



**Testimony of Les Bernal, National Director of Stop Predatory Gambling,
in Support of HB465: A Bill That Would Help Protect Maryland Citizens and
College Athletes From the Harms Inflicted By Predatory Gambling Operators
Maryland House Ways and Means Committee
February 6, 2025**

Dear Chair Atterbeary and Committee Members:

I am testifying on behalf of our Maryland members of Stop Predatory Gambling, a national nonprofit organization with members in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling.

We are writing in support of HB465 that would help protect Maryland citizens and college athletes from the harms being inflicted by predatory gambling operators.

There are several important and urgent facts why HB465 merits your support. Our testimony focuses on four of those facts:

- 1) Maryland citizens are losing more than \$5600 every minute to commercialized gambling being pushed by the state, causing *life-changing financial losses* for tens of thousands of your constituents.**
- 2) Maryland is experiencing a metastasizing epidemic of gambling addiction among young adults and teens.**
- 3) “Responsible Gambling” campaigns funded by the gambling industry and Maryland state officials are a sham. Their primary purpose is merely to *give the appearance* that something is being done to protect the public from predatory and dangerous business practices.**
- 4) Science has shown us that online gambling is a known dangerous and addictive product *on the same level as heroin, cocaine, and opioids*.**

What is “Predatory Gambling?”

To be clear, we are *not* talking about *social gambling* like the Super Bowl office pool, March Madness brackets, Friday night poker games, or casual wagers on the golf course with friends.

Predatory gambling is when state governments partner with powerful corporate gambling interests to use *commercialized gambling - gambling being run as a business* - to exploit citizens and their communities. Unlike any other business, in commercialized gambling there is a *predatory and adversarial relationship* between the gambling operator and its customer, the gambler. *They are trying to take you down.*

Online gambling operators, their partners in government, and gambling industry lobbyists like to call it “regulated gaming.” But for the rest of us, the only term that accurately describes it is predatory gambling.

The Facts:

- 1) Maryland citizens are *already* losing more than \$5600 every minute to commercialized gambling being pushed by the state, causing *life-changing financial losses* for tens of thousands of your constituents.**

There is no citizens grassroots movement for online gambling in Maryland in large part because your constituents are *losing massive sums of personal wealth* to commercialized gambling being pushed by the state.

To help you understand the amount of personal wealth being lost by citizens, Stop Predatory Gambling conducted a review of Annual Reports of the Maryland Lottery Commission from FY2011-FY2022.¹ Here is what we learned:

- Maryland citizens lost \$3 billion to commercialized gambling pushed by state government in FY22** (personal wealth lost to the Maryland Lottery, the

¹ Maryland Lottery Commission, 2024. <https://www.mdlottery.com/>

state's brick-and-mortar casinos, and daily fantasy sports gambling in FY22 combined)

- **Marylanders are losing \$5600 of personal wealth every minute.**
- **Maryland citizens have lost more than \$23 billion of their personal wealth to commercialized gambling since the state's casinos first opened in 2011.**
- If Maryland state officials don't address the staggering amount of financial hardship already being experienced by the people of the state because of gambling, **citizens are on course to lose more than \$15 billion of their personal wealth to commercialized gambling over the next five years.**
- With the zeal of a teetotaler, most of the people who operate and invest in commercialized gambling such as online gambling, sports betting, regional casinos, and lotteries, along with the public officials who lobby to bring them in, **rarely, if ever, gamble themselves.** Yet these hypocrites cause life-changing financial losses for tens of thousands of Maryland citizens.²

HB465 offers several key reforms that would help lessen the amount of financial losses your constituents are suffering which include prohibiting the use of credit cards in internet sports betting and requiring internet sports bettors to set deposit limits.

² "The Hypocrite Hall of Fame," January 2025. <https://www.stoppredatorygambling.org/meet-the-men-and-women-enshrined-as-members-of-the-hypocrite-hall-of-fame/>

2) Maryland is experiencing a metastasizing epidemic of gambling addiction among young adults and teens.

Kids used to collect sports cards growing up as fans of their favorite athletes and local teams. Now kids are gambling. The high frequency of marketing by gambling operators has normalized gambling for kids, leading them to believe gambling was central to playing and watching sports.

Exposing kids to gambling ads normalizes and desensitizes them to the dangers of gambling and makes them more likely to develop problems later in life. They grow up mistakenly thinking this is a harmless activity. The younger children start gambling, the more likely it is they will become habitual and addicted gamblers.

Teens and people in their early- to mid-20s are now a primary demographic calling gambling addiction helplines.

Many young people who have experienced a gambling addiction have reported that they were first lured into using the gambling apps when they turned 18 because they were able to access daily fantasy sports gambling.

