Gambling with Our Children's Future

Gambling and Its Impact on Washington Families

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What harms the family, harms the children.

Over the past decade, Washington State has seen a significant increase in gambling venues. Everyone is competing for the gambler's dollar: the tribal casino, the state lottery, the recently expanded card rooms, and the gambler's own family. Families deserve the time and finances that are being wasted elsewhere.

It's a vital time for responsible and visionary leadership. Increases in gambling will affect our state, our neighborhoods, our families and our children. Isn't it time we looked ahead and acted out of wise concern for the environment of families? We've understood and improved our stewardship of Washington State's natural beauty and salmon runs. Isn't it time to decide what we want our state to be for children and families in the future?

For years, the only voice being heard has been the voice of those who stand to gain by increasing gambling. Now is the time for the voice of the families to be heard. Washington Family Council is concerned about the impact that gambling is having on our families, our lives and our futures.

For families,

Jeff Kemp, Executive Director

I. Introduction

In response to the nationwide explosion of gambling over the past decade, the National Gambling Impact Study Commission released a report this past summer that has initiated a national discussion on the impact of gambling on our nation. The National Opinion Research Center (NORC) reported to the Commission that the gambling industry has grown tenfold since the first Review Commission conducted its study of gambling in 1976, a time when casinos were limited to Nevada, 13 states had lotteries and 2 states had approved off-track wagering (National Opinion Research Center, 3). Today, every state but two (Utah and Hawaii) have some form of legal wagering; 37 states have lotteries, 21 states have casinos, and more than 40 states have pari-mutuel racetracks and betting (National Gambling Impact Study Commission, 1-1). Revenues from legal wagering grew 1,600 percent between 1976 and 1997, and gambling expenditures as a percentage of personal income doubled from 0.30 percent in 1974, to 0.74 percent in 1997 (NORC, 3).

...more than a dozen tribal casinos, 51 mini-casinos, nearly 400 bingo halls, 2,300 pull-tab sellers and 3,400 lottery outlets are competing for the gambler's dollar in the state's $2.14 billion gambling industry.

What do these numbers all mean? They show that more people are gambling than ever before. As a consequence, more people are becoming problem gamblers. The Commission advises that "the incidence of problem and pathological gambling is of sufficient severity to warrant immediate and enhanced attention on the part of public officials and others in the private and non-profit sectors" (NGISC, 4-3).

With that recommendation in mind, Washington Family Council (WFC) is concerned about the social and economic costs to individuals, families and communities in Washington State as a result of the expansion of gambling. Family health, marriage and parental involvement in children's lives are the greatest antidotes to the social ills that affect children and adults in our state. Through the release of this *Gambling with Our Children's Future* report we hope to prompt discussion on the often-overlooked casualties of problem gambling: our families.

Over the past decade, gambling in Washington has increased substantially without any study of the economic and social costs to our state. It is now time to take a look at these costs, which we sometimes forget are connected with the faces of real people who experience real pain. This report compiles and analyzes research from around the country, demonstrating the economic and social impacts of gambling and applying the research to Washington State. We cannot be so naive as to think that Washington is exempt from these negative costs.

To merely change laws according to the pressures of the gambling industry is to ignore the cries of the people and families who have been hurt for life by this addictive activity.

Ultimately, as Washington legislators, local governments and citizens make decisions about the future of gambling in Washington State, they must first have in mind the impact on individual lives and families. WFC is working to make Washington State the best place in the world to be married and raise a family. The issue of gambling is of concern to Washington Family Council because it has devastated families financially, emotionally and physically. No other institution has as great of an impact on our children as the family. Healthy families make for healthy communities, which result in a healthy state and, ultimately, a healthy nation. Therefore, a healthy family life is necessary to the health of our state's future and its ultimate prosperity. At this critical point in the expansion of the gambling industry, our state must have a game plan. To merely change laws according to the pressures of the gambling industry is to ignore the cries of the people and families who have been hurt for life by this addictive activity.

II. History of Gambling in Washington State

Gambling has never before been as accessible to Washington State residents as it is today. Opportunities to gamble are as close as the neighborhood 7-Eleven selling lottery tickets or the new card room-converted-mini-casino in town. In total, more than a dozen tribal casinos, 51 mini-casinos, nearly 400 bingo halls, 2,300 pull-tab sellers and 3,400 lottery outlets are competing for the gambler's dollar in the state's $2.14 billion gambling industry (Gavin, Patjens). Total gross gambling receipts have increased 66 percent over the past decade and that doesn't include receipts from tribal casinos, which are not required to report figures to the state (Washington State Gambling Commission, 1998). Between 1996 and 1998 alone, net receipts for all gambling activities (excluding tribal casinos) increased 33 percent (Gavin).

What has contributed to this huge expansion in the state gambling industry? According to Gary Hanson, Executive Director of the Washington State Council on Problem Gambling, gambling has grown in a "piecemeal" fashion driven by increased competition from tribal casinos and mini-casinos and the rising social acceptability of gambling activities (Hanson). A century ago, the state legislature passed a series of laws prohibiting almost all forms of gambling.

The expansion of gambling in Washington State began in 1973 when the legislature authorized various social gambling activities including bingo, raffles, punchboards/pull-tabs, card rooms and social card games (WSGC, "Significant Legislation"). At that time, the legislature also called for the creation of the Gambling Commission to regulate gambling activities.

In 1982, Washington joined states across the country in authorizing a state lottery, and in 1984 the Lottery began operating "Lotto" and the "numbers" (WSGC, "History of Gambling Background"). Today, the state lottery has grown to six games, boasting $454.7 million in record sales last year (Washington State Lottery). Revenues go into the general fund which supports education, human services and other state programs, as well as the new Safeco Field and future football stadium. The lottery funds, however, are not designated specifically for education as some would have us believe.

Gambling grew dramatically nationwide after Congress passed the Indian Gaming Regulatory Act (IGRA) in 1988. The passage of IGRA permitted tribes to conduct certain kinds of gambling (Class III) if they negotiated a compact with their state. In 1998, a total of 31 states had negotiated compacts with tribes. The first tribal casino in Washington State was opened in 1992 by the Tulalip tribe, and since then 11 tribes have followed suit. Twenty tribes currently have compacts that allow them to operate a casino (Patjens). Although tribes are not required to report all of their receipts, the tribal casinos generate approximately $440 million in revenues and about $3.4 million in impact fees to local governments (Gavin).

As the tribal casinos grew in number and popularity, they became competition for the card rooms, which were noticing a decline in gambling activity. The casinos could offer a variety of house-banked games not permitted in the card rooms, so card room operators joined together in 1995 to lobby for legislative changes that would allow them to compete with the tribal casinos. In 1996, the legislature permitted card rooms to increase their tables from 5 to 15, offer alternative collection methods such as a rake (a percentage or set amount of the total wagered), and allow player supported progressive prize funds (WSGC, 1999, 10). By the end of the year, there were 15 "mini-casinos" participating in a pilot study under the new law.

In 1997, card room/mini-casinos sought additional legislative changes to allow house-banked card games (casino-style card games such as blackjack, where players bet against the house, which bankrolls the games) and won (Gavin). There are now 51 mini-casinos in operation across the state, generating $30 million in annual revenues and paying approximately $3.5 million in local taxes (Gavin). Revenues could quadruple those figures in 1999 due to the increasing expansion of mini-casinos (Gavin). Since the legislative changes, card room activity has increased by $12.2 million (68.2 percent) over fiscal year 1997 (WSGC, 1998, 1).

