

AMERICA'S HIGH-STAKES BET ON LEGALIZED SPORTS GAMBLING

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AMERICA'S HIGH-STAKES BET ON LEGALIZED SPORTS GAMBLING

TUESDAY, DECEMBER 17, 2024

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The Committee met, pursuant to notice at 10 a.m., in Room 226, Dirksen Senate Office Building, Hon. Richard J. Durbin, Chair of the Committee, presiding.

Present: Senators Durbin [presiding], Blumenthal, Hirono, Padilla, Ossoff, Welch, Tillis, Hawley, Kennedy, and Blackburn.

Also Present: Senator Schiff.

OPENING STATEMENT OF HON. RICHARD J. DURBIN, A U.S. SENATOR FROM THE STATE OF ILLINOIS

Chair DURBIN. This meeting of the Senate Judiciary Committee will come to order. This is the last scheduled meeting of the full Senate Judiciary Committee in this 118th Congress. I want to thank all of the Members, and especially Senator Graham, who unfortunately does not feel well this morning. He won't be joining us. But I want to thank him and all the Members on the Republican side, as well as the Democratic side, and their staffs for the work we've done together. I look forward to working with Senator Grassley in the upcoming Congress.

In 2018, the U.S. Supreme Court struck down the Professional and Amateur Sports Protection Act, opening floodgates for States to legalize sports betting. Once largely illegal, sports betting is now legal in over three dozen States and the District of Columbia. Professional sports leagues, formerly the chief opponents of sports betting now partner with sports books and have integrated gambling into their games and broadcasts.

It is virtually impossible to watch a sporting event today without being barraged by ads encouraging you to bet or hearing from a celebrity endorser about the latest parlay you should try, and from the industry perspective, it's a very profitable development. Over \$30 billion was bet on sports in the third quarter of 2024 alone, a nearly 30 percent increase over the previous year. But at what cost to the better, at what cost to the sport, at what cost to the school or the athlete? Let's turn to a video by way of introduction to this hearing.

[Video is shown.]

Chair DURBIN. While gambling can be a form of entertainment when done responsibly, in many cases it is not being done responsibly. According to the National Council on Problem Gambling, an

estimated 2.5 million adults may have a severe gambling problem. Another 5 to 8 million are estimated to have mild problems.

With the advent of online sports betting, everyone's cell phone is a sports book, providing betting access 24 hours a day, 7 days a week. A person with a gambling problem can chase the action at the click of a button and rack up ever increasing losses, whether on an NFL game or professional table tennis.

I believe gambling operators must play a greater role in preventing addiction on the front end by helping identify problem gamblers and directing them to help. Last night I went to a reception. A fellow I didn't know came up to me and said, "Thanks for having this hearing." And I said, "What's your interest in it?" He said, "my son's at an Ivy League school. He bets every day. And as fellow students do, too." It has become so common they hardly even think it's a new phenomenon that surely has been going on forever. Well, it was going on to some extent, but now it's being institutionalized and professionalized.

Problem gambling is not the only negative side of legalized sports betting. As sports betting has spread, the actual games, cheering for your team to become less important for many individuals who are more focused on the points spread or player props. When a bet doesn't hit, angry bettors often take it out on the players.

In a victory over Michigan State at last year's NCAA men's basketball tournament, North Carolina star, Armando Bacot had a great game scoring 18 points, 7 rebounds. But he didn't have enough rebounds to make a certain gambler's bets payoff. Bacot reported receiving over 100 messages from gamblers after the game berating him because they lost their bets.

Or consider Carson Barrett, a little used player on Purdue's 2024 men's basketball team. In the first round NCAA tournament game he played the final minutes of his team's blowout win. He even hit a three-pointer in the game's final seconds. While this may have been the culmination of a dream for Carson, his reward for making the basket and the tournament was bettors' messages urging him to kill himself why? His basket pushed his team's victory over the 26.5 point spread.

Athletes, coaches, and officials also deal with temptation to adjust their performances to make bets hit. You don't have to look too far to find a recent sports betting scandal, whether it's NBA player, Jontay Porter, taking himself out of games to cash in prop bets or former Alabama baseball coach Brad Bohannon giving inside information to bettors about his team. These scandals will continue to pop up.

It is critical that Congress look into sports betting's impact on America and determine how the industry should be regulated going forward. I thank our witnesses for helping us to explore these issues today. Before introducing the witnesses, Senator Tillis has told me that he does not have an opening statement. So, should I proceed at this point?

Senator TILLIS. Yes, sir.

Chair DURBIN. Thank you. Each Senator is going to have 5 minutes to ask questions after the witnesses testify for 5 minutes each. Our first witness is going to be Charlie Baker, president of the National Collegiate Athletic Association, NCAA. Prior to taking his

position with the NCAA, Mr. Baker served as Governor of Massachusetts for two terms. Welcome.

Mr. BAKER. Thank you very much, Mr. —

Chair DURBIN. We're going to—if you'll hold on just a second, I'm going to introduce all the panel, and then swear you in, and off we go. We are also joined by Johnson Bademosi. Did I pronounce that correctly?

Mr. BADEMOSI. Bademosi.

Chair DURBIN. Right. He's a former collegiate and NFL football player. After his collegiate days at Stanford, he played in the NFL for 9 years, and served as the NFL Players Association rep. Thanks for coming.

We're next joined by Keith Whyte. Mr. Whyte serves as executive director at the National Council on Problem Gambling, a position he's held since 1998. The National Council serves as an advocate to mitigate gambling-related harm.

Next witness is David Rebuck. Mr. Rebuck served as director of New Jersey's Division of Gaming Enforcement for 13 years before retiring in 2024. During his time as director, he launched online gambling and sports betting, Mr. Rebuck now serves as a consultant to the American Gaming Association.

Our final witness is Dr. Harry Levant. Dr. Levant is the director of gambling policy with Public Health Advocacy Institute at Northeastern University School of Law. Also works as a therapist treating patients struggling with the addiction. He's a recovering gambling addict himself and has been in recovery for 10 years.

So, first I'm going to administer the oath and then we'll take the testimony. So, if you-all please rise and raise your right hand.

[Witnesses are sworn in.]

Chair DURBIN. Let the record indicate that all the witnesses, thank God, have answered in the affirmative. And Governor Baker, why don't you start?

STATEMENT OF HON. CHARLIE BAKER, PRESIDENT, NATIONAL COLLEGIATE ATHLETIC ASSOCIATION, INDIANAPOLIS, INDIANA

Mr. BAKER. Thank you, Mr. Chairman, and I want to thank you for this opportunity, and I want to thank the Members for the Committee for being here as well.

As NCAA president, I see evidence every day of how much more complex the issues student athletes face today compared to what I experienced as a college basketball player some 45 years ago. In response, the NCAA has delivered transformative, long-overdue changes to address the modern student athletes' needs.

For example, the association now provides all student athletes with access to post eligibility health insurance for injuries and mental health concerns that occurred while they were playing. Similarly, all Division 1 schools must provide elevated health and wellness benefits, guaranteed scholarships, and other academic support services.

One emerging issue that certainly wasn't present during my playing days is the rapid expansion of legal sports betting. This is another area where we're deeply engaged in protecting and supporting student athletes. We've engaged experts to monitor contests

for integrity issues. We've surveyed college students to find out how prevalent sports betting is. We've ramped up efforts to educate student athletes about the rules and the dangers of sports betting on campus virtually and through social media.

We also monitor social media around our games. We refer the abusive, threatening, coercive, or downright criminal activity we uncover to the platforms, or in some cases, to law enforcement. It's important to note that a significant portion of this abusive content contains references to sports betting.

There's no doubt that the rise of sports betting has impacted the NCAA and student athletes in a significant way, but none of the consequences are as challenging as the harassment and coercion student athletes are experiencing. We've conducted four different surveys over the last several months, and each one shows 10 to 15 percent of Division 1 student athletes have been harassed by bettors, more so in basketball and football, but in other sports as well.

Student athletes publicly revealed they get demands for money from unhappy bettors for trivial things that don't impact the result on the field. But it doesn't stop there. Many have received death threats from bettors and they also receive other in-person threats and accusations directed at them while they're leaving or coming onto the field of play.

And unlike professional athletes, college students attend classes and live on campus. They're accessible to students and fans, some of whom in fact are probably the gamblers yelling at them when they're playing their game. Those differences increase the opportunity for threatening, coercive behavior across a massive number of participants and contests, and create senseless risk.

In many States, gambling regulators lack the authority to ban bettors for harassment. Instead, they rely primarily on the industry to share information across State lines. While we believe these disparities in State laws clearly warrant federal action, the NCAA is not waiting. We're lobbying States one at a time to make changes. West Virginia joined Ohio to pass legislation codifying anti-harassment measures related to sports betting.

The West Virginia delegate who proposed the legislation represents areas bordering Pittsburgh. He noted the limited impact involuntary exclusion lists have when bettors can easily jump across State lines. In addition to West Virginia and Ohio, legislators and regulators ranging from New Mexico to Wyoming have advanced policy changes aimed at protecting student athletes from harassment by bettors.

Despite the progress and the betting industry's persistent pushback, too many States with legal betting lack adequate protections for student athletes. That's why we're lobbying States to eliminate prop bets on individual student athletes. We understand sports betting's here to stay, and why it's better to have it regulated than not.

While we work effectively with many in the gambling industry to uncover integrity issues, we disagree with the casinos on the issue of prop bets. On issue of prop bets, we believe that when bettors can't gamble on college athletes' individual performances, they're far less likely to attempt to scrutinize, coerce, or harass stu-

dent athletes. And several States ban these types of bets for good reason.

Before we started our campaign, 23 of the soon-to-be 39 States with sports betting permitted those bets. Today, only 19 still do. Should this Committee develop legislation regulating sports betting, we strongly encourage banning prop bets on college sports. We also encourage federal authorities to do more to crack down on black market betting sites. We believe these sites are where many of the underage students who report betting are placing their bets.

Lastly, federal legislation offers a significant opportunity to strengthen sport leagues' ability to investigate integrity issues. I want to thank you once again for having me this morning, and I look forward to your questions and answers.

[The prepared statement of Mr. Baker appears as a submission for the record.]

Chair DURBIN. Thanks, Governor. Mr. Bademosi.

**STATEMENT OF JOHNSON BADEMOSI, FORMER NFL PLAYER,
THE NATIONAL FOOTBALL LEAGUE PLAYERS ASSOCIATION
(NFLPA), WASHINGTON, DC**

Mr. BADEMOSI. Chairman Durbin, Members of the Committee thank you for convening this hearing to address the critical issue of legalized gambling in sports, and for considering a possible legislative solution that would address issues of player safety, game integrity, and addiction prevention.

I'm Johnson Bademosi, a native Washingtonian, Stanford graduate, 9-year NFL veteran, and sports fanatic. I remember two-a-day practices, and playing high school football games on Buchanan Field, which is less than a mile from where I sit today. I began playing team sports to make friends, and striving to earn a football scholarship because as a nurse, my single mother did not earn a salary that could pay the current cost of college tuition.

President Teddy Roosevelt's quote regarding the man in the arena has always arrested me as particularly poignant. "We all admire the athletes in the arena because of their intense efforts, valiance, dedication, and the fortitude it requires to compete at a high caliber, and achieve excellent feats despite one or many obstacles."

During my experience as a collegiate student athlete and when I joined the NFL as a professional 12 years ago, legalized gambling in sports, or sports betting as it has come to be, did not exist. But the intense scrutiny and external pressures that athletes often receive from fans and critics did.

The sophistication of mobile devices and the rapid growth of media platforms has allowed for both fans and critics an opportunity to interact directly with the athletes that are subjects of their games as a result of legalized sports gambling.

As a result, the rise of legalized sports gambling has increased levels of fan engagement, but has introduced more stress, new mental health challenges, and has increased the number of threats and incidents of harassment to both amateur and professional athletes.

I have to acknowledge that incidents of harassment sometimes extend much further than internet exchanges, and acknowledge the families who have suffered from emotional distress or even the loss

of a loved one. Words cannot begin to express the profound sorrow I feel that the sports we have played to bring our families and communities together have been perverted to a point where fans are attacking athletes.

I know that many of you have been working many terms to protect amateur and professional athletes to remain integrity and fair play in sports, and we are grateful for your long-term dedication to this cause and your willingness to work together to help keep our communities safe. I also want to recognize the many athletes who have worked to raise awareness on these and other issues, push for change, and have collaborated with lawmakers on important legislation like the College Athletes Protection and Compensation Act, and others, to safeguard athletes' health and wellness and to save lives.

My testimony today will focus on four key areas of legalized internet gambling in sports; the effect on players in the arena, the influence of fan engagement, the broader societal implications, and final congressional recommendations.

Players have had pressure to perform well for professional achievements and to win games, but sports betting has added a new and complex layer to this issue. Social media has enabled athletes to take control of their brands and market themselves in ways not possible for previous generations. However, it has also opened an extremely accessible avenue for threats and harassment directed toward athletes and their families alike.

Now, players are targeted by gamblers who seek insider information or pressure them to perform, not for the benefit of the team, but because the gambler is financially invested in a specific performance element of individual athletes. This has an overall negative effect on a player's physical security and mental state of mind. Examples of this behavior include harassment and even death threats like those received by tennis pro Renata Zarazúa following her U.S. Open loss, or those received by one Buffalo Bills kicker for missing a field goal this season.

These episodes have a clear negative impact on a player's mental health and overall well-being, and has the likelihood to distract a player during the time where focus is needed on the field to avoid injury and to perform at the highest levels.

When the lights are off, the game is over, and the job is done, players return home to their families like all other citizens. Athletes are constituents and contributing members of your communities who patronize the same grocery stores and whose children attend the same schools as yours. For most athletes, there is no gated community or private security force, and yet, they are too often exposed to the threats associated with problematic gambling. Player safety on and off the field is a priority and safeguards must be put in place.

While legalized sports gambling has deepened fan engagement in sports, it has simultaneously transformed the fan experience from enjoying a game to celebrating or lamenting amongst other fans, to some bad actors expressing resentment and misguided ammunition toward any players perceived to cost a fan money. This behavior dehumanizes a player, treating them more akin to an analytical statistic. Fans who exhibit this kind of behavior should be nowhere

near athletes, coaches, or others who are there to enjoy the game and cheer on their teams.

The rapid expansion of legalized gambling has raised significant societal concerns, as I'm sure my colleagues testifying here today will share. While legalized sports gambling generates substantial tax revenue and economic opportunities for leagues in partnership with sports betting entities, it risks commodifying hope, and devaluing sports as a pursuit of skill and integrity.

The question is whether the commercialization of gambling undermines the essence of athletic competition. I believe that sports betting can be operated in a way where the integrity of the game is not compromised, but that will take significant efforts both on and off the field to ensure that gamblers and athletes are acting in good faith, and athletes are not put in harm's way.

Congress has a role to play in passing policies that reinforce the integrity of the game, while also protecting athletes to address these challenges. Players unions collectively have endeavored to have player protections included in States' legislation such as advocating for prohibitions on negative bets, a prohibition on use or purchase of player biometric data for purposes of gambling, and ensuring full due process rights in sports betting conduct investigations by notifying the player and their respective labor union of a potential violation.

Each of these recommendations is critically important. Our prohibition on negative bets would ensure that fans are not gambling on negative outcomes and therefore do not have an incentive to heckle players or encourage negative outcomes at a game.

Prohibiting the use of purchase of player biometric data would protect athletes from fundamental invasions of privacy, and would ensure that players are in full control of their personal health information.

And finally, ensuring due process rights and conduct investigations adheres to the bedrock legal principle of our judicial system that should be maintained in sports betting investigations.

In conclusion, while legalized internet gambling in sports appears here to stay and can enhance fan engagement, it also possesses significant risks, and has an insidious effect on the mental health outcomes of players, fan culture, and the integrity of sports. A balanced approach that prioritizes ethical considerations, player safety and well-being is essential.

Again, thank you for the opportunity to testify, and I'm happy to answer any questions you may have.

[The prepared statement of Mr. Bademosi appears as a submission for the record.]

Chair DURBIN. Thank, sir. Mr. Whyte.

STATEMENT OF KEITH S. WHYTE, EXECUTIVE DIRECTOR, NATIONAL COUNCIL ON PROBLEM GAMBLING, WASHINGTON, DC

Mr. WHYTE. Thank you, Chairman Durbin, Ranking Member Graham, and Members of the Committee, for holding this important hearing regarding the impact of the expansion of sports gambling in the United States. I'm Keith Whyte, executive director of the National Council on Problem Gambling, the sole national advo-

cate for those suffering from problem gambling and their loved ones.

NCPG speaks for the 9 million who suffer from a gambling addiction and the millions more in recovery. We bear witness to the devastating impacts of gambling addiction on individuals and their families, and to the effectiveness of services that provide hope and help. We can never eliminate the disease of addiction, but we can and must make better efforts to prevent and treat it.

Our mission is to lead awareness and advocacy, efforts to reduce gambling harm. Since NCPG was founded in 1972, we've remained non-partisan and neutral, neither for nor against legalized gambling. NCPG members include 35 State affiliate chapters, as well as a wide variety of individuals and organizations. From counselors, and researchers, to people in recovery from gambling, and as well as treatment clinics, regulatory authorities, gambling operators, sports leagues, and State human services agencies.

Since 2018, 38 States and the District of Columbia have legalized sports betting. In fact, now over half of the Senators on this Committee have legal sports betting in their State, whereas none did in 2018. Ads for sports betting are now run frequently across all media, even in States where sports betting is legal. Betting is now ingrained in college and professional sports, as you've heard.

As I said in my testimony before the House Judiciary Committee in September, 2018, we were concerned about the collision of three trends; vast increases in gambling advertising, especially exhortations to gamble during the game, advances in technology including mobile, online sports betting, and a virtually unlimited menu of betting opportunities on the games nowadays, including some of the things Johnson mentioned—bets on players individual performance.

Mobile's online sports gambling technology provides opportunities to enhance responsible gambling features including setting personalized limits and self-exclusion programs, but it also further increases risk factors for gambling addiction. And it's clear gambling problems have grown over the past 6 years, especially among young, male online sports bettors.

While this increase from 2018 is unprecedented, our 2024 data shows that the increase in risky gambling behavior appears to have leveled off. Though there are still 9 million people, as Chairman Durbin said, with gambling problems, and it's far too early to assume the rates are stable.

Many factors affect these rates, including risk factors like increased advertising, as well as protective factors such as expanded prevention, programming and greater public awareness of the harm that can result from a decision to gamble.

While sports betting has garnered enormous public attention recently, most Americans did not place a sports bet in the past year, and it remains important to recognize that problematic gambling behavior extends well beyond sports and demands a broader, national public health risk approach. Public health involves partnerships with communities, health providers, social services, and the gambling industry.

We have to look intently, but critically, to policies in other countries to ensure that our solutions are embedded in the Nation's cul-

tural, political, and economic systems. We have to recognize that State and Tribal Governments have historically overseen gambling in accordance with constitutional precedent. Unfortunately, however, many of these same governments have never invested in their problem gambling programs or created strong responsible gambling regulations.

While 2023 saw a historic high of \$134 million in public funding invested in State problem gambling programs, that still represents only 50 cents per capita, which is 338 times less public funding than is devoted to substance abuse. It's clear that State governments have not provided nearly enough support, and it's also true that public health is a shared responsibility between the States and the Federal Government.

