

Dedicated to promoting the health of Oregonians through reducing gambling-related harm.

Neutral on legalized gambling.

### **HB 4057**

Julie Hynes, Executive Director
Oregon Council on Problem Gambling
February 20, 2020

### NCAA'S POSITION IS CLEAR

"The NCAA opposes all forms of legal and illegal sports wagering, which has the potential to undermine the integrity of sports contests and jeopardizes the welfare of student-athletes and the intercollegiate athletics community."

### **NOT LIKE THE PROS**

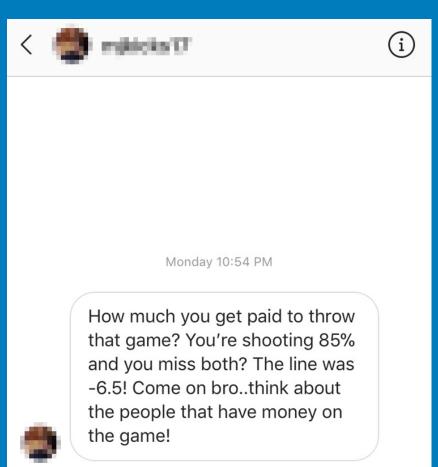
- Student athletes are unpaid.
- Student athletes have immediate (and unprecedented) accessibility.
- Development of the prefrontal cortex (decision making, impulse control, other executive functioning) is still occurring until about age 25.
- The HB 4057 -1 Amendment prevention to prevent immediate family members & other agents does not account for peers, extended family with access, others via social media, many others with access.

Student athlete comment in University of Oregon problem gambling course, 2017

experienced that. For me, I would find it incredibly stressful and it would alter my game if I had adults or other players betting on my performance. What a lot of fans tend to forget is how much stress athletes are under during games and how terrible it feels to let people down. According to the NCAA, "gambling can quickly escalate

# BAYLOR MEN'S BASKETBALL: WINS... BUT DOESN'T COVER SPREAD (2/6/2020)

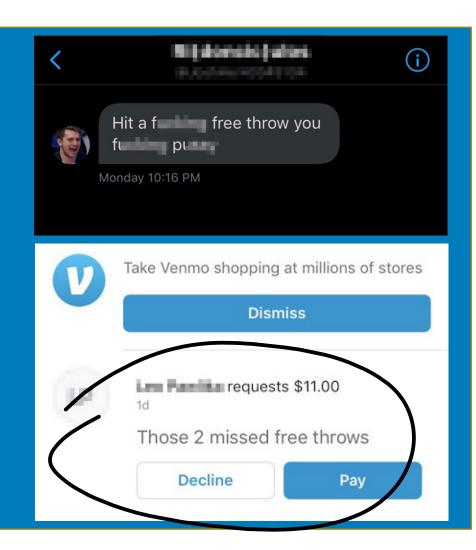




# BAYLOR MEN'S BASKETBALL: WINS... BUT DOESN'T COVER SPREAD (2/6/2020)

"Usually, after you win a game, you get congratulatory texts and messages from friends and family. Now guys are getting cursed out because they don't cover a spread that they didn't even know about."

- Scott Drew, Baylor Men's Basketball Head Coach, 2/6/20



# PRESSURE WILL EXTEND TO OUR STATE ITSELF

"If you're an 18 to 24 male who has a heavy history of existing illegal sports betting, when we shift you into the legal market, you're (going to) be at much higher risk and those consequences are (going to) fall on government and operators."

- Keith Whyte, Executive Director, National Council on Problem Gambling (2/17/20)

# EXISTING AVAILABILITY VS EXPANDED LEGALIZATION

#### **Existing markets:**

#### Offshore outlets-

Existing "black market" availability with offshore betting naturally limits the number of players who would otherwise only bet legally.

#### Tribal casinos-

Existing availability with Oregon tribal casinos limits wagering to brick-and-mortar sites, limiting the number of players and allowing for natural, physical breaks in play

#### Legalization:

#### Increases normalization—

Relevant studies show normalization increases prevalence of use 1,2

#### Black market uncertainty—

There is no evidence that legalization would reduce black market sports wagering; with legalized recreational marijuana, black market activity continues to thrive<sup>3</sup>

#### Hidden costs—

Monitoring of eligible players would create a heavy administrative burden on the Lottery

<sup>1.</sup> Nyemcsok, C., Thomas, S. L., Bestman, A., Pitt, H., Daube, M., & Cassidy, R. (2018, December). Young people's recall and perceptions of gambling advertising and intentions to gamble on sport. *Journal of Behavioral Addictions*, 7, 1068-1078. doi: 10.1556/2006.7.2018.128.

<sup>2.</sup> Bae, H. & Kerr, D.C.R. (2019, November). Marijuana use trends among college students in states with and without legalization of recreational use: initial and longer-term changes from 2008 to 2018. Addiction. https://onlinelibrary.wiley.com/doi/abs/10.1111/add.14939

<sup>3.</sup> https://www.politico.com/magazine/story/2019/07/21/legal-marijuana-black-market-227414; https://www.nbcnews.com/news/us-news/california-s-cannabis-black-market-has-eclipsed-its-legal-one-n1053856

### **NCAA'S CURRENT EFFORTS**

## Assessing effects of legalized sports wagering and how to best:

- protect game integrity
- monitor betting activity
- manage sports data and expand educational efforts



Georgia assessed critical technical foul after fan throws stuffed toy on court



### **INTEGRITY**

Preventing wagering on individuals (per -1 Amendment) and only on DI contests does not limit key issues and effects.

#### Key issues:

- Spot fixing
- Inside information on injuries, starters, etc.
- Individual-heavy team sports (e.g., golf, tennis, track & field, etc.)
- Uncertainty around officials and other related entities

#### **Key potential effects:**

- Wagers halted due to anomalies / discrepancies affecting reputation of operator; causing concern around legitimacy
- Student athlete eligibility and health
- Institutional reputation and potential sanctions

# THIS IS OREGON'S OPPORTUNITY TO LEAD.

Oregon is seen as a leader in public health. Good public health practice would be to:

- 1. await referenced NCAA efforts to protecting game integrity, monitoring betting activity, managing sports data and expanding educational efforts;
- 2. understand the effects of legalized sports wagering in other states prior to implementation.

**Relatively small revenue: is it worth it to do it now?** An estimated \$7-9 million to the EIF is relatively small number given the potential social and economic costs to Oregonians.

**Prevention is key.** Training and education should be instituted <u>prior</u> to offering legalized sports wagering options; any legalization should include set-aside funding for these programs.

We have the chance to do it right!