



## **Living in Truth: Regional Casinos Create Unfairness of Opportunity, Reduce Mobility Out of Poverty, and Worsen Budget Problems**

### **SUMMARY:**

- 1) Regional Casinos Are a Form of Financial Fraud and Exploitation That Causes Life-Changing Financial Losses for Millions of Citizens
- 2) Regional Casinos Are a Naked Money Grab Disguised as Economic Development
- 3) The Majority of Citizens Who Don't Gamble End Up Paying Higher Taxes for Less Services and Worse State Budget Problems Over the Long Term, Footing the Bill for the Inevitable Budget Deficits Regional Casinos Leave Behind: You Pay Even If You Don't Play

### **Truth #1: Regional Casinos Are a Form of Financial Fraud and Exploitation Causing Life-Changing Financial Losses for Citizens**

- **What separates commercialized gambling from every other business, including vices like alcohol and tobacco, is it's a big con game based on financial fraud and exploitation.** Citizens are conned into thinking they can win money on games that are designed to get them fleeced in the end. If you pay for a hamburger, a movie ticket, or a glass of wine, that's what you receive in return. In commercialized gambling, what you receive *is a financial exchange* offering *the lure* that *you might* win money. But this financial exchange is mathematically rigged against you so inevitably you will lose your money in the end, especially if you keep gambling, and they do everything they can to try to make you feel good about losing it all.

- **Regional casino gambling games are forms of *financial fraud*, similar to loan-sharking, price-gouging, and false advertising.**
  - Slot machines, the most profitable form of casino gambling, *are designed mathematically so users are certain to lose their money the longer they play.* (See Figure 1.)
  - **At the same time, the gambling machines are literally designed so citizens cannot stop using them, exploiting aspects of human psychology and inducing irrational behavior.**<sup>1</sup> Every feature of a slot machine - its mathematical structure, visual graphics, sound dynamics, seating and screen ergonomics - is designed to increase a player's "time on device" – which means how long a person plays.<sup>2</sup> (See Figure 1.)
  - **This is because gambling operators found their profits were not about the size of the gamblers' stakes but the volume of their play.** “If you provide them with the right time-on-device, they will stay and play,” one slot designer said. “If you take it too quickly and they lose, they’re going to leave.”<sup>3</sup>

Figure 1: *Addiction By Design* by MIT Professor Dr. Natasha Schull, Pg. 112

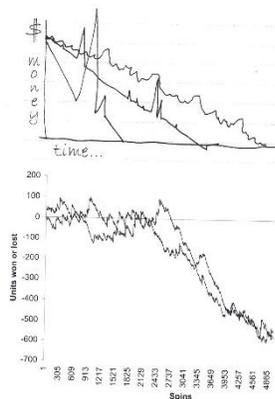


Figure 4.2. *Top*: Projected play trends for three different games, assuming the same initial bankroll. The shortest line represents a game with “high volatility” and “low hit frequency”; the longest shows “low volatility” and “high hit frequency”; the middle line shows moderate volatility and frequency. Drawn for the author by game designer Nicholas Koenig. *Bottom*: Play outcomes for two simulated gamblers on the same gambling machine, set at a hold percentage of only 5 percent. The graph follows the two gamblers from their first bet through 5,000 spins, representing four to eight hours of play (depending on the speed of the machine and the speed of play). The downward slope illustrates the “churn” by which play funds are gradually eroded over time. Although both gamblers experience wins, the house edge gradually consumes the winnings as they are reinvested in play. Assuming that each bets \$3.00 per spin, their averaged loss at the end of the play period is \$900.00. Graph built by gambling analyst Nigel Turner.

<sup>1</sup> Natasha Dow Schull, PhD, *ADDICTION BY DESIGN, MACHINE GAMBLING IN LAS VEGAS*, (2012), available at <http://press.princeton.edu/titles/9156.html>

<sup>2</sup> Natasha Dow Schull, PhD, *Beware: Machine Zone Ahead*, Washington Post, July 6, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/07/04/AR2008070402134.html>

<sup>3</sup> NATASHA DOW SCHULL, PHD, *ADDICTION BY DESIGN, MACHINE GAMBLING IN LAS VEGAS*, (2012), available at <http://press.princeton.edu/titles/9156.html> Pg. 126.