As soon as one gambling activity expands, another venue seems to "up the ante" to gain its share of the revenue, thus opening up other forms of gambling. The most recent addition to Washington State gambling is the new video lottery terminals (VLTs) advertised as slot machines at the tribal casinos. Traditional slot machines are banned in Washington State, but tribes negotiated the approval of VLTs last year in response to the increased competition from mini-casinos. The video gambling devices operate on a prepaid card (like a phone card) instead of coins and don't have levers. A computer predetermines the number of winners for all machines rather than a random number generator for each machine. Over the next three years more than 10,000 "slots" will be operating in Washington State, generating a half-billion dollars in revenues, according to *International Gambling and Wagering Business* (Gavin). This is cause for concern among people who work with problem gamblers. It is widely known that the introduction of video gambling devices in a community is associated with high rates of problem gambling. One clinical expert has labeled VLTs the "crack cocaine" of gambling (NORC, 76).

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In addition to the lottery, tribal casinos, and mini-casinos, other gambling opportunities in our state are betting on horse races, charity games such as bingo, and punchboards/pull-tabs. A pull-tab is similar to a lottery scratch ticket with instant winners. According to the Washington State Gambling Commission, this state has the largest pull-tab industry in the country, generating about $540 million in revenues and $19 million in local taxes

(Rogoway). Perhaps this is due to the fact that pull-tabs require no skill to play and are widely available in taverns and restaurants. Pull-tabs are among the top four games played by the state's problem gamblers: 5.9 percent for pull-tabs, 10.8 percent for Indian bingo, 8.3 percent for card games in card rooms, and 7.0 percent for cards/dice/other at Indian casinos (Volberg, May 1999, 26). Is it possible that there is a link between problem gambling and gambling's easy accessibility? This is a much debated, but very important issue to address in light of the continuing expansion of gambling.

III. Prevalence of Pathological and Problem Gamblers

The American Psychiatric Association first recognized pathological gambling as a psychiatric disorder in 1980. According to the APA, a pathological gambler displays the following: a continuous or periodic loss of control over gambling; a progression in gambling frequency and amounts wagered, in the preoccupation with gambling, and in obtaining monies with which to gamble; and a continuation of gambling involvement despite adverse consequences (Volberg, May 1999, 8).

National Estimates of Problem and Pathological Gamblers

	National Research Council[1] (1999)	National Opinion Research Council[2] (1999)	Harvard Medical School Division on Addictions[3] (1997)
Lifetime Adult Pathological Gamblers	3 million (1.5%)*	2.5 million (1.2%)	N/A
Lifetime Adult Problem Gamblers	7.8 million (3.9%)	3 million (1.5%)	N/A
Past Year Adult Pathological Gamblers	1.8 million (0.9%)	1.2 million (0.6%)	2.2 million (1.1%)
Past Year Adult Problem Gamblers	4 million (2.0%)	1.4 million (0.7%)	5.3 million (2.8%)
Total Lifetime Adult Pathological and Problem Gamblers	10.8 million (5.4%)	5.5 million (2.7%)	N/A
Total Past Year Adult Pathological and Problem Gamblers	5.8 million (2.9%)	2.6 million (1.3%)	7.5 million (3.6%)
Lifetime At-Risk Gamblers	N/A	15 million	N/A
Past Year Teen Pathological Gamblers	N/A	N/A	2.2 million
Past Year Teen Problem Gamblers	N/A	N/A	5.7 million
Total Past Year Teen Pathological and Problem Gamblers	N/A	N/A	7.9 million
Total Past Year Teen and Adult Pathological and Problem Gamblers	N/A	N/A	15.4 million

*Rates are per 100,000 of U.S. population.

[1] This report was commissioned by the National Gambling Impact Study Commission to the National Research Council of the National Academy of Sciences to conduct a thorough review of the available literature on problem and pathological gambling. The review covered 4,000 gambling-related references. Three hundred of these were empirical studies (NGISC 4-5).

[2] This study was commissioned by the National Gambling Impact Study Commission to the National Opinion Research Center at the University of Chicago to conduct a national survey of gambling behavior in the U.S. population. NORC used its own NODS test (NORC DSM Screen for Gambling Problems), an adaptation of the DSM-IV test, to determine pathological and problem gamblers. The NODS is designed to be "more demanding and restrictive in assessing problematic behaviors than the SOGS or other screens based on the DSM-IV criteria," according to the NORC report (p. 18). NORC interviewed 2,417 adults by telephone, surveyed 530 adult patrons in gambling facilities and weighted the results of the two surveys appropriately in order to determine prevalence estimates of pathological and problem gamblers (p. 4-5).

[3] Dr. Howard Shaffer of the Harvard Medical School Division on Addictions conducted this 1997 meta-analysis of literature on "past year" problem and pathological gambling prevalence (NGISC, 4-1).

A problem gambler is someone who shows any pattern of gambling behavior that compromises, disrupts, or damages family, personal or vocational pursuits (Volberg, May 1999, 8). A problem gambler may be in the process of becoming a pathological gambler.

Most studies classify pathological and problem gamblers based on their responses to questions included in the South Oaks Gambling Screen (SOGS). Some of the questions are: "Have you ever missed time from work or school due to gambling?", "Have you sold personal or family property to gamble or to pay gambling debts?", "When you participate in the gambling activities, how often do you go back another day to win back money you lost?", and "Have you ever claimed to be winning money from these activities when in fact you lost?" (South Oaks Gambling Screen). Pathological gamblers are those respondents who score 5 or more points out of a possible 20 on the SOGS test. Problem gamblers are those respondents who score three or four (Volberg, May 1999, 8). Studies distinguish between "lifetime" and "past year" pathological and problem gamblers based on whether they have met the SOGS criteria over the course of their lifetime or just during the past year.

In the past several years, a different test has gained popularity among gambling researchers -- the DSM-IV test, which classifies pathological gamblers as those who meet 5 or more criteria on a list of 10 (NORC, 16).

Nationally, studies give a wide range of estimates for the number of problem and pathological gamblers. The recently released National Gambling Impact Study Commission Report cites several studies with very different estimates. (See table on page 4).

> *...the research "seem[s] to agree that pathological gamblers 'engage in destructive behaviors: they commit crimes, they run up large debts, they damage relationships with family and friends, and they kill themselves. With the increased availability of gambling and new gambling technologies, pathological gambling has the potential to become even more widespread."'*

As is obvious from these studies, it is difficult to determine an accurate estimate of pathological and problem gamblers. However, the National Gambling Impact Study Commission adopts the Harvard Medical School's 7.5 million figure for past year total adult pathological and problem gamblers. This is approximately 6 percent of all 125 million adult past year gamblers (NGISC, 4-1). An estimate of total adolescent gamblers has not been determined, according to the Commission's report. Six percent of all past year adult gamblers, or 3.7 percent of the U.S. adult resident population (based on U.S. Census Bureau statistics [U.S. Census Bureau, http://www..census.gov]), is a noteworthy figure when considering the immense social and economic consequences upon society. These costs will be discussed later in this report.

Despite the variance in prevalence estimates, the National Commission states that all of the research "seem[s] to agree that pathological gamblers 'engage in destructive behaviors: they commit crimes, they run up large debts, they damage relationships with family and friends, and they kill themselves. *With the increased availability of gambling and new gambling technologies, pathological gambling has the potential to become even more widespread* (our emphasis added)'" (NGISC, 4-1). The Commission's last statement leads us to examine research on the causal relationship between the expansion of gambling and pathological gambling.

IV. Links Between Gambling Expansion and Problem Gambling

"Sociologists almost uniformly report that increased gambling activities which are promoted as sociologically 'acceptable' (the acceptability factor) and which are made 'accessible' (the accessibility factor) to larger numbers of people will increase the number of pathological gamblers." - Professor John Warren Kindt, University of Illinois at Urbana-Champaign[1]

[1] Kindt, John Warren, "The Business-Economic Impacts of Licensed Casino Gambling in West Virginia: Short-Term Gain but Long-Term Pain," The West Virginia Public Affairs Reporter, Spring 1996, p. 24.

