



The Big Questions: Sports Wagering in America



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Executive Summary

As it has with several other debates of late, the UNLV International Gaming Institute (IGI) assembled an experienced team to address key questions that are emerging in U.S. policy debates over legalizing sports wagering. These “big questions” were co-developed by the IGI and the sponsor of this report, the GVC Foundation U.S. As with all IGI research, after finalizing these questions, the sponsor did not see the final report until it was released to the public. Given its intended audience of U.S. policymakers, regulators, and the general public, this introductory report was written in an accessible style, free of academic jargon. Of course, these are all topics whose complexity necessitates further analysis and discussion, and we look forward to engaging them as these debates continue to unfold.

The following are key considerations when considering the legalization of sports wagering in the U.S.:

What's the history here? A series of legislative and judiciary developments have allowed states to determine their own sports wagering policies. This report is aimed at informing these states' decisions.

Can sports wagering be legalized and regulated with integrity? Yes, in a way that protects both the gaming industry and sports leagues, if proven best practices are implemented.

What are the socio-economic impacts? Researchers suggest that all forms of gambling are not created equal when it comes to their socio-economic impacts. The types that score higher tend to emphasize job creation and minimize problem gambling harms, while the types that score lowest are those in the illegal sector (including a large illegal sports wagering market today). Depending on the nature of their business and the attractiveness of their offerings, online sports wagering entities can increase technology jobs and replace illegal consumption.

What happens to problem gambling when new gambling opportunities (like sports wagering) are introduced? In general, we find the “Adaptation Model,” developed by a team of Harvard Medical School researchers, to have compelling support. This means that after an initial increase in problem gambling rates when new gambling opportunities are introduced for the first time, rates tend to taper off (and can even decline) – especially if strong problem gambling programs are introduced. Less clear is whether sports wagering constitutes a “new” form of gambling anywhere in the U.S., as certainly the activity has been available (if not condoned) in illegal settings for decades.

What can be done about problem gambling? The U.S. National Council on Problem Gambling suggests support for “PETERRR” – prevention, education, treatment, enforcement, research, responsible gaming, and recovery. So that policymakers might understand the resources available to support these areas, in this section we describe the major U.S. organizations that support these important areas. We also suggest that government funding for these programs is vital, and that states should collaborate with these organizations on problem gambling policy. Finally, we summarize policies, international resources, and the role of behavioral analytics.

What are the youth gambling impacts? Because stakeholders are understandably concerned about underage gamblers, and because this constitutes an at-risk group, we outline the ways in which technology has helped provide safeguards, and suggest that policymakers enact the strongest safeguards available.

In jurisdictions where sports wagering and/or online gambling is not legalized, what happens in the illegal marketplace? In sum, the underground (illegal) marketplace flourishes. As indicated above, these markets are associated with the worst of socio-economic impacts.

The world is “going cashless” – what does this mean for gambling in 2020 and beyond? Casinos remain one of the last places where “cash is king” – but this is changing rapidly in a COVID environment. As with the rest of these considerations, problem gambling concerns need to be addressed before expansion of cashless wagering is approved. Here, online gambling environments can provide some “best practices” by virtue of their longer history with cashless systems.

What are the risks and solutions for money laundering? This is one of the few issues where the U.S. federal government takes the lead. We summarize previous IGI work outlining best practices to ensure money laundering risks are substantially minimized.

What are the impacts of marketing in these environments? Once more, this is a well-researched field, as adverse impacts from marketing to vulnerable populations can be highly problematic. Here, we outline established best practices in both land-based and online environments.

Overall, what are Americans’ perceptions of gambling? According to industry research and those who “vote with their feet” by engaging in gambling, perceptions overall are more positive than they were a generation ago.

How is this affected by COVID-19? The impacts of the pandemic are varied, deep, and wide. From the shift to cashless referenced above (motivated in part by a desire to sanitize gambling environments) to increased risk for a general U.S. population that, as a whole, is worse off financially than it was before the pandemic hit, we describe the ways in which COVID considerations are paramount today.

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Introductory Overview

In the United States, the sports wagering world has changed at a dizzying pace. Though odd exceptions existed, until June of 2018, Nevada was the lone state where it was legal to place a wager on a single sports contest. After a transformative series of legal and legislative events, only two years later, Americans found themselves with a newfound ability to place legal sports bets in 18 states and the District of Columbia. At the other end of the spectrum, only seven states have *no* active or recently active sports wagering legislation. This means that state legislators and gaming regulators have been making rapid-fire decisions on a major expansion of gambling¹ activity – while also dealing with the economic and health crises that dominate policy agendas today.

Against this backdrop, GVC Foundation U.S. (GVC), the charitable arm of the online sports wagering company of the same name, sought the expertise of the UNLV International Gaming Institute (IGI), the world's largest academic center dedicated to the study of gambling. Noting that many U.S. jurisdictions have been asking similar questions about social, governmental, operational, and legal impacts, GVC asked the IGI to produce this document in an attempt to shed light on these topics.

As it has with other vital gambling debates of late (including the debate over relocating an NFL team to America's gambling capital of Las Vegas,² or whether to legalize integrated resort casinos in Japan³), the IGI assembled an experienced and cognitively diverse team to address the important questions of the day. Our team of authors and editors has over 100 years of combined experience in examining the impacts discussed here.

The “big questions” themselves were co-developed by GVC and the IGI, and are listed below. After finalizing these questions, GVC did not see the final report until it was released to the public. Given its intended audience of U.S. policymakers, regulators, and the general public, this report was written in an accessible style, free of academic jargon. It was, however, subjected to a rigorous, independent peer review conducted by two expert academics unaffiliated with this project.

What follows is an overview of “the big questions” that arise in American policy debates over sports wagering, in online and offline settings.

¹ Throughout this document, “gambling” will refer to the act of gambling, while “gaming” will refer to the industry that commercializes this act.

² Bernhard, B. J., Cabot, A., Philander, K., & Lipparelli, M. (2015). *The NFL in Las Vegas: What the Research Says*. UNLV International Gaming Institute, Las Vegas, NV. https://www.unlv.edu/sites/default/files/page_files/27/IGI-PublishedResearch-NFLStudy.pdf

³ Philander, K., Abarbanel, B., Bernhard, B., and Cho, R. (2017). *Socio-Economic Impacts of Japanese Integrated Resorts: Review and Recommendations*. UNLV International Gaming Institute.

https://www.unlv.edu/sites/default/files/page_files/27/JapanSocialEconomicImpactsReport.pdf

Roberts, J., Abarbanel, B., & Bernhard, B. (2017). *Practical Perspectives on Gambling Regulatory Processes for Study by Japan: Eliminating Organized Crime in Nevada Casinos*. UNLV International Gaming Institute.

https://www.unlv.edu/sites/default/files/page_files/27/JapanEliminatingOrganizedCrime.pdf

The Big Questions

1. How did we get here? What's the brief history of sports wagering in the U.S.?⁴

Sports wagers have been popular in America since the dawn of the nation itself, as sports contests have long provided an opportunity to lay a bet on the outcome.⁵ For the vast majority of jurisdictions and chapters in American history, however, this activity has not been explicitly condoned under law.⁶ As such, policy debates have ensued over several decades,⁷ culminating most recently in a Supreme Court decision that has led to our current situation.⁸ This section will provide a brief overview of the major policy developments that led us here.

The 1961 Wire Act was intended to combat a real threat that the Kennedy Administration famously sought to fight: organized crime, especially as it pertained to illegal sports wagers. The Wire Act targeted communication via telephone, the mechanism often used to place wagers on events in other states (for instance, a Texas bettor could use a telephone to place a wager on a California horse race). Because the call crossed state lines, the activity became a federal legal issue. The federally legislated Wire Act made this type of interstate phone activity illegal, and debates ensued as to whether its language applied to wagers on the internet.

The Bush Administration's Department of Justice (DOJ) felt that it did, determining that the Act's language applied to all internet-based wagering in 2002. In 2011, the Obama Administration narrowed this interpretation, finding that the Act only applied to sports wagering, which ostensibly allowed interstate internet wagers that did *not* involve a sports contest.⁹ More recently, in 2018, the Trump Administration's DOJ found that the Act once again applied to all forms of internet gambling.¹⁰

These legal discussions on online sports wagering were one element of the debate in the U.S. Another was the growth of the market itself. According to a comprehensive review of a peer-reviewed global database of online poker alone, Americans average annual spend was the highest in the world, and the U.S. market overall constituted the world's largest.¹¹ As the internet and the online gambling industry grew throughout the late 1990s and early 2000s, opponents of online gambling sought to restrict the

⁴ For a more comprehensive and updated history, see Cabot, A. & Miller, K. (2020). Moving Faster than the Speed of Regulation: Can State-Authorized Sports Wagering Dodge a Game-Fixing Bullet without the Help of the Feds? *Journal of Legal Aspects of Sport*, 30(2).

⁵ Lang, A. K. (2016). *Sports betting and bookmaking: An American history*. Lanham: Rowman & Littlefield

⁶ Kelly, J. M. (2011). Sports Wagering Prohibition in the United States: An Exercise in Futility and the Best Development for Organized Crime. *Gaming Law Review and Economics*, 15(5), 257-259. <https://doi.org/10.1089/glre.2011.15508>.

⁷ Phillips, A. (2018, May 14). *The confusing battle over sports betting, explained*. The Washington Post. <https://www.washingtonpost.com/news/the-fix/wp/2018/05/14/the-confusing-battle-over-sports-betting-explained/>

⁸ Murphy v. National Collegiate Athletic Association, 584 U.S. (2018).

⁹ Cabot, A. & Miller, K. (2020). Moving Faster than the Speed of Regulation: Can State-Authorized Sports Wagering Dodge a Game-Fixing Bullet without the Help of the Feds? *Journal of Legal Aspects of Sport*, 30(2).