- **The modern slot machine is designed to get every user “to play to extinction” — until all their money is gone.**<sup>4</sup> “I want to keep you there as long as humanly possible,” said another slot operator. “That’s the whole trick, that’s what makes you lose.”<sup>5</sup>
- The slot machine is designed to be so effective at extracting money from people **it is “a product that, for all intents and purposes, approaches every player as a potential addict... someone who won't stop playing until their means are depleted.”**<sup>6</sup>
- The design is so effective that there are 11 different independent studies that show 40%-60% of slot machine profits are taken from citizens who can’t stop using them, a.k.a. slot machine addicts.<sup>7</sup>
- **There is a direct connection between the financial fraud that regional casinos carry out and the lack of mobility out of poverty and unfairness of opportunity facing millions of American families today.**
  - Public officials of all political stripes who profess a desire to improve opportunity and alleviate poverty often lament how few levers they have to pull.
  - **Saving is the road to wealth creation yet around 50% of the U.S. population has zero or negative net wealth.**<sup>8</sup> **More than 60% of citizens don’t have enough savings to cover a \$1000 emergency expense.**<sup>9</sup> **This is a critical issue because asset-building is *the direct opposite of commercialized gambling.***

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<sup>4</sup> Natasha Dow Schull, PhD, *Beware: Machine Zone Ahead*, Washington Post, July 6, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/07/04/AR2008070402134.html>

<sup>5</sup> NATASHA DOW SCHULL, PHD, ADDICTION BY DESIGN, MACHINE GAMBLING IN LAS VEGAS, (2012), available at <http://press.princeton.edu/titles/9156.html> Pg 126.

<sup>6</sup> Natasha Dow Schull, PhD, *Beware: Machine Zone Ahead*, Washington Post, July 6, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/07/04/AR2008070402134.html>

<sup>7</sup> Institute for American Values, *Why Casinos Matter* Institute for American Values, Council on Casinos, *Why Casinos Matter, Thirty-One Evidence-Based Propositions from the Health and Social Sciences*, September 2013, Pg. 18, <http://americanvalues.org/catalog/pdfs/why-casinos-matter.pdf>

<sup>8</sup> *The Quarterly Journal of Economics*, Emmanuel Saez and Gabriel Zucman, Vol. 1, May 2016, Issue 2, Wealth Inequality in the United States Since 1913: Evidence from Capitalized Income Tax Data, Pg. 554. <http://gabriel-zucman.eu/files/SaezZucman2016QJE.pdf>

<sup>9</sup> Bankrate’s Financial Security Index, 2018, <https://www.bankrate.com/banking/savings/financial-security-0118/>

- **Americans were expected to lose \$118 billion of their personal wealth to government-sanctioned gambling in 2018.**<sup>10</sup>
- Over the next eight years, **the American people are on course to lose more than \$1 trillion of their personal wealth to government-sanctioned gambling.**<sup>11</sup>
- **As regional casinos spread into economically-distressed regions, facts show they have lured more citizens from the lower rungs of the income ladder.**
  - Low-income workers, retirees, minorities, and the disabled comprise a disproportionately large share of regional casino users.<sup>12</sup> One important reason for this is that those who are financially desperate look to regional casinos as a way to improve their lives and help them escape their financial condition. It's become a Hail Mary investment strategy, one that dooms them to inevitable failure.<sup>13</sup>
  - One of the most telling facts of casino gambling's regressive effect comes from the casino operators themselves. The predominance of penny and nickel slot machines on the casino floors reveals who their target market really is.<sup>14</sup> "High rollers" are not playing the penny slots.
- **Regional casinos damage more than just a citizen's financial well-being. Their predatory practices also severely harm the public's health.**
  - **At least 1 out of every 20 citizens have had their lives turned upside down because they became addicted to commercialized gambling.**<sup>15</sup> This figure

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<sup>10</sup> "This is how much Americans lost on state-sanctioned gambling last year," Quentin Fottrell of *MarketWatch*, published by Dow Jones Media, May 15, 2018. <https://www.marketwatch.com/story/this-is-how-much-americans-lost-on-state-sanctioned-gambling-last-year-2018-05-15>

