



Testimony of the National Association Against iGaming

Presented by Mark Stewart, President

Ohio House of Representatives Finance Committee

June 3, 2025

The National Association Against iGaming (NAAiG) respectfully submits this testimony in opposition to House Bill 298, which could put a full casino on the smartphone of every adult Ohioan (and inadvertently even some minors) and asks the Finance Committee to oppose the bill. The gravity of what the Committee is considering was recently captured by Governor Mike DeWine's description of iGaming:

“This is just *not an incremental increase in gaming*. This literally puts [a casino] in anybody’s hands – a 19-year-old, an 18-year-old, a 16-year-old. It *puts in their hands the ability to game constantly, all day, any day, 2:00 am* in the morning. It’s right there.”¹

An assemblage of public health and problem gambling experts echoed this sentiment at a forum on online gambling held at Harvard University’s T.H. Chan School of Public Health in January 2025. Former World Health Organization official and current Professor of Global Health at Harvard, Shekhar Saxena, provided a more clinical description of iGaming:

“It’s definitely *much more harmful* than the usual other kinds of traditional gambling that people indulge in. It’s continuous, it’s intense, and it can be financially – and also physically and mentally – extremely harmful. *Online gambling can be 10 times more harmful* than other forms of gambling.”²

But even those in the gaming industry admit the transformative harm of iGaming. Stewart Kenny, the co-founder of the company that now owns FanDuel, said of iGaming’s impact on the gaming industry in the United Kingdom:

“The industry is going to change dramatically in the next three to five years. It’s going to go from being an entertainment business to *an addiction business*.”³

¹ [Cleveland.com](https://www.cleveland.com), “DeWine warns Ohio iGaming proposal could put casino in every phone – increasing addiction” (May 30, 2025).

² [Online gambling: The stakes for public health | Harvard T.H. Chan School of Public Health](https://www.hs-niederrhein.de/en/online-gambling-the-stakes-for-public-health-harvard-t.h.-chan-school-of-public-health)

³ [Bloomberg News](https://www.bloomberg.com/news/articles/2022-12-04/britain-opened-the-door-to-online-gambling-now-it-s-living-with-the-consequences), “Britain opened the door to online gambling. Now it’s living with the consequences,” (December 4, 2022).



These realities help explain why no state has approved iGaming in the last 2 years. States have considered it 21 times during that span – and rejected it each time.

The push for iGaming is based on two faulty premises. First, proponents claim that iGaming will stop illegal online gambling in states. However, studies and common sense debunk this myth. ***Legalizing iGaming does nothing to shrink the illegal market***, as highly regulated and taxed operators cannot compete with illegal operators free from such burdens.⁴ In fact, a 2024 study by Penn State University showed that 20% of Pennsylvanians who engage in licensed online gaming also gamble in the illegal market.⁵ ***Enforcement – not legalization – is the answer to the illegal market.*** iGaming is illegal right now under Ohio law. We urge the legislature to focus on enhancing enforcement tools rather than perpetuating the harms of online gambling.

Second, proponents claim that iGaming will yield substantial new tax revenue for the state. Again, this claim is illusory. As detailed herein, ***a comprehensive financial analysis shows that any net incremental revenue for Ohio from iGaming evaporates when annual lost GDP and iGaming’s massive increased social costs are considered.***

As has been well-documented over the past decade plus, licensed, in-person gaming conducted at highly regulated, brick and mortar casinos and racetracks is vital to communities throughout Ohio. In-person casino gaming supports over 34,800 jobs in Ohio (as per the AGA), is an important source of business for Ohio small businesses, including MBE/WBE suppliers and contractors, and provides essential funding for county governments and schools. The State’s casinos and racinos generates \$1.4 Billion in tax revenue each year and, according to the Ohio Chamber of Commerce, have an economic impact of more than \$7.3 Billion per year.

The National Association Against iGaming (NAAiG) was born out of a growing concern over the harmful societal and public health impacts of online gambling and the threats iGaming poses to the in-person gaming industry and the many team members, small businesses and communities it supports. NAAiG welcomes casinos and in-person gaming operators, employee unions, host communities, small businesses, community and non-profit organizations, advocacy groups, and more. Our members include the owners of 7 of Ohio’s 11 casinos/racinos, the Seafarers Entertainment and Allied Trades Union (SEATU), which represents casino workers in Ohio, and

⁴ *The Washington Post*, “Legal sports betting was supposed to end the black market. It didn’t,” (Sept. 12, 2024); see <https://cdn.sanity.io/files/42ezp3kj/production/3c51bcc5f56e9f4e49be0d36910c0db943805877.pdf>

⁵ The Pennsylvania State University, *Interactive gaming assessment online gambling report* (2024), <https://www.pa.gov/content/dam/copapwp-pagov/en/ddap/documents/documents/agency-reports/interactive-gaming-reports/2024%20online%20gambling%20report%20-%20final%20copy.pdf>



Gaming & Leisure Properties, Inc., a real estate investment trust that owns five Ohio casino properties representing nearly a majority of the gross revenue generated in the State.

