

THE NATIONAL COALITION
NCAGE
AGAINST GAMBLING EXPANSION

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Dear friends of NCALG,

The greed of gambling promoters grows ever greater. The gambling fraternity is searching constantly for new access to the wealth of the public. On May 23, gamblers found a new entrée to America's riches when Illinois Governor Rod Blagojevich proposed selling their State Lottery to private entrepreneurs for a tidy \$10 billion. (That's 10,000 times a million dollars.) The head of the Illinois Senate readily endorsed his scheme.

The price is overwhelming, until you look at it closely. Gov. Blagojevich proposes allocating \$4 billion immediately to rebuild needy schools. The remaining \$6 billion will be invested in an annuity that the Governor claims will produce \$600 million every year for Illinois public education.

If lotteries are so successful, why privatize them? As an Illinois resident, I remember when the Lottery first came to my state. It was presented as the final and complete answer to educating our children. It was labeled a "painless revenue stream." New schools would be built, budgets would increase, teachers would be rewarded, and taxes would *not* increase. The Lottery would be fun, great entertainment, plus a few would become rich, and the poor could dream about gigantic jackpots. We were promised a "win-win" situation – a painless way to underwrite the cost of public education.

It doesn't take a mathematical genius to know that lotteries have not solved the financial needs of our schools. Jack O'Connell, currently Superintendent of Public Instruction in California, has stated that the Lottery is "one of the worst things for education." But gamblers are first cousins to the medicine men of old, "If one tablespoon of snake oil won't help, try two!" We now hear, "If the Illinois Lottery has failed to live up to its promises of thirty years ago, sell it to private entrepreneurs and watch big money roll in, forever."

Lotteries thrive on false hopes. If the Illinois Lottery has failed to produce enough funds, let private for-profit enterprises use our children for their own gain. This would lead to combining the state lottery with overseas lotteries, offering *world* prizes of one billion dollars or more, selling tickets via the Internet, multiplying ticket terminals, engaging in mass advertising, offering electronic KENO, always promising bigger jackpots. Their goal would be self-profit, not better-educated children.

Anita Bedell, a former NCALG Board Member, is a veteran activist who heads ILCAAAP, an Illinois non-profit, church-related advocacy group. She has secured major church opposition to privatizing the state's lottery, enlisted help from the Jewish Council on Urban Affairs and generated opposition from most Illinois newspapers. The Governor has not backed down yet. The battle lies ahead.

A New Day Ahead

Changes are taking place in the public's perception about gambling. Opposition is growing in **Illinois** against the privatization and expansion of their State Lottery. **North Carolina** has voted to phase out video poker machines. **Iowa** is abolishing their "TouchPlay" simulated slot machines. Both the Democrat and Republican candidates for Governor in **Ohio** have declared their opposition to slots at Ohio tracks. Major gambling legislation has been rejected this year in **Kentucky, Kansas, Nebraska, West Virginia, Texas, Maryland, Arkansas, Delaware, Wyoming and Wisconsin.**

I want to be the first on public record for declaring that we have reached the "tipping point" in our battle against gambling expansion. I have often declared that gambling contains the seeds of its own destruction. It cannot deliver on its promises and cannot hide its victims. This third wave of historical gambling in America will follow the pattern of the first two from boom to bust.

I base my declaration not only on the victories we have managed as people against gambling promoters' vast sums of money and political clout, but on the results of the recent independent survey of the Washington, D.C. **Pew Research Center**. If you were marketing a product as "economic development," "a painless revenue stream," and "entertainment" like shopping and the movies, and have a monopoly in 48 states, you would assume that your product would literally be "flying off the shelves" to happy consumers. But the Pew Report indicates just the opposite. Here are 3 findings:

1. "Fewer people now (23%) than in 1989 (34%) say that they enjoy making bets." The public's enjoyment of gambling is definitely down.
2. Pew's highly-respected, independent research organization found that a plurality of 42% of the public believes that gambling has a "negative impact" on their communities.
3. 70% of Americans believe that "legalized gambling encourages people to gamble more than they can afford." This percentage is up from 62% in 1989.

This national survey confirms California's increasingly negative view of gambling. On May 31, Attorney General Bill Lockyer issued a comprehensive 176-page report of gambling in the Golden State. Lockyer stated, "From a law-enforcement perspective, there's not a lot of good that comes from casinos." "Casinos contribute to growing numbers of problem and pathological gamblers – people whose addiction to gambling harms them, their families and their communities." The report puts the cost of pathological and problem gambling at nearly \$1 billion. These costs are linked to bankruptcy, unpaid bills, mental illness, substance abuse and unemployment. The report also links casinos with "higher incidents of rape, murder, robbery, burglary and auto theft."

