

NEWS RELEASE 2014

Center for Gambling Studies at Rutgers Will Conduct the First Comprehensive Research Study on Internet Gambling in the United States

Study to examine the impact of legalized online gambling in New Jersey and to assess whether problem behaviors vary with demographics across the state

The Center for Gambling Studies at the Rutgers University School of Social Work has been awarded \$1,287,504 to study the impact of Internet gambling in New Jersey. New Jersey became the third state to allow gambling online when betting started last November.

Funded by the New Jersey Division of Gaming Enforcement (DGE), in partnership with the Department of Health and Human Services, Division of Mental Health and Addiction Services, the three-year project will be the first comprehensive investigation of betting behavior on the Internet in the U.S. It comes in response to a mandate from Gov. Chris Christie to examine the impact of Internet gambling on problem gambling behaviors across the state.

"New Jersey is one of only three states where Internet gambling is legal," said Dr. Lia Nower, professor and director of the Center who also serves as the principal investigator on the grant. "But iGaming is a new frontier and no one knows quite what to expect. It's a real testament to the Governor and the Division that they're taking such a responsible approach to evaluating potential negative impacts, and we are really honored to be a part of it."

The project will begin in January of 2015 with a statewide baseline prevalence survey of a representative sample of New Jersey residents. In the first wave of the study, a representative

sample of 1,500 adult New Jersey residents will be interviewed by cell and landline phone and 2,000 residents, over the Internet regarding gambling behavior and Internet gambling. A follow-up survey 18-months later will evaluate any changes in past-year prevalence of Internet gambling and problem gambling as well as changes in the characteristics of Internet gamblers.

"Since the inception of Internet gaming, the Division of Gaming Enforcement has been committed to maintaining the highest level of responsible gaming standards, and information from a study such as this will only help in that regard." said Division of Gaming Enforcement director David Rebuck.

In addition to the prevalence study, the Center also will provide four yearly reports to the Governor, based on statistical analyses of the betting behavior of gamblers across Internet gambling sites.

Gambling has become a \$40 billion-a-year industry in the United States, generating more revenue than movies, spectator sports, theme parks, cruise ships, and recorded music combined. The global online gambling industry is one of the most rapidly expanding markets.

In New Jersey, patrons can play casino games as well as table games and poker online. Currently there are six operating Atlantic City casino Internet gambling permit holders with 14 authorized online gambling websites available to those who establish accounts and play within the borders of New Jersey.

Between the November 26, 2013 launch date and September 30, 2014, gross revenues from Internet gambling totaled \$102,285.692. The state also collects a 15 percent tax on all gross revenue from Internet gambling and a 2.5 percent tax to the Casino Reinvestment and Development Authority (CRDA).

"Unlike casino gambling, people don't have to travel or make time to gamble on the Internet," Nower said. "You can bet from your iPad at the breakfast table or on your work computer or on your phone at your kid's soccer game. And you're not handling cash so the money doesn't seem real. Our studies will identify what type person chooses this very private form of gambling, who develops problems, and how those problems are different from other forms of legalized gambling."

The Center for Gambling Studies was created in 2007 and serves as the only gambling research, policy, and training center in a school of social work in the nation. The center is a non-partisan

resource for clinicians, legislators, academics, students and other policymakers in New Jersey and internationally on gambling-related issues.

Contact: Beth Salamon

848-932-5340 or cell 908-217-7707 E-mail: <u>bsalamon@ssw.rutgers.edu</u>

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