

CASINOS AND ELECTRONIC GAMBLING CANNIBALIZE
PRE-EXISTING CONSUMER, BUSINESS, AND TOURIST ECONOMIES:
GEORGIA'S 7-YEAR REIGN AS THE NUMBER ONE LOCALE FOR U.S. BUSINESSES
WILL END AMID THE NEGATIVE SOCIO-ECONOMICS OF GAMBLING

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January 16, 2020



House of Representatives
Judiciary Committee

Chairman Bob Goodlatte

HEARING (HEARINGS)

Post-PASPA: An Examination of Sports Betting in America

2141 RAYBURN HOUSE OFFICE
BUILDING
10:00 AM

SEPTEMBER
27
2018

Subcommittee on Crime, Terrorism, Homeland Security, and Investigations
(<https://judiciary.house.gov/calendar/?subcommittee-filter=subcommittee-on-crime-terrorism-homeland-security-and-investigations>) | By Direction of the Chairman

WITNESSES

Name	Occupation	Organization	Testimony	Truth in Testimony
Jocelyn Moore	Executive Vice President, Communications and Public Affairs	National Football League		
John Warren Kindt	Professor	University of Illinois		
Sara Slane	Senior Vice President of Public Affairs	American Gaming Association		
Jon Bruning	Counselor	Coalition to Stop Online Gambling		
Becky Harris	Chair	Nevada Gaming Control Board		

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Washington, DC 20515
202.225.3951

Minority Site (<https://democrats-judiciary.house.gov/>)

Nos. 16-476 and 16-477

In the Supreme Court of the United States

CHRISTOPHER J. CHRISTIE,
GOVERNOR OF NEW JERSEY, ET AL.,

v.

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION, ET AL.

NEW JERSEY THOROUGHBRED HORSEMEN'S
ASSOCIATION, INC.,

v.

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION, ET AL.

*On Writ of Certiorari to the United States
Court of Appeals for the Third Circuit*

BRIEF OF STOP PREDATORY GAMBLING, CENTER
FOR POPULAR DEMOCRACY, CHRISTIAN
COALITION OF AMERICA, CONCERNED WOMEN
FOR AMERICA, FAITH & FREEDOM COALITION,
ISLAMIC SOCIETY OF NORTH AMERICA, NATIONAL
ASSOCIATION OF EVANGELICALS, PUBLIC GOOD
LAW CENTER, PUBLIC HEALTH ADVOCACY
INSTITUTE, UNITED FOR A FAIR ECONOMY,
ALABAMA CITIZENS ACTION PROGRAM, LOUISIANA
BAPTIST CONVENTION, THE LUTHERAN CHURCH –
MISSOURI SYNOD, AND SEVENTEEN STATE FAMILY
POLICY COUNCILS AS *AMICI CURIAE* IN SUPPORT
OF RESPONDENTS

DEEPAK GUPTA

Counsel of Record

DANIEL TOWNSEND

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Counsel for Amici Curiae

October 23, 2017

Prof. John Warren Kindt
University of Illinois

Attachments

Before the Subcommittee on Crime, Terrorism, Homeland Security, and Investigations
U.S. House of Representatives, Committee on the Judiciary
Legislative Hearing
“Post-PASPA: An Examination of Sports Betting in America”
September 27, 2018

Killer Girls / Ghandi on the Gaza / Rent Sweet Rent

Newsweek

08.22.2014



HOW WASHINGTON
OPENED THE
FLOODGATES TO
ONLINE GAMBLING.
OK, WHO'S IN?

POKER FACE

\$7.99

34 >



'New chains' shackle King's dream

IPs urge new economic priorities

BY BRYAN SMITH
OF CHICAGO

Great strides have been made in civil rights thanks to the Rev. Martin Luther King Jr., but without economic inclusion for minorities his dream will remain unfulfilled, speakers said Monday at ceremonies marking his birthday.

"Slavery is behind us, legal segregation is behind us" because of King's work, the Rev. Jesse Jackson said at the ninth annual Rainwater/MLK Breakfast. "But access to capital is in front of us. Economic inclusion . . . must be the thing to fight for."

Jackson released a study showing 137 Fortune 500 companies do have no minorities on their

boards of directors. But he also said that poor communities need to change their attitude.

