



July 8, 2020

The Honorable Yvanna Cancela
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701-4747

Dear Senator Cancela -

On behalf of the National Council on Problem Gambling (NCPG) and the estimated 61,000 adult Nevadans and seven million Americans with gambling problems, we strongly oppose the proposed 75% cut in the problem gambling fund. This draconian cut barely makes a dent in the budget deficit but devastates the state's gambling addiction prevention and treatment services. These programs are more important than ever as risk factors for problem gambling have recently spiked in Nevada. The coronavirus has left 30% of Nevadans unemployed, resulting in severe financial problems and significant emotional stress, while curtailing access to vital counseling and self-help meetings. These factors are strongly associated with increases in the rate and severity of gambling problems.

The state also recently relaxed restrictions on using debit cards and other electronic payments to gamble, which is associated with higher rates of problem gambling. Research and experience make clear that financial problems are one of the most common consequences of gambling addiction. Increasing losses may lead to chasing, intensifying a cycle of desperation leading to addiction, bankruptcy, crime and even suicide.

The COVID crisis and cashless gambling combine to exacerbate the current risk of gambling addiction in Nevada. The proposed cuts eviscerating the funding for life-saving problem gambling treatment services at a time when danger is already so high will likely further increase gambling problems. More problem gamblers lead to more gambling-related criminal justice and healthcare costs which negatively impact all Nevadans. The dependence of the state on gambling revenue means programs to mitigate the inevitable harm to gamblers, gaming employees and the public should be the highest priority in order to ensure the sustainability of the industry and Nevada's "gold standard" reputation in gaming regulation and reputation. Despite the recent closings Nevada remains by far largest casino gaming state, with more than \$12,000,000,000 in revenue in 2019.

Only two million dollars is currently set aside within the Department of Health and Human Services budget to support a comprehensive problem gambling service system, including prevention, treatment, workforce development and research. The service component receiving the greatest allocation was treatment services, including outpatient, intensive outpatient, and two residential gambling treatment programs. Most of these services would be shuttered due to the proposed cuts.

Nor can Nevada turn to the Federal government to fill the gap, as unlike substance abuse and other addictions there is absolutely zero Federal funding, support, and recognition for problem gambling. While substance abuse is only a mere 3.8 times more prevalent than gambling disorder, it is roughly funded 334 times greater, including significant Federal funding support to states through Federal block grants.

Our National Survey of Problem Gambling Services found that when fully funded Nevada ranked 13th out of the 50 U.S. states in terms of per capita public funds invested in problem gambling services. Nevada's per capita investment was 47 cents in 2016. These cuts will drop Nevada to bottom of the list. It is imperative to remember, for every \$1 spent to prevent gambling addiction, at least \$2 is saved in social costs.

The only way to continue to maximize benefits from legalized gaming is to minimize problem gambling. It is also abundantly clear that failing to invest in these services will not only cost lives and hurt families in Nevada but will ultimately cost the state more financially.

NCPG is a nonprofit organization that is neutral on legalized gambling. We lead state and national stakeholders in the development of comprehensive policy and programs for all those affected by problem gambling, serve as the national advocate for programs and services to assist problem gamblers and their families, and work to improve health and wellness by reducing the personal, social and economic costs of problem gambling. Members of NCPG include our state Affiliate chapter, the Nevada Council on Problem Gambling, as well as many major casino companies, gaming vendors, researchers, and treatment agencies.

We urge you to reinstate full funding for problem gambling services in Nevada, during a time that it is needed more than ever. On behalf of the National Council on Problem Gambling, I would like to thank you for the opportunity to submit my remarks for the record and I would be happy to respond to any questions that you may have.

Sincerely,

Brianne M. Doura-Schawohl

Brianne M. Doura-Schawohl

Legislative Director

brianned@ncpgambling.org

774.571.9451

Cc: Carol O'Hare, Nevada Council on Problem Gambling
Keith Whyte, National Council on Problem Gambling