¹⁰ Engel, S. A. (2018, November 2). *Reconsidering Whether the Wire Act Applies to Non-Sports Gambling*. The United States Department of Justice. <https://www.justice.gov/olc/file/1121531/download>

¹¹ Fiedler, Ingo and Philander, Kahlil. (2013). US Online Poker Report: An Academicon Market Analysis and Forecast. Prepared for UNLV Libraries. Available online:

http://edocs.library.unlv.edu.ezproxy.library.unlv.edu/OnlinePoker_USRpt.pdf ISBN 978-3-00-042514-1

activity by targeting payment mechanisms like credit cards and banks, theorizing that by eliminating the ability to fund online wagers, the activity itself would be effectively eliminated.¹² This culminated in the 2006 passage of the Unlawful Internet Gambling Enforcement Act (UIGEA).¹³ Attached to a popular anti-terrorism bill just before a Congressional Recess, UIGEA was not subjected to debate at the time and has since been criticized by legal scholars.¹⁴

The development that is most relevant to our current situation is the U.S. Supreme Court decision based on The 1992 Professional and Amateur Sports Protection Act (PASPA). PASPA had effectively restricted sports wagering to the state of Nevada, indicating that when it came to sports wagering, states were not allowed to “sponsor, operate, advertise, promote, license, or authorize by law or compact” this activity – prohibitions that extended to state-operated sports books.¹⁵

In a 2018 pro-states’-rights ruling, the Supreme Court found that PASPA violated the 10th Amendment, opining that Congress could not tell states how to handle sports wagering.¹⁶

Hence, the history of legislation and jurisprudence in this area is complex, and the landscape has evolved substantially over just the past few years. As longtime gaming law scholars Cabot and Miller put it in the most recent and updated academic summary of these developments, “The controversy over sports betting has pivoted from whether states *could* legally offer sports betting, to whether they *should* legalize sports wagering, and if so, how they should go about regulating it.”¹⁷

This brings us to the debates of today – the contours of which are outlined in this document.

2. Can sports wagering be legalized and regulated with integrity?

Throughout the history of sports wagering in the U.S., a primary concern has been the integrity of sports contests and whether sports wagering compromised that integrity. Ultimately, sports leagues and sports wagering businesses are both reliant upon games’ underlying integrity – that is, ensuring that the games are fairly contested, based solely on the merits of athletes’ performances, without influence from those seeking to affect the outcomes for wagering purposes. For sports leagues, if the integrity of a league’s games is compromised (or even called into question), the sport is likely to lose fans (and as a result, sponsors, vendors, stadium deals, and on and on throughout the economic ecosystem). Similarly, if the integrity of a gambling game is compromised, the “fans” of sports wagering will lose interest in gambling.

¹² Stewart, D. (2006). *An analysis of internet gambling and its policy implications* [White paper]. American Gaming Association. <https://www.ropegray.com/~media/Files/articles/2006/05/david-stewart-examines-policy-implications-of-internet-gambling.pdf>

¹³ Unlawful Internet Gambling Enforcement Act 2006, 31 U.S.C. §§ 5361–5367 (2018). <https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title31-section5361&num=0&edition=prelim>

¹⁴ Cabot, A. & Miller, K. (2020). Moving Faster than the Speed of Regulation: Can State-Authorized Sports Wagering Dodge a Game-Fixing Bullet without the Help of the Feds? *Journal of Legal Aspects of Sport* 30, 2.

¹⁵ Professional and Amateur Sports Protection Act 1992, 28 U.S.C. §§ 3701–3704 (2018).

<https://uscode.house.gov/view.xhtml?path=/prelim@title28/part6/chapter178&edition=prelim>

¹⁶ Murphy v. National Collegiate Athletic Association, 584 U.S. _ (2018).

¹⁷ Cabot, A. & Miller, K. (2020). Moving Faster than the Speed of Regulation: Can State-Authorized Sports Wagering Dodge a Game-Fixing Bullet without the Help of the Feds? *Journal of Legal Aspects of Sport* 30, 2.

This was one of the key concerns that stakeholders had in relocating an NFL team to Las Vegas. In our examination of that issue, we noted that “there is little incentive for criminals to use Las Vegas sports books to place wagers as Nevada has a strong regulatory and enforcement structure in place, characterized by:

1. Strict regulation and accountability of bookmakers
2. Transparent accounting processes
3. Robust minimum internal controls
4. High prices relative to remote/illegal wagering”

In that report, we concluded that “due to the rigor of Nevada’s regulatory practices, the state’s approach actually provides sports leagues with their best opportunity to protect themselves when it comes to the all-important issue of integrity.”¹⁸ In other words, though these challenges are new, the solutions can be found in the best practices of existing states.

Specifically, we pointed to the importance of private sector entities developing “a collaborative relationship with local gaming regulatory authorities to ensure that information and expertise sharing is maximized, best practices are followed, and prompt reporting of any concerns is ensured.” These practices should include, at a minimum, a “system of information sharing” and “early warning systems” that help detect illicit activities (e.g., algorithmic systems that detect aberrant changes in wagering activity). As far as regulatory best practices go, we also recommended “agents or a unit within the Enforcement Division of the State Gaming Control Board to work on combating game-fixing.”¹⁹

When looking at U.S.-based best practices, our suggestion was to “deliver intensive gambling educational programs to all employees, focusing curricula on sports gambling laws and regulations, as well as case studies that illuminate problematic behaviors.” Finally, we strongly recommended that all parties involved “develop a strong problem gambling²⁰ prevention, education, and treatment program for all employees, relying on the latest scientific research (and then evaluated scientifically). This should be done in collaboration with a team of leading researchers as well as the most prominent local resource and service providers.”²¹

We also can turn our attention abroad, to jurisdictions where these activities have long been legalized and regulated. As is often the case with regulation more generally, the history of gambling regulation is a history of developing enhanced systems of enforcement over time, based upon responses to

¹⁸ Bernhard, B. J., Cabot, A., Philander, K., and Lipparelli, M. (2015). *The NFL in Las Vegas: What the Research Says*. UNLV International Gaming Institute, Las Vegas, NV.

https://www.unlv.edu/sites/default/files/page_files/27/IGI-PublishedResearch-NFLStudy.pdf

¹⁹ Ibid.

²⁰ Throughout this document, “problem gambling” will be used as a generic term to cover the range of problems associated with this addictive disorder.

²¹ Bernhard, B. J., Cabot, A., Philander, K., and Lipparelli, M. (2015). *The NFL in Las Vegas: What the Research Says*. UNLV International Gaming Institute, Las Vegas, NV.

https://www.unlv.edu/sites/default/files/page_files/27/IGI-PublishedResearch-NFLStudy.pdf

nefarious or potentially nefarious activity, new technologies, and new operational strategies. Just as Nevada has the longest history of land-based casino regulation – one that via trial and error has yielded a strong system for ensuring integrity – some European jurisdictions (in particular, those in the United Kingdom) provide online regulatory models to study, for similar historical reasons.

In Europe, for example, the International Betting Integrity Association (IBIA -- formerly ESSA) provides a model for collaboration, as it includes the major operators amongst its members.²² This organization works with the relevant sports federations around the world, including UEFA, FIFA, and the IOC. Typically, MOUs ensure that operators share data and data alerts on suspicious betting activities (and sports governing bodies and regulators may also request such information). An important lesson here is the importance of open collaboration. The newly-formed Sports Integrity Global Alliance (SIGA) engages stakeholders across a range of governmental, academic, and private sector organizations, with a mission of working together to promote the integrity of sport globally.

Legal scholars have primarily focused on whether government oversight should happen at the state or federal level, while agreeing that effective regulation is possible – and, in fact, has been demonstrated reliably in prominent jurisdictions that have a history of strong regulation.²³ In sum, a multi-stakeholder coalitional approach, relying upon lessons learned in the jurisdictions where legalization and regulation has held up to scrutiny for the longest time, is the best approach to addressing the legal, policy, social, and economic issues we identify here.

3. What are the socio-economic impacts of increased gambling opportunities?

The U.S. has been fortunate to have some of the world's leading authorities on socio-economic impacts of gambling industries. Dr. William Eadington is the academic “father of the field,” arriving at the Department of Economics at the University of Nevada, Reno in 1969 and single-handedly inventing the research area. A protégé of Dr. Eadington’s, Dr. Douglas Walker, has led the field of gambling economics since Dr. Eadington’s passing in 2013. In this field, Dr. Walker has authored the two definitive books in *The Economics of Gambling* and *Casinomics*. Finally, Dr. Kahlil Philander, a Canadian researcher working in the U.S., has led the charge to apply these socio-economic findings to novel settings – including online settings. In our view, policymakers should rely on the expertise of Dr. Walker and Dr. Philander when engaging the issues discussed in this section.

Each of these researchers have converged on a familiar academic conclusion when answering the all-important “what are the socio-economic impacts?” question: it depends.

Specifically, it seems not all forms of gambling are created equal when it comes to the socio-economic impacts it can drive. Some types of mass commercialization are associated with more adverse impacts, while others represent gambling offerings that can maximize benefits and reduce costs, if they are

²² International Betting Integrity Association. (n.d.) *What we do*. <https://ibia.bet>

²³ Cabot, A. & Miller, K. (2020). *Moving Faster than the Speed of Regulation: Can State-Authorized Sports Wagering Dodge a Game-Fixing Bullet without the Help of the Feds?* Journal of Legal Aspects of Sport 30, 2.

accompanied by appropriate ameliorative programs. These programs include workforce development and job creation programs, benefits for employees, and strong responsible gaming²⁴ programs.

Eadington created a famous typology of gambling impacts -- one that provided a general "ranking" of various gambling offerings -- that has since been mostly corroborated.²⁵ This typology concludes that the most harmful type of gambling is illegal gambling, such as illegal card rooms or offshore gambling websites that cater to customers in jurisdictions where online gambling is banned. These activities do not come with typical benefits (like health care for workers or taxes for governments), and the costs cut deep, as there are typically no responsible gaming programs in illegal settings, and, by definition, criminal activity is rampant. At the other, positive end of this spectrum of impacts for local jurisdictions are tourism-oriented integrated resorts, which can provide upwards of 10,000 jobs at a single facility, and that typically "export" problem gambling issues back to tourists' home jurisdictions.

In between these ends of the spectrum – and likely closer to the positive end of the spectrum -- is where legalized online gambling falls. While online gambling does not have the direct and immediate impact in jobs of a new megaresort, it can have a much bigger multiplier effect. For example, the economic impact modeling system, IMPLAN, estimates a 7.3 to 1 total to direct jobs effect in a typical California internet business, as opposed to only 1.8 to 1 in land-based gaming operations. Additionally, average incomes across those total jobs are 49% higher in the online businesses.²⁶ Finally, online gambling offers advances in tracking customer behavior and wagering, which can potentially support anti-money-laundering investigations and initiatives.

