

THE NATIONAL COALITION
NCAGE
AGAINST GAMBLING EXPANSION

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

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Dear Friends of NCALG,

A February column in the *Indianapolis Star* profiled my concern over a massive expansion of gambling in Indiana. Typically, gambling is sold through a benign introduction such as a Mark Twain Riverboat entertainment, then grows and metastasizes into a multi-headed monster that destroys its host. I have made two recent trips to the Hoosier State, where the promoters of gambling are making a blitzkrieg attack. Four assaults are zeroing in to make Indiana a Midwestern Las Vegas:

- Install slot machines in Indiana racetracks.
- Sell the Indiana State Lottery to a private foreign-owned company.
- Legalize slot machine in bars, taverns and restaurants.
- Expand riverboat casinos on barges, doubling the number of slot machines.

My initial trip to Indiana was on January 8 when I met with the Indiana Coalition Against Gambling Expansion, founded by NCALG Board Member John Wolf and now led by Lorin Clemenz. We decided to work from the grass roots up, to publicize the issues, contact the press, testify before legislative committees and seek an interview with Governor Mitch Daniels. Denominational leaders will meet with Governor Daniels on March 26. We are fortunate to have Bishop Michael Coyner who will lead the faith delegation. Bishop Coyner is the presiding officer of the two Indiana United Methodist Conferences. He was a featured speaker at our National NCALG Conference in 2000.

I had a very full week early in March when I traveled to New England to confront the gambling industry with the truth about their greed and their attempts to manipulate our legislative processes. To be near our family and grandchildren, my wife and I now reside in Spokane, Washington. I have discovered that Spokane is a long way from the East Coast. I left home at 5:30 a.m. on Monday, March 5, and arrived in New Hampshire at 10:30 p.m. I had to sleep fast in order to join a group from the Granite State Coalition Against Gambling Expansion, led by Jim Rubens, for a 9 a.m. hearing before a Committee of NH State Senators. This committee voted 3-2 to kill a casino proposal a week later. Mission accomplished!

Wagering on dog racing is also a major issue in New Hampshire. I joined with Board Member Carey Thief, Executive Director of Gray2KUSA, to promote the Animal Protection Act, which could end commercial dog racing in NH. This luncheon succeeded in gaining 34 new legislative sponsors for the Animal Protection Act. Dog racing is a cruel sport, resulting in the crippling and/or deaths of hundreds of innocent greyhounds.

Finally, I called on the editorial board of the *Manchester Union Leader*. This leading NH paper has opposed gambling in New England, and I called on them to raise gambling issues with presidential candidates coming to New Hampshire. We must nationalize what has been individual state issues by confronting our presidential candidates on gambling.

I was in Chicago briefly on Wednesday. Illinois is being badgered by powerful political forces to add casinos in Chicago, slots at racetracks, and even selling their State Lottery. Anita Bedell is a former NCALG Board Member and a skilled spokesperson against gambling in the Illinois Capitol. On Thursday I was in Indianapolis again, testifying before the Indiana Gaming Commission, along with the Indiana Coalition Against Gambling Expansion, to stop the proposed rule change that will allow riverboat casinos to transmogrify into land-based casinos. After five challenging days, I flew back to Spokane to prepare for the next round of upcoming battles.

NCALG has a list of 571 bills that are now before state legislatures, each bill promising to raise revenues through additional forms of gambling. Every conceivable form of gambling is being proposed in some corner of our nation. Fortunately NCALG has state organizations to fight these hundreds of gambling proposals. After being defeated in state votes in 2006, the gambling industry has turned this year to State Capitols for results. It is easier for the gambling industry to buy state legislatures than to win at the ballot box. 2007 will be a tough legislative year across the country.

A Billion-Dollar World Lottery: On February 10, the London *Telegraph* carried the proposal of Camelot to establish a “world lottery draw,” with an annual \$500 million first prize plus several monthly million dollar prizes. The English gambling firm states that 48 countries have expressed interest in a super world lottery. This Camelot announcement makes sense of the current proposals to sell the State Lotteries in Illinois, Indiana and Texas. California has already agreed to allow Lottomatica to design games, provide computer security and do advertising for the Golden State Lottery. Lottomatica is an Italian company with lottery contracts in 40 countries. How brazen can the gambling lords get – to propose a World Lottery with billion dollar prizes?

In many ways, lotteries are the worst form of gambling, in that government becomes the sales agent for a product where most of the customers must lose. There is no way that any lottery can produce funds for any worthy cause without millions of customers ending up with worthless tickets. Lotteries violate all concepts of consumer protection laws. Like a tsunami, a world lottery could prove to be a financial and moral disaster.

Online Wagering: NCALG rejoices in our victory last fall to ban online gambling. However, our victory is being challenged. A new voice is now being heard in Congress wanting to rescind this action. Alfonse M. D’Amato, the former Republican Senator from New York, has been hired to weaken federal law by exempting poker from the online gambling bill that President Bush signed on October 13, 2006. D’Amato was well known for his poker skills among Washington poker aficionados. The Poker Players Alliance hired former Senator D’Amato to use his skills to exclude poker from the Internet ban. The effect would cancel the victory we won in Congress last October.

