



**WRITTEN STATEMENT OF KEITH WHYTE  
EXECUTIVE DIRECTOR  
NATIONAL COUNCIL ON PROBLEM GAMBLING**

**Alaska House of Representatives**

**Tuesday, February 25, 2020**

Majority Leader Thompson, Minority Leader Pruitt and Members of the Committee:

On behalf of the National Council on Problem Gambling (NCPG) and the seven million plus Americans—including the estimated 12,200 Alaskans—with gambling problems, I would like to provide background on gambling addiction and responsible gambling as you consider HB 239 and HB 246 to create a state lottery.

NCPG is neutral on legalized gambling, and therefore we do not take a position for or against any Alaska gambling expansion bills. My primary goal is to advocate for services to prevent Alaskans from developing gambling problems and to ensure services are available to treat those who develop this devastating disorder. Comprehensive problem gambling and responsible gaming programs are critical if Alaska wishes to reduce criminal justice and healthcare costs of gambling addiction.

Today I speak for those who are at-risk for gambling problems, those who suffer from a gambling addiction, and for those in recovery who must remain anonymous. I bear witness to the devastating impacts of an untreated gambling problem on individuals, their families, communities, businesses and the state at large, as well as the life-changing—and sometimes even life-saving—effect of problem gambling prevention, education, treatment and recovery services.

Problem gambling or gambling addiction is an important public health concern and includes all gambling behavior patterns that compromise, disrupt or damage personal, family or vocational pursuits. The essential features are increasing preoccupation with gambling, a need to bet more money more frequently, restlessness or irritability when attempting to stop, “chasing” losses, and loss of control manifested by continuation of the gambling behavior in spite of mounting, serious, negative consequences. In extreme cases, problem gambling can result in financial ruin, legal problems, loss of career and family, or even suicide.

In order to address these concerns the National Council on Problem Gambling was founded in 1972. Our mission is to advocate for programs and services to assist problem gamblers and their families. NCPG programs include the National Problem Gambling Helpline Network (1-800-522-4700). The network is a single national access point to local resources for those seeking help for a gambling problem. In 2019, we received 228 calls, texts and chats from Alaska. When considering these figures it is important to understand that most individuals with gambling problems do not seek help due to the intense shame and stigma surrounding this hidden addiction



and that there is little promotion of the Helpline in Alaska. Nor are there any problem-gambling specific referral resources in-state, as to our knowledge the state of Alaska has never provided any public funding or services to prevent or treat gambling addiction. Still, on average every day and a half someone from Alaska reaches out to us for help.

Alaska already has a vibrant charitable gaming industry, and certainly illegal sports betting and card games. Adding lottery games will likely increase both gambling participation and gambling problems. These negative impacts can be mitigated through responsible gambling programs and problem gambling services. Overall, we strongly recommend HB 239 and 246 be amended to provide the state has an affirmative duty to protect Alaskans from gambling problems. From this provision flow three major objectives to:

1. Integrate problem gambling into state behavioral health services.
2. Create dedicated fund from gambling tax revenue for problem gambling programs
3. Dedicate at least **one percent** of revenue to research, prevent, and treat gambling addiction.
4. Develop robust and enforceable responsible gaming programs
5. Conduct surveys of the prevalence of gambling addiction prior to expansion and at regular periods thereafter to assess problems.

Everyone who profits from legalized gambling bears responsibility for gambling problems. Dedicating a portion of profits from gambling to mitigate gambling harm is an ethical imperative and an economic necessity.

### **State Funded Resources**

Our 2016 National Survey of Problem Gambling Services found that The Alaska Department of Health and Social Services, Division of Behavioral Health had not received any monies specifically earmarked for problem gambling. Alaska remains one of the nine states without any designated public funds for problem gambling.