We educate and advocate about the community benefits of in-person gaming, the destructive harms of online gambling, and the financial reality that, contrary to the overblown promises of those seeking to profit from iGaming, it will provide limited, if any, net tax revenue for states when cannibalization, job losses and social costs are considered. Moreover, iGaming will put at risk all the benefits Ohio already receives from its bricks and mortar gaming industry.

What Is iGaming?

Proponents try to fashion iGaming as inevitable, but as philosopher Marshall McLuhan has said: “There is absolutely no inevitability as long as there is a willingness to contemplate what is happening.” So, what is happening with iGaming and what is it?

- iGaming involves taking one of the most addictive devices ever designed – the smartphone – and adding to it slot machines, roulette wheels, and other casino games. It’s been called “the fast food of gambling.”⁶
- iGaming is 24/7, constant access to non-stop gambling action. There is no need to wait for the next baseball game or sporting event to place a bet. The action is rapid, intense and non-stop.
- iGaming is a solitary experience with people gambling in isolation – whether in their bathrooms, bedrooms, at their jobs, or even in their cars.
- According to the National Problem Gambling Council, a 30% increase in the risk of gambling addiction has corresponded with the expansion of iGaming and online gambling over the past three years.
- iGaming will create little to no jobs in Ohio.
- iGaming will require no investment in Ohio and its economy.
- iGaming, by law, will take all its revenue from Ohioans and then exports the vast majority of its proceeds out of Ohio for the benefit of online platform providers.

⁶ <https://www.theguardian.com/sport/2025/jan/31/how-the-quick-high-of-fast-food-gambling-ensnared-young-men>



The Pennsylvania Experience

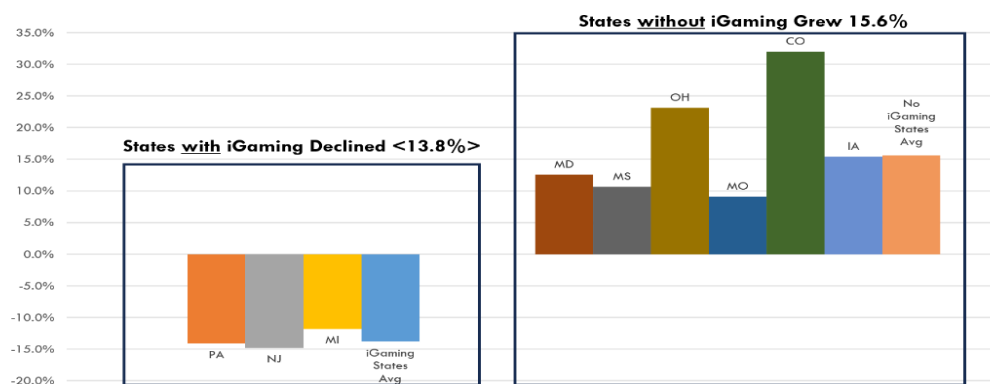
Pennsylvania’s experience with iGaming, often heralded by proponents, is in fact ***a cautionary tale for Ohio***.

1. Substantial Cannibalization

There is no doubt that iGaming has significantly cannibalized PA’s casinos. ***Casinos that were operating before and after iGaming’s launch saw cannibalization of over 25%***. Neutral observers like Deutsche Bank have confirmed that cannibalization is real. As analyst Carlo Santarelli has said: “We stopped taking this ‘debate’ seriously long ago. The data, in our view, is and has been overwhelmingly obvious for some time.”⁷

According to Deutsche Bank, the three main iGaming states of PA, Michigan and New Jersey prove the case. “[R]elative to 2019 (pre-pandemic), the ‘underperformance’ of land-based casinos in Michigan, New Jersey and Pennsylvania . . . the data is so clear that we struggle to see how, but not necessarily why, one could reach a different conclusion.”⁸ The following charts evidence that revenue declines in iGaming states like PA combined with lost growth experienced in non-iGaming states reaches nearly 30% cannibalization.

