



## Testimony of Les Bernal, National Director of Stop Predatory Gambling, Opposing HB298: A Bill Authorizing Online Casino Gambling in Ohio

Ohio House Finance Committee  
June 3, 2025

Dear Chairman Manning and Committee Members:

I am testifying on behalf of our Ohio members of Stop Predatory Gambling, a national nonprofit organization with members in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling.

We are writing in strong opposition to HB298, a bill that would allow online casino-style gambling in the state, and urge you to vote NO.

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### 1) An Overview

States have long been considered "the laboratories of democracy," places where Republican and Democratic leaders alike experiment with public policies with the intent to directly better social and economic conditions. If proven effective, these policies often go on to be replicated in many states.

There's been one glaring exception to this practice over the last 50 years where a public policy experiment has been an epic fail by every measure yet it continues to replicate itself and metastasize in state after state. It's been driven by the greed of powerful financial interests and a lust for power from a handful of politicians from both political parties (most of whom rarely, if ever, gamble themselves yet they cause life-changing financial losses for tens of millions of Americans.) That public policy is government-sanctioned commercialized gambling, or more aptly described as predatory gambling.

Predatory gambling, including its latest form of online casino gambling, is an antiquated, outdated public policy and a relic of past failures of leadership. It has inflicted life-changing financial losses on tens of millions of Americans.<sup>1</sup> Its profits are based upon

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<sup>1</sup> Natasha Dow Schull, PhD, *Addiction By Design, Machine Gambling in Las Vegas*, Pg. 267 (2012), available at <http://press.princeton.edu/titles/9156.html>

cultivating an addiction that causes a degree of human misery like very few things can including significant increases in rates of homelessness, personal bankruptcy, divorce, domestic violence, and suicides.<sup>2</sup> And lastly, it has proven to be the ultimate budget gimmick as a state government revenue source, leading to higher taxes for less services over the long term.<sup>3</sup> *You pay even if you don't play.*

## **2) What is NOT “Predatory Gambling”?**

Predatory gambling is NOT the Friday night poker game with friends. Or the March Madness Bracket. Or buying a square in the Super Bowl office pool. Or the bingo night at a local Catholic church. Or a wager on the golf course with the guys from work.

These informal events are examples of *social gambling*. There is no “house” skimming a large profit, guaranteeing the participant will inevitably lose over the long-term. No one is wagering continuously at rapid speeds of every five seconds, hour after hour. Very few people feel an intense “buzz” or high from the experience. There’s no aggressive and deceptive marketing to get people to gamble more often with bigger sums of money. No one is lending or borrowing cash to participate or ends up losing their entire pay check. It doesn’t go on 24 hours day, every day of the week, year round. And it doesn’t require the majority of Americans who rarely gamble to subsidize it with any of their own money.

When gambling lobbyists push claims of “illegal gambling,” they include these common forms of social gambling.

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<sup>2</sup> Institute for American Values, Why Casinos Matter Institute for American Values, Council on Casinos, Why Casinos Matter, Thirty-One Evidence-Based Propositions from the Health and Social Sciences, September 2013, at 29, <https://stoppredatorygambling.org/wp-content/uploads/2013/09/2013-Why-Casinos-Matter-FINAL.pdf>

<sup>3</sup> “State Revenues from Gambling: Short-Term Relief, Long-Term Disappointment,” Nelson A. Rockefeller Institute of Government, SUNY-Albany, April 2016, [http://www.rockinst.org/pdf/government\\_finance/2016-04-12-Blinken\\_Report\\_Three.pdf](http://www.rockinst.org/pdf/government_finance/2016-04-12-Blinken_Report_Three.pdf)

### **3) What IS “Predatory Gambling?”**

Predatory gambling is when state governments partner with powerful corporate gambling interests to use *commercialized* gambling - *gambling being run as a business* - to exploit citizens and their communities. Unlike any other business, in commercialized gambling there is a *predatory and adversarial relationship* between the gambling operator and its customer, the gambler. *They are trying to take you down.*

Online gambling operators, their partners in government, and gambling industry lobbyists like to call it “regulated gaming.” But for the rest of us, the only term that accurately describes it is predatory gambling.

No form of commercialized gambling is more predatory and dangerous than online gambling. The reason is because it offers unlimited access and action to hardcore forms of gambling. It’s the equivalent of opening a Las Vegas-style casino in every bedroom, dorm room, office, smart phone, and computer with internet access across Ohio, 24 hours a day. At the same time, the online gambling operator uses the latest data tracking and marketing technologies *to induce* citizens to gamble relentlessly with tactics such as “free gambling wagers” and a barrage of text messages offering “bonus bets.”