"The new chains of slavery happen to be credit cards and lottery tickets," he said.

The key to achieving King's dream is "teaching our people to go from the lottery to the markets. From gambling loans to investments," Jackson said.

The theme was echoed in keynote remarks by PUSH-Race Director Valerie C. Johnson. "We are having Dr. King's dream unfulfilled," she said. "We're not providing [children] with the opportunity to succeed."

U.S. Rep. Jesse Jackson Jr. (D-M) added that the biggest threat to King's goals is "an economy

that leaves many Americans behind. Whether it be a family in Ford Heights or in Appalachia."

"We must create an economy that has full employment for everyone," she said. "We must get people to register to vote . . . and even run for political office. Dr. King's dream was the basis, the seed of change. We must allow that change to continue to grow."

Gov. Ryan and Mayor Daley also praised King's work at the breakfast.

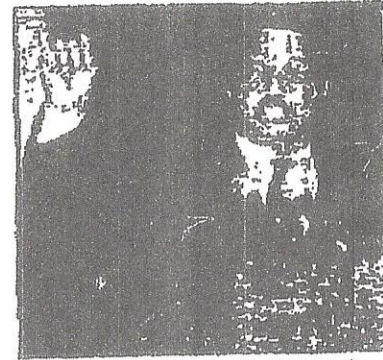
"As Dr. King said: 'If you can help somebody as you pass along; if you can cheer somebody with a word or a song; if you can show

someone he's traveling wrong, then your living will not be in vain,'" Ryan said.

At the Rockefeller Chapel at the University of Chicago, keynote speaker Mary Frances Berry, head of the U.S. Civil Rights Commission, talked about her days working with King and speculated what he might say about the current state of civil rights.

"He would speak of the dispossessed," she said.

"He would be concerned that we're patting ourselves on the back for ending welfare" while people are struggling to feed their families, Berry said.



Rev. Jesse Jackson says economic inclusion must be the next battleground. Photo by [unreadable]

AS YOU CAN SEE, I HAVE LOTS OF GREAT REVENUE IDEAS...

Gambling ^{GAMBLING} Gambling
→ GAMBLING ^{ONLINE GAMING}
Gambling
Gambling
Online Poker
Gambling
Betting
Gambling
GAMBLING
REVENUE
Gambling
Gambling
GAMBLING

SPOT BET

GAMBLING



TORNOR
#ROSTORNOR

Reprinted with permission from:
Robert Dorr, 40 Economists Side
Against More Gambling, OMAHA
WORLD-HERALD, Sept. 22, 1996, at
B1.

*Omaha World-Herald 9/22/96
pt. of Midlands Section*

40 Economists Side Against More Gambling

Signers: Costs Likely Higher Than Benefits

BY ROBERT DORR
WORLD-HERALD BUREAU

Lincoln — Forty Nebraska economists say they oppose the expansion of gambling in Nebraska because the economic costs "are likely to far outweigh" the benefits.

Gambling has a better reputation than it deserves because the economic benefits — mainly jobs at casinos — are easy to see, said Lorcia Fairchild, economics professor at Nebraska Wesleyan University in Lincoln.

"The economic costs are hidden," said Dr. Fairchild, the main drafter of a statement released Saturday.

The statement opposes gambling only on the basis of its economic costs related to economic benefits.

The signers, mostly economics teachers at Nebraska colleges and universities, might or might not have moral reasons for opposing the expansion of gambling in Nebraska, Dr. Fairchild said.

Two expanded-gambling petition issues have fallen short of the 90,939 valid signatures needed to get those measures on the Nov. 5 ballot in Nebraska. A federal judge has given the leaders of both efforts until Oct. 8 to come up with evidence that too many signatures were invalidated by local election officials.

One issue, supported by Nebraska racetracks and horse owners, would permit opening casinos at or near the state's tracks. The second issue, backed by some keno parlor owners, would allow local voters to authorize slot machines and other electronic gambling at keno parlors.

The statement signed by the 40 economists reads: "We, the undersigned Nebraska economists, are opposed to the expansion of gambling in Nebraska be-

Please turn to Page 5, Col. 1

40 Economists Pan Expanded Gambling

Continued from Page 1

cause the additional direct and indirect costs are likely to far outweigh the additional direct and indirect benefits for the state as a whole."