B&M Casino GGR % Growth 2019 to 2024



⁷ CDC Gaming, *Gaming execs say they are optimistic about the future* (Nov. 18, 2024); <https://cdcgaming.com/gaming-execs-say-they-are-optimistic-about-the-future/>

⁸ CDC Gaming Reports, *iGaming Focus: Cannibalization debate, sports betting data, Illinois tax hike proposal* (February 29, 2024)



2. Severe Job Losses

Not surprisingly, cannibalization has led to severe job losses in Pennsylvania. According to Pennsylvania Gaming Control Board statistics, ***nearly 3,700 PA casino workers at properties open before iGaming's launch lost their jobs.*** That equates to ***a 26% decline*** in direct casino jobs – and does not account for all the lost indirect and induced jobs as iGaming's harms ripple throughout the economy and impact small businesses.

A 26% decline in Ohio's casino/racino workforce would be devastating to Ohioans and their families.

3. Skyrocketing Problem Gambling

Pennsylvania has seen dramatic increases in problem gambling issues since the launch of iGaming. National Problem Gambling Council ***Helpline data shows a 320% increase*** in the average calls from Pennsylvania from iGaming's launch in 2019 through 2024. In the 2023-2024 period, ***50% of intake calls mentioned online gambling*** as the individual's most problematic form of gambling.

Further, according to a 2024 online gambling prevalence study conducted by Penn State University, ***37% of people who engaged exclusively in online gambling were considered pathological gamblers.*** Additionally, over 43% of people who participated in some level of online gambling suffered from at least one problem gambling indicator, as compared to just 15% of those people who exclusively gamble offline.⁹

4. Residents Harmed

The alleged “safeguards” and account login requirements cited by iGaming advocates have proven to be no match for tech savvy minors and others looking to engage in online gambling, as shown by two recent examples in PA.

First, in January 2025, the Pennsylvania Gaming Control Board (PGCB) placed eight people on the state's Involuntary iGaming Exclusion List for ***creating and accessing 98 separate iGaming accounts using other people's personal identifying information.***¹⁰

Second, in February 2025, the PGCB made BetMGM pay \$280,905 in fines and costs (the 4th highest ever imposed) for ***allowing 152 instances of self-excluded persons betting through***

⁹ *Supra* n. 5

¹⁰ www.gamingcontrolboard.pa.gov/news-and-transparency



iGaming.¹¹ Incredibly, BetMGM *took in \$436,000 in iGaming deposits from self-excluded persons*.

5. Legislative Concerns

Proof of the real PA iGaming experience can be found in the *overwhelmingly bipartisan passage* – at a *vote of 189 to 14* – of House Resolution 60 of 2025 by the Pennsylvania House of Representatives in May 2025.¹² In HR 60, the House proclaimed the need to “prohibit licensees from further injuring residents of this Commonwealth” through online gambling and called for new regulatory and legislative solutions.

Do Not Inflict iGaming’s Harms on Ohioans & their Communities

The PA experience is not unique to Pennsylvania. A mountain of evidence has formed from across the nation and around the world about the harms and dangers of iGaming. The Ohio General Assembly must seize the opportunity to avoid inflicting those harms on Ohio’s communities.

iGaming poses an especial risk for teens and young adults. As Lia Nower, Director of New Jersey’s Rutgers Center for Gambling Studies declared at the Harvard forum: “*Adolescents and emerging adults are the most at risk from online gambling*.”¹³ Consider:

- **34% of minors** in Buenos Aires, Argentina have engaged in online gambling, **bypassing adult verification checks**;¹⁴
- 11% of adolescents worldwide have gambled online as per the Lancet Health Commission;¹⁵
- 75% of college students surveyed by the Council on Compulsive Gambling of New Jersey reported their first exposure to gambling between ages 6-16;¹⁶

¹¹ <https://casinobeats.com/2025/02/03/pennsylvania-gaming-board-fines-betmgm-over-self-exclusion-violations/>

¹² *Pennsylvania General Assembly*. House Resolution 60; (May 2025)

<https://www.palegis.us/legislation/bills/2025/hr60>

¹³ *Supra* n. 1.

¹⁴ *SBCNEWS*, “Argentina orders immediate debate on federal ban of gambling advertising” (Nov. 21, 2024)

<https://sbcnews.co.uk/southamerica/2024/11/21/argentina-debate-gamban/>

¹⁵ Lancet Public Health Commission on gambling (October 24, 2024),

[https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(24\)00167-1/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(24)00167-1/fulltext)

¹⁶ www.nj1015.com, “Link between gaming and problem gambling among NJ youth” (Oct. 9, 2024).



