

Visitors' Business:
Video Gambling Presentation: Anita Bedell - ICAOAA



ILCAAAP

Illinois Church Action on Alcohol
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December 20, 2013

Angela Underwood, Village President
Village of Long Grove
3110 Old McHenry Rd.
Long Grove, IL 60047

RECEIVED

DEC 26 2013

VILLAGE OF LONG GROVE

Dear Mayor Underwood:

I read in the *Lake County News-Sun* that the Village Board heard a pitch from a video gambling company. Enclosed are packets of information and studies about the problems and harm from video gambling. Our organization SUPPORTS a BAN on video gambling machines and has OPPOSED the expansion of gambling in Illinois for over 20 years.

Your vote will make the difference in Long Grove for decades to come. Local residents will gamble and LOSE their money on the machines, which are located in neighborhood restaurants, bowling alleys, bars, clubs, and veteran organizations. Women, senior citizens, young people who have grown up playing video games, those who are addicted to alcohol and/or gambling, and others will be gambling and losing money on video gambling machines in Long Grove if you do not retain the ban on video gambling.

Video gambling is not simply more gambling, it is worse gambling. In South Carolina, 20% of the people who gambled on video machines became addicted. **The amount of revenue Long Grove will receive from video gambling (5 cents of every \$1 dollar LOST) will not begin to pay for the costs of addiction, bankruptcy, crime, family problems, and suicide. Residents must lose \$1 Million for the Village to receive \$50,000. This is a terrible way to raise revenue.**

The machines are called the "crack cocaine" of gambling because of the speed and the potential for addiction. Local residents can cash their paychecks and gamble it away on the machines or gamble using credit cards. **It is possible for a gambler, placing \$2 bets, to lose \$300 to \$500 in an hour!**

The Video Gambling Act was passed in both the Senate and House in a little over 24 hours in 2009. The following year, the Legislature passed bills to expand video gambling by allowing 24-hour gambling on video poker machines at truck stops, even though 24 hour gambling is not allowed at riverboat casinos. The Governor recently signed legislation to allow electronic cards and vouchers to be used instead of cash in video gambling machines, making it easier and faster for people to lose their money and gamble away their winnings. **You will lose local control if you allow video gambling.** The State will decide how many licenses will be issued in the Village, and you will have to wait to be reimbursed from the State.

Illinois Church Action on Alcohol and Addiction Problems and our statewide coalition of churches, organizations, grassroots groups and activists support a ban on video gambling. **Please read through the packet of studies and information about the harm from video gambling and retain the ban on gambling.** If you have any questions or need additional information, please go to our web site at www.ilcaaap.org, call 866-940-6871 or e-mail ilcaaap@sbcglobal.net.

Sincerely,

Anita R. Bedell, Executive Director

Freedom from Addictive Behavior

A New Kind of Casino

Video gambling parlors/cafes are opening in communities statewide. Owners request changes in zoning so they can sell alcohol and locate in strip malls near residential areas, grocery stores, schools, and churches.

The video gambling parlors target women, who tend to gamble for escape and become addicted very quickly. Some out of state companies from Oregon and Nevada are opening video gambling cafes named after women.

While some officials are limiting the amount of alcohol that can be served to customers, they fail to address the issue of making gambling more available and accessible. According to a recent study, there is one new problem gambler for every additional electronic gambling machine in the community.

Video gambling isn't simply more gambling, it's worse gambling. Video gambling has been called the "crack cocaine" of gambling because of the intensity and speed of gambling. Experienced video poker gamblers can play a hand every 3 or 4 seconds, completing an astonishing 900 to 1,200 hands an hour. (*Addiction by Design* by Natasha Dow Schull)

The video gambling machines in these parlors are the same as those in casinos. One woman who became addicted to this form of gambling said she often intended to gamble for just an hour, but would easily stay for half the day. She once realized it was 4 p.m. and she hadn't picked up one of her kids from school. (*Southtown Star*, 5/31/2013)

Video gambling will impact everyone, whether you gamble or not. Contact your local officials and speak out at Village Board or City Council meetings to oppose video gambling parlors. For additional information about the problems of video gambling, go to www.ilcaaap.org



For more information:
Illinois Church Action on Alcohol & Addiction Problems
1132 W Jefferson St.
Springfield, IL 62702
Phone: 217-546-6871 or 866-940-6871

Casinos in Our Neighborhoods

Video gambling machines are licensed in retail liquor establishments where alcohol is drawn, poured, mixed or served for consumption on the premises—bars, family restaurants, pizza parlors, banquet halls, airports, bowling alleys, billiard parlors, golf courses, veteran's and fraternal clubs, etc.

Truck stops can operate video gambling machines 24 hours a day, seven days a week non-stop.

There is no limit to the number of establishments that can apply for a license. New businesses will apply for a liquor license with the sole intent of becoming video gambling parlors, creating thousands of mini-casinos in our communities.

Local residents will lose money. People will gamble at the facility closest to home. Neighbors, friends and relatives could lose their paychecks on machines in local establishments. Residents will have to gamble and lose \$2,000 on the machines for local government to receive \$100 in revenue. Some will become addicted and lose everything—home, job, family...even their lives through suicide.

The Costs of Gambling

- The National Gambling Impact Study Commission received testimony that convenience gambling, such as electronic devices in neighborhood outlets, provides fewer economic benefits and creates potentially greater social costs by making gambling more accessible.
- The average cost to society per pathological gambler per year is \$13,586.
- For every dollar of revenue gambling interests indicate is being contributed in taxes, \$3 is imposed upon taxpayers in social welfare, criminal justice, and regulatory costs.

- Video gambling brought in \$60 million in tax revenue to South Carolina, but seven times that amount—\$424 million—in costs to society.

Social programs resulting from gambling include substance abuse, petty theft, lost productivity, and debt.

- Underage gambling is a growing problem that will likely increase if video gambling machines are installed in places frequented by underage youth.



Sobering Statistics

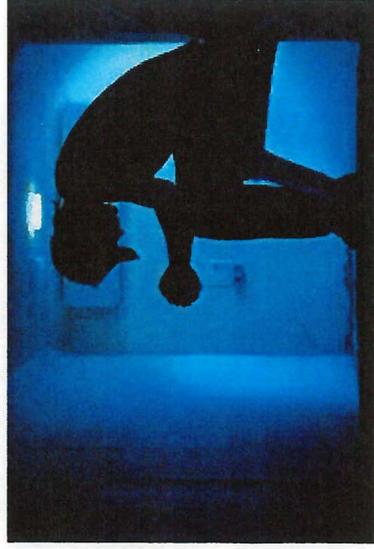
- Psychologist Robert Hunter of Charter Hospital in Las Vegas has treated more problem gambling than anyone in the world. He calls video poker the "crack cocaine" of gambling, while researchers have found that people become hooked on these machines in just over a year.
- Problem drinkers are 23 times more likely to have a gambling addiction than those who do not have an alcohol problem; thus, legalizing electronic gambling devices at establishments that serve alcohol will result in more pathological gamblers.
- As many as 20% of video poker players in South Carolina met the criteria for probable pathological gambling.
- Up to 60% of the revenue from gambling machines in Ontario is believed to have derived from problem gamblers, and there is almost one new problem gambler for each additional gambling machine in a community.



People become hooked on video gambling machines in just over a year.

Dangerous Legislation

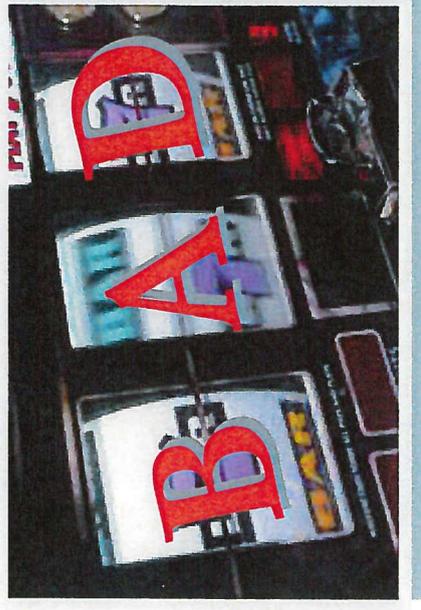
Efforts to legalize video gambling machines in Illinois failed for nearly 25 years. Then, in 2009, legislation to legalize these machines was included in a bill to help fund a \$31 billion capital construction program. The bill was introduced and passed in both the Senate and the House in little over 24 hours. Video gambling machines became operational in Illinois on October 9, 2012.



It is a felony to possess an electronic gambling machine that is not licensed by the State. To report illegal gambling machines, call 855-494-0237. For additional information or resources, contact:

Illinois Church Action on Alcohol and
Addiction Problems (ILCAAAP)
1132 W. Jefferson St.
Springfield, IL 62702
866-940-6871
www.ilcaap.org

VIDEO GAMBLING: A



Bet

*Sources: Final Report, June 1999, pp. 3-18;
Business Profitability v. Social Profitability:
Evaluating Industries with Externalities "The
Case of Casinos," pp. 143-162; U.S. Interna-
tional Gambling Report Series, 2009; Dr.
Bob Breen, Journal of Gambling Studies;
Journal of Studies of Alcohol; Ontario Prob-
lem Gambling Research Centre*



ILCAAAP

Illinois Church Action on Alcohol
& Addiction Problems

Support a BAN on Video Gambling

No game is more addictive – Video gambling is often called the “crack cocaine” of gambling.

