

INTERNET GAMBLING: *New Arenas for Compulsive Gamblers*



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CONNECTIONS

- ♣ Internet gambling is a natural fit for compulsive gamblers (Action & Escape).
- ♣ Technology will once again change betting habits just as the VLTs, keno (Quick Draw), scratch-offs, slot cards, PDAs and TV wagering continue to change the gambling industry.
- ♣ Both the gaming industry and use of the Internet are two of the fastest growing businesses in the world.
- ♣ Americans, young & old, want to gamble!

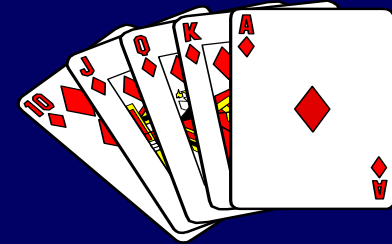
“I was associated with the largest casino in the world before this, the *New York Stock Exchange*, where the handle is \$10 - \$20 billion a day” ...

“We were booking bets on stocks and thought, Why don't we book bets on sports?”

Jay Cohen, World Sports Exchange operator and presently appealing a conviction for violating the federal wire act

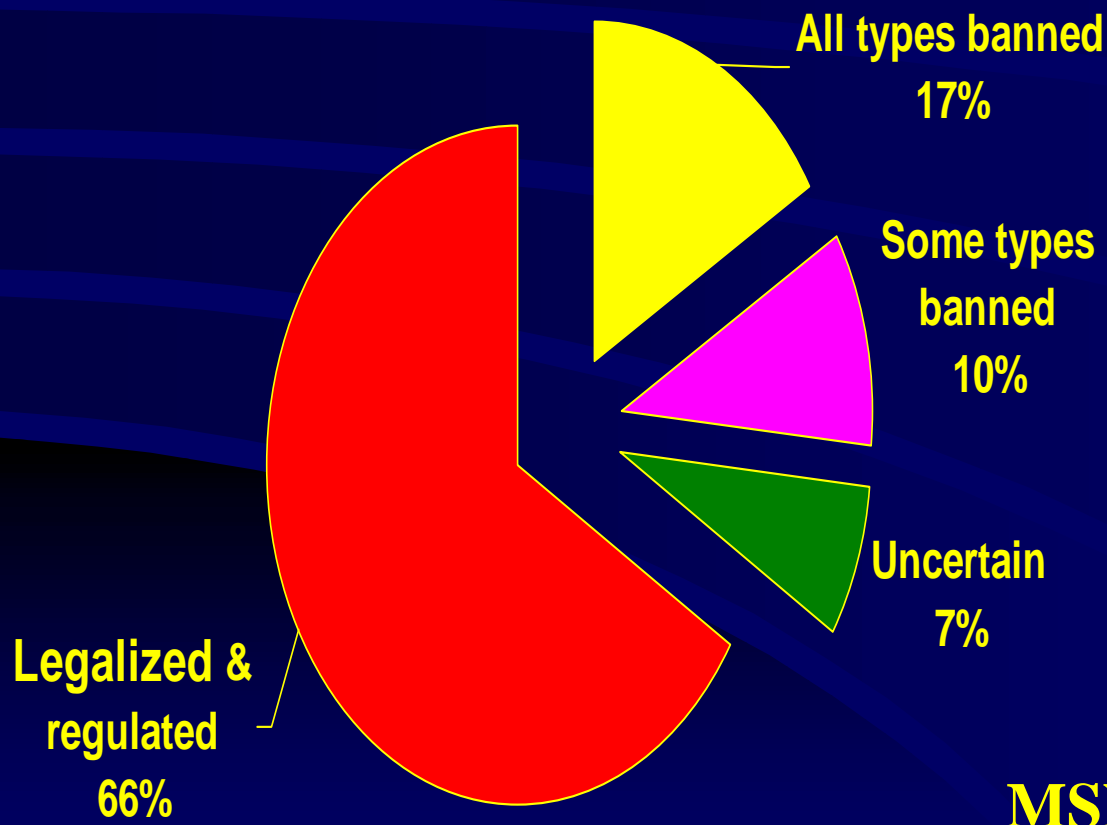
TYPES OF INTERNET GAMBLING

- ◎ Cards
- ★ Lottery
- ♣ VLT (video lottery terminals)
- Sports betting
- ◎ Bingo
- ♣ Pari-mutuel
- ♠ Casino
- ◆ Stock market & day trading



Public's Perception of Internet Gambling

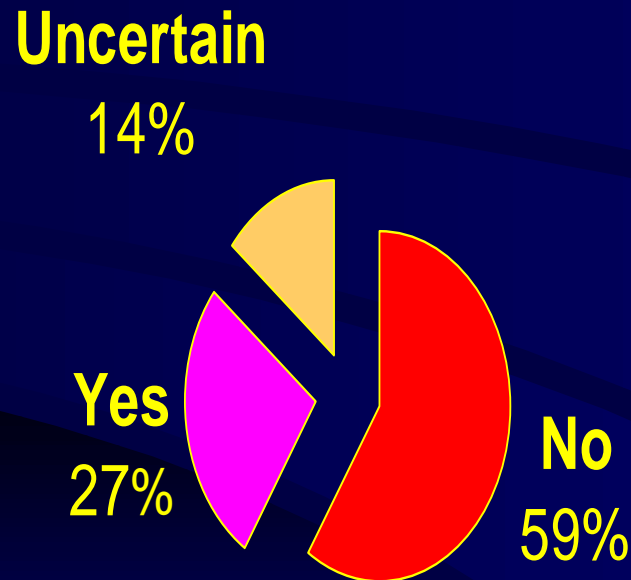
What should be done about internet gambling?