"Gambling problems follow when gambling outlets become conveniently accessible to more and more people." - The Social Costs of Gambling in Wisconsin[2]

The first national prevalence study of pathological and problem gambling was conducted by the Commission on the Review of the National Policy Toward Gambling in 1976 (using 1975 data), a time when casinos were isolated to Nevada and only 13 states had lotteries. The Commission determined that 0.77 percent of the population were compulsive gamblers at that time (Kindt, 1994, 64). This number is considered by many researchers to be the baseline number of complusive gamblers before the nationwide expansion of casinos. Comparing today's prevalence rates of problem gamblers with the 1975 rate shows us that problem and pathological gamblers have increased. "Since gambling has been legalized and made accessible in several states, the range has increased to 1.5 to 5 percent in those states," says Dr. John W. Kindt in his research (Kindt, 1996, 24).

Here is a sampling of other statistics linking the widespread availability of gambling to higher percentages of problem gamblers:

• In Iowa, one 1995 study concluded that the lifetime probable pathological and problem gamblers in that state increased from 1.7 percent of the public in 1989 to 5.4 percent in 1995 (Kindt, 1996, 24).

[2] Thompson, William N., Ricardo Gazel, and Dan Rickman, "The Social Costs of Gambling in Wisconsin," Wisconsin Policy Research Institute, July 1996, p. 25.

"Kurt's" Story

Kurt, a 35-year-old now homeless man in Spokane, says the influx of casinos in his area in 1998 is what caused his problem gambling. Previously, Kurt had spent $5 a week in lottery tickets, but after one big win in a newly-opened casino, he was hooked. Over the next year, Kurt maxed out his credit card, borrowed money from friends, and sold his car for gambling money. He was kicked out of his apartment for failing to pay rent and has lived on the streets ever since. He is now receiving help from the Union Gospel Mission and doesn't gamble anymore (Kurt).

• In Baton Rouge, Louisiana, a report by the Capitol Area United Way Gaming Task Force found a fivefold increase in the number of people seeking help for problem gambling between 1991 and 1994, the years when riverboat and electronic machine gambling rapidly expanded in that state (Goodman, 46).

• One compulsive gambling clinic in Iowa reported an increase from 30 or 40 clients the year before riverboats came to that state, to 200 the year after they arrived. The percentage of women rose from 5 to 40 percent (Goodman, 46).

• In New Jersey, the calls to a Council on Compulsive Gambling help-line grew from 1,200 calls a year to 32,000 per year after casinos were introduced into the area (Goodman, 46).

• A study commissioned by the Policy Research Institute in Wisconsin concluded that the presence of Native American casinos in that state accounted for 42.2 percent of its serious problem gamblers. The rate of serious problem gamblers in Wisconsin without the presence of casinos would be 0.52 percent, while the rate with the casinos is 0.90 percent (Thompson, 1995, 3).

...the availability of a casino within 50 miles (versus 50 to 250 miles) is associated with about double the prevalence of problem and pathological gamblers.

• The National Opinion Research Center's report to the National Gambling Impact Study Commission found that the availability of a casino within 50 miles (versus 50 to 250 miles) is associated with about double the prevalence of problem and pathological gamblers (NORC, ix).

V. Has Washington State's Problem Gambling Increased Along With Accessibility?

Although nationwide statistics support a causal relationship between access to gambling and higher rates of problem gamblers, research in Washington State does not appear to support such a link at this time. Two studies by Dr. Rachel Volberg in 1992 (the year the first tribal casino opened) and 1998 revealed virtually no change in the number of combined lifetime problem and pathological gamblers (5.1 percent in 1992, 5.0 percent in 1998) despite the fact that gambling availability increased (Volberg, May 1999, 5). There is reason to believe, however, that it may be too early to see the real impact of the expansion of gambling due to the time it takes for gamblers to become addicted and "bottom out." "This phenomenon [of increasing problem gamblers with gambling expansion] will definitely occur; the only debate is how soon it will happen," writes Professor John Warren Kindt in a 1994 *Drake Law Review* article. “This increase could occur within one to five years, but some claim it could also take up to fifteen years before the upper numbers are reached” (Kindt, 1994, 65). Furthermore, the effects of the latest expansion of gambling in our state -- the mini-casinos in local communities and VLTs on the reservations -- are not included in the Volberg report as the impact of these venues are more recent than the report would have detected. The easy accessibility of the mini-casinos and the high rate of problem gambling associated with VLTs are cause for serious long-term concern.

The increasing numbers of Gamblers Anonymous (GA) members in Washington State should also be considered as evidence of rising gambling problems. While some may say this is because of a heightened awareness of services offered to problem gamblers, the timing of the simultaneous increase in GA groups and gambling accessibility makes it clear that the expansion of gambling has contributed, at least in part, to the increase. Statewide, GA groups have increased from a few to nearly two dozen, and since 1993, phone calls to the Council on Problem Gambling have tripled (Gavin). Spokane GA officials say their group has expanded from one meeting a week averaging five people, to three averaging fifteen each (Gavin). Paul, a GA member in the Seattle area, told Washington Family Council that there are three new people every week who visit his group. He said there is a definite need for additional meetings (Paul).

VI. Economic Costs of Problem Gamblers to Washington State

Though problem gambling in Washington State hasn’t shown dramatic increases over the past six years, the fact remains that five percent of adults are lifetime problem gamblers and are imposing real costs to their families, friends, employers and communities. Each addicted or compulsive gambler negatively impacts up to 17 other people, according to the National Center for Pathological Gambling (Kindt, 1994, 61). By comparison, Alcoholics Anonymous statistics conservatively calculate that each alcoholic negatively impacts seven other people (Kindt, 1994, 61). Professor Kindt says, “The indirect societal dysfunction [caused by gambling] will be experienced by at least 10 percent to 25 percent of the population, according to the most reasonable estimates, up to multiple impacts on 100 percent of the population” (Kindt, 1994, 61).

Calculating for Washington State, if 17 people are indirectly impacted in a negative way by each of the state’s 30,300 to 77,700 lifetime pathological gamblers (Volberg, May 1999, 5), 12 to 31 percent of the state’s 4.2 million residents will be affected. This is a tremendous number of individuals who suffer from broken marriages, absent mothers and fathers, financial burdens imposed by the gambler, loss of property, and even the death of a loved one. It is impossible to place a monetary value on the costs to families. The emotional pain experienced by members of a broken family can negatively affect an individual’s future relationships, financial stability, and success in school or at work.

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Some researchers have attempted to determine rough estimates of the costs imposed on society by each pathological and problem gambler. In 1994, Professor Kindt estimated the costs to society for each newly created pathological gambler to be between $13,200 and $52,000 per year (Kindt, 1996, 24). In the same report, Kindt states that “for every dollar the legalized gambling interests indicate is being contributed in taxes, it usually costs the taxpayers at least 3 dollars” (Kindt, 1996, 23).

Another study by Professor Grinols in 1996 estimates the measurable annual social costs (apprehension, adjudication, incarceration, direct regulatory costs, and lost productivity costs) per pathological gambler are between $15,500 and $33,500, or, when spread over the adult population, between $214 and $778 per adult each year (Grinols, 1996, 56). These figures do not include the costs from increased suicides, divorces and cases of family violence. Grinols states that the expansion of gambling since 1990 has led to an average annual social cost of $42 billion -- a cost equal to an additional 1990-91 recession every decade or an additional Hurricane Andrew every year (56).

