MIAMI UNIVERSITY

Senate Select Committee on Gaming
Interested Party Testimony of Miami University
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Chairman Schuring, Vice-Chair Manning, Ranking Member Thomas, and members of the Select Committee on Gaming, thank you for the opportunity to testify today on sports gaming and e-bingo. My name is Randi Malcolm Thomas. I am the VP for ASPIRE at Miami University. I have three colleagues who will assist me in testifying today. John Bailer, University Distinguished Professor and Chair of the Department of Statistics, Matthew McMurray, Assistant Professor in the Department of Psychology, and Sandy Steiger, Director of the Center for Analytics and Data Science. We will be addressing the need for Responsible Gaming in Ohio. We are neither pro nor anti-gaming; we are *pro* this Committee, your colleagues, our policy makers, and the industry having non-partisan, objective research to consult when making decisions on policies and practices regarding responsible gaming.

The Ohio Lottery Commission has reported that up to 4% of adult Ohioans, or about 500,000 citizens, may have a gambling problem. A rise in gambling addiction could be exacerbated with the Supreme Court's recent ruling that a federal law requiring states to ban gambling on the outcome of sporting events is unconstitutional. As Ohio sees a heightened demand for sports gaming, increases in addiction are likely to follow. To address these increases and the related public policy issues surrounding responsible gaming, Miami University is creating an Institute for Responsible Gaming, Lotteries and Sport, which will be available to legislators, public policy makers, and the gaming industry.

Addiction. The consequences of gambling addiction are severe and include substantial financial harm to the gambler and their family, as well as, harm to the individual's health, family wellness, and workplace productivity. The Problem Gambling Network of Ohio reports that as many as 77% of problem gamblers have suicidal thoughts or feelings. Of those considering suicide, 1 out of 5 will attempt to take their own life (approximately 77,000 Ohioans). Problem gamblers are three times more likely to experience a co-occurring substance use disorder and twice as likely to experience mood disorders, such as depression.

Gambling Addiction is an unfortunate reality for many Ohioans. According to the Ohio Gambling Survey 2016-17, of those who gamble in Ohio, approximately 10.3%, or 919,162 citizens, fall into one of three categories: low-risk (few or no identified negative consequences), moderate-risk (some negative consequences) or problem gamblers

(severe negative consequences and a possible loss of control). The bad news is that the 10.3% figure represents a near doubling since 2012, when only 5.7% of Ohioans fell into these categories. This same survey found that 24.3% of at-risk gamblers participate in sports gaming and 14.7% of at-risk gamblers partake in other gaming, such as bingo. As sports gaming and e-bingo, and consequently gaming addiction, continues to be examined throughout the state and the country, higher education institutions such as ours, have students and faculty committed to researching addictive gaming behaviors and the changing gaming environment.

Policy. We are here today as the result of the 2018 United States Supreme Court decision in *Murphy v. National Collegiate Athletic Association*. In *Murphy*, the Court declared, in a 6-3 decision, that the Professional and Amateur Sports Protection Act (PASPA), a federal law outlawing sports betting, was unconstitutional. This ruling left each state to regulate its sports betting. Since the *Murphy* decision, sports gaming has been legalized in over 15 states, either online, in stores, or a combination of the two methods. In Ohio's neighboring states, both online and in-person sports betting has been legalized in Michigan, Pennsylvania, Indiana and West Virginia since the *Murphy* ruling. This Committee must now determine how Ohio will proceed on sports gaming.

Industry. Currently, many gaming related problems across the country are a result of the field's data silos -- companies that keep their data in house. Sharing the data from each silo with an independent third party and taking away the identifying factors to protect each individual's privacy, will allow that third party to detect patterns in addiction and problem gambling and create predictive modeling of gaming behaviors to assist Ohioans before a person reaches the point of despair. Tracking and analyzing gaming data can also lead to the discovery and deterrence of associated illegal activities, such as money laundering and tax fraud throughout the state. Thus, comprehensive data collection and analysis will lead to not only a better understanding and treatment of addiction, but also the prevention of criminal activity in the gaming industry.

Miami as a Resource. Whatever way Ohio proceeds, with border states already engaging in sports betting, Ohio needs responsible gaming. Miami University believes we can be of assistance to the state with respect to providing objective research to public policy questions surrounding responsible gaming. Miami University has a history of consulting with state and local policy makers. Our **Center for Public Management and Regional Affairs** engages in applied research, technical assistance services, training and education for small/non-metropolitan cities, villages, townships and

counties. Also, the **Miami University Scripps Gerontology Center** (Scripps) is one of the nation's top centers for research in aging and an Ohio Center of Excellence that regularly addresses long-term care questions posed by the General Assembly. During the pandemic, Scripps has examined Ohio nursing home COVID-19 rates and is part of a team tracking COVID-19 rates in nursing homes across the nation. In February, Scripps released an update: [Understanding our Ohio population: Expanding our research findings throughout Ohio](). The article provides information to help policy makers at the state and local levels to understand the demographic changes and trends taking place at the county and state level (visit [www.Ohio-Population.org]() or for questions reach out to Matt Nelson at Nelsonim@MiamiOH.edu). Miami University is home to a number of other large [University Centers and Institutes]() that can quickly connect our partners to world-class researchers and consultants.

