



HCR 3002

House Judiciary

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Good morning, Chair Klemin and members of the House Judiciary Committee. My name is Katie Fitzsimmons and I serve as the Director of Student Affairs for the North Dakota University System. Thank you for the opportunity to testify; I am here on behalf of the North Dakota University System and its eleven institutions to provide testimony in opposition to the passage of HCR 3002.

The proposed resolution would expand gambling in the state to include sports betting on both professional and collegiate athletics. While there may be perceived benefits to legalizing sports betting and using that revenue for education, the negative consequences—particularly for student athletes and college students—are deeply concerning and cannot be ignored. I urge this committee to carefully consider the impact that legal sports betting would have on college campuses and athletic programs across our state. I will provide information about the unfortunate consequences other states have experienced because of sports betting, the impact on college students, and the most profound and personal effects on student athletes.

Sports betting was banned in 1992 but was overturned by the United State Supreme Court in 2018. 38 states and the District of Columbia have since legalized sports betting in some form, yielding billions of dollars in revenue annually. Many sports fans consider this practice harmless and fun but the rise of sports betting has “caused a wave of financial and familial misery” according to an article by Charles Fain Lehman¹. In a study conducted by Northwestern University², it found that for every \$1 bet on sports, households put \$2 less into investment accounts, placing retirement funds and savings accounts in precarious positions. States with legalized sports betting have documented increases in overdrafted bank accounts and maxxed out credit cards. In another study from economists from UCLA and USC³, when you look specifically at online sports gambling, the risk of a household going bankrupt increases 25-30% and it increases debt delinquency. These issues are most prevalent for young men living in low-income counties, which provides even more evidence that those most negatively affected by sports betting are the least well-off. This, as you can imagine, keeps many Americans on a financial hamster wheel. Instead of saving money or paying off

¹ Lehman, Charles Fain. “Legalizing Sports Gambling Was a Huge Mistake.” The Atlantic, September 23, 2024.

² Baker, Scott, R. “Gambling Away Stability: Sports Betting’s Impact on Vulnerable Households”, July 9, 2024.

³ Hollenbeck, Brett; Larsen, poet; Proserpio, Davide. “The Financial Consequences of Legalized Sports Gambling.” August 2, 2024.

debt, they are searching for the next sure bet or a long shot that will redeem their losses.

Not only does legalized sports betting harm the financial position of Americans, it increases violence. In a study from the University of Oregon⁴, states with legalized sports betting have 9% higher rates of intimate partner violence than states without sports betting. These three studies were able to look at numbers in states before and after the legalization of sports betting so while some will want to say all of these figures are correlations, the researchers will argue that these are direct effects of sports betting.

Proponents of sports betting will argue that the tax benefits generated by this form of gambling can be worthwhile. That does not ring true; with elevated poverty and increased need for services, higher rates of domestic violence and thus, a deeper need for law enforcement and foster care, those meager extra tax dollars will not plug the hole. The current states that have legalized and taxed sports betting only take in roughly \$500 million per quarter, which is less than alcohol, tobacco, or marijuana. Further, the illegal market continues to flourish⁵.

While all of these statistics are far from cheery, the outlook on a college campus for sports betting becomes even darker. According to a study out of the University of Buffalo⁶, one in ten college students are considered “probable pathological gamblers” whereas the rest of the United States populace fares at rates of one in fifty to one in twenty. The researchers credit online betting apps for the higher rates among college students who have higher rates of technology dependence and access, plus the lack of impulse control in the developing brains of college students. In another survey conducted by the NCAA⁷, nearly 60% of surveyed college students have bet on sports and 4% place bets daily. 6% reported losing more than \$500 in a single day. Keith Whyte, the executive director of the National Council on Problem Gambling stated, “The biggest increases in gambling participation have been among young, educated men. The closer you are to college, the more likely you are to bet sports.”⁸

The potential for increased debt and financial instability among students cannot be understated. Many students already struggle with significant loan debt and lack financial

⁴ Matsuzawa, Kyutaro; Arneson, Emily. “Sports Betting Legalization Amplifies Emotional Cues & Intimate Partner Violence.” September 24, 2024.

⁵ Grundy, Adam. “Quarterly Survey of State and Local Tax Revenue Shows Which States Collected the Most Revenue from Legalized Sports Betting.” February 13, 2024.

⁶ Nowak, Donald E.; Aloe, Ariel M. “The Prevalence of Pathological Gambling Among College Students: A Meta-analytic Synthesis, 2005-2013.”