MSNBC Survey, 1997

Societal Impact

Would legal internet gambling
adversely affect society?



MSNBC Survey, 1997

Is It Legal?
It depends who you ask



Not according to the Federal Wire Act

- ✱ Federal Wire Act U.S. 1084
- ✱ State laws
- ✱ Pending *Internet Gambling Prohibition Acts*

U.S. Attorney Mary Jo White said, “People who decide to ... take sports bets from Americans should understand that they cannot escape the consequences of their actions by locating their sportsbooks outside the US. An Internet communication is no different than a telephone call for purposes of liability.”

MSNBC 8/10/01 www.msnbc.com/NEWS/369978.asp

Other Legal Issues

Legal Warning- is fully licensed and regulated by the laws of Antigua and Barbuda, W.I., for the purpose of operating virtual casino gambling on the Internet under the name: Such gambling, however, may not be legal in some jurisdictions under certain conditions, and in some jurisdictions may not be legal under any conditions. Please verify the laws in your jurisdiction before registering and read carefully our terms and conditions.

US citizens: Please note that the courts in the states of Missouri and Minnesota have interpreted on-line gambling to be unlawful.

New Legal Issues

A California woman successfully sued a credit card company for allowing her to accumulate over **\$70,000** in Internet gambling debts.



CANBERRA, Australia, March 27 (Reuters) — Australia’s conservative government said Tuesday it will seek to prohibit betting on the Internet by *its citizens*, though it will allow its online gambling operators to *accept wagers from other countries*.

“AUSTRALIA’S status as one of the world’s leading problem gambling nations demands that we take decisive action to protect the most vulnerable in our community,” Communications Minister Richard Alston said in a statement.

Alston said laws would soon be introduced to bar gaming and wagering services, including electronic poker machines, casino games, sport betting and lotteries, that are offered commercially over the Internet. The legislation also will seek to prohibit gambling via interactive television and mobile phones, he said.

Newest Form of Internet Gambling: College Sports Betting

Almost **1%** of student athletes surveyed admitted to gambling via the Internet (Cross & Vallano. *The Extent and Nature of Gambling Among College Student Athletes*, University of Michigan Department of Athletics, 1998).



Public Policy Issues

- Dealing with the “Information Age”
- Underage gambling/credit card theft
- United States vs. the World
- Loneliness/secretcy “The cave/Castle”
- States regulate the “type” of gambling vs. developing one federal gambling regulation



Gambling and Gambling Information

- Over **1,000** sites actually allow gambling.
- There are over **400** sports betting sites
- Many provide **hyperlinks** (point & click connections) to other gambling areas that provide gambling related information i.e. tips, books, systems and phone numbers.
- Many sites can be “**minor-protected**” by Net Nanny™, CYBERsitter™ & Surf Watch™ other software products.

Where to get more information

- ♥ Council on Compulsive Gambling of New Jersey
(609) 599-3299 ext. 16 www.800gambler.org
- ♥ Type “Internet gambling” on most search engines i.e. www.yahoo.com (but be careful)
- ♥ National Gambling Impact Study Commission
www.ngisc.gov
- ♥ www.responsiblegambling.org - CFCG (Ontario)
InfoSource
- ♥ Mark Griffiths, “Gambling Technologies: Prospects for Problem Gambling”, *Journal of Gambling Studies* 15 (3) Fall 1999
- ♥ Rolling Good Times www.rgtonline.com
- ♥ Interactive Gaming Council www.igcouncil.org
- ♥ River City Group www.rivercitygroup.com

Where do we go from here?

- ♥ Need good research into the real effects upon the compulsive gambler
- ♥ Sites need to have increased Responsible Gambling policies and links to help sites
- ♥ The compulsive gambling field needs to increase their awareness to this issue and respond appropriately

12 Prevention and Intervention Strategies

1. Develop written policies outlining your organization's commitment to addressing the issue of compulsive gambling and post those policies on the website;
2. Provide links to compulsive gambling informational, referral and help sites like www.800gambler.org, www.responsiblegambling.org and www.ncpgambling.org;
3. Participate in industry sponsored Responsible Gaming programs like the Interactive Gaming Council's *Helping Hand* Program and explain these programs to all new customers;
4. Post national and international compulsive gambling Helpline phone numbers;

12 Prevention and Intervention Strategies

5. Initiate “loss limits” and cool-down periods for customers;
6. Allow and encourage customers who are compulsive gamblers to “self-exclude” themselves;
7. Promote corporate responsibility through financial and programmatic support of both national and international Councils on Compulsive & Problem Gambling;
8. Develop strict policies on the use of credit for gambling purposes;
9. Provide ongoing training and education to all personnel on compulsive gambling issues;

12 Prevention and Intervention Strategies

10. Encourage all operators to educate the public regarding available software filtering products that can deter underage gambling and develop strong, highly visible warnings pronouncing “no underage gambling allowed”;
11. Support regulations of Internet gambling that clearly address prohibitions of underage gambling and funding for compulsive gambling awareness programs;
12. Make the legal age for sports betting and casino gambling at least 21 years old