NCPG therefore strongly supports the Gambling Addiction, Recovery, Investment, and Treatment Act introduced by Senator Blumenthal this year. The GRIT Act provides critical funding to prevent, treat and research gambling addiction without increasing taxes or government bureaucracy. Put simply the GRIT Act returns nearly half of the sports betting exercise tax revenue to State health agencies.

Increasing access to problem gambling treatment is the most important aspect of GRIT, and NCPG estimates that every dollar spent to prevent and treat gambling addiction saves government at least \$2 in criminal justice and healthcare-related social costs.

The evidence is overwhelming that expanded sports betting has led to increased harm on a national scale. It is therefore essential for Congress to pass Senator Blumenthal's GRIT Act. We believe this practical and lifesaving legislation is the single most important action Congress can take to address the negative impacts of expanded sports betting and gambling in general.

Thank you very much for the time. Happy to answer any questions.

[The prepared statement of Mr. Whyte appears as a submission for the record.]

Chair DURBIN. Thanks, Mr. Whyte. Mr. Rebuck.

STATEMENT OF DAVID L. REBUCK, FORMER ASSISTANT ATTORNEY GENERAL, FORMER DIRECTOR OF THE DIVISION OF GAMING ENFORCEMENT, MOORESTOWN, NEW JERSEY

Mr. REBUCK. Good morning, Chairman Durbin, Ranking Member Graham, and distinguished Members of the Senate Judiciary Committee. Thank you for the opportunity to speak with you today about the regulation of legalized sports betting in New Jersey. My name's Dave Rebuck and I served as director of the Division of Gaming Enforcement in New Jersey from 2011 to 2024, and have recently retired from public service.

As background on the division, it is a law enforcement agency that is responsible for the regulation of New Jersey's retail and on-line casino industry, and its retail and online sports wagering operations performed by State casinos and its racetracks. During my tenure as director, I led a strategic overhaul of the State's gaming laws, which included spearheading new initiatives to ensure compliance with the existing laws and the gaming's industry's compliance with new and soon to be regulated forms of gaming.

In 2013, New Jersey became the second State to launch online casino gambling, and in 2018, after protracted legal battle in which the State ultimately prevailed, DGE under my direction oversaw the development and implementation in New Jersey's framework for legalized sports wagering.

My testimony has been submitted. I do not intend to read it to you today, but I am here today as a proud advocate for State-led regulation of legal gaming, including sports wagering and to explain why the States and Tribal jurisdictions that oversee sports wagering and not the Federal Government are best equipped to address the issues presented.

However, let me highlight to you some important points to provide you with the confidence that the past successes in effectively and efficiently regulating a multitude of gambling activities by States and Tribal jurisdictions will continue with sports wagering. First, I want to emphasize that legalizing and regulating sports wagering is fundamentally about protecting consumers, the vulnerable, the underaged, preventing fraud and ensuring the suitability of all entities to engage in gambling and their integrity of operations.

Second, many States like New Jersey, have enacted constitutional bans on gambling. However, our citizens through constitutional referendums have steadily acted to remove those bans. For example, in New Jersey, a multitude of well-regulated legal gambling options exist for decades before sports wagering, including betting on horse racing, creation of State lottery, gambling on bingo, raffle sales wagering on boardwalk, and arcade games, and establishing casinos.

Third, not unlike virtually every commercial function in our country, the confluence of the internet access and historical retail gambling games has substantially expanded the landscape of how citizens desire to engage in gambling. The total capacity for gambling today is as large as ever because its citizens desire the freedom to choose to engage in activities that were in the past prohibited.

Wagering on sports is clearly defined by this new freedom. Before legalization, millions of people wagered billions of dollars annually through illegal operations and often committed fraud, evaded taxes, and in many instances are tied to organized crime. These illegal operators offer no protections leaving Americans vulnerable to identity theft and worse.

Today, every State in this Nation has illegal gambling, including sports wagering available readily to its citizens. The ease of access to these websites can be viewed by anyone while in the State and violating State and federal laws, and they are flaunted with impunity.

And finally, I do not underestimate the challenges that come with regulating sports wagering such as responsible gambling and ensuring compliance with regulatory standards. However, States are already addressing these challenges head on with many adopting best practices like mandatory self-exclusion, partnership with addiction treatment providers, partnerships with universities such as our partnership with Rutgers University to engage in evidence-

based research in order to best assign practices reducing gambling harms.

Finally, I want us to indicate the industry is also well engaged in this research. They recognize the critical importance also to sustain their operations, but deploying best practices for responsible gaming and reduced problem gaming harm. They recently established a responsible online gaming association. The investment of \$20 million is a profound commitment to engage in research that will identify, implement, and propose best practices for responsible online gaming that is performed by them.

In closing, I urge the Committee to respect the successes the States have achieved in regulating in the past and federal oversight is clearly not needed. Federal core operation on certain issues have already begun, and we look forward to continue with collaborating with agencies like FinCEN, Department of Justice to do good work.

Thank you for your time, and I look forward to answering any questions continuing in the future.

[The prepared statement of Mr. Rebuck appears as a submission for the record.]

Chair DURBIN. Thanks, Mr. Rebuck. Dr. Levant.

STATEMENT OF HARRY LEVANT, LP.D, MA PCC, ICGC-I, JD, DIRECTOR OF GAMBLING POLICY AND CERTIFIED GAMBLING COUNSELOR, PUBLIC HEALTH ADVOCACY INSTITUTE AT NORTHEASTERN UNIVERSITY SCHOOL OF LAW, BOSTON, MASSACHUSETTS

Dr. LEVANT. Good morning. You will hear often this morning the words responsible gaming. This is code for gambling industry, self-regulation, and State control. I am here this morning to offer Congress a different approach to regulating the industry from a prevention of harm perspective as an issue of public health.

I'm grateful to Chairman Durbin, Ranking Member Graham, and the distinguished Members of this Committee for the opportunity to offer testimony regarding the public health crisis created by the unprecedented expansion of online sports gambling. It is my hope this is the start of public dialog and debate, which will result in Congress enacting much needed legislation to bring comprehensive public health reform and regulation to the sports gambling industry.

I serve dual roles as director of gambling policy with the Public Health Advocacy Institute at Northeastern University School of Law, and as an internationally certified gambling addiction counselor. This permits me to clinically treat patients and families suffering with gambling addiction while simultaneously serving as a researcher and policy advocate working for public health reform.

I'm also a gambling addict in recovery. I made my last bet on April 27, 2014, and on that same night, nearly took my own life with gambling addiction. The risk of suicide is omnipresent. Research shows that one in every two people suffering will contemplate suicide and one in five will attempt. In the grips of my addiction, I devastatingly hurt many people who had loved and trusted me. This included clients, friends, my kids, and the people closest to me.

Personal carnage related to gambling addiction destroys the most trusted and intimate relationships often beyond repair. Gambling addiction took my mind, my soul, body, and conscience that left me broken, battered, and homeless. I was unrecognizable to myself. The only thing I had remaining was my name.

On February 15, 2015, I stood in the courtroom in Philadelphia, a court where I had practiced law for more than two decades and where my father had practiced for more than half a century. In the presence of the court, the clients I had betrayed, my children and more, I pled guilty to the financial crimes committed in throes of my gambling addiction. On that day, I pledged under oath to the court that if I could get well and find recovery, I would give back by doing everything in my power to prevent others from suffering.

I come before this distinguished body filled with a deep sense of gratitude, respect, and purpose. The mission has never been more important. We are presently witnessing the early years of a fast-building public health crisis and a time is now for Congress to act. We have known for more than 12 years that gambling is an addictive product, a gambling disorder and addiction similar to heroin, opioids, tobacco, alcohol, and cocaine.

With every other addictive product, government regulates the advertising, promotion, distribution, and consumption. Sadly, with gambling the exact opposite is occurring. The gambling industry business model is designed to deliver constant and nonstop action on every phone, tablet, and computer. With the use of technology and AI, the industry and its sports and media partners have turned every micro moment in each game or event into more and more gambling action from the speed of the next pitch, football snap, basketball shot, as the Chairman mentioned, even ping pong from Eastern Europe.

The gambling industry and its sports partners have taken sports away from the children, families, and American people. Sports have become the equivalent of a nonstop slot machine. Understand, I am not opposed to sports gambling. In fact, I support its properly regulated legalization, however, I am vehemently opposed to what has happened in just 6 years. What has been launched on the American people is a newly created AI-generated online gambling business model, which delivers a fundamentally different, defectively designed and inherently dangerous product to every phone, tablet, computer, and TV.

The gambling industry has expanded to include once unthinkable partnerships, which include sports leagues, teams, owners, players, the world's largest media and tech companies, social media, AI, and State governments themselves all are acting in concert to deliver online gambling at light speed and ensure the action never stops. The new AI-fueled business model will inexorably result in increased gambling addiction and gambling related harm. I see this every day in my practice as a clinician.

So, how did we get here and why is it essential that Congress act now? There are two quick answers to this question. First, online sports gambling is a fundamentally different and more dangerous product than ever could have been imagined. In fact, DraftKings recently purchased an AI company called Simplebet.

So, the DraftKings now owns the technology to deliver targeted AI-generated gambling to each individual user.

The second follows the money. Sports leagues teams, owners and players now sell their data to the gambling industry. Every single sport. The industry then turns this data into instant micro betting opportunities where the action never stops. The industry having spent billions, with a B, to acquire this data has only one way to recoup their money and turn a profit. They're selling the widgets in the marketplace. They are converting this data into more and faster, instant gambling action. And that is a matter of public health.

I don't come here only to warn, I come armed with public health policy solutions, and I hope we'll address many of these during the Q&A. I'm presently privileged to work with Senator Blumenthal and Congressman Tonko. I look forward to working with many more of you, and I invite your questions.

[The prepared statement of Dr. Levant appears as a submission for the record.]

Chair DURBIN. Thanks Dr. Levant. Appreciate it. Each of us is going to have 5 minutes to ask questions on the panel, and that's not nearly enough time. When I took a look at this issue, there are so many aspects to it and so many people affected by it. I hope we can at least open the discussion today. We certainly won't exhaust the subject by many means.

Governor Baker, I'm going to start with you, but I'm going to ask the panel to listen to the question. Perhaps they'll want to give their own opinion. So, we live at a time where a prospect basketball, football prospect in high school could be lured with tens of thousands of dollars to a college to play a sport.

Perfectly legal. And that young man in this example that I'm using here, may come from a family that has had no experience with any money at all in their lives. Very modest family, just happened to have a star athlete in their household. He goes to the school, starts off on the basketball team, and at some point, becomes quite a player of repute, reaches out to many others to encourage them to follow him in sports.

Comes a day when his college roommate says, I need to talk to you before the next game. Between you and me, I'm going to ask you to do one thing, just one. I promise I'll never ask again. Miss the first two half shots and I'll never bother you again. And then he says, that's it. Just miss the first two. You may do that already, but I need you to do that for me. He goes out in the game and is tempted by the possibility of doing that thinking it's a rather harmless request, not knowing what's behind it all.

And we can all guess what might be behind it all, at risk is not only that athlete and his future, if that's ever discovered, but the integrity of sports itself. Going back to 105 years ago in the Black Sox scandal, gambling and sports have been a lethal combination. Pete Rose is further evidence of that.

So, we're in a situation where college sports are now reaching a level of massive investments for NIL and other incentives to bring students to school or to put them in portals, move them to another school, and betting is on top of it. As a head of the NCAA rep-

resenting schools all across America. How do you view this phenomenon?

Mr. BAKER. Well, I certainly share your concern about what in essence is an example that involves a prop bet. And one of the reasons why we've been working hard to get all States to prohibit prop bets on college sports is, for example, for exactly the reason you just raised.

I've actually talked to student athletes who have told me a hundred versions of exactly the same story you just told me, which is the pressure that they feel, social pressure and other pressure from classmates, schoolmates, people they know, friends, people around the sports community to do certain things that aren't going to affect the outcome of the game, but will absolutely help "somebody make their number".

And that's part of the reason why for us, this prop betting issue in particular is so fundamental. I mean the example that you used about Armando Bacot having what he thought was a pretty good game in the tournament in which UNC actually won and getting more than a hundred messages directed on him because he didn't get "enough rebounds."

Those stories are everywhere. And I think one of the most fundamental opportunities that we have to take at least some of the pressure off a lot of these young people is to get props bets out of the system. It's an enormous problem for them, and it creates an incredible amount of harassment, social pressure, and abuse. Period.

Chair DURBIN. So, let me congratulate Senator Tillis for landing at his State university, Bill Belichick, one of the one of the legends. [Laughter.]

Chair DURBIN. One of the legends.

Mr. BAKER. I was going to bring that up. We're quite familiar with him in Massachusetts.

Chair DURBIN. So, this last week they published his contract in more detail than I think usually is disclosed how much he's being paid and so forth, and the people he's going to hire to be part of his operation from the NFL. Interesting investment in talent for the university. And then at the last item was \$20 or \$23 million that is going to be used for incentives to bring athletes to the university. This is a big money operation. I'm not so naive to believe University of North Carolina is unique in this situation, but with all this money coming in and gambling superimposed on top of it, how do we preserve anything that looks like a credible sporting event, let alone amateur-type athletics?

Mr. BAKER. It's too bad that Senator Welch just left because I was planning to congratulate him on the fact that University of Vermont won the D1 National Soccer Championship last night. About as amateur a team as you're going to find competing in Division 1. I think the part of our objective on dealing with the money is this settlement that we've negotiated with a number of plaintiffs on a series of cases that typically involve NIL and other stuff that date back 10 years.

And the point behind settling these cases was on our side to create structure around enhancing the benefits and the opportunities and the rev share for student athletes who play in programs and

at schools that have really significant success in athletics. And I think that is ultimately, if we can succeed in getting this thing done. We got preliminary approval from the judge earlier this year, and she is going to have her final hearing on this in April.

I do believe this will make it possible for us to create structure around this. And on some level, honestly, I think the fact that we could be in a position to put literally hundreds of millions of dollars directly into the hands of young people through their athletic performance and their schools will in some respects help on some of these larger issues associated with sports betting.

But the abuse and the harassment and the beat down, not to mention the social pressure that you talked about that they deal with right now in this space because of the prop bet element that's attached to this is not going to go away unless we manage to figure out some way to get prop bets out of college sports. And that's why we've been spending so much time going State to State to make that happen.

Chair DURBIN. Thank you, Governor. Before I turn to Senator Tillis, Mr. Bademosi, a lot of people in Chicago are paying a lot of attention to Gonzaga graduates now. We thank you for being here today. Senator Tillis.

Senator TILLIS. Thank you all for being here today. Governor, I have hated the New England Patriots—

[Laughter.]

Senator TILLIS [continuing]. Since the infamous snowplow game against my Miami Dolphins.

Mr. BAKER. I remember.

Senator TILLIS [continuing]. When I lived in Boston. But now I've found a way to actually have a warm place in my heart for at least one person associated with the Patriots.

Mr. BAKER. Appreciate that.

Senator TILLIS. I guess at full disclosure, I don't bet. The only bets I make are with my brothers, and the payoff involves acts of public humiliation. So, I'm so sorry for Mr. Levant what you're going through, but I do, I'm glad that, that we're having the hearing today to talk about getting this right, because I think too many States are getting it wrong. I think of the 38 States have legalized sports betting, 34 have prop betting, for example—

Mr. BAKER. Smaller number than that. We've managed to—it's about 19 that still have it.

Senator TILLIS. So, 19. Good. So, that's a good trend. But I'm going to get and time allowed to one suggestion I think we should have on a path forward, but I never miss an opportunity to bring up—well, first off, there's a lot of money involved here.

Mr. BAKER. Yes.

Senator TILLIS. And there's a lot of headwinds against this. And I'd like to give you an example of one of those players who I think supports and is making money off of prop betting and generally sports betting.

[Poster is shown.]

That's the Eastern Band of the Cherokee. Now, how does that come up into this hearing? Well, I just happened to be spending a lot of quality time with the Eastern Band of the Cherokee debating why they're spending all this money that they're making off of

gambling, trying to prevent a Tribe that has been denied recognition for 130 years from getting recognition in the State of North Carolina.

I'm not going to get into the details of this except for one William Pipestem who's making millions of dollars in targeted lobbying in this case to try and defeat my efforts to get a Tribe recognized after 130 years of patent bias, racism, and a number of other factors using money that they're deriving from sports gambling to do that.

And believe me, they're going to have an army of people raising millions of dollars to prevent us from trying to scope this down to a level to where we take, we allow this legal market to exist because to Mr. Rebuck's point, it's going to exist. So, government has to exist to make it as safe and as minimize the impacts as possible.

I don't believe that you're going to find the Eastern Band of the Cherokee, who I believe are just this week announcing a new casino, that they're going to be managing in Danville, Virginia, all excited about more prop betting, more revenue for them. You can take that down.

I'm kind of curious about the—in some respects, I think at abstract the sports betting issue and the marijuana legalization issue—at first off, there seems to be a pretty substantial correlation between States who have legalized marijuana and States who are legalizing sports betting.

The challenge that we have is we have a patchwork of laws now around the marijuana trade, and we have a patchwork of laws around the sports betting trade. And so, it really raises the question of how can we get to a place where, when a market exists and it has persistent for thousands and thousands of years, the gambling market, how do we make it safe? How do we address the negative consequences which will invariably occur? And how do we resource the various agencies to make sure that we can do that?

And I, for one, think that in the same way that hopefully next year we'll have this discussion about marijuana, Mr. Rebuck, I disagree with you on the lack of need for federal guidelines. I do not want, as a matter of federal law, I would never vote as a matter of federal legislation to legalize gambling at the federal level in the same way that I wouldn't for marijuana.

But I would be very open to an independent commission that would be tasked by this body to spend a year putting together guardrails and a framework that makes sense so that States who choose to have an affirmative vote and a law that is either signed by a Governor, overridden by a Governor, that they have to conform to certain rules of the road if we do that, if Federal Government's going to have to play a role.

And what concerns me is if we don't, the American people don't know the difference between with AI and with the sophistication of technology today, if we don't figure out some way to authenticate the sports book operations that are legitimate to avoid international influences, all the other things that we have to look at, you only do that through federal supervision. At some point, you have to have the resources available to do it.

So, I think we should start thinking ahead in the next Congress. I know you've been an effective Chair, but I don't think you're going to get this solved before you pass the gavel over.

[Laughter.]

And if I'm willing to bet on that incidentally.

[Laughter.]

But I think what we need to do is recognize that the federal—this is interstate commerce. If you're in a State that's not legalized it, you're naive.

If you don't think they're gambling in the same way, if you're in a State that doesn't have pot legal, then you're going to the Eastern Band of the Cherokee and buying pot that for some reason you can buy in Western North Carolina, there's not a legal place. You can transport it out of the Eastern Band of the Cherokee's boundary, for example.

So, maybe we need to start thinking about rules of the road. I'm kind of going on the pot angle, but on the gambling angle to get this right or it's going to get worse and the bad actors are going to exploit more, we are going to destroy a game that I'm fanatic over. We're going to destroy this game because of all the other pressures that are coming in and influencing the product. Thank you all for being here today.

Dr. LEVANT. Senator, may I briefly address your comment?