Using a social cost estimate of $30,000 per pathological gambler (roughly halfway between Kindt’s estimate and slightly less than Grinols’ estimate) and applying that to Rachel Volberg’s estimate of between 6,200 and 35,300 current Washington State pathological gamblers, we estimate that Washington citizens are paying an estimated $186 million to $1.1 billion annually for social costs associated with pathological gamblers. This is a conservative estimate. It doesn’t include the costs of problem gamblers or the costs of hard-to-estimate numbers related to divorce and family dysfunction. Compared with the $2.14 billion annual revenue of the state gambling industry, the easily measured social costs to Washington residents are up to half the financial benefits. Factoring in the hard-to-measure costs of divorce, suicide and family violence, in addition to the costs of problem gamblers, the social costs are potentially more than the benefits.

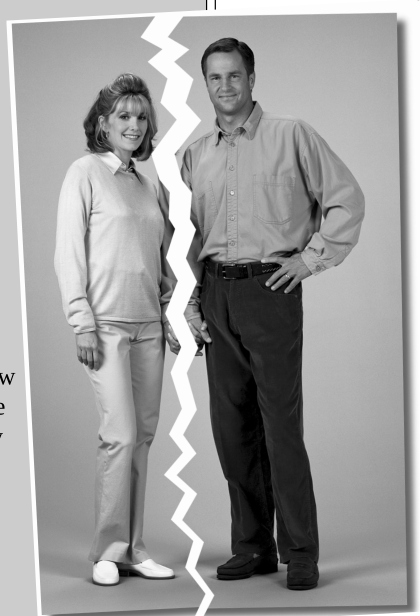
The Wisconsin Policy Research Institute’s study on the costs and benefits of tribal casino gambling in Wisconsin concluded: “With mid-range estimated social costs, the overall impact becomes negligible, while with higher social-cost estimates, the impact becomes clearly negative” (Thomp-

Paul's Story

Paul, a recovering problem gambler in the greater-Seattle area, knows first-hand the impact gambling can have on family life. He didn't wake up to the seriousness of his problem until his marriage was crumbling and he had lost almost everything.

Paul's gambling began as a teenager when he got a thrill by pitching pennies and playing poker with friends. His gambling increased when he realized he could play poker legally at card rooms. The betting limit, however, prevented him from losing more than $300 at a time. Paul attributes the escalation of his problem gambling to the higher betting limits at the Indian casinos introduced to Washington State in the past decade.

About five years ago, Paul was spending an average of between 40 and 50 hours a week at the casinos for "entertainment," often staying late into the night and then lying to his wife about his losses. He lost an average of $300 to $1,000 every time he went to the casino, which was about four times a week. On trips to Las Vegas he lost up to $5,000.



Financial problems, the amount of time spent at the casino and the deception to his wife placed a strain on Paul's marriage and family life. Finally, Paul was forced to face his gambling problem when his wife drew up separation papers. "I had to make the choice between gambling and my family," Paul said. Paul chose to get help at a local Gamblers Anonymous group and today his marriage and family have been restored.

Paul's observations of the impact of problem gambling on family life are insightful. He says that the time a person spends gambling is valuable time that could be spent with one's family. Spouses, he says, are especially devastated by the financial burden placed on them despite the fact that they didn't have any part in the losses. Often, it is their money that is spent without permission on a shared line of credit. The lying and deceit to one's spouse as a result of financial losses further adds to strained family relationships (Paul).

son, 1995, 1). It is important to note that no research has been done on the social costs of pathological gamblers to Washington State residents, so we are forced to rely on numbers from other states.

It is our recommendation that Washington State conduct a cost/benefit study similar to that in the state of Wisconsin before gambling is allowed to further expand.

Washington citizens are paying an estimated $186 million to $1.1 billion annually for social costs associated with pathological gamblers.

VII. What Impact Does Gambling Have on the Family?

"Family problems are one of the primary concerns associated with problem and pathological gambling." - National Opinion Research Center (48)

Problem gambling is especially devastating to families, but there is no way of calculating in numbers the emotional pain felt by the spouse or child of one whose life is consumed by gambling. This pain is real though, and the social consequences reach far into the future. Statistics and figures can't tell the entire story of the impacts of problem gambling, so we have interspersed personal stories with research over the next several pages to testify to the many social effects of widespread gambling: divorce, at-risk youth, child neglect, child abuse, domestic violence, adolescent gambling, bankruptcy, lost jobs and work time, homelessness, suicide, and crime.

A. Marital Problems and Divorce

Washington Family Council believes strong marriages are essential to the health of our state's future as research shows that children who grow up in two-parent families fare better in life. "There is a mountain of scientific evidence showing that when families disintegrate, children often end up with intellectual, physical and emotional scars that persist for life," says Karl Zinmeister of American Enterprise Magazine. "We talk about the drug crisis, the education crisis, and the problem of teen pregnancy and juvenile crime. But all these ills trace back predominantly to one source: broken families" (Stanton, 100). Gambling problems are proven to contribute significantly to greater numbers of broken families. Higher rates of divorce are associated with

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problem gambling due to strain placed on relationships from financial burdens, deception, time spent away from the family, anger, and sometimes violence. Consider the following research:

• In his Statement to the National Gambling Impact Study Commission last year, Professor John Kindt reported that of the 1.5 million new pathological gamblers between 1994 and 1997, 27 percent divorced or separated and 59 percent considered separating (Kindt, 1998, Table 13).

• In Wisconsin, a survey of 81 Gamblers Anonymous respondents found that 30 (30.6 percent) were divorced or separated and 21 (70 percent) of those 30 attributed their family break-up to their problem gambling (Thompson, July 1996, 14).

• A 1998 study by Henry Lesieur reports that 26 to 30 percent of Gamblers Anonymous members attribute their divorces or separations to their gambling problems. The GA respondents representing about 400,000 adults said their own gambling was a cause or factor in their divorce, while respondents representing 2 million adults said a spouse's gambling was influential in their divorce (NORC, 48).

• A University of South Dakota report found that the state's yearly divorce filings increased nearly 6 percent, a 500 percent jump over the 1 percent rate of yearly increase in the three years prior to the introduction of approximately 80 casinos in the small town of Deadwood and the addition of thousands of electronic gambling machines throughout the state (Goodman, 49).

• The National Opinion Research Center (NORC) cites the following lifetime divorce rates per lifetime gambling behavior with control variables for age, gender, ethnicity, education, children in household, and alcohol and drug use/abuse (49):

- Non-Gambler: 18.2%
- Low Risk: 29.8%
- At-Risk: 36.3%
- Problem Gambler: 39.5%
- Pathological Gambler: 53.5%

Divorce is hurtful to both the adults involved and their children. In fact, children of divorced parents often suffer the most consequences. The NORC report states, "Probably the longest term and potentially the greatest economic cost [of divorce] is associated with impacts on children. Several studies have found that children from divorced households have lower academic and/or occupational achievement. These costs would last for most of the lifetimes of the effected children, and when discounted to their present value, could be in the tens of thousands of dollars per child" (NORC, 49).

"Probably the longest term and potentially the greatest economic cost [of divorce] is associated with impacts on children."