Online settings can provide additional responsible gaming controls that are challenging to replicate in brick and mortar settings. Once more, the key to positive socio-economic impacts is in the implementation. Online operators that embrace strong responsible gaming programs; work in collaboration with stakeholders to develop local prevention, treatment, and research programs; and support workforce development and strong job benefits – these are the online operators that would score more highly in the Eadington typology.

In drawing the comparison to land-based gambling, there is also some historical context to consider. The first wave of legalized online gambling in the U.S. has and will likely continue to replace a good proportion of illegal consumption behavior. In the land-based environment, this ultimately allowed for the invention of integrated resorts (IRs) replete with a wide range of entertainment amenities, in a configuration that was impossible to foresee in a world with only underground, illegal brick-and-mortar gambling. Similarly, it could be that the continued growth of online gambling could trigger innovations and cross-amenity development that is, as yet, unimagined. For instance, it could be that a much more social set of online products emerge, and are engaged in arenas, bars, and other non-

²⁴Throughout this document, "responsible gaming" will refer to industry-driven programs that promote or encourage gambling responsibly.

²⁵ Eadington, W. R. (1998). Contributions of Casino-Style Gambling to Local Economies. *The ANNALS of the American Academy of Political and Social Science*, 556(1), 53–65. <https://doi.org/10.1177/0002716298556001005>

²⁶ IMPLAN Group, LLC. IMPLAN (2020). Huntersville, NC. IMPLAN.com

casino settings. These environments, meanwhile, could look much more like the entertainment-based integrated casino resort product, in terms of harms and economic impacts. An interesting consideration: while we have seen legal internet gambling flourish in some international jurisdictions, we have not really seen it in a country with such a diverse, tech-savvy, service sector-oriented economy as the United States.

4. What happens to problem gambling when new gambling opportunities (like sports wagering) are introduced?

This is one area of research where the literature is fairly well-established, and can be traced back to the 1970s, when researchers first sought to establish prevalence rates in the U.S.²⁷ This early study allowed researchers to track problem gambling rates from the beginning of an unprecedented era of national gambling expansion in the U.S., starting from a period when Atlantic City's legalization gave the nation just two legal casino outlets (by this time, lotteries and racetracks had long been in existence). Today, 48 of the 50 States have legalized gambling in some form or another, and yet problem gambling prevalence rates have remained remarkably stable, indicating that growth in gambling opportunities and growth in gambling problems do not happen in lockstep.²⁸ In fact, the evidence suggests a more complex relationship between gambling availability and problem gambling.

After conducting meta-analyses of prevalence rates, a team of Harvard researchers has produced a model to help us understand what happens to problem gambling when gambling expansion occurs. In general, and perhaps especially when strong responsible gaming programs are implemented with legalization, the marginal adverse public health impact of the introduction of new gambling opportunities is likely to be low, at least after any initial “novelty effect” erodes.²⁹

This “Adaptation Model” of gambling expansion suggests that gambling follows a familiar pattern – one that many diseases and public health challenges follow. As the general population learns more about gambling’s health impacts, risks, and preventative measures, they adapt their behavior in a manner that reduces harm overall.³⁰ Based on this model, in jurisdictions with a pre-existing exposure to gambling, we would expect the introduction of new forms of gambling to have a relatively minor impact on net exposure of the domestic population to gambling, especially if evidence-based treatment and prevention programs are also provided. Specifically:

If a jurisdiction introduces new forms of gambling and does nothing else, it will most likely experience an increase in the incidence of problem gambling. However, if the jurisdiction

²⁷ Kallick, M., Suits, D., Dielman, T., & Hybels J. (1979). *A Survey of American Gambling Attitudes and Behavior*. Ann Arbor: University of Michigan Press.

²⁸ Shaffer, H. J., & Martin, R. (2011). Disordered Gambling: Etiology, Trajectory, and Clinical Considerations. *Annual Review of Clinical Psychology*, 7(1), 483–510. <https://doi.org/10.1146/annurev-clinpsy-040510-143928>

²⁹ Laplante, D. A., & Shaffer, H. J. (2007). Understanding the influence of gambling opportunities: Expanding exposure models to include adaptation. *American Journal of Orthopsychiatry*, 77(4), 616–623. <https://doi.org/10.1037/0002-9432.77.4.616>

Shaffer, H. J., & Martin, R. (2011). Disordered Gambling: Etiology, Trajectory, and Clinical Considerations. *Annual Review of Clinical Psychology*, 7(1), 483–510. <https://doi.org/10.1146/annurev-clinpsy-040510-143928>

³⁰ Ibid.

combines the introduction of new forms of gambling especially with an effective public awareness campaign about the dangers of gambling and how to avoid them, it is likely to experience a decrease in problem gambling numbers and even in the numbers of people who gamble regularly as well.³¹

An example of this phenomenon of declining prevalence rates following the introduction of new gambling opportunities can be seen in Singapore. The Singaporean government went to great lengths to develop a strong framework for responsible gaming prior to casinos opening in the country and, as a result of these efforts, the prevalence rates actually decreased to levels well below the prevalence rate prior to casinos being introduced.³²

When we apply these insights to online gambling environments in the U.S., we should first note that in contrast to brick and mortar environments (upon which much of this Adaptation Model literature is based), the barriers for consumers seeking to access illegal, unlicensed gambling is much lower than, say, finding an underground brick and mortar casino that has escaped regulators' attention. Given this, at least some of the harms may already be "priced in," and the marginal impact of an added, regulated online market access may be small. Consistent with the Adaptation Model, we would conclude that increased availability could increase risk, but that strong prevention, treatment, education, and responsible gaming programs can work well enough that net effects should be minimized in well-run jurisdictions.

5. What can be done about problem gambling?

Typically, when contemplating an expansion of sports wagering, the first social impact question that is asked about is problem gambling.³³ Today, problem gambling is widely recognized as a public health issue. Especially given the tendency of problem gamblers to suffer from financial problems, government funding for problem gambling services provides needed support. Any state that enjoys the benefits of legalized gambling, including lotteries, casinos, horse racing, sports wagering and/or online gambling, should also provide funding support for problem gambling services in the state. Specifically, the U.S. National Council on Problem Gambling suggests support for "PETERRR" – prevention, education, treatment, enforcement, research, responsible gaming, and recovery.³⁴ This section provides a broad overview of relevant programs, policies, and approaches to this important issue, so that policymakers might better understand how best to proceed.

³¹ Collins, P., and Barr, G. (2006). *Gambling and Problem Gambling in South Africa: The National Prevalence Study 2006*. University of Cape Town: National Center for the Study of Gambling. <http://sargf.org.za/wp-content/uploads/2016/11/Prevalence-Study-2006.pdf>

³² Singaporean National Council on Problem Gambling. (2018, March 26). *Report of Survey on Participation in Gambling Activities among Singapore Residents, 2017*. National Council on Problem Gambling. https://www.ncpg.org.sg/en/pdf/Report_on_NCPG_Gambling_Participation_Survey_2017_final.pdf.

³³ Winters, K. C., & Derevensky, J. L. (2019). A Review of Sports Wagering: Prevalence, Characteristics of Sports Bettors, and Association with Problem Gambling. *Journal of Gambling Issues*, 43. <https://doi.org/10.4309/jgi.2019.43.7>

³⁴ Whyte, K. & Dunning, A.P. (2016). A Public Policy Framework for Minimizing Problem Gambling-Related Harm: The PETERRR Model. *UNLV Gaming Law Journal*, 6, 199-223.

5a) What kinds of resources exist for problem gamblers in the United States?

For centuries, U.S. expertise on “who gambles too much” and how to “treat” this population was to be found with moral, not medical authorities. Specifically, the American church presented passionate sermons on how to identify someone who gambled too much, just as current-day diagnosticians do. However, the diagnosis itself was quite different, and decidedly adversarial, as these people who gambled too much were not diagnosed as “sick” and in need of treatment, but rather as “sinners” who were headed to an eternity of damnation.³⁵

The first major organized group in the U.S. that sought to help problem gamblers was Gamblers Anonymous (GA).³⁶ GA formed out of a serendipitous meeting in 1957 between two men in Los Angeles, who found that talking about their problems with gambling led to breakthroughs. The first GA meeting was held later that year, and the organization continues to host group meetings in virtually all major American cities today.

The National Council on Problem Gambling (NCPG) was founded in 1972 by a growing number of advocates in the field, including Msgr. Joseph A. Dunne and Dr. Robert Custer. Dr. Custer is widely seen as the world’s first medical professional in the problem gambling treatment field, and his interns went on to launch treatment facilities all over the globe. From the beginning, NCPG has served as an advocate for problem gamblers and their families, and has maintained a neutral stance on gambling. Today, NCPG operates a national helpline (1-800-522-4700), hosts the world’s largest annual conference on problem gambling, and is home to 35 state affiliate Councils that operate state-level Councils.³⁷ Throughout the U.S., these state-level Councils do much of the heavy lifting on an everyday basis for problem gamblers and their families – promoting awareness, delivering educational programs, and linking problem gamblers with counseling, legal, and/or social services.

Founded in 1996, the International Center for Responsible Gaming (ICRG), formerly known as the National Center for Responsible Gaming, has focused on funding scientific research on problem gambling and applying these research findings in a variety of governmental, industry, and educational settings. Over its nearly quarter-century history, ICRG has raised \$40 million in support of pioneering peer-reviewed research on gambling’s impacts. In addition, ICRG hosts an annual conference in concert with the Global Gaming Expo (G2E), enabling industry and regulatory leaders in attendance to learn from experts on the latest research findings.³⁸

³⁵ Bernhard, B. J. (2007). The Voices of Vices: Sociological Perspectives on the Pathological Gambling Entry in the Diagnostic and Statistical Manual of Mental Disorders. *American Behavioral Scientist*, 51(1), 8–32. <https://doi.org/10.1177/0002764207304869>

³⁶ For a recent academic summary of GA and its efficacy, see Schuler, A., Ferentzy, P., Turner, N. E., Skinner, W., McIsaac, K. E., Ziegler, C. P., & Matheson, F. I. (2016). Gamblers Anonymous as a Recovery Pathway: A Scoping Review. *Journal of Gambling Studies*, 32(4), 1261–1278. <https://doi.org/10.1007/s10899-016-9596-8>

³⁷ National Council on Problem Gambling. (2020). *About Us*. National Council on Problem Gambling. <https://www.ncpgambling.org/about-us/>.

