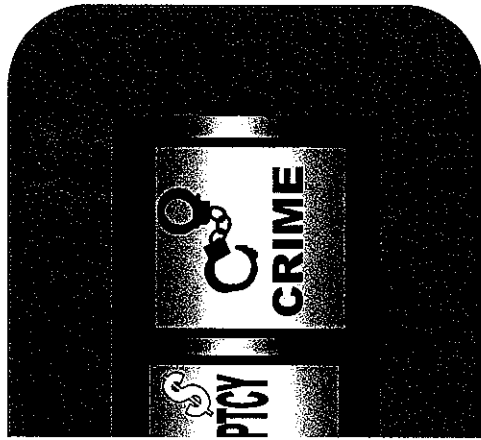


It Won't Be What You Were Hoping For.



CONSIDER THE FACTS...

To access this brochure online and print a copy, visit: <http://www.citizenlink.org/FOS/gambling/> and click on "What Payoff Can You Expect From Gambling?" (8.5 x 14 inch paper, four-panel brochure)

ENDNOTES

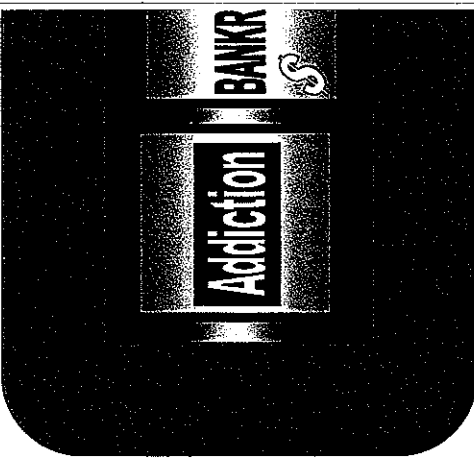
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What PAYOFF Can You Expect From GAMBLING?



ODDS ARE,



Attachment E

Before You Fall for Gambling Industry Seductive Promises



Addiction

"I don't think I've known this much pain ever before in my entire life, it's just not worth it. I wouldn't wish this on anybody." -Addicted!

■ The National Gambling Impact Study Commission estimates that 15 million U.S. citizens have a problem or pathological gambling addiction.²

■ Accessibility, availability, anonymity and speed of play create a perfect storm for gambling addiction. Research finds that casino within 10 miles of home is associated with a 90 percent increase in the odds of being a pathological or problem gambler.³ Addiction rates double within 50 miles of a casino (an hour's drive).⁴

■ Today's highly addictive video gambling machines are known as the "crack cocaine" of gambling for causing rapid and extreme addiction.⁵ Researchers Dr. Robert Breese and Mark Zimmerman, found that video gambling machines cause addiction about three times faster than traditional table and track gambling - in about one year.¹⁶



Bankruptcy

"I see increased access to gambling at the same time I see substantial, persistent increases in bankruptcy filings."
-Bankruptcy Court Judge, Carl L. Bucki⁷

■ SMR Research Corporation surveyed 298 Counties with and without gambling. After studying the survey results, SMR called gambling, "the single fastest-growing driver of bankruptcy."⁸

■ A more recent study of casino counties in the U.S. confirmed personal bankruptcy rates are 100 percent higher in counties with casinos than in counties without casinos. It takes about three to five years for gamblers in newly opened market for gamblers to exhaust their resources and realize the full impact of gambling-induced bankruptcies.⁹

■ Various studies show that 20 percent or more of pathological gamblers - about one in five - eventually file for bankruptcy.¹⁰



Family Destruction

"I won't solve this state's short-term budget problem by creating long-term problems for families." - Sen. Margarita Prentice, D-Seattle¹¹

■ Studies show that each problem gambler negatively affects 10 to 17 other people around them including family, employer, and government.¹²

■ In a survey of nearly 400 Gamblers Anonymous members, 28 percent reported being either separated or divorced as a direct result of their gambling problems.¹³

■ A nationwide survey found that "respondents representing two million adults identified a spouse's gambling as a significant factor in a prior divorce."¹⁴ Lifetime divorce rates for problem and pathological gamblers are 39.5 percent and 53.5 percent, respectively; the rate in non-gamblers is 18.2 percent.¹⁵

■ Pathological gamblers borrow, steal, write bad checks, avoid paying bills, and lie to their families, friends, and therapists about the extent of their gambling. Frequent crises jeopardize friendships, marriages, jobs and careers.¹⁶



Crime

"In the most desperate phase of compulsive gambling, they will do anything to gamble ... They'll get money anyhow, anywhere. It's mostly white-collar crime." -Counselor, Wisconsin¹⁷

■ Gambling addiction turns ordinary people into desperate criminals, and legalizing gambling does not necessarily reduce the occurrence of illegal gambling.¹⁸