B. Problem Gambling's Contribution to At-Risk Youth

"The two children (average 2.2) of troubled parents will suffer lifetimes of losses that will have financial costs for society. Other children will suffer too, and along with them, society will suffer. Children of problem gamblers are more likely than others to become problem gamblers. They are also more likely to develop other anti-social maladies."
- "The Social Costs of Gambling in Wisconsin" (Thompson, 17)

Children are the silent sufferers of their parents' gambling addiction, yet all of society will pay in the end for the many consequences of their pain. Dr. Durand Jacobs, a professor of psychiatry at Loma Linda University in California, studied four California high schools and discovered the following disturbing trends among the children of problem gamblers (Jacobs, 1989):

• Children of problem gamblers demonstrate higher levels of use for tobacco, alcohol, illicit drugs and overeating than their peers.
• Seventy-five percent of problem gamblers' children reported their first gambling experience before 11 years of age, compared to 34 percent of their classmates.
• Children of problem gamblers experience almost twice the incidence of homes broken by separation, divorce or death of a parent before they reach the age of 15.
• When compared to their classmates, children of problem gamblers rate themselves as more insecure, emotionally down and "unhappy with life and myself." They also report poorer school and work performance.
• Children of problem gamblers acknowledge suicide attempts at twice the rate of their classmates (12 percent versus 6 percent).

C. Child Neglect

Child neglect is a fairly common problem associated with pathological gambling. In some cases, pathological gamblers are so consumed by winning and chasing losses, they neglect their children for hours at a time, leaving them in cars, parking lots, or at home alone.

• In Atlantic City, casino workers in 12 of the community's casinos rate the problem of parents leaving children unattended while they gamble as a "10" on a scale of one to ten (Curran, 35).

• A survey conducted by the National Opinion Research Center found that six of nine communities had one or more respondents who said they had seen increases in child neglect since the introduction of casinos to their towns (NORC, 78).

Some stories of child neglect have particularly horrific endings as the following examples testify:

• In Ridgeland, South Carolina, 28-year-old Gail Baker played video gambling machines for seven hours while she left her 10-day-old baby, Joy, in a sweltering car. The temperature that day was in the mid-90s and the baby died of dehydration after about two hours in the car. Baker never even knew her baby had died until she noticed Joy wasn't breathing on her way home with her husband, who had come to retrieve his wife from the casino. Baker was sentenced to five years of probation (Associated Press).

• In California, a father gambled while he left his two children just after midnight in an unsupervised arcade for about 3 1/2 hours. At 3:48 a.m. the man's seven year-old daughter entered a women's restroom, and never came out. A video camera caught a man entering the restroom after the girl and coming out 25 minutes later. Around 5 a.m. when the father couldn't find his daughter, he asked a female employee to check the restroom. His daughter was found inside, strangled and sexually assaulted (Gorman).

While all cases of child neglect do not have such gruesome endings, any time a parent leaves a child unattended it is an extremely dangerous situation and is harmful to both a child's mental and physical well-being.

D. Child Abuse and Domestic Violence

Some of the most hurtful consequences associated with problem gambling are higher rates of child abuse and domestic violence. "With the stresses of financial ruin, criminal liability, drug and alcohol abuse, these [problem] gamblers are more likely to succumb to inclinations toward family violence," says a report by Maryland Attorney General Joseph Curran, Jr. (32). The National Research Council reported to the National Gambling Impact Study Commission that between 10 and 17 percent of children of compulsive gamblers have been abused and between one quarter and one half of the spouses of compulsive gamblers have been abused (NGISC, 7-27 and 7-28). Many communities across the

> *...between 10 and 17 percent of children of compulsive gamblers have been abused and between one quarter and one half of the spouses of compulsive gamblers have been abused.*

A Mother's Story

Ann now knows she should never have allowed her 12-year-old son to play poker with his friends, even if it was for just small amounts of money. "I thought it was cute at the time," Ann says. "They would get together for birthdays, do slumber parties, and they would stay up and play poker and stuff and somebody might win ten bucks or something. It wasn't a real big deal. That's how he started."

Ann knew her son's gambling was a problem when he went to Alaska for a summer to work and save money for college. The sixteen-year-old lost around $1,000 as a conservative estimate, Ann says. His gambling problem escalated when he began working at a casino following his career in the Air Force. During his nearly year-long job at a casino, Ann estimates that her son spent at least $30,000 gambling. "He spent virtually everything he made at the casino," she says. "I felt like the son I knew was totally gone. He stole from us, from his sister who's eleven. He stole from my parents." He also sold his own possessions and wrote two bad checks from a trust account set aside by his grandparents for his college tuition.

Ann's son finally sought help when one of his casino friends was shot and killed last year in an incident unrelated to gambling. He became very depressed and wanted a way out of his present lifestyle. Today, Ann says her son is recovering and attends Gamblers Anonymous groups regularly.

Families, Ann says, need to be aware of the dangers gambling poses to youth. She says parents who gamble in moderation are giving the "okay sign" to their children. If she could go back in time and raise her son again, Ann says she would have found something other than poker for him and his friends to play. "I never would have said, 'Ooh, poker's cool.' I looked at it as, 'Hey, they're inside, they're being safe. A couple friendly games of cards, nobody's losing more than ten bucks.' But I didn't know. [Families] need to see the danger signs out there for the type of personality that picks up on that" (Ann).

country have reported higher rates of family violence as a result of casinos, as well.

• In Atlantic City, New Jersey, offenses against family and children grew 343 percent between 1977 and 1994 (Curran, 32).

• In Gulfport, Mississippi, domestic violence increased 69 percent between 1992 and 1994, from almost 3,000 incidents to more than 5,000. Calls to the Gulf Coast Women's Center, a battered women's shelter, have doubled, from 400 per month in 1992 to 700 to 900 per month this year (Curran, 5).

• In Deadwood, South Dakota, child abuse and neglect case filings increased by 15 percent in the first year after casinos were introduced. Child protection calls increased 67 percent from 300 to 500 (Curran, 32).

• Eleven of Louisiana's District Attorneys say that domestic violence and child abuse have increased as a result of gambling in their jurisdictions (Curran, 33).

E. Adolescent Gambling

"These young people are the only constituency who has experienced gambling that is both state sponsored and culturally approved for their entire lifetime." - Howard Shaffer, Director of the Harvard Medical School Center for Addiction (Goodman, 43-44)

The increased social acceptance and accessibility of gambling in Washington State is of concern for not only adults at-risk of becoming problem gamblers, but adolescents as well. "Researchers now call gambling the fastest-growing teenage addiction, with the rate of pathological gambling among high-school and college-age youth about twice that of adults," writes Robert Goodman in his book, *The Luck Business* (43-44). Volberg writes in her report on Washington State adolescent gambling that youth gamblers are particularly vulnerable to becoming pathological gamblers (Volberg, June 1999, 2).

It is also alarming that while adolescents represent approximately 7 percent of the total population of Washington State, they represent approximately 12 to 18 percent of Washington State residents who are experiencing severe difficulties related to their gambling

Despite the fact that gambling of any type is illegal for youth under the age of 18, a consistent finding in research by Dr. Durand Jacobs is that juveniles have penetrated (to some degree) every form of gambling (Jacobs, letter, 1999). Jacobs, professor of psychiatry at Loma Linda University in California, conducted 17 independent studies of middle school and high school-age youth between 1984 and 1996 and found that since the early 1980s, adolescent gambling for money has increased from one in two juveniles to two in three. During the same time period, serious gambling-related problems among adolescents increased from one in ten to one in seven (Jacobs, letter). "These changes are directly related to the rapid expansion and ready accessibility of gambling outlets in places where juveniles live and where they travel," Jacobs told Washington Family Council (Jacobs, letter). He also attributes the rise in adolescent gambling to the example set by problem gambling parents (Jacobs, interview, 1999).

In Washington State, Volberg reports that 65 percent, or roughly two in three, of adolescent respondents said they gambled in the past year (June 1999, vi) -- a figure consistent with Jacobs' findings. Seventy-eight percent of those surveyed said they had gambled at some time in their life (Volberg, June 1999, vi). While Volberg found no increase in adolescent gambling over the past six years, no study was done prior to 1993 to compare with Jacobs' finding that fewer teens gambled in the early 1980s.