³⁸ International Center for Responsible Gaming. (2020). *About Us*. International Center for Responsible Gaming. <https://www.icrg.org/about-icrg>.

5b) What kinds of policies govern problem gambling in the U.S.?

With some exceptions, the U.S. federal government has not played a major role in regulating the gaming industry, and today, no national-level standardized policies or minimum requirements exist for problem gambling.³⁹ This lack of a federal directive results in variations in how problem gambling is addressed across the country. Despite this lack of standardization, an evaluation of the statutes and regulations across the states with commercial casinos or sports wagering regulations reveals that common policy approaches have emerged.

Every jurisdiction that permits commercial casinos or sports wagering has some form of problem gambling-related regulation. Specifically, most states (86%) require that operators offer self-exclusion, a program by which patrons can restrict their access to gambling services at a venue or online/mobile site. Self-exclusion can be administered by an operator through an individual company program or via a state-sponsored program. Although similar, these programs are not uniform: the available exclusion time period options, the process to reinstate the self-exclusion, and the penalties imposed against the patron and/or venue/site for violating the self-exclusion agreement vary across jurisdictions and operators.⁴⁰

Other similarities across jurisdictions include mandated signage, advertising restrictions, and employee training. Approximately 76% of regulations require signage or content offering information on responsible gaming and problem gambling, as well as the jurisdiction's appropriate toll-free helpline number, to be displayed within a gambling venue or online/mobile site. Many also require that gambling advertising, across a variety of media, feature a responsible gaming message and the jurisdiction's toll-free helpline number. Approximately half of U.S. jurisdictions require problem gambling and/or responsible gaming training be administered to employees; though these regulations vary in terms of required training content as well as the employee pool required to receive the training.⁴¹

As of this writing, online casino-style gambling and/or poker is only allowed in a few states (DE, PA, NJ, NV, and WV, with MI soon to launch),^{42,43,44} and, as previously referenced, 17 U. S. states offer

³⁹ 39 Gottfried, J. (2004). The federal framework for Internet gambling. *Richmond Journal of Law & Technology*, 10(3). <http://jolt.richmond.edu/v10i3/article26.pdf>

⁴⁰ American Gaming Association (AGA). (2019). *Responsible Gaming Regulations and Statutes*. Washington, DC: Author.

⁴¹ Ibid.

⁴² Associated Press. (2019, July 15). *Pennsylvania joins Nevada, New Jersey and Delaware as states where online gambling is legal*. MarketWatch. <https://www.marketwatch.com/story/pennsylvania-joins-nevada-new-jersey-and-delaware-as-states-where-online-gambling-is-legal-2019-07-15>.

⁴³ *Pennsylvania joins Nevada, New Jersey and Delaware as states where online gambling is legal*. (2019, July 15). MarketWatch. <https://www.marketwatch.com/story/pennsylvania-joins-nevada-new-jersey-and-delaware-as-states-where-online-gambling-is-legal-2019-07-15>.

Jenkins, J. (2020, July 22). *Lottery commission learns iGaming off to productive start in Mountain State*. WV MetroNews. <https://wvmetronews.com/2020/07/22/lottery-commission-learns-igaming-off-to-productive-start-in-mountain-state/>.

Michigan Gaming Control Board begins to accept online gaming operator and vendor forms. Michigan.gov. https://www.michigan.gov/mgcb/0,4620,7-351-79131_79259-533402--,00.html.

online sports wagering. In addition to similar problem gambling/responsible gaming regulations required of land-based venues, approximately three-fourths of the states that permit online gambling or sports wagering require that online operators provide patrons with responsible gaming tools. These include the ability to set self-imposed limits on their gambling activity, such as limits on deposits, losses, wagering amounts and/or time spent gambling.

Many gambling operators, often in conjunction with academic researchers, also develop and implement supplemental responsible gaming programs that exceed jurisdictional requirements.⁴⁵ These programs may include integrating responsible gaming into customer services measures, as well as proactively engaging customers in conversations when there are concerns that the customers may be having gambling-related problems.⁴⁶

Another commonality that can be observed across jurisdictions relates to funding requirements for problem gambling-related measures. Since there is no direct federal financial support, nearly all problem gambling services in the U.S. are also funded at the state level.⁴⁷ Specifically, most U.S. gambling jurisdictions (86%) require that funds be allocated to support problem gambling services. These funds are typically derived from gambling tax revenue received by the state, with most states explicitly dedicating funds via earmark and some requiring legislative appropriations (FL, IL, MD, MO, NY, and RI).⁴⁸

While many jurisdictions fund problem gambling services, the amount that each state allocates varies widely. According to a 2016 national comparison of jurisdictions, the total amount of public funding allocated for problem gambling services in the U.S. was \$73.0 million, with individual state expenditures ranging from \$0 to \$8.47 million. For states that did allocate funding to problem gambling causes, the average per capita allocation for problem gambling services was 37 cents. The most commonly funded problem gambling services were awareness programs, workforce development, and treatment.⁴⁹

Even among states that allocate funds, there is disparity in whether these funds are dedicated to state expenditures for problem gambling services. According to a 2020 study that examined 14 specific jurisdictions to determine whether the state funds were used for their intended purpose, only six states

⁴⁵ U.S. Chamber of Commerce Foundation. (2019). *Corporate Social Responsibility in the Gaming Industry*. American Gaming Association. https://www.americangaming.org/wp-content/uploads/2019/02/CSR_Gaming_Industry_Report-1.pdf

⁴⁶ Hestermann, D., Braunlich, C., Whelan, J., & Shatley, J. (2014, June 6). *Caesars and responsible gaming's "third rail."* BASIS. <https://www.basonline.org/2014/06/caesars-and-responsible-gamings-third-rail.html>

⁴⁷ Marotta, J., Hynes, J., Rugle, L., Whyte, K., Scanlan, K., Sheldrup, J., & Dukart, J. (2017). *2016 Survey of Problem Gambling Services in the United States*. Association of Problem Gambling Service Administrators. http://www.ncpgambling.org/wp-content/uploads/2018/03/2016-Survey-of-PGS-in-US_FULL-REPORT-FINAL-12-19-2017-1.pdf

⁴⁸ American Gaming Association. (2016). *Responsible Gaming Regulations and Statutes*. American Gaming Association. <https://www.americangaming.org/resources/responsible-gaming-regulations-statutes-2>

⁴⁹ Marotta, J., Hynes, J., Rugle, L., Whyte, K., Scanlan, K., Sheldrup, J., & Dukart, J. (2017). *2016 Survey of Problem Gambling Services in the United States*. Association of Problem Gambling Service Administrators.

(NV, NJ, MD, NY, IN, and PA) were determined to have allocated tax funding for problem gambling/responsible gaming services during the most recent fiscal year. The other states did not spend the allocated funds for problem gambling services. Instead, these funds were either partially diverted to support issues aligning with other legislative priorities or the dedicated funding streams for such services and programs were decreased or eliminated.⁵⁰

While there is no national consensus on problem gambling policies in the U.S., a recently formed Responsible Gambling (RG) Collaborative composed of academics, researchers, problem gambling advocacy groups, and gaming industry organizations joined together to create a framework intended to prevent problem gambling and promote responsible gaming in order to assist policymakers in creating effective solutions to address these issues. Given the breadth and depth of this Collaborative's expertise, we believe that its recommended principles are crucial for policymakers to address:⁵¹

- Support funding for research and evaluation.
- Support funding for problem gambling treatment.
- Help patrons make informed choices about their gambling.
- Ensure every company has a responsible gaming plan and industry employees understand their role and responsibility in fostering responsible gaming and preventing problem gambling behavior.
- Confirm gambling-related business practices encourage responsible gaming.
- Equip consumers with the tools they need to gamble responsibly and prevent problem gambling behavior.

In sum, when developing problem gambling policy in the U.S., we suggest that government funding for problem gambling programs is vital, and that wherever possible, states should collaborate with a variety of stakeholders on problem gambling programming.

5c) What kinds of problem gambling resources exist in international settings?

The past two decades have seen a dramatic increase in attention and responses to problem gambling across the globe.⁵² As a result, U.S. jurisdictions have the good fortune of being able to rely not only on U.S.-based organizations, but also on international resources in a way that was not possible even a decade ago.

⁵⁰ Responsible Gambling Collaborative. (2020). *Gaming Taxes and State Responsible Gambling Appropriations*. <https://static1.squarespace.com/static/5df99221ed04ca6a47a28e48/t/5e176510108c2c1815c390eb/1578591516888/RGC+State+Tax+Research.pdf>

⁵¹ Responsible Gambling Collaborative. (2020). *Responsible Gambling Effectiveness Principles*. <https://www.rgcollaborative.org/principles>

⁵² Delfabbro, P., & King, D. (2012). Gambling in Australia: Experiences, problems, research and policy. *Addiction*, 107(9), 1556-1561. <https://doi.org/10.1111/j.1360-0443.2012.03802.x>.

For instance, Australia has a history of problem gambling debates. The nation's citizens are, by some measures, the world's most prolific gamblers per capita,⁵³ but Australia also sees the periodic rise of strong political movements aimed at restricting the activity.⁵⁴ Fortunately, Australia also boasts strong research teams that have examined these issues with substantial depth, including a highly regarded team at the University of Sydney. Consequently, Australia has not only implemented, but also often tested, a wide variety of problem gambling treatments,⁵⁵ as well as responsible gaming messaging and interventions in gambling settings.⁵⁶

In Asia, South Korea started to implement strong responsible gaming approaches (including a treatment facility, modeled after Las Vegas' Problem Gambling Center, adjacent to the facility)⁵⁷ when Kangwon Land, South Korea's first domestic casino, opened in 2000. The mountainous Kangwon Province was devastated when its coal mining industry declined in the 1990s, and sought to introduce a casino resort to provide jobs and to contribute the battered area's economic development.⁵⁸ At the same time, the nation understood that responsible gaming measures would be necessary when introducing this new form of gambling, and mandated collaborative approaches between the industry and stakeholders on issues of prevention, treatment, and research work. This focus on collaboration was one of the first of its kind, and researchers from strong local universities, such as Kyung-Hee University, and internationally-recognized universities, including the University of Nevada, Las Vegas, have since enjoyed access to casino-floor data to enhance their understanding of gambling and problem gambling behavior.⁵⁹

In Southeast Asia, Singapore asked problem gambling questions from the very outset of its casino legalization process, focusing on public education, treatment, and responsible gaming policies.⁶⁰

⁵³ Baidawi, A. (2018, April 4). *Australians Are the World's Biggest Gambling Losers, and Some Seek Action*. The New York Times. <https://www.nytimes.com/2018/04/04/world/australia/australians-gambling-betting-machines.html>.