Dr. Fairchild said studies on gambling have indicated that casinos that draw most of their customers from the local area and the surrounding region "siphon consumer dollars away from other local businesses."

"Regional casinos simply recirculate dollars that already exist, bringing little or no new money to the local economy," said Dr. Fairchild, who has a doctorate in economics from Cornell University.

Dr. Fairchild said many people believe that all the money from gambling stays in the state. "That's a myth," she said. "It depends on the ownership structure. Many of the casinos are owned by a few large Las Vegas- or East Coast-based corporations."

In calculating economic benefits, Dr. Fairchild said, economists include new jobs, profits to any in-state owners, additional tax revenues and savings by consumers in traveling to a nearby casino compared with going to one farther away.

Costs include the loss of revenue and job reductions at other retail businesses, sales-tax revenue losses, profits going to out-of-state owners, revenue lost by existing forms of gambling, costs of regulating gambling and costs to businesses because of increased absenteeism and lower productivity.

Other economic costs result from an increase in people with gambling addictions, she said. Those costs include increased crime leading to more police, jails and courts; costs to businesses of embezzlements, forgeries and thefts; and costs of treating addicted gamblers.

In assessing other gambling studies and drafting the statement, Dr. Fairchild worked with Charles Lamphier, director of the Bureau of Business Research at the University of Nebraska-Lincoln, and John Anderson, professor

of economics at UNL.

The economists signed as individuals. The statement did not list their employers. The signers in addition to the three townshippers:

UNL economics professors or associate professors: Craig MacPhar, David Rosenbaum, Ann Mast May, Roger Riebler, Jerry Petr and Benjamin Kim.

UNL economics professor emeritus: Wallace C. Peterson.

UNL professors or associate professors of agricultural economics: Michael S. Turner, Glenn A. Helmer, George H. Pfeiffer, Richard K. Perrin, Raymond J. Sapalla, James G. Kendrick, Bruce Johnson, Dale Anderson and R. Garth Taylor.

Creighton University economics professors or associate professors: Joseph Phillips, Gerard Stockhausen, Thomas Nitsch, James Knudsen, N.R. Vasudeva Murthy and Edward Fitzsimmons.

Bellevue University: Judd W. Patton, associate professor of economics, and James R. Moore, instructor in economics.

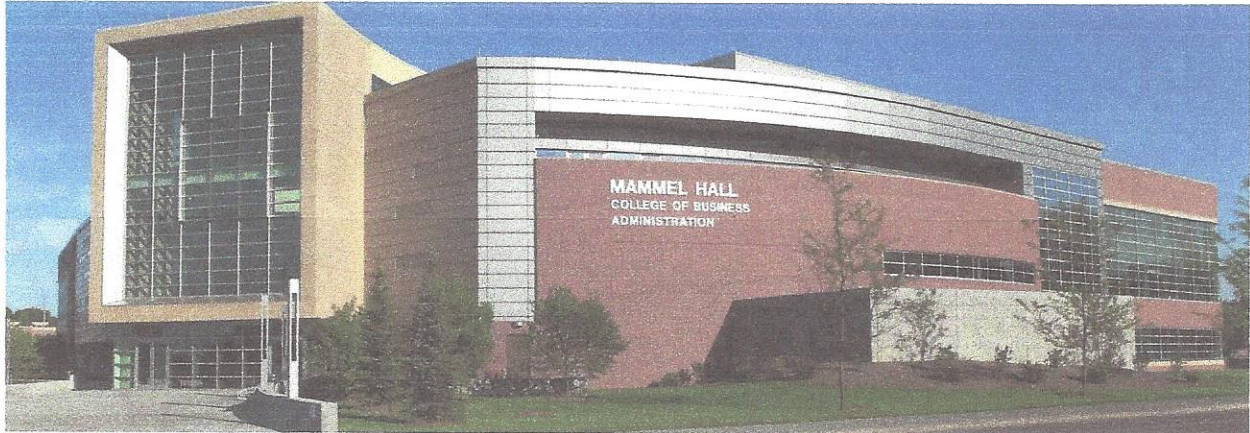
Nebraska Department of Economic Development: James Knotwell, economist, and Kim Newell, recycling economic development advocate.