Senator TILLIS. Yes, please,

Dr. LEVANT. Senator, I would agree with you that there absolutely needs to be a level of federal oversight, and I would respectfully suggest that's what Senator of Blumenthal's bill the SAFE Bet Act does. It sets minimum federal standards. States can regulate more if they like, but it sets minimum federal standards, and in so doing, would create the opportunity to solve Governor Baker's problem, which I agree, with prop bets where we are literally taking young athletes who in May, were at their senior prom and are on an athletic field in September and people are betting on everything they do.

Congress could and the SAFE Bet Act does it. SAFE Bet Act illuminates college prop bets. It would be a minimum standard. Governor Baker is going to exhaust himself going State to State to State. However, he's right. And Congress could make that as it is in the SAFE Bet Act, one of the minimum federal standards. States could do more. They would retain control, but Congress would be able to speak. Thank you, sir.

Chair DURBIN. Thank you, Senator Padilla.

Senator PADILLA. Thank you, Mr. Chair. Mr. Rebuck, in your testimony, you advocate for State-led regulation of legal gambling, including sports betting. In my home State of California, as you know not just the most populous State in the Nation, but for purposes of today's discussion, the largest market of any State in the Nation, you cannot talk about gaming in any context without respecting the role of our 109 federally recognized Tribes.

The voters of California granted Tribes exclusivity in gaming operations nearly a quarter century ago. And this commitment must be maintained in any attempts to legalize and expand sports betting. Now, in order to maintain a model that respects Tribal sovereignty and their exclusive rights to the State's gambling industry, California would require a uniquely tailored approach to any legislation that integrates sports betting.

Can you discuss how you handled any similar stakeholder dynamics in New Jersey when you oversaw the legalization and implementation of sports betting there?

Mr. REBUCK. Your question has to deal with the jurisdictional sovereignty of Indian Tribes that are clearly recognized under federal law, and I would say are regulated today by the Federal Government. The Indian Tribes do not exist in Tribal lands in New Jersey. So, to answer specifically your question, I did not interact with the Indian Tribes in that regard, but I have a high degree of confidence in the regulatory ability of Indian Tribes.

I've met with many of them. We've shared information. A number of Indian Tribes today are clearly engaged in sports wagering, as was just mentioned in North Carolina. Their standards, their regulations flow through the government, the Federal Government that has almost a testbed, if you wanted to, to work with Indian Tribes to do things that otherwise you think they're not doing well today in their efforts.

The issues in California with the rejection of sports wagering was delivered by the disappointment of Indian Tribes being not consulted, not involved, and as a stakeholder in what direction the State of California would move forward if they were to authorize sports wagering.

Mr. REBUCK. I work closely in New Jersey with three Indian Tribes who are licensees and operate in New Jersey, Seminole Tribe in Florida, the Mohegan Tribe from Connecticut, the Mohawk and Kahnaw Tribe from, actually, Canada. They are very talented, very dedicated to ensuring integrity of operations exist, suitability exists. They are no different in their regulatory authorities than what exists in States today. So, I share your concern, and I would suggest you're on the right line of absolutely including them in any dialog that has to deal with an expansion of sports wagering to their Tribal lands or to the States that they're located in.

Senator PADILLA. Okay. Thank you, Mr. Rebuck. And I want to thank you and all the witnesses for testifying on today's subject. I would ask not just Chairman Durbin, but the incoming leadership of this Committee in the next session, that to the extent that we're going to continue to have this conversation to continue to explore this area, that we must include the perspectives, the voices, the participation of Tribal leaders on panels like we're seeing in today's hearing.

I also want to, and with not a question for Mr. Baker, but an invitation for an ongoing conversation, not to go off too much on a tangent, but even without the amount of money that wagering on collegiate sports is generating there has been an issue of the flow of money in collegiate sports and the treatment of student athletes.

How much money in collegiate sports. I mean, Coach Belichick's contract is just one of many, many, many examples, let alone the amounts of money that we know is going into facilities, arenas, stadiums, et cetera. And I raise this because it seems that for a long time we've lost sight of the term "student athletes" which is an NCAA invention, I understand. And it's really an athlete student. What comes first, the treatment of students, young people, women, and men as students first that happen to play a sport or athletes first and get an education, if you can.

I'd like to pursue conversations about some of the reforms that we've made in the State of California that pays attention to, for example, academic support for student athletes when graduation rates by university, by specific program, basketball, football, et cetera are or are not at certain thresholds.

You know, what happens to a student athlete's scholarship. Should they suffer an injury are they just left out to dry, or do we give them ongoing support to complete their education? Because if they're student first and athlete second, that's our obligation to them. Or when a coach comes in and wants their own preferred recruited running back, or point guard, or something else.

So, I know it's been an area of concentration for you since you've taken over the leadership at the NCAA, but it seems to have gotten lost in the conversation about wagering NILs and so much more. So, look forward to continuing with you.

Mr. BAKER. Can I stop for a quick?

Senator PADILLA. Sure.

Mr. BAKER. I just want you to know, I think you'll be pleased to know that starting in August, all Division 1 athletes keep their scholarship whether they play or not, and that's their decision. Ten years. They keep their scholarship, however long it takes for them to graduate. The post eligibility insurance program that will cover any injury that they receive while they're playing, if they're still in treatment, when they leave school, is going to carry for 2 years. And there's a whole series of supports for mental health, and health, and well-being services and academic services as well.

We just released, I think, about 2 months ago, and we'll send it to your office, Senator, the data on graduation rates and student athletes across all three divisions graduated at a higher rate than any of their peers. No matter how you do the math by class, by ethnicity, by race, by gender, it doesn't matter.

They, student athletes, actually have made a lot of progress in this area, and I give them, and the schools, they attend enormous credit. But I will make sure we send all this information to your office. We'll send it to the Committee as well.

Chair DURBIN. Thanks, Senator Blackburn.

Senator BLACKBURN. Thank you, Mr. Chairman. Thank you all for being here. I appreciate it. Mr. Rebuck, I want to come to you. We know that the U.S. is going to be the epicenter, if you will, for sports. We've got the World Cup in 26, we've got the Olympics in 28, and as we were working on some of this for the hearing, I was really surprised to see that 10 percent of organized crime revenue is made from sports betting. And that, to me, is something that's a little bit concerning, and match fixing has become a concern looking at these high-profile events that are coming our way.

And Senator Cortez Masto and I recently sent a letter over to the DOJ on this very issue, and I would like for you to just comment. You've set up some of these gambling operations, so comment a little bit on what more needs to be done to address match fixing and these harms.

Mr. REBUCK. Thank you for that question. I can relate to you what New Jersey did when we won the case in PASPA. I approached in the Governor's office, at that time Governor Phil Murphy, with the question of, we need to work out, reach out to the

plaintiffs, the leagues, and the NCAA, because they will have to be our partners to ensure the integrity of their matches, the training and education of their athletes. The structure that they have for overseeing compliance issues in gambling are at the highest level, and we will work with them. But first, we——

Senator BLACKBURN. So, you're looking for a partnership?

Mr. REBUCK. We have a partnership because what we did, I can tell you today, 6 years later, and Governor Baker can comment on this, there have been massive investments of money by the professional leagues, not only for structure——

Senator BLACKBURN. So, you're confident enough is being done.

Mr. REBUCK. I am confident we are on a good path.

Senator BLACKBURN. Okay.

Mr. REBUCK. In this industry, you should never be confident with the status quo.

Senator BLACKBURN. Okay.

Mr. REBUCK. You should always look to new ways and new technologies that allow for information to be shared and risk assessments to be implemented.

Senator BLACKBURN. Okay great. Let me move on. Mr. Levant, I want to come to you. Thank you for your op-ed on KOSA. I know Senator Blumenthal and I appreciate that support. And he and I have worked tirelessly to make certain that kids are protected in the virtual space. And one of the things that is so troubling is that there are not protections against gambling for kids in the virtual space. It seems to be pretty easy, unfortunately, and we know that it is harmful, it is addictive, and what more can be done to keep children from participating.

Dr. LEVANT. Senator, thank you for the question, and thank you for your leadership on this issue. There are two initial thoughts that come to mind. The first deals with the overall normalization of the relationship between gambling and sports. If you are a 12-year-old child, you don't know sports without it being attached to gambling.

I urge the Members of the Committee to watch a primetime basketball game on network television. And you will see that during the pre-game show at three o'clock in the afternoon. The pre-game show is sponsored by a gambling company. They're talking about betting, they are making suggestions for betting. Gambling has taken over sports, and for children, the normalization of gambling, which is a known addictive product, and making it part of sports is one of the most long-term problematic aspects of this.

Senator BLACKBURN. Okay.

Dr. LEVANT. The second thing, Senator, is I'm not going to do it right now. I have my phone in my pocket. I don't have an account. I'm a person in recovery from gambling addiction, but with two clicks of my thumb, I could get into an online sports book, just like a 9-year-old could. That's not to make a bet, but it's to see all of the gambling activity. It is ridiculous to me that each State permits this. There are age barriers to making bets, but not for looking.

Senator BLACKBURN. Okay. My time is inspiring, and I do want to move on, and I want to have further conversations with you on that.

Dr. LEVANT. Certainly. Thank you.

Senator BLACKBURN. Before I turn it back, Governor Baker, I want to highlight with you my concerns over some of the harassment that happens to our athletes online, especially our female athletes. I will visit with you separately. I am still disappointed that there is not an NCAA policy to protect women in competition. You all have had time to do this. Our female athletes deserve it. And if you're going to partner up on gambling and other things, and we applaud that, you have got to make certain that you are protecting women's sports for women.

We hear about this every single week from female collegiate athletes and their concerns. You-all have the ability to do better. It is important that you do better, and it is important, it is imperative that you protect opportunity for women in sports. Thank you, Mr. Chairman.

Chair DURBIN. Thank you, Senator. Senator Blumenthal.

Senator BLUMENTHAL. Thanks, Mr. Chairman. I am very appreciative to you, Mr. Chairman, for holding this hearing. And to the witnesses who are here today, not only for appearing, but for your good work and your help to me in drafting the SAFE Bet Act and the GRIT Act, Mr. Whyte, Mr. Levant, Mr. Baker, particularly.

You know, we are in the midst of a sports betting boom, that is one of the most severe public health problems today. It is the cause of addiction for millions of Americans with severe gambling problems. It's tearing apart families, literally divorces, abandonment. It's a criminal justice problem when people get into trouble and they have to pay back the debts that they owe. When I was U.S. Attorney, I prosecuted extortion and enforcement by the gangs. And of course, it is an unemployment problem. And a mental health, behavioral health problem.

You know the nomenclature, and the techniques, and the sophistication of the trading practices here make Wall Street look like child's play. The risk-free bet, the throttling, the targeting of losers customizing bets to those who are losing and throttling back the winners. I mean, the plethora of techniques is staggering here, all to the benefit of the corporations that are profiting here.

And Mr. Baker, as you may know, colleges initially were partners in some of these efforts. I wrote to 66 of them, and they stopped the partnership that promoted gambling on their campuses. And so there really is a kind of shamelessness here.

I want to ask for your support for the SAFE Bet Act, which would establish minimum national standards. Right now, we have a patchwork of half-hearted regulation. The SAFE Bet Act would, in effect, also provide more public health benefits to try to provide some relief to people who are now addicted. And those minimum standards would be set by the Department of Justice. States would still have responsibility, but they'd have to meet those minimum standards that would eliminate the kinds of promotions, ads, pitches, and deceptive techniques that right now are so rampant.

So, let me just ask you, in the interest of time, would all of you support the SAFE Bet Act? Let me go down with Mr. Baker first.

Mr. BAKER. I'm familiar with certain elements of it. I'm not familiar with all of it. I can tell you the elements I am familiar with we do support. And the one thing I would add to some of the stuff you've talked about is when you have 39 States that have legalized

sports betting, in every single State the data they collect is different. Who they can share it with is different. And how they can and who they can share it with is different.

And so you have a situation where it is really hard to get kind of a national sense about what's going on. New Jersey probably has one of the best data collection programs in the country, but I think the, I think the data thing in particular should not be underestimated as an opportunity. And I love the fact that your legislation basically prohibits props on college sports. It would save me a lot of running around.

Senator BLUMENTHAL. Mr. Bademosi.

Mr. BADEMOSI. I'm not familiar with every detail of the SAFE Bet Act. But in the interest of protecting the health and wellness of the athletes, and protecting the athletes against universities and these entities that are in partnership with betting companies, they're literally like—I support it.

Senator BLUMENTHAL. Thank you. Mr. Whyte.

Mr. WHYTE. As with NCAA, there's a lot of details in there that we really like, but because it starts by prohibiting sports betting, at least temporarily, the National Council must remain neutral because we're neutral on legalized gambling.

Mr. REBUCK. Senator, I really don't represent here, anybody but myself and my comments in my written testimony and my oral indicate that this is not a good bill to move forward. Because I believe after 6½ years of litigation to the States to earn the rights, constitutional rights to have sports wagering, that we are entitled to do the best we can to regulate and deal with the issues that are highlighted here, which I agree many of them need to be continued to be dealt with in ways that we can improve upon.

That being said, aspects of your bill that talks about the need for safeguards, the need for guardrails, the need to work on responsible gaming aspects of reducing the risk of people falling in the harm, those are all shared by every jurisdiction today that engages in gambling. And as you well know, we have 10 States right now, 7 of which are represented by Members here that have no legal sports wagering.

Senator BLUMENTHAL. No legal sports betting.

Mr. REBUCK. No legal sports wagering.

Senator BLUMENTHAL. No legal sports betting. A lot of sports betting. Illegally. And I appreciate your support. I've run out of time. Mr. Levant.

Dr. LEVANT. Having helped office and Congressman Tonko write the bill, my answer is yes, and I'm prepared to answer any questions about why the bill sets appropriate public health standards by the Federal Government. Thank you, Senator.

Senator BLUMENTHAL. Thank you.

Chair DURBIN. Thank you, Senator. Senator Kennedy.

Senator KENNEDY. Thank you, Mr. Chairman. About 90 percent of my personal philosophy is don't hurt someone unless they're trying to hurt you. Don't take other people's stuff and leave me alone. So, I'm pretty libertarian when it comes to gambling. Within reason, if someone wants to gamble, they can. But I do want to ask you this, Mr. Rebuck, can you name me one form of legalized gambling where the house doesn't have a decided advantage?

Mr. REBUCK. The gambling industry always has the advantage, as you are correctly indicating.

Senator KENNEDY. Okay.

Mr. REBUCK. The point is that the consumers——

Senator KENNEDY. I'm sorry to cut you off. I just don't have much time. Governor Baker the NCAA exists, in part, to promote fair competition in collegiate sports. Does it not?

Mr. BAKER. Yes.

Senator KENNEDY. Could you speak in the mic for me?

Mr. BAKER. Yes.

Senator KENNEDY. A transgender woman is a biological male. Is that correct?

Mr. BAKER. Yes.

Senator KENNEDY. And a biological male is always going to have a physical and physiological advantage competing in a collegiate sport against a biological female. Isn't that true?

Mr. BAKER. There's not a lot of research on it, but it's certainly debatable.

Senator KENNEDY. You think it's debatable?

Mr. BAKER. I think it's debatable.

Senator KENNEDY. Wait, you don't think that a biological male has an advantage every time competing against a biological female? Is that your testimony?

Mr. BAKER. No, I think defined the way you defined it, yes, I would agree with you. Yes.

Senator KENNEDY. So, you agree with me? Okay.

Mr. BAKER. Yes.

Senator KENNEDY. So, why does the NCAA, why do you—your job is to promote fairness in collegiate sports. Why do you support allowing transgender women who are biological males to compete against non-transgender biological females?

Mr. BAKER. Over the course of the past 2 years, five Federal court cases involving this question—let me finish, five Federal judges have all sided with participation as the standard. This is a very——

Senator KENNEDY. So, you're saying you don't have a choice?

Mr. BAKER. I'm saying that under the current dynamic, there is not clarity on this issue, legally.

Senator KENNEDY. Well, why don't you exhibit leadership and demonstrate leadership and provide clarity? If you agree with me.

Mr. BAKER. Well, first of all——

Senator KENNEDY. The purpose of the NCAA is to promote fair competition, and if you agree with me that in every single instance a biological male is going to have an unfair advantage over a biological female, then why don't you just say, "Look, in America, you can be whomever you want to be, but in terms of fair competition in a collegiate sport, transgender women who are biological males are not going to be allowed to compete against non-transgender women who are biological female." Boom. Done. Why don't you take that position, Charlie?

Mr. BAKER. Because Federal courts have already taken the position that they do have the right to compete. Five times in the past 2½ years.

Senator KENNEDY. You can disagree and be sued. Why don't you demonstrate some leadership?

Mr. BAKER. I would love to work with you folks on creating clarity around this question.

Senator KENNEDY. I'm sorry, but look, I'm sure the NCAA is a good organization. I just can't figure out what you folks are good for. I know you take in bucket loads of money and you share some of it. You make that money off the backs of these kids. Your predecessor, who was a good man, took home \$2.8 million a year in salary. I'm not going to ask you what you make, but I bet you didn't take a pay cut.

You take in bucket loads of money. We got problems in collegiate sports with the transfer portal, and the NIL, and now gambling, and biological males, you allowing biological males to compete against biological females. And you folks at the NCAA don't do anything except sit there, watch, cash your checks, and suck on your teeth.

Mr. BAKER. I would argue that we've made a lot of progress on a bunch of those issues.

Senator KENNEDY. Well, why don't you take a position on transgender, biological males competing against females? You just told me it wasn't fair.

Mr. BAKER. There's a federal standard on this is one that we would work with you on, if you wish to work on it.

Senator KENNEDY. Why don't you do it on your own?

Mr. BAKER. Because we're a national governing body and we follow federal law.

Senator KENNEDY. That's what you're there for. Why don't you stand up and say in front of God and country federal law is wrong, and the NCAA believes in fair competition. We also believe in equality. If you want to in America, you can be whatever you want to be. You can be whomever you want to be, but our job is to promote fairness in sports.

Mr. BAKER. Our job—

Senator KENNEDY. Biological males are not going to be allowed to compete against biological females. Why don't you go to Amazon and buy a spine online and take a stand?

Chair DURBIN. Thank you, Senator Kennedy. Next is Senator from Vermont—Senator Schiff, I'm sorry, from California.

Senator SCHIFF. Thank you, Mr. Chairman, and thanks for holding this hearing, which has been fascinating. Learned a lot about sports betting. Just asking my collegiate age son about it, and learned just how extraordinarily popular it is, how it really has become a cultural phenomenon on college campuses. Governor Baker, just want to say, I'm originally from Framingham. Have a lot of Schiff family and Glovsky family still in the State. All who speak very highly of you, and you manage to leave after two terms as popular as when you went in, which is a remarkable feat for any Governor these days in these challenging times. So, congratulations.

I wanted to ask a couple questions, and Governor, I'd like to ask you just very generally. Sports have always been a dominant feature on campus, and they contribute so much to the life of a cam-

pus, and not just the student athletes, but all the students and alumni and drive a lot of the resources to the campuses.

Now, this seems to be so accentuated by sports betting, driving more attention, more money, more resources to this one part of campus life. Is there a risk that everything else becomes overwhelmed by all the money going into sports and sports betting on campuses? And how do campuses preserve some balance in the light of that, in the contract that the Chairman was talking about Bill Belichick, and how much is devoted to this one feature?

