INTERNAL MEMORANDUM NOT FOR DISTRIBUTION

TO: Grace Hou, Deputy Governor for Health and Human Services
Ryan Croke, First Assistant Deputy Governor for Health and Human Services
FROM: Dhruv Kapadia, Dukakis Governor's Fellow for Health and Human Services
RE: Illinois Problem Gambling Comprehensive Report
DATE: August 11, 2026

The Governor's Office requested an assessment of how Illinois's changing gambling landscape is affecting residents, whether current prevention and treatment resources are reaching those in need, and which states offer the strongest models. This memo synthesizes national research, Illinois-specific data, peer-state benchmarking, and discussions with Jim Wilkerson and Dr. Kellie Gage of the Illinois Department of Human Services' (IDHS) Division of Behavioral Health and Recovery (DBHR), Marcus Fruchter and Joe Miller of the Illinois Gaming Board (IGB), and counterparts in New York and Massachusetts. This may inform the FY28 budget and 2026–27 legislative agenda ahead of the forthcoming FY27 Gambling and Gambling Disorder Survey.

I. Executive Summary

Illinois's gambling market has expanded rapidly since 2019 and is increasingly shifting toward products that are mobile, continuous, and easy to access. The State's most recent comprehensive prevalence estimate is based on data released by IDHS in 2021 and is set to be updated in a report to be published next year. The last report was published before sports wagering, digital lottery play, and casino expansion reached their current scale. That assessment estimated that more than 1.1 million Illinois adults were either experiencing or at risk of problem gambling; **the current burden is likely higher**.

A comprehensive fiscal analysis of 2021-25 IGB annual reports, internal DBHR data, and Illinois Lottery annual Private Management Agreement reports produced several findings:

- **Casinos**: Revenue growth has been driven mainly by new casinos and increased visitation, while electronic gaming devices are gaining market share.
- **VGTs (Video Gaming Terminals)**: Illinois's largest and most geographically dispersed gambling vertical continues to expand but remains outside the State's Self-Exclusion Program.
- **Sports wagering**: The market's primary growth engine is overwhelmingly online and increasingly concentrated in parlays, in-game betting, and other high-frequency products associated with greater harm.
- **Lottery**: Overall growth is more moderate, but Fast Play and iLottery are reducing the friction historically associated with lottery participation.
- **Emerging risks**: Prediction markets operate outside many state safeguards, while ongoing VGT expansion in Chicago could substantially increase access to an already under-protected product.

The State has not been complacent. IDHS/DBHR has expanded prevention, treatment, public awareness, training, and helpline investments, with the FY27 problem-gambling budget reaching $15.2 million. The IGB has strengthened advertising rules, prohibited credit-card funding of sports-wagering accounts, pursued unlicensed operators, and begun modernizing self-exclusion. ***However, the response remains fragmented with opportunities to strengthen the state's interventions.*** Self-exclusion is divided across gambling products and excludes VGTs; funding is not statutory or tied to market growth; and the State lacks timely prevalence, operator, insurance, and outcome data needed to evaluate whether resources are reaching those most affected.

Potential Actions – Illinois can build on existing IDHS/DBHR and IGB efforts through three complementary pathways:

1. **Agency Coordination:** Modernize and unify self-exclusion across gambling products, develop and test a technically feasible pathway for extending SEP protections to VGTs, improve referrals between regulators and treatment providers, and use the FY27 Needs Assessment to guide funding and service delivery.
2. **Executive Action:** Strengthen interagency data sharing, create a time-limited responsible-gaming task force, and require problem-gambling impact reviews before major market expansions (e.g., prediction markets).
3. **Legislation:** Establish a stable funding formula tied to gambling revenue (including Lottery), extend protections to VGTs and emerging products, and adopt stronger safeguards for high-risk mobile wagering.

II. Background: Problem Gambling and the Changing Ecosystem

Nationally, problem gambling is an extensively studied behavioral health condition. This section sets out the clinical distinctions among types of problem gambling, the pathways by which it develops, and the rapidly expanding set of gambling products now driving national concern.

New Forms of Gambling Drive Concern

Since the 2018 *Murphy v. NCAA* decision struck down the Professional and Amateur Sports Protection Act of 1992 (PASPA) and opened the door to state-by-state legalization, the gambling surface area has expanded toward products that are mobile, 24/7, algorithmically optimized, heavily marketed, and increasingly accessible to youth.

Form	What it is	Legal Status & Scale
Casinos	Brick-and-mortar facilities offering slots, table games, poker, and retail sportsbooks.	Legal in Illinois since 1990 and regulated by the Illinois Gaming Board. Illinois currently has 17 authorized casinos, including its first racetrack casino. High concern due to continuous-play products.
Video gaming terminals (VGTs)	Slot/poker machines in bars, restaurants, truck stops, and clubs.	Legal in Illinois since the 2009 Video Gaming Act. Illinois has the most VGTs of any state (49,000+). High concern due to convenience, proximity, and lower-income siting.
Online sports betting (DraftKings, FanDuel)	Mobile, app-based wagering on sporting events, available 24/7.	Legal in 38+ states post-2018. Legal online sports-betting revenue grew 1,200% (2020–2024). Defined by saturation marketing, sign-up inducements, and frictionless access.

Microbetting / in-game betting	Rapid-fire wagers on in-game events, settled in seconds.	Bundled within legal sports-betting apps. Continuous-action structure mimics the most addictive formats and heightens loss-chasing risk.
Prediction markets* (Kalshi, Polymarket)	Exchange-traded "event contracts" on yes/no outcomes, increasingly includes sports.	Federally regulated by the CFTC; operate outside state responsible-gambling safeguards. Combined monthly *global* volume rose from under $5B (Sep. 2025) to roughly $50B (Jul. 2026). Sports account for the majority of Kalshi volume. Several states have issued cease-and-desist orders.
Sweepstakes Machines*	Electronic machines that mimic slots or video poker	Operate in an unlicensed, untaxed gray market rather than under Illinois' regulated VGT system. Approximately 7,000 unpermitted machines operate in Chicago businesses, concentrated on the South and West sides
Loot boxes*	Randomized video game rewards purchased with real $	Largely unregulated in the U.S. Flagged as a gambling-adjacent "gateway" that normalizes paid chance-based play for minors.
Daily fantasy sports (DFS)	Paid contests drafting player rosters for cash prizes.	Legal gray area in many states (framed as skill, not gambling). A long-running entry point that normalized money-stakes sports play. Illinois enacted P.A. 104-0468 during the 2026 legislative session, which established self-exclusion protections for fantasy-sports participants.
iGaming	Digital slots and table games played online for real money.	Legal in ~7 states (NOT Illinois) but the fastest-growing vertical (roughly +68% growth, 2022–2024). High-velocity play resembles the most addictive in-person formats. In spring 2026, the IGB sent 65 cease-and-desist letters to illegal online casino operators serving Illinois residents.

** These products operate outside Illinois's licensed gambling system or in a contested legal category; reliable Illinois revenue and tax data are therefore unavailable*

Gambling Revenue is Generated Predominantly from Problem Gamblers

The most rigorous evidence on the distribution of gambling revenue comes from Connecticut, whose Department of Mental Health and Addiction Services commissioned a $1.2 million socioeconomic impact study (conducted by Gemini Research University of Massachusetts professor Rachel Volberg) pursuant to a General Assembly mandate and released in February 2024. The study found that nearly **71% of all legal gambling revenue in the state is derived from the fewer than 7% of residents who are problem (1.8%) or at-risk (4.9%) gamblers.**

The concentration is most acute in the products of greatest concern to the Illinois market: while problem gamblers account for 12.4% of lottery revenue, they generate 51.0% of sports-betting revenue, meaning **more than half of all sports wagering in CT is attributable to the fewer than 2% of residents who meet the clinical threshold for a gambling problem.** Across all legalized gambling, that same 1.8% of the population supplies 21.5% of revenue. These findings carry a direct policy implication: **the fiscal returns the state realizes from expanded gaming are structurally dependent on the population the state has a corresponding obligation to protect.** The revenue concentration is not an incidental feature of the market but its economic foundation, which **strengthens the case for treating a dedicated share of that revenue as owed back to prevention and treatment rather than as discretionary surplus.**

Participation Is Rising Even as Public Concern Grows

National polling shows American attitudes growing more skeptical of gambling products driving expansion, even as participation rises. The Pew Research Center, which conducted parallel surveying in 2022 and 2025, found that **calling widespread legal sports betting bad for society rose from 34% to 43%, and the share calling it bad for sports rose from 33% to 40% — while past-year sports betting itself rose from 19% to 22%**. More broadly, Americans distinguish among products: casinos and regulated professional sports betting remain broadly accepted, while college wagering and prediction markets attract greater skepticism.

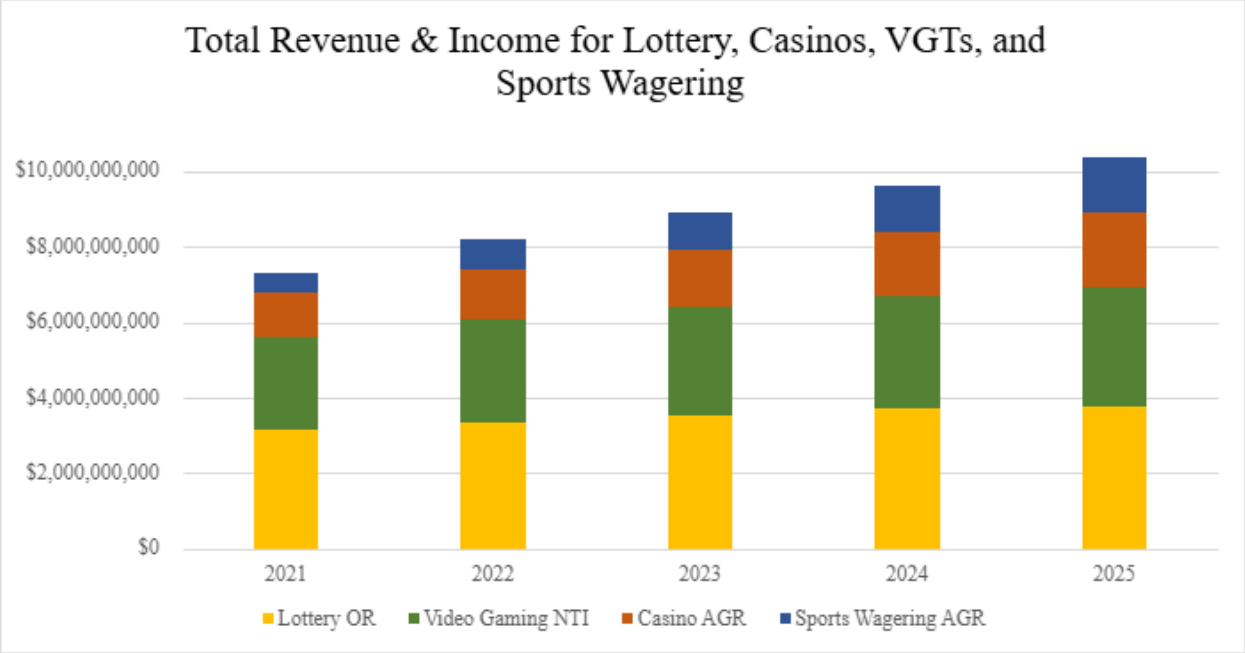
Study	Key Results	Takeaway
Pew Research Center (Jul–Aug 2025)	"Bad for society" 43% (up from 34% in 2022); "bad for sports" 40% (up from 33%); past-year sports betting 22% (up from 19%), driven by online (6%→10%)	Online sports betting is expanding even as public judgment of its social consequences deteriorates.
Ipsos/AIBM (Feb–Mar 2026)	Only 21% familiar; 61% call prediction markets closer to gambling (8% to investing); 59% favor gambling-style regulation, 6% favor none	Despite limited familiarity, the public rejects the industry's investment framing and favors gambling-style oversight.
Siena/St. Bonaventure (Jan 2025)	22% hold active sportsbook accounts; 50% support legalization in all 50 states; 63% back the SAFE BET Act; 52% of account-holders have chased losses	Legalization is not a mandate for passive regulation: widespread participation coexists with visible harm and support for safeguards.
AGA/Kantar (Jul–Aug 2025)	90% find casino gambling acceptable for self or others; 74% support legal, regulated sports betting; 72% recalled a responsible-gaming message	Traditional gambling remains normalized, while public support for sports betting is strongest when it is explicitly framed as regulated. *(Industry-sponsored)*
AP-NORC (Feb 2025)	58% say professional sports betting should be legal (vs. 60% in 2019); 43% say the same for college sports (vs. 42%)	Professional sports betting retains majority support, but college sports remains below majority approval.