Doane College, Crete: Les Mennis, assistant professor of finance and economics, and Mary Sue Carter, associate economics professor.

Nebraska Wesleyan University: Joyce Citason, professor, and Clayton D. Faw, retired economics teacher.

Others: Ron Kometz, associate professor of management and marketing, University of Nebraska at Kearney; Mohib Aliat, Quadron State College business department; William Snyder, professor of business, Penn State College; Meenahali Daid, economist at Wayne State College; Donna Duffney, business division head, College of St. Mary, Omaha; and Chiffon A. Sexton Jr., Lincoln, and Joe Watkins, Grand Island, whose affiliations could not be determined.

OMAHA REJECTS CASINOS' "ECONOMIC SOLUTIONS" AND INSTEAD INVESTS IN NEW HIGH-TECH OFFICE PARK AND UNIVERSITY OF NEBRASKA CLASSROOMS—ATTRACTING OVER \$1 BILLION IN NEW RESIDENCES, BUSINESSES, ENTERTAINMENT CENTERS, AND IRONICALLY THE UNO BUSINESS COLLEGE*



New 2010 University of Nebraska at Omaha College of Business Built Instead of a Casino Proposed to Compete with 2 Nearby Iowa Casinos (Google Images: Public Domain)

During the mid-1990s, the Nebraska legislature was lobbied by the ailing Aksarben racetrack which claimed it could save itself by becoming a combination racetrack-casino (or “racino”). The racetrack’s lobbyists claimed their casino would bring home Nebraska’s gamblers and taxes, which were allegedly being lost to nearby Iowa casinos. However, the legislature rejected these casino lobbyists’ arguments, closed the racetrack de facto, and incorporated any useful racetrack resources into a high-tech office park with associated facilities/classrooms for the University of Nebraska at Omaha (UNO). Thereafter, gambling lobbyists frequently returned to Nebraska, but they were repeatedly rebuffed by the academic community—as highlighted by one instance where 40 economists headlined in the press their rejection of the economic claims of gambling’s proponents.

Beginning in 1997, the Nebraska legislature cleared the way for First Data Resources (FDR) to create an estimated 2,000 new jobs over 5 years while building adjacent to a new \$37.4 million UNO College of Information Sciences and Technology. By 2016 these initiatives had benefited all of Omaha by attracting over \$1 billion in new residences, businesses, entertainment centers, and ironically, the new UNO College of Business. From a blighted racetrack area in continual decline, Nebraska’s leaders had created an economic engine for all of Omaha—an economic multiplier worth \$ billions benefiting the consumer economy and its taxpayers from 1997, as well as into the future.

*Paraphrased with permission from: Stanford Univ. Law School, John W. Kindt, *Would Re-Criminalizing U.S. Gambling Pump-Prime the Economy and Could U.S. Gambling Facilities Be Transformed into Educational and High-Tech Facilities?*, 8 *Stan. J. L., Bus. & Fin.* 169-212 (2003)(footnotes deleted). See also, Robert Dorr, *40 Economists Side Against more Gambling*, *Omaha World-Herald*, Sept. 22, 1996, at B1; Matthew Waite, *Legislature Likely to Approve Funds for UNO*, *FDR*, *Daily Nebraskan*, Jan. 1997.



The Retailers Association

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110 Pokies per Australian

Driscoll: "Retailers Could Cut Unemployment in Half Without Pokies Scurge"

Monday, 18 January 2010

Scott Driscoll, National Executive Director of **The Retailers Association** has called on Prime Minister Kevin Rudd to intervene and curtail the States drunk on Pokies revenue, for the sake of job creation, if protecting families wasn't enough.

"With Australia now in the **"World's Top 10"** poker machine countries, with a Pokie per 110 Australians, we are killing off jobs and industry, so that our Governments can get fat on Pokies blood money at the expense of lives and jobs," said Mr Driscoll.

"As well as families suffering more with the growth of Pokies numbers across Australia, the retail sector suffers dramatically also as the Pokies plague spreads. People who can least afford to pour their wages down the throats of Pokies, in turn reduce spending on food, clothes and household essentials for their families. This has been a serious retail trend since Pokies emerged in Australia," said Mr Driscoll.