<sup>11</sup> H2 Gambling Capital, 2018 <https://h2gc.com/>

<sup>12</sup> *Why Casinos Matter, Thirty-One Evidence-Based Propositions from the Health and Social Sciences*, Institute for American Values, Council on Casinos, September 2013 <http://americanvalues.org/catalog/pdfs/why-casinos-matter.pdf>

<sup>13</sup> "Hitting the Jackpot or Hitting the Skids: Entertainment, Poverty, and the Demand for State Lotteries," Garrick Blalock, David R. Just, and Daniel H. Simon, 2004 <http://stoppredatorygambling.org/wp-content/uploads/2014/07/Cornell-University-Entertainment-Poverty-and-the-Demand-for-State-Lotteries1.pdf>

<sup>14</sup> Hoa Nguyen, *Penny slots are popular, flexible and profitable, so they're gaining more space on casino floors*, THE PRESS OF ATLANTIC CITY, December 14, 2014, [http://m.pressofatlanticcity.com/news/breaking/penny-slots-are-popular-flexible-and-profitable-so-they-re/article\\_a161f006-82a4-11e2-9477-001a4bcf887a.html?mode=jqm](http://m.pressofatlanticcity.com/news/breaking/penny-slots-are-popular-flexible-and-profitable-so-they-re/article_a161f006-82a4-11e2-9477-001a4bcf887a.html?mode=jqm)

<sup>15</sup> National Institute for Health, May 2011 <http://newsinhealth.nih.gov/issue/May2011/Feature1>

does not account for the reality that each gambling addict has at least 1-2 people close to them whose lives have also been severely harmed.

- **Regional casinos market the slogan of “responsible gambling” but it’s merely another part of the fraud they carry out. That’s because the bulk of gambling profits are taken from citizens who are suffering.**
  - **NYU Professor Natasha Schull reported in her acclaimed 2012 book *Addiction By Design* that people who follow responsible gambling guidelines made up 75% of the players but contribute a mere 4% of gambling profits.**<sup>16</sup> “They only bring in 4% of our revenues, the responsible gamblers,” the author of the study said. “If responsible gambling were successful then the industry would probably shut down for lack of income.”<sup>17</sup>
- **When a practice is fraudulent, its advocates will speak of it fraudulently. One example of this reality is the “They’re-Going-Out-of-State” narrative, a phony, recycled public relations strategy used by gambling interests in almost every state in America to breathe artificial life into efforts to legalize casinos.**
  - Big national gambling operators often *running casinos in neighboring states*, fund lobbying campaigns to legalize casinos in the states without them. “Legalize casinos and recoup the money going out of state,” they deceitfully cry. ***They own the casinos in those nearby states!*** They pit one state against another state, over and over again, in a continuing race to the bottom in which the only winner are the big gambling interests. To see this canned narrative in action, view these TV ads taken from recent lobbying campaigns in other states:

Massachusetts, 2014 <https://www.youtube.com/watch?v=1tyn4br4Xzo>

Ohio, 2009: <http://www.youtube.com/watch?v=TXp8DOsgvGI>

Maryland, 2008: <http://www.youtube.com/watch?v=g4pdfE6fu7w>

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<sup>16</sup> Focal Research Consultants, *The 1997/98 Nova Scotia Regular VL Players Study Highlight Report*, at 11, available at <http://stoppredatorygambling.org/wp-content/uploads/2012/12/Novia-Scotia-Problem-Gambling-Study.pdf>

<sup>17</sup> NATASHA DOW SCHULL, PHD, *ADDICTION BY DESIGN, MACHINE GAMBLING IN LAS VEGAS*, Pg. 267 (2012), available at <http://press.princeton.edu/titles/9156.html>