⁵⁴ Hing, N. (2010). The Evolution of Responsible Gambling Policy and Practice: Insights for Asia from Australia. *Asian Journal of Gambling Issues and Public Health*, 1(1), 19–33. <https://doi.org/10.1186/bf03342116>

⁵⁵ Gainsbury, S., Hing, N. & Suhonen, N. (2014). Professional Help-Seeking for Gambling Problems: Awareness, Barriers and Motivators for Treatment. *Journal of Gambling Studies* 30, 503–519. <https://doi.org/ezproxy.library.unlv.edu/10.1007/s10899-013-9373-x>

⁵⁶ Gainsbury, S. M., Abarbanel, B. L. L., Philander, K. S., & Butler, J. V. (2018). Strategies to customize responsible gambling messages: a review and focus group study. *BMC Public Health*, 18(1). <https://doi.org/10.1186/s12889-018-6281-0>

⁵⁷ Kangwon Land, Inc. (n.d.). *Side Effects Prevention*. Kangwon Land. https://kangwonland.high1.com/kangwonland_eng/contents.do?key=825

⁵⁸ Yunekyong, L. (2010). *Estimating the future growth potential of Kangwon Land casino* (Publication No. 764). [Master's thesis, University of Nevada, Las Vegas. UNLV Theses, Dissertations, Professional Papers, and Capstones.

⁵⁹ Lee, C., Lee, Y.K., Bernhard, B.J., & Yoon, Y.S. (2006). Segmenting Casino Gamblers by Motivation: A Cluster Analysis of Korean Gamblers. *Tourism Management* 27:5: 856-866. <https://doi.org/10.1016/j.tourman.2005.05.009>.
Lee, C., Chung, N. & Bernhard, B.J. Examining the Structural Relationships Among Gambling Motivation, Passion, and Consequences of Internet Sports Betting. *Journal of Gambling Studies* 30, 845–858 (2014). <https://doi.org/10.1007/s10899-013-9400-y>.

Lee, C., Bernhard, B. J., Kim, J., Fong, T., Lee, T. K. (2014). Differential Gambling Motivations and Recreational Activity Preferences Among Casino Gamblers. *Journal of Gambling Studies*, 31(4), 1833-1847. <http://doi.org/10.1007/s10899-014-9513-y>.

⁶⁰ *Casino Control Act (Chapter 33A) (Singapore)*, Retrieved from <https://sso.agc.gov.sg/Act/CCA2006>

Ultimately, the jurisdiction decided to implement strong RG practices that the world had not yet seen – some of which likely cannot be replicated elsewhere because of Singapore’s approach to governing the city-state. These practices include strong self-exclusion programs, limitations on visits for Singaporeans, restrictions for Singaporean citizens who have been recipients of government assistance, entry fees for Singaporeans, and mandatory educational training for employees.⁶¹

More recently, Macao’s casinos joined forces with the University of Macao to develop RG kiosks for the world’s busiest casino floors.⁶² This allowed patrons to access the kind of interactive, on-screen RG information that is currently offered in a variety of legal online settings. In addition, the University of Macao provides training programming to casino employees,⁶³ and program leader Dr. Davis Fong participates at a senior policy level as an appointed member of the Macao Legislative Assembly.

In Europe, as we will see in other sections of this report, the United Kingdom has developed some of the longest-standing and strongest resources. GamCare is a charitable organization that has been serving problem gamblers with educational and support services since 1997.⁶⁴ Meanwhile, the National Problem Gambling Clinic provides treatment for those living in England and Wales, and represents a strong collaborative enterprise, partnering with GambleAware, The Northern Gambling Service, GamCare, The Gordon Moody Association, and NHS England.⁶⁵

Here in North America, Canada has seen several provinces emerge with strong responsible gaming programming, research, and educational initiatives. The British Columbia Lottery Corp (BCLC) hosts one of the world’s top RG conferences each year,⁶⁶ and the University of British Columbia (UBC) Centre for Gambling Research team have recently led the gambling research field in cognitive, neuroscience, and clinical studies on problem gambling.⁶⁷ Meanwhile, the Alberta PG community as well as the Alberta Gaming Research Institute also produce research, clinical applications, and grant funding for that province.⁶⁸ Ontario boasts Canada’s largest mental health teaching hospital and one of the world’s leading research centers in the Canadian Centre for Addiction and Mental Health, which provides a number of tools and resources for problem gamblers and their families.⁶⁹ Finally, Ontario’s

⁶¹ Ibid.

⁶² Gaming Inspection and Coordination Bureau. (n.d.). *Responsible Gambling*.

<http://www.dicj.gov.mo/web/en/responsible/responsible01/content.html>

⁶³ Scott, A. W. (2015, August 28). *Keeping Macau responsible*. University of Macau, Faculty of Business.

<https://fba.um.edu.mo/keeping-macau-responsible/>

⁶⁴ *About Us*. GamCare. <https://www.gamcare.org.uk/about-us/>

⁶⁵ National Health Service. (n.d.). *National Problem Gambling Clinic*. NHS Central and North West London. <https://www.cnwl.nhs.uk/services/mental-health-services/addictions-and-substance-misuse/national-problem-gambling-clinic>.

⁶⁶ British Columbia Lottery Corp. (n.d.). *What is New Horizons in Responsible Gambling?* New Horizons in Responsible Gambling. <https://horizonsgc.bclc.com/about-the-conference.html>

⁶⁷ Centre for Gambling Research at UBC. (n.d.). *Research*. The University of British Columbia. <https://cgr.psych.ubc.ca/research/>.

⁶⁸ Alberta Gambling Research Institute. (2020). *About the Alberta Gambling Research Institute*. <https://abgamblinginstitute.ca/about>

⁶⁹ Canadian Centre for Addiction and Mental Health. (n.d.). *Problem Gambling and Technology Use Treatment Services*. CAMH. <https://www.camh.ca/en/your-care/programs-and-services/problem-gambling--technology-use-treatment>

Responsible Gaming Council is a pillar of the Canadian problem gambling community, providing research, advisory, and accreditation services for the past 35 years.⁷⁰

Given the now-substantial number of global resources available for problem gambling and responsible gaming, it seems commendable – now more than ever – when local organizations engage international expertise in collaborative efforts to address local issues. This “glocal” approach is one that the IGI has recommended in many jurisdictions over the years – and it certainly applies in jurisdictions where online and sports wagering are legalized.

5d) What role can behavioral analytics play in helping problem gamblers?

Using data analytics to analyze behaviors and provide operators with opportunities to change the player experience is a new and promising field in responsible gaming, which, we believe, will receive increased focus over the next several years. While behavioral analytics cannot replace traditional responsible gaming approaches entirely, these initiatives can act as a strong complement. As with any innovation in responsible gaming, the use of data analytics should be informed by evidence, supported by best practices, and provide a high degree of confidence that the usage is beneficial to the customer.

It is important to note here that disordered gambling is a complex condition. Diagnosing a gambling disorder can be difficult even for trained clinicians. Much of the diagnostic criteria focuses on internal states and behaviors separate from the gambling activity itself. Indeed, when one examines the American Psychiatric Association’s diagnostic criteria for disordered gambling,⁷¹ one recognizes that most refer either to internal, mental states or to negative effects on personal, job-related, or family life that are not detectable within casinos or other gambling transactions. As such, there are limitations on accessing the comprehensive range of diagnostically significant outcomes. Given these limitations, it seems that the most useful way to incorporate data analytics into responsible gaming at this time is not to attempt to detect or diagnose a gambling disorder, but instead to use data to help both operators and players make better decisions if players show signs of risk.⁷²

Data analytics can be used to inform operators’ responsible gaming processes as well as how they engage with customers across various touch points. For instance, data analytics can be used to educate players about changes in play patterns. It can also be used to identify players at the most risk of harm and provide tailored communication or outreach. These customer interactions can take many forms and can be adjusted on the operators’ end, such as subtly changing the online player experience (e.g., displaying a lower percentage of ads), flagging high-risk customers to internal RG teams to monitor more closely or to engage in a responsible gaming conversation, and proactively messaging or directly reaching out to players in an effort to modify risky behaviors.⁷³ Online gambling seems particularly

⁷⁰ Responsible Gambling Council. (2020). *About*. RGC. <https://www.responsiblegambling.org/about-rgc>

⁷¹ American Psychiatric Association. (2013). *Diagnostic and Statistical Manual of Mental Disorders (DSM-5)*, Fifth Edition. American Psychiatric Publishing.

⁷² Dragicevic, S., Tsogas, G., & Kudic, A. (2011). Analysis of casino online gambling data in relation to behavioural risk markers for high-risk gambling and player protection. *International Gambling Studies*, 11(3), 377–391. <https://doi.org/10.1080/14459795.2011.629204>

⁷³ Aro, D., Jakob, L., & Gainsbury, S. (2015, January). *Use of Data Analytics for Responsible Gambling Regulatory Directives*. Ontario Problem Gambling Research Centre.

suites to employing and studying the use of behavioral analytics, as every single gambling transaction can be recorded and analyzed, allowing for easier implementation of responsible gaming tools and interactions.⁷⁴

6. What are the youth gambling impacts?

One of the understandable concerns with online gambling pertains to youth impacts. After all, absent appropriate controls, children might gain access to an online gambling site and gamble, potentially leading to both financial and psychological problems. Ultimately, this is an area where operators, regulators, and community members each have important roles to play, and a collaborative, communicative approach among these stakeholders represents a best practice.