Gambling comes with a myriad of social costs – Addiction, bankruptcy, crime, domestic violence, child neglect/abuse, suicide could increase with video gambling. The cost is too high. In South Carolina the costs were 7 times the amount of revenue. (Communities will get a nickel for every \$1 LOST in video gambling machines. Residents will have to LOSE \$100,000 for the community to get \$5,000.)

Making gambling more available, accessible and acceptable in your community will increase the number of local people gambling. The more people gamble, the more they get into trouble. An increase in calls to the gambling help line have been documented in South Dakota, Louisiana, West Virginia—states that legalized video gambling.) For some, gambling addiction leads to prison, insanity, or death. *“At first it was fun. But by the time it ended, I had to be there. And I wasn’t having any fun. I lost my paychecks and my self respect – the hiding and the lying and the stress of it... When you can’t pay your bills the fun ends. It’s depression.”* (Mary, 59, quit gambling 7 years ago.)

Video gambling tied to problems gambling in women – Playing video gambling machines in bars and restaurants was associated with the highest odds of problem gambling among women 15 years of age and older, according to researchers in Canada.

Gambling addiction worse among young adults – According to the Louisiana Association of Compulsive Gambling, 4.4 of adults over 21 in Louisiana are problem or pathological gamblers. The problem is worse among young adults. About 14.3 percent of adults between 18 and 21 have problem or pathological gambling issues. *(21 is the legal age to gamble. However, Louisiana has legal video poker machines in bars and other establishments that are not as stringently monitored as the land-based casinos.)* http://wiki.answers.com/Q/What_is_the_legal_age_to_gamble_in_Louisiana#ixzz28jjXyLC4

Local people will no longer have to drive to a casino and will gamble more frequently at truck stops that have video gambling 24 hours a day, 7 days a week, non-stop.

Nearly one new problem gambler for each additional video gambling machine in a community, according to the New Zealand Problem Gambling Foundation. Video gambling will impact the entire community, whether you gamble or not. The average cost to society is \$13,586 for each pathological gambler each year. *(With 5 machines in each establishment, the cost would be almost \$68,000 a year for each video gambling license in a community.)*

Local police will have to deal with an increase in crime – The Illinois Gaming Board will track the money in the video gambling machines, but they cannot enforce the law on their own in communities statewide. Crime such as embezzlement, theft, robbery, assaults, and underage gambling could increase in your community.

Many communities are saying NO to video gambling –Unincorporated counties of Cook, Du Page, and Ogle, have “opted out” of video gambling, as have many cities, towns, and villages. Others, like the City of Chicago, have existing ordinances that ban gambling.

Video gaming isn’t simply more gambling, it’s worse gambling.

“Video Lottery Terminals” The Crack Cocaine of Gambling

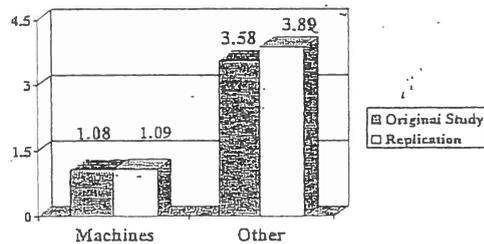
Bob Breen, Ph.D., NCGC-II
Rhode Island Gambling Treatment Program
Rhode Island Hospital
Providence, RI

401-277-0707

<http://www.gamblingtreatment.org>

Do Video Slots (“VLT’s”) Get People Addicted Faster?

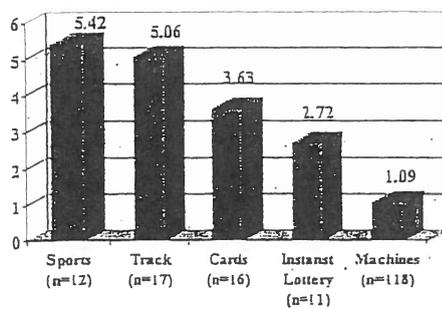
Speed of Addiction- VLT’s vs. Other Gambling (In Years)



Explanation

- Unparalleled “gateway” form, coupled with maximum “virulence”
- Speed & Continuity
- No clocks or other cues to stop
- Money is unreal – just credits
- Virtual Reel Mapping for Near Misses

Latency of PG-Onset in Different Primary Forms of Gambling (in years)



References

- Breen, R. B. & Zimmerman, M., (2002). “Rapid Onset of Pathological Gambling in Machine Gambling”. *Journal of Gambling Studies*, 18 (1).
- Breen, R. B. (2004). “Rapid Onset of Pathological Gambling in Machine Gamblers: A Replication”. *eCommunity: the International Journal of Mental Health and Addiction*. The full-text article is viewable online at: <http://www.pasinfo.net>
- Sunday NY Times Magazine (May 9, 2004)

January 20, 2010

VLTs tied to problem gambling in women: study

By CBC News

Researchers at the University of Manitoba are calling on governments to remove video lottery terminals from all bars, restaurants, lounges and branches of the Royal Canadian Legion.

Researchers at the University of Manitoba are calling on governments to remove video lottery terminals from all bars, restaurants, lounges and branches of the Royal Canadian Legion.

A study, published this week in the Canadian Journal of Psychiatry, looked at the gambling habits of Canadian women 15 years of age and older. Playing VLTs in bars and restaurants was associated with the highest odds of problem gambling among women, according to researchers.

'The best way to reduce problem gambling is to reduce the availability and accessibility of VLTs.' *Tracie Afifi, lead researcher*

Easy access to the machines is to blame, suggests the study, performed by researchers in the departments of community health sciences and psychiatry at the University of Manitoba.

"The best way to reduce problem gambling is to reduce the availability and accessibility of VLTs," said Tracie Afifi, lead researcher.

She acknowledged that may be difficult because provinces have become accustomed to the revenue.

"VLTs generate the largest profits, compared with other types of gambling," Afifi said. "But we are hopeful that people realize that there is an important need to reduce problem gambling because it's a very important public health and community health issue."

Crown corporations manage legal gambling operations that put them in contrasting roles of maximizing profits and protecting and promoting public health at the same time, Afifi noted.

Reduce access

Instead of going cold turkey, Afifi recommends governments wean themselves from the profits and ease gamblers from the machines by reducing the hours that VLTs are allowed to operate, regardless of how long an establishment is open.

"The costs associated with gambling are so large for the individual family and community so it's a really important thing to think about," she said. "If we really want to reduce and prevent problem gambling we need to make big steps like these ones that we're suggesting."

Recommendations in the study include:

- Developing a plan to remove and prohibit all VLTs from bars, restaurants, lounges and Legions.
- Reducing the hours of operation of VLTs regardless of the hours of operation of the

establishment.

- Creating awareness campaigns specifically addressing problem gambling among women.
- Developing prevention programs and help women self-manage their gambling behaviour.

No changes in Saskatchewan

The Manitoba study caught the notice of officials in the neighbouring province of Saskatchewan, but they are unmoved by the recommendation to pull VLTs out of bars and restaurants.

"That isn't under consideration," Christine Tell, the minister responsible for the Saskatchewan Liquor and Gaming Authority, told CBC News Wednesday. "The site operators of the VLTs ?let's say in the bars and lounges and that type of thing ? they are now required to undergo training to identify people who have problems with gambling."

Tell added that the financial value of the gaming machines is important to the province and the hotels and bars that share in the profits.

"The reason why a lot of these ? rural areas have VLTs was because they were struggling and they were having a tough time making it," Tell said. "So having the VLTs in there brought customers in there, which was in reality a lifeline."

Tell added that Saskatchewan is reviewing treatment programs for gambling addicts to determine which are effective.

Canadian Broadcasting Company

<http://www.theherald.com.au/story/1823174/desperate-gamblers-cash-in-everything/?cs=12>

Desperate gamblers cash in everything

By *DONNA PAGE and SAM RIGNEY*

Oct. 6, 2013, 10:30 p.m.

HUNTER problem gamblers are selling cars, televisions, mobile phones and jewelry or withdrawing cash from credit cards to play poker machines.

Welfare agencies confirmed desperate gamblers were cashing in goods with loan sharks for substantially less than their value to feed their addictions.

Poker machine addiction each year is forcing families and individuals on the streets, with one addict telling the *Newcastle Herald* he sold his car in a hotel car park to keep playing.

“I got that desperate and there was a bloke I worked with who wanted the car so I called him up, it seemed like a good option at the time,” he said.

“It was only when I walked home, with none of the money left, that I realized how bad things were.”

The revelation comes as counselors tell of people left homeless after losing more than \$100,000, businesses and their families.

Wesley Mission senior counselor Denver Simonsz said in extreme cases the Department of Family and Community Services had been forced to step in and remove children from their parent’s care.

“We’ve had clients who have lost their houses, their businesses and had mental illnesses triggered by the impact of poker machine addiction,” Mr. Simonsz said.