### **4) Why Is Predatory Gambling Called "The Big Con" and How Is It Different Than Every Other Business, Including Other Vices Like Alcohol and Tobacco?**

What separates commercialized gambling from every other business, including other vices like alcohol and tobacco, is it’s a big con game. It’s a form of consumer financial fraud in the family of price-gouging and false advertising.

If you pay for a pizza, a ticket to a sporting event, or a glass of wine, that’s what you receive in return. It’s a one-for-one exchange. In commercialized gambling, what you receive is a financial exchange offering the lure that *you might* win money. But this financial exchange is mathematically stacked against you so inevitably you will lose your money in the end,

especially if you keep gambling. Citizens are conned into thinking they can win money on games that are designed to get them fleeced. That's what the phrase "the House always wins" really means. Success only comes at someone else's expense.

This con is the reason why commercialized gambling is still illegal *unless* you partner with state government. None of us can run our own state lottery. None of us can run our own casino or online gambling business unless we are in partnership with the state.

The most revealing fact about "The Big Con" is this: with the zeal of a teetotaler, most of the people who operate and invest in commercialized gambling schemes such as online gambling, along with the public officials who lobby to bring them in, **rarely, if ever, gamble themselves.** Yet these hypocrites cause life-changing financial losses for tens of millions of Americans. We have awarded these individuals special status by inducting them into "[The Hypocrite Hall of Fame](#)" which you can view by visiting our website.<sup>4</sup>

### **5) Ohio Citizens Are Suffering Massive, Life-Changing Financial Losses to Commercialized Gambling Directed By the State in Part Because Operators Use Deceptive Marketing Tactics to Minimize the Public Health and Financial Risks of Online Gambling**

The American Psychiatric Association's DSM-V, considered "the mental health bible" by hospitals, health insurance companies, and other health care professionals, now recognizes commercialized gambling as addictive as cocaine, opioids, and heroin.<sup>5</sup> Despite its status as a known, dangerous addictive product, the corporate online gambling industry currently markets its offerings as "harmless fun," making itself attractive to young people by offering "free bets" and normalizing the activity with massive advertising and marketing.

But these corporations are also deceptively minimizing the actual financial harm their

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<sup>4</sup> "The Hypocrite Hall of Fame," January 2025. <https://www.stoppredatorygambling.org/meet-the-men-and-women-enshrined-as-members-of-the-hypocrite-hall-of-fame/>

<sup>5</sup> American Psychiatric Association, (DSM-5), 2025. <https://www.apa.org/monitor/2023/07/how-gambling-affects-the-brain>

products cause. Many citizens who have become addicted now have personal debt levels *close to \$100,000*.<sup>6</sup>

In addition, a recent major national study found that online gambling has decreased the consumer financial health of everyday Americans, especially young men.<sup>7</sup> According to the study, states with legal online gambling saw a significant drop in average credit score and significant increases in both the amount of money in debt collections and bankruptcy filings and the amount of money in debt collections.<sup>8</sup>

Allowing online casino gambling in Ohio will dramatically harm the financial well-being of tens of thousands of families across the state. We don't need to speculate about what the toll of online casino gambling will be in Ohio. Just look at the massive financial losses that the state's citizens *are already suffering* to predatory gambling:

- Ohio citizens are on a downward spiral *to lose \$24 billion of their personal wealth* to commercialized sports gambling, regional casinos, state lotteries, and video gambling machine venues *combined* over the next five years.<sup>9</sup>
- Ohio citizens lost more than \$4.73 billion in personal wealth to predatory gambling in 2024.<sup>10</sup>
- Ohio citizens *are losing almost \$9132 of personal wealth every minute* to predatory gambling.
- Ohio citizens have lost \$38 billion of personal wealth to commercialized sports gambling, regional casinos, state lotteries, and video gambling machine venues *combined* since 2012, the year the state's casinos first opened.<sup>11</sup>

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<sup>6</sup> "The Human Cost of the Sports-Betting Boom: Why is no one paying attention?" Men's Health Magazine, September 2023. <https://www.menshealth.com/health/a44652587/sports-betting-gambling-dangers/>

<sup>7</sup> "The Financial Consequences of Legalized Sports Gambling," a study by Dr. Brett Hollenbeck of UCLA, Poet Larsen of USC, and Dr. Davide Proserpio of USC, July 2024. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4903302](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4903302)

<sup>8</sup> *Ibid.*

<sup>9</sup> Ohio Casino Commission Annual Reports and Ohio Lottery Comprehensive Annual Financial Reports, FY2012- FY2024

<sup>10</sup> *Ibid.*

<sup>11</sup> *Ibid.*

**6) The amount of illegal gambling has increased since states introduced online gambling, the complete opposite of what gambling operators claimed would happen.**