⁷ Sports Betting Activities Survey; April 2023.

https://ncaaorg.s3.amazonaws.com/research/wagering/Apr2023NCAA_WageringKeyFindings.pdf

⁸ Staley, Oliver. “An Explosion in Sports Betting is Driving Gambling Addiction Among College Students.” Time Magazine. December 12, 2023.

literacy. Sports betting is a dangerous temptation, leading students to bet more than they can afford, ultimately deepening their financial distress. The normalization of gambling will exacerbate these problems, making it even more difficult for students to maintain their academic focus and achieve their goals.

Another piece complicating gambling addiction on college campuses is that getting help for a gambling issue is not always accessible. Therapists that specialize in gambling addiction are not prevalent and college campuses will struggle to offer those specialized services.

Finally, the impact on student athletes. The introduction of legal sports betting creates an environment where these athletes are subject to external pressure to influence game outcomes; we have seen this demonstrated in other states. While we trust the integrity of our college athletes, legal sports betting opens the door to exploitation by individuals or groups who stand to gain financially by manipulating the outcomes of games. This can have catastrophic consequences not only on the athletes' personal lives and careers but on the credibility and integrity of the entire collegiate athletic system. Not to mention that student athletes themselves are at a much higher ricks for developing gambling addictions.

In the six years since the United States Supreme Court paved the way for legal sports gambling across the country, harassment and abuse directed at student athletes has grown. Charlie Baker, the president of the NCAA, testified to members of the federal Senate Judiciary committee in December 2024 to call for a prohibition on proposition bets, or "prop bets". Prop bets are wagers on something other than the game's final outcome; it can be a bet on a particular player's performance. Prop bets are responsible for 10-15% of NCAA Division I athletes reporting harassment by bettors. Baker testified that "Many [student athletes] have received death threats from bettors, and they also receive other, in-person threats and accusations directed at them while they're leaving or coming onto the field of play."⁹ Baker continued with examples; he spoke of a University of North Carolina basketball player who, in the first week that prop bets were allowed in the state, received over 100 private messages from angry gamblers after one game because of his rebounding stats. Baker cited the harassment student athletes receive from classmates and friends: "They basically say, 'Look, you're my friend. I'm not looking for you to lose a game, I just need you to miss the first two free throws.'"

College athletes, often under immense stress and with limited financial resources, could be more susceptible to illegal or unethical behavior if they are targeted by friends, family members, teammates, gamblers, or bookies seeking to influence game results. Even the mere perception of corruption—whether real or imagined—could tarnish the reputations of college

⁹ Sullivan, Becky. "The president of the NCAA calls for a ban on 'prop bets' in college sports. NPR News. December 17, 2024.

sports and diminish the integrity of programs that are meant to emphasize education, character, and fair competition.

College athletes around the country are calling for a prohibition on prop bets. Ohio is working with gaming regulators to remove prop bets from their books across the state. Louisiana, Maryland, and Vermont are moving in that direction too. Some other quick stats from the NCAA¹⁰:

- One in three high-profile athletes receive abusive messages from someone with a betting interest
- 90% of harassment is generated online or through social media
- Women's basketball student athletes received approximately three times more threats than men's basketball student athletes
- Student athletes are not the only group experiencing threats; game officials, administrators, and other athletics employees have been harassed related to their involvement in competitions
- During the last Division I Men's and Women's Basketball Championship games in 2024, over 4,000 posts/comments were deemed abusive or threatening to individual student athletes, with some elevated to law enforcement.

As demonstrated in my testimony, North Dakota has dodged some of the harms of legalized, full-court press, sports betting. As we have seen proven in other states, expansion of sports betting in our state will absolutely lead to an increase in gambling-related harms for many citizens, financial instability or ruin for some, higher rates of domestic violence, increased rates of gambling in college students, and added pressures, exploitation, and abuse to our student athletes. There are countless examples of students whose lives have been derailed due to gambling addiction, and this bill would create a scenario where more young people are exposed to these risks. We should not be complicit in creating an environment that fosters unhealthy habits, normalizes a dangerous habit, and adds burdens to our students.

I ask this committee to move a Do Not Pass recommendation in order to protect the integrity of college sports and the health and safety of our students. If the committee still has an appetite to open the issue of sports betting in North Dakota to the voters despite the known risks that will inordinately be on the backs of lower-income citizens and students, I ask that you tighten the parameters to exclude collegiate athletics and prop bets to protect student athletes in North Dakota. I thank you for your time and will field questions to the best of my ability.

¹⁰ Heath, S. May 17, 2024. <https://www.ncaa.org/news/2024/5/17/media-center-sports-betting-culture-negatively-impacts-mental-health-ncaa-works-to-support-student-athletes.aspx>