And the second question for anyone is how does this throttling work where people who are successful or throttle down and can't compete as much can't bet as much, and people who are losing their shirt are targeted. Have States tried to regulate that as they have with prop betting, and I think prop betting should be banned. It sounds like it does nothing but create enormous problems for athletes. But how does this other phenomenon, a throttling work, and is there any justification for it?

Mr. BAKER. I can speak to the first question, not so much to the second one. I would just say that the first of all, there are, you know, there's 500,000 student athletes. There are 1,100 schools, and for the vast majority of them, the experience on campus is not driven in many respects by a really significant growth in revenue. I mean, most of them look a lot like they looked when they were playing these games 5, 10, 15, 20 years ago. But they teach all the same lessons that all sports teach in terms of your ability. And by the way, Senator, congratulations, University of Vermont, a classic example of one of those kinds of schools that won the D1 soccer championship yesterday.

Senator SCHIFF. You can continue.

Mr. BAKER. I can continue. Yes.

[Laughter.]

Senator SCHIFF. Let's not forget the Broncos Division 2 leaders in California,

Mr. BAKER. Of course, the Broncos. Yes, that's right. Cal Poly.

Senator SCHIFF. I'm feeling competitive with Vermont right now.

Mr. BAKER. But those are great examples of exactly what we're talking about. I think the big issue for us coming in has been enhance the benefits that we make available to student athletes. Come up with a model, working with the plaintiffs in several particular cases to create a model to provide additional benefits to the kids who play at the schools that make the most money, and then do what we can, especially in this space to provide as much protection to them as we can and to give them a lot of guidance and advice.

We run the largest sports betting integrity program on a per game basis in the world. We also run the largest in-person education program for student athletes, athletes of any kind anywhere in the world around sports betting, and we've put a tremendous amount of effort into driving this conversation around prop betting and have had a fair amount of success to the point where we have 19 States left, we need to move.

But and we also track all the abuse and harassment that comes at student athletes who participate in our major championships

and created a fair amount of public conversation about that when we released that data earlier this year.

I think the challenges, especially at the highest end are profound. And I think we should be doing everything we can to help kids there. And in particular, the prop. That one is a great opportunity to do something in the right direction.

Mr. WHYTE. Senator, if I may, to your point about the prevalence of wager on campus, Charlie's group did a survey that showed the majority of young male college students have placed a sports bet in the past year. The other striking finding from our study is that one of the biggest predictive factors of sports betting is educational status. Unlike other forms of gambling where it's negatively correlated, the higher your education, the less likely you are to bet in America today. The more education you have, the more likely you are to bet on sports. So, there's this cohesion now of sports and athletics. I mean, I'm sorry, athletics in education, which we've always had, but now that gambling is so tied in with sports. Now education is one of the biggest predictive factors. We don't see that with sports betting anywhere else in the world, and we don't see that with any other form of gambling in America. So, there's a real concern about how we reach these young, educated men who have this huge propensity to bet on sports and unfortunately are at highest risk for gambling addiction.

Dr. LEVANT. Senator, may I take the second part of your question very quickly. I run a patient treatment group. And my patients know I'm here today, and I asked them if there was one message I could deliver, and 14 of the 15 all told me the same thing. And that is let elected officials know how they are targeted to keep them gambling.

I'll make an offer to you that I've done with Senator Blumenthal, Congressman Tonko, done with the New York Times, and CNN, and CBS. I would gladly sit down with your staff members, any staff member, and show you while we watch a game together, how the rapid fire and the VIP programs keep people in action. I think Members of this Committee need to be educated on that so it can be addressed.

Senator SCHIFF. Thank you, Chairman.

Chair DURBIN. Thanks, Senator Schiff. Senator Hawley.

Senator HAWLEY. Thank you, Mr. Chairman. Mr. Baker, if I could just start with you. I confess I didn't understand your answer to Senator Kennedy's question about the safety of women in the sports of the NCAA overseas. Did you say the federal law requires the NCAA to permit biological men to play in women's sports?

Mr. BAKER. No. I said there have been five cases in Federal court in the past 18 months, and in all five of them, Federal judges sided with participation.

Senator HAWLEY. Okay. I thought you told him the reason the NCAA couldn't take a position on this—in fact, you have taken a position on it. You're affirmatively permitting biological men in women's sports. But you to him it's because of federal law. There's no federal law that requires it. Right. The relevant federal law is the Title IX. Is it not? You're familiar with Title IX.

Mr. BAKER. If guidance on this issue from Title IX or guidance with respect to discrimination law would be—

Senator HAWLEY. Title IX is already the law. Title IX says——

Mr. BAKER. Federal judges have ruled on——

Senator HAWLEY. It's 20 U.S.C Section 1681A. By the way, let's just dispense with that canard. No Federal court has ordered the NCAA to include biological men in women's sports. Right. Actually, there's not a single case that is ordered the NCAA to do so. Correct.

Mr. BAKER. That's pretty much what they decided in——

Senator HAWLEY. No, don't say pretty much. We're talking about the law here. Yes, I know. And you, and you actively disassembled to Senator Kennedy just a second ago. It's not true that the NCAA has been ordered by any court. Number one, it's not true that federal law requires you to include biological males. In fact, Title IX explicitly says, "No person in the United States shall on the basis of sex, be denied the benefits of any educational program or activity receiving federal financial assistance." You are in court at this moment arguing that Title IX doesn't apply to the NCAA, which is astounding to me, given the amount of money, federal money the NCAA gets.

But let me just ask you this. A total of five teams, five women's volleyball teams, Wyoming, Southern Utah, Utah State, Nevada, and Boise State, all forfeited, had to forfeit seven games in their conference play, NCAA conference play this past year, women's teams, because a biological male under your rules was playing on a rival's team. How is that not denying them the benefits of the sport? Why is this fair to women?

Mr. BAKER. And when that issue went to Federal court, the judge sided with participation.

Senator HAWLEY. No, the NCAA did not go to court. No, that is not true.

Mr. BAKER. The Federal judge made the decision with respect to the issue you just raised.

Senator HAWLEY. Your rules have not been tried in Federal court and your rules explicitly permit biological males in women's sports. And I am asking you why is that fair to the women? All of these women on these teams had to forfeit games and therefore a chance to compete in the championship because of your rules. And I want to know why is that protective of women? That's my question.

Mr. BAKER. So far, the Federal Government, on the court side, has issued decisions several times——

Senator HAWLEY. No, I'm not asking about the courts. I know what the courts have done. Not one of them has——

Mr. BAKER. That's their interpretation of federal law.

Senator HAWLEY. This is your policy, which you will not defend because frankly, it's indefensible. Why are you, Mr. Baker, why are you allowing biological men to play in women's sports?

Mr. BAKER. Because we believe that's consistent with federal policy.

Senator HAWLEY. Your testimony is you believe you're compelled to do it by federal law. You would change it otherwise.

Mr. BAKER. I said in my opening comments to Senator Kennedy, the clarity on this issue at the federal level would be very helpful.

Senator HAWLEY. Oh, that is such a cop out. In other words, somebody else, please do it for us. Keep sending us the money. We'll go to court and argue that Title IX doesn't even apply to us.

Mr. BAKER. We do not take a dime in federal money. Not a dime.

Senator HAWLEY. Is that why you're arguing Title IX doesn't apply to you?

Mr. BAKER. Yes. Part of it, yes.

Senator HAWLEY. You honestly think you shouldn't be subject to Title IX.

Mr. BAKER. We don't believe we currently are in Federal court—

Senator HAWLEY. It's amazing. Absolutely amazing. You're have a pending lawsuit right now from female athletes who are suing you because you allow biological men, not only in their sports, but also in their locker rooms. Why do you do that, by the way? Why do your guidelines allow biological men into women's locker rooms without the women's consent, without the women's foreknowledge? Why do you do that?

Mr. BAKER. That's not what our guidelines say.

Senator HAWLEY. They do say that. I've got them right here. Your guidelines say that transgender student athletes should be able to use the locker room, shower, and toilet facilities in accordance with their gender identity. Here they are right here.

Mr. BAKER. And then everybody else should have an opportunity to use other facilities if they wish to do so.

Senator HAWLEY. Okay. So, the burden's on the women. So, if the women then want to move to a different facility, in other words, if they want to abandon their own locker room, you're saying that that they should have to do that. So, in other words, it's their problem.

Mr. BAKER. No, we put a fair—we put a significant amount of emphasis on what the local's plans are. And we make sure that everybody—

Senator HAWLEY. What does that mean? The local's plans?

Mr. BAKER. Whoever it is that's hosting the event.

Senator HAWLEY. You have guidelines that instruct them what the best practices are. And your guidelines say that biological men can go in and use the women's locker rooms if they want to. What the women want has nothing to do with it. They're not mentioned in here at all. Correct? It's right here. You just reaffirmed them in May of this year. I've got them. I'm reading them. I got them off your website.

Mr. BAKER. I believe our guidelines give people optionality with respect to how they choose to use their facilities.

Senator HAWLEY. Optionality? What it says is, transgender student athletes will be able to use the locker room, shower, and toilet in accordance with their gender identity. That means men will be able to use the women's locker rooms. And as Riley Gaines and others have testified before this Committee, that means if a man, biological man, wants to use their locker room, they just have to accept it or else the women have to go somewhere else. They've got to go find an alternative. Why is that fair?

[Points at witness.]

Mr. BAKER. We told the local folks who've hosted our tournaments, they need to create accommodations for the people who are playing.

Senator HAWLEY. You know, so it's the feds. On the one hand, it's the locals on the other hand, the only person who doesn't seem to bear any responsibility in this is you and the NCAA who are the governing body. And your testimony here today is you're not even subject to Title IX.

Mr. Baker, I can't tell you how disappointed this makes me. But not just disappointed, frankly, infuriated for the student athletes who are suffering because of your policies, and you won't even defend them. You won't even take responsibility. It's outrageous. It's totally outrageous.

Chair DURBIN. Senator, your time has expired. Senator Welch.

Senator WELCH. Thank you, Mr. Chairman, thank the witnesses. Thanks for the shout out. Going back to gambling, could you talk a little bit more about what the emotional pressure is on the student athletes. Mr. Baker, Governor Baker?

Mr. BAKER. Well, my first suggestion to all of you would be to talk to some of the kids who are on your campuses about this issue and ask them to show you some of the stuff that shows up in their phones, which we've seen or sit behind the bench at one of their contests and listen to the noise that's directed at them from people in the stands.

Part of the reason we released the results of the data we collected from our previous engagements with championship data collection was to point out to people how aggressive, and in some cases, brutal, the incoming a lot of these young people get.

Senator WELCH. That's all pressure from bettors.

Mr. BAKER. Yes.

Senator WELCH [continuing]. Who want an outcome, in fact, holding them accountable—

Mr. BAKER. In one of our championships, we literally put 24/7 police protection around one of the teams because of the legitimacy of the threat that they received from a bettor when we showed it to local law enforcement.

Senator WELCH. And how much pressure is there on kids to participate in this sports betting, the athletes themselves?

Mr. BAKER. They get a lot of pressure from their—I mean, this is something I would—I mean, this may have all been before your time, thank God.

[Laughter.]

Mr. BAKER [continuing]. But a big part of the abuse that's coming from the stands also involves classmates, schoolmates, friends who literally talk to them in a way where they basically say, "Look, you're my friend. I'm not looking for you to lose a game. I just need you to miss the first two free throws."

Senator WELCH. And that's the prop bet?

Mr. BAKER. And that's the prop bet.

Senator WELCH. Bademosi, you want to speak to that?

Mr. BADEMOSI. Yes. I could comment on it. I think I think the pressure comes—or one is an athlete succumbs to pressure when they're in need, and if they don't have the money to buy a meal or pay for gas, then they might succumb to that pressure.

Senator WELCH. They've got opportunity. They got the need that you mentioned.

Mr. BADEMOSI. Yes. Now, some universities take better care of their athletes than others.

Senator WELCH. All right. I want to ask another question about marketing and the use of AI that you've all described. One of the questions I have that hasn't been a topic of this hearing is the concentration of the betting industry in three or four companies.

And Senator Lee and I have sent a letter to the FDC really inquiring about whether there are antitrust issues here. And, obviously, in any market, not just this one competition's important. And one question I have is whether the more we allow for competition, some companies may have better practices than others. I don't know if that would be helpful or not. But I'd be interested, sir, in your comments on that.

Dr. LEVANT. Senator, I believe it goes to the need for minimum federal standards because some of these companies have become so large. And I specifically mentioned in my opening testimony, DraftKings, who has recently purchased an artificial intelligence—

Senator WELCH. Company. Right, I heard that.

Dr. LEVANT. So, what they have is the capacity not only to control markets, but to use the technology to target vulnerable customers with the most addictive forms of what's called micro-betting.

Senator WELCH. So, you get that capacity, that's an incredibly powerful marketing device because people are susceptible to that addiction, that micro-targeting on the betting.

Dr. LEVANT. And that's why what the SAFE Bet Act does is it specifically addresses as a federal standard the standards for in-game micro-betting. So, that while the Justice Department deals with issues such as competition, what from a public health perspective Congress can deal with is which forms of these bets should actually be permitted and which are simply too dangerous from a public health perspective. And that's what the SAFE Bet Act would do, sir.

Mr. WHYTE. Senator, if I may, in some sense arguing about what types of bets to limit, and prohibit, or allow, ignores the fundamental nature of addiction, which is that it flourishes regardless of legalization or regulation. And which is why we support the GRIT Act that would provide for the first ever federal support for States like Vermont to establish the kinds of prevention, treatment, and research we need to address this.

Senator WELCH. Thank you. I understood you wanted the States to be able to make the decisions, but it seems to me that it helps the State. I used to be a State legislator. If there are standards you're not then arguing about exceptionalism where there's some self-interest at stake in terms in the form of revenue. So, why would that be a problem, from your perspective?

Mr. REBUCK. Well, let me comment first on the harassment of student athletes. I share that concern. Everybody shares that concern, as Governor Baker understands. New Jersey affirmatively reached out to every Division 1 college in its State and made it very clear to them.

If at any time a student comes to you, an athlete, or any student, you have an affirmative duty to refer that matter to law enforcement. And this assistant attorney general has State troopers who are prepared to engage in investigations and use all the tools at our disposal if they are a gambler to go after——

Senator WELCH. I don't mean to interrupt, but I'll interrupt.

Mr. REBUCK. Go ahead.

Senator WELCH. Well, what Governor Baker said was that a lot of the harassment is around the prop betting.

Mr. REBUCK. That's gambling.

Senator WELCH. Right. But why wouldn't that help you rather than have all this after-the-fact investigation and protection of assets?

Mr. REBUCK. Because here's the end results——

Senator WELCH. Just prohibit prop betting. So, the students here don't get hammered on that.

Mr. REBUCK. We have 10 States that have no gambling at all. We have 15 States that have bans against betting on in-State college events in their State, including their student athletes. The letter I reached out to and referred to, many of these cases I wish they had been referred to us to investigate, and handle, and treat as criminals. The response to that in New Jersey is very low and, in many times, many ways non-existent. I'm not saying harassment doesn't exist. I'm just saying the tools are there to make a fortune.

Senator WELCH. My time is up. Thank you very much.

Chair DURBIN. Thank you, Senator Welch. Although this is a hearing that is nominally dedicated to the issue of gambling, and sports, and like, other issues have arisen. I want to give Governor Baker an opportunity to complete a few answers that he may not have had a chance, but I'd like you to ask you a question or two. How many athletes are there in the United States in NCAA schools?

Mr. BAKER. 510,000.

Chair DURBIN. How many transgender athletes are you aware of?

Mr. BAKER. Less than 10.

Chair DURBIN. Less than 10 out of 510,000.

Mr. BAKER. Yes.

Chair DURBIN. Are you governed when it comes to the policy of the NCAA by State law?

Mr. BAKER. Of course.

Chair DURBIN. So, if 25 of the 50 States currently say that transgender children can play in sports according to their gender identity, you're bound by that standard.

Mr. BAKER. Yes.

Chair DURBIN. Is there anything else you'd like to say on this subject?

Mr. BAKER. I think part of our challenge is dealing with a very murky set of court decisions at the State and federal level around this issue, which creates a certain lack of clarity around our policy because our policy ultimately needs to comply with federal policy. Which is why guidance either on the regulatory side or on the statutory side would be very helpful.

Chair DURBIN. 510,000 athletes. Ten, Ten transgender athletes nationwide?

Mr. BAKER. Or less.

Chair DURBIN. I assume the NCAA is also concerned with other issues in women's sports?

Mr. BAKER. The harassment that I speak of is far more prevalent in major women's championships than it is in men's championships. And in fact, the data that we put forward from our major championships last year showed that the worst examples of online threats, abuse, and harassment were being directed at women basketball players playing in our women's basketball tournament.

That in many respects, I think, is not as well-known as it should be. We try to do a pretty good job to promote it, and make clear to people that that was in fact the championship that had the most brutal and the most troubling, and the nastiest collection. And all we know of is what shows up on their public handle. We don't know what's on the stuff they're getting in their direct messages.

We talked to a lot of the folks who played in those tournaments and they said the stuff that comes in on their DMs is a lot worse than the stuff that we see on their public handle.

Chair DURBIN. I wish my colleagues who share my concern in yours for the future of women's sports could have heard your testimony. I think it's very important. I want to thank all of you for joining us today. This is not the end of this discussion, but only the beginning. And as we see, there are many aspects to this whole issue in terms of the future of sports, treatment of athletes, colleges, and basically, gaming industry nationwide, which is a very viable and important part of the economy and whether or not it will establish standards that are sensitive to the individuals who are being affected by the current standards.

As I said at the outset, this is the last meeting of the Senate Judiciary Committee, last scheduled meeting. It's been my honor to serve as Chairman. I wish everyone the very best. The Senate Judiciary Committee will stand in recess and adjournment.

[Whereupon, at 11:45 p.m., the hearing was adjourned.]

[Additional material submitted for the record follows.]

Senate Judiciary Testimony – Johnson Bademosi

12.16.24

Chairman Durbin, Ranking Member Graham, and distinguished members of this committee,

Thank you for the opportunity to address the critical issue of sports betting and its impact on players, fans, and society at large. My name is Johnson Bademosi. I'm a Stanford graduate, nine-year NFL veteran, sports fanatic, concerned citizen, and active participant in our democracy. My testimony will focus on four key areas of sports betting: (1) the effects on players, (2) the influence on fan engagement, (3) the broader societal implications, and (4) congressional recommendations.

1. Impact on Players/Effects on Amateur and Professional Athletes

"It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat." – President Theodore Roosevelt

I have always admired the athlete(s) in the arena because of the intense effort, valiance, dedication, and grit it requires to compete at a high caliber, outstrip one's opponent, and achieve excellent feats despite one or many obstacles. The experience of complying with strict NCAA regulations, managing a rigorous academic courseload with athletic commitments, and performing at one peak, in all regards, is a balancing act that all collegiate student-athletes are familiar with. When I was an amateur and collegiate student-athlete, and when I joined the NFL as a professional in 2012, legalized sports betting, as it has come to be, did not exist, but the intense scrutiny and external pressure athletes often receive from fans and critics did. The sophistication of mobile devices, and the rapid growth of media platforms has allowed both fans and critics an opportunity to interact directly with the subjects of their fanhood. The legalization and proliferation of sports betting has increased levels of fan engagement, and has introduced more stress, new mental health challenges and ethical dilemmas, and increased the number of threats and incidents of harassment to both amateur and professional athletes.