Two patterns give the trend its forward momentum. First, **the sharpest cleavage in sports betting is generational rather than partisan**: Pew found 31% of adults aged 18–29 wagered in the past year versus 12% of those 65 and older — a gap that dwarfs the two-point difference Pew recorded between Republicans and Democrats. Second, **participation does not translate into approval**: men, college graduates, and higher-income adults are as likely to bet as their counterparts yet more likely to call widespread legal sports betting socially harmful, indicating that direct familiarity coexists with concern about advertising, integrity, and addiction. **The public's preferred response is neither prohibition nor an unregulated market but tighter regulation** — Siena found 63% support for a federal safeguard package including affordability checks and advertising limits, while in the prediction-market survey 59% favored gambling-style regulation against 25% who favored an outright ban.

III. The State of Problem Gambling in Illinois

Illinois has one of the largest gambling markets in the country, and its problem-gambling burden is almost certainly larger than its only prevalence estimate suggests. **When accounting for Lottery, VGT, casino, and sports wagering, total revenue in 2025 exceeded $10.3 billion.**

1. Illinois's gambling ecosystem is rapidly expanding, with growth being driven by sports wagering (+181%); and its composition is tilting toward the most mobile, continuous, and harm-associated forms of play.



Source: CY2021-2025 IGB Annual Reports; FY2021-2025 PMA Illinois Lottery Reports

Across all four major gambling verticals, combined gambling revenue increased from $7.33 billion in 2021 to $10.37 billion in 2025, a 42% increase.

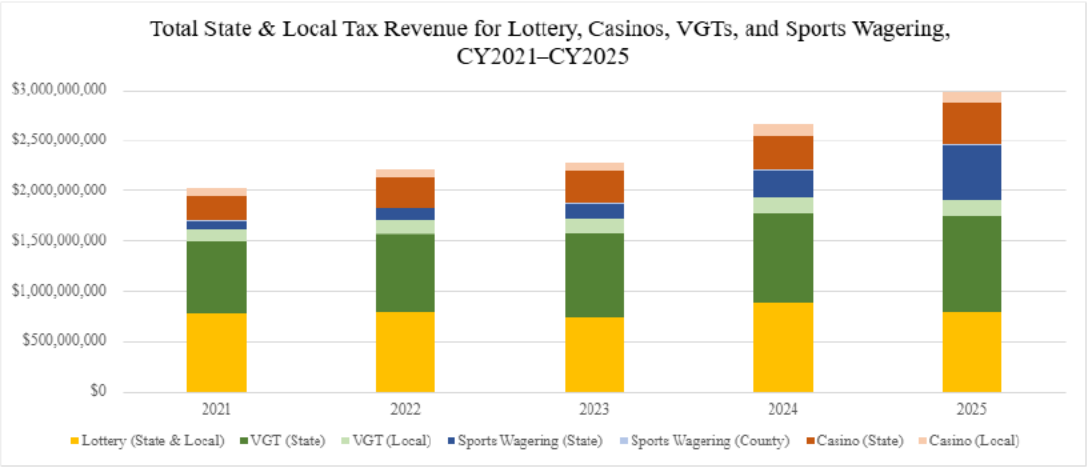
Across the three verticals regulated by the Illinois Gaming Board, underlying gambling revenue — casino adjusted gross receipts, sports-wagering adjusted gross receipts, and video-gaming net terminal income — increased from **$4.19 billion in 2021 to $6.61 billion in 2025**, a 57.8% increase. Growth remained substantial in every year: 15.9% in 2022, 11.4% in 2023, 9.6% in 2024, and 11.5% in 2025. The expansion was highly uneven, however. **Sports-wagering operator revenue increased 181%**, compared with 64% for casinos and 28.7% for video gaming. Illinois is therefore experiencing not merely an expansion in gambling, but a reallocation of activity toward the mobile and continuously available sports-wagering market.

The lottery, which is overseen by the separate Illinois Department of the Lottery rather than the IGB, has grown more moderately overall, but its channel mix has changed sharply. **iLottery sales increased from $170.1 million in FY2021 to $681.9 million in FY2024**; by the first three quarters of FY2025, digital sales represented 44.1% of draw-based-game sales and 18.9% of total Lottery sales. Fast Play accounted for more than two-thirds of online sales, indicating that **Lottery growth is increasingly concentrated in digitally accessible, rapidly resolved products** that reduce the retail and temporal friction associated with lottery participation.

Growth and Structural Shifts Across Illinois Gambling Verticals, 2021–2025
(see Tables A3—A6 in Appendix A)

Vertical	Trend	Key Statistics & Shifts (2021 to 2025)
Casinos	A mature vertical expanding through new capacity — not heavier individual play — but with higher electronic gaming gaining share.	• Adjusted gross receipts rose **64%**, while admissions rose **102.5%** as the number of casinos increased from **11 to 17**. • Revenue per admission fell **19.2%**, from **$154.51 to $124.91**, partly reflecting normalization from the pandemic baseline. • EGR grew faster than table games: **66.9% vs. 54.3%**.
VGTs	Illinois's largest, most accessible, and most geographically dispersed gambling vertical continues to expand — yet remains outside the State's self-exclusion program.	• Net terminal income reached **$3.19 billion** in 2025, exceeding both casinos and sports wagering. • VGTs generated **$955 million** in state tax revenue (highest) • Nearly **$35 billion** was wagered through VGTs in 2025. • Terminal count rose **18.2%** to **49,450**, while revenue per machine rose **8.9%**. • These figures precede Chicago's legalization of VGTs.
Sports Wagering	The State's primary growth engine is becoming more mobile, rapid, and operator-favorable, with bettors shifting toward parlays, in-game wagering, and other higher-hold products.	• Handle rose **123%** to **$15.65 billion**, while AGR rose **181%**. • Operator hold increased from **7.49% to 9.43%**. • **97.9%** of AGR now comes from online wagering. • Sports wagering produced **67%** of the increase in state gaming tax revenue from 2024 to 2025. • Tier 2 handle rose **203%** to nearly **$10 billion** and now represents **64.3%** of reported handle. • Tier 2 increased from **39.6% to 57.2%** of wager counts.
Lottery	Growth remains relatively steady, but rapid iLottery expansion and Fast Play are moving the Lottery toward more immediate, digitally accessible, and frequent play.	• Planned operating revenue increased **26.2%**, from **$3.139 billion in FY2021 to $3.960 billion in FY2025**. • iLottery revenue rose **383%**, from **$141M to $681M**. • iLottery's share of revenue increased from **4.5% to 17.2%**. • Digital access reduces the physical and temporal friction historically associated with lottery purchases. • Fast Play and other digital products warrant closer monitoring.

The more consequential development is in the changing composition of the market. Video gaming terminals accounted for 68.7% of IGB state gaming tax revenue in 2021 but 50.1% in 2025, while sports wagering rose from 7.5% to 28.4% over the same interval. **The State's fiscal base is migrating from a mature, in-person format toward a mobile, continuously available, and algorithmically optimized one** — the vertical that clinical research most closely associates with rapid-onset, high-frequency harm.



Source: CY2021-2025 IGB Annual Reports, FY2021-2025 Q4 PMA Illinois Lottery Reports

Overall, combined state and local gaming tax revenue increased 77% over four years, reaching approximately $2.20 billion in CY2025, compared with $1.24 billion in CY2021. Growth did not plateau as the market matured; it accelerated, with the 24.6% year-over-year increase in 2025 representing the largest single-year gain of the five-year period. State revenue grew more quickly than local revenue — 82% versus 51% — largely because sports wagering, the fastest-growing vertical, accrues almost entirely to the State.

Tax-revenue growth, however, overstates underlying market growth for sports wagering—and for sports wagering alone. The effective tax rate on casinos remained near 21%, and the rate on video gaming remained near 29% to 30%, meaning tax growth in those verticals generally tracks underlying revenue. By contrast, the effective rate on sports wagering approximately doubled, from roughly 15% in 2021 to 37% in 2025, as Illinois adopted a graduated 20-to-40% structure and later layered on the per-wager tax**. State sports-wagering tax revenue consequently grew 588%, while adjusted gross receipts grew 181%**. The surge therefore reflects the combined effects of market growth and tax-policy changes, rather than wagering volume alone.

2. The market is being reshaped by two structural changes: the arrival of prediction markets and the expansion of video gaming into Chicago.

A. **Prediction markets**
Federally regulated event-contract exchanges, principally Kalshi and Polymarket, have introduced a product that functions as sports wagering but operates entirely outside the State's responsible-gambling architecture. Because these platforms are regulated as commodities markets by the Commodity Futures Trading Commission (CFTC), they are not subject to Illinois's self-exclusion program, deposit or wager limits, mandated helpline messaging, or any other state consumer protection. Their growth has been extraordinary: combined global monthly volume rose from under $5 billion in September 2025 to approximately $50 billion in July 2026, with sports contracts constituting the majority of Kalshi's volume.

The legal status of these markets in Illinois is actively contested. The IGB issued cease-and-desist letters to Kalshi, Robinhood, and Crypto.com in April 2025 and to Polymarket in January 2026; the CFTC and the U.S. Department of Justice subsequently sued the State in April 2026, and related litigation remains unresolved. The significance for this memo is that a rapidly scaling, sports-oriented gambling product is drawing Illinois residents into wagering that falls wholly outside the harm-reduction framework the State applies to every comparable legal product — and that the entry of established operators into the space signals further growth regardless of the litigation’s outcome.

B. **Expansion of video gaming into Chicago**
Illinois already operates the largest video gaming terminal market in the nation, and that market is positioned to expand through its largest and densest population center. The Chicago City Council authorized video gaming in December 2025 as part of the 2026 budget. The authorization remains uncertain, however: a repeal effort was under consideration as of June 2026, with the Administration citing a consultant estimate that the machines would cost the City approximately $3 million annually and cannibalize the

$1.7 billion Bally's casino development, while proponents projected revenue ranging from roughly $10 million to more than $60 million per year.

The IGB has indicated that any rollout will proceed slowly, constrained by agency staffing capacity. The harm significance follows directly from Takeaway 1: video gaming is already the largest gambling vertical in the state and, as noted, **falls entirely outside the self-exclusion program**. Expansion into Chicago would extend the least-protected vertical into the state's densest market.

3. Illinois's five-year-old statewide assessment estimated that more than 383,000 adults (3.8%) experienced problem gambling, with disproportionate burdens among communities of color; the estimate predates the expansion of sports wagering and prediction markets. The 2021 Statewide Assessment of Gambling and Problem Gambling in Illinois, commissioned by IDHS and prepared by Health Resources in Action, remains the only statewide prevalence measurement. It found that 3.8% of adults — an estimated 383,000 residents — meet the clinical threshold for problem gambling, with an additional 7.7%, roughly 761,000 residents, at risk of developing one. Combined, these figures describe **more than 1.14 million Illinoisans who have, or are at risk of developing, a gambling disorder.** The updated assessment will be released in phases: preliminary findings in January 2027 and secondary findings in June 2027.