“There have also been clients who have committed fraud to sustain an addiction to poker machines and of course that has led to criminal charges and loss of employment.

“We’ve seen cases in which children have been removed by Family and Community Services and relationship breakdown occurred due to an addiction to poker machines.

“When addiction becomes extremely serious the consequences can also be quite devastating for the client and the people around them.”

He said referrals to the service had increased since the start of the year with more people seeking assistance online than ever before.

Mr. Simonsz said there were occasions where people were predisposed to poker machine addiction.

“There are factors that help explain someone’s addiction to the poker machines,” he said.

“If you are looking at how those behaviors developed then it’s natural to look for a history of problem gambling within the family, accepting attitudes towards the pokies with your peer group and even cultural factors.”

Wesley Mission Counseling Service provided 382 sessions for problem gamblers last financial year.

A spokesman for the Office of Liquor, Gaming and Racing said each machine had an approved return-to-player ratio.

He said gaming venues could choose to modify the ratios if the machine was linked to a jackpot or other feature.

The minimum return-to-player ratio required by law is 85 per cent, meaning the machine pays 85 cents for every dollar put in.

A senior Gamblers Anonymous member said the organization had noticed an influx of younger Hunter people seeking help.

“Lately we’ve seen a flow of younger people and an increase in younger people who have other addictions, drugs or alcohol as well as gambling,” she said.

“A lot of times one feeds the other, if someone is in a club and they’ve had a few too many drinks then invariably it will lead to gambling.

“If someone is on drugs their mind is affected and they will go to other things.”

At Gamblers Anonymous recovering addicts work their way through a 12 step recovery program.

A former poker machine addict herself, the woman said reaching out was often the hardest part.

Research shows that only about 15 per cent of problem gamblers seek help.

“I walked into my first meeting thinking that I’m a really bad person and no one could be as bad as me and thinking that there was something to fear about going into a room and talking to people about what I had done,” she said.

“That was when I walked in.

“But when I walked out there was hope and that’s because I had walked into a room where people listened, held my hand and I got the opportunity to share my story without being judged.”

Samaritans chief executive Cec Shevels said about 90 per cent of people seeking help for gambling through his organization used poker machines.

“There have been a lot of initiatives put in place to curb the use of poker machines in recent years, but it’s not enough,” he said.

“People are losing too much. Eventually you do lose, hour after hour of playing, you will lose.”

<http://www.bendigoadvertiser.com.au/news/local/news/general/gambling-hurt-revealed/1959276.aspx>

Gambling hurt revealed

CLARE QUIRK
04 Oct, 2010 10:34 PM

A NEW report has shed some light on the effects problem gamblers have on their children, revealing **children of a father with a gambling problem were 13.5 times more likely to develop gambling problems.** The findings were recently released in the report **Children at Risk of Developing Problem Gambling** and found that **problem gamblers affect the entire family unit.**

The report noted there is "now an accumulation of evidence that problem gambling does not only affect the individual with the gambling problem, but also results in a high degree of societal and familial harm.

"It has been argued the gambling problem of one individual has direct negative effects on many others, including family members and co-workers.

"International evidence suggests problem gambling significantly disrupts dyadic relationships and family environments, and adversely affects the emotional and physical health of partners and children."

The report noted a literature review summarised the most common problems reported by the family members of problem gamblers: **"the loss of household or personal money; arguments, anger and violence, lies and deception, neglect of family, negatively affected relationships, poor communication, confusion of family roles and responsibilities and the development of gambling problems or other addictions within the family."**

The report found the children of a father with a gambling problem were 13.5 times more likely to develop a gambling problem than their peers and for a mother with a gambling problem the children were 10.6 times more likely.

Bendigo Baptist Community Care director Matthew Parkinson said a similar report had been produced in 2004 and that the community needed to be aware of the far reaching affects of problem gambling.

"We know it means increased crime rates and we know that it has a massive affect on the family," he said.

"There's a direct baring on children's levels of asthma and stress levels."

<http://www.thesunnews.com/2010/07/24/1600938/gambling-with-our-future.html>

Saturday, Jul 24, 2010

Posted on Sat, Jul. 24, 2010

Gambling with our Future

While the never-ending debate over gambling often feels tiresome, a detailed article last week by Zane Wilson for The Sun News was an excellent reminder of why the issue is, for so many area residents, a settled one.

The math is simple. Video poker brought in \$60 million in tax revenue, but caused \$424 million - seven times as much - in costs to society.

Allegations of a secret plot to bring gambling to Myrtle Beach were among the 11th hour attacks flung at the incumbents in last year's City Council elections, even though the city leadership is as opposed to gambling as it has ever been. The issue rose to prominence again as the cornerstone of Sen. Robert Ford's Democratic gubernatorial campaign - persistently prescribing a Myrtle Beach casino as the salve to the state's economic wounds without ever asking Myrtle Beach if it wanted a casino.

To be fair - even though the hundreds of millions of dollars in tax revenue Ford described were never a reality - gambling was once a significant part of the Grand Strand economy. With our proximity to the North Carolina border, Horry County had 33,517 video poker machines, 8,106 locations hosting them, and \$283 million in spending on them (more than one-fourth of what was bet statewide) at the peak of their prominence, Wilson reported. These are figures that do merit consideration amid our county's current double-digit unemployment.

However, the social problems that gambling brings are significant: substance abuse, petty theft, lost productivity and debt. These ills would translate into direct costs to law enforcement, the criminal justice system and our social services at a time when we can least afford to bear them.

Other forms of gambling - such as Little River's casino cruise boats, or informal poker games - have remained smaller-scale and less destructive than the rampant video-poker parlors of a decade ago, and thus deserve individual study. But given the secretive way in which video-poker first got approved, lawmakers are right to be wary of any loosening of the rules.

Thus, when this issue rears its head again - as it inevitably will, perhaps as soon as the fall elections - we suspect local voters will wisely shake their heads again, and move on to pursuing ideas that bring a greater net benefit to our community.

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<http://www.thesunnews.com>

<http://www.internalmedicine.com/news/mental-health/single-article/problem-pathological-gambling-rates-high-among-veterans/455ca84402.html>

Mental Health

Problem, Pathological Gambling Rates High Among Veterans

By: DAMIAN MCNAMARA, Internal Medicine News Digital Network

05/20/11

FROM THE ANNUAL MEETING OF THE AMERICAN PSYCHIATRIC ASSOCIATION

Vitals

Major Finding: About 8% of U.S. veterans in VA care are problem gamblers and another 2% are pathological gamblers.

Data Source: Study of 2,185 veterans enrolled at two VA medical centers and 14 rural community-based outpatient clinics.

Disclosures: The study was funded by VA Health Services Research & Development. Dr. Joseph Westermeyer said he had no relevant disclosures.

HONOLULU – About 8% of U.S. veterans are problem gamblers who report between one and four gambling-related problems, and an additional 2% are pathological gamblers with five or more such problems, a study of 2,185 veterans in Department of Veterans Affairs care reveals.

Age, education level, and ethnicity were not big predictors of pathological gambling risk. "The one that does show a lot of difference is unemployment [odds ratio, 1.85], which is not necessarily what you expect. People need money to gamble, and they need a lot of money," Dr. Joseph J. Westermeyer IV said at the annual meeting of the American Psychiatric Association. The unemployed in the study, however, included part-time and seasonal workers who had some access to money, he said, and others were "homebodies" (typically unemployed men who were married to women with jobs).

(c) Tom Lozano/Creative Commons License

Veterans have about twice the rate of problem gambling as does the general population.

Marital status emerged as an important variable in a binary analysis, with unemployment remaining significant (OR, 1.41). "The folks who were divorced, separated, widowed, or single were underrepresented [OR, 0.69], so folks who were married were more likely to be in the problem and pathological gambling group. Again, this is not necessarily what you would expect," said Dr. Westermeyer, who is director of the mental health service at the Minneapolis VA Medical Center and professor of psychiatry at the University of Minnesota.

"Interestingly, male veterans and female veterans had almost identical rates of both problem gambling and pathological gambling, which is not – so far – what you see in the general population." Men usually outnumber women by a factor of two to three or more, Dr. Westermeyer said. **It might be that the military exposes more women to gambling.** "Some of the women we talked to say, 'We hang around with the guys when we have time off. We don't go to different places. We go to the same bars, and if they go gambling, we go gambling with them.'"

The study included only veterans who were treated at least once in the previous 2 years at a VA facility. This design was intentional, so that any demographic or other risk factor that was identified would be relevant when incorporated into a future screening instrument.

Another aim was to identify comorbid symptoms "so primary care, as well as psychiatry, can begin to be alert to what might be associated with pathological gambling," Dr. Westermeyer said.

The veterans completed the SCL-90 (the 90-item Symptom Checklist instrument) and the PCL (PTSD [Posttraumatic Stress Disorder] Checklist). Their responses were directly and highly correlated with DSM-IV criteria and the South Oaks Gambling Screen. **"In other words, people who have more posttraumatic symptoms, anxiety, and depression tend to have more gambling problems," Dr. Westermeyer said.**

Participants also completed the AUDIT (Alcohol Use Disorders Identification Test) and the MAST (Michigan Alcohol Screening Test). The AUDIT addresses recent alcohol use and the MAST is a lifetime alcohol use measure, which was adapted to include drug use. Again, correlations were high. But in this study, people with more alcohol and drug problems tended to have fewer gambling problems, according to Dr. Westermeyer, which is contrary to other research that shows more substance problems associated with more gambling problems.