Maine, 2008: <http://www.youtube.com/watch?v=yRLhfxJxfGU>

- **Regional casinos take the bulk of their profits by turning local citizens who may have been going out-of-state a handful of times a year *into everyday gamblers, losing their money inside casinos five times a week.***<sup>18</sup> Why would any legislator support their constituents losing money at casinos five times a week?
- **Another example of when a practice is fraudulent, its advocates will speak of it fraudulently is the misleading call by the gambling lobby to “Let the People Vote.” History shows what they are really saying is “Let Us Buy the Vote.”**
  - It’s blatantly disingenuous for any gambling lobbyist or public official to say a fair debate leading to an informed, educated public will happen during a casino referendum campaign because it won’t. If every legislator in a state was outspent 3 to 1 during his or her campaign, most would lose reelection regardless of their merit. **Yet some legislators allow casino operators to hijack the ballot process by outspending predatory gambling opponents by a margin of at least 250 to 1. How many sitting elected officials would win a campaign if they were outspent by at least 250 to 1?**

Here are just a few examples of the massive spending that has occurred in other states:

- In Colorado, gambling interests outspent opponents 1,734 to 1.<sup>19</sup>
- In Massachusetts, citizens collected signatures to place a casino repeal referendum on the 2014 ballot. Gambling interests spent more than \$15 million to defeat it.<sup>20</sup> In the last 30 days, gambling interests including MGM ran more than 4000 TV ads. Repeal advocates ran zero because it was too costly to go on TV. **In addition to the massive difference in ad spending, almost none of the TV ads run by gambling interests even mentioned the word casino.**<sup>21</sup>

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<sup>18</sup> “Care to Revise Your Statement,” *Philadelphia City Paper*, April 13, 2011 <http://citypaper.net/article.php?A-Million-Stories-13954>

<sup>19</sup> “Never a Sure Bet,” a 2009 report from the National Institute on Money in State Politics, <http://stoppredatorygambling.org/wp-content/uploads/2012/12/Never-A-Sure-Bet-Report-from-National-Institute-on-Money-in-State-Politics.pdf>

<sup>20</sup> [https://ballotpedia.org/Massachusetts\\_Casino\\_Repeal\\_Initiative\\_Question\\_3\\_\(2014\)](https://ballotpedia.org/Massachusetts_Casino_Repeal_Initiative_Question_3_(2014))

<sup>21</sup> To view the casino advertising aired to block casino repeal in MA 2014, visit Stop Predatory Gambling’s YouTube channel SPG America: <https://www.youtube.com/playlist?list=PLA6B145FA31CCA40A>

- In Maryland, another MGM-led casino campaign spent more than \$40 million to pass a statewide ballot question.<sup>22</sup>
- In Ohio, gambling companies spent almost \$50 million to pass a ballot question allowing them to open casinos in the state.<sup>23</sup>

## **Truth #2: Regional Casinos Are a Naked Money Grab Disguised as Economic Development**

- **It needs to be restated that what separates commercialized gambling from every other business is it's a big con game based on financial fraud and exploitation.** Citizens are conned into thinking they can win money on games that are designed to get them fleeced in the end. If you pay for a hamburger, a movie ticket, or a glass of wine, that's what you receive in return. In commercialized gambling, what you receive is a *financial exchange* offering *the lure* that *you might* win money. But this financial exchange is mathematically rigged against you so inevitably you will lose your money in the end, especially if you keep gambling.
- **When states have brought in casinos, the almost sole focus has been to maximize profits, not protect the public interest.** That's because a fundamental and irreconcilable conflict exists between the interests of state-sanctioned casinos and the public good: the state is charged with protecting the public from the very business practices that generate more revenue for the state.
- **One prime example of this conflict is how state-sanctioned gambling is exempt from truth-in-advertising laws enforced by the Federal Trade Commission.** It has wide latitude in how it promotes gambling, exaggerating chances of winning and deceitfully luring citizens to lose their money.
- **Any activity the state puts money into will stimulate the economy.** Government can stimulate the economy with good things, things that help people build wealth.