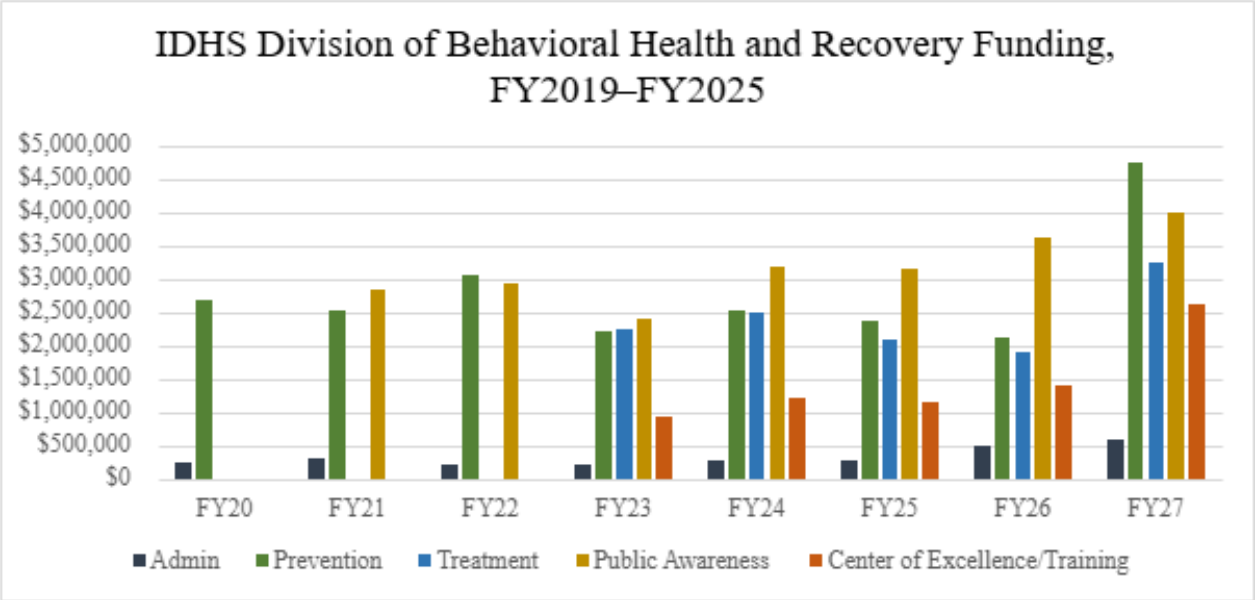
The burden was not evenly distributed. Hispanic/Latinx adults had the highest estimated prevalence of problem gambling at 7.3%, followed by adults categorized as another race or ethnicity at 4.1% and Black adults at 3.6%, compared with 2.9% among White adults. **Among frequent gamblers, 25.9% of Hispanic/Latinx respondents and 11.8% of Black respondents met the problem-gambling threshold**. Men were also more likely than women to be frequent recreational, at-risk, and problem gamblers. The harm also overlapped heavily with other behavioral-health risks: **68.6% of people with problem gambling experienced serious anxiety or depression in the prior year**, and one in ten reported suicidal thoughts or attempts. These preexisting inequities mean that communities of color, lower-income residents, and younger adults are likely to bear a disproportionate share of the harm from the subsequent expansion of mobile sports wagering and prediction markets.

IV. Prevention & Regulatory Efforts: Illinois's Recent Actions and Impact

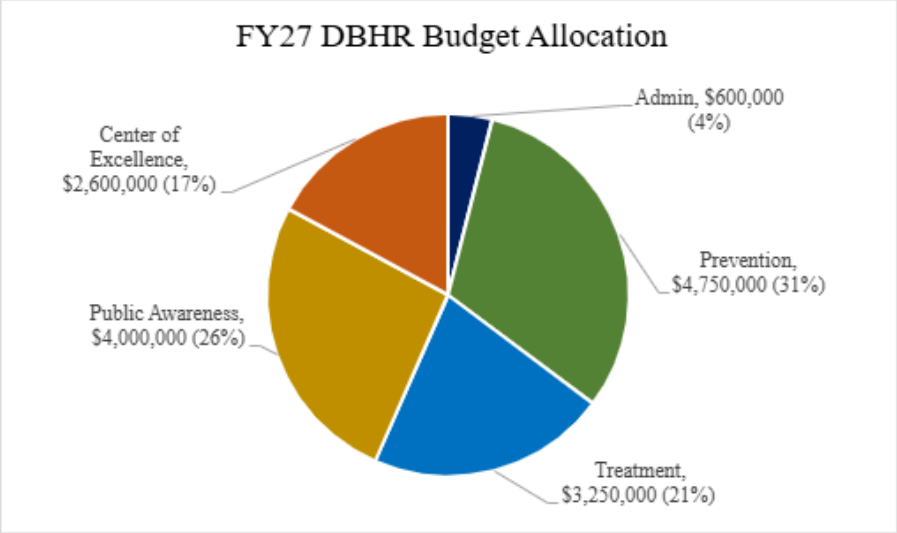
Illinois's coordinated response to gambling disorder is housed within IDHS's Division of Behavioral Health and Recovery (IDHS/DBHR). Since 2019, when gambling expansion accelerated with the legalization of sports wagering, DBHR has built its work around the **RECOVERY PATTH model**, which structures the state's efforts across five pillars: Prevention, Awareness, Treatment, Training, and the Helpline. Program materials, provider funding, and the unified public-facing brand ("Are You Really Winning?") all map to these pillars, replacing a previously fragmented set of state and provider-specific campaigns with a single statewide voice. The DBHR Gambling Disorder Program now directly serves more than 70,000 individuals annually — up from roughly 2,600 in SFY19, while statewide outreach, prevention, and education efforts reach an estimated 9.6 million residents each year.

DBHR Investment Has Scaled Rapidly and Built a Full Continuum of Services
The **gambling services appropriation has grown by more than 1,400% in the past 8 years,** from approximately $1 million in FY19 to a $15 million line, with the Governor's FY27 budget at $15.2 million. By the National Association of Administrators for Disordered Gambling Services (NAADGS) 2025 Budget Update, Illinois ranked **2nd nationally in total state-allocated funds** for gambling addiction services. However, Illinois's standing **drops to 7th when factoring per-capita dollars**.

The year-over-year budget shows the sequential maturation of the program's infrastructure. Illinois funded only administration and prevention in FY20; a dedicated Public Awareness line was added in FY21, and both a distinct Treatment line and the Center of Excellence/Training line were stood up in FY23. In other words, the system built its pillars in stages — awareness first, then dedicated treatment capacity and a workforce/training backbone.



The **FY27 proposed budget is the single largest step-up in the program's history**, and its composition signals a deliberate strategic pivot. Prevention more than doubles (from $2.1M in FY26-to-May to $4.75M), reflecting the FY27 Notice of Funding Opportunity's explicit reorientation toward prevention and its expansion of the provider network by thirteen organizations. Treatment ($1.9M to $3.25M), the Center of Excellence/Training ($1.4M to $2.6M), and Public Awareness (to $4.0M) all rise substantially.



Impact Across the RECOVERY PATTH Pillars

- **Prevention**: DBHR-funded providers recorded 54,478 screenings in FY25 and 56,063 through May of FY26, excluding services paid through private insurance, self-pay, or HFS-supported CCBHCs. The FY27 expansion moves the program beyond treatment-provider outreach toward a broader prevention model built around school programming, community engagement, screening events, and sporting-event outreach.
- **Awareness:** The "Are You Really Winning?" campaign has achieved substantial statewide reach. Advertising impressions increased from 269 million in FY25 to 465 million through May of FY26; website visits rose from 54,118 to 248,555, while QR-code scans increased from 3,554 to 15,517. On July 24, 2026, the campaign received two National Council on Problem Gambling awards—one for "Are You Really Winning?" and another for "Think Before You Gift"—bringing its total to four national awards since the statewide rebrand.
- **Treatment:** Service utilization has increased sharply. Clinical assessments rose from 7,837 in FY20 to 18,222 in FY25, while treatment episodes more than doubled from 955 to 2,245. The FY27 treatment allocation supports individual and group treatment, case management, crisis counseling, and service linkage. These figures demonstrate growing reach and demand, although the State still lacks consistent clinical-outcome data showing whether participants remain engaged or experience sustained reductions in harm.
- **Training:** The Center of Excellence, delivered through the Illinois Council on Problem Gambling (an IPGGC-certified training provider), anchors workforce development — offering continuing-education credit across more than twenty-five Illinois licenses and certifications, semi-monthly supervision, population-specific conferences, and, since FY26, a dedicated research component that is among only a handful nationally. Yet workforce remains a binding constraint: providers and Gamblers Anonymous members continue to report a shortage of trained problem-gambling clinicians and long wait times, underscoring that funding growth has outpaced the state's ability to expand trained capacity.
- **Helpline**: Illinois calls to 1-800-GAMBLER have increased approximately 3.3-fold since FY20, compared with 1.9-fold among the ten highest-volume states. Illinois's provider now also manages helpline operations for multiple states, reflecting both rising awareness and growing demand for support. (See Appendix B.)

Insurance Coverage and Claims Data Remain Major Gaps
Outside of DBHR-funded treatment services, the State has limited visibility into care financed through Medicaid or private insurance. FY25 HFS claims identified 416 Medicaid customers with any gambling-related diagnosis, including only 62 for whom gambling was the primary diagnosis. **These figures understate utilization because Illinois Medicaid does not generally cover gambling-disorder treatment as a distinct servic**e; coverage is available through the CCBHC waiver and through broader services such as psychotherapy or treatment for co-occurring conditions, which may not be coded as gambling-related. A future HFS waiver extending explicit gambling-treatment coverage across Medicaid could both expand access and produce more reliable utilization data.

Private-insurance coverage is similarly inconsistent, and the Department of Insurance does not currently track the number of patients receiving gambling-related services or the dollars spent. Insurance-parity legislation requiring gambling-disorder services to be covered comparably to other behavioral-health and substance-use conditions could reduce out-of-pocket barriers while giving the State a fuller picture of treatment demand beyond DBHR-funded providers.

SB 2749 Expands Treatment Authority, but Funding and Coverage Gaps Remain
On July 24, 2026, Governor Pritzker signed SB 2749, formally recognizing gambling disorder within the Illinois Substance Use Disorder Act. The law allows IDHS/DBHR to support residential treatment for gambling disorder as a stand-alone condition; previously, state-funded inpatient care was generally available only when a patient also had a qualifying substance-use disorder. It also provides clearer authority for counselor training and prevention and early-intervention programming in high schools and colleges.

The law represents an important normalization of gambling disorder as a behavioral-health condition and expands the services Illinois may provide. However, it includes no new appropriation, implementation timeline, or guarantee of Medicaid reimbursement. Its near-term impact will therefore depend on available DBHR funding, provider capacity, and future action to establish more consistent public and private insurance coverage.

Immediate Next Step: Establish an Updated Baseline Through the FY27 Needs Assessment
To close these gaps, IDHS/DBHR is launching its first comprehensive needs assessment since the pre-sports-betting era, on a phased timeline designed to accelerate usable findings: data collection begins in August 2026, an initial publication of large-dataset, general findings on gambling and gambling disorder in Illinois is targeted for January 2027, and a secondary publication incorporating focus groups, interviews, and follow-up research will follow in June 2027. The assessment, funded by a $250,000 allocation, is scoped to capture emerging vectors — **including prediction markets and underage gambling** — and, at the Deputy Governor's suggestion, IDHS/DBHR is coordinating with HFS and the Department of Insurance to fold Medicaid data into a fuller picture of problem-gambling supports statewide.

The IGB and the Legislature: Regulators Strengthening Safeguards
The Illinois Gaming Board (IGB) regulates casino gambling, video gaming, and sports wagering statewide, and since the 2019 expansion law it has been implementing that statute's provisions while modernizing its own rules. Over the past several years, the IGB has used its rulemaking

authority to strengthen consumer protections across every vertical it oversees, and it is now preparing its most consequential responsible-gaming initiative to date: **a comprehensive modernization of the Self-Exclusion Program**. At the same time, two policy fronts — the first-in-the-nation per-wager tax and the rise of prediction markets — are testing the limits of the state's current regulatory framework.

Recent IGB Regulatory Rulemaking (2021–2025)

The IGB's rulemaking over this period moved from operational modernization toward an increasingly explicit consumer-protection posture, culminating in a cluster of 2025 rules:

Year	Key Actions
2022	Adopted rules on licensure of video-gaming sales agents and brokers, vertical integration in video gaming, and enhanced casino surveillance; issued an order barring sports wagering on Russian and Belarusian events.
2023	Adopted a casino-technology modernization rule (duty to keep ineligible patrons off the gaming floor, magnetometer requirements, updated electronic-gaming-position counting, surveillance updates); required responsible-gaming signage in video-gaming locations, closing gap with casinos and sportsbooks.
2024	Provided oversight for new permanent casinos in Rockford and East Hazel Crest; the sole enacted gaming law restructured the sports-wagering tax (below).
2025	Adopted unified advertising rules across all gaming disciplines (excluding enticements to minors / problem gamblers); a sports-wagering credit-card ban; a mandatory casino human-trafficking recognition rule; and a cashless-wagering rule. Issued 10+ cease-and-desist letters to unlicensed online operators.