"All these findings tend to be a tad atypical," Dr. Westermeyer said.

The data were assessed in two different ways to reflect the current prevalence and to predict the future prevalence of problem and pathological gambling. For example, data were weighted to reflect the typical older male population that is seen at most VA centers today. Raw data included an oversampling of women (to bring the 7% in weighted data up to 35%) as well as younger veterans from the Iraq and Afghanistan conflicts (to reflect the way the VA population is likely to appear in a decade or two).

The weighted data show that veterans have about twice the rate of problem gambling as does the general population. The raw data suggest a greater disparity in the future, with a rate 2.7 times that of the general population.

The other worrisome thing about the future is the ratio of problem gamblers to pathological gamblers, Dr. Westermeyer said. General population surveys show a 1:1 ratio of problem gambling to pathological gambling among people who are exposed to gambling for a decade or more, and up to 2:1 with more recent exposure. "It's worrisome with the veterans. **The ratio is ... like four or five problem gamblers to one pathological gambler. The problem gamblers are the people at risk to become pathological gamblers ... which does not bode well for the future.**"

"Veterans in VA care have a high rate" of pathological gambling, he added.

All 10 DSM-IV gambling symptoms were assessed in the study. The sixth criteria (characterized in the DSM-IV as "chasing one's losses") was the most common symptom, endorsed by 6.3% of participants with problem or pathological gambling. Tolerance was next at 5.1%, followed by escape gambling at 5.1%. The eighth criteria, which refers to committing illegal acts such as writing bad checks and committing property crimes, was the least commonly reported symptom, at just over 1%.

Another unexpected finding was a **propensity for younger veterans to have higher scores on the South Oaks Gambling Screen for pathological gambling.** "Most surveys that include people in their 20s rarely find a high prevalence [of pathological gambling], so ours was not a typical finding," said Dr. Westermeyer. Those who show up on the survey data tend to be people aged 35 years and older, he noted.

Participants were paid \$20 to complete 2 hours of computer-based data collection; a research assistant was on hand to answer any questions. Participants were recruited at two VA medical centers and 14 rural community-based outpatient clinics.

This was a clinical epidemiologic study and not community-based research, a potential limitation.

Unanswered questions remain, Dr. Westermeyer said. Do these high rates among veterans in VA care reflect rates among all veterans? Also, would it be possible to identify earlier cases through screening?

The study was funded by VA Health Services Research & Development. Dr. Westermeyer said he had no relevant disclosures.

Video poker leads to ex-mayor's downfall

By RICHARD KIRK, Special to the U-T midnight March 9, 2013

The ancient Greeks said to count no man happy until he dies. After all, one never knows what unexpected turns a person's life might take.

Two years after I moved to San Diego in 1984, the city chose as its mayor a perky 38-year-old woman named Maureen O'Connor. "Mo" was first elected to the City Council in 1971 when she was only 25. She served in that capacity for eight years, and then had a five-year stint as commissioner of the Port of San Diego before becoming mayor. In 1977, during her rise to political power, she became the wife of Jack in the Box founder, Robert Peterson.

In short, by the early '90s O'Connor was respected, powerful and wealthy. The former mayor now is facing prosecution for taking more than \$2 million from her deceased husband's charitable foundation -- money that she gambled away, along with much of the fortune she inherited.

A deal struck with federal prosecutors allows the 66-year-old O'Connor to defer prosecution for two years as she attempts to repay her debt to the foundation. O'Connor, who underwent surgery for a brain tumor in 2011 and suffers from its aftereffects, now lives with her sister and is virtually broke.

The former mayor suffered the loss of her husband in 1994, and according to her **attorney the deaths of several other close friends contributed to his client's compulsive "grief gambling" -- a habit that reportedly began around 2001. During the next decade she wagered, won, and lost more than a billion dollars. But her net losses topped \$13 million.**

It's hard to imagine the number of hours O'Connor must have spent in front of lifeless video poker machines to reach those staggering figures. But gambling houses in San Diego, Las Vegas and Atlantic City were happy to accommodate a presumably wealthy patron **who would occasionally drop \$100,000 in a day.** It's a portrait quite at odds with the happy scenes conveyed by casino ads on TV.

O'Connor likened her gambling habit to heroin addiction, and suggested that her brain tumor may have added to the compulsiveness. Federal prosecutor Phillip Halpern, however, observed that a 10-year fuse for a brain tumor is unlikely.

My own guess is that the absence of children, the loss of intimate friends and separation from the reins of power all combined to create a vacuum for which even millions of dollars could not compensate. **A politician out of power can be like an ex-athlete who misses the adrenaline rush of competition, cheers and victory.**

And when those "celebrities" find themselves short on close friends, a video poker machine is cold comfort.

Richard Kirk writes from Menifee. Email him at kirkrg@verizon.net.

<http://www.utsandiego.com/news/2013/mar/09/o-connor-video-poker-kirk/>

FOCUS GAMBLING IN ILLINOIS

Expanded coverage in the Chicago Tribune-Chicagoland report

Ex-husband: Woman paid ultimate price for gambling

The west suburban man knew about his wife's occasional trips to casinos in Joliet and Indiana, but he had no idea how deep an addiction she had until a real estate agent showed up at his door. His house was in foreclosure, he was told.

His wife, a dedicated mother of three who always made lunch for the kids, had always handled the family's finances. But she hadn't paid the mortgage in a year. Instead she had gambled away hundreds of thousands of dollars playing slot machines.

If he didn't sign foreclosure papers that day in 2003, he learned, their DuPage County home was scheduled to be auctioned off less than 24 hours later.

"I was completely confused," said Clarence, who did not want his last name used to protect his and his children's identities. "The house is going to be

auctioned off? I had to get the facts. I thought, I'm not signing anything until I find out exactly what's going on here."

Anita Bedell, executive director of Illinois Church Action on Alcohol & Addiction Problems, said Clarence had reached out to her organization to share his story, and she put him in touch with the Tribune.

Clarence, a software engineer, doesn't find it easy to talk about how gambling slowly consumed his wife and brought ruin to their family. He pauses and chokes back a lump in his throat when he mentions his three children, who are now young adults, and how close they came to losing their home.

The couple divorced, with Clarence keeping custody of the children.

In September, saddled with debt and unable to pay child support, Clarence's ex-wife committed suicide, he said, a

death he blamed in part on her gambling addiction. The Cook County medical examiner's office said at the time that her cause of death was pending awaiting toxicology reports.

A family member of the woman confirmed she had a gambling problem and committed suicide.

His wife started visiting casinos as a way to take a break from the kids, he said. But in time, he said, she grew increasingly secretive.

"It seemed like she would tell me when she won, but would not tell me when she lost," Clarence said. "She was getting the mail, bills weren't being paid, she was borrowing money. I didn't want to create any big family problems. I was hoping that she would come to the logical conclusion that this was bad behavior and she'd stop doing it."

After turning away the real

estate agent, Clarence borrowed \$2,000 from his cousin to hire an Addison bankruptcy attorney, who worked late into the night to file documents to stop the house auction.

The next day, Clarence opened a new checking account and took control of the family's finances. A day later, his wife filed for divorce.

Clarence's wife kept gambling. She stayed out all night at casinos and stopped making lunches for their children.

Two casinos, Harrah's East Chicago Inc. and Empress Casino Joliet Corp., sued her and were granted judgments totaling more than \$7,000 in 2002, records show.

"Going to the casino became a priority," Clarence said. "She was so determined. You couldn't stop her. She'd run you over."

Over the next two years, the couple, who had been together

for more than two decades, went through an acrimonious custody battle, he said.

But the financial strain wasn't easy to overcome. Clarence worked 60 hours a week to cover expenses and once visited a food pantry for assistance.

"Here I am, two master's degrees from IIT and going to a food pantry," he said. "I never thought I'd be in that position."

Clarence said the family is now out of debt. He maintains that he loved his ex-wife and does not blame her for her addiction. Rather, he feels the casinos took advantage of his ex-wife's illness.

"When (casinos) go for their renewal in front of the Illinois Gaming Board, they'll talk about all the good they did," Clarence said. "But they never came and tried to help me out. It's pretty aggravating. Sorry, I really can't see what good it's bringing the world."

Slot machines: a lose lose situation

Once seen as a harmless diversion, hi-tech slot machines now bring in more money than casinos – and their players become addicted three times faster than other gamblers. We investigate how the industry keeps us hooked



Tom Vanderbilt
The Guardian, Friday 7 June 2013



Don't let the name fool you – penny slots generate upwards of 50% of all casino profits, and no one plays a penny. Photograph: Alamy. Image manipulation: Philip Partridge/GNM Imaging

The first thing you notice on entering the vast hall of the casino is the sound: an ambient wash of well-modulated tones, a 4,000-strong machine symphony; set not to any discernible pattern, but not without harmony; syncopated by deeper subwoofer exhalations, an occasional chirp and the simulated clang of coins. It all percolates and pulsates in a gently propulsive fashion, as if to convey a sense of progress even as it relaxes.