Similar to the Scripps Gerontology Center and the Center for Public Management and Regional Affairs, our newly established Institute on Responsible Gaming, Lotteries and Sport will assist legislators and policy makers in the advancement of responsible gaming (the Institute for Responsible Gaming or the Institute). The Institute will initially advance responsible gaming by addressing issues around addiction, policy, and the most pressing industry questions. We will provide objective and non-partisan research to policy makers and the gaming industry on strategies for responsible gaming engagement.

The key for success of such an operation is an early and ongoing collaboration among policy makers, gaming industry experts, and university researchers. We will approach policy makers and the gaming industry to identify the most pressing concerns and trends that they are experiencing firsthand. Meanwhile, we will stay connected with state legislators and policy makers with jurisdiction over Ohio's responsible gaming efforts as they discuss gaming policy and draft legislation. We will also have our relevant research available as a resource. A partnership among these three sectors can lead to comprehensive data collection and analysis. As a result, addiction problems can be more readily averted and replaced with innovative, research-based solutions.

In addition to the high-quality research conducted by Miami University faculty, Miami University's focus on undergraduate education intentionally incorporates undergraduates in those research efforts. Miami regularly has over 3,000 undergraduate students participating in research opportunities. In addition, Miami has approximately 2,000 graduate students involved in research as part of their studies. Miami students conduct mentored research in all disciplines, including in underutilized fields such as addictive gaming behavior. Gaming and related research currently taking

place at Miami focuses on examining what causes gaming addiction and the body's correlating identifying markers:

Dr. Matthew McMurray. Hello my name is Matthew McMurray. I am an assistant professor in the Department of Psychology at Miami.

Gambling addiction is a diagnosable clinical disorder, with roots in the biological changes to the brain that occur during chronic gambling. In high-risk individuals, participation in gaming changes the way the brain responds to positive/rewarding emotional experiences, both gaming-related and non-related. These changes place the individual on a vicious spiral, in which the only way to achieve normal levels of happiness is to engage in riskier and riskier behavior, which essentially forces the individual to gamble more frequently and to take larger bets. The existence of these biological factors suggests that biological interventions may be possible, and that we may be able to use biological/psychological factors to help us better identify who may be at greater risk. To this end, my lab at Miami University has been studying how the brain processes risky decisions, with the hope of identifying novel therapeutic targets to reduce problem gambling. Our work in this field has already identified how early life experiences may shape an individual's risk for gambling disorders, and my lab has even identified a potential therapeutic for individuals with gambling disorders.

Sandy Steiger & John Bailer. Hello my name is Sandy Steiger and I am the Director of the Miami University Center for Analytics and Data Science. Greetings, my name is John Bailer and I am a Distinguished Professor and the Chair of the Department of Statistics as well as an affiliate member of the Departments of Biology, Media, Journalism and Film and Sociology and Gerontology. Data informs decisions in nearly every field of study as a way to understand past actions in order to guide future decisions. Sandy and I are going to address the role of data and data science in responsible gaming.

Data Science refers to using data from a variety of sources to answer important questions. This includes, but is not limited to, designing methods for collecting appropriate and representative data, developing rules/models for predicting responses or actions or grouping individuals with similar traits. Data management, statistical model building, evaluation and more are part of the skills involved in this work.

The goal is to develop a craft analyses to extract insights that are meaningful for the question at hand. Miami University builds multi-disciplinary teams of researchers to drive diversity of thought on the most complex data science problems.

While the use of data science is not prolific in the gaming industry as in others, there are many applications that can be redeployed on this type of data. As one example, biostatistical models are used to predict whether your clinical measurements put you at higher risk of some adverse health outcome. In another common application, companies face issues of turnover and retention amongst employees and customers. Data science identifies trends in the data to predict when a customer is likely to leave. The same approach can be applied to gaming -- with the correct data, risky behavior can be identified, and intervention strategies can be implemented in an attempt to curb addiction before it becomes a major problem. Ohio could become known nationally and internationally for such an approach to responsible gaming.

Conclusions. In Ohio, there are currently no independent organizations or institutions of higher education that are comprehensively collecting and analyzing data on the gaming industry. Miami University is happy to serve as a resource to the General Assembly, as sports gaming and e-bingo legislation is developed for the State of Ohio.

Thank you for your time today, we would be glad to answer any questions that you have at this time.

Dr. John Bailer, University Distinguished Professor and Chair, Department of Statistics, Affiliate Member of the Departments of Biology, Media, Journalism and Film and Sociology and Gerontology.

Dr. Matthew McMurray, Assistant Professor, Department of Psychology

Sandy Steiger, Director, Center for Analytics and Data Science

Randi Malcolm Thomas, Esq., Vice President, ASPIRE