IGB's enforcement against illegal online gambling continued to intensify in 2026. In spring 2026, the agency sent 65 cease-and-desist letters to illegal online casino operators, substantially expanding its efforts to prevent unlicensed iGaming products from reaching Illinois residents.

Self-Exclusion Program: Enrollment Not Keeping Pace with Market Growth

Annual new enrollments have risen roughly 70% since 2022 (350 to 595), yet the cumulative base — 16,115 people through 2025 — is negligible against a market that took in roughly $15.7 billion in sports-betting handle in 2025 alone and generated $1.48 billion in sports-wagering adjusted gross receipts. Given that the research literature suggests only roughly 4–10% of problem gamblers seek help on their own, a self-exclusion tool that is hard to enter, hard to exit, and blind to the largest venue type is structurally limited.

Two design features are the likely drivers:

1. **Inaccessible Enrollment**: Enrollment must be completed in person at a limited number of sanctioned sites, and the exclusion carries a minimum multi-year — effectively lifetime, difficult-to-reverse — commitment.
2. **VGT Exclusion:** Compounding the reach problem, the SEP covers casinos and sportsbooks but not video gaming terminals, which are the state's largest gambling-revenue segment.

A Modernization Agenda for the SEP

The IGB, having reviewed peer states (Massachusetts, New Jersey) and peer nations, has drafted a package of SEP reforms for rollout in the fall, to be grounded in program data and evaluation. The six core elements (not presented in an order of priority or emphasis):

1) **Hybrid and online enrollment:** Add remote enrollment options alongside in-person sign-up, working through data-privacy requirements.
2) **Flexible exclusion terms:** Replace the current mandatory long-term structure with tiered options — six-month, one-year, five-year, and lifetime — with auto-renewal, lowering the barrier to entry.
3) **Cross-venue unification:** Coordinate exclusion across verticals — including iLottery and advanced-deposit wagering in horse racing — and address the inconsistent age thresholds (18+ for lottery and horse racing, 21+ for casino and sports wagering) that a unified system would expose.
4) **VGT integration:** Develop a phased pathway to extend the SEP to Illinois's approximately 50,000-terminal video-gaming network. No U.S. jurisdiction has implemented an identification-linked SEP at comparable scale, making this primarily a technological and operational challenge. IGB has identified three potential models that could build on its new centralized-communications system beginning in 2027:
    a) **Terminal-level identification**: Require an ID check at each VGT before play. This offers the strongest protection but would require hardware and software upgrades across nearly 50,000 terminals.
    b) **Location-level player cards**: Verify patrons at a kiosk in each establishment and issue a card required to activate VGTs. This would reduce the installation footprint but create some risk of card sharing.
    c) **Voucher-based access**: Require patrons to verify their identity at a redemption terminal before receiving a play voucher. This appears to be the most practical near-term option, avoids retrofitting every VGT, and could reduce cash-related burglary risks, though safeguards would be needed to prevent voucher transfers.
5) **Clinically informed removal, routed to IDHS:** Remove the existing requirement that a counselor attest a person no longer has a gambling disorder — inconsistent with the DSM-5 (2013) recognition of gambling disorder as chronically relapsing — and replace it with a relapse-protection-plan process. Removal decisions for five-year and lifetime exclusions would be routed through IDHS/DBHR (a human-services agency) rather than the IGB (a regulator), via rulemaking or an intergovernmental agreement.
6) **Post-exclusion protections:** Adopt a nine-to-twelve-month post-exclusion marketing ban (modeled on France) and, over the longer term, reform the trespass provision — currently a misdemeanor for an excluded person found gambling — toward a Massachusetts-style approach that requires meeting with a problem-gambling counselor and forfeiting winnings, redirecting people toward help rather than the courts.

The Per-Wager Tax: Challenging Consequences

Effective July 1, 2025, (HB 2755) imposed a first-in-the-nation per-wager tax on online sports betting: $0.25 per wager for each licensee's first 20 million wagers and $0.50 per wager thereafter. It generated ~$62.2 million through 2025. This layered on top of the 2024 restructuring, which replaced the flat 15% rate with a 20-to-40% sliding scale on adjusted gross

receipts. The tax is producing a notable dynamic: Illinois's 2025 statewide sports-wagering AGR rose about 20% year over year (to $1.48 billion), and tax collections rose roughly 103% — even as operators report fewer individual wagers. The pattern is consistent with operators raising minimum-bet requirements and passing the per-wager charge directly to bettors: **bettors are placing fewer, larger bets and losing more per bet, while state revenue climbs**.

The IGB shared concerns about the per-wager structure, including that gambling is conventionally taxed on operator revenue rather than transaction count, that a charge passed directly to bettors may function as a consumer fee, and that it could move some activity toward unregulated markets. A legislative repeal effort is underway, and GOMB has considered an alternative proposal that would eliminate the per-wager charge while increasing each tier of the progressive adjusted-gross-receipts tax by approximately 5%.

Chicago's VGT Expansion: Concerning, Rolling Out Slow

Chicago's authorization of video gaming represents a significant extension of Illinois's largest and most geographically dispersed gambling vertical into the State's largest population center. The City Council lifted Chicago's longstanding prohibition as part of the 2026 budget process, which projected $6.8 million in annual city revenue from VGTs. The market is not appearing overnight, however: establishments must obtain both IGB approval and a separate city license before terminals may begin operating. As of August 2026, 39 Chicago locations had been licensed and 288 additional applications were pending.

The measured rollout provides Illinois with a limited window to put protections in place before the market reaches scale. That window should be used to select, cost, and test a feasible VGT self-exclusion model rather than assume that the existing SEP can simply be extended to terminals. Because no U.S. jurisdiction has deployed an identification-linked SEP across a comparable distributed network, the State should evaluate the three access-control options described above and establish a realistic implementation sequence with IGB, DBHR, DoIT, terminal operators, and licensed establishments. Consistent responsible-gambling signage, treatment referrals, operator reporting, and monitoring of where terminals become concentrated will also be important. Without those safeguards, Chicago could replicate in a denser urban environment the accessibility and neighborhood-saturation concerns already associated with VGTs elsewhere in Illinois.

IGB's Recommended Plan of Action on Prediction Markets: Litigate, Don't Regulate

The IGB has taken an enforcement-first posture toward event-prediction markets, which it views as unlicensed sports wagering under the Sports Wagering Act and Criminal Code. Beginning in April 2025, the IGB issued cease-and-desist letters to Kalshi, Robinhood, and Crypto.com, and in January 2026 to Polymarket, on the basis that none holds a Master Sports Wagering License. The dispute has since escalated into federal litigation: in April 2026 the CFTC and DOJ sued Illinois (naming the Governor, the Attorney General, and the IGB) in the Northern District of Illinois, arguing that the Commodity Exchange Act preempts state gambling law for federally regulated event contracts; Coinbase separately sued the Attorney General in December 2025. The broader landscape is unsettled, with courts reaching different outcomes across states.

A deliberate strategic judgment underlies the IGB's posture: it favors litigation over legislation because formally regulating prediction markets — including through the FY27 state budget's 1.75%/3.5% transaction tax and $15M license requirement — risks conferring legitimacy on a product the state contends is already illegal. This is a policy fork for the administration, and it intersects with a consumer-protection gap worth naming: prediction markets currently operate without the responsible-gaming limits, self-exclusion coverage, or advertising constraints that apply to licensed Illinois operators.

V. Benchmarking Peer State Action & Best Practices

Illinois is not confronting these challenges alone. Peer states have tested different approaches to coordinating agencies, funding services, modernizing self-exclusion, strengthening consumer protections, and responding to emerging products. The following section highlights the most transferable practices, organized by the governmental lever used to implement them: agency and administrative action, executive action, and legislation.

A. Agency / Administrative Action

(State agencies, departments of public health/human services, and gaming commissions and councils acting under existing authority.)

Office / Agency	Signature Programs & Innovations	Funding Model
Massachusetts (MA) Department of Public Health; Massachusetts Gaming Commission	GameSense advisers and information centers provide direct support inside casinos; PlayMyWay offers voluntary budgeting tools; and the State's self-exclusion program offers one-, three-, and five-year and lifetime terms. More distinctively, Massachusetts maintains a substantial annual research agenda, with statute requiring casinos to provide de-identified player-tracking data to the Commission and qualified researchers.	Gaming-revenue and fee streams fund the **Public Health Trust Fund**; online operators without casino licenses pay a $1 million annual assessment.
Oregon (OR) Health Authority	Provides free statewide prevention, treatment, recovery, and family-support services, including culturally responsive local programming. Helped develop EVIVE, the digital intervention platform now used in IL.	**1% of Lottery revenues**, dedicated since 1992 — approximately $7.5 million annually.
New York (NY) Gaming Commission; OASAS; Responsible Play Partnership	The Responsible Play Partnership formalizes coordination among the Gaming Commission, OASAS, and the New York Council on Problem Gambling. New York operates one blanket voluntary self-exclusion program covering all state-regulated gambling, with an option for immediate HOPEline follow-up. The State also uses anonymized player-level sportsbook data, maintains a treatment-admission and discharge database, and supports a growing network of peers with lived experience.	**Sports-wagering law dedicates** $6 million annually; total OASAS problem-gambling spending exceeded $9.6 million in FY2023.
Ohio (OH) for Responsible Gambling	Time Out Ohio provides one statewide self-exclusion pathway covering casinos, racinos and video lottery terminals, retail sportsbooks, and online sports betting. Participants may select one-	Dedicated casino and racino funding plus **2% of the Sports**

	year, five-year, or lifetime exclusion, and removal includes an educational component. Ohio for Responsible Gambling unifies behavioral-health, casino, lottery, and racing agencies under one identity and operates campaigns including Change the Game Ohio and Pause Before You Play.	**Gaming Revenue Fund**.
Connecticut (CT) DMHAS; Connecticut Council on Problem Gambling	Bettor Choice provides outpatient treatment, peer support, medication services, family assistance, and financial and budget counseling through more than 14 locations. Connecticut also operates regional prevention programs and a 24/7 helpline.	State funding supplemented by **gaming-sector contributions**.

What Illinois can learn: The strongest administrative models do not treat problem-gambling services as a downstream response disconnected from regulation. They align stable funding, regulatory data, self-exclusion, treatment referrals, and research. New York's cross-product self-exclusion system and Ohio's unified multi-agency structure are strong models for Illinois to emulate. Oregon's one-percent dedication is the simplest funding formula, while Massachusetts provides the most comprehensive model: funding and research obligations were incorporated into gambling-expansion laws and grow as the market expands.

B. Executive Action

(Governors' executive orders and executive-branch directives)

Executive Action	What It Established	Outcome / Status
New Jersey: Gov. Murphy Executive Order 360 (2024)	Created an Attorney General-led Responsible Gaming Task Force spanning human services, gaming enforcement, lottery, racing, consumer affairs, treatment, research, and licensing.	Task Force's 2025 report recommended centralized resources, uniform protections, recurring research, expanded treatment, operator reporting.
New York Gov. Hochul: Gambling-Health Initiative (2026)	Launched a **10-year longitudinal study** and expanded gambling recovery through 16 outreach centers, specialized peer credentials, and a Gambling Health Institute; **Hochul also mentioned gambling in State of the State**	Implementation began in 2026; provides a model for tying policy and spending to recurring evidence.
Bipartisan Attorney-General Coalitions	40+ attorneys generals, including Illinois, supported state authority over Kalshi; urged the CFTC to recognize state jurisdiction over sports event contracts.	Litigation remains active and divided; courts have reached different conclusions on federal preemption.