It's as if Brian Eno had recorded Music For Casinos. Which is not so far off the mark. In her book *Addiction By Design: Machine Gambling In Las Vegas*, Natasha Dow Schüll, an anthropologist at the Massachusetts Institute of Technology, writes that in the late 1990s the "prescient audio director" at Silicon Gaming decided that every one of the sounds made by its slot machines – a number that now exceeds some 400 discrete noises – would be issued in what she terms "the universally pleasant tone of C". To generate the sounds, the director sampled existing casino soundscapes, fusing the whole to, as he put it, "add a new and better track to the traditional sound, but not to clash with it".

The sonic strategy is at one with an overall ethos that Schüll terms "smoothing the ride", a holistic mantra running through the casino experience. "From architecture to ambience to machine hardware and ergonomics, to the colours and buttons and then down into the game and the actual maths," she says, "all of it is in the service of maintaining the flow."

Schüll, a native New Yorker whose first encounter with Las Vegas was an accidental airport layover, spent several years in the city, haunting the offices of casino executives, the meeting rooms of Gamblers Anonymous (not surprisingly, Las Vegas has the most per capita attendees of any city in the US – some, Schüll says, wearing casino uniforms) and the gambling industry exhibitions where panel participants would say, offhand, things such as, "Gambling, as I see it, is an irrational behaviour that is impulsive." She freely admits that youth and looks helped her gain access to the inner sanctum of casino bosses, a world she says was not yet dominated by slick, corporate PR teams.

Analytically minded MBAs said they were glad to help with her dissertation – what they dubbed her "school paper".

She arrived during one of the city's periodic building booms, including a particular surge in what are known as "locals' casinos" – not the flashy, themed spectacles of the Strip, but more low-key, less mazy centres for "convenience gambling", as the industry calls it, where residents comprise up to 90% of the haul and machine games such as video poker dominate. She didn't need academic research to gauge this latter trend. "I was staying with my boyfriend's grandmother, who lived right across the street from the Gold Coast, a locals' casino. We noticed that she got up every night at 2am, and she would be gone until about 10am. We figured out that she was going and playing video poker at the Gold Coast."

While Schüll's research began with casino architecture, it is the rise of these machine games – and their carefully calibrated machine-user interfaces that, she says, enable, if not exactly seek, addictive behaviour – that became her ultimate focus. "I'm not playing

to win," one Vegas resident told her. She was playing, Schüll says, "to keep playing – to stay in that machine zone where nothing else matters".

I have intercepted Schüll, on her way to teach a doctoral seminar at Columbia University, to walk me through Resorts World casino in Queens, New York. Driving down Rockaway Boulevard, past pawn shops, I enter the casino driveway, ascend the multistorey car park and a few short steps later am on the floor.

This is where "flow" begins. In the words of Bill Friedman, a legendary Las Vegas casino designer interviewed by Schüll, "Driving from the street into the property should be effortless." Casino punters, he notes, "resist perpendicular turning". (Schüll reports that when Friedman slightly tweaked the entrance of one property, curving the right angle, he was struck by how many more pedestrians entered.)

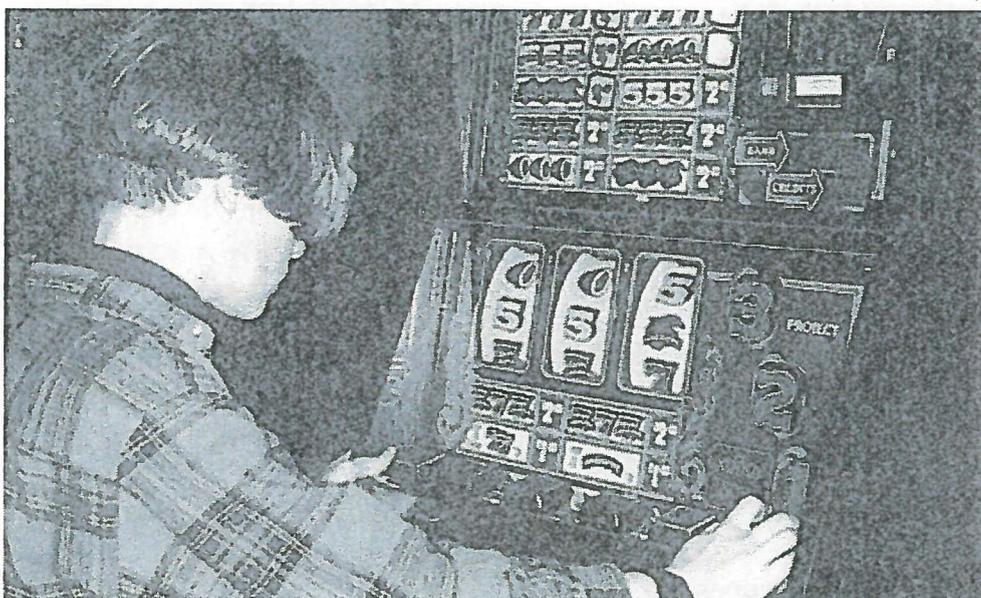
As we enter the floor, Schüll scans the place, from expansive ceiling to the polychromatic carpeting that sits uninterrupted, like a vast sea, under the banks of flashing machines. Like most casinos in Vegas, it is large, its geography blurred (paramedics told Schüll it took them longer to reach victims inside casinos than it took them to get to the casino itself). The space is rather like a city, with gridded blocks of machines occasionally opening into wide, circular "plazas", in the centre of which are slot machines ringed around columns.

In these spaces, the ceilings are slightly recessed, mirroring a circular pattern in the rug. "Your mind sort of drops imaginary lines down," Schüll says, "and you have a sense that you're being protected. It helps differentiate the space, rather than having it feel like one giant warehouse."

Resorts World is, in essence, a locals' casino. Its slot machines average more than \$370 a day in revenue each, more than twice the take of Vegas machines. While there are some vague gestures towards New York City theming (odd, as the casino is already in the city), this is not a haunt for high-rolling "action" gamblers, as the industry calls them – live games are still illegal in New York. This, rather, is a sanctuary for "escape" gamblers, the kind who are more interested, Schüll says, in spending time on a machine than in getting big wins. "Some people want to be bled slowly," an executive of the so-called "Costco model" of gambling says. And while there's a Sex And The City slot machine, there are more rolling walkers than Manolos in view among the crowd, which tilts older – and, this being Queens, Asian.

As we pause before a video poker machine, I see how deeply this "smoothing the ride" idea goes. Slipping in a \$20 bill, I press the large "deal" button. But it's not one hand of

poker I'm playing – it's 10. Some machines go up to 100. "You'll see screens with these tiny decks," Schüll says. "It's parsing what was formerly a volatile risk – you either won or you lost." And, indeed, in those 10 hands, a winning hand of two pairs shows up. "It's insurance," she says of the multiple decks. "Disappointment insurance." Your overall stake may be slowly sliding away, but there's always the hint of the win, somewhere. "Positive reinforcement hides loss," a game designer told Schüll. "As the market is saturated with casinos, you don't want to burn your market out," Schüll says. "You want to keep them coming back. And to get most of their money, you need to let them have most of it back for a longer time."



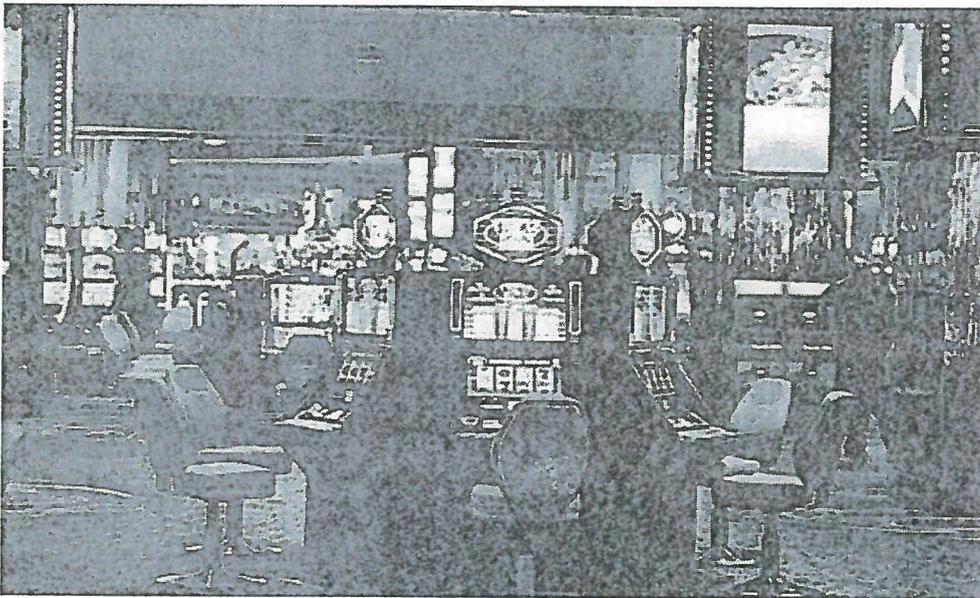
The days of the old-fashioned fruit machine in amusement arcades and pubs are over. These days punters are encouraged to lose rather more than just a few pounds. Photograph: Paul Brown/Rex Features

The slot machine, the historical antecedent for which came from nearby Brooklyn in the 19th century, is a curious device. As a Nevada regulator notes in *Addiction By Design*, it is the only "game in Nevada where the player doesn't know what his odds are". For most of its life, they were small beer; low-stakes blandishments for little old ladies, something you plugged a quarter into while you waited for your flight home from Vegas. "They were really seen more as things to keep you distracted while you were waiting for other things," Schüll says. "You'd find them in passageways, places of transition."