- Nearly 25% of all online gambling accounts in the Netherlands are held by 18-23 year olds; and¹⁷
- 54% of problem gambling helpline calls in New Jersey are from those under 34 years old (with 100% of calls from those under 25 being from men);¹⁸

More broadly, numerous university studies, government reports, public health assessments and more have documented the following, all of which strongly warn against iGaming:

- The Lancet Public Health Commission, the World Health Organization and the National Institute of Health have all identified online gambling as a public health concern and have reported on its damaging consequences among young people and society at large. **Lancet Public Health Commission found that “with smartphones functioning as pocket casinos . . . 80 million adults globally are already problem gamblers”;**¹⁹
- Calls to problem gambling helplines skyrocketed not just in Pennsylvania, but also in the other two main iGaming states of New Jersey (277%) and Michigan (267%).²⁰ As Felicia Grondin, executive director of the Council on Compulsive Gambling of New Jersey, said about the spike in that state: **“A lot of [the 277% increase] has to do with easy accessibility for people to place wagers via their phone;”**²¹
- Numerous universities, such as Northwestern University, University of Kansas, BYU, UCLA and more, have issued reports detailing the negative financial impacts of online gambling.²² These studies found that **iGaming’s negative impacts are especially harmful to low-income gamblers and vulnerable households, putting them in an even worse financial position.** They show bankruptcies increasing as much as 30%, debt collections up 8% and car loan delinquencies up nearly 10%;

¹⁷ *NEXT.io*, “Dutch MPs call for repeal of online gambling legislation” (Oct. 10, 2024) [Dutch MPs call for repeal of online gambling legalisation](#)

¹⁸ *Supra* n. 13.

¹⁹ *The Guardian*, “The Guardian view on gambling: a public health approach is a good bet” (Oct. 29, 2024); Lancet Public Health Commission on gambling (October 24, 2024), [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(24\)00167-1/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(24)00167-1/fulltext).

²⁰ *NJ Spotlight News*, “Surge in problem gambling in NJ – and in calls for help” (Sept. 26, 2024); www.abc12.com, “Revenue and addiction skyrocket in 5 years since law legalizing online gambling” (Nov. 19, 2024); see National Problem Gambling Council helpline call data (PA) 2019-2023.

²¹ *NJ Spotlight News*, “Surge in problem gambling in NJ – and in calls for help” (Sept. 26, 2024)

²² *Gambling Away Stability: Sports Betting’s Impact on Vulnerable Households*, Scott R. Baker, Justin Balthrop, Mark Johnson, Jason Krotter, Kevin Pisciotto (June 30, 2024); *Online Gambling Policy Effects on Tax Revenue and Irresponsible Gaming*, Wayne J. Taylor, Daniel M. McCarthy, Kenneth C. Wilbur (June 6, 2024); *How gambling affects the brain and who is most vulnerable to addiction*, Emily Sohn (July 2023); *The Financial Consequences of Legalized Sports Gambling*, Brett Hollenbeck, Poet Larsen, Daivde Proserpio (July 23, 2024).



- A report by Morgan State University, *The Impact of iGaming on African American Communities: a Public Health, Mental Health, Social and Economic Assessment* (January 30, 2025),²³ found that **“iGaming will cause severe public health, mental health, financial and other problems in African American communities;”**
- Brazil’s Central Bank reported in September 2024 that **20% of welfare funds issued by the government were being spent on online gambling;**²⁴ and
- A report from the United Kingdom found that nearly 1 in 5 online gamblers reported betting more than they could afford.²⁵

International evidence highlights the significant harms associated with online gambling, underscoring the likelihood of worsening challenges in the United States. Governments in countries such as the United Kingdom, Canada, the Netherlands, Brazil, and Japan are grappling with substantial public health crises and the far-reaching social consequences of online gambling. Consider:

- The United Kingdom has proposed a **£100 Million annual tax on its online gambling industry to help address online gambling addiction treatment and research;**²⁶ and
- Legislation – entitled “Gambled and Lost” – has been introduced in the Dutch Parliament to **repeal iGaming and impose a complete ban** due to “severe unpleasant side effects leading to widespread social issues, including a sharp rise in gambling addiction and related mental health problems.”²⁷

iGaming is Not a Revenue Fix for Ohio

Proponents of iGaming suggest that states like Ohio should accept these risks and harms in pursuit of substantial new tax revenues. However, the reality is that states like Ohio may find themselves, much like iGaming customers, chasing losses rather than realizing meaningful financial gains.

²³Morgan State University. The Impact of iGaming on African American Communities: A Public Health, Mental Health, Social, and Economic Assessment (Jan. 30, 2025) <https://analyticsresearchcenter.morgan.edu/>

²⁴ iGaming Business, “Brazil supreme court upholds ban on betting with benefits and ads targeting minors” (Nov. 15, 2024).