What Illinois can learn: Executive action is best used to convene agencies around a defined deliverable, require sustained data collection, address cross-agency gaps, and direct regulators toward discrete high-risk products. Prediction-market enforcement should continue without treating the federal-state dispute as settled. Conversations with OASAS also underscored the agenda-setting power of mentioning problem gambling in the Governor's State of the State Address, as Governor Hochul did in 2026.

C. Legislative Action

(What state legislatures are passing — consumer protections, funding mechanisms, advertising rules, prediction market regulations)

State Law / Status	Notability & Function
Colorado (CO): SB 26-131, enacted 2026	Limits customers to **six deposits per gaming day**; bans credit-card funding and sportsbook push or text solicitations; restricts youth-directed advertising; requires operator data reporting.
New York (NY): Advertising-warning law enacted; A7962 pending	Enacted law requires addiction warnings and assistance information. Pending legislation would impose a **$5,000 rolling 24-hour wager cap**, prohibit credit-card funding, and restrict specified promotions.
Massachusetts (MA): Bettor Health Act, S.302, pending	Would require financial-risk checks above **$1,000 daily or $10,000 monthly**, restrict in-play and proposition betting, strengthen advertising rules, and increase operator funding.
Connecticut (CT) Public Act 26-53, enacted 2026	Restricts covered gaming advertising on college campuses and strengthens operational, customer-assistance, geolocation, lottery, and prediction-market-study requirements.
New Jersey (NJ): Sweepstakes-casino ban enacted; micro-betting bills pending	**Prohibits dual-currency sweepstakes casinos**. Pending bills would ban online wagers on the next play or action during sporting events.
Minnesota (MN): Prediction-market ban enacted; temporarily enjoined	**First state to prohibit prediction markets**, but implementation was blocked during federal-preemption litigation.

What Illinois can learn: The strongest legislative packages regulate features that accelerate or reactivate play—including deposit frequency, credit funding, direct solicitations, campus marketing, and rapid-cycle betting—while requiring usable operator data. Any limits should operate across sportsbooks to reduce displacement between platforms. However, as discussed in Appendix C, many behavioral interventions can provide useful short-term friction but may lack long-term durability unless paired with structural protections and ongoing evaluation.

VI. Potential Action Items for Exploration

Illinois can strengthen its problem-gambling response by building on existing IGB and DBHR efforts through three channels: agency coordination to improve implementation and consistency; legislation to establish durable protections and funding; and executive action to align leadership, data, and accountability. Within each pathway, actions are ordered by phasing, implementation lift, and cost, with priority given to measures most likely to deliver meaningful impact within the next one to two years.

1. AGENCY COORDINATION: Monitoring, Coordination, and Support

IGB and DBHR can make meaningful near-term progress under their existing authority while larger executive and legislative proposals are developed. The immediate focus should be modernizing self-exclusion, connecting regulation to treatment, standardizing public-facing protections, and preparing for emerging-market changes.

Potential Action	Details & Rationale	Consideration for Next Steps
1.1) Direct DBHR to brief the Governor's Office and GOMB on the January 2027 prelim. findings	Ensure the assessment re-establishes prevalence after the expansion of mobile sports betting and examines youth exposure, VGT concentration, prediction markets, racial and geographic disparities, and treatment barriers. The January preliminary findings should be used to inform FY28 budget development rather than waiting for the full June report.	**Foundational.** Low lift and already underway. Preliminary findings should inform FY28 budget and agenda.
1.2) Support and sequence IGB's six-part SEP modernization	Advance online enrollment, flexible exclusion periods, VGT coverage, and a single enrollment process spanning casinos, sportsbooks, Lottery, and horse racing. IGB should retain responsibility for enforcement, while DBHR and qualified clinicians should help structure treatment referrals, follow-up contact, and removal standards.	**High Priority / High Lift.** Total implementation, including VGT integration, poses major challenges but could make IL a national leader. Sequence easier components first.
1.3) Use IGB's centralized VGT communications platform for prevention messaging and SEP coverage	Coordinate IGB and DBHR messaging so the centralized VGT system can display helpline information, risk warnings, and pathways to self-exclusion or treatment directly at the point of play. Messages should be standardized, visible, and tested for effectiveness rather than treated as compliance signage alone. Agencies can begin developing and testing message content now, but the centralized technical capability is not expected to become available until the new system is deployed, currently anticipated in the first or second quarter of 2027.	**Medium Lift / High Reach.** Depends on IGB's centralized VGT system in early 2027. IGB and DBHR can develop and test messaging beforehand.
1.4) Use IGB Rulemaking to Advance Mobile-Wagering Consumer Protections	Through its existing rulemaking authority, IGB should evaluate limits on repeated deposit solicitations and direct inducements, digital-wallet workarounds to the credit-card prohibition, operator data-reporting requirements, and targeted restrictions on microbetting or other rapid-play products. These protections should apply consistently across operators so harmful play does not merely migrate between platforms.	**High Impact / Politics Difficult**. Industry pushback, but directly targets high-risk mobile wagering.
1.5) Launch an IGB–DBHR in-venue counseling and SEP pilot	Conduct a 12-month Massachusetts-style GameSense pilot at a high-volume casino or IGB SEP enrollment location. A DBHR-contracted behavioral-health professional or specially trained adviser could provide education, assist with self-exclusion, assess immediate risk, and make warm referrals to the helpline and treatment during core operating hours.	**Longer-Term Pilot w/ Cost.** Peer-state evidence is promising. A limited pilot could test utilization, referrals, and treatment outcomes.

2. EXECUTIVE ACTION: Executive Orders, Bully Pulpit, and Research Gaps

The Governor can use executive authority to establish a common statewide agenda and address gaps that no single agency can resolve independently. These actions should assign clear responsibilities, deadlines, and public deliverables rather than merely creating working groups.

Potential Action	Details & Rationale	Considerations for Next Steps
2.1) Establish a time-limited Illinois Responsible Gaming Task Force	Through executive order, convene DBHR, IGB, Lottery, DOR, horse-racing regulators, HFS, DOI, the Attorney General, researchers, providers, people with lived experience, and industry representatives. Give the group a fixed deadline and a narrow charge focused on unified protections, treatment access, emerging products, sustainable funding, and—drawing on New York's approach—a privacy-protected framework for sharing player-behavior data among operators, IGB, and DBHR. This framework should establish common risk markers, standardized interventions, and legally permissible pathways for connecting individuals exhibiting high-risk wagering patterns with treatment providers.	**Strong Executive-Order Potential.** Given IGB and DBHR concerns about task-force fatigue, any body should be time-limited, narrowly scoped, and assigned specific deliverables.
2.2) Direct secure interagency data sharing between IGB and DBHR	Require IGB, DBHR, Lottery, HFS, DOI, and other relevant agencies to complete a data inventory and legal-authority review, establish common definitions and privacy standards, and negotiate data-sharing agreements for de-identified person-level information where legally permissible. The review should identify any operator-reporting requirements that would require legislation. Data should be made available to DBHR and qualified researchers.	**Strong Executive Order Potential.** Likely legal, privacy, and interagency challenges, but addressing fragmented data is foundational.
2.3) Use the Governor's platform at the State of the State address to elevate the work	Highlight IGB and DBHR progress in the State of the State and take advantage of the upcoming **2027 National Problem-Gambling Conference in Chicago** to announce SEP modernization, new research, or a coordinated statewide initiative. Visible executive leadership would help frame problem gambling as a public-health responsibility rather than an individual failure. Hochul's action generated substantial legislative and advocacy support while also building momentum both within and outside the administration. IGB reports that two PhD experts who reviewed the complete SEP modernization package concluded that, if fully implemented, it could make Illinois a national — and potentially international — leader in gambling self-exclusion.	**High Impact / Low Lift.** The 2027 National Problem Gambling Conference creates a unique window to elevate agency work, build momentum, and highlight SEP modernization.
2.4) Require problem-gambling impact reviews for major expansions	Direct agencies to provide the Governor's Office with a short fiscal, regulatory, and behavioral-health impact assessment before supporting major gambling expansions or new product categories. Reviews should identify expected revenue, administrative costs, data gaps, and necessary harm-reduction measures. An executive order could establish the review process, with later legislation making it permanent.	**High Priority Research Agenda / Feasible.** Addresses major research and treatment-data gaps with low political risk. Could be packaged together through an Executive Order, with moderate costs and strong
2.5) Build on SB 2749 by directing HFS to assess Medicaid coverage for gambling-	Require HFS, in coordination with DBHR, to evaluate the fiscal, operational, and federal-approval requirements for extending explicit gambling-disorder coverage beyond the current CCBHC waiver. The review should identify covered services, provider qualifications, expected utilization, and data-reporting requirements. Broader Medicaid coverage	

disorder treatment	would translate the law's recognition of gambling disorder into better treatment access while providing the State with better information on who receives care and which services are used.	agency/academic interest supporting implementation.
2.6) Commission a revenue-concentration study	Conduct a Connecticut-style analysis estimating the share of Illinois gambling revenue derived from recreational, at-risk, and problem gamblers. This would give policymakers a stronger empirical basis for funding levels, product-specific safeguards, and future expansion decisions. To accelerate the work, IGB could fund the University of Illinois or another Illinois public university to conduct the study rather than relying solely on a conventional outside procurement.	

3. LEGISLATION: Crafting a 2027-28 Legislative Agenda

Legislation is necessary where Illinois requires durable funding, uniform consumer protections, new enforcement authority, or structural changes to self-exclusion and regulatory governance. The 2027–28 agenda should prioritize protections that scale with the gambling market and apply consistently across products and operators.

Potential Action	Details & Rationale	Consideration for Next Steps
3.1) Create a durable, revenue-linked funding formula for DBHR and IGB	Dedicate a fixed share of annual gambling tax revenue to prevention, treatment, recovery, research, evaluation, and regulatory administration. Contributions should reflect all major gambling verticals — including Lottery — rather than relying primarily on IGB-regulated products. The formula should include protected funding floors for prevention and research: industry marketing substantially exceeds the State's public-awareness spending, while Illinois continues to lack current prevalence data, comprehensive player-level information, and post-enrollment outcome measures. A portion of the research allocation could support a dedicated gambling-policy and social-science research institute at the University of Illinois or another public university. Given Illinois's position as one of the country's largest gambling jurisdictions, such an institute could conduct recurring prevalence and revenue-concentration research, evaluate problem-gambling interventions, study gambling expansion, and provide independent evidence to the Governor's Office, IGB, DBHR, and the General Assembly. MA and OR provide models for embedding funding directly into gambling law.	**Top Legislative Priority / Highest Lift.** Foundational if Illinois wants responsible-gaming infrastructure to keep pace with market growth. If advancing one major proposal, this should lead the agenda.
3.2) Prohibit illegal sweepstakes gambling	Clearly prohibit dual-currency sweepstakes casinos and unlicensed electronic gambling machines, while strengthening enforcement and penalty authority for IGB and the Attorney General. Legislation should distinguish unlawful products from legitimate consumer promotions to	**High Priority / Politically Salable**. Both can be framed around youth protection,

	avoid creating an enforcement gray area. IGB has expressed strong support for this approach.	consumer safety, and closing loopholes. Age increase will face significant industry pushback.
3.3) Establish a uniform minimum gambling age of 21	Align Lottery and horse-racing eligibility with casinos, VGTs, and sports wagering. A uniform age would reduce early exposure, simplify public messaging, and make a cross-product self-exclusion system easier to administer.	
3.4) Explore both public and private insurance parity for gambling-disorder services	Require state-regulated health plans to cover medically necessary gambling-disorder screening and treatment on terms comparable to other behavioral-health and substance-use services. Legislation should also direct DOI to collect aggregate utilization and expenditure data. Parity would reduce out-of-pocket barriers for insured residents and help Illinois measure treatment demand outside DBHR system.	**High Impact / High Legislative Lift.** HFS and DOI analysis should first establish utilization, fiscal impact, and coverage gaps.
3.5) Explore transitioning statewide SEP authority and governance from IGB to DBHR	Consider a phased transfer, or a jointly governed statewide model, in which DBHR manages enrollment support, follow-up, treatment linkage, clinical standards, and removal procedures, while IGB retains enforcement and operator-compliance responsibilities. Peer-state conversations suggest that placing greater responsibility within the public-health agency can strengthen connections to care, and IGB has expressed openness to DBHR assuming a larger role. Standardized assessments or an independent review process would reduce clinician pressure, counselor shopping, and conflicts between treatment and regulatory decisions.	**High Lift / Continue Interagency Development.** IGB and DBHR should continue internal discussions before legislation. A phased or jointly governed model more practical than immediate transfer.
3.6) Advance a mobile-wagering consumer-protection package	Limit repeated deposit solicitations and direct inducements, close credit-card workarounds through digital wallets, require usable operator data, and consider targeted restrictions on microbetting and other rapid-play products. Requirements should apply consistently across operators so harmful play does not merely migrate between platforms. Operators could also be required to use player-behavior data not only for targeted marketing, but to identify high-risk wagering patterns and trigger standardized, regulator-approved risk alerts or pop-ups.	**High Impact / Politically Fraught**. Likely significant operator opposition, especially where proposals affect marketing, product design, or revenue. Coordinate with IGB rulemaking and reserve legislation for protections requiring statute.
3.7) Review — and potentially support an effort to repeal — the per-wager tax	Continue monitoring wager volume, average bet size, parlays, in-game betting, operator behavior, and movement toward unregulated markets. If evidence shows harmful substitution or market distortion, lawmakers could replace the flat charge with a revenue-based or risk-weighted assessment that dedicates a portion of proceeds to harm reduction. Rep. Dietrich is actively pursuing repeal.	