Sociologists didn't think much of them, either. Erving Goffman, the legendary social psychologist who once worked as a blackjack dealer in Vegas, dismissed them as not being a proper "sociological entity" – after all, there wasn't much social interaction at work. Anthropologist Clifford Geertz called slots "stupid mechanical cranks", of interest only to "women, children, adolescents... the extremely poor, the socially despised, and the personally idiosyncratic".

But by the late 1990s, Schüll notes, machine games were generating twice as much revenue as all "live games" combined; by 2003, an estimated 85% of the industry's revenue came from machines (in the UK, revenues from so-called fixed-odds betting machines now exceed casino revenues). Schüll says that the machines, whose "old lady" image left them untouched by associations with vice, were the perfect vehicle for gambling's expansion from a Vegas novelty to part of the fabric of everyday life everywhere (decades of experience with video games, and screens in general, didn't hurt either, she adds).

The games themselves were undergoing an evolutionary change. Once upon a time, you stood at a slot machine, putting whatever change you had into it, cranking the lever and watching the wheels spin. If you won, you'd wait for the clanging of the change in the hopper. If you won big, you'd have to wait for a casino attendant to come by and record it. There was a discrete rhythm, with any number of chances for a natural pause – like walking away from the machine when you ran out of coins.



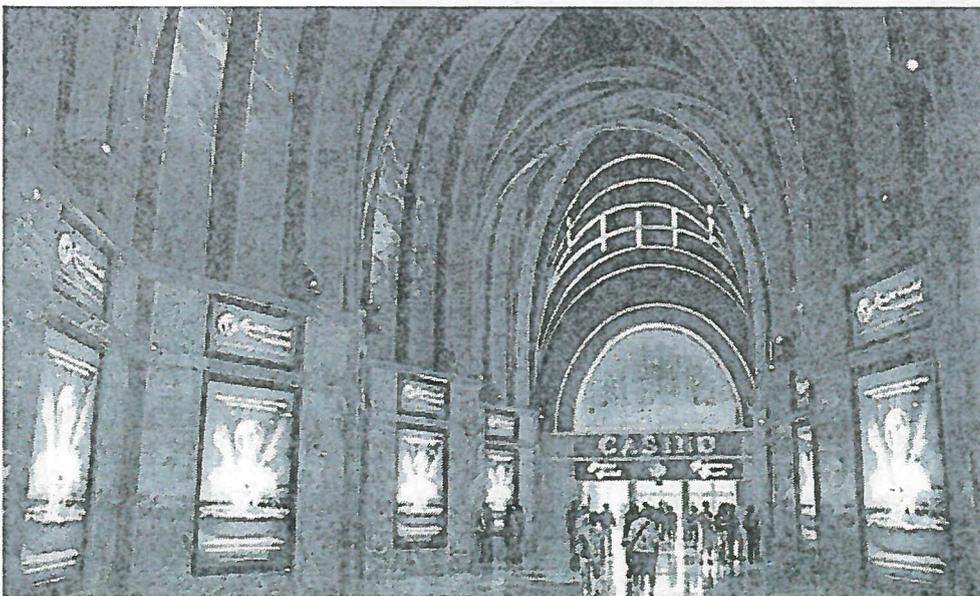
The goal is to entice people to play close to 'extinction', the unfortunate industry term for a player who's gone broke. Photograph: Courtesy of Resorts World

But, as Schüll documents, any number of refinements were added to the machine, most of them targeted around breaking down those moments of inertia – just as decades of Taylorist efficiency had done on the assembly-line floor. The lever was dispensed with (though it still exists on some machines as a "legacy lever"). Stools were added, then increasingly ergonomic chairs. Reels could be spun by pressing a button (thus doubling, Schüll says, the average number of games that could be played per hour, from 300 to 600). "Embedded bill acceptors" eliminated the need to fumble for coins, speeding up play another 15% and increasing the amount played by 30%. "Ticket in/ticket out" systems got rid of the need to dispense coins as winnings; as one slot floor manager told

Schüll, "People didn't want to wait to be paid off, because even if it took just three minutes, to them it felt like 20 minutes." There was a curious paradox at work here: as the games got faster, players stayed on longer.

Most intriguingly, the reels began a slow march away from mechanical reality and into mathematical abstraction. Reels went from mechanical control to electromechanical control in the 1960s to digital control in the 1970s to, eventually, reels that were no longer physical objects at all, but algorithmically driven video projections. The "reels" that the player sees whirl past on the machine are themselves avatars, of a sort, to a much larger set of virtual reels, existing as code within the machine. Schüll writes: "Although each symbol that players see seems to have an equal chance of hitting, in fact each does not; the actual reel merely communicates the mapping decisions of its virtual counterpart." Why? As the inventor of the technology noted in his US patent application: "It is important to make a machine that is perceived to present greater chances of payoff than it actually has."

The whole point, Schüll says, is "smoothing the ride", allowing the casino more effectively to manage its risk (by holding out an infinitesimal mathematical hope to the player that they might "strike it big"), while keeping the player engaged by dangling "near misses" that will not, statistically, actually occur as much as our eyes might believe they would. The goal is to entice them to play close to "extinction", the rather unfortunate industry term for a player who's gone broke. To further the actuarial vibe, frequent players are assigned a "predicted lifetime value" by the casino modellers, a phrase that reminds us that in the gaming industry, the "product" is the person sitting at the machine.



Resorts World is a sanctuary for 'escape' gamblers more interested in spending time on a machine than in

getting big wins. Photograph: Courtesy of Resorts World

We pause in front of a Cleopatra slot machine, a popular "five-reel" multi-line machine designed by industry giant IGT, replete with a panoply of ankhs, aspens and other orientalist symbology. There are five reels, which of course are not really reels, and no "legacy lever". Winning is not merely a matter of lining up a few sets of cherries; rather, as laid out by a tangled diagram resembling the London tube map, there seem to be an infinite array of ways to win – the so-called "Australian model" of machine gambling. It is, strictly, a "penny slot", meaning the \$20 bill I slide into the machine translates into 2,000 credits. Don't let the name fool you – penny slots generate upwards of 50% of all profits, and no one plays a penny; instead, you bet in chunks of 50 or 100 credits, or "bet max". This is one of the many subtle behaviour manipulations that are going on here; what's the harm when you're betting a penny? (In fact, Schüll says, players end up spending more on the small-denomination machines.) As my money is accepted, a husky female voice intones: "May my luck be upon you." I press a button, the reels spin. As they come to a stop, a rising crescendo of sound alerts me that I have won – though it takes me a minute to realise where, amid all the permutations. Even before the LED counter has finished ticking off my winnings, I can press "bet max" again to interrupt the process. As a representative of Bally, the gaming company, observed: "A gaming machine is a very fast, money-eating device. The play should take no longer than three and a half seconds per game."

Schüll compares it to psychologist Mihaly Csikszentmihalyi's famous concept of "flow", that engrossed state in which time seems to vanish. Flow, the theory goes, requires a number of preconditions: a clearly defined goal; quick feedback on whether or not the goal has been attained; and a sense of operational control over the activity. All of this is present here, and what it adds up to, Schüll says, is a greater propensity for gambling addiction. She quotes studies noting that machine gamblers – even those who had previously played other games without problems – became addicted three to four times more quickly than others (one psychologist compares it to crack cocaine).

Warren Buffett has called gambling in general a "tax on stupidity", a charge that weighs particularly heavy in an endeavour so algorithmically stacked against its participants. But the addicts Schüll spent time with in Las Vegas seem to harbour few illusions about their chosen temptations. As one describes it, with a kind of Sartrean resignation, "With the machines, there really is no chance. Because you know you're going to lose. That made it even safer – I felt like I almost controlled that fact."

The US gaming industry, in a pamphlet called *Demystifying Slot Machines* (created, Schüll says, directly in response to her work), argues that "slot manufacturers need to

build devices for a society with a decreasing attention span and an increasing demand for exciting, fast-paced entertainment, all in a marketplace overflowing with competing entertainment options". They do not mention the part they have played in actively hastening that process through changes in game technology and dynamics. But there is something to the argument that the machines are reflective of larger societal trends. In their dematerialisation of money, their ever faster "event frequencies", their increasingly baroque instruments of play, with easy access to capital and "diversification" of risk, the gambling machines are at one with the logic of Wall Street, with its high-frequency algorithmic trading, the deregulation of old barriers and safeguards, and black box financial instruments. As one game designer told Schüll, of the late 2000s financial crisis, "The guys who might have become game mathematicians working with Reno slot makers instead became stockbrokers in New York and Chicago, and invented all these exotic financial instruments."

