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Fact Sheet: The Gambling addiction Recovery, Investment, and Treatment (GRIT) Act

To be introduced by Representative Claudia Tenney (NY-22)

The Issue:

- The national annual social cost of problem gambling is \$7 billion.
- NCPG estimates 7 million American adults suffer from gambling addiction.
- There are currently no federal funds designated for problem gambling treatment or research, unlike the billions in funding for alcohol, tobacco, and drug addiction.
- The federal government levies an excise tax of 0.25% on all money wagered on sports in the United States, which is deposited in the general fund.
- From FY20 to FY21, the revenue from the federal sports gambling excise tax alone has increased from \$38.7 million to \$110.7 million. As of March 2022, the FY22 excise tax revenue already reached \$90.9 million. This number is likely to continue to increase as more states legalize sports gambling.

What the GRIT Act would do:

- This legislation would set aside 50% of the federal sports excise tax revenue for gambling addiction treatment and research.
 - 75% will be distributed to the states for gambling addiction prevention and treatment through the existing Substance Abuse Prevention and Treatment Block Grant program.
 - 25% will go to the National Institute of Drug Abuse to fund grants for research into gambling addiction.
- The legislation would authorize spending for 10 years and require the Secretary of Health and Human Services to submit a report to Congress on the effectiveness of the program within three years of passage.
- Importantly, this legislation does not increase taxes on Americans; it simply sets aside a funding stream for problem gambling treatment and research that will continue to increase as online sports wagering becomes more prominent.
- This legislation does not increase government bureaucracy, but rather utilizes existing HHS programs and procedures.

The Result:

- The first-ever dedicated federal funding for programs to prevent, treat, and study gambling addiction.
- Provides vital support to state health agencies and nonprofits left on their own to address gambling problems.
- Allows investment in best practices and comprehensive research, which is only possible at the national level.

Questions?

Contact NCPG Government Relations Manager, Cole Wogoman (ColeW@NCPGambling.org).