

FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

Online Gambling and Kids: A Bad Bet

Do kids gamble? The National Research Council (NRC) suggests that not only do most adolescents gamble, but also that they've gambled recently.

The most common types of gambling for kids are reported to be card games and sports betting. But increasingly, parents of teens are concerned that their kids may be gambling on the Internet, where many game operators are operating from servers outside the U.S. — beyond the jurisdiction of state or federal regulations about the hours of operation, the age of the participants, or the type of game offered.

According to the Federal Trade Commission (FTC), it's easy for kids to access online gambling sites, especially if they have access to credit or debit cards. Indeed, some of the most popular non-gambling websites carry ads for gambling sites, and many online game-playing sites link to gambling sites.

The FTC wants teens and parents to understand the risks associated with kids gambling online:

- **You can lose your money.** Online gambling operations are in business to make a profit. They take in more money than they pay out.
- **You can ruin a good credit rating.** Online gambling generally requires the use of a credit card. If kids rack up debt online, they could ruin their credit rating — or yours, if they use your credit card. That can prevent you from getting a loan to buy a house or a car, or even from getting a job.
- **Online gambling can be addictive.** Because Internet gambling is a solitary activity, people can gamble uninterrupted and undetected for hours at a time. Gambling in social isolation and using credit to gamble may be risk factors for developing gambling problems. Gamblers Anonymous (www.gamblersanonymous.org) is a self-help group for problem gamblers. Gam-Anon (www.gam-anon.org) is a self-help program for family members.
- **Gambling is illegal for kids.** Every state prohibits gambling by minors. That's why gambling sites don't pay out to kids and why they go to great lengths to verify the identity of any winner.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.