Increased Pressure and Mental Health Concerns: The rise of sports betting has heightened public scrutiny of players in ways that have a significant impact on athletes and their families. Players have always had pressure to perform well for professional achievements and to win games, but sports betting has added a new and complex layer to this issue. Now, players are targeted by gamblers who pressure them to perform, not for the benefit of the team, but because the gambler is financially invested in a specific performance element of individual athletes. This has an overall negative effect on a player's physical security and mental state of mind and has the likelihood to distract a player during the time where focus is needed on the field to avoid injury and to perform at the highest levels. To fans, being a professional athlete is glamorous. For athletes, it's a profession requiring all the time and dedication as any other job. Only a select few receive headline grabbing salaries and national

endorsement deals. The truth of the matter is the vast majority of the men and women that make up the labor force are one injury, one game, one bad season away from having their careers cut short. Live, in-game, on demand mobile gambling puts these players in an extremely vulnerable position. When the lights are off, the game is over, and the job is done, players return home to their families like all other citizens return home. We are members of your communities, who patronize the same grocery stores, and our children attend the same schools as yours. For most athletes, there is no gated community, no private security, and yet we, alone, are exposed to the threats associated with problematic gambling.

Social media has enabled athletes to take control of their brands and market themselves in ways not possible for previous generations. However, it has also opened an extremely accessible avenue for threats and harassment directed towards athletes and their families alike. High profile examples of this behavior include harassment and even death threats against a Buffalo Bills player for missing a field goal earlier this year. Last year, a Minnesota Vikings player was harassed about fantasy football teams' performance to the point of deleting his social media. These episodes have a clear negative impact on a player's mental health and overall wellbeing, not to mention threats to player safety.

Simply put, athletes have enough pressure on themselves to perform to the best of their abilities and do not need the added stress of fan harassment to themselves or loved ones – in the stadium or online - or threats of bodily injury because of problematic gambling behavior.

Player safety, on and off the field, is a priority, and safeguards must be put in place so that the athlete(s) in the arena do not have to worry about their safety, or that of their loved ones.

2. Influence on Fan Engagement

Prior to the proliferation of sports betting, tuning in to live games and participating in fantasy leagues were amongst the best ways for fans to support their favorite teams and athletes. No athlete in a high-profile league is short of requests to provide advice or information to support a fan with their fantasy draft. On a rare occasion, players in high-profile leagues participate in a fantasy leagues with each other or alongside fans -- all for the thrill of competition, the joy of watching athletes perform well, and the pride of seeing one's favored team perform well. The legalization and proliferation of sports betting has transformed the entire ecosystem of sports, from how fans consume sports, to how athletes are dehumanized by fans, to the implications and effect of fans interactions with athletes, and to questions of ethics surrounding athletes who are also fans, consumers, and potential investors in the sports betting ecosystem.

Shift in Fan Priorities and Dehumanization of Players: While betting has deepened fan engagement, it has simultaneously transformed the fan experience from enjoying a game, and celebrating or lamenting amongst other fans to some bad actors expressing resentment towards any player(s) perceived to cost a fan money and has also encouraged attempts influence the outcome of a particular wager. This behavior dehumanizes a player, treating them more akin to a betting statistic. Fans who exhibit this kind of behavior should be nowhere near athletes, coaches, or other fans who are there to enjoy the game and cheer on their teams.

3. Broader Societal Implications

The rapid expansion of sports betting has raised significant societal concerns:

Gambling Addiction: The accessibility of online sports betting platforms has contributed to a rise in gambling addiction, including among young people. I am particularly alarmed about this because gambling addiction is a serious disease that has the potential to ruin the lives of not only the bettor, but also the people and family of the addict as well. I strongly believe that those who are suffering from addiction must be given the appropriate resources and support to recover no matter if it is a fan or an athlete. Additionally, resources must be available to help prevent future cases of gambling addiction and be readily accessible to those who think they may have a problem.

Economic Benefits vs. Ethical Costs: While legalized betting generates substantial tax revenue and economic opportunities for the leagues though not necessarily for the players, it risks commodifying hope and devaluing sports as a pursuit of skill and integrity. The question is whether the commercialization of betting undermines the essence of athletic competition. I believe that sports betting can be operated in a way where the integrity of the game is not compromised, but that will take significant efforts both on and off the field to ensure that bettors and athletes are acting in good faith, and athletes are not put in harm's way. Congress has a role to play in passing policies that reinforce the integrity of the game while also protecting athletes.

4. Congressional Recommendations

To address these challenges, the players unions collectively have endeavored to have player protections included in state legislation such as: (1) advocating for prohibitions on negative bets (injuries, penalties, player discipline, etc.); (2) a prohibition on use or purchase of player biometric data for the purposes of gambling; and (3) ensuring full due process rights in sports betting conduct investigations by notifying the player and their respective labor union of a potential violation.

Each of these recommendations is critically important. A prohibition on negative bets would ensure that fans are not betting on negative outcomes and therefore not have an incentive to heckle players/encourage negative outcomes at a game. Prohibiting the use or purchase of player biometric data would protect athletes from fundamental invasions of privacy and would ensure that players are in full control of their personal health information. And finally, ensuring due process rights in conduct investigations adheres to the bedrock legal principle of our judicial system that should be maintained in sports betting investigations.

Taken together, recommendations such as these would go a long way toward ensuring athlete safety, maintaining the integrity of games, and promoting responsible sports betting among fans. Should Congress consider federal sports betting legislation, it is my hope that you adopt these recommendations and others that protect the spirit of the game and the professionals who make the games possible. On behalf of the players' unions, we stand ready to work with you in this endeavor.

In conclusion, while sports betting appears here to stay and can enhance fan engagement, it also poses significant risks and has had an insidious effect on the mental health outcomes of players, fan culture, and the integrity of sports. A balanced approach that prioritizes ethical considerations and player safety and wellbeing is essential.

Again, thank you for the opportunity to testify. I am happy to answer any questions you may have.

**HEARING BEFORE THE UNITED STATES
SENATE COMMITTEE ON THE JUDICIARY**

December 17, 2024
Written Testimony of Charlie Baker
President, National Collegiate Athletic Association

Chairman Durbin, Ranking Member Graham and distinguished members of the committee, thank you for the opportunity to speak with you all today.

The mission of the NCAA is to provide a world-class athletics and academic experience for student-athletes that fosters lifelong well-being. During my short tenure as president, the NCAA has and continues to [make changes](#) to do more for college athletes. The Association now provides all student-athletes access to post-eligibility health insurance for injuries and mental health concerns that occurred while playing for their university. Additionally, earlier this year, Division I schools vastly expanded the scope of benefits and protections for college athletes by implementing new core guarantees. Division I schools (and Division II and III schools that compete in Division I sports) must:

- Provide medical coverage for athletically related injuries for at least two years after graduation.
- Cover out-of-pocket medical expenses (co-payments, deductibles, etc.) during a student-athlete's playing career.
- Offer degree completion funds for up to 10 years after a college athlete's eligibility concludes.
- Guarantee athletics scholarships and not reduce, cancel or fail to renew athletics aid for any reason.
- Provide education and resources for current and former college athletes across a range of topics, including mental health; name, image and likeness opportunities; financial literacy; career counseling; sexual violence prevention; and transfer opportunities and requirements.
- Comply with consensus-based guidance on health, safety and performance support around cardiac care, mental health and concussion safety protocols.

Another essential priority of the Association and its members is coordinating and delivering safe and fair competition. As legalized sports betting has become more prevalent in states across the country, so too have increased reports of integrity concerns and harassment of coaches and student-athletes — often related to sports betting.

Unlike professional athletes, college students attend classes, live in dormitories and eat in the dining halls, providing ready access to their fellow students and fans, some of whom may be gamblers. An NCAA survey of 18- to 22-year-olds found 67% of students living on campus are sports bettors. In addition, 41% of college students who bet on sports have

placed a bet on their school's teams. Another NCAA survey of campus administrators in 2023 found 10% of Division I respondents were aware of student-athletes being harassed online or in person by someone with gambling interests. In problem gambling education sessions on campus, approximately 1 in 3 student-athletes in sports that are frequently bet on report receiving betting-related harassment. Sports betting is on the rise, and with it, so is the risk for college athletes. Harassment threatens the integrity of the game, and it threatens the well-being of college athletes everywhere.

To protect college athletes against the risks of sports betting, the NCAA has partnered with industry experts to enact common-sense rule updates, provide education, study and understand harassment with an eye toward prevention, monitor the integrity of competitions, and advocate for state laws changes that address these concerns. The NCAA believes the federal government can support positive change in the sports betting space by developing a clear federal definition of sports-betting-related harassment, empowering state regulators to prohibit betting by those who engage in harassment and encouraging states to use and share prohibited bettor lists, as well as make data available to sports leagues and associations when integrity issues arise.

INTEGRITY CONCERNS

Protecting NCAA competition and student-athlete well-being from the dangers of sports betting is of paramount importance to the NCAA. Monitoring integrity concerns over match-fixing, point-shaving, insider information and other schemes is a major focus. The NCAA has taken numerous steps to prevent and detect integrity issues related to sports betting:

- The NCAA employs an industry-leading service provider to monitor collegiate sports betting in the global betting marketplace. This includes monitoring of regular and postseason competition and enhanced monitoring of officials. These efforts began in 2018 with more than 13,000 contests monitored annually. As college betting markets have increased into sports like volleyball, softball, baseball, lacrosse and others, so too have our monitoring efforts. We recently expanded monitoring to more than 22,000 contests per year.
- The NCAA recognizes that officials are targets for potential point-shaving schemes. The NCAA conducts robust background checks and provides targeted education to more than 20,000 officials across all sports with betting markets.
- Many changes have been made through our infractions and student-athlete disciplinary processes to emphasize the significance of integrity violations, while providing flexibility for student-athletes who may get caught up in less severe betting violations.
- The NCAA keeps open lines of communication with many state gambling regulators and various domestic and international sport integrity services and actively participates in the FBI's Sport Integrity Working Group.

While some aspects of having a regulated sports betting marketplace are working to uncover issues such as these, it's clear that significantly more attention should be dedicated to the collegiate sports betting environment by state and federal lawmakers, regulators and betting operators to protect collegiate athletics competitions and student-athlete well-being from the dangers of pervasive sports betting. The NCAA supports leagues and associations having stronger lines of communication with sports regulators — which includes the sharing of data and other pertinent information related to integrity issues.

HARASSMENT RECEIVED BY STUDENT-ATHLETES

Student-athletes have voiced their concerns about angry bettors and the abuse inflicted by them:

- Former North Carolina men's basketball player Armando Bacot [told reporters](#) after an early-round March Madness game, "It's terrible. Even at the last game, I guess I didn't get enough rebounds or something. I thought I played pretty good last game, but I looked at my DMs, and I got like over 100 messages from people telling me I sucked and stuff like that because I didn't get enough rebounds." Bacot added, "I think it's definitely a little out of hand." [March 2024]
- Auburn football player Payton Thorne [said on a podcast](#) that angry bettors request money from him on Venmo when he doesn't play well, adding, "It's funny, when they lose money, they want the money back, but when they win money on the parlay, no one's ever saying they want to pay the money." [September 2024]
- Division I Student-Athlete Advisory Committee Vice Chair Meredith Page wrote in an October 2024 [release](#), "Online abuse of student-athletes is a significant issue that negatively impacts the experience of young athletes across sport, including intercollegiate athletics. The DI SAAC calls on those in a position of influence to take active steps in providing better protections for our young adults."

COACHES VOICE CONCERNS OVER HARASSMENT

Head coaches across the country are concerned that bettors are harassing their student-athletes:

- "I have to say something because I think it's just necessary at this point," University of Dayton men's basketball head coach Anthony Grant [told reporters](#) just days after Ohio legalized sports betting in 2023. "There are some laws that have recently been enacted, that really to me — it could really change the landscape of what college sports is all about. And when we have people that make it about themselves and attack kids because of their own agenda, it sickens me." Grant's comments were cited by Ohio Gov. Mike DeWine when he [announced](#) his support of a rule change to ban prop bets in the state. [January 2023]
- "Online abuse and cyberbullying have no place in our society or college athletics," Purdue men's basketball head coach Matt Painter [said](#). "Thousands of student-athletes across the country face harassment every day on social media, and the bullying can affect their mental health well-being, causing stress, depression and

suicidal thoughts. The increased exposure to online gambling only exacerbates the online abuse, with many student-athletes receiving death threats via social media. We are asking all social media companies and platforms to do more to identify and remove these online threats and make their platforms safer for everyone.” [October 2024]

- “I’ve seen firsthand the negative impacts of social media abuse on the mental health of myself and my loved ones,” [said](#) Connor McCaffery, men’s basketball assistant coach at Butler. “There must be more done to address this toxic behavior impacting sports at all levels.” [October 2024]

PROP BET ADVOCACY

Since the NCAA’s state sports betting advocacy efforts began, four states — Louisiana, Maryland, Ohio and Vermont — have banned individualized college prop bets through commission orders. Additionally, New Jersey and [North Carolina](#) have introduced legislation to ban individual college prop bets, with New Jersey’s bipartisan [A4905](#) recently passing out of committee [unanimously](#). While progress has been made, there is still much work to be done. Approximately 20 of the soon-to-be 39 states (and Washington, D.C.) that have legalized sports betting allow college prop bets in some capacity. Operators might argue that removing bets is unprecedented or that the black market will be flooded with these types of bets — but that is not supported by data. In states that have never allowed college prop bets, there is no evidence that black markets there are flourishing. Furthermore, the operators this year acknowledged removing bets that raise integrity concerns can be done swiftly. After a [scandal](#) involving prop bets in NBA games, every major sportsbook [removed](#) certain prop bets on two-way/10-day NBA players (per a request from the league office). State legislators and regulators, and even the operators, recognize that banning prop bets is a tangible action to help protect student-athletes.

ANTI-HARASSMENT ADVOCACY

Earlier this year, [West Virginia](#) joined [Ohio](#) as states to pass legislation codifying anti-harassment measures related to sports betting. The NCAA worked closely with members of the West Virginia House of Delegates, which recognized that anti-harassment issues are not just statewide, but also impact student-athletes and game officials across the country. The actions of a bettor in one state could impact individuals in another. The delegate who proposed the legislation represented areas bordering Pittsburgh and noted the limited impact of involuntary exclusion bettor lists if bettors could jump across state lines to circumvent penalties. In addition to legislative action by West Virginia and Ohio, a former student-athlete in the [New Mexico](#) Legislature proposed increased penalties for bettors who engaged in harassment related to sports betting. Just recently, the Wyoming Gaming Commission voted to approve rule changes that would expand the definition of harassment and allow regulators to place those who harass student-athletes on involuntary exclusionary bettor lists. A Wyoming Gaming Commission official said, “We are excited to take this first step and be a part of the solution.” Finally, legislators in New Jersey have introduced bills in both the [Senate](#) and [Assembly](#) that would create a harassment hotline, require operators to report harassment and coercion to the New Jersey Division of Gaming

Enforcement, and solicit input from governing bodies, conferences and schools for the governor's annual report on sports betting. Ultimately, having a clear, federal standard for what constitutes harassment related to sports betting would benefit state gaming commissions who have attempted to address this independently through bills and rule changes. Additionally, we encourage the federal government to empower state regulators to ban bettors who engage in harassment through the use of prohibited bettor lists — which should be shared across state lines so offenders do not fall through the cracks.

STUDENT-ATHLETE EDUCATION

The NCAA is doing more now than ever before to support student-athletes. In October, the NCAA [called](#) on fans and social media platforms to curb abuse following the release of the first online harassment [study](#) with Signify Group. Analysts reviewed more than 72,000 messages that were flagged by their AI-based algorithm from a wider dataset of 1.3 million posts/comments targeted at the social media profiles of student-athletes, coaches and officials taking part in seven NCAA championships and the College Football Playoff National Championship. The review found 12% of all abuse was related to sports betting, with more than 740 instances. As betting markets increased, so did the prevalence of harassment, with 19% rates in men's basketball and football.

- As of Aug. 1, all schools with Division I sports programs must provide mental health counseling and mental health services consistent with the NCAA's Mental Health Best Practices.
- The NCAA has expanded its in-person and e-learning content to educate student-athletes on how to handle abusive threats, as well as addressing the risks of sports betting and problem gambling more broadly. Working with platforms and leaders in the space, the NCAA has reached over 100,000 student-athletes to date.
- The NCAA is advocating for social media platforms to address the root of the problem by more proactively identifying and removing abusive content directed at student-athletes.

Thank you for including the NCAA today in your discussion on an important topic that affects student-athletes in all your states. Our hope is that this hearing will shine light on these key issues impacting student-athletes that deserve Congress' attention.

I look forward to answering your questions. Thank you.



December 17, 2024

Senate Judiciary Committee
224 Dirksen Senate Office Building
Washington, DC 20510

Re: America's High-Stakes Bet on Legalized Sports Gambling

Introduction –

I am grateful to Chair Richard Durbin, Ranking Member Lindsey Graham, and the distinguished members of the Senate Judiciary Committee for the opportunity to offer testimony regarding the public health crisis created by the unprecedented expansion of online sports gambling in the United States. I consider this moment a high honor and privilege and share my comments with much thought, preparation, research, and experience. It is my sincere hope this is the start of public dialogue and debate which will result in the Congress of the United States of America enacting much-needed legislation to bring comprehensive public health reform and regulation to the sports gambling industry.

I hold a master's degree in professional clinical counseling from La Salle University, a doctorate in Law and Public Policy from Northeastern University, and a juris doctorate from Temple University School of Law.

Professionally, I serve dual roles as Director of Gambling Policy with the Public Health Advocacy Institute (PHAI) at Northeastern University School of Law and as an internationally certified gambling addiction counselor. This permits me to clinically treat patients and families suffering with gambling addiction while simultaneously serving as a researcher and policy advocate working for public health reform.

Simply put, prevention of harm is the best form of treatment. I consider myself duty bound to utilize the totality of my professional training and personal experience to help lead the movement for public health reform with the goal of preventing gambling addiction and gambling-related harm.

In addition to being a gambling addiction therapist and Director of Gambling Policy with PHAI, I am also a gambling addict in recovery. I made my last bet on April 27, 2014, and on that same night, I nearly took my own life in a suicide attempt. With gambling addiction, the risk of suicide is omnipresent. Research shows that one in every two people suffering with gambling addiction will contemplate suicide and one in five will make an attempt.¹

In the grips of my gambling addiction, I devastatingly hurt many people who had loved and trusted me. This included clients, friends, my children, and the people who were closest to me. Personal carnage related to gambling addiction destroys the most trusted and intimate relationships, sometimes beyond repair.

Gambling addiction took my mind, soul, body, and conscience. It left me broken, battered, and homeless. I was unrecognizable to myself. The only thing I had left was my name.

On February 15, 2015, I stood in a courtroom in Philadelphia, Pennsylvania. This was a court where I practiced law for more than two decades and where my father had practiced for more than half a century. In the presence of the court, the clients I had betrayed, and my children, I pled guilty to financial crimes committed in the throes of my gambling addiction. On that day, I pledged, under oath to the court, that if I could get well and find recovery, I would give back by doing everything in my power to prevent others from suffering harm related to gambling addiction.