As youth are a vulnerable population to gambling-related harms,⁷⁵ specific measures are necessary to protect them. For operators and regulators, identity verification is crucial to the prevention of underage gambling. As such, the verification of the identity and age of a player is a standard and mandatory requirement in all regulated online markets.⁷⁶ Over the past few years, technology to verify identity has vastly improved, ensuring that the player is the person he or she claims to be and that the minimum age for gambling is observed. This typically happens at signup, where 2 pieces of identification are required, and also during transaction reviews (via a bank, for instance), where once again identity and age checks are conducted. These efforts have served as strong operational safeguards, overseen and audited by government regulators.⁷⁷

7. In jurisdictions where sports wagering and/or online gambling is not legalized, what happens in the illegal marketplace?

The short answer is: the illegal marketplace flourishes. Today, a vast illegal online gambling market is tucked away in jurisdictions where regulation is light to nonexistent. Operations may even be legal within these jurisdictions, allowing these operators to claim a legal status that can be confusing to consumers. As previously discussed, the Eadington socio-economic typology indicates that these types of illegal gambling operations create more adverse impacts than any other type of gambling operation. These negative outcomes are many, including: criminal activity (for patrons and employees), lack of responsible gaming programming, a relative lack of jobs and jobs benefits, a lack of taxes contributed to governments, and a lack of government oversight more generally. Because of the latter, these jurisdictions can offer lower prices and fewer restrictions – which in turn can make them attractive to

[https://www.greo.ca/Modules/EvidenceCentre/files/Aro%20et%20al\(2015\)Use%20of%20data%20analytics%20for%20responsible%20gambling%20regulatory%20directives.pdf](https://www.greo.ca/Modules/EvidenceCentre/files/Aro%20et%20al(2015)Use%20of%20data%20analytics%20for%20responsible%20gambling%20regulatory%20directives.pdf)

⁷⁴ For a summary of research from this team, see: Bournemouth University. (2020). *Responsible Gambling Projects*. Bournemouth University. <https://www.bournemouth.ac.uk/research/projects/responsible-gambling-projects>.

⁷⁵ Derevensky, J. L., & Gainsbury, S. M. (2016). Social casino gaming and adolescents: Should we be concerned and is regulation in sight? *International Journal of Law and Psychiatry*, 44, 1–6.

<https://doi.org/10.1016/j.ijlp.2015.08.025>

⁷⁶ Nash, V., O'Connell, R., Zevenbergen, B., & Mishkin, A. (2012). Effective Age Verification Techniques: Lessons to Be Learnt from the Online Gambling Industry. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2658038>

⁷⁷ Derevensky, J. L., & Gainsbury, S. M. (2016). Social casino gaming and adolescents: Should we be concerned and is regulation in sight? *International Journal of Law and Psychiatry*, 44, 1–6.

<https://doi.org/10.1016/j.ijlp.2015.08.025>

both legitimate and vulnerable players. As a result, it is vital that governments choosing to legalize online gambling participate in a delicate dance, allowing content that can compete, with strong regulatory systems and protections.

The impacts of getting this dance wrong are substantial. A recent large-scale peer-reviewed study in France examined demographics and levels of harm among those who gamble on licensed, legal websites versus those who gamble in unlicensed, illegal settings. These researchers found that bettors on unlicensed sites were more likely to be younger, less educated, out of work, and suffering from financial difficulties. Furthermore, those gambling in these illegal settings exhibited more gambling-related problems when compared with those who gambled in regulated settings. The authors concluded that “gambling activities carried out on state licensed sites are associated with less overall harm to gamblers.”⁷⁸

An Australian study of past-month internet gamblers found that while all expressed a preference for licensed websites, awareness of which websites were legal and which were illegal was low. This study underscores the importance of educating the general public on the benefits of legal wagering -- and on the lack of regulatory oversight and lack of consumer protections found in illegal settings. Finally, consistent with the literature, those who wagered in offshore environments were more likely to exhibit serious gambling-related problems. Among the important recommendations outlined in this study, the authors note that “offshore sites are appealing to those most vulnerable to gambling problems. This suggests that enforcement of policies is important to enhance for consumer protection,” specifically recommending that Australian government entities should “enhance prohibition of offshore sites.”⁷⁹

Another recent evaluation in Australia noted the problems with the illegal marketplace, as “offshore sites pose risks for consumers in terms of unsafe and disreputable practices, compete with domestically licensed sites and do not participate in the economies in which they operate.” This study emphasized the important observation that illegal sites, as they have been operating (illegally) for long periods of time, have developed attractive customer experiences – experiences unfettered by any regulatory oversight. However, this comes at a cost, as gamblers in illegal settings “appear to be experiencing more negative consequences and experiences from online gambling.” The authors are unequivocal in concluding that “Therefore, it is important to reduce use of offshore gambling sites, which is related to the experience of gambling-related harms and may be a precursor to more serious and risky online activities.”⁸⁰

⁷⁸ Costes, J.-M., Kairouz, S., Eroukmanoff, V., & Monson, E. (2015). Gambling Patterns and Problems of Gamblers on Licensed and Unlicensed Sites in France. *Journal of Gambling Studies*, 32(1), 79–91.
<https://doi.org/10.1007/s10899-015-9541-2>

⁷⁹ Gainsbury, S. M., Abarbanel, B., & Blaszczynski, A. (2018). Factors Influencing Internet Gamblers’ Use of Offshore Online Gambling Sites: Policy Implications. *Policy & Internet*, 11(2), 235–253.
<https://doi.org/10.1002/poi3.182>

⁸⁰ Gainsbury, S. M., Russell, A. M., Hing, N., & Blaszczynski, A. (2017). Consumer engagement with and perceptions of offshore online gambling sites. *New Media & Society*, 20(8), 2990–3010.
<https://doi.org/10.1177/1461444817738783>

These cautionary research findings are no small consideration given the size and scope of illegal, offshore, and/or unlicensed internet gambling today. They also provide suggestions as to the kinds of policies that can drive consumers to illegal settings, such as price (reflected in high tax rates), product restrictions (as is the case in most jurisdictions in the U.S. currently), and marketing bans (which, of course, are not followed by illegal operators). While research is challenging when estimating the scope of illegal activities, it is clear from the range of estimates that this is a massive unregulated industry, with hundreds of billions of untaxed U.S. dollars wagered illegally each year.⁸¹ In our view, the best solution to illegal gambling is strict but sensible regulation that provides for adequate levels of consumer protection, while also allowing licensed operators to introduce sufficiently attractive customer offerings to compete in this marketplace, while also including strong responsible gaming programming in support of those who develop gambling problems.

8. The world is “going cashless” – what does this mean for gambling in 2020 and beyond?

Casinos remain one of the last places where “cash is king” – but this is changing rapidly in a COVID environment. As with the rest of these considerations, problem gambling concerns need to be addressed before expansion of cashless wagering is approved. Here, online gambling environments can provide some “best practices” by virtue of their longer history with cashless systems.

Throughout the global economy, cashless payment mechanisms have long been embraced in consumer settings, and, driven in part by COVID era concerns, the U.S. land-based gaming industry is increasingly looking to advance policies that allow cashless technologies. This is one of many areas where online gambling has paved the way, as gambling is, by its very nature, a cashless experience on the internet.

The global transition from cash to digital or cashless payments to these new tools has been striking. Cash is being used less and less around the world: an estimated 2.1 billion consumers worldwide were expected to use a mobile wallet to make a payment or send money in 2019. Consumer use of cash varies: some countries, such as South Korea and Sweden, are transitioning to a digital society, while other countries, such as Germany, are demonstrating low adoption.⁸²

As reported in *Harvard Business Review*, cash represented just 30% of all payments within the US in 2017, although 70% of Americans still reported using cash on a weekly basis.⁸³ According to a recent McKinsey report, the share of the world’s transactions carried out in cash has diminished from 89% to 77% over the past five years. Meanwhile, the share of credit card and debit card usage has almost

⁸¹ The American Gaming Association, which lobbies for the U.S.-based gaming industry, provides a summary: American Gaming Association. (n.d.). *Illegal Gambling*. American Gaming Association.

<https://www.americangaming.org/policies/illegal-gambling/>

⁸² The Paypers. (2019). *Payment Reports* 2019. The Paypers BV.

<https://www.europeanpaymentscouncil.eu/sites/default/files/inline-files/Payment%20Methods%20Report%202019%20-%20Innovations%20in%20the%20Way%20We%20Pay.pdf>

⁸³ Santana, S. (2019, July 23). *Is the U.S. on Its Way to Becoming a Cashless Society?* Harvard Business Review. <https://hbr.org/2019/07/is-the-u-s-on-its-way-to-becoming-a-cashless-society>.

doubled, from 5% to 9%. Over the next five years, the downward trend of cash usage worldwide is expected to be even more emphasized, due to the push toward real-time payments, the wide variety of payment options, the evolution of digital commerce, and further regulatory adjustments.⁸⁴

These data were, of course, all gathered before the impact of COVID-19, which is expected to propel cashless transactions on an even more rapid course. In gambling, this pandemic has highlighted the potential health risks of spreading infections thorough the handling of potentially contaminated cash or chips, hence accelerating the transition of gambling customers and retailers to digital payment methods. On the advice of health authorities, many gambling regulators are reviewing necessary recommendations that gambling businesses and customers use digital payment methods as a health and safety measure to further reduce potential transmission of the virus; for instance, in June 2020 the Nevada Gaming Commission removed restrictions that prevented cashless wagering.⁸⁵

It is critical to note that there is little research on the actual relationship between cashless systems and their impacts on gambling related harm – outside of the published research on online gambling activity (which by its nature involves no cash). While any number of assumptions have been made in political or regulatory circle, at this stage very little empirical evidence exists to support or refute claims of increased harms as a direct result of cashless systems. Further, there has not been a full analysis of the direct benefits of such systems either.

Research is urgently needed to ascertain the demographics of customers using cashless systems online, an analysis of their gambling activity, and the impacts on problem gambling. While many credit cards block gambling transactions, this, too, is changing – and a study of the patterns of both approved and declined transactions would be insightful. For instance, one important question remains unanswered: are declined transactions predictive of gambling problems? Currently, as it pertains to problem gambling, this is a field with more questions than answers, but it is clear that responsible gaming is an important part of the conversation.

