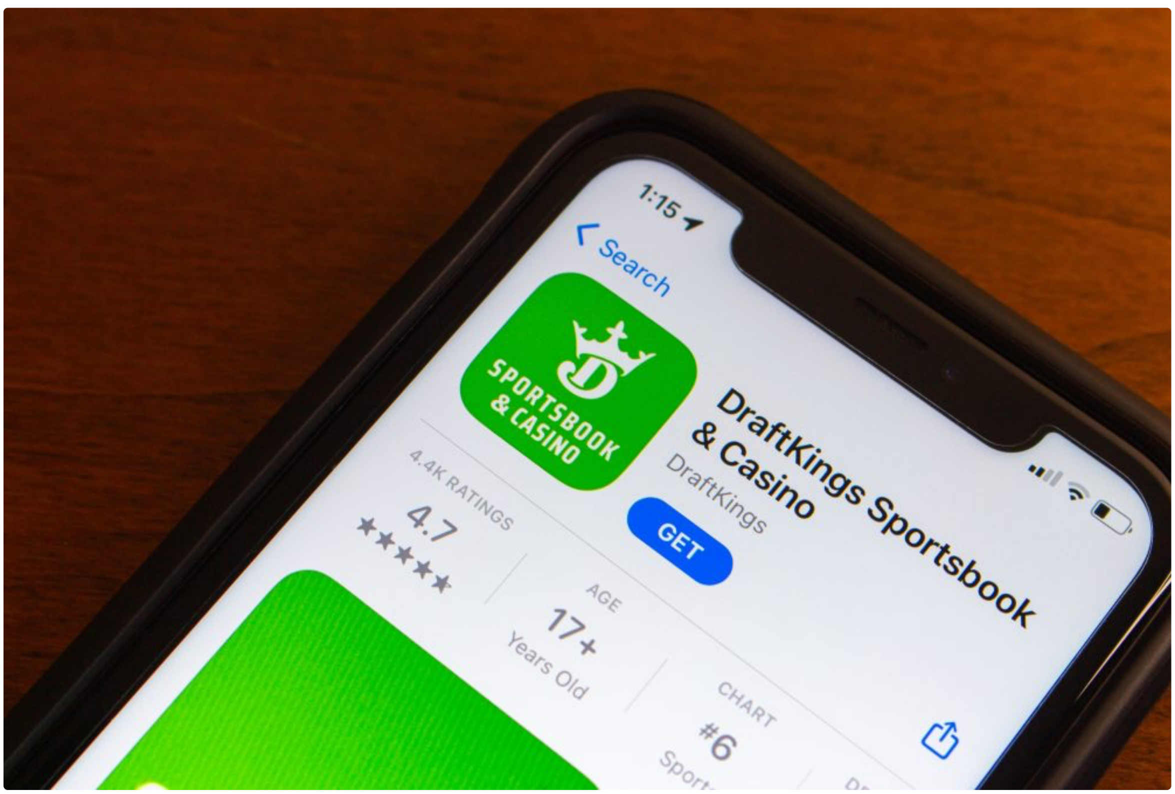
Arnold Ventures Tackles the Ills of Online Sports Betting

Laurie Udesky | June 17, 2026



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In March, a 21-year-old college student who had spent the previous 18 months racking up $180,000 in online sports betting debt showed up at the office of Timothy Fong, MD, seeking help. “By the time he came to see me, he had reached what I call lethal emotional pain. He was suicidal,” said Fong, a UCLA psychiatrist specializing in addiction medicine.

Fong said that such an extreme mental health consequence related to sports betting may be rare, but that the public-health-associated issues around online sports betting have significantly escalated across society. A recent report from UCLA and the Kindbridge Research Institute found that about 15% of people between the ages of 18 to 34 show “concerning gambling behavior,” compared to only 2% of adults 55 and older. Although cases where a person is driven to suicide are unusual, there’s a higher risk of that in people with gambling disorder, according to the report.

The rise of online (as opposed to in-person) gambling, of course, means it’s easier than ever for young people to engage in sports betting. “Because this type of gambling is frictionless, it’s 24/7, it’s always on, it’s very different from getting in the car and driving to the casino and gambling, and then leaving the casino, and having no further access,” Fong said.

This state of affairs, and the fact that there are few guardrails around the activity, is one reason why Arnold Ventures, with its track record of taking on distinctive issues and approaches, is tackling sports betting as an area of focus.

How and why Arnold Ventures is taking on sports betting and online gambling

Billionaire John Arnold, who backs Arnold Ventures along with his wife, Laura, has observed that online sports gambling makes it much easier for vulnerable people of any age to bet away their bank accounts.

“The sports betting today is not ‘I’m going to put $20 down on the game and wait five hours to see if I’ve won or lost,’” Arnold said in an interview at a recent *Wall Street Journal*-sponsored event. “It’s ‘I’m going to bet on a coin flip, I’m going to bet on every play. I’m going to do a 10-way parlay bet that pays off 2,000 to 1 if I hit, but is actually 10 bets in one.’”

While Arnold said he’s not opposed to sports betting, his concerns about the ubiquity of the practice only grew when his teenage son started asking him for permission to access an app that offered a platform for investing and sports betting.