I come before this distinguished Senate Judiciary Committee filled with a deep sense of gratitude, respect, and purpose. This is another step in an ongoing journey to prevent people and families from suffering harm related to gambling addiction. The mission has never been more important as we are presently witnessing the early years of a fast-building public health crisis related to online gambling. Lives and families are in the balance and the time is now for Congress to exercise its lawful authority to regulate the online sports gambling industry.

Let me be clear from the start. I am not opposed to sports gambling. In fact, I support the properly regulated legalization of sports gambling. However, I am vehemently opposed to and deeply concerned about what has transpired in just six years since the United States Supreme Court struck down the Professional and Amateur Sports Protection Act ("PASPA").² This is not the sports gambling that existed at the time that case was decided. What has been launched on the American people is a newly created and AI-generated online gambling business model which delivers a fundamentally different, defectively designed, and inherently dangerous gambling product to every phone, tablet, computer, and television.

The gambling industry has expanded beyond a single industry to become the gambling establishment comprised of once unthinkable business partnerships including gambling companies; sports leagues, teams, owners, and athletes; the world's largest media and

¹ Wardle, H., Reith, G., Langham, E., & Rogers, R. D. (2019). Gambling and public health: we need policy action to prevent harm. *British Medical Journal*, 365.

² *Murphy v. National Collegiate Athletic Association*. 138 S. Ct. 1461 (2018).

technology companies; social media; the AI industry; and state governments themselves.³ All are acting in concert to deliver online gambling at light speed and ensure that access to sports gambling action never stops. This new and AI-fueled business model will inexorably result in increased gambling addiction and gambling-related harm.

The chasing of action and/or losses is part of the diagnostic criteria for gambling addiction.⁴ Chasing action is also the symptom most closely related to suffering harm. Chasing action is something I see every day when meeting with clients and families suffering the most dire and devastating effects of gambling and gambling addiction. The effects I see every day in my clinical work as a therapist include financial ruin, desperation, suicidal ideation, depression, anxiety, career loss, divorce/separation, criminal behavior, homelessness, cooccurring alcohol and drug disorders, and deep despair.

With online sports gambling, delivering constant action for users to chase is an inherent part of the gambling industry business model. It is exactly what online sports gambling is designed to deliver, and it is, tragically, ruining the lives of many people and countless families.

Obviously, sports gambling is a business created to provide revenue to the many stakeholders in the gambling establishment. Sports gambling is, therefore, intentionally designed to maximize profits and this is most readily achieved by increasing the speed of gambling action.

As a matter of mathematical certainty, the faster that people gamble, the more money they will lose and the greater the harm they experience. In this new paradigm of online sports gambling, the business model and product are designed to increase the speed of gambling, thus maximizing losses by the public and delivering more revenue to the gambling industry and its various establishment partners. Businesses making money is not the problem. The problem is that this industry is leveraging its products' addictive properties in a manner that goes well beyond providing entertainment to users. The design and technology involved rob many users of their agency and the resulting addiction causes much foreseeable harm that can be prevented by erecting reasonable regulatory guardrails.

The SAFE Bet Act introduced in September by Senator Richard Blumenthal and Congressman Paul Tonko will go a long way toward preventing gambling addiction and gambling-related harm. The SAFE Bet Act, and other measures available to Congress, will bring a comprehensive public health approach to federal regulation of the online gambling industry. In so doing, Congress will save lives and protect families while also permitting the online sports gambling industry to flourish as a for-profit form of entertainment.

³ Orford, J. (2017). *The Gambling Establishment and the Exercise of Power: A Commentary on Hancock and Smith*. *International Journal of Mental Health and Addiction*, 15(6), 1193–1196. <https://doi.org/10.1007/s11469-017-9781-8>.

⁴ Rennert, L., Denis, C., Peer, K., Lynch, K. G., Gelernter, J., & Kranzler, H. R. (2014). *DSM-5 gambling disorder: Prevalence and characteristics in a substance use disorder sample*. *Experimental and Clinical Psychopharmacology*, 22(1), 50–56. <https://doi.org/10.1037/a0034518>.

The Call for Federal Regulation –

On May 24, 2018, the United States Supreme Court struck down the Professional and Amateur Sports Protection Act. This cleared the way for states to legalize online sports gambling. In fewer than six years, thirty-eight states and the District of Columbia have done so, and seven states also have legalized online casino gambling.

However, The *Murphy* Court specifically noted that Congress retains the legal authority to regulate online sports gambling:

The legalization of sports gambling is a controversial subject. Supporters argue that legalization will produce revenue for the States and critically weaken illegal sports betting operations, which are often run by organized crime. Opponents contend that legalizing sports gambling will hook the young on gambling, encourage people of modest means to squander their savings and earnings, and corrupt professional and college sports. **The legalization of sports gambling requires an important policy choice, but the choice is not ours to make. Congress can regulate sports gambling directly, but if it elects not to do so, each State is free to act on its own** (*Murphy v NCAA*, 2018) (emphasis added).

Medical science has recognized for more than twelve (12) years that commercial gambling involves a highly addictive product, and that gambling disorder is an addiction similar in nature to heroin, opioids, tobacco, alcohol, and cocaine (DSM-5, 2013). With every other addictive product or substance, the federal government regulates the advertising, promotion, distribution, and consumption of the product. This is to prevent harm and protect public health.

With gambling, sadly, the exact opposite is occurring. The gambling industry business model is designed to deliver constant and non-stop gambling action on every phone, tablet, and computer. With the use of cutting-edge technology involving incredible computing power and artificial intelligence, the gambling industry has turned every micro moment in each game or sporting event into more and more gambling action. Every game provides hundreds if not thousands of gambling opportunities created by this technology in real time.

In aggressively marketing and promoting sports gambling through broadcast advertising, internet ads, social media, in-app notifications, and steering viewers toward certain gambling products during the broadcast of games, our relationship with sports has shifted to a relationship with gambling. Equally dangerous is the gambling industry use of “VIP hosts” where the gambling companies target and reward people for increasing their gambling action. VIP hosts use a wide array of incentives and induce people to keep gambling. These often include tickets, gifts, trips, cash bonuses, restaurant meals and more. This is akin to a drug dealer rewarding the best “customers” to make certain they never stop needing or wanting action. VIP hosts presently operate without any federal scrutiny and this gambling industry tactic warrants its own Senate hearing.

The gambling industry and its sports partners have taken sports away from children, families, and the American public. Gambling takes place on every micro-event within sporting events, from the speed of the next baseball pitch to every football snap, basketball shot, tennis serve, and even ping pong points from Russia and Eastern Europe. Live sports for gambling happen around the globe and around the clock so that the action never stops. Sports has become the equivalent of a non-stop slot machine.

How did we get here and why is it essential that Congress act to regulate gambling as an issue of public health?

There are two answers to this question.

First, online sports gambling is a fundamentally different and more dangerous gambling product than anyone could have anticipated. In May 2018, when the Supreme Court decided *Murphy v NCAA* no one could have foreseen what online sports gambling would quickly become.

On June 14, 2018, Governor Phil Murphy made the first post-*Murphy* bet. He placed \$20 on the New Jersey Devils to win the 2019 Stanley Cup. This was a bet that would take 11 months to decide.

Now, just 6 years later, online sports gambling brings action every 11 seconds, or faster. With the use of AI, online sports gambling action takes place at light speed, and this goes on nearly 24 hours a day, every day. The human brain is not built to handle such stimulation from the rapid consumption of a known addictive product. This is particularly problematic with younger adults as the risk/reward system of the brain is not fully developed until age 26.⁵

Recently, DraftKings purchased a leading AI gambling company (Simple Bet) and proudly proclaimed ownership of technology designed to target gamblers with customized AI-driven gambling products based on each customer's unique gambling habits and proclivities to "unlock a faster and more frictionless experience."⁶ This is more like a dystopian science fiction story than recreational sports gambling. It certainly was not what the Majority in *Murphy* or anyone had in mind when the case was decided on Tenth Amendment principles.

The second answer to how we arrived at this dangerous juncture with online sports gambling is the old adage, *follow the money*.

The sports leagues, teams, owners, and players have entered into previously unthinkable partnerships with the gambling industry. They sell their real-time data statistics to the gambling industry for billions of dollars. This takes place with every sport from baseball, football, and basketball to soccer, tennis, golf, hockey, auto racing and more.

⁵ Arain M, Haque M, Johal L, Mathur P, Nel W, Rais A, Sandhu R, Sharma S. *Maturation of the adolescent brain*. *Neuropsychiatr Dis Treat*. 2013;9:449-61. doi: 10.2147/NDT.S39776. Epub 2013 Apr 3. PMID: 23579318; PMCID: PMC3621648.

⁶ See <https://www.draftkings.com/draftkings-reaches-agreement-to-acquire-simplebet-to-further-enhance-live-betting-offering>

The gambling companies then turn these statistics into constant gambling action. Micro bets, same game parlays, player props, profit boosts, rapidly changing in-game odds and point spreads, and much more. These are AI-driven gambling products which target people with the most addictive forms of gambling action. Meanwhile, the gambling industry admonishes the public to “bet responsibly” and calls this industry driven hypocritical approach, the “responsible gaming” (RG) model.

Follow the money. The gambling industry is paying its sports and media partners billions of dollars to obtain statistics, advertise, create, and distribute online gambling products. Unlike any other business in this country, no tangible products are sold or distributed. The gambling industry is not selling any widgets on the market. The only way for the gambling industry to recoup its massive spending and generate revenue is to induce the public to chase faster and faster gambling action and lose more money more quickly than ever before. There is no dispute that keeping people in action is, fundamentally, the gambling industry business model.

Chasing action is also the clearest symptom of gambling addiction and gambling-related harm. Thus, the industry’s business model is designed to cause harm by prompting the public to engage in constant action with ever more risky gambling activities.

Gambling disorder is a known addiction and increased engagement in gambling magnifies the risk for creating and sustaining this addiction. Increased reports of gambling-related harm occur as each state legalizes online gambling. For example, calls to the problem gambling hotline in Massachusetts increased by more than 120% in the first year following the launch of online sports gambling. In New Jersey, since 2018, the year the state legalized sports betting, the Council on Compulsive Gambling of New Jersey has seen a 277% increase in calls to its 800-GAMBLER helplines.⁷

Meanwhile, the gambling industry contends that less than one percent of gamblers are suffering from a gambling addiction and less than five percent are at-risk for problem gambling. In fact, The President of the American Gaming Association (“AGA”) recently told CBS’ 60-Minutes that the gambling industry rejects the notion that online gambling is addictive:

“ . . . I don’t believe that there is an addiction to mobile betting any more than there is an addiction to utilization of your phone for any other reason,”⁸

Notwithstanding the reticence of the AGA to recognize the science related to gambling addiction, there is a burgeoning international movement to consider the unprecedented expansion of the online sports gambling industry as a significant threat to public health. A copy of last month’s *The Lancet Public Health Commission on Gambling* is attached and incorporated by reference.⁹ This commission report was prepared by the leading gambling and public health researchers in the world and serves as a groundbreaking and urgent call for

⁷ See, e.g., <https://www.nbcnews.com/health/mental-health/gambling-addiction-hotline-calls-online-sports-betting-rcna145539>

⁸ See <https://www.cbsnews.com/news/young-gamblers-sports-betting-addiction-60-minutes/>

⁹ Wardle, Heather, et al. *The Lancet Public Health Commission on gambling*. *The Lancet Public Health* 9.11 (2024): e950-e994.

reform. This effort is supported by recent World Health Organization initiative calling for international public health standards for the screening of gambling disorder.

While a public health response to the prevention of gambling disorder and gambling-related harm is gaining momentum internationally, the approach is vehemently opposed by the gambling industry in the United States. This bears striking similarities to the conduct of the tobacco industry in the 1960's. Northeastern University Distinguished Professor of Law, Richard Daynard, Founder and President of PHAI helped to lead the fight against Big Tobacco and he notes the gambling industry is now following that same playbook by attempting to deny addiction and shift the blame and onus to the public with the same sort of rhetoric used by the tobacco and alcohol industries to deflect any corporate accountability in favor of personal responsibility.¹⁰

Online sports gambling has rapidly become a normalized and socially acceptable activity. The convergence of gambling advertising, sports gambling partnerships, celebrity endorsements, media relationships, and recently emerging role of artificial intelligence has dramatically altered how the gambling industry delivers, and the public consumes, increasingly complex gambling products. New products that, unfortunately, create increased risks for addiction and harm.

Advances in technology have resulted in gambling companies delivering online gambling to the public on virtually every conceivable mobile electronic device. Sports are now seen as directly connected to or as an extension of the gambling industry. Online gambling and AI-driven micro-betting remove many of the barriers to how people experience gambling resulting in opportunities for non-stop action, and with it, a non-stop dopamine response, without time or space limitations.

Yet, gambling disorder is an addiction just like addictions to heroin, opioids, tobacco, cocaine, and alcohol. Thus, we are witnessing a dangerous phenomenon where state governments partner with the gambling industry with the promise of increasing tax revenue derived from the public consumption of a known addictive product. The relationship between state governments and the gambling industry continues to expand.

While forms of gambling activities may vary greatly, the single biggest growth area is online sports gambling with the compound annual growth rate expected to remain near or exceed 12% for the foreseeable future.¹¹ It is estimated that in 2028 people in the United States will lose \$1 trillion to the gambling industry.¹² Online gambling is also among the most addictive

¹⁰ See <https://www.prnewswire.com/news-releases/public-health-advocacy-institute-phai-calls-for-overhaul-of-responsible-gambling-model-302201055.html>

¹¹ Nathan Reiff, *DraftKings vs. DoubleDown: Growth in the Online Gambling Boom*. MarketBeat (September 12, 2024) <https://www.marketbeat.com/stock-ideas/draftkings-vs-doubledown-growth-in-the-online-gambling-boom/>

¹² Chris Benson, *U.S. online gambling losses to surpass \$1 trillion by 2028, group says*. UPI (December 11, 2024). https://www.upi.com/Top_News/US/2024/12/11/US-WHO-Campaign-for-Fairer-Gambling-online-loss-addiction/9601733943145/

forms of gambling because it delivers rapid speed of play and constant gambling action which correlate with significant risk of suffering gambling addiction and gambling-related harm.

Gambling-related harm is a public health phenomenon which occurs in conjunction with and independently from a diagnosed gambling disorder.¹³ People engaged in gambling may experience a range of harm to their physical and/or mental health and this often occurs prior to a gambling disorder diagnosis. People who gamble may struggle with financial difficulties; dysfunctional relationships; mental health concerns; psychological or emotional distress; job loss; physical ailments, and/or criminal conduct. There must be national interest in a public health response at the federal level focusing on preventing such harm before it occurs.

The gambling industry is a for-profit business. Its companies have a fiduciary obligation to shareholders and investors to maximize revenue and profits. The industry's business model is built, in part, on delivering as large a constant stream of gambling action as it can. This constant access to action, while profitable for the gambling industry, also increases the potential for public harm. The more rapidly that people engage with a known addictive product, the greater the potential is for harm to occur. Under most circumstances, it would be the duty of state governments to enforce regulations designed to restrict the distribution of a known addictive product. Such is not presently the situation with commercialized gambling where states are profit partners and regulators may well be underinformed when it comes to how products and which products are being delivered to consumers in 2024 and beyond.

Over the last six years, thirty-eight states and the District of Columbia have legalized sports gambling, and seven states have authorized online casino gambling. During this same period of gambling expansion, little, if any, attention has focused on the potential impact on population health.

A high percentage of calls to gambling helplines are coming from younger adults fixated on the fast-paced action of in-game micro sports betting. As recently stated by Felicia Grondin, the executive director of the Council On Compulsive Gambling of New Jersey, "People don't really have the time to collect their thoughts to say, 'Do I really need to place this wager?' They get involved in the game. There's a dopamine rush, they're excited and before you know it, they're tens of thousands of dollars in debt . . ."¹⁴

This Senate Judiciary Committee hearing is another step toward recognizing that online sports gambling must be regulated by the federal government and treated as an urgent issue of public health. Unfortunately, it is advocated by the gambling industry and its establishment partners, including many policy makers and elected officials at the state level, that federal regulation of the gambling industry is neither warranted nor necessary. This presently includes the National Coalition of State Legislators from Gambling States which openly contends that Congress and the federal government should not regulate gambling.

¹³ Langham E, Thorne H, Browne M, Donaldson P, Rose J, Rockloff M. *Understanding gambling related harm: a proposed definition, conceptual framework, and taxonomy of harms*. BMC Public Health. 2016 Jan 27;16:80. doi: 10.1186/s12889-016-2747-0. PMID: 26818137; PMCID: PMC4728872.

¹⁴ See <https://www.njspotlightnews.org/2024/09/problem-gambling-surges-in-new-jersey-more-young-men-call-helpline-sports-betting/>

The gambling industry itself is strongly opposed to the federal government regulating gambling. The official position of the American Gaming Association is “The AGA firmly believes additional federal regulatory oversight of legal sports betting is unwarranted. States and tribal nations have proven to be effective regulators of gaming—including sports betting—and the more than 4,000 regulators nationwide have decades of experience overseeing gaming operations within their jurisdictions.”¹⁵

The AGA contends, without empirical evidence or data, that gambling addiction and gambling-related harm are de minimis problems in society. The industry publicly states that only 1% of the US gambling population shows addictive behavior regarding the wagers they place.¹⁶ This frames the gambling industry position that any mental health or financial struggles with gambling should be focused on issues of individual responsibility and not the addictive nature of gambling products. Thus, the gambling industry continues to follow the same “blame the customer” playbook authored by Big Tobacco and seeks to place the onus on individual users by advancing an industry-driven responsible gaming policy. This is intentionally and unethically intended to distract and mislead the federal government to deter it from regulating online sports gambling as an addictive product.

Historically, gambling disorder was treated as a problem of individual responsibility with emphasis placed on people already suffering from gambling-related harm. This model is supported by the gambling industry and is designed to focus on treating individuals diagnosed with gambling disorder while urging the public to exercise personal responsibility when gambling. At the core of this approach has been the gambling industry-sponsored narrative that harm is suffered by only a small percentage of “problem gamblers” and they should receive treatment funded by gambling industry revenue. This is the model used in every state that has introduced online gambling. It is the moral equivalent of permitting Big Tobacco free reign to do whatever it wants so long as it pays for chemotherapy and hospice.

This gambling industry-driven perspective is often called the “responsible gaming” (“RG”) model and rejects the concept that online sports gambling causes societal harm. The gambling industry wrongly contends that online sports gambling causes no net societal harm, and there is no need for a public health approach focused on preventing harm. Policy makers are then urged to eschew the notion that public harm must be prevented by regulating the distribution and marketing of gambling products. This again draws parallels to tobacco where for decades the industry denied that tobacco and nicotine are addictive and cause disease while simultaneously seeking to avoid any public health regulation.

As each state legalizes online sports gambling, the gambling industry urges state government policy makers to adopt and replicate existing RG model policies. This is gambling industry self-regulation and places the onus squarely on individuals to make responsible decisions regarding their use of an addictive product.