*The Sunday New York Times's* series on the national lobbying campaign to push online gambling revealed that the American Gambling Association (AGA) orchestrated the phony “They’re already doing it”/“We’ll reduce illegal gambling” narrative as a multimillion dollar national public relations campaign to create a fake sense of momentum for online gambling.<sup>12</sup>

Yet at the same time it was peddling its “We’ll reduce illegal gambling” fiction to state legislatures across the US, the AGA wrote a 2022 letter to then US Attorney General Merrick Garland calling on him to take action against the growing problem of illegal online gambling, ***four years after legalization began!*** In the AGA’s *own words* to AG Garland:

- “A vast illegal sports betting market continues to exist through offshore websites, which have established well-known brands—such as Bovada, MyBookie and BetOnline—that operate with a high degree of visibility and are readily accessible to every American with a smart phone or Internet connection. These illegal sites also enjoy many competitive advantages that allow them to offer better odds and promotions...”<sup>13</sup>
- “52 percent of gamblers continue to utilize illegal bookmakers.”<sup>14</sup>
- “Internet searches for illegal betting sites increased by 38% last year, faster than the rate of searches for legal betting sites.”<sup>15</sup>

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<sup>12</sup> “A Risky Wager: Key Findings From The Times’ Investigation of Sports Betting,” *The Sunday New York Times*, Nov, 20, 2022. Pg. 1. <https://www.nytimes.com/2022/11/20/business/sports-betting-investigation.html>

<sup>13</sup> American Gambling Association Letter to US Attorney General Merrick Garland, April 13, 2022: [https://www.americangaming.org/wp-content/uploads/2022/04/AGA\\_DoIllegalGambling-4.13.22.pdf](https://www.americangaming.org/wp-content/uploads/2022/04/AGA_DoIllegalGambling-4.13.22.pdf)

<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.*

- “Searches for offshore online gambling brands represented a majority of all sportsbook searches.”<sup>16</sup>

The facts coming in from the states themselves further demonstrate this truth: according to a study commissioned by the Massachusetts Gambling Commission, the state where DraftKings is headquartered, **citizens who use illegal sports books in Massachusetts jumped from 4 percent in 2022 to 18 percent in 2023, after sports betting was legalized.**<sup>17</sup>

It is also important to highlight that the figures promoted by gambling industry lobbyists about the alleged problem of “illegal gambling” occurring in Ohio *are not* coming from an independent source. Gambling lobbyists are not citing data produced by the FBI or the Ohio Department of Public Safety. The source of their numbers are gambling industry trade groups and gambling consultants, entities that have a strong financial interest in commercialized gambling bills being pushed through the Ohio Legislature.

Despite this mounting pile of facts, gambling industry lobbyists and the state legislators who carry the online gambling bills continue to willfully mislead their colleagues, the media, and the public by claiming that allowing online gambling would reduce illegal gambling. Why do they continue to make these blatantly false claims?

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<sup>16</sup> American Gambling Association Letter to US Attorney General Merrick Garland, April 13, 2022: [https://www.americangaming.org/wp-content/uploads/2022/04/AGA\\_DoJIllegalGambling-4.13.22.pdf](https://www.americangaming.org/wp-content/uploads/2022/04/AGA_DoJIllegalGambling-4.13.22.pdf)

<sup>17</sup> “Addiction in mind, Mass Gambling officials mull stricter advertising regulations,” *Commonwealth Magazine*, June 24, 2024 <https://commonwealthbeacon.org/gambling/addiction-in-mind-mass-gaming-officials-mull-stricter-advertising-regulations/>



**7) States That Have Allowed Online Gambling Are Experiencing a Metastasizing Epidemic of Gambling Addiction Among Young Adults and Teens Because of the Exploitation and Manipulation By Gambling Operators. Passing Internet Casino Gambling Will Make This Epidemic Far Worse.**

Almost every major national news organization has reported on the epidemic of gambling addiction among young people metastasizing across the US because of the introduction of online gambling.<sup>18</sup>

Young adults, especially young males, are being targeted by online gambling apps and exposed to a barrage of gambling marketing to incentivizing them to gamble. It's a key reason why states are reporting the number one demographic calling gambling addiction hotlines today are young adults and teens.<sup>19</sup>

Kids used to collect sports cards growing up as fans of their favorite athletes and teams. Now kids are gambling. The high frequency of marketing by gambling operators has normalized gambling for kids, leading them to believe gambling was central to playing and watching sports.

Exposing young people to gambling ads normalizes and desensitizes them to the dangers of gambling and makes them more likely to develop problems later in life. They grow up mistakenly thinking it's a harmless activity. The younger children start gambling, the more likely it is they will become habitual and addicted gamblers.

After the harm that online casino gambling operators have inflicted in other states, why would Ohio public officials welcome them in to target the state's young adults and teens?

