another person's gambling, with online gamblers twice as likely as land-based only gamblers to experience harm

Pennsylvania

PA first launched sports betting in 2018 and expanded online in 2019. The state's helpline data shows the following:

- The calls from individuals reporting problems primarily from internet forms of gambling increased 285% from 65 in 2019 to 250 in 2020.
- From those describing sports betting as their primary problem, help line calls increased 66%.

New Jersey

- In NJ, sports betting has been legal since the summer of 2018. According to the Council on Compulsive Gambling of New Jersey, "Helpline calls where sports gambling was referenced as the primary issue PRIOR to 2018 legalization ranged from 1% – 5% per year. Calls received on the 800-GAMBLER Helpline, since June 2018 where sports gambling is a PRIMARY issue jumped to 10.8% of all helpline calls for period ending October 31st, 2019. In addition, the Council's treatment providers have reported that over 50% of their practice is treatment geared toward those who are struggling with sports gambling related issues."

Mobile Sports Betting Advertising

DraftKings CEO Jason Robins is ready to spend money marketing NY sports betting and will worry about profits later.

*“it’s not about the money” but about
“achieving our goal of \$1T market cap by
2032”*

DraftKings, of course, has no qualms losing money in the short term. The company posted a net loss of **\$545 million** in the third quarter alone, with more than **\$303 million** spent on sales and marketing.

Mobile Sports Betting with Credit

“A patron may deposit and withdraw funds to and from their account with an operator through electronically recognized payment methods, including but not limited to credit cards and debit cards, or via any other means approved by the Commission,” according to the [NYS Gaming Commission] website FAQ. *“(State law) limits the number of accounts per patron to one account with any operator.”*

Mobile Sports Betting Promos Heading to NYS

DraftKings
Sportsbook — 20%
deposit match up to
\$1,000 + \$50 free bet

BetMGM
Sportsbook — \$1,000
risk-free bet

Caesars Sportsbook —
\$1,001 first bet match

BetRivers — 100%
deposit match up to
\$250

FanDuel
Sportsbook — \$1,000
risk-free bet

WynnBET — \$1,000
risk-free bet

PointsBet — \$2,000
risk-free bet

Bally Bet — \$550 risk-
free bet

Resorts World —
\$250 risk-free bet

What's Coming Next

Mobile Sports Betting

- New Yorkers will lose 1 billion and it's just the beginning

Online Raffles

- Legalizing online betting on raffles conducted by registered charitable groups, from fire houses to fraternal organizations to the Buffalo Bills Alumni Association. In public comment period for at least 60 days before a final rule can be adopted.

Online Horse Race Betting and Online Poker

*"Addabbo is looking to the 2023 fiscal year budget to continue strengthening New York's online sports betting program. Other than activating the **three downstate casino licenses, online horse racing betting and online poker** are two high priorities moving into the budget season".*

- Robert Linnehan, Elite Sports NY

Technology

A recent study released by Winters and Derevensky, showed that mobile device bettors were found to have had a higher proportion of problem gambling (22%) than were individuals who used other modes of betting (18% offline, 16% PC).

A Review of Sports Wagering: Prevalence, Characteristics of Sports Bettors, and Association with Problem Gambling
https://www.ncpgambling.org/wp-content/uploads/2020/01/sports-gambling_NCPGLitRvw.pdf

Who is More at Risk?

In a review of more than 140 studies and reports related to sports betting and gambling addiction, the National Council on Problem Gaming released a statement saying,

“recent research suggests that gambling problems may increase as sports gambling grows explosively at the same time that mobile and online technologies evolve to create seemingly unlimited types of wagering opportunities.”

Some highlights from their findings:

- Sports bettors have higher rates of gambling problems than other gamblers (at least twice as high), and gambling problems increase with online betting
- 45% of sports betting now takes place online; this is problematic because online gambling is available any time, providing more convenience and privacy
- Sports bettors who use mobile devices have a higher incidence of problem gambling
- Aggressive marketing and advertising promotions make it more difficult for sports bettors who are trying to reduce their gambling
- Young people have higher rates of gambling problems than adults; 75% of students gambled, according to data from 2018

Awareness and Prevention Education

While the Massachusetts Gambling Impact Cohort (MAGIC) study suggested that the focus of prevention and treatment efforts should be on individuals currently experiencing gambling problems, the Prevention Paradox results indicate that **such efforts must be counterbalanced by ongoing prevention efforts aimed at individuals not yet experiencing problems,**” researchers wrote in a snapshot of their work. “This is due to the fact that while individual harms may be less severe, the majority of the total sum of those individual harms is still found in the general population.”

The study also found **“high rates of financial harms and health harms” among regular gamblers** in Massachusetts, which the research team said highlights “the importance of raising awareness about gambling-related harm and educating the community about the extent of gambling harm among regular gamblers.”