...65 percent, or roughly two in three, of adolescent respondents said they gambled in the past year.

Volberg's research also found that problem gambling among adolescents has remained stable in Washington State. Less than one percent of youth gamblers classify as problem gamblers, the most serious classification among teens (Volberg, June 1999, vi). However, an additional 7.5 percent of youth classify as at-risk problem gamblers, the second most serious classification for youth. This rate is cause for concern when one considers the research that says at-risk rates for adolescents are twice the rates of that for adults (NORC, x). It is also alarming that while adolescents represent approximately 7 percent of the total population of Washington State, they represent approximately 12 to 18 percent of Washington State residents who are experiencing severe difficulties related to their gambling (Volberg, June 1999, 2).

In Washington State, Volberg found that laws against underage gambling are being ignored in many places. Fifteen percent of the adolescent respondents surveyed purchased instant lottery tickets, 23 percent played bingo, 8 percent purchased pull-tabs, 6 percent gambled on electronic machines, and 5 percent wagered on horse and dog races (Volberg, June 1999, 32). All of this gambling activity among adolescents is illegal by state law.

The latest expansion of mini-casinos into local communities and the fact that more and more parents are modeling problem gambling behavior for their children means Washington State can expect the numbers of adolescent problem gamblers and resulting social costs to increase if policies don't change. Are we prepared for the impact additional divorces, child abuse, domestic violence, sui-

"Mary's" Story

Mary, a resident of Spokane, began gambling with friends about ten years ago at a nearby casino. At the time, she was financially secure and was collecting disability social security as a result of a heart attack several years earlier. She didn't have a lot of money, but her credit was excellent and her house was almost completely paid. Mary's developing gambling addiction would soon change her comfortable lifestyle, however. "The very first time I went gambling I won $1,600, so this was great," says Mary. "I bought an $800 security door for my home and made a down payment on my grandson's braces. The extra money was so nice. I thought I'd try again. I won $1,600 again. So, I bought some extra things for my home like a gas fireplace log. When the money was gone I was back out again." Mary's winning didn't last for long. She soon began to lose more money than she won. "But I couldn't stay away by then and I began to use my charge cards for cash advances," Mary says.

After maxing out her many charge cards over the next few years, Mary filed for bankruptcy on the $100,000 she owed in credit.

"Everybody knew I'd filed for bankruptcy due to gambling, so I began to lie to people about where I was (living) at," Mary says. "I began to have severe stomach problems and I felt sick before I got to the casinos. I had no way to get money by this time, so I began to write checks for money I didn't have in the bank. I had to borrow money to cover my checks I'd written the night before, or I would put my jewelry in the pawn shop."

Since Mary began gambling, she says she has seen several divorces, one suicide, and at least three bankruptcies due to gambling. Several people she knows have lost homes or cars. Now Mary is close to losing her home, too. "I'm one house payment behind and I'm now selling the furniture to try to catch up the payment so I can at least sell my home and get money to move on." She is also selling the antiques she has collected over the past 30 years to pay her bills.

Mary believes that the introduction of casinos in her area is the reason why she is addicted to gambling. She wishes she could tell the busloads of senior citizens who go to the casinos with $10 in free gaming tokens, "Go home, you'll be sorry." She doesn't want them to become addicted like she did. "I'd have to say gambling has pretty much taken everything away from me: my money, my health, my self-respect, my chance to even start over" (Mary).

cides, homelessness and crime will have on our state? Family life will deteriorate if we don't alter our present course.

F. Bankruptcy and Debt

Bankruptcy and debt due to gambling affect a family's pocketbook and contribute to suicide, homelessness, divorce, crime and family violence. As accessibility to gambling has increased, so has the average cost of gambling-related bankruptcy per household. In 1997, bankruptcy costs due to gambling were expected to be $40 per U.S. household. In 2000, the costs are projected to reach $220 per household (Kindt, 1998, 49).

Research shows that higher rates of bankruptcy and debt are linked to problem gambling:

• The National Opinion Research Center (NORC) reports the following rates of bankruptcy per gambler type (46):

Pathological gamblers: 19.2%
Low-risk gamblers: 5.5%
Nongamblers: 4.2%

• The NORC report found that pathological gamblers have 25 percent greater debt than that of low-risk gamblers and about 120 percent greater debt than that of nongamblers. For every dollar of income, pathological gamblers owe $1.20, while low-risk and nongamblers only owe $0.80 and $0.60, respectively (46).

G. Lost Jobs or Work Time

The loss of jobs and work time as a result of problem gambling impacts both the compulsive gambler's family and employer -- not to mention society at large. The loss of steady income places undue financial stress on family members, often contributing to many broken relationships. Lost jobs and work time also create a poorer economy.

• A study in Wisconsin found that 21 percent of the serious problem gamblers surveyed had lost or quit their jobs because of gambling. On average, these individuals remained out of work for more than one year. An additional 60 percent lost about eight hours per month at work because of gambling (Thompson, July 1996, 3).

• A review of cost literature by Henry Lesieur in 1998 found that between 69 and 76 percent of pathological gamblers missed work at some point to gamble. His review also found that between 21 and 36 percent of gamblers in treatment attributed a lost job to their gambling problems (NORC, 43).

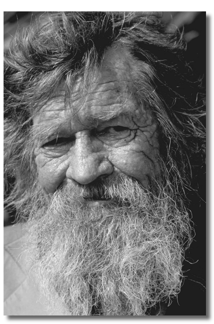
"Jim's" Story

Upon his release from prison, Jim made a living playing cards in Spokane. He classified himself as a "subsistence" gambler, not a professional gambler. "My life was waking up at noon, going to the card room at four in the afternoon and playing until two at night, and I did that five to seven days a week," Jim says. Jim lived a sparse lifestyle and used his money for alcohol and drugs. He says it was easy to acquire drugs because his drug dealers were card players. "It's kind of like we need the drugs and alcohol to celebrate when we win and then we need it to console ourselves when we lose, and when we want to get serious about winning, then we would cut those things out. We would stop drinking and we'd stop drugging and try to get serious because we all knew that those things affected our performance at the table," Jim says.

Eventually, Jim did begin drinking and using drugs in the card rooms, and he attributes this, in part, to his downfall. He began to think twice about the nature of his "job." Jim says he began to "develop a conscience." "I came to see myself as a parasite, and I really felt that I wasn't contributing anything to society. I was just there skimming off the dollars, the hard work that other people had done in other areas," he says. Jim became disillusioned by the card room culture and began to cut back on his visits to the card rooms. He wanted to find a real job but realized he had no job experience of desire to an employer. "I had nothing to show for the seven years I had been in the card room. There was nothing there, absolutely nothing. I had no references. It was just a big zero, a big blank spot...I had no relationships." Eventually, Jim turned to the streets of Spokane and today receives help from the Union Gospel Mission (Jim).

• A study by the National Opinion Research Center placed the search and training costs to employers from job losses due to gambling at an average of $320 per pathological gambler and $200 per problem gambler (45).

H. Homelessness



"Individuals with gambling problems seem to constitute a higher percentage of the homeless population." - National Gambling Impact Study Commission (7-27)

Bankruptcy, lost jobs, and strained family relationships due to gambling sometimes lead to homelessness. In fact, research links higher rates of homelessness with the expansion of gambling.

• In St. Louis, a survey of homeless people found that nearly one in five homeless people admitted that gambling contributed to their poverty, yet 37 percent said they continued to gamble (Dobson).

• In a survey of 1,100 clients at dozens of Rescue Missions across the United States, 18 percent cited gambling as a cause of their homelessness (NGISC, 7-27).

• The Atlantic City Rescue Mission told the National Gambling Commission that 22 percent of its clients are homeless because of a gambling problem (NGISC, 7-27).