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<sup>18</sup> "We're killing the youth of America': calls grow for crackdown on US gambling," *The Guardian*, December 1, 2023. <https://www.theguardian.com/us-news/2023/dec/01/sports-betting-regulation-gambling-addiction>

<sup>19</sup> "Teens Are Developing 'Severe Gambling Problems' as Online Betting Surges: An increasing amount of evidence suggests that young adults and even minors are easily able to bet online despite a variety of industry safeguards." *Vice*, October 11, 2023. <https://www.vice.com/en/article/4a37mp/teens-are-developing-severe-gambling-problems-as-online-betting-surges>

**8) “Responsible Gambling” campaigns funded by the gambling industry and state government officials are a sham. Their primary purpose is merely to *give the appearance* that something is being done to protect the public from predatory and dangerous business practices.**

The corporate online gambling industry is relentlessly targeting individuals who are demonstrating fundamental and visible symptoms of suffering from a gambling addiction.<sup>20</sup> Operators have precise records and data about an individual’s online gambling behavior and patterns such as the amount of money an individual gambles, the *frequency* with which he or she gambles, whether an individual “chases” one’s losses, and whether the person demonstrates a preoccupation with gambling.<sup>21</sup>

Gambling operators often assign “hosts” to keep in continuous contact with these individuals, creating a “personal” relationship that usually involves hundreds of text messages that can begin first thing in the morning and continue throughout regular working hours, the subject of which are almost always special financial bonuses, deposit incentives, and credits for past gambling losses.<sup>22</sup> This predatory behavior is essential to the online gambling business model: as reported by *The Wall Street Journal*, 70% of online gambling revenue comes from *less than 1/2 of 1% of all gambling customers*.<sup>23</sup>

These types of predatory business practices are why there are at least two essential questions that *every* state legislator who is serious about their job has a duty to ask. The first is what percent of gambling profits is based upon citizens who have become addicted gamblers? You will learn the gambling business model depends upon the addicted citizen:

- Reinforcing what *The Wall Street Journal* uncovered in its own investigation, one of the most influential studies of online gambling in the world found that 86% of gross online gambling profits were extracted from 5% of gamblers.<sup>24</sup>

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<sup>20</sup> "A Child Psychiatrist Tried to Quit Gambling - Betting Apps Kept Her Hooked," *The Wall Street Journal*, by Katherine Sayre, February 18, 2024. [https://www.wsj.com/business/hospitality/gambling-addiction-sports-betting-apps-4463cdeo?mod=Searchresults\\_pos1&page=1](https://www.wsj.com/business/hospitality/gambling-addiction-sports-betting-apps-4463cdeo?mod=Searchresults_pos1&page=1)

<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*

<sup>23</sup> *Ibid.*

<sup>24</sup> "Exploring Online Patterns of Play," National Center for Social Research (UK), March 9, 2021. [https://www.begambleaware.org/sites/default/files/2021-03/PoP\\_Interim%20Report\\_Short\\_Final.pdf](https://www.begambleaware.org/sites/default/files/2021-03/PoP_Interim%20Report_Short_Final.pdf)

- In the brick-and-mortar casino business, it's been reported there are "at least nine independent studies demonstrating that addicted gamblers generate up to 60% of total gambling revenues."<sup>25</sup>

The second question to ask is what percent of gambling profits comes from people who follow "responsible gambling codes of conduct?" The reality is the percentage of gambling revenues that comes from people who follow "responsible gambling codes of conduct" (i.e., the casual gambler) is *virtually irrelevant to their profits*. NYU Professor Natasha Schull reported in her nationally acclaimed book *Addiction By Design* that people who follow responsible gambling guidelines made up 75% of the players but contribute a mere 4% of gambling profits.<sup>26</sup> "If responsible gambling were successful then the industry would probably shut down for lack of income," the author of the study said <sup>27</sup>

Thank you for your serious consideration of these facts. If you need further information about this issue, I invite you and your staff to please contact us by email [mail@stoppredatorygambling.org](mailto:mail@stoppredatorygambling.org) or phone (202) 567-6996. Thank you for your work.

Sincerely,



Les Bernal, National Director  
Stop Predatory Gambling

### **About Stop Predatory Gambling**

Stop Predatory Gambling believes people are worth more than money. We are a national nonprofit organization with members of all political stripes in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling. We do not accept financial contributions from commercialized gambling interests.

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<sup>25</sup> "How Casinos Enable Gambling Addicts," *The Atlantic*, By John Rosengren, December 2016  
<https://www.theatlantic.com/magazine/archive/2016/12/losing-it-all/505814/>

<sup>26</sup> Natasha Dow Schull, PhD, *Addiction By Design, Machine Gambling in Las Vegas*, Pg. 267 (2012), available at <http://press.princeton.edu/titles/9156.html>

<sup>27</sup> *Ibid*