

THE NATIONAL COALITION  
**NCA****GE**  
AGAINST GAMBLING EXPANSION

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100 Maryland Avenue NE, Room 311, Washington, DC, 20002 ~ (307) 587-8082 ~ 800-664-2680

Fall, 2006

Dear friend of NCALG,

The National Coalition Against Legalized Gambling is working on the front lines in an effort to ban Online Gambling in the United States. Within the next 60 days, the battle will focus on the U.S. Senate in our crusade for a gambling-free country.

Online Gambling: The U. S. Department of Justice has consistently held that Online Gambling is illegal. Yet this type of illegal gambling flourishes in the United States through gambling websites that operate out of Russia, England, Gibraltar, Costa Rica and many islands in the Caribbean. Researchers estimate that Online Gambling is now draining \$12 billion dollars a year from our nation, with approximately 2,000 Online websites available on the Internet. But this is only the beginning.

If the Senate fails to agree with the 317-93 vote in the House of Representatives banning Online Gambling, computer-based gambling will explode in our country. Twelve billion dollars will only be the down payment on the profits that will flow to Internet gambling operators, while the American taxpayers will be saddled with the costs of personal addictions, societal problems, marriage strains, bankruptcies, crimes, even suicides. Any person can reach these sites by using the Internet and searching for Sportingbet, PartyGaming, 888.com, or many other similar sites. Online Gambling is anonymous, addictive, invasive, unsupervised and costly.

Two members of Congress, Bob Goodlatte (VA) and Jim Leach (IA), have labored for years to stop this illegal fleecing of American consumers. NCALG has been an active partner in this crusade. Our country received a partial victory when HR 4411 passed the U.S. House of Representatives on July 11 by a vote of 317 to 93. The press gave generous coverage to this victory.

Technically, HR 4411 declares it illegal for any U.S. bank, credit card company or financial institution to remit funds to Online Gambling firms (all of which are overseas). HR 4411 also instructs the U.S. Justice Department to work with Internet providers to block access to Online Gambling. HR 4411 does not impinge on any legal gambling activities that originate in our country. HR 4411 is only aimed at foreign gambling conglomerates that are reaching out to Americans via the Internet.

The immediate fall-out of HR 4411 is unbelievable. Three days after its passage in the House, David Carruthers, a gambling CEO, was arrested at the Dallas Airport on his trip from London to Costa Rica. His Costa Rico wagering firm, BetOnSports, suspended operations, and Carruthers was fired from his job. An Online Gambling Conference, scheduled to open in Las Vegas in late July, was canceled. Gambling moguls from other countries were afraid to enter the U.S. On Sept. 7, Peter Dicks, chair of Britain's Sportingbet PLC, was arrested at Kennedy International Airport. For the first time in a decade, gambling bosses are on the run.

Immediately, foreign Online Gambling firms began hiring influential lobbyists to kill HR 4411 in the U.S. Senate. American casinos do not want foreign competition for U.S. gambling dollars, yet they realize that Internet gambling might become lucrative for American companies. Groups that sponsor Poker Tournaments are opposing HR 4411. Some banking institutions see a loss in credit card fees if HR 4411 bans transmitting funds to pay gambling debts overseas. NCALG warns that HR 4411 is hanging in the balance and could be torpedoed by greedy commercial gambling interests.

We are very encouraged by the lop-sided favorable vote in the U.S. House of Representatives. We are heartened by the nation-wide editorial support for HR (House Resolution) 4411. Sen. Jon Kyl (AZ) is the sponsor of HR 4411 in the U.S. Senate. His office has issued a list of 89 national and state organizations that have endorsed HR 4411. Primary on the list is the National Association of Attorneys General, representing 48 State D.A's. All major league athletic groups are backing HR 4411, including big league basketball, baseball, football, and hockey. Wagering is a constant threat to the integrity of all sports. The American Bankers Association wants HR 4411, and many credit card companies are endorsers. 37 major denominations are on board along with prominent interchurch and family groups. The list is very impressive and represents a good consensus of American thinking. NCALG will send the complete list to all who respond to this letter.

**We need your help:** Dr. David Robertson, past chair of NCALG and Internet Gambling specialist for the board, says, "It is absolutely critical that we move this legislation now. There will never be a time where we can do so much to protect this nation, our homes and our families from this scourge." The U.S. Senate is now in session. We are battling high-powered lobbyists that want to kill HR 4411. Our 317-97 victory in the House of Representatives makes HR 4411 a major step toward a significant achievement.

We ask every person to write immediately to your two U.S. Senators and ask each to vote **YES** on HR 4411, and thus stop the flow of money to other nations to pay gambling debts. (You can find the names of your two Senators from your phone book, your news-paper, or your library. The U.S. Capitol switchboard is 202-224-3121. Ask the operator for the Senator you wish to reach. All Senators have the same address: c/o U.S. Senate, Washington DC 20510.) Use your own creativity in writing a personal letter. Mention that Online Gambling is now illegal in the U.S. Remind them that Online Gambling brings wagering into the privacy of every home, every office, every apartment, every dorm room, every cell phone, and all retirement homes. Please write today. We need to work together.