<sup>22</sup> "MGM gets the deal for Maryland's sixth casino," *The Washington Post*, December 20, 2013  
[https://www.washingtonpost.com/local/mgm-gets-the-nod-to-build-marylands-sixth-casino-at-national-harbor-in-prince-georges/2013/12/20/059e7276-693e-11e3-a0b9-249bbb34602c\\_story.html?utm\\_term=.87301d4b47cb](https://www.washingtonpost.com/local/mgm-gets-the-nod-to-build-marylands-sixth-casino-at-national-harbor-in-prince-georges/2013/12/20/059e7276-693e-11e3-a0b9-249bbb34602c_story.html?utm_term=.87301d4b47cb)

<sup>23</sup> "Ohio Casino Approval referendum, Question 3, 2009  
[https://ballotpedia.org/Ohio\\_Casino\\_Approval\\_and\\_Tax\\_Distribution,\\_Amendment\\_3\\_\(2009\)](https://ballotpedia.org/Ohio_Casino_Approval_and_Tax_Distribution,_Amendment_3_(2009))

- **The economic impact of casino gambling games like slot machines is similar to throwing your money on the street so that someone else can pick it up — it’s redistributing wealth without creating it.** By relying on slot machines and other forms of gambling as its primary revenue source, a casino may employ some citizens but it doesn’t produce economic growth.
  
- **Regional casinos leave behind far more gambling addicts than jobs.**
  - **We are told one of the primary rationales for regional casinos is to “create jobs” but facts show that casinos leave behind far more gambling addicts than jobs.** According to the most recent numbers made available by the Illinois Gambling Board, the total enrollment of citizens in the state’s *voluntary* Self-Exclusion Program was 11,119 and the total number of full and part-time casino jobs was 7,137 - *almost 35% higher.*<sup>24</sup> **Thousands more gambling addicts have banned themselves from the state’s casinos because their lives have been ruined than there are people who work inside the state’s casinos.**
  
  - But that figure is literally the tip of the iceberg. ***The actual amount of gambling addicts created by state-sanctioned casinos is far greater than the number of citizens who have self-excluded.*** That’s because only about 10% of people experiencing problems with gambling seek help from problem gambling services- ***90% never even come forward for help.***<sup>25</sup>
  
- **State-sanctioned regional casinos create unfairness for other businesses.**
  - When casino lobbyists call for a “limited number of casinos” to be allowed into a state, what they are really doing is attempting to rig the system to hand out special privileges to a few powerful political insiders at the expense of everyone else. Government, in this case, is not merely permitting private, consensual behavior. It is granting monopolies and awarding regulatory advantages to favored firms.

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<sup>24</sup> Illinois Gambling Board, <http://www.igb.illinois.gov/>

<sup>25</sup> National Council on Problem Gambling, <http://www.ncpgambling.org/>

- **“If not a casino, what else is there?” Gambling operators and their lobbyists target economically-depressed regions, selling their scheme as a turnaround strategy. Here are four communities that rejected casinos and because of good leadership and vision, achieved a better future:**
  - **San Antonio, TX:** Despite heavy lobbying by gambling interests, city leaders ultimately rejected casinos and decided to pursue real economic-development projects like the now nationally famous San Antonio Riverwalk.<sup>26</sup>
  - **Boston, MA:** Despite relentless lobbying by gambling interests, the citizens of East Boston resiliently fought against repeated attempts to force a casino into their community. The intended location was Suffolk Downs, a long-time horse track. Today, the new owners will redevelop the site in ways that improve people’s lives. They intend to transform the 161-acre site into a vast complex of housing, shops, restaurants and offices, arranged on pedestrian-friendly city blocks. The powerful new economic hub will generate thousands of new jobs and new local tax revenues.<sup>27</sup>
  - **Omaha, NE:** The Nebraska legislature was lobbied by the ailing Aksarben racetrack which claimed it could save itself by becoming a combination racetrack-casino (or “racino”). Thanks to a strong group of concerned citizens who educated themselves and others about predatory gambling, the Legislature rejected casinos. The Aksarben parcel was transformed into a mixed use 70-acre development project that included restaurants, retail and office buildings, apartments and townhouses, hotels, a fitness center, a movie theater and a park with an amphitheater. By 2016, these initiatives had benefited all of Omaha, employing thousands of citizens, attracting over \$1 billion in new residences, businesses, entertainment centers, and the new University of Nebraska at Omaha College of Business. Nebraska’s leaders had created an economic engine for all of Omaha.<sup>28</sup>
  - **Salem, NH:** After two decades of lobbying for casinos in New Hampshire and being rejected by the state's citizen legislature, gambling interests finally sold the Rockingham Park property in Salem, the former thoroughbred horse track. Now it is