### **Public Health**

In order to integrate problem gambling into state behavioral health services, the Department of Behavioral Health should pursue the following best practices for state health agencies, including:

- designate a senior staffer to be responsible for problem gambling issues;
- create a problem gambling plan with public and private sector participation;
- add brief gambling screens to intake/assessment and data tracking systems;
- add gambling participation & problem symptom questions to existing surveillance, monitoring and survey efforts;
- develop state- and culturally-specific materials on gambling addiction based on existing behavioral health initiatives;
- develop a plan to train current behavioral health counselors in basic problem gambling screening, assessment, treatment & referral;
- identify certified counselors with prerequisite education and certification to receive advanced training with goal to achieve national certification and become trainers;
- convene stakeholders to create a state non-profit council on problem gambling.

### **Funding**

In order to create and sustain problem gambling programs, allocate immediate emergency funding to create a problem gambling plan. Then dedicate at least **one percent**, or \$750,000 whichever is greater, of all gambling revenue (inclusive of charitable gaming, lottery and sports wagering) into a dedicated fund to research, prevent, and treat gambling addiction.

### **Responsible Gambling**

In order to implement responsible gambling policies for charitable operators the Department of Revenue Charitable Division and Alaska Charitable Gaming Alliance should utilize existing best practices to develop materials for members to prevent underage gambling; post responsible gambling tips, warning signs of gambling problems, and the helpline number, train staff and volunteers.

Responsible gambling policies for a lottery should be based on the NASPL/NCPG Responsible Gaming Verification (RGV) program. The RGV criteria specify that a lottery responsible gambling plan should have goals and measurable outcomes in eight areas, including:

- Research
- Employee Training
- Retailer Training
- Education and Awareness
- New/Existing Product Oversight
- Budget
- Advertising.

### **Research/Surveying**

When considering new and expanded gambling legislation, regulations, policy or programs, consider the precautionary principle, that there is a **social responsibility to protect the public from exposure to harm, when scientific investigation has found a plausible risk.**

Few jurisdictions have conducted adequate prevalence research pre- and post-gambling expansion. Maryland and Massachusetts have conducted baseline studies, and Massachusetts currently has the most thorough research effort in place, as their Expanded Gaming Act requires that the Commission establish an “annual research agenda” in order to understand the sociological and economic effects of expanded gaming in the Commonwealth. The Commission engaged a university research team to oversee, evaluate and perform a multi-year, multi-method, multi-disciplinary, multi-phase comprehensive research project. We believe Massachusetts is a model of excellence and highly recommend their approach.

It’s crucial that Alaska fund research prior to the expansion of gambling and periodic monitoring be conducted thereafter to support evidence-based, data-driven responsive measures.



The historic failure to address problem gambling costs the state of Alaska and hurts its most vulnerable citizens. Addressing problem gambling, regardless of the amount or type of legal gambling in Alaska, is an ethical imperative and an economic necessity. **The costs of 12,000 individuals with gambling problems are estimated at \$20,000,000 per year**, mainly in taxpayer-funded criminal justice and healthcare costs. Every dollar spent in gambling addiction prevention and treatment services saves at least two dollars in social costs and often many times more.

Lottery legislation that allows internet, mobile and online gambling options may further increase risk factors for gambling problems, but this technology also allows additional opportunities to enhance the responsible gaming features described above including setting limits and exclusion programs. Therefore, NCPG urges legislators and regulators to utilize NCPG's best practice Internet Responsible Gambling Standards (IRGS) as the basis for any internet or mobile gaming. Gaming vendors and operators are encouraged to pursue NCPG's Internet Compliance Assessment Program (iCAP) to receive an independent audit confirming they meet the IRG Standards.

Alaska has no problem gambling services or infrastructure to handle current gambling problems, and legalization of a lottery will likely increase gambling participation, which may lead to more gambling problems.

These recommendations provide the outlines of a basic safety net that is urgently needed now, and certainly prior to the onset of expanded gambling. We can never eliminate the disease of gambling addiction, but we can and must make better efforts to prevent and treat it. There are a small but significant portion of players who experience negative consequences as a result of their gambling. Our challenge is to implement measures to reduce that harm as much as possible.

I would like to thank the Chair for the opportunity to submit my remarks for the record and I would be happy to respond to any questions.