

April 3, 2025

Minnesota Senate State and Local Government Committee 95 University Ave. W. Saint Paul, MN 55155

Chair Xiong and Members of the Committee,

Minnesota Family Council represents tens of thousands of families across the state. We oppose the legalization of mobile sports gambling in our state, and we ask you to **vote no on SF757**. A vote in committee is a vote on the bill.

Mobile sports gambling poses many social problems where it has been legalized since 2018, and the costs are paid for by families, the state, and faith communities. A study of financial data of 230,000 US households by Kellogg School of Management found that every \$1 in sports betting reduced household net investments by about \$1. UCLA and USC research has measured that online sports gambling increases the likelihood of household bankruptcy by as much as 25 to 30 percent after 3-4 years of legalization.²

Legalizing mobile sports gambling does not just allow someone to bet on the outcome of the Vikings game. Revenue comes from in-game betting, in which users bet continuously on plays in the app, similarly to how social media algorithms keep users addicted. This aligns with what the President of the Sports Betting Alliance shared in Senate Commerce last year, that the Alliance expects in-game wagers to count for 75% of the wagers made in the legal U.S. market by 2030.³

Longitudinal research from Southern Methodist University found that less than 5% of sports gamblers are observed to be net winners. The House wins. A series of surveys by the University of Massachusetts School of Public Health presented to the Massachusetts Gaming Commission found that the data suggest that there has not been, or had not been in 2023, a substantial recapture of illegal sports betting revenues in Massachusetts between 2022 and 2023. The data was still being worked out, and the researcher noted it can take a long time to recapture revenue.

It is not good public policy for the state of Minnesota to collect tax revenue on addiction in tandem with a predatory industry, which will in turn, cost the state in human services. Minnesota families are dealing with enough financial issues due to inflation already. **Please vote no on SF757**. Sincerely,

Rebecca Delahunt, Director of Public Policy, Minnesota Family Council

¹Jonas, M. (2024b, August 27). *Sports betting is soaking "financially constrained" households*. CommonWealth Beacon. https://commonwealthbeacon.org/by-the-numbers/sports-betting-is-soaking-financially-constrained-households/

²Hollenbeck, B., Proserpio, D., & Larson, P. (2024). The Financial Consequences of Legalized Sports Gambling. *Social Science Research Network*.

³Minnesota Senate Media Services. (2024b, March 6). *Committee on Commerce and Consumer Protection - 03/05/24*. YouTube. https://youtu.be/6ZG -qsd os?t=6573

⁴Taylor, W., McCarthy, D., & Wilbur, K. C. (2024). The Effects of Sports Betting Legalization on Irresponsible Gambling. *Social Science Research Network*.

⁵Massachusetts Gaming Commission . (2024a, August 29). *MGC Open Meeting – August 29*, 2024. YouTube. https://www.youtube.com/watch?v=NdGiwEkD3Zw&t=2336s