Long Term Joint Executive and Legislative Option: Commission a formal feasibility and transition study examining whether IGB, Lottery, horse racing, and other gambling oversight functions should ultimately be consolidated within one modern statewide entity. Illinois's current structure is fragmented, while IGB was historically established primarily as a licensing, enforcement, and revenue-collection agency rather than a comprehensive consumer-protection regulator. A consolidated entity could provide common data standards, unified self-exclusion,

consistent consumer protections, and clearer accountability across one of the world's largest gambling jurisdictions. Because consolidation would be a major multiyear undertaking requiring extensive legal, operational, and workforce planning, it should remain a long-term aspiration and should not delay near-term reforms.

Appendix A. Illinois Gambling Market and Fiscal Data

Table A1 — Total Revenues for Lottery, Casinos, VGTs, and Sports Wagering

	2021	2022	2023	2024	2025
Sports Wagering AGR	$525,072,633	$794,991,686	$1,002,277,389	$1,233,050,505	$1,476,523,893
Casino AGR	$1,187,308,324	$1,348,662,504	$1,521,540,972	$1,689,206,497	$1,943,722,562
Video Gaming NTI	$2,474,879,486	$2,710,266,435	$2,884,298,043	$3,004,400,094	$3,185,923,121
Lottery OR	$3,139,000,000	$3,357,000,000	$3,507,000,000	$3,698,000,000	$3,760,000,000
TOTAL Revenue	$7,326,260,443	$8,210,920,625	$8,915,116,404	$9,624,657,096	$10,366,169,576

Table A2 — Combined Gaming Tax Revenue, 2021–2025

	2021	2022	2023	2024	2025
Casino — State	$248,688,722	$289,985,524	$320,297,343	$345,189,559	$408,178,068
Casino — Local	$67,022,121	$76,536,843	$88,413,704	$105,958,256	$121,047,691
VGT — State	$717,708,907	$785,974,689	$836,474,764	$884,166,079	$955,055,071
VGT — Municipal	$123,736,980	$135,507,358	$144,177,905	$152,382,518	$160,009,188
Sports Wagering — State	$78,760,895	$119,248,753	$150,341,608	$266,663,495	$541,841,201
Sports Wagering — Cook County	$5,930,285	$8,419,710	$10,662,117	$12,673,047	$15,494,889
Total State (IGB)	**$1,045,158,524**	**$1,195,208,966**	**$1,307,113,715**	**$1,496,019,133**	**$1,905,074,340**
Total Local (IGB)	**$196,689,386**	**$220,463,911**	**$243,253,726**	**$271,013,821**	**$296,551,768**
TOTAL (IGB)	**$1,241,847,910**	**$1,415,672,878**	**$1,550,367,442**	**$1,767,032,953**	**$2,201,626,107**
Lottery (State & Local)	$772,700,000	$784,800,000	$735,100,000	$887,600,000	$783,900,000
Grand Total (Inc. Lottery)	**$2,014,547,910**	**$2,200,472,877**	**$2,285,467,441**	**$2,654,632,954**	**$2,985,526,108**

Table A3.a — Casino Admissions and Revenue, CY2021–CY2025

	2021	2022	2023	2024	2025
# of Admissions	7,684,535	9,099,798	11,099,435	13,017,203	15,560,865
Casinos in operation	11	11	15	16	17
AGR per admission	$154.51	$148.21	$137.08	$129.77	$124.91

Table A3.b — Casino Gambling Adjusted Gross Receipts, CY2021–CY2025

	2021	2022	2023	2024	2025
Table Game AGR	$296,763,261	$338,697,579	$368,780,710	$412,002,343	$457,832,199
EGD AGR	$890,545,063	$1,009,964,925	$1,152,760,262	$1,277,204,154	$1,485,890,363
Total AGR	$1,187,308,324	$1,348,662,504	$1,521,540,972	$1,689,206,497	$1,943,722,562
AGR YoY %	—	13.60%	12.80%	11.00%	15.10%

Table A4 — Video Gaming Net Terminal Income, CY2021–CY2025

	2021	2022	2023	2024	2025
Net Terminal Income	$2,474,879,486	$2,710,266,435	$2,884,298,043	$3,004,400,094	$3,185,923,121
Amount Played	$29,763,320,108	$31,833,039,938	$32,638,417,553	$33,619,078,232	$34,976,720,334
Amount Won	$27,288,527,320	$29,122,852,907	$29,754,181,089	$30,614,743,617	$31,791,016,362
NTI YoY %	—	9.50%	6.40%	4.20%	6.00%

Table A5a. — Sports Wagering AGR, CY2021–CY2025

	2021	2022	2023	2024	2025
In-Person AGR	$26,245,720	$33,506,640	$32,470,798	$26,025,759	$30,313,266
Online AGR	$498,826,913	$761,485,045	$969,806,591	$1,207,024,746	$1,446,210,627
Total AGR	$525,072,633	$794,991,686	$1,002,277,389	$1,233,050,505	$1,476,523,893
Online % of AGR	*95.00%*	*95.80%*	*96.80%*	*97.90%*	*97.90%*
Hold (AGR ÷ handle)	*7.49%*	*8.16%*	*8.63%*	*8.80%*	*9.43%*
Total Handle	$7,012,408,909	$9,739,208,278	$11,613,464,224	$14,012,948,436	$15,652,028,934

Table A5b. — Sports Wagering Average Bet Size and Tier Mix, CY2021-CY2025

Year	T1 Avg Wager	T2 Average Wager	Total Average Wager	T1 Share	T2 Share
2021	$32.50	$44.30	$76.80	52.82%	47.18%
2022	$31.45	$43.10	$74.56	53.00%	47.00%
2023	$31.49	$41.28	$72.76	48.82%	51.18%
2024	$31.94	$43.29	$75.23	44.91%	55.09%
2025	$36.71	$49.42	$86.13	35.72%	64.28%

Table A6 — Illinois Lottery PMA Financial Goals, FY2021–FY2025

Revenue Stream	2021	2022	2023	2024	2025
Instants Revenue	$2,083,000,000	$2,158,000,000	$2,158,000,000	$2,154,000,000	$2,345,000,000
Retail Draw-Based Games Revenue	$911,000,000	$962,000,000	$924,000,000	$956,000,000	$942,000,000
iLottery Draw-Based Games Revenue	$141,000,000	$206,000,000	$424,000,000	$595,000,000	$681,000,000
Operating Revenue	$3,139,000,000	$3,357,000,000	$3,507,000,000	$3,698,000,000	$3,760,000,000
Operating Income	$745,000,000	$799,000,000	$822,000,000	$840,000,000	$842,000,000

Appendix B. DBHR Funding, Reach, and Service Utilization

Table B1 — DBHR Problem-Gambling Expenditures by Program Area, FY2020–27

Category	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Admin	$235,000	$297,000	$212,000	$221,000	$261,000	$281,000	$480,000	$600,000
Prevention	$2,663,000	$2,512,000	$3,039,000	$2,218,000	$2,534,000	$2,355,000	$2,102,000	$4,750,000

Treatment	-	-	-	$2,226,000	$2,502,000	$2,098,000	$1,891,000	$3,250,000
Public Awareness	-	$2,849,000	$2,935,000	$2,388,000	$3,174,000	$3,140,000	$3,600,000	$4,000,000
Center of Excellence/Training	-	-	-	$917,000	$1,198,000	$1,151,000	$1,398,000	$2,600,000
Total	**$2,898,000**	**$5,658,000**	**$6,186,000**	**$7,970,000**	**$9,669,000**	**$9,025,000**	**$9,471,000**	**$15,200,000**

Table B2 — FY2027 Problem-Gambling Budget by Program Area

Category	FY27 Budgeted	Notes
Admin	$600,000	
Prevention	$4,750,000	Includes school-based curriculums/programs, outreach/engagement, screening events, school discussion groups, college/HS pro sporting events tabling.
Treatment	$3,250,000	Includes individual and group treatment, case management, crisis counseling, and linkage.
Public Awareness	$4,000,000	Social media, billboards, engagement with IHSA and collegiate sports, radio and TV ads, geofencing, targeted advertising.
Center of Excellence – Illinois Council on Problem Gambling	$2,600,000	Research and training activities including: IGB and DBHR joint research, needs assessment, 30-hour training, stipends for training and certification, culturally and evidence-based practice conferences.
Total	**$15,200,000**	

Table B3 — DBHR Program Reach, Training, and Clinical Service Activity, Selected Fiscal Years

	FY20	FY25	FY26 (through May)
Impressions	N/A	269,195,690	465,144,825
Website visits	13,336	54,118	248,555
Helpline engagement (calls, texts, chats)	2,938	11,293	9,053
Screenings	N/A	54,478	56,063
QR Code Scans	0	3,554	15,517
Training events	21	29	33
Total trained	852	850	1,533
Total trained in 30-Hour Core Curriculum	26	49	115
Trained via new on-demand	N/A	N/A	300
Semi-monthly Supervision	N/A	25	25
Screenings	N/A	54,478	
Assessments	7,837	18,222	
Tx Episodes	955	2,245	
Artistic Engagement	N/A	78	

Table B4 — Growth in 1-800-GAMBLER Helpline Calls, FY20 & FY25

Fiscal Year 2020		Fiscal Year 2025	
STATE	**# of calls**	**STATE**	**# of calls**
California	4,750	California	8,625
New York	1,968	Illinois	3,436

Oklahoma	1,765	Michigan	3,396
Texas	1,695	New York	3,393
Nevada	1,256	Georgia	2,905
Colorado	1,252	Pennsylvania	2,734
Alabama	1,229	New Jersey	2,067
Florida	1,071	Ohio	1,999
Illinois	1,047	Florida	1,914
Michigan	955	Texas	1,785