■ The National Institute of Justice found that more than 30 percent of pathological gamblers who had been arrested in Las Vegas and Des Moines reported having committed a robbery within the past year, about 13 percent said they had assaulted someone to get money, and one in five pathological gambling arrestees admitted having sold drugs to finance their gambling.¹⁹ Adolescent gambling addiction is also associated with increased criminal activity.²⁰

■ Three years after the introduction of casinos in Atlantic City, there was a tripling of total crimes,²¹ and within nine years the total number of crimes within a 30-mile radius of Atlantic City increased by 107 percent.²²



Abuse & Neglect

"... it is the children who are the most helpless."
-Dr. Valerie Lorenz²³

■ According to the National Research Council, studies indicate that between one quarter and one half of spouses of compulsive gamblers have been abused.²⁴

■ Children have died as a direct result of adult gambling problems. In Louisiana and South Carolina, children died after being locked in hot cars for hours while their caretakers gambled.²⁵ An Illinois mother was sentenced to prison for suffocating her infant daughter in order to collect insurance money to continue gambling.²⁶

■ In Deadwood, South Dakota, after two years of casino gambling, child abuse cases increased 42 percent, while domestic violence and assaults increased 80 percent.²⁷

■ A woman whose partner is a problem gambler is 10.5 times more likely to be a victim of domestic violence than if the partner did not have problem gambling. If the gambler is also a problem drinker and gambler, domestic abuse is 50.4 times more likely.²⁸



Economic Delusion

"... My fellow Nevadans, the lesson from the last 20 years is clear: our revenue system is broken because it has relied on regressive and unstable taxes [from gambling]." -Gov. Kenny Guinn, NV, 2003 State of the State Address

■ A study from distinguished economic scholars found that expanded gambling costs each taxpayer \$112-338 per year, while the tax benefits from casinos are no greater than \$56 - gambling fails the cost-benefit test.²⁹ The costs of casino-derived revenues exceed the benefits by a factor of more than 3 to 1.³⁰

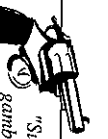
■ A leading study from Australia in 2000, concluded that for every \$0 video gambling machines \$2 million was drained from the local economy each year. Additionally, for every three video gambling machines and two jobs were lost.³¹

■ The annual cost of one pathological gambler to society is \$10,330, while the annual cost of a problem gambler to society is \$2,945.³²

■ *Economics continued!* The gambling industry promises high-paying jobs, yet statistics by the Department of Labor show that nationally a card dealer makes less than a teenage cashier in a mall. The average dealer makes \$16,040 yearly. If all salaries are averaged together including top management of each department, the average is closer to \$20,000 yearly.³³

■ Marshall University's Center for Business and Economic Research released a study that analyzed 30 similar counties in the United States with and without casinos and found no significant per-capita economic gain or employment from casinos and a decline in local business. "[I]f you bring in a casino with 1,000 low-wage jobs, most communities will see a crowding out of existing small businesses," researcher Michael Hicks said.³⁴

■ Gambling revenues come disproportionately from lower income residents, who can least afford such losses. Studies have shown that, as a percentage of their income, people earning less than \$10,000 per year spend twice as much on gambling as those in the middle-income bracket and four times as much money as the wealthy.³⁵



Suicide

"Suicide attempts among pathological gamblers are higher than for any of the addictions and second only to suicide attempt rates among individuals with major affective disorders, schizophrenia and a few major hereditary disorders." -Dr. Rachel A. Volberg³⁶

■ Depression and hopelessness plague addicted gamblers and their families to the point of ultimate desperation: suicide. Approximately one in five pathological gamblers attempt suicide³⁷ and one in 10 spouses of addicted gamblers attempt suicide.³⁸

■ A survey of nearly 400 Gamblers Anonymous members found that two-thirds had contemplated suicide, 77 percent had wanted to die, 47 percent had a definite plan to kill themselves.³⁹

■ An investigation by the Canadian Press found more than 10 percent of suicides in Alberta and 6.3 percent in Nova Scotia were linked to gambling (2001 through 2003).⁴⁰

"Wyoming Downs argued that 'Instant Racing' terminals are a mere accoutrement of pari-mutuel wagering and that the governing statutes must be construed so as to embrace new 'inventions' or 'technologies.' We agree with the district court's tacit conclusion that we are not dealing with a new technology here, we are dealing with a slot machine that attempts to mimic traditional pari-mutuel wagering. Although it may be a good try, we are not so easily beguiled."

[Supreme Court, State of Wyoming, May 4, 2006, WY 55, WYOMING DOWNS RODEO EVENTS, LLC, a Nevada limited liability company; and WYOMING HORSERACING, INC., a Wyoming corporation, v. STATE OF WYOMING; and JON R. FORWOOD, DISTRICT ATTORNEY, FIRST JUDICIAL DISTRICT, STATE OF WYOMING, decision, pp. 12-13, ¶18.]