HB465 would help prevent more young people from suffering a gambling addiction by raising the age to participate in fantasy sports gambling (DFS) from 18 to 21.

3) “Responsible Gambling” campaigns funded by the gambling industry and Maryland state officials are a sham. Their primary purpose is merely to *give the appearance* that something is being done to protect the public from predatory and dangerous business practices.

There are at least two fundamental questions that *every* state legislator who is serious about their job has a duty to ask. The first is *what percent of commercialized gambling*

profits is based upon citizens who have become addicted gamblers? What you will learn is the gambling industry business model depends upon the addicted citizen:

- One of the most influential studies of online gambling in the world found that 86% of gross online gambling profits were extracted from 5% of gamblers.³
- In the brick-and-mortar casino business, it's been reported there are "at least nine independent studies demonstrating that addicted gamblers generate up to 60% of total gambling revenues."⁴

The second question every serious legislator needs to ask is *what percent of gambling profits comes from people who follow "responsible gambling codes of conduct?"* The reality is the percentage of gambling profits that comes from people who follow "responsible gambling codes of conduct" (i.e., the casual gambler) *is virtually irrelevant to their profits.* NYU Professor Natasha Schull reported in her nationally acclaimed book *Addiction By Design* that people who follow responsible gambling guidelines *made up 75% of the players but contribute a mere 4% of gambling profits.* "They only bring in 4% of our revenues, the responsible gamblers," the author of the study said. "If responsible gambling were successful then the industry would probably shut down for lack of income."⁵

HB465 offers important reforms that would meaningfully help protect your constituents from the harms they are suffering at the hands of predatory gambling operators. These reforms include:

- A prohibition on email marketing to players who have temporarily suspended their internet sports betting accounts.
- Provisions ensuring that people who apply for voluntary exclusion are connected with contact information for counseling services. (The fact that this is not already

³ "Exploring Online Patterns of Play," National Center for Social Research (UK), March 9, 2021. https://www.begambleaware.org/sites/default/files/2021-03/PoP_Interim%20Report_Short_Final.pdf

⁴ "How Casinos Enable Gambling Addicts," The Atlantic, By John Rosengren, December 2016 <https://www.theatlantic.com/magazine/archive/2016/12/losing-it-all/505814/>

⁵ Natasha Dow Schull, PhD, *Addiction By Design, Machine Gambling in Las Vegas*, Pg. 267 (2012), available at <http://press.princeton.edu/titles/9156.html>

happening reveals a lot about the state's complicit role in predatory gambling practices.)

4) Science has shown us that online gambling is a known dangerous and addictive product *on the same level as heroin, cocaine, and opioids.*

Many state legislators are under the false impression that the extreme forms of commercialized gambling being pushed by state governments like Maryland's are considered safe for citizens to frequently take part. But the science makes clear that these forms of gambling *are not safe* for frequent use by citizens.

Commercialized gambling is now recognized as an addiction ***on the same level as heroin, cocaine, and opioids*** in the American Psychiatric Association's DSM-5, used by hospitals, health care professionals, and health insurance companies as the principal source for mental health diagnoses:

*"In the DSM-5, gambling disorder has been placed in a new category on behavioral addictions. This reflects research findings showing that gambling disorder is similar to substance-related disorders in clinical expression, brain origin, comorbidity, physiology and treatment."*⁶

Online gambling represents the most dangerous and predatory form of gambling being pushed by states *because it offers unlimited access and gambling action*. It's the equivalent of opening a Las Vegas-style casino in every bedroom, dorm room, office, smart phone, and computer across the state, 24 hours a day. At the same time, the online gambling operator uses the latest data tracking and marketing technologies *to induce* citizens to gamble relentlessly with tactics such as "free gambling wagers" and a barrage of text messages offering "bonus bets."

⁶ American Psychiatric Association, Diagnostic and Statistical Manual of Mental Disorders (DSM-5), 2024
<https://www.psychiatry.org/patients-families/gambling-disorder/what-is-gambling-disorder>

To better understand the level of harm your constituents are experiencing because of this known dangerous and addictive product, HB465 would require sports betting licensees to share detailed data with researchers to study its impacts on consumers.

“No Taxation Without Representation” is one of the core democratic principles of our nation’s founding. The time has come to add the principle of “No Taxation By Exploitation” right alongside it.

Thank you for your serious consideration of the facts presented in our testimony. If you need further information about this issue, I invite you and your staff to please contact me by email mail@stoppredatorygambling.org or phone (202) 567-6996.

Thank you for your work.

Sincerely,



Les Bernal, National Director
Stop Predatory Gambling

About Stop Predatory Gambling

Stop Predatory Gambling believes people are worth more than money. We are a national nonprofit organization with members of all political stripes in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling. We do not accept financial contributions from commercialized gambling interests.