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<sup>26</sup> “The Potential Impacts of Casino Gambling in San Antonio,” Staff Task Force on Casino Gambling, 1994 <https://www.stoppredatorygambling.org/sitedevelopment2017/wp-content/uploads/2017/08/1994-Impacts-of-Casino-Gambling-in-San-Antonio.pdf>

<sup>27</sup> “From horse track to a hub of housing for Suffolk Downs,” *Boston Globe*, May 26, 2017 <https://www.bostonglobe.com/business/2017/05/25/from-horse-track-hub-housing-for-suffolk-downs/Hw6r9TICWvjSprNwQoyKLL/story.html>

<sup>28</sup> “New life for Aksarben neighborhood,” *Omaha World Herald*, Oct. 4, 2015 <http://stoppredatorygambling.org/wp-content/uploads/2015/11/2015-New-life-for-Aksarben-neighborhood-in-Omaha-1.pdf>

being redeveloped in ways that improve people's lives. Today, the 170-acre parcel is being redeveloped into the largest mixed-used development of its kind in New England. It features a luxury hotel, retail, dining and residential uses with pedestrian-friendly boulevards and a town center-style palazzo. The economic impact of the project is massive. It will create thousands of jobs, generate approximately \$2.4 million in annual property taxes and provide \$2.1 million in project impact fees.<sup>29</sup>

### **Truth #3: The Majority of Citizens Who Don't Gamble End Up Paying Higher Taxes for Less Services and Worse State Budget Problems Over the Long Term, Footing the Bill for the Inevitable Budget Deficits Regional Casinos Leave Behind: You Pay Even If You Don't Play**

- **Gambling lobbyists and some public officials continue to tout government-sanctioned gambling as a way to raise tax revenue. But history has shown repeatedly that this argument is either overstated or wrong.** A 2016 national report by the Rockefeller Institute at State University of New York-Albany found that while states creating new revenue streams from gambling may see momentary bumps in tax income, **“the revenue returns deteriorate—and often quickly” concluding that in “the long-run, the growth in state revenues from gambling activities slows or even reverses and declines.”**<sup>30</sup>
- This happens in part because income from casinos does not grow over time like general tax revenue. Yet expenditures on education and other programs will grow more rapidly than gambling revenue. **As a result, new gambling operations that are intended to pay for normal increases in state spending add to, rather than ease, long-term budget imbalances.**<sup>31</sup>

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<sup>29</sup> "Sale of The Rock finalized," *Eagle-Tribune (MA)*, Oct 17, 2016 [http://www.eagletribune.com/news/sale-of-the-rock-finalized/article\\_24d2ba84-5dcb-5253-8b33-24f481db5a5a.html](http://www.eagletribune.com/news/sale-of-the-rock-finalized/article_24d2ba84-5dcb-5253-8b33-24f481db5a5a.html)

<sup>30</sup> Lucy Dadayan, *State Revenues from Gambling: Short-Term Relief, Long-Term Disappointment*, The Nelson A. Rockefeller Institute of Government (2016), [http://www.rockinst.org/pdf/government\\_finance/2016-04-12-Blinken\\_Report\\_Three.pdf](http://www.rockinst.org/pdf/government_finance/2016-04-12-Blinken_Report_Three.pdf)

<sup>31</sup> Lucy Dadayan at el, *For the First Time, A Smaller Jackpot*, Nelson A. Rockefeller Institute of Government, September 21, 2009, at 19-20, [http://www.rockinst.org/pdf/government\\_finance/2009-09-21-No\\_More\\_Jackpot.pdf](http://www.rockinst.org/pdf/government_finance/2009-09-21-No_More_Jackpot.pdf)