Appendix C. Evidence on Problem-Gambling Interventions

Table C1 — Evidence on the Effectiveness of Problem-Gambling Interventions

Intervention	Design, population, setting, and sample	Outcomes and quantitative findings	Risk of bias and interpretation
Operator-triggered personalized contact	Matched observational cohort using Dutch national-lottery account data; online casino and sports betting; 2,576 contacted high-risk gamblers (1,876 email, 700 telephone) compared with 369,961 controls.	During the 30 days after contact, recipients had significant reductions in deposits, amount wagered, number of deposits, and gambling time. Number of gambling days did not change significantly, and telephone contact was not clearly superior to email. Effects did not materially differ by baseline intensity, age, or sex.	**Moderate-to-high.** Objective behavior and matching are strengths, but contact was not randomized, risk-trigger algorithms selected participants, only one operator was observed, and no PGSI outcome was measured.
Online normative feedback from an operator	Uncontrolled longitudinal intervention among Swedish state-operator customers; online; (N=1,453).	Wagering was significantly lower in the 28 days after intervention than in the preceding window. The decrease was larger among younger participants and online-casino gamblers and remained significant, though attenuated, through 84 days.	**High.** Objective wagering and a larger sample are useful, but there was no control group; regression to the mean, assessment reactivity, and natural fluctuation are plausible.
Personalized normative feedback RCT	Three-arm RCT among Ontario adults with PGSI scores of at least three; mailed full normative feedback, nonnormative personal feedback, or waiting list.	Full normative feedback did not outperform control. The partial feedback condition reduced gambling days relative to waiting list, but the intended normative component was not beneficial. The study followed participants at three, six, and twelve months.	**Moderate.** Randomization and PGSI-defined eligibility are strengths; modest sample, mailed intervention, attrition, and measurement problems with perceived norms limit inference.
Voluntary deposit-limit prompt	Four-arm randomized field trial among newly registering Finnish online customers preferring slots; (N=4,328). Prompts occurred at registration, before the first deposit,	Prompts greatly increased voluntary limit setting—odds ratios approximately 11.9, 9.2, and 4.1 depending on timing—but did not reduce the odds of a positive net loss, OR (=1.0), (p=.921), or net-loss magnitude, (B=-0.1), (p=.291).	**Low-to-moderate for platform loss.** Randomized, preregistered, objective data; however, the intervention was only a one-time prompt, limit size was optional, and clinical harm or cross-

	after the deposit, or not at all.		operator play was not measured.
Voluntary deposit limits chosen by established players	Large observational online-gambling cohort; (N=49,560); users who set limits were compared over time.	No overall difference was found between limit setters and comparable non-setters. The highest-intensity 10% of customers who set limits spent significantly less one year later, suggesting potential benefit when limits bind, but no randomized effect estimate was available.	**High-to-moderate.** Objective longitudinal data and large (N), but severe self-selection: motivation to change, limit strictness, and baseline trajectory may explain the subgroup result.
Loss-limit proximity reminders	Matched account-data evaluation; online; 54,002 players, of whom 7,884 received feedback after consuming more than 80% of a monthly loss limit.	Reminder recipients showed statistically significant reductions in money gambled during the subsequent period, including follow-up over approximately three months. Standardized effect sizes and clinical outcomes were not reported in the accessible abstract.	**Moderate-to-high.** Objective behavior and matching, but nonrandom exposure near a limit, possible seasonality and regression, and no observation of other operators.
Mandatory cooling-off break after continuous play	Large randomized real-world experiment at Norsk Tipping; online slots, bingo, and sports betting; (N=21,129), with 156,989 triggered breaks. Breaks lasted 90 seconds, five minutes, or 15 minutes, with or without personalized loss/win feedback.	Fifteen-minute breaks caused substantially longer voluntary pauses. Median time to the next session was approximately 6.5–6.7 minutes after the compulsory period versus 0.5–0.6 minutes in 90-second conditions; one-quarter waited roughly 40–46 minutes after a 15-minute break. Personalized feedback added no detectable benefit, and none of the break lengths reduced money wagered after play resumed.	**Low-to-moderate for pause duration; high for harm reduction.** Randomized and objective at scale, but only one operator and no PGSI, expenditure-over-weeks, or cross-platform outcome. Most effects disappeared after the longer breaks ended.
Mandatory 60-minute break after repeated depositing	Real-world account-data intervention among online casino players who deposited at least ten times in one day; approximately 2,021–2,201 players and 2,994 qualifying events, depending on the analytic denominator.	After the hour-long break, the proportion stopping additional deposits that day increased from 27% to 68%, and the proportion stopping wagering increased from 0.1% to 45%. The outcome was immediate behavior on the same platform, not longer-term harm.	**Moderate-to-high.** Large immediate change and objective data, but no randomized control, highly selected events, uncertain denominators, and no durability or clinical outcome.
Basic in-session pop-up warning	Large before–after field study of online slot sessions; approximately 800,000 sessions across pre/post periods, involving a large operator customer base.	After a pop-up at 1,000 consecutive spins, session cessation rose from approximately five to 45 per 10,000 qualifying sessions—a ninefold relative increase but an absolute increase of only about 0.4%age points.	**Moderate-to-high.** Objective and very large, but nonrandom historical comparison, extremely rare outcome, no downstream expenditure or severity measure.
Enhanced normative/self-appraisal pop-up	Large real-world comparison of approximately 1.6 million online-slot sessions; enhanced feedback versus a simple message.	Immediate cessation after the message was 1.39% with enhanced content versus 0.67% with the basic message—roughly a doubling, but still affecting a small minority of long-session players.	**Moderate.** Very large behavioral dataset; limited information on individual randomization, repeated sessions, longer-term loss, and problem-gambling status.

Self-exclusion plus online support	Randomized comparison of conventional casino voluntary self-exclusion with self-exclusion supplemented by an online program; approximately (N=201), with 143 participants retained at 12 months.	Both groups gambled on fewer days, spent less, reported fewer problems, and expressed less need for formal treatment. No clear advantage was found for the added online program, and some gambling increased again by 12 months.	**Moderate-to-high.** Randomized comparison of program formats, but no no-exclusion control, self-report, attrition, and substantial spontaneous or treatment-associated improvement in both groups.
Nationwide multi-operator self-exclusion	Retrospective clinical-record study of Swedish gambling-disorder treatment seekers; online and land-based licensed market; (N=85), with usable gambling-type data for 74.	Sixty of 74 patients, 81%, had self-excluded. Of those, 41 of 60, 68%, nevertheless gambled during exclusion, usually on unlicensed websites.	**High.** Small, highly selected severe clinical sample, retrospective records, and no estimate of how much gambling was prevented. Strong evidence of leakage, not of overall program ineffectiveness.
Self-exclusion overall	Review of venue and online self-exclusion studies.	Self-excluders generally report reduced gambling, improved psychological wellbeing, and better functioning, but programs are underused and breaches or migration to unrestricted forms are common.	**High-to-moderate.** Direction of change is encouraging, but most evidence lacks controls and is vulnerable to self-selection, concurrent treatment, regression to the mean, and nonresponse.

Appendix D. Public Opinion Research

Table D1 — Recent National and Illinois Gambling Polls: Methods and Principal Findings

Study and field dates	Population, sample and MOE	Mode and weighting	Key question or construct	Principal toplines
Pew Research Center, July 8 – August 3, 2025	9,916 U.S. adults; MOE ±1.3 points	Pew American Trends Panel probability sample; English and Spanish; weighted on demographic, geographic, partisan and validated-vote dimensions	Whether widespread legal sports betting is good or bad for society and sports; past-year betting through friends, online or in person	Bad for society 43%, good 7%, neither 50%; bad for sports 40%, good 17%, neither 42%; 22% bet in past year, up from 19% in 2022.
AP-NORC, February 6–10, 2025	1,112 U.S. adults; MOE ±4.1 points	NORC AmeriSpeak probability panel; online and telephone; weighted to age, gender, race/ethnicity and education	Whether professional- and college-sports betting should be legal in the respondent's state;	Professional sports: 58% should be legal, 41% should not. College sports: 43% should be legal, 55% should not.
Siena College Research Institute/St.	3,047 U.S. residents; reported	Cint proprietary online panel; weighted to 2023	Sportsbook-account ownership, bettor	22% had an active sportsbook account; 50% supported legalization in

Bonaventure, January 6–11, 2025	MOE ±1.9 points including design effects	ACS benchmarks for age, region, race/ethnicity, education and gender	harms, nationwide legalization and proposed federal safeguards	all states; 58% favored aggressive federal regulation; 63% supported the safeguards summarized as the SAFE BET Act.
American Gaming Association/Kantar, July 22–August 8, 2025	2,001 nationally representative registered voters age 21+; reported MOE ±2 points	Online survey; demographic representation details summarized by sponsor	Personal acceptability of casino gambling, economic effects, sports-betting legalization and responsible-gaming performance	90% said casino gambling was acceptable for themselves or others; 62% personally accepted it; 74% supported legal, regulated sports betting for adults 21+; 77% said gaming positively affects the U.S. economy.
NCPG NGAGE 3.0/Ipsos, January 26 – March 20, 2024	National sample 3,013 adults; national MOE not stated	Online survey across all states and D.C.; designed to replicate 2018 and 2021 surveys	Past-year participation, online and sports betting, risky-behavior indicators, stigma and awareness	Any gambling: 71% in 2024, versus 71% in 2018 and 73% in 2021. Sports betting: 23%, versus 20% and 26%. At least one potential-problem behavior "many times": 8%, versus 7% and 11%.
American Institute for Boys and Men/Ipsos, February 27 – March 1, 2026	2,363 U.S. adults, including 447 interviews with men ages 18–24; MOE ±2.2	Ipsos probability-based Knowledge Panel; weighted by gender-by-age, race/ethnicity, education, region, metropolitan status and household income	Familiarity and use of prediction markets; whether they resemble gambling or investing; risk and regulatory options	Familiarity 21%; use in previous six months 3%; among those aware, 61% said closer to gambling and 8% closer to investing; 59% favored gambling-style regulation.
Illinois statewide assessment, February 25 – April 28, 2021	2,029 Illinois adults; MOE not reported; response rate 4.1%	Random-digit-dial sample, invitations by postcard/text/email, online and telephone completion; oversamples of Black, Hispanic and young adults; weighted by gender, age and race/ethnicity	Availability and legality of gambling; economic, moral, family-harm and addiction attitudes; participation by form	61.5% said availability was OK, 22.8% too widespread, 8.3% should not be legal, 7.4% not available enough; 68.4% gambled in the past year. This is the best official Illinois benchmark but is outside the recent window.
Tulchin Research Illinois voter poll, February 2025	800 Illinois voters; accessible reporting did not disclose MOE	Commissioned polling discussed in Illinois legislative coverage; methodological disclosure incomplete	Perceived addictiveness of online gambling and whether budget needs justify mobile-gambling expansion	71% reportedly considered online gambling more addictive than brick-and-mortar casinos; 77% agreed lawmakers should seek other budget solutions rather than expand mobile gambling. Because the sponsor, questionnaire and detailed methods were not fully available, this is lower-confidence evidence

Appendix E. HFS and EPIC Insurance Data

Table E1 — EPIC Gambling Disorder Diagnoses per 100,000 Patients: Illinois and U.S. Overall, 2018–2025

	2018	2019	2020	2021	2022	2023	2024	2025
Illinois	3.04	3.97	3.89	3.42	3.98	3.92	5.04	5.84
US Overall	4.23	4.3	3.6	3.73	3.75	4.12	4.53	5.15

Table E2 — Illinois Medicaid Customers with Gambling-Related Diagnoses, FY2025

Fiscal Year	Number of Customers with a Primary Gambling-Related Diagnosis	Number of Customers with Any Gambling-Related Diagnosis
2025	62	416

Table E3 — Demographics of Illinois Medicaid Customers with Any Gambling-Related Diagnosis, FY2025

Category	Group	Customer #	% of Group
Age	Under 18	7	1.7%
	18–29	70	16.8%
	30–39	128	30.8%
	40–49	103	24.8%
	50–59	68	16.3%
	60–69	31	7.5%
	70+	9	2.2%
	TOTAL	**416**	**100.0%**
Gender	Female	153	36.8%
	Male	263	63.2%
	TOTAL	**416**	**100.0%**
Race	American Indian/Alaska Native	2	0.5%
	Asian	4	1.0%
	Black	73	17.5%
	Did Not Answer/Unknown	37	8.9%
	White	300	72.1%
	TOTAL	**416**	**100.0%**

Appendix F. Illinois Problem Gambling 2021 Assessment

Table F1 — Demographic Characteristics of Illinois Adults Experiencing Problem Gambling

Demographic	Group	Problem-Gambler Group	Illinois Adult Population
Gender	Men	63.6%	49.1%
	Women	36.4%	50.9%
Age	18–24	23.5%	12.1%
	25–44	43.0%	34.6%
	45–64	27.5%	33.7%
	65+	Not reported*	19.7%
Race/Ethnicity	Asian	1.3%†	5.4%
	Black/African American	4.1%†	14.0%
	Hispanic/Latinx	33.7%	17.1%
	Other race/ethnicity	10.7%	2.2%
	White	49.7%	61.3%