• In Gulfport, Mississippi, Charles Dinwiddle, director of the Salvation Army homeless shelter, said homelessness increased "dramatically" due to the introduction of casinos. As a result, the time required to find housing for homeless individuals rose from 3 weeks to 3 months (Curran, 5).

I. Suicide

...pathological gamblers are between five and ten times more likely to commit suicide than the general population.

The death of a loved one due to gambling-related suicide is the ultimate loss experienced by family members of problem gamblers. The spouse, child or parent of the suicide victim is hit with a tremendous sense of grief and a huge amount of debt at the same time. According to research by Henry R. LeSieur, pathological gamblers are between five and ten times more likely to commit suicide than the general population (Grinols, 1996, 54). This is a scary statistic for family members of problem gamblers who often feel helpless when it comes to assisting their loved one over-come his or her addiction. Other research backs up LeSieur's findings:

• A survey of serious problem gamblers in Wisconsin found that 81 percent had "wished" to die, 70 percent had thought of suicide, 55 percent had planned how they would commit suicide, and 24 percent had actually tried to take their own lives (Thompson, July 1996, 17).

• In Gulfport, Mississippi, attempted suicides went up 213 percent between 1992 and 1994, the time when casinos were introduced, increasing from 24 to 75 in number (Curran, 7).

• In Biloxi, Mississippi, suicide attempts went up 1,100 percent in the first year of casinos, increasing from 6 to 66 in number (Curran, 7).

• Gambling-related suicides represent a cost to the individual's employer in the form of lost productivity. John Warren Kindt estimates that the 0.1% of pathological gamblers that actually complete their suicide are usually a loss of $23-35 thousand in productivity (Kindt, 1998, Table 14).

J. Crime

A sense of safety and security is usually one of the most important qualifications adults look for when finding a home to raise a family. The introduction of casinos and other forms of gambling, however, are shown to be associated with higher crime rates. In September 1995, the Massachusetts' attorney general, L. Scott Harshbarger, told the U.S. House Judiciary Committee that he had been cautioned by "almost every attorney general who has faced the issue of casino gambling" that there were "a range of public safety, regulatory and social issues that are never addressed before the introduction of gambling (Thompson, November 1996, 4).

Since no research has been done in Washington State to estimate the impact of casinos and gambling on crime rates, we must turn to studies elsewhere in the nation:

• An exhaustive national study released this summer by Doctors Earl Grinols, David Mustard, and Cynthia Hunt Dilley, draws a connection between casinos and increases in all crimes, with the exception of murder. This group of researchers studied every county in the United States between 1977 and 1996 and found that the overall average crime index in casino counties was higher in 1996 because of casinos by 8 percent. They estimate that between 3 and 30 percent of the different crimes in casino counties can be attributed to casinos, a cost of $63 per adult in 1996. "These effects outweigh the potentially positive effects

> *...increases in crime come to a community after a lag of three to four years due to the time it takes for problem gamblers to deplete their resources.*

Norman Guess' Story

Norman Guess, a 61-year-old resident of Spokane, Washington, ended his own life in the Spring of 1997 after driving home from his final visit to a casino in Coeur d'Alene. He died from inhaling his truck's exhaust fumes in a closed garage. Guess left his family with a huge financial burden in addition to an empty void in their lives. He had gambled away half a million dollars in savings before resorting to credit cards to support his gambling addiction. Guess's family didn't know the extent of his debt because he had the credit card statements sent to a post office box in order to hide the losses from his wife (Sanderson, Ward, "Stakes too high for some gamblers," *The Spokesman-Review*, April 14, 1997).

The following excerpts of testimony from Guess's daughter help convey the thoughts and emotions her family experienced (Guess, daughter, letter to Penny Lancaster, 1999):

"I never paid much attention to gambling as I never have exposed myself to it, but my father had a gambling addiction that destroyed his life and left a family behind to clean up the mess and deal with his pain. The reason I am providing this information is because I know there are many more families out there that will be going through what we are now facing. The truth is gambling is an addiction that feeds on innocent people. As our community will soon find out, not all the facts are felt until it happens in your family."

"From (the time he began gambling) I never felt the same about my dad. My relationship with him was spoiled by mistrust. I could never look at him the same or listen to him without, in the back of my mind, believing that all he said was a lie."

"Many things have happened since that first time (he gambled) and my mother is now a widow with no money, and left to put together a puzzle of the secret life this man lived for two years before he committed suicide in a weak moment. We since found out he had 13 credit cards, balances all maxed out, and a post office box where he collected these bills. He spent a lifetime of savings of over $500,000, which took him 40 years to build, and he destroyed all good will he had worked for in his family."

"The taxpayers of this area should be highly concerned because sooner than we realize, we will be paying an additional burden while the casinos profit at innocent people's expense."

that casinos may have on crime through offering improved labor market opportunities," concludes the report. The study also found that increases in crime come to a community after a lag of three to four years due to the time it takes for problem gamblers to deplete their resources. This, they say, explains why some researchers have failed to connect casinos with higher crime rates (Grinols, June 1999, 29).

• A study by the Policy Research Institute in Wisconsin found an association between the presence of casinos and higher crime rates. Counties with casinos and adjacent counties had major crime rates that were 6.7 percent higher than they would have been in the absence of casinos. Major crimes include murder, forcible rape, robbery, aggravated assault, and property offenses. Arrests for Part II crimes (non-aggravated assault, forgery, fraud, embezzlement, weapons offenses, possession of stolen property, prostitution, sex offenses other than rape, gambling violations, driving while intoxicated [DWI], drug and liquor-law violations, and a range of other offenses) was 12.2 percent higher in casino and adjacent counties. Burglaries showed the highest association with casinos. The study estimated that additional crime and criminal justice system costs, due to casinos, amounted to nearly $51 million annually for the state of Wisconsin (Thompson, November 1996, 1).

• A study by the Maryland Department of Health and Mental Hygiene found that 62 percent of a Gamblers Anonymous group committed illegal acts as a result of their gambling. Eighty percent had committed civil offenses, 23 percent were charged with criminal offenses, 28 percent were delinquent in taxes, 25 percent were involved in auto accidents during the episode of their worst gambling problems, and 47 percent reported speeding heavily during this time (Grinols, 1999, 6).

• In Atlantic City, just three years after the opening of the first casino, there was a near tripling of crimes. Atlantic City went from fiftieth in the nation in per capita crime to first (Goodman, 23). Pickpocketing increased 80-fold, larceny increased more than five times, robberies tripled, as did assaults (Grinols, 1999, 5).

• Crime along the Mississippi Gulf Coast increased after 13 riverboat casinos began operation along what is known as "casino row."

  • Ten categories of violent crime increased by 64 percent in Gulfport and 46 percent in Biloxi in 1994. In actual numbers, Biloxi went from 5,072 violent crimes in 1993 to 7,413 in 1994. Gulfport went from 5,416 to 8,887 cases of violent crime (Curran, 2).
  • Law enforcement and social services workers were quoted in a local newspaper as saying that casinos on the Gulf Coast have "fueled a crime wave and aggravated social problems." Even with "beefed-up" police forces, law enforcement is "barely keeping up with the jump in crime," they said (Curran, 2).
  • Sixteen banks along "casino row" were robbed in 1993, breaking an all-time record and representing a 300 percent increase over the previous year (Curran, 2).

Some critics say that introducing casinos into a community has the same effect on crime as would bringing a Disney World to the area. A report by the Maryland attorney general, however, disputes this claim: "The surge in crime would be greater than that which would result from a new Disney park because crime increases from casinos are attributable to more than simply heightened tourism. Crime would rise because of the crime-related problems of compulsive gamblers, the constant exposure of casino workers to substance abuse and other social ills, the pervasive availability of alcohol to casino patrons, and the growing problem of teenage gambling addiction" (Curran, E-2).