Tribal Gambling: NCALG continues to monitor the many attempts to introduce tribal casinos in all parts of the U.S. Over 20 states are facing the dilemma of “reservation

shopping.” 24 states have no tribal casinos, including Pennsylvania, Ohio, Indiana and Illinois. We now have groups of Indians who have sued farmers, homeowners and state governments, asking for the return of ancestral lands. These efforts have been largely unsuccessful. Litigation about “reservation shopping” for casino locations is now before the courts and federal agencies.

A test case is now before the Department of Interior, where the St. Regis Mohawk Tribe is petitioning to build and operated a casino in the Catskill Mountains near New York City. This location is 450 miles from their historic reservation. Newly elected New York Governor Eliot Spitzer has rapidly embraced this proposal. This proposed Catskill tribal casino has become a key test for “reservation shopping.” Contradictory pressures are mounting on the U.S. Interior Secretary Dirk Kempthorne, who opposed “reservation shopping” when he was Governor of Idaho. In his new position as U.S. Interior Secretary, Kempthorne has cautioned individual tribes regarding their numerous requests for off-reservation gambling. NCALG has a request to meet with Kempthorne to oppose “reservation shopping.”

On February 1, the California Supreme Court, by a 4-3 decision, ruled that Indian tribes must conduct labor relations according to federal regulations. The Court’s prevailing argument was that most employees of tribal casinos are not Indians, and that the sovereignty of the federal government to protect all employees prevails over the tribal claims that Indian sovereignty exempts tribal casinos from obeying federal labor laws. Should tribes appeal the California Court decision to the U.S. Supreme Court? If the U.S. Supreme Court upholds the California decision, the role of the federal government would be strengthened in regulating casino gambling. Indian leaders are debating the wisdom (or hazards) of appealing their sovereignty claims to the U.S. Supreme Court.

World Trade Organization: The above battles are more than enough for our meager resources, but now we face a threat from the World Trade Organization to impose Internet gambling on America through their decision. It baffles me how an international organization can override Congress and annul safeguards in state laws. The small island nation of Antigua, located in the Caribbean, has turned to the World Trade Organization to supersede U.S. laws and allow this tiny country to dictate gambling laws in America. Antigua’s total population is only 69,000 persons. This island nation has enacted very liberal laws allowing foreign firms to operate worldwide, with billions of dollars flowing into Antigua from U.S. gamblers.

Antigua is now claiming that the U.S. ban on online gambling is a restriction on foreign trade, and should be overturned by the European Court of Justice. In other words, 69,000 Antiguanians want to obliterate the unanimous action of the U.S. Senate to ban the flow of funds from the U.S. to pay gambling debts. Billions of dollars are involved. The U.S. Department of Justice is aggressively enforcing U.S. law to keep gamblers from sending huge amounts of money to foreign gambling enterprises. Other nations are now enacting similar protective laws to protect their citizens. Whether WTO can override U.S. legislation is very much on the agenda of the NCALG Board of Directors.

America’s Next President: The *Indianapolis Star’s* summed up my mission by quoting me, “I’m just a little guy, a rifle company commander. I’m still waiting for the generals to join me in this battle against gambling.” So it is that I am hoping for leadership from our next U.S. Commander-in-Chief to lead in the battle against America’s gambling binge.

As presidential candidates travel across our country, meeting the public, answering questions, and revealing their personal convictions, I hope that concerned people will ask, “Do you favor maintaining our nation’s ban on online gambling?” “Do you believe governments should resort to gambling to raise revenues?” “Do you favor America’s participation in a billion dollar world lottery?” As candidates, they need to be asked these questions. Some states are moving to proportional representation, which will permit more debates. America will be stronger to have a President who is publicly and politically opposed to expanded gambling.

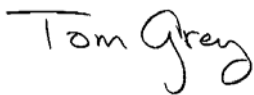
This letter has shared the gambling issues facing America today. The predatory gambling industry has definite goals, they are persistent, they want more power and greater wealth, they have lobbyists and public relations experts, and often have individuals in political positions to do their bidding. This makes our continuing efforts more vital.

Before closing, I want to share our loss in the death of Leo T. McCarthy on Feb. 5. Leo McCarthy was a former Speaker of the CA State Assembly and then served as Lt. Governor of California for 12 years. He was a vocal member of The National Gambling Impact Study Commission of 1999. McCarthy was a fervent and effective foe of gambling. He frequently spoke against gambling’s impoverishment of people and the lowering of public standards. Our cause will miss this mighty spokesman for good government.

It will be a personal encouragement to know that concerned citizens throughout our country are supporting this crusade to which I have dedicated the last 15 years of my life. NCALG works closely with state organizations that are on the firing lines on issues I have described. I appeal to our friends to be generous in supporting a cause that must be won.

Please use the enclosed envelope and subscription card and send a generous gift for this important work. With hard work and adequate resources, we continue holding the high ground in these fights. We’re winning the hearts and minds of people as evidenced by our ballot-box victories. Thank you in advance for your support. We must continue to beat back their assaults on our communities and on our personal values.

Battle on,

A handwritten signature in cursive script that reads "Tom Grey".

Tom Grey,
NCALG Field Director