“The sites have, deliberately or not, created a pathway for teenagers to get accounts and start gambling heavily,” Arnold told Bloomberg. “It’s leading to a lot more irresponsible play.”

In line with its usual evidence-centric approach to new areas of focus, in which it regularly funds research to inform policy, Arnold Ventures launched a request for proposals last July for research around the financial, behavioral and social impact of legalized sports betting.

Arnold's growing sports-betting funding stands alongside another initiative, Partnerships for Proven Programs, through which the grantmaker is trying to navigate a "translational space" between research and policy in several areas of interest, like workforce development, education and crime prevention.

"Across every policy area that we work on, we're looking for places where policy is generating unintended consequences," says Kirby Smith, Arnold Ventures' chief strategy officer.

Those consequences began cropping up following a landmark 2018 Supreme Court decision, which overturned a law that prevented states from allowing sports gambling. Seeing that as an opportunity to generate added tax revenue, some 38 states and the District of Columbia subsequently legalized sports gambling. Since then, there was a 30-fold increase in the total value of bets calculated for 2024, $148 billion. That's according to the American Institute for Boys and Men (AIBM), an organization that works "to address the challenges facing boys and men through evidence-based research." At the same time, calls to the National Problem Gambling Helpline from states allowing sports betting skyrocketed by 148% from 2018 through 2025, compared to a 45% increase — still concerning — in states where sports betting is not legal.

In January of 2026, Arnold Ventures gave a $2 million grant to AIBM to form a Sports Betting Policy Hub to help researchers, policymakers and advocates respond to "growing evidence of financial and health harms."

Young men are squarely in that mix: The percentage of young men under 30 who think that sports betting is bad for society has doubled in two years, according to research by the Pew Research Center.

"Clearly, people are betting more than they intended to — that's where the concern comes in," said David Sasaki, who directs AIBM's Boys and Men Online Program. "Then just looking at the state of the world right now, young men are expressing a lot of anxiety about their career prospects, about their financial prospects."

In addition to standing up the new policy hub, with Arnold Ventures' grant, AIBM will also seek to raise public awareness about sports betting through such work as gambling literacy classes in high schools. The group approaches the classes "from the perspective that you don't want to shame young men," Sasaki said. "If an adult is going in there and saying, 'Don't do this,' it's all the more reason to do it. So rather, it's equipping them with the knowledge of how gambling companies might be suckering them into making bad bets with bad odds."

More research support is on its way

Smith pointed out that sports betting advertising floods TV and other media around sports events — she has witnessed it firsthand in her family of sports enthusiasts. "They're on 100% of the time in the evening in my household," she said. Major sports book betting app vendors like DraftKings are paying celebrities, including actor and comedian Kevin Hart and retired basketball icon Shaquille O'Neal, to appear in ads encouraging viewers to bet.

In a tranche of $2 million in grants under consideration that it will announce this summer, Arnold Ventures will back research about how TV advertising affects consumer engagement in betting. Poet Larsen, a postdoctoral fellow at Harvard Business School and an investigator for one project under consideration, has already published research showing how sports betting in states where it's now legal has translated into alarming increases in indicators of financial instability.

"We're seeing about a 25% increase in bankruptcy rates and similar percentages of 8% in credit card and auto loan delinquencies," Larsen and his co-authors found.

To dive deeper into the financial toll, Scott Baker, a professor of finance at the University of Wisconsin in Madison, is under consideration along with his team for a project investigating how sports betting behavior connects with other financial events in people's lives. In particular, Baker said, they'll be looking at "how large wins or losses change behavior in relation to things like investments, credit or consumption decisions." Baker and his team will also be investigating how work bonuses, job loss and tax refunds affect betting.

To Sarah Schutz, there's no question that online sports betting is a public health threat. "While we know gambling can affect people's mental health, we have very little understanding of how sports betting legalization, especially online sports betting, impacts mental health," she said. In her research project, which is also under consideration by Arnold Ventures, Schutz, a postdoctoral researcher at Vanderbilt University, will look at states that legalized online sports betting to determine whether more people are being diagnosed with mental health disorders, seeking therapy or medical treatment associated with the negative consequences of online sports betting.

To Tory Martin, the lead author of the Johnson Center for Philanthropy's annual "11 Trends in Philanthropy" report, one factor that helps grow grantmaker support for seemingly new or niche issues is how prevalent they are — as we've seen with the rise of funding for psychedelic treatments amid a mental health crisis. "[Whether] this issue impacts people everywhere — like racial or gender equity — or [whether it] only impacts people in Colorado, or in Arkansas — can make it easier or harder for more philanthropists to relate to it and want to get involved," Martin said. In the case of online betting, the impact is virtually nationwide.

Although sports betting research and policy is still virgin territory for philanthropic support, Kirby Smith said that it's actually a classic focus for Arnold Ventures: a policy matter that is exacting harms, and requires evidence-based research to inform solutions. "This is an issue that is impacting people financially. It's impacting social and mental health. It's having this impact in states across the nation."

Note (6/29/26): A previous version of this article attributed research on young men's views on sports betting to Pew Charitable

Trusts. The correct attribution is Pew Research Center.

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