9. What are the risks and solutions for money laundering?

Money laundering is one of the few gaming-related policy issues that is addressed at the federal level in the U.S. Recently, a research team at the UNLV International Gaming Institute produced a report on anti-money laundering best practices for the Japan government, as they engage in casino legalization debates in the country. In that report, we summarized the U.S. approach to money laundering as follows:

⁸⁴ Bansal, S., Bruno, P., Denecker, O., Goparaju, M., & Niederkorn, M. (2018) Global payments 2018: A dynamic industry continues to break new ground. McKinsey & Company.

<https://www.mckinsey.com/~media/mckinsey/industries/financial%20services/our%20insights/global%20payments%20expansive%20growth%20targeted%20opportunities/global-payments-map-2018.ashx>

⁸⁵ Silverstein, E. (2020, June 26). *Nevada Gaming Commission Approves 'First Step' To Expand Cashless Wagering at Casinos*. Casino.org. <https://www.casino.org/news/nevada-gaming-commission-approves-first-step-to-expand-cashless-wagering-at-casinos/>

In the United States, although gambling laws and regulations are almost exclusively created and enforced by the individual states, AML is overseen by the federal government by two departments within the U.S. Department of Treasury – the Financial Crimes Enforcement Network (FinCEN) and the Internal Revenue Service (IRS). Under U.S. federal AML laws, certain casinos are required to report on currency transactions of USD \$10,000 or more, even if split among multiple transactions, that occur within a 24-hour period. This includes the name, address, social security number, and identification verification with a licensee.

... Casinos must also comply with the Office of Foreign Assets Control (OFAC), which is also part of the U.S. Department of Treasury, charged with enforcing economic and trade sanctions and protecting national security against certain foreign countries and individuals.

An important element of AML is that FinCEN expects casinos to “know your customer.” As such, not only is the identity of the customer required to be known by a casino for currency transactions exceeding USD \$10,000, but a casino must determine, if possible, where a customer’s money comes from through sufficient due diligence. Additionally, casinos are required by the federal government to have an AML compliance program, which, at a minimum, requires (1) internal controls for ensuring AML compliance; (2) independent testing of the internal controls; (3) a compliance officer and/or compliance committee; (4) employee training on AML; and (5) AML policies and procedures. Casinos are also required to file reports on suspicious transactions of USD \$5,000, including those that are suspected or believed to have come from illegal activities or are done to avoid legal or regulatory requirements for AML.⁸⁶

At this stage in the U.S., state-level online regulation is very much reliant on these federal-level requirements. On a positive note, in many ways, the capacity of online environments to track all transactions ensures that this “new” environment offers opportunities for monitoring (and, if necessary, investigating). And once again, we would note that these sophisticated, formalized measures – measures that by their nature require intimate engagement with law enforcement and regulatory authorities – are not found in illegal online settings.

Illegal operators are often disinterested in the source of funds; they are primarily (perhaps solely) interested that the funds exist and are accessible to the illegal operator. This has obvious implications for problem gambling and money laundering. We conclude once more that the best opportunity governments have to learn about -- and prosecute -- money laundering schemes is via the practices found in legal, regulated markets.

⁸⁶ Roberts, J., Abarbanel, A., & Bernhard, B. (2017). *Practical Perspectives on Gambling Regulatory Processes for Study by Japan: Eliminating Organized Crime in Nevada Casinos*. UNLV International Gaming Institute. https://www.unlv.edu/sites/default/files/page_files/27/JapanEliminatingOrganizedCrime.pdf.

10. What are the impacts of advertising, loyalty programs, and other marketing incentives that are used in online gambling settings?

Once more, this is a well-researched field, as adverse impacts from marketing to vulnerable populations can be highly problematic. Here, we outline established best practices in both land-based and online environments.

Advertising is challenging to measure in terms of its direct impacts, as it is one of several factors that inform macro and micro-level perspectives on gambling. Researchers have begun examining a variety of promotions in online environments, finding some evidence that these promotions can increase consumption among gamblers and problem gamblers.⁸⁷ More recently, debates over the appropriateness of fantasy sports advertising in the U.S.⁸⁸ and sports team shirt sponsorships by online betting companies in the U.K.⁸⁹ have led to questions on the appropriateness of certain marketing strategies.

Fortunately, in the U.S., momentum has gathered behind initiatives to educate the public and (self-) govern the industry when it comes to advertising and marketing. For instance, the American Gaming Association recently released voluntary sports wagering marketing restrictions, and the major components of the resultant Responsible Marketing Code for Sports Wagering include:

- Ensuring that all marketing is only targeted at people of legal age to gamble;
- Supporting responsible gaming by not promoting excessive use or personal success;
- Including responsible gaming messaging wherever possible in all marketing including social media;
- Development of internal review process to ensure compliance.⁹⁰

While loyalty programs can be used to encourage problematic gambling, loyalty programs can also play an important role in responsible gaming efforts.⁹¹ As player activity is monitored for possible recognition, it can also be used to monitor for possible indicators of harm. In addition, the collected information can be provided to the player as personalized feedback in order to inform their choices about future gambling decisions.

The effects of marketing may also vary in sub-populations, and most troublingly among problem gamblers. Studies have found that gambling advertising “triggered gambling impulses amongst

⁸⁷ Hing, N., Cherney, L., Blaszczynski, A., Gainsbury, S.M., & Lubman, D.I. (2014) Do advertising and promotions for online gambling increase gambling consumption? An exploratory study. *International Gambling Studies*, 14(3), 394-409. <https://doi.org/10.1080/14459795.2014.903989>

⁸⁸ Williams, R. (2019, August 14). *Report: Google to end longtime ban on fantasy sports ads*. Marketing Dive. <https://www.marketingdive.com/news/report-google-to-end-longtime-ban-on-fantasy-sports-ads/560855/>

⁸⁹ Davies, R. (2019, July 19). *Half of Premier League clubs to have gambling sponsors for 2019-2020 season*. The Guardian. <https://www.theguardian.com/football/2019/jul/19/half-of-premier-league-clubs-to-have-gambling-sponsors-for-201920>

⁹⁰ American Gaming Association. (2019). *Responsible Marketing Code for Sports Wagering*. Washington, D.C.: Author.

⁹¹ Wohl, M. J. A. (2019, May 30). *Loyalty Programs in the Gambling Industry: Understanding the Risks and Potential for Harm Minimization* [Presentation]. International Conference on Gambling and Risk Taking, Las Vegas, NV. https://digitalscholarship.unlv.edu/gaming_institute/2019/May30/4/

problem gamblers, increased already high gambling involvement and made it more difficult to adhere to a decision to stop or curtail their gambling.”⁹²⁹³ Moreover, a clear understanding of advertising for in-play or in-running betting (a sports-specific gambling activity) is lacking. In-play betting allows gamblers to place bets continuously throughout a game or event. This has important implications for problem gamblers as scholars have noted “continuous forms of gambling with high event frequencies are more frequently associated with problem gambling.”⁹⁴ A recent study investigating in-play betting found advertising associated with this type of gambling is “skewed toward complex events with high-profit margins which consumers do not evaluate rationally.”⁹⁵ Clearly, any legalization of sports wagering and/or online gambling should be accompanied by codes of conduct, and appropriate compliance and review capacities.

11. Overall, what are Americans' perceptions of gambling?

According to industry research and those who “vote with their feet” by engaging in gambling, perceptions overall are more positive than they were a generation ago. A review of industry research since the mid-1990s suggests that Americans’ attitudes towards the gambling industry have become increasingly favorable, with over 86 percent considering casino gambling to be a fully acceptable form of entertainment in 2019, compared to 11 percent that found it an unacceptable activity for anyone. This contrasts with the 79 percent of Americans that found casino gambling acceptable in 2006 (with 18 percent deeming it unacceptable).⁹⁶

This increased acceptance of gambling is further illustrated by consumer behavior patterns, as approximately 105 million Americans have visited a casino in the past year in 2019 (compared with 53 million in 2001).⁹⁷ Of course, legalized gambling has also become more widely available over this period. Meanwhile, the proportion of Americans who see gambling as “morally acceptable” is also growing: a 2018 Gallup poll found that 69 percent of Americans indicated as much. This represented the highest level of acceptance since Gallup has included this question.⁹⁸

Finally, public attitudes towards legalized sports wagering in the U.S. have seen the most pronounced leaps in acceptance. According to a 2018 consumer study, 78 percent of Americans supported legalized

⁹² Binde, P. (2008). Exploring the Impact of Gambling Advertising: An Interview Study of Problem Gamblers. *International Journal of Mental Health and Addiction*, 7(4), 541–554. <https://doi.org/10.1007/s11469-008-9186-9>

⁹³ Hing, N., Cherney, L., Blaszczynski, A., Gainsbury, S. M., & Lubman, D. I. (2014). Do advertising and promotions for online gambling increase gambling consumption? An exploratory study. *International Gambling Studies*, 14(3), 394–409. <https://doi.org/10.1080/14459795.2014.903989>

⁹⁴ Lopez-Gonzalez, H., & Griffiths, M. D. (2016). Is European Online Gambling Regulation Adequately Addressing In-Play Betting Advertising? *Gaming Law Review and Economics*, 20(6), 495–503. <https://doi.org/10.1089/glre.2016.2064>

⁹⁵ Newall, P. W. S., Thobhani, A., Walasek, L., & Meyer, C. (2019). Live-odds gambling advertising and consumer protection. *Plos One*, 14(6). <https://doi.org/10.1371/journal.pone.0216876>

⁹⁶ American Gaming Association. (2020). *State of the States 2020: The AGA Survey of the Commercial Casino Industry*. Washington, D.C.: Author.

⁹⁷ Ibid.

⁹⁸ Norman, J. (2018). Acceptance of gambling reaches new heights. *Gallup News*. Retrieved from <https://news.gallup.com/poll/235379/acceptance-gambling-reaches-new-heights.aspx>

sports wagering, which represented a 25 percentage point shift from the previous year.⁹⁹ Overall, it would seem from this evidence that while gambling continues to have critics, its acceptance is growing in America – most visibly, of late, with sports wagering.

12. How is all of this affected by COVID-19?

The impacts of the pandemic are varied, deep, and wide. From the shift to cashless referenced above to increased risk for a general U.S. population that, as a whole, is worse off financially than it was before the pandemic hit, in this section we describe the ways in which COVID considerations are paramount today.