Back in Queens, I glance at a potbellied man, half sprawled in a cushioned swivel chair, absently pawing at a slot machine, and am reminded of historian Sigfried Giedion's observation that "posture reflects the inner nature of a period". And as Schüll and I drift toward the exit, I see the strangest sight of all: a group of people, mostly Asian men, hunched over screens, glancing up at an avatar image of a dealer. In the middle of the cluster of tables sits an actual roulette wheel, under a glass bubble. A machine hand drops and retrieves the ball. Originating in the new gambling hub of Macau, the electronic table games were seen not only as a way to save money on costly physical dealers, but as a way to, as one observer put it, gradually "transfer people from tables to video slots".

In New York State, where live games are prohibited, the automated roulette and card games provide a way around the law. "There's still some weird old vice and stigma thing – the Rat Pack, the days of the mob – all these things associated with the high-roller games," Schüll says. "The real irony is that these games," she adds, gesturing toward the banks of flashing machines, singing their song in the key of C, "are the riskiest".

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September 17, 2013

Executive editor
Illinois Church Action on Alcohol & Addiction Problems

Video gambling establishments will not “cut off” their best customers

Many communities and counties quickly overturned long-standing ordinances that banned gambling in alcohol establishments to legalize video gambling. The Daily Herald article, “New gambling machines bypass casino addiction safeguards”, raises issues about the potentially addictive machines operating in neighborhoods. Soon there will be more gambling machines in neighborhoods than at Illinois’ 10 casinos!

The National Gambling Impact Study Commission found the presence of a gambling facility with 50 miles roughly doubles the prevalence of problem and pathological gamblers. Making gambling more available and acceptable in neighborhood establishments will increase gambling addiction.

Local residents will gamble on the legal video gambling machines closest to their home-- in restaurants, pizza parlors, bowling alleys, golf courses, truck stops, bars, video gambling parlors, veterans and fraternal organizations. A study of gamblers in South Carolina found as many as 20% of the video machine gamblers met the criteria for probable pathological gamblers.

Video gambling machines are called the “crack cocaine” of gambling, with people getting hooked on this form of gambling in one year or less. ” Experienced video poker gamblers can play a hand every 3 or 4 seconds. With the maximum bet of \$2 a hand, residents could lose \$300 to \$500 an hour!

Illinois residents are losing a great deal of money on video gambling machines. In Bloomington, area residents lost over \$2.8 Million on video gambling in 10 months. Decatur residents lost close to \$3 Million; over \$5 Million was lost in Springfield, and over \$5.8 Million by Rockford area residents. Over \$1.6 Million was lost in Berwyn, \$1.5 Million was lost in Oak Forest, \$1.7 Million lost in Waukegan, \$1.2 Million was lost in Kankakee, Pontiac, and Champaign, \$1.1 Million was lost in McHenry, Centralia, and Galesburg.

Over 10,000 addicted gamblers are on the self-exclusion list at Illinois’ casinos, and thousands more continue to gamble. Video gambling establishments will not “cut off” their best customers from gambling, and there are no measures in place to safeguard residents from gambling away their paychecks in one sitting. State and local governments must do more than sit back and collect the gambling losses from addicted residents each month.

- See more at: <http://www.rebootillinois.com/?opinion=5388#sthash.jZyvHVSL.dpuf>

fts

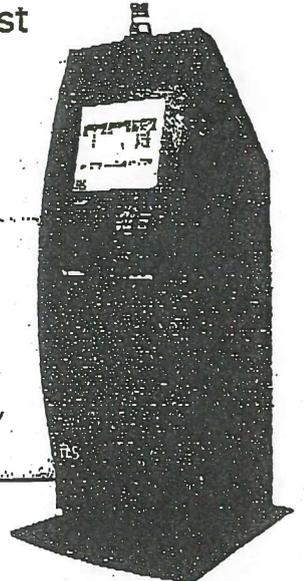
FINANCIAL TECHNOLOGY SOLUTIONS
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Casino in a Kiosk®

Financial Technology Solutions has created a full line up of Kiosks to assist **Casinos** from as small as five machines to the largest casino properties.

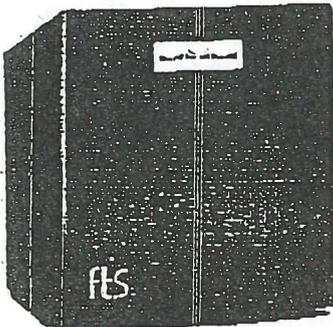
TR5011 Casino in a Kiosk®

The TR5011 is designed with a small footprint but extreme functionality. This powerful unit will support ticket redemption, ATM services and bill breaking along with server capacity up to 30 slot machines. New to the industry, the TR5011 is offering features many thought could not be achieved by a single kiosk. This unit is also designed as an integral piece of the slot route system offering of m3t, giving slot route management a real-time view of cash on hand maintenance alarms at each facility as they occur to allow immediate dispatch of service personnel.



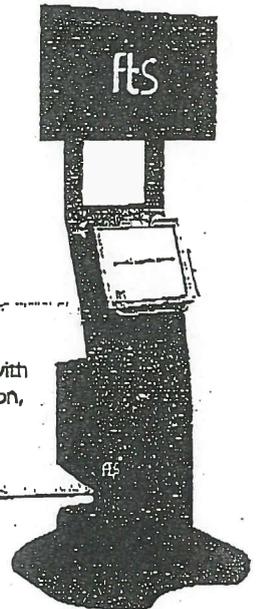
UC1000 Under - The - Counter Wizard

Extreme Functionality Behind-the-Scenes! The UC1000 is a cutting edge under-the-counter kiosk designed by FTS Kiosks for environments in which the facility chooses to dispense cash and redeem tickets at the cashier. This understated simple to use unit offers a solution saving time and effort for cashiers. It is also designed as an integral piece of the slot route system offering of m3t, giving slot route management a real-time view of cash on hand maintenance alarms at each facility as they occur to allow immediate dispatch of service personnel.



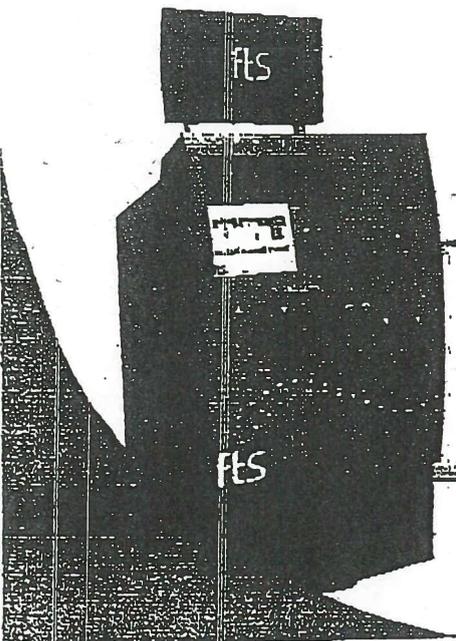
PC4010 Players Club Concierge

The PC4010 has a slim appearance with large marketing value for casino promotions. The Players Club Concierge is designed to assist casino patrons with checking point balance, enrolling in promotions, points-to-cash, item redemption, and printing TITO tickets. This visually attractive unit saves time and space for casinos of all size.



AO6011 / 6011A Casino All-In-One Kiosk®

The attractive LED illumination draws patrons near to get a glimpse of the FTS AO6011. This kiosk unit supports functionality such as ticket redemption, ATM services, bill breaking, check cashing, and player club enrollment with card printing. This custom unit allows casino's to decide the specific functionality most attractive for their environment. The AO6011 has the most reliable components in the industry and it is designed to be very low maintenance.



Gambling Economics: Summary Facts
Professor Earl L. Grinols, 29 April 2011

- Independent research. Not funded by gambling or anti-gambling organizations.