- **Another key factor why casinos ultimately lead to higher taxes for all is casino gambling incurs major social costs that end up being footed by all taxpayers.** In addition to targeting and exploiting the financially desperate and cultivating addiction,<sup>32 33</sup> government-sanctioned gambling leads to increases in rates of personal bankruptcy and provides new avenues for crime and money laundering.<sup>34 35</sup> **Gambling operators don't pay for the harms they cause families, businesses, and communities. Taxpayers do.**
- **Also troubling for taxpayers is gambling operators are not allowed to fail by the state.** For example, when casinos come up short, states usually provide new infusions of money, reduced taxes, reduced funding for gambling addiction measures, or other concessions such as lifting smoking bans and loss limits, in order to sustain revenues and profitability.<sup>36</sup> Rhode Island, Delaware, and New Jersey, to just name a few, have all taken special steps within the last few years to help casinos that might otherwise fail. Public tax dollars too often prop up gambling operators.
- **All these facts and more explain why a recent statewide poll in New Jersey, a state that has bet big on casinos as much as any state next to Nevada, revealed that "62% of NJ citizens said gambling hasn't been good for the state."**
  - An astonishing 62 percent of respondents in the Quinnipiac University Poll said casino-style gambling, legalized in New Jersey in 1976, has not been good for the state.<sup>37</sup> Just 29 percent said they believe gambling has provided a benefit.<sup>38</sup> Perhaps even more surprising is that 60 percent also believe gambling hasn't been beneficial for Atlantic City.<sup>39</sup>

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<sup>32</sup> Cornell Univ. Professor David Just, "The big swindle: In lotteries, the poor are the biggest losers," *CNN*, Dec. 18, 2013 <https://www.cnn.com/2013/12/18/opinion/lottery-poor-just-opinion/index.html>

<sup>33</sup> John Rosengren, "How Casinos Enable Gambling Addicts," *The Atlantic* (Dec. 2016) <https://www.theatlantic.com/magazine/archive/2016/12/losing-it-all/505814/>

<sup>34</sup> *Social Costs of Problem Gambling*, Problem Gambling Research and Intervention Project, Georgia State University, <https://goo.gl/kgQv2>

<sup>35</sup> Dr. Earl Grinols and Dr. David Mustard, *MIT Press, Review of Economics and Statistics*, Feb. 2006, <https://www.mitpressjournals.org/doi/abs/10.1162/rest.2006.88.1.28?journalCode=rest>

<sup>36</sup> Institute for American Values, *Why Casinos Matter* Institute for American Values, Council on Casinos, *Why Casinos Matter, Thirty-One Evidence-Based Propositions from the Health and Social Sciences*, September 2013, at 29, <http://americanvalues.org/catalog/pdfs/why-casinos-matter.pdf>

<sup>37</sup> *Ibid.*

<sup>38</sup> *Ibid.*

<sup>39</sup> *Ibid.*

**“Forty years after New Jersey voters approved casino gambling limited to Atlantic City, they say more than 2-1 that it was not the magic bullet it was cracked up to be,”** Quinnipiac University Poll Assistant Director Maurice Carroll said the press release. “And by wide margins, voters say casinos have not even helped Atlantic City.”

- **State government shouldn’t be telling people how to live by encouraging them to gamble on games they are mathematically guaranteed to get fleeced.**
  - While citizens are free to engage in a financially damaging activity, state government has no business actively encouraging them. This is not a case of simply permitting private, consensual behavior as some public officials who support casinos attempt to argue. If it was their true intent, then this purpose could be achieved by allowing small, unlicensed games and keeping gambling private and local. Such an approach would be in line with the most effective and appropriate state stance toward gambling which is not encouragement, but rather containment.<sup>40</sup>
  - Lastly, states are violating the rights and freedoms of the 2/3 of the public who almost never gamble yet are being forced to foot the bill for all of the costs and inevitable budget deficits produced by state-sanctioned gambling.

**For more information, please visit [www.StopPredatoryGambling.org](http://www.StopPredatoryGambling.org)  
or call (202) 567-6996**

### **Background on Stop Predatory Gambling**

A 501c3 non-profit based in Washington, DC, Stop Predatory Gambling is a national government-reform network of more than one million individuals and organizations. Our mission is to improve the lives of the American people with compassion and fairness, using education and advocacy to free us of the lower standard of living, exploitation, and fraud that commercialized gambling spreads. We are one of the most diverse organizations in the United States, one in which conservatives work side-by-side with progressives for the common good.

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<sup>40</sup> William Galston and David Wasserman, “Gambling Away Our Moral Capital,” *The Public Interest*, Spring 1996. Pgs 58-71 <http://stoppredatorygambling.org/wp-content/uploads/2014/07/Galston-essay-1996.pdf>