¹⁵ See <https://www.americangaming.org/policies/hot-issue-sports-betting/>

¹⁶ See <https://www.casino.org/news/american-gaming-association-90-percent-of-gamblers-play-responsibly/>

The RG model advanced by the industry is based on an incorrect theory that only a small percentage of people are suffering harm from gambling and gambling addiction and a tiny fraction of gambling revenue would be sufficient to pay for treatment of those who suffer harm. The RG approach to industry self-regulation has come under increased criticism for lacking empirical evidence. It is also roundly criticized for minimizing the scope of public harm by focusing only on people struggling with gambling addiction and failing to consider the pain, damage and harm inflicted on impacted others including family and friends of the persons suffering with gambling addiction.

Further, the RG approach has been proven ethically flawed because it was paid for and created by the gambling industry with the specific purpose of avoiding government regulation.¹⁷ The RG model is also an ethical failure from a public health perspective for failing to address and prevent harm before it occurs. With every other disease and condition the overwhelming emphasis is placed on prevention. With gambling addiction, the industry invokes the RG model and rejects calls for federal regulation designed to prevent harm by claiming that the gambling industry should be permitted to police and regulate itself.

The time has come for the federal government to reject the abject failure of the industry-driven RG approach and endorse the effort to regulate the online sports gambling industry as an urgent public health concern. One would like to think that the gambling industry and its establishment business partners would welcome efforts by the federal government to design and implement rules and regulations to protect the betting public. However, the mere mention of federal regulation causes a virulent reaction in opposition from the industry. This fact alone is, to borrow a gambling term, a “tell” and should suggest that Congress should become more actively involved.

The greater the exposure to online gambling, the higher the prevalence of harm suffered across the spectrum from non-gamblers to recreational gamblers to at-risk gamblers and problem gamblers. The public health approach to gambling focuses on the overall scope of gambling-related harm and is specifically designed to prevent gambling addiction harm before it occurs. There are, however, sizeable forces with economic incentives to maintain the dangerous status quo of the RG model and avoid federal regulation to set minimum standards to protect the public from the riskiest aspects of online sports gambling.

The economic infrastructure surrounding the online sports gambling industry has become a global network which includes gambling companies, government, professional and collegiate sports, media, technology, and industry-funded advocacy organizations. Some of these gambling industry relationships are rather transparent and obvious while others are not yet being discussed or considered.

The gambling industry initially estimated that in the United States, the four major sports leagues would receive a collective \$4.2 billion in additional revenue related to sports gambling; and media companies realize an additional \$596 million in revenue. The actual

¹⁷ Hancock, L., Smith, G. Replacing the Reno Model with a Robust Public Health Approach to “Responsible Gambling”: Hancock and Smith’s Response to Commentaries on Our Original Reno Model Critique. *Int J Ment Health Addiction* 15, 1209–1220 (2017). <https://doi.org/10.1007/s11469-017-9836-x>.

numbers wildly exceed these estimates, but exact figures are unknown because of the lack of federal oversight. There now exists a seemingly endless chain of financial partnerships between gambling companies, sports leagues, and the media. These media relationships run the gamut from the largest international conglomerates to online affiliate sites and even social media “influencers.” The financial entanglements and relationships are a byzantine and mostly overlooked morass of potential conflicts which presently exist without an iota of federal scrutiny.

Even less understood and discussed is how state government and various advocacy organizations have become financial partners in the gambling establishment. In the rush to generate tax revenue from the online sports gambling industry, states have largely overlooked the public health implications connected to the rapid and unprecedented expansion of online sports gambling.

The gambling industry touts numbers proclaiming that it has “generated \$13.49 billion in direct gaming tax revenue paid to state and local governments, not including billions more paid in income, sales or other taxes”).¹⁸ Whether the various states and their political leaders overlooked, or failed to consider, the scope of public harm is consistent with the need for federal oversight to create minimum standards to protect the public.

As for the gambling industry “tell” with its vociferous rejection of calls for federal regulation, it is informative to note the official position of the American Gaming Association. The AGA and its business associates lobby aggressively against federal oversight and flatly reject the need to protect public health:

Today’s regulated sports wagering operators are contributing billions in state taxes across the U.S., protecting consumers from dangerous neighborhood bookies and illegal offshore websites, and working diligently with over 5,000 state and tribal regulators and other stakeholders to ensure a commitment to responsibility and positive play. Six years into legal sports betting, introducing heavy-handed federal prohibitions is a slap in the face to state legislatures and gaming regulators who have dedicated countless time and resources to developing thoughtful frameworks unique to their jurisdictions, and have continued to iterate as their marketplaces evolve.”¹⁹

Notwithstanding efforts by the AGA to protect its financial stranglehold on state regulation, the words of the *Murphy Court* endorsing the right of Congress to regulate online sports gambling serve as a call for the federal government to embrace the legal, ethical, and moral obligation to prioritize public health over gambling industry revenue. It is the duty of Congress and the federal government to act and protect the public health of all Americans because the evidence of a looming crisis is here.

¹⁸ American Gaming Association, *State of the States: 2023*. <https://www.americangaming.org/resources/state-of-the-states-2023/>

¹⁹ AGA Statement on the Introduction of the SAFE Bet Act (2024) <https://www.americangaming.org/new/aga-statement-on-proposed-safe-bet-act/>

The first waves of independent research examining the societal damage related to online sports gambling in the United States are just becoming available. In May 2023, the National Collegiate Athletic Association (“NCAA”) released an alarming study examining online sports gambling on college campuses.²⁰ The disturbing findings include:

- Sports wagering is pervasive among college students with 58% of 18 – 22-year-olds engaging in sports gambling.
- Sports Gambling is widespread on college campuses with 67% of students betting on sports. Students living on or near campus gamble at higher frequencies.
- Nearly 60% of students are likely to bet on sports after seeing a gambling advertisement.
- More than 60% of students engaged in gambling are betting on sports using the highly addictive “in game/micro bets”.
- Nearly 80% indicate that betting on sports makes it more likely they will watch the event on television or streaming.
- 60% of student gamblers believe they can and will make money betting on sports.

There were also two important online gambling studies released in July 2024. The first is from researchers at UCLA Anderson School of Management and the University of Southern California and the other is from researchers at Northwestern University.^{21 22}(By way of full disclosure, the undersigned has also completed a doctoral highly relevant research study at Northeastern University and the results will be shared with this Committee pending upcoming publication).

The UCLA/USC and Northwestern are separate and independent studies but reveal strikingly similar and alarming findings particularly in financially vulnerable communities and this includes a nearly 30% increase in bankruptcy filings in states with online sports gambling. The UCLA/USC researchers concluded:

The legalization of sports gambling decreased consumer financial health. These results seem to be particularly pronounced when states legalize online betting, suggesting that the ease of access to gambling increases the problems associated with it. Moreover, we find that young men, particularly those in low-income counties, are most affected.

²⁰ Key Findings at:

https://ncaaorg.s3.amazonaws.com/research/wagering/Apr2023NCAA_WageringKeyFindings.pdf

²¹ Hollenbeck, B., Larsen, P., & Proserpio, D. (2024). The financial consequences of legalized sports gambling. Available at SSRN.

²² Baker, S. R., Balthrop, J., Johnson, M. J., Kotter, J. D., & Pisciotta, K. (2024). *Gambling away stability: Sports betting's impact on vulnerable households* (No. w33108). National Bureau of Economic Research.

It must also be recognized that gambling addiction and gambling-related harm causes damages far in excess of just financial losses. There is a direct causal connection between gambling addiction and societal harms which include:

- Anxiety, Depression, Isolation
- Loss of Job/Career
- Cooccurring alcohol and drug disorders
- Family violence
- Homelessness
- Criminality
- Psychological distress
- Comorbidities with substance misuse
- Suicide

To the gambling industry or any of its sports and media business partners ready to label the public health movement as prohibition, they are entirely incorrect. The public health approach is not to ban gambling or abridge individual liberty. Rather, the public health movement is an effort to expose and replace the dangerously flawed RG system of industry self-regulation with a set of policies that will help to prevent most harm from happening in the first place. RG places the onus on the individual rather than regulating the addictive nature of online sports gambling and predatory conduct of the industry. This failure of the RG model must be replaced with a comprehensive public health response at the federal level, and, obviously, this must begin with Congressional action.

The SAFE Bet act is not prohibition. It is a measured public health reform. It is legislation based on empirical evidence and scientific data to prevent harm before it occurs and maintain the right of the public to safely enjoy online sports gambling. It is legislation to protect public health and preserve for the gambling industry the ability to pursue profits for its investors and shareholders.

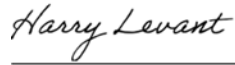
As this hearing is not specifically focused on the SAFE Bet Act, I shall reserve further comments on the legislation for a future date and hearing. For now, suffice to say that the SAFE Bet Act protects public health and ensures that states adhere to minimum federal standards by addressing the following:

- Affordability checks
- Deposit limits
- Credit card deposits
- Restricting in-game betting
- Regulating the use of AI
- Restricting micro betting
- Banning proposition bets on college sports
- Advertising limits

- Requiring HHS analysis of public health implications of online sports gambling

These reforms are part of the international movement to replace the RG model of industry self-regulation with meaningful public health reform. The time has come for Congress to lead this effort because this direct and imminent threat to public health is unsustainable.

Respectfully,

A handwritten signature in cursive script that reads "Harry Levant". The signature is written in black ink and is positioned above a horizontal line.

Dr. Harry Levant, MA, PCC, ICGC-I
Director of Gambling Policy

**Written Testimony by David Rebuck
Submitted to U.S. Senate Committee on the Judiciary
December 17, 2024
Hearing on “America’s High-Stakes Bet on Legalized Sports Gambling”**

Dear Members of the U.S. Senate Committee on the Judiciary:

Thank you for the opportunity to provide testimony on the topic of legal sports betting. My name is David Rebuck, and I was appointed Director of the New Jersey Division of Gaming Enforcement (DGE) by Governor Chris Christie in April 2011, a role I held for over a decade until my retirement earlier this year. Prior to my service at DGE, I served as a Deputy Attorney General for New Jersey for 23 years, specializing in policy guidance and regulatory reform. Throughout my public service career in New Jersey, I proudly played a leading role, across multiple Democratic and Republican gubernatorial administrations, in shaping state gaming policies and regulations.

Most importantly during my tenure at DGE, I oversaw the legalization and implementation of iGaming in our state and led the state’s groundbreaking efforts to legalize sports betting. The state’s work on sports betting legalization culminated in the U.S. Supreme Court’s landmark decision on May 14, 2018, overturning the Professional and Amateur Sports Protection Act (PASPA). Alongside many regulatory and legal stakeholders throughout New Jersey state government, we ensured New Jersey was prepared for this landmark event by establishing comprehensive state standards and regulations that enabled a thriving legal sports wagering market for New Jersey residents in the immediate aftermath of PASPA being overturned.

Today in my post-public service phase of my career, I am an advisor to the U.S. gaming industry, providing expertise on regulatory and operational matters, and I recently agreed to be a member of the inaugural Expert Advisory Committee of the Responsible Online Gaming Association (ROGA).

States’ Rationale for Legalized, Regulated Sports Wagering

I submit this testimony today as a proud advocate for state-led regulation of legal gaming, including sports betting, and to explain why states moved to legalize sports betting and why they, not the federal government are best equipped to handle this issue.

In the six years since PASPA was invalidated, legislators and regulators in nearly every state in the country have considered legalizing sport betting and grappled with the dozens of potential tradeoffs that come with various regulatory frameworks. While the possible regulatory options are endless, there are two primary factors that states have weighed when it comes to designing their marketplace: First, will these regulations protect consumers and ensure the integrity of the market; and second, will they create a business environment conducive to eliminating the illegal market. Additionally, states see benefit from tax revenue that had historically been lost to offshore operators.

Consumer protection and market integrity have been the driving factors behind legalization. Prior to 2018, there was a thriving \$150 billion illegal sports betting market in this country driven largely by offshore sportsbooks who misled consumers, paid no taxes, had no responsibility or motivation to monitor the integrity of the events they offered wagers on, and made no real responsible gaming, anti-money laundering or know-your-customer efforts.

Consumers were – and still are – openly misled by offshore websites purporting to be legal, regulated sportsbooks. Even this morning, one of the largest offshore sportsbook’s website describes itself as “a top USA-based gambling and sports betting website” only noting elsewhere that it is “licensed and regulated by the Union of the Comoros.” Consumers duped into betting with this “top USA-based” sportsbook and who may have a dispute or complaint would undoubtedly be surprised to learn that it was “regulated” in an island archipelago in the Mozambique Channel and that they have no actual recourse.¹

Offshore sportsbooks also have no interest in monitoring the bets they are taking to ensure the integrity of the events they were placed on. For example, the operators of one offshore sportsbook were aware of the 2007 match-fixing scheme involving NBA referee Tim Donaghy. Instead of reporting it, they capitalized on it by placing their own bets.²

Of course, offshore operators that are brazenly misleading consumers and essentially participating in match-fixing and bribery here in the U.S. are not interested in providing players with responsible gaming tools, paying taxes, monitoring accounts for signs of money laundering or engaging in know-your-customer protocols.

That is the environment that state lawmakers and regulators faced when considering how to structure a marketplace to compete against illegal offshore operators and how to evolve existing regulations.

States have a wide range of options available when it comes to crafting marketplaces to allow legal, regulated sportsbooks to compete against offshore sites, but they are primarily interested in making sure that consumers are protected, have confidence in the marketplace, that the integrity of the events being bet on is protected and that sports betting is not used as a conduit for illegal activities.

While states’ motivations are the same, there are good-faith disagreements around the most effective way to regulate sports betting while creating an environment that can effectively compete with offshore sites that face no regulations whatsoever. States have come to different conclusions when it comes to the tax rate, where people can bet, whether to restrict certain types of bets, what kind of responsible gaming tools to mandate and dozens of other factors. There is no reason to believe the federal government is more suited to balance the tradeoffs involved in hundreds of regulatory decisions better than individual states.

A federal intervention may also disrupt the flow of tax revenue that states have raised from legal sports betting. Nationwide since 2018, legal sports betting has generated nearly \$7 billion dollars in direct gaming taxes for state and local governments. In New Jersey, the state has benefited from \$545 million in sports betting taxes which are dedicated to economic development, senior citizens and disabled residents.

State regulation allows each jurisdiction to tailor its approach to the unique needs and values of its residents. States have the capacity to experiment and innovate, learning from each other to improve their systems. This approach fosters regulatory competition and ensures that policies remain dynamic and responsive. A one-size-fits-all federal regulatory framework would lack the

¹ <https://www.boatada.lv/>

² https://www.espn.com/nba/story/_/id/25980368/how-former-ref-tim-donaghy-conspired-fix-nba-games

agility states currently have to adapt to the diverse circumstances of their individual markets and would risk imposing unnecessary burdens on both regulators and operators.

While enhanced federal regulatory oversight of the legal industry is not necessary, that does not mean there is no role for the federal government in ensuring the safety and sustainability of the legal sports betting marketplace. Illegal gambling online – through both sportsbooks and casinos – remains widely available and accessible across all 50 states. The interstate and often transnational nature of this criminal activity cannot be addressed by state gaming regulators alone.

That is why I joined fellow gaming regulators from six other states in a letter to Attorney General Merrick Garland in April 2023, requesting heightened federal attention to and engagement on this problem. In the absence of federal enforcement action against illegal operators, states are using their limited tools to target some of the most egregious online platforms. Since May of this year, 11 states have effectively used cease and desist letters to compel the largest offshore sportsbook, Bovada, to exit their markets. It is, of course, wildly inefficient for every state to be forced to take such actions individually, and a tactic that may be ignored by many illegal operators. The most productive action this Committee and Congress could take is to ensure that the Justice Department and other federal agencies have the resources, legal tools and sustained commitment necessary to eradicate this pernicious problem.

Conclusion

I do not underestimate the challenges that come with regulating sports betting. Issues such as problem gambling and ensuring compliance with regulatory standards require constant vigilance. However, there are more than 5,000 gaming regulators across the country who are already addressing these challenges head-on, with many adopting best practices like mandatory self-exclusion programs, partnerships with addiction treatment providers and universities to tackle social and public health concerns, and rigorous auditing processes that ensure compliance to the highest degree.

In closing, I urge this Committee to respect the successes that states have achieved in regulating sports betting and allow this progress to continue unimpeded by federal overreach. States are uniquely positioned to understand the needs of their residents, enforce strong consumer protections, and ensure that the benefits of legalization flow back into their communities. A federal approach risks undermining these efforts and creating inefficiencies that could stifle innovation and compromise the very protections we seek to enhance.



**Written Testimony of Keith Whyte
Executive Director
National Council on Problem Gambling**

**United States Senate Committee on the Judiciary
December 17, 2024**

Dear Chairman Durbin, Ranking Member Graham, and Members of the Committee:

Thank you, Chairman Durbin and Ranking Member Graham, for holding this important hearing. I write on behalf of the National Council on Problem Gambling (NCPG), the sole national advocate for those suffering from problem gambling and their loved ones, to submit this testimony regarding the impact of the expansion of sports betting in the United States.

NCPG speaks for those who suffer from a gambling addiction and for those in recovery who must remain anonymous. We speak for those youth and adults who are harmed now and in the future by gambling and the expansion of sports betting. We bear witness to the devastating impacts of a gambling addiction on individuals and their families and to the effectiveness of services that provide help and hope for those who struggle. We can never eliminate the disease of gambling addiction, but we can and must make better efforts to prevent and treat it.

NCPG's mission is to lead awareness and advocacy efforts to reduce gambling harm. Our vision is to advance wellbeing by minimizing harm from gambling problems. Since NCPG was founded in 1972, we have remained neutral, neither for nor against legalized gambling, and completely nonpartisan. NCPG members include 35 state affiliate chapters and a wide variety of individuals and organizations—from counselors, prevention specialists and researchers to people in recovery from gambling problems as well as treatment clinics, gambling operators and vendors, regulatory authorities, sports leagues and state human services agencies.

About Problem Gambling

These problems are indeed serious. Problem gambling or gambling addiction is characterized by increasing preoccupation with and loss of control over gambling and continued gambling despite serious negative consequences. Gambling problems are highly co-occurring with substance abuse and other mental health problems. The estimated social cost to families and communities from gambling-related addiction, bankruptcy and crime was almost \$14 billion last year.

NCPG has additional concerns about the impact of gambling on the health of athletes, as research indicates that athletes are more likely to be at risk for addictions. Preventing and treating gambling addiction among players protects their health and preserves the integrity of the

game. NCAA and professional sports organizations should, therefore, provide comprehensive gambling addiction prevention and education programs to all players and team personnel.

The unprecedented expansion of sports betting highlights that gambling is a national issue, no longer just a state one. Problem gambling is also a national public health issue. While the federal government is already involved in some aspects of gambling—through two gambling specific taxes, limited regulatory oversight of tribal gaming and a number of laws (most importantly, the Wire Act and the Unlawful Internet Gambling Enforcement Act (UIGEA))—there is no federal spending whatsoever on preventing or treating gambling addiction. Which means states receive no support for combatting the disease of gambling addiction from any federal health agencies. This is why passing the Gambling Addiction Recovery, Investment, and Treatment (GRIT) Act is the single most important action Congress can take to address the negative impacts of expanded sports betting and legalized gambling in general.