Gambling is a public concern because it creates economic costs for society and taxpayers, including non-users. Most costs derive from problem & pathological gamblers (two groups).

| | Per Path. Gambler in 2010 \$ | Totals/ Adult Capita |
|--|------------------------------------|----------------------------|
| ➤ <u>Crime</u> : E.g. Aggr. asslt, rape, rob., larceny., burglary, auto theft, embezzlement, fraud. | \$4334 | \$64 |
| ➤ <u>Business and Employment Costs</u> : Lost productivity, lost work time, unemployment-related employer costs. | \$3060 | \$72 |
| ➤ <u>Bankruptcy</u> | \$337 | \$4 |
| ➤ <u>Suicide</u> | | |
| ➤ <u>Illness</u> : E.g. Stress-related, cardiovascular, anxiety, depression, cognitive. | \$916 | \$10 |
| ➤ <u>Social Service Costs</u> : Treatment, unemployment & other social services. | \$530 | \$20 |
| ➤ <u>Direct Regulatory Costs</u> | | \$16 |
| ➤ <u>Family Costs</u> : Divorce, separation, child abuse & neglect, domestic violence. | \$83 | \$1 |
| ➤ <u>Abused dollars</u> | \$3806 | \$76 |
| ➤ <u>Social connection costs</u> : reduction in social capital (employer, family, friends) | | |
| ➤ <u>Political</u> : concentration of power, disproportionate political influence (NH, May10) | | |
| ➤ TOTALS (Right column includes problem gambler costs.) | <u>\$13,067</u> | <u>\$242</u> |

- **Gambling fails a cost-benefit test: Conservatively estimated, costs to benefits exceed \$3:\$1.**
 - Costs of introducing gambling depends on starting base, but typically > \$166 per adult. Benefits < \$54.
 - Large costs are privately borne, but 64 percent are publicly borne and 39 percent are tax-supported public costs.
- **Gambling attracts clientele unequally**
 - 30% don't gamble at all; most gamble rarely, minority 10% account for 2/3rd—4/5ths of wagers.
 - 30-50 % of revenues derive from problem and pathological gamblers (e.g. 48.2% of gaming machine revenue, Aus Inst. for Gambling Research, 2001; 37 % Montana keno machines; 58% machine revenue, Ontario Problem Gambling Research Center, 2004, 60% U. Lethbridge, 2004, other studies similar.)
 - Convenience gambling draws from nearby (Example: IL, over 70% from less than 35 miles).
 - Creates social costs nearby that must be taken account of.
- **Slot Machines, Electronic Gaming Devices (EGDs), Video Lottery Terminals (VLTs)**
 - Most damaging and quickly addicting form of gambling. (E.g. Breen and Zimmerman (2002)ⁱ: shorter times to addiction for those who 'got hooked' on video gambling. 1 year vs 3.5 for other forms.)
 - 80 percent of casino revenues, sometimes more, are from slot machines.
 - Causation: Bridwell and Quinn (2002)ⁱⁱ. Remove slot machines from SC: 6 months later Horry C. (Myrtle Beach) hotline calls fall from 200 to 0 per monthⁱⁱⁱ. Number of Gambler Anonymous groups smaller by 2/3.
 - Confirming evidence of causation is available in National Gambling Impact Study Commission research.
- **Economic Development; Failure of Impact Studies**
 - IMPACT STUDIES ARE NOT COST-BENEFIT STUDIES. More people working next door to you may not improve the well being of citizens in your area. Well being may actually decline.
 - An additional job has been estimated to be worth as little as zero to the community, or between \$0-\$1,500.^{iv} In a county of 100,000 adults the introduction of class III gambling would create additional social costs of \$16.6 m annually and social benefits of \$5.4 m. Using \$750 as mid-range value of a job to the rest of the county means that gambling would have to increase the total number of jobs in the county of this size by more than 14,933 to improve well being of residents, an unlikely outcome.
- **Factory, Tollhouse, or Restaurant Type Enterprises: Minnesota Gambling will Lessen Local Economy**

<http://daily-journal.com/archives/dj/display.php?id=511101>

Editorial: Video gambling -- a tax on the poor

Aug. 28, 2013, 10:41 am

The chart printed on the front page of this newspaper showed 183 video poker machines in Kankakee County.

The same data showed \$1.7 million wagered and nearly half-a-million lost since the inception of the legalization of video poker in Illinois.

One thing is clear. Well, maybe two things.

The first is that video poker is expanding rapidly. The number of machines doubled in the first nine months and is likely to triple within a year.

Is this a good thing? We think not.

What is taking place is a de facto tax on the middle and lower middle class. It also seems to hang disproportionately on the middle-aged and older.

It's also a high tax, hitting close to one out of every five dollars. You are a lot better off using your money, say, to buy a shirt, and paying the sales tax.

Statistics do not exist to back this up, but our eyeballs tell us, in the establishments we have visited that there are precious few doctors, lawyers and bank presidents playing the machines. That is the misconception about gambling — that this is some kind of economic bonanza. Gambling creates no wealth. What it does is transfer money. In a real sense here, what it does in Illinois is move money from the middle class and below to pay for public payrolls and benefits. Whether that is wise to you probably depends on where you stand on which side of that equation.

We note particularly that Kankakee, with 68 poker machines, has more machines than the next two towns (Bradley 28 and Manteno 34) added together. Drive around Kankakee, too, and you will notice a fair number of homes boarded up. Nearly \$182,000 has been lost in Kankakee poker machines.

The fairly inescapable conclusion is that poor people are being relieved of their money and it is money that should be spent more productively elsewhere. OK, that sounds like preaching. So be it. What we have happening now sounds a lot like exploitation. So, we'll side with morality.

http://magazine.jhsph.edu/2011/fall/news_briefs/bad_odds_for_youth_gamblers/

The MAGAZINE of the Johns Hopkins Bloomberg School of Public Health
Fall 2011 | www.jhsph.edu

Bad Odds for Youth Gamblers

by Jim Schnabel

You do it once, and then again, and soon it has you hooked. It pulls you away from family and friends. Ruins your ability to focus on school or productive work. Drives you into debt, desperation—even thievery. And as you spiral downhill, the brief rush that it gives you becomes your only solace.

“Problem gambling is like a drug addiction; the behavioral and health consequences are virtually the same. And what most people don’t realize is that it is much more common among adolescents than adults,” says Silvia S. Martins, MD, PhD, an epidemiological psychiatrist in Mental Health and senior author of two new studies of gambling behaviors among youths in West Baltimore.

With their still-developing forebrains, youths tend naturally to be more impulsive than adults, and to that extent are less resistant to addictive drugs and behaviors. Male youths, with their testosterone-driven culture of risk taking, seem particularly vulnerable. And what of youths in blighted inner-city neighborhoods? “No one had studied gambling behaviors in such a population before,” says Martins.

The Brazilian-born epidemiologist began her career with studies of problem gamblers in São Paulo. When she came to Hopkins to do postdoctoral research in 2003, she learned of an ongoing study in West Baltimore, headed by Mental Health Professor Nicholas Ialongo, PhD. Since 1993, researchers had been doing annual, school-based surveys of a single cohort of several hundred mostly African-American youths, and the study was designed among other things to highlight the childhood social and psychological antecedents of criminal and other undesired behaviors. **Starting in 2004, when the youths in the cohort were about 17 years old, Martins and her colleagues added a standard gambling questionnaire known as the South Oaks Gambling Screen.**

Gambling turned out to be the norm among the surveyed adolescents, especially the males, and “problem gambling”—a label that applied to about 12 percent of the sample—was much higher than the 1 to 3 percent normally observed in U.S. and Canadian adult populations. But the measured prevalence of gambling and problem gambling was not greatly different from what epidemiologists have seen in Caucasian adolescent populations. The types of gambling—card games, sports betting, lotteries, graduating to casino-type gambling as the youths grew up and could drive to Atlantic City, N.J.—also were similar to those seen in other studied populations. “If we had done that study with white suburban kids in Baltimore County, we probably would have seen the same kinds of gambling activities,” says Martins.

For the boy gamblers—the girl gamblers being too few to permit much analysis—the data suggested a link between problem gambling and very bad experiences in childhood. “We found that certain kinds of adverse events, such as being directly threatened, or being involved in violent or other criminal behavior, were associated with frequent gambling in later adolescence,” says Martins. These findings were published online in May of this year in the *Journal of Gambling Studies*, with Carla Storr, ScD, MPH, a professor at the University of Maryland School of Nursing, and an adjunct professor in the Bloomberg School’s Department of Mental Health, as first author.

In a related analysis, Martins and colleagues, including first author Grace Lee, MHS, a Mental Health doctoral student, **found that signs of depression at age 12 were linked to a greater likelihood of**

problem gambling in late adolescence.

“This replicates some other research that shows that if you have a lot of problems in your life, your parents are divorced, or you’ve lost relationships or you’ve had a sibling who’s died or been shot, then that increases your stress level—and gambling may be used as a way of escaping that,” says Jeffrey L. Derevensky, PhD, of McGill University, an expert on gambling and other adolescent high-risk behaviors, and a co-author of the Storr study.

One lesson from this may be that, as Martins says, **“public health practitioners need to be more aware that kids in these bad situations are not only at greater risk of using drugs and alcohol to alleviate their mental health or depressive symptoms, they also may be at greater risk of getting into problem gambling—and so we need to think about how we can intervene effectively in such situations.”**

But adolescent problem gambling isn’t merely an adverse outcome; it also seems to be a reliable marker of other ongoing behaviors whose ill effects are apt to cascade into adulthood. “It can be seen as part of a problem-behavior syndrome in adolescence, with potential adverse consequences in later life from the lack of education because the gambler dropped out of school, has a criminal record and so on,” says Martins.

What makes the situation in Baltimore particularly worrisome is that the opportunities for urban youths to gamble are about to expand. In 2008, Marylanders voted for a referendum that would enhance state revenues by allowing slot machines in certain locations; and discussions are under way to build a slot-machine casino in the Inner Harbor. **“Prior studies have shown that the closer you are to a casino, the more likely you will be to gamble,”** Martins says. **“And slot machines are widely considered the most addictive form of gambling.”**