### **State Issues:**

The next seven weeks are critical to the five states that will be casting decisive votes on the expansion of their gambling. The gambling fraternity has targeted other states for more wagering in 2007. I plan to spend most of my time in these 5 states:

**Ohio** is a bellwether state - politically, culturally, and consistently anti-gambling. Many political observers see Ohio as the key to the 2008 presidential election. The same may be true on Nov. 7, on the expansion of gambling. The gambling predators solicited enough signatures to qualify a state ballot initiative to legalize 31,500 slot machines at seven Ohio racetracks, two entertainment centers in Cleveland, and one center in Cincinnati. It's all being promoted "to assist education." Ohio will also be electing a new Governor, and both major candidates are *opposed* to more gambling. Ohio's U.S. Senator George Voinovich also opposes the slot machine proposal. Ohio can again become the bellwether fortress of citizens who want to keep the U.S free from more gambling. Gambling proponents typically cloak their greed in the name of some popular concern, like reducing taxes or subsidizing schools.

**Nebraskans** will vote on Nov. 7 on a proposal that will allow 620 Nebraska keno licensees to install an unlimited number of slot machines. Congressman Tom Osborne is spokesperson for the opposition. Pat Loontjer is a NCALG Board Member and the chair of Nebraska's *Gambling for the Good Life*. "We are Nebraskans who love our state and don't want to see Nevada or Nebraska gambling interests destroy our good life for their own selfish gain," warned Loontjer. Loontjer, Osborne and Warren Buffet led a successful battle in 2004 against using the Cornhusker State to enrich corporate gambling interests.

**Rhode Islanders** will be voting on Nov. 7 to allow Harrah's to build a casino in West Warwick, using the Narragansett Indians as a front for their casino. Harrah's has spent millions of dollars to change the Rhode Island Constitution so it can operate a casino. If the vote is successful, it will probably be subject to a legal challenge in the U.S. District Court of Federal Judge William E. Smith. Judge Smith questions the constitutionality of the proposals, but does not want to devote court time to the case unless the measure passes.

**South Dakota** is struggling against video lottery machines that are strangling many local businesses. Video lottery machines are addictive, depress local businesses, and drain enormous amounts of money from local economies. On Nov. 7, South Dakota residents will vote on a proposal to *ban* video lottery machines from their state.

In **Indiana**, wagering proponents have qualified a Nov. 7 ballot proposal to legalize casinos in Clark County, just across the Ohio River from Louisville. This is nothing new as Clark County citizens have twice turned down these "pie-in-the-sky" proposals before.

In 2002, three Governors were elected on their promise of expanding gambling to gain funds for education. Organized citizens groups and conscientious lawmakers were able to defeat the gambling proposals of Gov. Kathleen Sebelius of **Kansas** and Governor Robert Ehrlick in **Maryland** . . . Kansas Gov. Sebelius has consistently supported the expansion of gambling and is running this November against Dr. Jim Barnett, who has pledged to veto any gambling proposal . . . Maryland's Gov. Ehrlich has again promised to legalize slots machines at his state's racetracks if he is re-elected next year. Both candidates in **Illinois** are promising better education through more gambling. Gov. Rod Blagojevich proposes selling the Illinois Lottery for \$10 billion. Candidate Judy Baar Topinka advocates a casino in downtown Chicago.

**Pennsylvania's** Governor Edward G. Rendell campaigned for casinos in Pennsylvania in 2002 and persuaded the Pennsylvania Legislature to legalize 14 casinos in various Pennsylvania locations. That was two years ago and no casinos have yet been licensed or constructed. The Quaker State casino legislation has produced massive problems, a very costly Pennsylvania Gaming Control Commission, lawsuits, editorial criticisms and the defeat last spring of many state legislators. Dianne Berlin, who is national vice-president of NCALG, maintains a website: [www.CasinoFreePa.org](http://www.CasinoFreePa.org). There is considerable pressure to get the Pennsylvania legislature to reverse the 2004 casino legislation.

## ***Victory Under Fire***

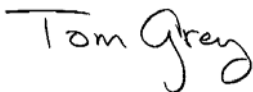
As an infantry officer in Vietnam I learned to work for victory while living under fire. A key tactic was to seize and hold the high ground, and attack only when we were attacked. In state after state, NCALG and our state affiliates are holding the high ground against gambling expansion. Citizens are now being attacked by gambling predators. On November 7, the voters of **Ohio, Rhode Island, Nebraska, South Dakota** and southeastern **Indiana** will decide if their future depends on wisdom and work, *or* on cards, dice and slot machines. It will be a test of character and greatness. Citizens will be going to the polls to maintain the safeguards of good government.

The longer that I am in this mission to free America from the clutches of gambling predators, the more I discover that the real battle is one of *values*. America's greatness developed from the vision of freedom and hard work that motivated our forbearers. They knew the price of greatness. They conquered mountains, cleared forests, built canals, constructed homes, and established schools and churches. We have a grand heritage of independence, application and self-reliance.

I am grateful for government leaders who are saying NO to the blandishments of gambling. We must support them. I hope that letters will flow to every U.S. Senator, and Congress will finally shut the door on Online Gambling in the next few weeks. I dream of a strong America, a people of character and hard work, determined to labor effectively for the future of our country.

I also ask for solid financial support to win these battles. More assaults are coming next year from the gambling fraternity. A gift to the National Coalition Against Legalized Gambling (NCALG) is an investment in the future of America. Please use the enclosed self-addressed envelope and enlistment card to send a generous contribution to NCALG soon. NCALG has some strong, volunteer state organizations. As I travel from state to state, I am encouraged by the quality of our leaders. We have won many victories. Even under fire, we have a mission, and eventually **we will win**. Thank you.

Battle on,



Tom Grey  
NCALG Field Director