As noted earlier, there is rapidly increasing regulatory acceptance of implementing cashless payment systems in land-based gambling environments in the U.S. -- due, in part, to the belief that cash poses an undue public health risk in spreading this virus in the middle of a pandemic. Cash, coins, and casino chips are notorious for relatively high levels of contamination.^{100 101} As such, cashless systems are fast becoming one of the tools regulators can implement to increase safety of land-based gaming environments. More broadly, contamination and sterilization have become vital areas of focus for scientists working in this (and virtually every) field.¹⁰²

There are also broad societal impacts related to problem gambling during COVID-19. Throughout these unprecedented times, experiences that have traditionally been known to contribute to problem gambling may have been experienced by many returning customers, such as isolation, loss of income, loss of a loved one, or unemployment.¹⁰³ These experiences may contribute to customers using gambling as an escape from the stress of the pandemic or as an attempt to recoup lost income.

The online space in and of itself has far different considerations from its land-based counterparts. Clearly, potential exposure to COVID-19 is all but eliminated in an online environment. However, the sociological implications of isolation, job loss, grief, economic and familial trauma, may all contribute to increases in problematic or harmful play.

Gaming regulators around the world are acknowledging this new reality by encouraging gambling licensees to enhance their responsible gaming programs to identify and appropriately respond to the unique circumstances created by COVID-19.¹⁰⁴ In some cases, operators may have already

⁹⁹ American Gaming Association. (2019). *Consumer Movement Toward Sports Betting: Current and Future Sports Betting Behavior Post-PASPA*. Washington, D.C.: Author.

¹⁰⁰ Angelakis, E., Azhar, E. I., Bibi, F., Yasir, M., Al-Ghamdi, A. K., Ashshi, A. M., Raoult, D. (2014). Paper money and coins as potential vectors of transmissible disease. *Future Microbiology*, 9(2), 249–261. <https://doi.org/10.2217/fmb.13.161>

¹⁰¹ Pal, R., & Bhadada, S. K. (2020). Cash, currency and COVID-19. *Postgraduate Medical Journal*, 96(1137), 427–428. <https://doi.org/10.1136/postgradmedj-2020-138006>

¹⁰² Ibid.

¹⁰³ Panchal, N., Kamal, R., Orgera, K., Cox, C., Garfield, R., Hamel, L., Chidambaram, P. (2020, April 21). *The Implications of COVID-19 for Mental Health and Substance Use*. KFF. <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/>.

¹⁰⁴ Nevada Gaming Control Board (2020, June 25). *Health and safety policies for the resumption of gaming operations*. The Nevada Gaming Commission and Nevada Gaming Control Board. <https://gaming.nv.gov/modules/showdocument.aspx?documentid=16731>

implemented such measures on their own. This may include measures such as providing enhanced training to employees, creating specialized messaging for customers, and revalidating credit decisions.¹⁰⁵

¹⁰⁵ Stutz, H. (2020, May 8). *Nevada health and safety guidance for casino re-openings approved but timeline still to be determined*. CDC Gaming Reports Inc.

<https://www.cdcgamingreports.com/nevada-health-and-safety-guidance-for-casino-reopenings-approved-but-timeline-still-to-be-determined/>

Appendix: Responsible Gaming Chart

Finally, as we wanted to re-emphasize the importance of responsible gaming, we conclude with an easily digestible summary of the responsible gaming tools that can be deployed across all platforms. Regardless of platform or venue, all company RG programs should incorporate employee training, company policies, support for strong service programs in treatment, research, and awareness, and customer-facing initiatives.

Here, we examine in one chart the ways in which the capacity to implement additional RG tools can vary across online and land-based environments. It should be noted that advancements in technology, for example facial recognition, are being made at an ever-more-rapid pace and may significantly impact any or all of these items in the near future as public and regulatory acceptance grows.

	Land-based casinos / Sportsbooks	Online casinos / Sports wagering
Cooling off periods	Enforcement is more difficult as casino patrons can play without the use of a player card or any means of identification. In some cases, the ability to visually identify a patron may permit added compliance in land-based facilities.	Technology and required account access protocols and usage policies facilitate enforcement, i.e. bettors can be temporarily blocked from accessing their account.
Self-exclusion	Although exclusion exists in many US casinos, enforcement is challenging as casino patrons can play without the use of a player card or any means of identification. In most cases, licensed casinos are responsible for taking steps to observe any excluded player and removing her/him from the property, if identified.	Technology and required account usage policies facilitate enforcement, i.e., bettors cannot play unless logged into their account, which would be not be accessible due to a self-exclusion request.
Wager and time limits	Untracked play makes enforcement difficult. Compliance could be facilitated by the introduction	Technology and required account usage facilitate enforcement as all wagers, frequency, and time engagement are tracked.

	of cashless payments/accounts.	
Spending visualization tools	Current technology is not based on real-time data and, typically, only available by mail. Would only reflect tracked play.	Technology and required account usage allow for real-time visual tools detailing spend, engagement, etc. by tracking all gambling transactions.
Real time RG messaging	Coordination can be challenging across venues (e.g., from one land-based casino to another).	Depending on collaboration, coordination across venues (websites) can be more seamless. Also, direct, targeted messaging can be more easily enabled.
Credit/debit card use	Currently limited, though expanding; RG concerns center on whether customers accessing bank accounts and/or credit cards directly from the gambling venue might rapidly develop undetected financial problems.	Currently limited in jurisdictions like the UK, where credit card usage was recently banned; customers in general can view and understand their expenditures in a more ready, rapid, and consolidated fashion in jurisdictions where this is enabled.
Algorithm/Behavioral analytics potential	Challenged by cross-venue coordination (e.g., gambling in one venue may not be tracked in another – and hence might not contribute to the algorithmic analysis). Also, mergers and acquisitions have created large companies with several different operating systems which often cannot communicate together. Further, untracked or unidentified play is problematic as it is unable to tie any behavioral markers to a specific person.	Tracking of all gambling transactions facilitates the use of data analytics for targeted, tailored RG interactions.

Research Team

Bo Bernhard

Dr. Bo Bernhard calls Las Vegas home, but he works frequently in jurisdictions around the world as well as dozens of states across the U.S. Dr. Bernhard began his academic career at Harvard University, where he wrote a *magna cum laude* thesis on the impacts of the global gaming industry. By the age of 30, had presented this research on six continents.

After earning his Ph.D. in 2002, Dr. Bernhard was named the inaugural Research Director at the UNLV International Gaming Institute. In 2013, he was named Executive Director at the IGI, where he now oversees a team of 38 thought leaders who tackle the global gaming industry's most vexing problems. Representing the university and the IGI, Dr. Bernhard has delivered over 250 keynote addresses in clinical, regulatory, government, and policy settings.

In 2013, Dr. Bernhard took over the leadership of the gambling research field's largest, oldest, and most prestigious research conference, the *International Conference on Gambling and Risk Taking*, an event founded in 1974 by Dr. Bernhard's mentor, Dr. Bill Eadington. Over the course of his career, Dr. Bernhard's work has earned him several awards: he won the inaugural Nevada Council on Problem Gambling Shannon Bybee Award for his problem gambling initiatives; the UNLV Barrick Scholar Award, awarded to the top young researcher at the university; the World Affairs Council's International Educator of the Year award for his focus on gaming's globalization; and the UNLV Spanos Award (given to the university's top teacher). In 2017, he was given the Harry Reid Silver State Research Award, making him the only individual in the history of UNLV to win the university's top research and teaching awards.

Jennifer Shatley

Jennifer Shatley is an experienced responsible gaming executive with a 22 year career background involving extensive leadership progressing responsible gaming policy. As Vice President, Responsible Gaming Policies and Compliance for Caesars Entertainment, Ms. Shatley led the development, implementation and administration of the company's industry leading responsible gaming programs, created first-of-its-kind responsible gaming training, developing the role of RG Ambassador, and developed numerous responsible gaming IT applications.

Ms. Shatley is a highly sourced advisor to a multitude of organizations and has consulted domestically and internationally. She is President of the Nevada Council on Problem Gambling and previously served on the Nevada Governor's Advisory Committee on Problem Gambling, serving as the Sub-Committee on Problem Gambling Prevention Chair, as well as serving on the board of directors of the National Center for Responsible Gaming.

Ms. Shatley holds a Bachelor's Degree in English from Christian Brothers University, a Master's Degree in Communication from the University of Tennessee, and is currently pursuing her Doctorate in Public Policy at the University of Nevada, Las Vegas.

Alan Feldman

Alan Feldman is an internationally respected figure in responsible gaming. After a long and distinguished career in the gaming industry, he was appointed as a Distinguished Fellow of the International Gaming Institute at UNLV, where he leads the Institute's responsible gaming programs.

Mr. Feldman also serves as Chair of both the International Center for Responsible Gaming as well as the Nevada Advisory Committee on Problem Gambling. Additionally, he serves as a member of the Gambling Research Advisory Committee for the Massachusetts Gaming Commission.

Mr. Feldman has developed trusted relationships with academics, clinicians, public health officials and problem gambling advocates and patients throughout his 30 year career and is a frequent speaker on responsible gaming at conferences, universities and media events around the world. He is on the faculty for the UNLV-UNR Executive Development Program and serves as a Board Affairs Advisor to the Macau Gaming Management Association.

Disclosures

During the past 5 years, Bo Bernhard's work has been funded by the U.S.-Japan Business Council, Wynn Resorts, Atomic 47/ePlata Banking, Las Vegas Sands, the Nevada Department of Health and Human Services and Governor's Advisory Panel on Problem Gambling, the State of Nevada Knowledge Fund, the UNLV-UNR Executive Development Program, and MGM Resorts. He has received travel and/or honoraria for presenting his research in more than two dozen countries.

Jennifer Shatley is a former executive from Caesars Entertainment, leaving the company in 2014. Since that time, she has provided consulting services to Caesars Entertainment, domestically and in Japan, the American Gaming Association, MGM Resorts International, and the Evergreen Council on Problem Gambling. During that time, she has received travel and/or funding to present or participate in panels in five countries.

Alan Feldman was an executive with Mirage Resorts, Inc. from 1989-2000 and with MGM Resorts International from 2000-2019. He remains at present an advisor to MGM solely on responsible gaming matters in Japan. Separately, MGM and GVC have a business partnership with which Mr. Feldman is unaffiliated.

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