EXPAND GAMBLING IN COLORADO? THINK AGAIN

- The availability of a casino within 50 miles is associated with double the prevalence of problem and pathological gamblers
- Casinos in Colorado get approximately 96% of their revenues from video slot machines
- Nationally, about 61% of casino revenues come from the top 10% of the heaviest gamblers
- Central City is the gambling hub of Colorado, where all casinos are owned by Las Vegas or Pennsylvania gambling operations – money goes into casinos and leaves Colorado
- Colorado crime after the first five years of gambling operations [CO Division of Gaming]:

BLACK HAWK (1990-95)

- Went from 0 staffed police to 29
- Went from 0 to 134 index crimes
- Police calls increased from 25 to over 15,000

CENTRAL CITY (1990-95)

- Went from 2 staffed police to 16
- Went from 39 to 89 index crimes
- Arrests increased 275%

CRIPPLE CREEK (1990-95)

- Went from 3 staffed police to 26
- Went from 0 to 164 index crimes
- Serious crime increased 287%

MORE GAMBLING DESTROYS MORE FAMILIES

- Fill Invesco Stadium to capacity twice – that's how many people in Colorado suffer from lifetime problem or pathological gambling addictions - nearly 144,000
- Colorado has so many gambling addicts, that it opened the Center for Addictions, Dependency and Rehabilitation – CEDAR (near I-225 and Colfax)
- Every pathological gambler negatively affects between 10 and 17 individuals, including family, employers and government
- Between on quarter and one half of compulsive gamblers' spouses have been abused
- Lifetime divorce rates for addicted gamblers are two to three times higher than the national average
- One in five pathological gamblers - and one in ten of their spouses - attempt suicide

Focus on the Family Action urges you to protect families in Colorado by opposing racetrack gambling expansion bills: HB 1095 & HB 1152.

Please visit our Web site at www.CitizenLink.org/FOSI/gambling for more information.

OPPOSE: HB 1095 & HB 1152 - Racetrack Gambling Expansion

Focus on the Family Action – Legislative Brief

January 21, 2009

HB 1095 - CONCERNING MEASURES TO ENCOURAGE LIVE GREYHOUND RACING.

House sponsorship: **Baumgardner**, Kerr J., Marostica, Pace; Senate Sponsorship - **Tapia**, White

- Reduces the state tax on pari-mutuel wagering on greyhound racing from 4.5% to 0.75%
- Increases the number of simulcast days allowed per year from 250 to 360

HB 1152 - CONCERNING HORSE RACING

House sponsorship: **Sonnenberg**; Senate sponsorship: **Tochtrop**

- New advanced-deposit wagering via the internet
- Wagers placed on new instant racing machines or "historical simulcast terminals"
- Reduces live race days from 65 to 45
- Expands simulcast operation days from 250 to 360 days
- Establishes two new funds to for horse interests
- Distributes 31% of adjusted gross proceeds to CO community colleges based on enrollment

HB 1095 & HB 1152 – A Dangerous Combination

Pari-mutuel racing across the nation has in steep decline for the past decade. Colorado's four remaining horse and dog tracks are no different. Accurately deemed, "Another generation's sport," many racetracks are turning into casinos or "racinos" to prop up an ailing industry with little demand. Adding addictive slot machines to racetracks – converting them into casinos - is strongly opposed by the National Gambling Impact Study Commission:

Recommendation 3.12

The Commission recommends that states should refuse to allow the introduction of casino-style gambling into pari-mutuel facilities for the primary purpose of saving a pari-mutuel facility that the market has determined no longer serves the community or for the purpose of competing with other forms of gambling.

[National Gambling Impact Study Commission final report, June 1999, p. 3-18,
<http://govinfo.library.unt.edu/ngisc/reports/3.pdf> (18 January 2009)]

Both HB 1095 and HB 1152 attempt to:

- Take more money from the state while paying less back into the state through taxes – good deal for racetracks, but a raw deal for Colorado, the economy and taxpayers
- Expand simulcast operations to be available 360 days or all year – availability, accessibility, anonymity and speed of play (on simulcast machines) create a toxic combination for gambling addiction

Slot Machines In Pari-mutuel Disguise

Many consider simulcast machines or instant racing terminals to be a slot machine in pari-mutuel clothes. With the advent of new video technology, the line becomes even more blurred. Side by side, the average person could not tell the difference between a slot and an instant racing machine. The Wyoming Supreme Court called the pari-mutuel industry's bluff with this decision:

Wyoming Supreme Court Ruling (2006): Instant Racing Machines Are Slots