Moving Forward

people, purpose **& passion**
THE PATHWAY TO SUCCESS

New York Council on Problem Gambling Recommendations

1. New York State Division of Problem Gambling
2. Mobile Sports Betting – change the law, 3% of state revenues should go towards problem gambling services.
3. Any new forms of gambling including online poker, etc. must include 3% of state tax revenues dedicated to problem gambling services.
4. [Comprehensive Plan](#) to address building infrastructure and raising awareness over the next 4 years.

Recommendation One

New York State Division of Problem Gambling

- Independent division focused on addressing the needs of individuals at-risk of or struggling with problem gambling
- Tasked with creating problem gambling only services as well as infusing in all relevant systems such as OMH, OASAS, DOJ, State Ed, etc.
- A division where addressing problem gambling will be the sole priority

Recommendation Two

Mobile Sports Betting – change the law, 3% of state revenues should go towards problem gambling services.

Those sportsbooks will see gross sports betting revenue taxed at **51%**. All nine will be licensed for **10 years** based on the tax rate.

Racing Law § 1367(8) provides in relevant part:

the commission shall pay into the commercial gaming fund **one percent of the state tax imposed on mobile sports wagering** by this section to be distributed for problem gambling education and treatment purposes

provided however, that such amount shall be equal to **six million dollars for each fiscal year thereafter.**

The revenues will be \$1 billion or more and problem gambling services will get less than 1%

Recommendation Three

Any new forms of gambling including online poker, etc. must include 3% of state tax revenues dedicated to problem gambling services.

Already moving on legislation for new forms of online gambling:

Senate Bill S7536 (Introduced by Addabbo 11/19/21)

Relates to wagers on certain horse racing events and authorizes agreements between a mobile sports wagering operator and an affiliate

Recommendation Four

Comprehensive Plan to address building infrastructure and raising awareness over the next 4 years.

2022- Additional \$6 million from MSB

2023- Additional \$9 million from new Downstate Casinos

2024- Additional unknown- 3% of MSB and all newly legalized forms of gambling (estimated \$15-20 Million)

2025- Additional unknown- 3% of MSB and all newly legalized forms of gambling (estimated \$15-20 Million)

Comprehensive Plan Highlights

Year 1- Helpline, Improved Voluntary Self Exclusion, Workforce Development, Peer Supports, Inpatient Treatment, Cultural Competency, Focus on Reducing Stigma

Year 2- Research, Statewide Awareness Programs, Statewide Services Marketing

Year 3- Industry Evidenced-Based Prevention Efforts, Statewide Responsible Gambling Awareness Campaigns, Expanded Treatment Levels of Care

Year 4- Problem Gambling Treatment Courts and Alternative Sentencing Programs, Mandatory Problem Gambling Screening Across All Relevant Statewide Systems, Gaming and Gambling Addiction Services Spectrum

View the full recommended Comprehensive Plan [here](#).

Calling All
Advocates- It's
Time to Act!

Show your
support NOW!



Resources

- <https://casinobeats.com/2021/11/18/pennsylvania-sees-online-gambling-continue-to-thrive/>
- <https://www.fox5ny.com/news/nj-smashes-own-monthly-sports-betting-record-with-1-3b-in-bets>
- <https://www.usaonlinesportsbooks.com/news/new-york-sportsbooks-handle-record-breaking-25m-in-october-2021.html>
- <https://www.masslive.com/casinos/2021/11/low-risk-gamblers-faced-greatest-harm-before-casinos-opened-in-massachusetts.html>
- <https://www.legalsportsreport.com/59130/mobile-ny-sports-betting-license-winners-chosen/>
- <https://www.legalsportsreport.com/59047/analysis-draftkings-marketing-ny-sports-betting/>
- <https://www.gamingtoday.com/news/new-york-mobile-sports-betting-to-allow-credit-card-use/>
- <https://800gambler.org/sports-betting-and-the-impact-on-the-problem-gambler/>
- <https://www.pennbets.com/problem-gambling-internet-sports-wagering-emerged-2020/>
- https://www.ncpgambling.org/wp-content/uploads/2020/01/sports-gambling_NCPGLitRvw.pdf
- <https://www.prnewswire.com/news-releases/jackpocket-releases-q3-report-on-state-of-digital-lottery-play-in-us-showing-growth-after-historic-mega-millions-and-powerball-jackpots-301406836.html>
- <https://elitesportsny.com/2021/11/11/sen-addabbo-new-york-online-sports-betting-on-pace-for-nfl-playoff-launch/>
- https://buffalonews.com/news/local/place-your-bets-state-taps-nine-firms-to-offer-mobile-sports-betting-across-new-york/article_c852abf4-40d4-11ec-8279-bb2c25c497ea.html?utm_source=First+Read+Newsletters&utm_campaign=f12dd24423-First_Read_Tonight_1...
- <https://www.forbes.com/sites/forbestechcouncil/2021/02/25/not-just-a-game-online-sports-betting-and-the-rise-of-corrosive-technology/?sh=45b12a9270ec>
- <https://www.theguardian.com/sport/2021/sep/21/us-sports-betting-legal-adverts>
- <https://www.asgam.com/index.php/2021/10/14/study-finds-twice-as-many-australians-now-gambling-online/>