Table F2 — Estimated Gambling-Risk Classification Among Illinois Adults

Classification	% of Illinois Adults	Description
Problem Gambling	**3.8%**	Met the assessment's threshold for problem gambling; estimated **383,000 Illinois adults**
At Risk for Problem Gambling	**7.7%**	Exhibited elevated gambling-related risk or symptoms; estimated **761,000 Illinois adults**
Frequent Recreational Gambling	**16.5%**	Gambled at least monthly but did not meet the at-risk or problem-gambling threshold
At Risk + Problem Gambling	**11.5%**	Combined population experiencing or at risk of problem gambling — **more than 1.14 million adults**

Table F3 — Weekly Gambling Participation by Gambling Type and Risk Classification

Gambling Type	Recreational: Weekly+	At-Risk: Weekly+	Problem Gambling: Weekly+
Online gambling	60.6%	59.4%	**72.3%**
Racetracks	61.2%	63.7%	**71.4%**
State Lottery	36.7%	51.2%	**69.9%**
Video Gaming Machines / VGTs	50.2%	53.1%	**64.9%**
Organized sports & fights betting	50.8%	51.8%	**62.6%**
Gambling with friends / community	34.5%	44.1%	**61.1%**
Casinos & riverboats	40.9%	41.3%	**56.1%**

Table F4 — Gambling Debt by Gambling-Risk Classification

Measure	Recreational Gamblers	At-Risk Gamblers	Problem Gamblers
No current gambling debt	68.8%	59.9%	**15.8%**
Any current gambling debt	31.2%	40.1%	**84.2%**
Less than $10,000 debt	10.8%	17.3%	**19.5%**
$10,000–$49,999 debt	16.2%	11.7%	**33.0%**
$50,000–$99,999 debt	3.0%	6.8%	**21.3%**

$100,000+ debt	Small sample	Small sample	**~10.6%***
$10,000+ debt	~20.5%	~22.8%	**~64.9%**
$50,000+ debt	—	—	**~31.9%**
Estimated median annual gambling spending	—	—	**$16,750**

**The assessment cautions that individual debt categories above $100,000 contain small cell sizes and should be interpreted cautiously. "Gambling debt" included loans, credit cards, and informal borrowing. Among problem gamblers, only 15.8% reported no gambling debt; roughly two-thirds reported at least $10,000, and nearly one-third reported at least $50,000.*

Table F5 — Largest Single-Day Gambling Loss by Gambling-Risk Classification

Largest Amount Lost in One Day	Recreational Gamblers	At-Risk Gamblers	Problem Gamblers
$1–$9	7.8%	4.6%	**2.4%**
$10–$99	41.7%	31.8%	**20.2%**
$100–$999	33.9%	44.5%	**39.6%**
$1,000–$9,999	15.0%	17.0%	**32.3%**
$10,000+	~1.7%*	~2.2%*	**5.1%**
Lost $1,000+ in one day	**~16.7%**	**~19.2%**	**37.4%**
Lost $100+ in one day	**~50.6%**	**~63.7%**	**77.0%**

Appendix G. Illinois Gambling Tax Structure and Peer-State Comparison

Table G1 — Illinois Gambling Tax Structure and Revenue

Gambling Vertical	Current Illinois Tax / Revenue Structure	2025 Gambling Activity	2025 Public Revenue	Primary Use of Revenue
Sports Wagering	Graduated tax on operator AGR: **20%** up to $30M; **25%** $30–50M; **30%** $50–100M; **35%** $100–200M; **40%** above $200M. Since July 1, 2025, online operators also pay **$0.25 per wager for first 20M wagers and $0.50 thereafter**.	**$15.65B handle; $1.477B AGR**	**$541.8M state + $15.5M Cook County**	Sports Wagering Fund; excess state funds distributed **58% to GRF / 42% to Capital Projects Fund**.
Casinos	General casinos: electronic gaming **15%–50% progressive AGR tax**; table games **15% through $25M and 20% above $25M**. Separate admission tax also applies. Chicago has its own higher state/city schedule.	**$1.944B AGR**	**$408.2M state + $121.0M local**	State Gaming Fund, Education Assistance Fund and statutory host/local distributions.
Video Gaming Terminals	**35% of Net Terminal Income (NTI).** Beginning July 1, 2026, tax collections are allocated 72.7% Capital Projects, 14.3% local-government VGT fund, 10% State Facility Maintenance and Improvement Fund, and 3% State Gaming Fund.	**$3.186B NTI; ~$34.98B played**	**$955.1M state + $160.0M local**	Capital projects, local governments, state facilities and State Gaming Fund.
Illinois Lottery	**Not a tax.** State receives net proceeds after prizes, retailer compensation and operating costs.	**$3.76B FY2025 sales**	**$796M state proceeds**, including **$784M Common School Fund + >$12M specialty causes**	Primarily K–12 education through the Common School Fund; specialty-ticket causes.

Table G2 — Current Gambling Tax Rates: Illinois and Peer States

Product	IL	MA	NY	NJ
Online / Mobile Sports	**20%–40% AGR + $0.25/$0.50 per wager**	**20%**	**51% GGR**	**19.75% + 1.25% assessment**
Retail Sports	**20%–40% AGR**; no wager-count tax	**15%**	**10%** at existing upstate commercial casinos	**8.5% + 1.25% assessment**
Casino Slots / Electronic Gaming	General casinos: **15%–50% progressive**; Chicago separate	Resort casinos: **25%**; slots parlor: **49% combined**	Upstate: **30%**; newly licensed downstate: **25%–56%**	**8% + 1.25% investment obligation**
Casino Tables	General casinos: **15%–20%**; Chicago separate	**25%** at resort casinos	Upstate: **10%**; newly licensed downstate: **10%–30%**	**8% + 1.25% investment obligation**
Distributed VGT / VLT	**35% NTI**	No Illinois-style distributed VGT system	VLTs use a facility-specific statutory revenue-sharing formula	No Illinois-style distributed VGT system
Lottery	State enterprise; FY25 proceeds/sales ≈ **21.2%**	State enterprise; FY25 net-profit/sales ≈ **17.9%**	State enterprise; profits dedicated to education	State enterprise; FY25 contribution/sales ≈ **32.3%**

Table G3 — Peer-State Gambling Revenue and Use of Proceeds

State / Vertical	Latest Annual Activity	Government Revenue / Transfer	Major Revenue Uses
Illinois – Sports, CY2025	**$15.65B handle; $1.477B AGR**	**$541.8M state + $15.5M Cook County**	GRF and capital projects through Sports Wagering Fund
Massachusetts – Sports, FY2025	**$766.1M adjusted sports revenue**	**$151.4M tax revenue**	45% General Fund; 27.5% local aid; 17.5% workforce; **9% Public Health Trust Fund**; 1% youth development
New York – Mobile Sports, CY2025	**~$26.3B handle; ~$2.55B GGR**	**~$1.32B state share**	Primarily education; **$6M/year problem-gambling services + $5M/year youth sports**
New Jersey – Sports, CY2025	**$1.18B sports-wagering revenue**	Included within statewide gaming-tax collections	Casino Revenue Fund; separate assessment supports CRDA/local development
Illinois – Casinos, CY2025	**$1.944B AGR**	**$529.2M state + local**	State funds and host/local governments
Massachusetts – Casinos, FY2025	**$1.192B GGR**	**$324.6M gaming-tax revenue**	Local aid, transportation, education, stabilization, debt reduction, **public health**, community mitigation and other purposes
New Jersey – Land Casinos, CY2025	**$2.89B casino win**	Part of **$884.1M total gaming gross-revenue taxes** statewide	Casino Revenue Fund; programs for seniors and residents with disabilities; CRDA investment
Illinois – Lottery, FY2025	**$3.76B sales**	**$796M state proceeds**	**$784M Common School Fund** + >$12M specialty causes
Massachusetts – Lottery, FY2025	**~$5.96B sales**	**$1.067B net profit**	Unrestricted local aid to all 351 municipalities

New York – Lottery, FY2025–26	Not directly comparable from available figure	**~$3.6B Lottery Aid to Education**	K–12 education
New Jersey – Lottery, FY2025	**$3.34B sales**	**$1.08B contribution**	State public-employee pension system

Appendix H. Clinical Definitions and Pathways of Problem Gambling

Clinical Definitions & Pathways of Problem Gambling

The DSM-5-TR defines gambling disorder as "persistent and recurrent problematic gambling behavior leading to clinically significant impairment or distress," requiring ≥4 of 9 criteria within 12 months (preoccupation; needing to bet more; irritability when cutting down; repeated unsuccessful efforts to stop; chasing losses; gambling when distressed; lying; jeopardizing relationships/work; relying on others for money).

The field distinguishes:

- **Disordered/problem gamblers** — impaired control with significant negative consequences;
- **At-risk gamblers** — some problem symptomatology and/or very high-level gambling resembling problem gamblers;
- **Recreational gamblers** — no significant harm.

The Pathways Model (Blaszczynski & Nower, 2002) is the dominant framework for understanding how gambling problems develop. Of problem gamblers, there are three identified subtypes who share common ecological exposure (availability, accessibility, conditioning, cognitive distortions) but diverge:

(1) **Behaviorally Conditioned gamblers** (no pre-existing psychopathology; driven by conditioning and distorted cognitions);
(2) **Emotionally Vulnerable gamblers** (gambling to escape/cope with depression, anxiety, adverse backgrounds); favor games of pure chance like slots and scratch cards
(3) **Antisocial Impulsivity gamblers** (biologically based impulsivity, early onset, severe, treatment-resistant, comorbid substance use); gravitate toward “semi-skillful” gambling like sports and horse racing

Appendix I. Glossary

Because this memo draws heavily on Illinois Gaming Board financial reporting, the following defines the principal terms used throughout Section III. The distinction between *handle*, *revenue*, and *tax* is particularly important, as the three grow at different rates and measure different things.

- **Handle** — The total dollar amount wagered, before any winnings are paid out. Handle measures the gross volume of betting activity, not the amount players lose or the state earns; a single dollar re-wagered several times counts toward handle each time.
- **Wager** — An individual bet. Wager *counts* (the number of bets placed) can move independently of handle; a market can process fewer wagers of larger average size, as Illinois's sports-betting market has since the per-wager tax took effect.

- **Adjusted Gross Receipts (AGR)** — For casinos and sports wagering, the operator's revenue after winnings are paid to players but before taxes and expenses — that is, the amount the house keeps. AGR, not handle, is the base on which most Illinois gaming taxes are calculated.
- **Net Terminal Income (NTI)** — The AGR equivalent for video gaming terminals: the amount played into the machines minus the amount paid out in winnings. NTI is the revenue figure for the VGT vertical.
- **Hold** — The share of handle an operator retains as revenue, calculated as AGR divided by handle. A rising hold means players are losing a larger fraction of each dollar wagered, typically reflecting a shift toward higher-margin bets such as parlays.
- **Admissions** — The count of individual entries to Illinois casinos, used as a proxy for casino visitation. Revenue *per admission* indicates how much the average visit generates.
- **Electronic Gaming Device (EGD)** — Casino slot machines and similar electronic terminals, distinguished in IGB reporting from table games (blackjack, roulette, and other dealer-run games).
- **Gaming Tax Revenue** — The portion of AGR or NTI paid to state and local government. Because tax *rates* differ by vertical and have changed over time — most sharply for sports wagering — tax revenue can grow faster or slower than the underlying AGR it is drawn from.
- **Tier 1 sports wager** — A bet settled on the final outcome of a completed event, such as which team wins the game or the final score. Tier 1 wagers are the conventional, lower-frequency form of sports betting.
- **Tier 2 sports wager** — A bet settled on something other than the final outcome — an in-game event, a player-specific result (a "prop" bet), or a rapid-fire "micro-bet" resolved within seconds. Tier 2 wagers are higher-frequency, carry worse odds for the bettor, and are the category most associated with loss-chasing and continuous play. The migration of betting volume from Tier 1 toward Tier 2 is a central mechanism behind the rising hold documented in Takeaway 1, and behind the per-wager tax's behavioral effects discussed in Section IV: as flat per-bet costs discourage high-volume Tier 1 betting, activity shifts toward larger and structurally riskier Tier 2 wagers.