

As gambling addictions surge, N.J. lawmakers study limits on sports betting ads

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A look inside the FanDuel sports book at the Meadowlands racetrack.

By [Keith Sargeant | NJ Advance Media for NJ.com](#)

Ralph Caputo turned on his television and was outraged by what he saw.

The Democratic state Assemblyman from Essex County couldn't get through a channel surf without being hit with a commercial for a sports betting site.

"This over-marketing and advertising is obnoxious," Caputo said. "It's obscene. You can't turn the television on without being hammered by an ad. I'm old enough not to be entrapped. But there are a lot of young people who are being influenced by these ads. It's very upsetting to see."

Caputo expressed his disbelief last week during a state legislative hearing on the surge of sports betting. As chair of the Assembly's tourism, gaming and arts committee, Caputo helped lead New Jersey's efforts to legalize sports betting in 2018. And more than anyone, he knows how the \$10 billion-a-year industry has benefitted New Jersey, with \$200 million in tax revenue since 2018, including \$102.6 million last year.

But Caputo realizes it has come at a cost. A new generation of sports bettors are just one smartphone app from ruin.

"There were 175,000 gamblers that were addicted back in the 1980s, but we know it's increased," Caputo told NJ Advance Media. "The way these internet sports betting companies hit you with advertising is out of hand. The reason why is because they're fighting for revenue. There's 37 companies in New Jersey, all fighting for the same piece of the pie."

“But people, especially younger individuals, are being saturated with this type of enticement. It’s definitely a problem.”

Reaching a solution will be equally complex, requiring regulatory change on the federal level. The ads are broadcast on TV stations based in New York and Pennsylvania or via streaming services, beyond the reach of the state Legislature.

It’s a problem that Felicia Grondin is aiming to solve. The executive director of [the Council on Compulsive Gambling of New Jersey](#) addressed her concerns May 9 in the state legislative hearing.

“No doubt gambling is an effective revenue resource for the state, but at what social cost?” she said. “The council’s barometer to quantify those who might be struggling with a problem is determined by the number of calls received to our 1-800-GAMBLER helpline.

“When we look at the amount of sports wagers compared to the number of helpline calls we’ve received since the onset of legalized sports betting, we can see a correlation — the more money wagered on sports, the more calls received, which translates into more people needing help.”

[NJ Advance Media reported in February](#) that the council has witnessed an unprecedented spike in helpline sports gambling calls. About 3% of calls involved sports betting before the state legalized it, and that number jumped to 11% in 2018, 15% in 2019, 18% in 2020 and 17% in 2021.

At one point during the COVID-19 pandemic, 29% of helpline calls were related to sports betting, according to Grondin.

“The uptick is driven largely by access to sports betting online and the abundance of gambling advertising on TV,” she told NJ Advance Media. “Just looking at the amount of money being wagered in New Jersey — \$1 billion a month — it’s crazy. And the amount of money that’s being spent on television advertisements from 2020 to 2021 is like 2 1/2 times more, so we know the advertising is just raking people in.”

Gambling companies spent \$725 million on TV ads in 2021, a 148% increase from the \$292 million allocated in 2020, according to [a February report by Barron’s](#).

“Advertising is everywhere, and the public is bombarded with offers of free bets, lines of credit, etc., especially in the world of sportsbooks,” Grondin said. “These advertisements increase the likelihood of state residents potentially developing a gambling problem. Advertising of this nature is the equivalent of a liquor store offering free alcohol or a drug dealer offering a free bag of heroin to individuals with a substance abuse problem. It is disturbing. It is alarming. And our calls are intensifying every day with every advertisement.”

In her address to the Legislature, Grondin called on lawmakers to implement strong regulations that would curtail sports betting advertising. She knows some of it is out of the state Legislature’s hands, since most New Jersey residents watch New York- or Philadelphia-based TV stations or streaming services.

“Obviously we have no control over New York or Pennsylvania,” Caputo said.

Still, Grondin is advocating for the state to sponsor public service announcements to inform the public about gambling risks and the services available for those struggling with addiction. She’s also seeking regulations that would require warning labels on internet gambling sites and casinos and sportsbooks throughout New Jersey.

“I don’t think a public service announcement requires anything legislatively speaking, and the warning label is probably a regulatory change the state should consider,” she said.

Caputo said he’s “exploring” regulation and PSAs, but he plans to get input from officials at the department of gaming enforcement about “how we can regulate.”

“I don’t want to hurt these businesses, either,” he said. “We saved gaming in the state with internet sports betting. They would’ve had to close the doors on those casinos. We kept the lights on all those years. But there has to be some curtailment here. And we’re taking her testimony very seriously.”

Grondin understands much of her efforts to regulate sports gambling ads will need to be focused at the federal level. And it’s why she hopes to raise the issue with New Jersey’s congressional lawmakers this summer.

“It might take me to Washington, but wherever it takes me, I’m willing to go because they need to be aware of what’s going on,” she said. “It’s not all about the money. This is a social epidemic in the making. It’s a hidden addiction that’s just not recognized, and it’s time that it be recognized.

“Until we get a hold on the ads raking people in, it’s only going to get worse.”

Anyone concerned about their gambling should contact the Council on Compulsive Gambling of New Jersey’s confidential helpline at 1-800-GAMBLER or call compulsive gambling counselor Arnie Wexler’s hotline, 1-888-LAST-BET.

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