According to estimates from the National Opinion Research Center, the criminal justice costs per pathological gambler are $1,250 for arrests and $1,700 for corrections (NORC, 48). Our tax dollars pick up the tab.

VIII. Looking Ahead

As we look to the future of gambling in Washington State, there is cause for concern regarding the impact of gambling on our families and communities. Research demonstrates that accessibility to gambling increases the number of problem gamblers, and each one of these individuals indirectly impacts up to 17 other family members, friends, and co-workers (Kindt, 1994, 61). Despite the stable rate of problem and pathological gamblers in Washington State over the past seven years, the most recent addition of video lottery terminals (VLTs) in tribal casinos and the rapid increase of mini-casinos into local communities will undoubtedly contribute to additional social problems in the coming years.

VLTs

"The introduction of gambling machines was a quantum step in raising the social and economic costs of dealing with problem gambling."

Around the country, therapists, legislators, and concerned citizens are apprehensive about the high rates of problem gamblers associated with electronic gambling machines. "The introduction of gambling machines was a quantum step in raising the social and economic costs of dealing with problem gambling," writes Robert Goodman in *The Luck Business* (129). "This is a very different kind of experience than buying lottery tickets. For most people, playing the lottery means going to a store, buying tickets, and then stopping, at least until the next day. By contrast, slot machines, keno, and VLTs are constant, quick-action games with a calculated amount of payback to encourage players to continue to spend more money while they are playing." Research in South Dakota found that VLTs and slot machines attracted the highest monthly spending of any other form of legalized gambling in the state (Goodman, 127). In 1992, the state of South Dakota collected nine times as much money from its VLTs as from player losses in the state lottery (Goodman, 127).

In many places, rising concerns over the link between VLTs and problem gambling has led states and provinces to ban or limit the use of these machines. In Nova Scotia, government officials removed 70 percent of the province's 3,500 machines from all vendors except those with liquor licenses (Goodman, 129). In Louisiana, a new law allowing parishes to outlaw video poker machines, led to the shut down of a third of its 15,000 machines (Family Research Council). In South Carolina, the legislature passed a law banning the state's 30,000-plus video-poker machines.

Over the past year, tribal casinos in Washington State have added thousands of VLTs to their gambling operations. As of now, there are no formal plans to legalize VLTs outside of the tribal casinos, but history shows that as the competition for the gambling dollar increases, the pressure to legalize additional forms of gambling increases as well. More often than not, the gambling industry gains the upper hand. Washington policy-makers must take into consideration the impact these VLTs will have on problem gambling and ultimately on individuals and families.

Mini-casino Expansion

The rapid expansion of mini-casinos into communities across Washington State has made casino gambling more accessible than ever before. The availability of these casinos opens up new gambling clientele as people who would never travel to Las Vegas or Atlantic City do visit their local casinos. Sometimes, these local casino patrons develop gambling problems. In fact, a study by the NORC reveals that gambling problems associated with casinos are second only to pari-mutuel gambling problems (26). Mini-casino owners say they try to identify problem gamblers and prevent them from gambling in their casinos, but, according to research, casinos are dependent on problem gamblers' losses. Estimates of casino revenues from problem and pathological gamblers' losses range from 22 to 52 percent (NORC, 33; Grinols, 1996, 56). Whether casino owners identify these individuals or not, it is clear that problem gamblers are gambling in casinos and are contributing large sums of money that are essential to the existence of the establishment.

IX. Recommendations

1. **Conduct a comprehensive gambling impact study, analyzing the social costs of gambling in Washington State.** While some studies have been done in Washington State on the prevalence of problem gambling, the social costs of gambling have not been analyzed. The study should include the examination of the following social costs: gambling-related divorces, child neglect and abuse, domestic violence, bankruptcies, suicide, homelessness and crime. The study should also include a calculation of the economic costs and benefits of legalized gambling. The increased government spending required to address the social costs of gambling should be compared to the expected revenue from the gambling. This research should be funded by the industries profiting from gambling activities.

2. **Instigate and enforce a moratorium on enhanced card room licenses until research is done and informed policies can be made.** In light of the fact that the Enhanced Card Room Pilot Study will conclude this year, the Gambling Commission must have a plan as to how it will allocate licenses for additional card rooms. Taking into consideration the many negative social consequences of problem gambling, the Commission should put in place a moratorium on licenses until a comprehensive impact study of gambling is conducted. The Commission should consider the impact enhanced card rooms have on families, neighborhoods and children. All future policies related to gambling must be based on factual information. This research should be funded by the gambling industries, as well.

3. **Conduct a third problem gambling prevalence study within three years to determine what effect mini-casinos and VLTs are having on problem and pathological gambling.** The last study by Rachel Volberg was based on data that would not have detected the most recent impacts of mini-casinos and VLTs on problem gambling.

4. **Require full legislature to give a vote of approval to all changes in the state-tribal gambling compact.** As it now stands, the Gambling Commission and legislative committees negotiate the compact with the Native American tribes as to what gambling activities are permitted. The governor must approve the compact. This past year, the state-tribal compact was amended to legalize video lottery terminals in the tribal casinos, a big step in the expansion of gambling. We recommend that the full legislature be required to vote on any changes to the state-tribal gambling compact because these changes have many social consequences that impact the whole state. At this time in Wisconsin, legislators are debating the addition of a measure to the state budget that would prohibit the governor from signing any gambling compact with Native American tribes without full legislative approval.

5. **Increase penalties and enforcement efforts regarding underage gambling.** Rachel Volberg's research shows a significant number of under-age Washington youth have access to state-sponsored gambling products, as well as privately operated gambling venues. Only state regulators have the authority to crack-down on this illegal activity. If the regulators are not able to achieve a reasonable level of enforcement, it becomes necessary for state policy-makers to step-in and provide incentive for change.

6. **The current age limit for gambling in Washington State should be increased from 18 years of age to 21.** As with alcoholic beverages, this simple, incremental step will force "users" to reach a higher level of maturity before being exposed to an addictive substance or activity.

7. **Truth in advertising.** Indian casinos, mini-casinos, establishments with pull-tabs, non-profits who fund their programs with gambling, and distributors of state lottery products should more prominently display accurate odds of winning for each product or type of gambling.

8. **Reach of gambling advertising.** As with cigarette and distilled spirits advertising, legislators should consider limitations on television and radio advertising by the state lottery and other private gambling enterprises. This is absolutely essential to protect teens and younger children from messages and marketing strategies that encourage participation in an addictive and harmful activity. Television and radio station owners should consider self-imposed restrictions on accepting advertising from private and public gambling enterprises.

X. Call to Action

Right now Washington State is at a critical moment in the gambling debate. Problem gambling has remained stable over the past several years, but it is questionable whether this trend will continue. Policy-makers must decide now where to draw the line on the expansion of gambling. It is important to consider the following questions as we seek answers to the current discussion: What does a healthy state look like for raising a family? Does gambling contribute to or take away from the health of Washington State's children and families? If we seek answers to these questions, we will find that our children's future is more secure in a state that honors hard work and discourages gambling.

Compassion calls for an honest look at the impacts of gambling on our families. People need to be told the truth about gambling and its social consequences. Once a person becomes addicted to gambling, stopping is extremely difficult. At the same time, once gambling is introduced into a community, it is almost impossible to wean the local government off the taxes such establishments contribute. We can't be blind to the real costs gambling imposes on our families and our future. We can't wait to change gambling laws until there is a public outcry for it to end. By then, the damage to our families and children's future will have already been done.

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