No Longer Only a State Issue

Since the Supreme Court struck down the Professional and Amateur Sports Protection Act (PASPA) in 2018, 38 states and the District of Columbia have legalized sports betting either at brick-and-mortar locations or online and on mobile devices. This has proven to be the largest and fastest expansion of gambling in our nation's history. Over half of the Senators on this Committee have legal sports betting in their state or will by the end of 2025, whereas none did in 2018. For the other Senators on this Committee who do not have legal sports betting in their state, it is very likely coming, and ads for sports betting are now run frequently on broadcast television, radio and podcasts, online, and in print—even in states where betting on sports is illegal. Betting is now an engrained component of college and professional sports.

Past Predictions

In September of 2018, shortly after PASPA was overturned, I testified before the House Judiciary Committee, Subcommittee on Crime, Terrorism, Homeland Security & Investigations. I said then, and reiterate today, we believe the expansion of legalized sports gambling in the United States will likely increase gambling participation and problems unless steps are taken to minimize harm. To quote my 2018 testimony:

We are concerned about the collision of three trends—vast increases in gambling advertising, especially exhortations to gamble during the game; advances in technology including mobile phone gambling, and a virtually unlimited menu of betting opportunities far beyond game outcome or even player performance. This Frankenstein's monster of advertising, access and action is unprecedented in America, and indeed anywhere else in the world. As a result it is likely that most Americans will soon be bombarded by

marketing urging them to bet instantly from their phone on every action by every player on every play in every game in every sport.¹

Our predictions in 2018 have largely come true, and now these issues are precisely what has driven this Committee to hold this hearing today.

Leading Indicators

One thing is clear: all available evidence points to increases in gambling problems among Americans. We work closely with treatment providers and individuals in recovery from gambling addiction and continue to hear their concerns about the rise of gambling-related problems. Research on the economic and social harms of gambling, though limited, is also consistent. For example, three studies this year found significant concerns. A study of 700,000 online gamblers found 96% lost money, with 43% exceeded the generally recommended guidelines of spending less than 1% of their monthly income on gambling.² Further, a National Bureau of Economic Research study from this year found that spending on sports betting comes at the expense of investment account contributions.³ NCPG's 2024 National Survey on Gambling Attitudes and Gambling Experiences (NGAGE) revealed troubling trends, including that the risk for gambling problems is concentrated heavily among young male online sports bettors. In 2024, 24% of fantasy sports bettors and 17% of traditional sports bettors met at least one criterion for problematic gambling behavior.

As of early 2024, risky gambling behavior appears to have leveled off after growing significantly during the pandemic, despite the continued expansion of sports betting; however, it is far too early to assume that rates of problematic play are stable. Many factors affect these rates, including risk factors like increased advertising and mobile betting as well as protective factors such as increased public funding for prevention, expanded education and greater public awareness of gambling addiction as experienced by friends or family or reported on in the media.

While sports betting has garnered enormous public attention recently, NGAGE shows most Americans did not place a sports bet in the past 12 months. It remains important to recognize that problematic gambling behavior extends well beyond sports. The most significant predictors of risk identified in 2024 include participation in many different gambling activities, agreeing that gambling is a good way to make money, participation in sports betting (either traditional sports betting or fantasy sports), and being male and/or under the age of 35. However, we cannot

¹ Testimony of Keith Whyte, House Subcommittee on Crime, Terrorism, Homeland Security, and Investigations; "Post-PASPA: An Examination of Sports Betting in America"; September 27, 2018.

² Taylor, Wayne and McCarthy, Daniel and Wilbur, Kenneth C., Online Gambling Policy Effects on Tax Revenue and Irresponsible Gambling (June 06, 2024). SMU Cox School of Business Research Paper No. 24-7, available here: <https://today.ucsd.edu/story/legalized-gambling-increases-irresponsible-betting-behavior-especially-among-low-income-populations>.

³ Gambling Away Stability: Sports Betting's Impact on Vulnerable Households Scott R. Baker, Justin Bathrop, Mark J. Johnson, Jason D. Kotter, and Kevin Pisciotta NBER Working Paper No. 33108 November 2024 JEL No. D14, G11, G18, G51.

determine the degree that these factors cause problem gambling, especially as they are often highly correlated to one another. These complex factors demand a broader national response.

Public Health Response

Public health is the science of protecting and improving the health of communities and populations to reduce disease and improve health in communities. A public health approach uses a combination of science and social techniques and involves partnerships with communities, health and social services, industry, academia, and the media. We must look intently but critically at other countries' policies to ensure our solutions are embedded in our nation's cultural, political, and economic systems. In the same way it has become part of our cultural ethos not to drink and drive, we can make gambling in a responsible way the norm. We recognize that state and tribal governments have historically overseen gambling in accordance with Constitutional precedent. NCPG will continue partnering with these governments and all other stakeholders as we all work towards solutions that minimize gambling-related harm.

States Have Failed to Invest in Problem Gambling Services

Many state governments have never invested in their problem gambling programs or broad public health infrastructure. In May 2024, the National Association of Administrators for Disordered Gambling Services (NAADGS) reported that \$134M in public funding had been invested in state problem gambling programs in 2023, a historic high. Yet, that still represents only 50 cents per capita. To put it another way, for every dollar states have generated from commercial gambling, .0009 cents were invested in problem gambling services. While substance use disorder is 7 times more common in the United States than gambling disorder, substance use disorder receives 338 times more public funding than gambling disorder.⁴ It is critical that every state has robust and well-funded gambling addiction prevention, education, and treatment services.

Mobile and online sports gambling may further increase risk factors for gambling addiction, but this technology also allows additional opportunities to enhance responsible gambling features like setting personalized time and budget limits and easy-to-access time-out and self-exclusion programs. Therefore, NCPG urges online gambling companies, as well as regulators, to utilize NCPG's best practice Internet Responsible Gambling Standards (IRGS). The IRGS serves as a comprehensive guide for operators, regulators, and vendors to prioritize player protections and help mitigate the risk of gambling-related harm. NCPG recently commissioned research on how state sports betting regulators aligned with IRGS. The analysis found that, on average, state regulations met only 32 out of 82 player protection standards outlined by the IRGS. Gambling companies also have a big obligation to promote responsible gambling. Utilizing the IRGS principles, it starts with a comprehensive responsible gambling plan and extends to all

⁴ Marotta, J. & Yamagata, G. (2022). 2021 Survey of Publicly Funded Problem Gambling Services in the United States. Wheatland CA: National Association of Administrators for Disordered Gambling Services.

areas of their business. Online sports betting companies have a particular responsibility to use the vast amounts of data they collect to identify markers of harm and take action to protect players.

Responsible gambling programs and problem gambling services are interconnected, investment by states and operators in problem gambling services and responsible gambling programs is required for gambling to be offered responsibly. It is clear that neither state governments nor gambling companies are providing anywhere near enough support. It is also true that public health is a shared responsibility between the states and federal government. Yet, there are currently no federal funds dedicated to addressing gambling addiction in the United States, despite the federal government profiting significantly from taxes on both gambling winnings and sports bets.

NCPG has long said that all who profit from sports betting are ethically obligated to devote a percentage of their profits to gambling harm reduction, and the federal government is no exception—the federal government profits from legalized sports betting. Since the 1950s, the federal government has levied an excise tax of 0.25% on all money wagered on sports in the United States, equating to one penny in tax for every 4 dollars wagered. According to data from the IRS, in 2024 alone, NCPG estimates the federal excise tax on sports betting will generate \$150 million. That money does not go towards specific programs or services but is simply deposited into the general fund.

Legislative Pathway to Federal Funding

NCPG strongly supports S. 3579 and HR 6982, The Gambling Addiction Recovery, Investment, and Treatment (GRIT) Act, first introduced by Senator Blumenthal this year. The GRIT Act provides critical funding to problem gambling programs that undergird responsible gambling initiatives. The bill is funded by dedicating a portion of the federal sports betting excise tax to prevention, education, treatment, and recovery. The revenue from the excise tax is likely to grow as states continue to legalize sports gambling and more Americans begin placing bets. Put simply, the GRIT Act returns to states nearly half of the sports betting excise tax revenue. By dedicating these funds to mitigating the costs of gambling addiction, NCPG estimates that every dollar spent to prevent and treat gambling problems will save state governments at least two dollars in gambling-related criminal justice, bankruptcy, and healthcare costs.

One of the most significant benefits of the GRIT Act is the potential for increased access to treatment for individuals struggling with gambling addiction. By allocating funding to state health departments and allowing them to address gambling addiction through programs that best resonate with their unique communities, the GRIT Act will help ensure those in need have access to the support and resources necessary to buttress responsible gambling programs. The GRIT Act would also allow investment in best practices and comprehensive research, which is most effectively done at the national level. The GRIT Act does not increase taxes on Americans; it simply sets aside a funding stream for problem gambling treatment and research. In addition, the

legislation does not increase government bureaucracy but instead utilizes existing HHS programs and procedures.

NCPG believes that passing the GRIT Act is the most important first step that the federal government can take to enshrine gambling addiction as a matter of public health. It would provide the first-ever dedicated federal funding for programs to prevent, treat, and study gambling addiction.

Harm Comes from White, Gray, and Black Market Sites

We know that even as legal sports gambling increases, there is still a vast amount of gray and black-market gambling and sports betting occurring across America, resulting in considerable confusion among consumers as many of these sites advertise aggressively and even use celebrities to promote them. As Dave Rebut, former Director of the New Jersey Division of Gaming Enforcement, wrote this year:

“Statutory weaknesses are being exploited by creative entrepreneurs whose products are offered through the internet as social gaming apps, sweepstakes games, video gambling games or skill-based wagering. All remain untaxed, unregulated and with no responsible gambling safeguards and limited consumer protections.”

We call on Congress to help close loopholes and ensure all sites that offer gambling products are regulated, as well as to crack down on illegal black-market sites.

Designate 1-800-GAMBLER as National Helpline

Since 1995, NCPG has operated the National Problem Gambling Helpline, 1-800-GAMBLER—available 24 hours a day and 356 days a year. In the past 12 months the Helpline has received over 400,000 calls, texts, and chats. 1-800-GAMBLER routes calls to local problem gambling helplines where available, and otherwise to a national safety net contact center. Although many states require a problem gambling helpline be featured in advertisements, some require the promotion of a state-specific number. That works well in local advertising, but in advertisements during national broadcasts, such as a televised football game, gambling operators are required to list so many helplines that it can be challenging for a viewer to read any of them, let alone find their state’s number. For the past three years, NCPG has been working with state legislatures and regulators to allow operators to use 1-800-GAMBLER in national advertising, which routes to local helplines based on the area code of the help-seeker. With the support of our members, NCPG has made significant progress in reducing the clutter of multiple helpline numbers on sports betting advertising. However, a few holdout states remain. We request Congress to direct the FCC to designate 1-800-GAMBLER as the national problem gambling helpline, significantly reducing consumer confusion and friction when attempting to access care.

Conclusion

History shows that the expansion of gambling at the state level has not been uniformly accompanied by appropriate—or in some cases any—funds to prevent or treat gambling addiction. As a result, the existing public problem gambling prevention and treatment services—especially for youth—are insufficient in most states and nonexistent in many.

The evidence that expanded sports betting has led to increased harm on a national scale is overwhelming. This rapid expansion and its accompanying harm demands a public health response based on prevention, treatment, and research partnerships amongst all stakeholders and everyone who profits from legalized gambling. This includes the federal government. It is essential for Congress to come together and pass the GRIT Act. We believe this practical and commonsense legislation is the single most important action Congress can take to address the negative impacts of expanded sports betting and legalized gambling in general. On behalf of the 9 million Americans directly suffering from gambling-related harm and the millions more who are indirectly affected, family members, coworkers, and friends, - we ask the Committee to enact lifesaving change by supporting the passage of the first-ever federal funding stream to prevent, treat, and research gambling addiction.

**Senate Judiciary Committee Hearing
 “America’s High-Stakes Bet on Legalized Sports Gambling”
 Questions for the Record for Charlie Baker,
 President of the National Collegiate Athletics Association (NCAA)**

QUESTIONS FROM SENATOR BLACKBURN

1. Recent reporting has indicated that the House-NCAA settlement could leave hundreds of non-revenue-generating athletes in peril—specifically female and Olympic sport athletes. What is the NCAA doing to ensure that roster spots are not cut from women’s and other non-revenue-generating sports?

The proposed settlement enables Division I schools to deliver greater financial benefits to all student athletes, including those participating in women’s sports. As women’s college sports continue to surge in popularity, the House settlement will allow schools to invest at their own discretion in the women student-athletes who serve as ambassadors for their universities on big stages.

The settlement allows but does not require schools to provide up to approximately \$20M annually to student-athletes as direct financial benefits. Giving schools the ability to provide greater financial benefits to student-athletes without mandates, will allow schools and programs with more modest budgets and revenue-generating capabilities to continue to flourish. The biggest threat facing women’s sports, Olympics sports and sports at lower resourced schools is the attempt to force student-athletes to become employees of their school. Student-athlete leaders oppose this move and it would be wildly unaffordable for schools everywhere.

Additionally, the sport sponsorship minimums currently required of Division I schools are still in place and the settlement will give schools the opportunity to significantly increase the number of women’s sports scholarships. By replacing scholarship limits with roster limits, the settlement terms will allow schools to more than double scholarships for women’s sports. The settlement creates 423.5 new women’s scholarships. The new limit for total women’s scholarships is 675. The previous limit was 251.5.

2. The NCAA has repeatedly emphasized the need to protect college athletes from predatory agents and advisors who take unknown and unlimited percentages of their Name Image and Likeness earnings. Yet, in the House v. NCAA settlement, the plaintiffs’ lawyers are set to receive \$480 million in fees plus a 1% annual cut of revenue shared with athletes—an estimated \$270 million over 10 years. How do you justify lobbying Congress for an antitrust exemption that would restore the NCAA’s ability to place arbitrary restrictions on athlete compensation—under the guise of protecting them—while allowing lawyers to extract such massive fees from the very athletes you claim to safeguard?

As the defendants in the case, we are not positioned to address any fees associated with the plaintiff attorneys. Fees are determined by the judge and plaintiffs’ attorneys.

Additionally, the NCAA does not seek to place arbitrary restrictions on athlete compensation.

3. I appreciate your efforts to raise awareness about the harassment student athlete's—especially our female athletes—experience online. What concrete steps can Congress take to assist the NCAA in those efforts?

The NCAA is doing more now than ever before to support student-athletes. In October, the NCAA called on fans and social media platforms to curb abuse following the release of the first online harassment study with Signify Group. Analysts reviewed more than 72,000 messages that were flagged by their AI-based algorithm from a wider dataset of 1.3 million posts/comments targeted at the social media profiles of student-athletes, coaches and officials taking part in seven NCAA championships and the College Football Playoff National Championship. The review found 12% of all abuse was related to sports betting, with more than 740 instances. As betting markets increased, so did the prevalence of harassment, with 19% rates in men's basketball and football.

Earlier this year, West Virginia joined Ohio as states to pass legislation codifying anti-harassment measures related to sports betting. The NCAA worked closely with members of the West Virginia House of Delegates, which recognized that anti-harassment issues are not just statewide, but also impact student-athletes and game officials across the country. The actions of a bettor in one state could impact individuals in another. The delegate who proposed the legislation represented areas bordering Pittsburgh and noted the limited impact of involuntary exclusion bettor lists if bettors could jump across state lines to circumvent penalties.

In addition to legislative action by West Virginia and Ohio, a former student-athlete in the New Mexico Legislature proposed increased penalties for bettors who engaged in harassment related to sports betting. Just recently, the Wyoming Gaming Commission voted to approve rule changes that would expand the definition of harassment and allow regulators to place those who harass student-athletes on involuntary exclusionary bettor lists. A Wyoming Gaming Commission official said, "We are excited to take this first step and be a part of the solution." Finally, legislators in New Jersey have introduced bills in both the Senate and Assembly that would create a harassment hotline, require operators to report harassment and coercion to the New Jersey Division of Gaming Enforcement, and solicit input from governing bodies, conferences and schools for the governor's annual report on sports betting.

Ultimately, having a clear, federal standard for what constitutes harassment related to sports betting would benefit state gaming commissions who have attempted to address this independently through bills and rule changes. Additionally, we encourage the federal government to empower state regulators to ban bettors who engage in harassment through the use of banned bettor lists — which should be shared across state lines so offenders do not fall through the cracks.

Additionally, we support a ban on prop bets for college athletics. We believe that when bettors cannot gamble on college athletes' individual performances, they are far less likely to attempt to scrutinize, coerce or harass student-athletes. Half of all states with legal sports betting now ban these types of bets for good reason.

Finally, we would encourage federal authorities to do more to crack down on black market betting sites. We believe these sites are where many of the underage students who report betting are placing their bets.

4. During your testimony, you mentioned multiple times that you were willing to work with Congress to establish a federal framework regarding transgender athletes competing in women's sports. What concrete steps will you take in the 119th Congress to work with me and my colleagues to establish this federal framework? In your view, what restrictions should be put on transgender athletes who wish to compete in women's sports?

On February 6, 2025, the day immediately following President Donald Trump's Executive Order entitled "Keeping Men Out of Women's Sports," issued on February 5, the NCAA's Board of Governors voted to update the Association's participation policy for transgender student athletes. This new policy aligns with President Trump's Executive Order, is effective immediately and applies to all student-athletes regardless of previous eligibility reviews under the NCAA's prior transgender participation policy.

5. Has the NCAA held any listening sessions, policy roundtables, or any other engagement with female athletes to understand how about biological men competing in women's sports has affected them?

Yes.

6. What scientific research underlies the NCAA transgender athlete participation policy allowing males to compete in women's sport? Cite specific sources.

The NCAA is an organization made up of 1,100 colleges and universities in all 50 states that collectively enroll more than 530,000 student-athletes. We operate at the direction of our membership and comply with all relevant Federal and state laws. As stated above, the NCAA Board of Governors took immediate action following President Trump's February 5th Executive Order.

7. You stated in a letter on August 21, 2024 to United States Senators: "The NCAA's transgender student-athlete participation policy is not mandatory, and federal, state and local laws supersede the Association's policy. Schools may also choose to operate in a different way due to institutional values."

- a. Precisely when and how has the claim that the NCAA transgender participation policy is "not mandatory" been communicated to member institutions?

- b. What guidance has the NCAA given schools to opt out of participation in this policy?
- c. Describe specifically how “not mandatory” participation translates to teams, in season and post season competition, host selection and site requirements, and all facilities?
- d. How does a school opt out of participation if the NCAA does not disclose a transgender athlete’s identity? How does this secrecy allow for the policy to be “not mandatory”?

As previously stated, the NCAA’s Board of Governors voted to update the Association’s participation policy on February 6, 2025, shortly after President Trump issued clear federal guidance.

8. You stated there are “less than ten” transgender athletes participating in the NCAA.

- a. How many of these athletes are males participating in women’s sports?

Due to the small number of transgender athletes who participated previously, any additional information provided would raise privacy and safety concerns for the student athletes.

- b. How many of these athletes are female participating in men’s sports?

The men’s category was and is now open to all eligible student-athletes and does not require any type of documentation from the student-athlete or school to the NCAA.

- c. In which NCAA Divisions and sports are they participating?

Due to the small number of transgender athletes who participated previously, any additional information provided would raise privacy and safety concerns for the student athletes.

A P P E N D I X

The following submissions are available at:

<https://www.govinfo.gov/content/pkg/CHRG-118shrg61196/pdf/CHRG-118shrg61196-add1.pdf>

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