²⁵ UK Department for Culture, Media & Sport, “High Stakes: gambling reform for the digital age,” [High stakes: gambling reform for the digital age - GOV.UK](https://www.gov.uk/government/news/high-stakes-gambling-reform-for-the-digital-age)

²⁶ Londonlovesbusiness, “Will the Government go through with its £100m levy on gambling companies?” (Jan. 15, 2025) <https://londonlovesbusiness.com/will-the-government-go-through-with-its-100m-levy-on-gambling-companies/>

²⁷ Supra n. 14.



The real question is what is the net, incremental tax revenue to the State from iGaming? The net gain is calculated only **after** deductions for cannibalization of brick and mortar gaming taxes, **after** deductions for lost hotel, restaurant and entertainment tax revenues from lost foot traffic, **after** lost tax revenues stemming from significant job losses caused by iGaming, **after** lost tax revenue from reductions in casino and racino purchases from small businesses and suppliers, and **after** deductions for the major increases in social costs related to increased problem gambling, bankruptcies, welfare, health care costs, homelessness, domestic violence and family separation, criminal justice impacts, and more.

This comprehensive picture exposes iGaming's purported financial benefits as illusory.

NAAiG retained The Innovation Group, an internationally renowned research and advisory firm in the gaming, hospitality, leisure and tourism sectors, to conduct just this type of rigorous economic analysis of iGaming. The Innovation Group's study, *Economic Impacts of iGaming Expansion* (February 2025), shows that iGaming on a net basis is a losing bet for Ohio, including:

- **16% cannibalization** of Ohio casino and racino revenues;
- Nearly **3,000 lost jobs** suffered by casino workers and other workers supporting brick and mortar gaming facilities;
- As much as **\$215 million/year in lost labor income** for Ohio workers and their families;
- As much as **\$945 million in lost economic output each year** due to the ripple effect throughout the State's economy from iGaming's economic harms;
- Reduced investment, facilities development and community reinvestment from casinos and racinos; and
- Decreased purses for horse racing.

While the report shows incremental tax revenue to the State from iGaming after accounting for lost gaming and non-gaming tax revenue due to cannibalization and related impacts, these sums evaporate once the **\$602 million/year in lost GDP** and increased social costs are taken into account. The Innovation Group reviewed a rigorous study of such social costs conducted in Sweeden and extrapolated its findings to Ohio. The **direct costs in problem gambling** treatment and prevention caused by iGaming in Ohio are estimated to **exceed \$214 million/year**. **Indirect problem gambling costs**, which burden individuals, families, State government and Ohio communities at large, are estimated to **total over \$1.4 billion/year**.



Conclusion

Only seven states have iGaming. **43 states have not authorized it.** iGaming is very different than in-person casino gaming. At Ohio's casinos, the Ohio Casino Control Commission's regulations and the casinos' procedures are geared to create breaks in the action and make patrons think twice before placing that next bet. Casino employees are trained to identify problem gambling and intervene. Patrons are not allowed to gamble while drunk or high. Security personnel stop underage individuals from gaining access to gaming.

iGaming lacks these protections and worse – it enables operators to use AI to target players instantaneously and in real time with push notifications on their phones and bonus offers that keep them betting and chasing losses. There is a reason that iGaming bills went **0-8 in 2024** legislative sessions and has gone **0-13 thus far in 2025** (with Illinois the latest to pass on it). No constituents are clamoring for 24/7, non-stop casino gambling on every smartphone in Ohio. It's simply too much.

In April 2025, ***Sweden's parliament voted to close all of that country's in-person casinos,*** citing the shift of consumers to iGaming and its crippling impacts on casino visitation and profitability.²⁸ Similarly, with its devastating impacts on casino employees and reinvestment in brick and mortar casino properties, one gaming industry writer in the United States has concluded that **"iGaming is part of a vicious cycle of decline in Atlantic City."**²⁹ Is this what you want for Ohio?

NAAiG respectfully urges the House Finance Committee to oppose HB 298. iGaming's claimed financial gains are negligible at best, and the growing evidence of its significant financial, social, and public health harms makes it clear that this legislation is not in Ohio's best interest.

We thank the Finance Committee for its consideration of our testimony.

²⁸ <https://www.casino.org/news/swedens-last-casino-to-close-proliferation-online-gaming-blamed/>;
<https://readwrite.com/sweden-to-shut-down-all-land-based-casinos-by-2026/>

²⁹ *CDC Gaming*, "iGaming is part of a vicious cycle of decline in Atlantic City" (Oct. 20, 2024).