I found these trends amplified in several recent articles in national publications. There is a growing dissatisfaction among Native Americans for their reliance on casino profits. Here is what editor Tim Giago wrote in *Indian Country Today*: "Tribes that put all of their eggs in one basket are facing an uncertain future at best. In my mind a profitable casino is still a business built on shifting sands...Gambling will always be a shaky enterprise based on the whims of the gamblers and the state of the economy...it often brings out the worst in people and tribes."

The *New York Times Magazine* carried a 7-page article in their June 11 issue on the popularity of online gambling in college and university dormitories. In one tragic case an outstanding 19-year-old student at Lehigh University actually robbed a Wachovia Bank to pay off his \$7,500 gambling debts. This student was class president, the chaplain's assistant, and son of a minister. The article ended with a rebuke to university administrators and to government officials for not enforcing U.S. laws against online gambling. Wrote the *N.Y. Times*: "College administrators who would never consider letting Budweiser install taps in dorm rooms have made high-speed internet access a standard amenity, putting every student with a credit card minutes away from 24-hour high-stakes gambling." They quoted the Annenberg Public Policy Center as reporting that the number of college males who gamble online once a week or more has quadrupled last year alone.

Our crowning victory came on July 11 when the U.S. House of Representatives passed HR 4411 by a 317-93 vote. The measure forbids the use of credit cards to transfer funds from U.S. gambling patrons to foreign online gambling enterprises in Costa Rica, Antigua, England, Gibraltar, etc. The measure goes further and empowers enforcement authorities to block access to gambling Web sites. NCALG has been advocating this reform for seven years – ever since Congress authorized the Gambling Impact Study. We especially thank Cynthia Abrams, David Robertson and Barrett Duke for serving as NCALG advocates in this long crusade. Senator Jon Kyl of Arizona will lead the battle to obtain passage of HR 4411 by the U.S. Senate. Readers are urged to write to your two U.S. Senators, asking each to vote *for* HR 4411.

Passage of HR 4411 is part of the "tipping point" in reversing our country's gambling expansion. I predict more victories to come. Our "Moment of Decision" lies ahead. We need to work together to end America's gambling binge.

November 7 - America's Next "Moment of Decision"

Tuesday, November 7, is the next "moment of decision" for America and the laws under which we live. As the Field Director of NCALG, I travel to all corners of our land, highlighting that the future of our nation depends on selecting the very best lawmakers. Voting is our one meaningful opportunity to endorse or reject the candidates that will represent us in the U.S. House of Representatives. In November, 33 U.S. Senators will be chosen for the coming 6 years. In addition, we will select state Senators and House members who will enact legislation in state Capitols.

The November winners will be the individuals with whom I will work in our battle to keep America gambling-free. Legislators have the power to vote "YES" or "NO" on proposals to expand or restrict gambling in our states and neighborhoods. Whether candidates are Democrats or Republicans, we need to quiz them where they stand on expanding state lotteries, legalizing slot machines in racetracks, chartering gambling boats, smoothing the way

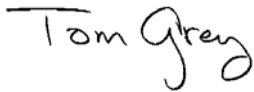
for more casinos, prohibiting Internet online gambling, and appropriating government financing of gambling enterprises.

Many vocal individuals are aggressive in asking candidates about their views on education, taxation, the environment, military preparation, crime and health measures. These issues are important, but so is the *threat of saturation gambling*. Citizens who are concerned with health, and the economic and moral values of our nation should ask candidates about their views on the gambling issues listed above. Concerned voters need to personally talk with those seeking public office. Candidates are now speaking to community groups and in public forums. It's best to ask candidates face-to-face.

The election will involve all 435 members of Congress, 33 U.S.Senators, plus most state lawmakers. If you are a taxpayer, if you are concerned with the moral future of our country, if you pray for the well being of our nation, *now* is the time to act. NCALG does not endorse candidates, but we do stand on the high ground against gambling expansion and look for leadership that holds to this higher ground. Gambling is a growing moral issue in the US. The greed and political corruption of gambling is growing. Now is the time to "clean house," and place gambling on the agenda of every candidate for public office.

The NCALG is committed to the coming election to restoring American values. We have many state affiliates. Several thousand concerned citizens receive these letters. We operate on a very lean budget. NCALG makes every effort to keep posted on local gambling proposals throughout our nation. We appreciate very much your regular support of this cause. Please use the enclosed envelope for a generous gift to NCALG. Thank you.

Battle on,

A handwritten signature in black ink that reads "Tom Grey". The signature is written in a cursive, slightly slanted style.

Tom Grey,
NCALG Field Director