"Most of the **\$10Billion** that now goes into Pokies each year in Australia used to be spent across the retail sector. It used to support the creation of real jobs," said Mr Driscoll.

"If we wiped out Pokies overnight and returned that same **\$10Billion** to where it used to be spent we would halve the unemployment rate in Australia tomorrow and could create **303,000 new retail jobs**," said Mr Driscoll.

Again Proves
Consumer Job
Losses

For further comment call Scott Driscoll on 0413 831 045.

GUEST COMMENTARY

Illinois pensions, education are losing out to gambling

By JOHN KINDT

Gov. Patrick Quinn's spring 2013 speeches repeatedly tie together three issues facing Illinois, specifically the state budget, pension funding and gambling. Lost in the analysis of these problems is that during the last 22 years Illinois technically could have collected \$10 billion to \$53 billion from gambling interests, according to the United States International Gaming® Report — probably making Illinois pensions solvent today. States which rejected the Illinois gambling model 20 years ago have little gambling today and solid pensions — and even budget surpluses.

Compared with other states, the new Illinois gambling expansion bill SB1739 gives away another \$5 billion to \$10 billion to gambling owners. Furthermore, this bill partially ties pension funding and education monies to illusory gambling revenues, including speculative and legally questionable Internet gambling activities. For example, SB1739 supposedly dedicates Internet gambling fees to funding pensions — but only if there are any monies left after the tax credits gifted to gambling owners. In a similar misrepresentation, SB1739's expansion of slot machines/video gambling machines (VGMs) will supposedly enhance monies to education.

After stigmatizing Illinois with pension fraud on March 11, 2013, the Securities and Exchange Commission will doubtless be joined by other federal regulatory agencies in a heightened monitoring of Springfield's legislative sleight-of-hand.

While vetoing two gambling expansion bills within the last 12 months, Gov. Quinn noted that there can be "no loopholes for mobsters" and "Illinois cannot gamble its way to prosperity."

But if Illinois is going to have gambling, Illinois needs to collect the billions of dollars other states have collected. For example, Illinois casino licenses worth a fair market value of \$500 million to \$1 billion each are apparently given away in the pending gambling expansion bill for only \$100,000 each.

During the early 1990s, the initial 10 Illinois casino licenses worth a total fair market value of at least \$5 billion were legally given away for \$25,000 each to political insiders, including one insider who is now in prison as part of the Rod Blagojevich scandals.

Ironically, a chief sponsor of current gambling expansion is also sponsoring a bill to make permanent the 67 percent state income tax increase. Passed during the 2011 lame-duck legislative session, the 67 percent increase in the state income tax currently provides an additional \$8 billion in annual tax revenues. By comparison, the current gambling bill immediately gives away \$5 billion to \$10 billion in potential tax revenues.

Compared to low Illinois casino taxes, the tax on Canadian casinos has traditionally been 100 percent — with the casino companies receiving only management fees.

In another comparison, the 2009 Illinois Video Gaming Act authorizing another 45,000 to 75,000 video gambling machines in neighborhoods has

local governments receiving 5 percent, the state 25 percent, and the owners/operators 70 percent of revenues — unlike other savvy states, where the government takes all or most of the revenues. Compounding these revenue problems, another Illinois gambling bill sponsored by Rep. Daniel Beiser, D-Alton, includes more tax giveaways by authorizing thousands of additional slot machines/VGMs into nebulously-termed "social clubs."

Historically, Illinois has tried to reverse this destructive fiscal course — and can still do so. In one example in 2005, Rep. John Bradley introduced a two-sentence bill, HB1920, which eliminated most Illinois gambling while increasing jobs, and with Speaker Madigan's support, the bill passed 67-42. However, HB1920 was procedurally derailed by Gov. Rod Blagojevich's protégés.

Gov. Quinn has repeatedly stated that the Illinois Legislature needs to address over \$90 billion in unfunded pensions liabilities, as well as a depleted state budget, before considering gambling expansion. However, experts highlight that the current Illinois policy on "existing gambling facilities" should simply be "pay up or get out." New gambling proposals only misdirect more funds away from pensions and education.

Professor John Kindt has served in academic capacities involving benefits issues for public employees, including teachers. He is also a senior editor of the United States International Gaming® Report. An abbreviated version of this op-ed was originally published March 28 by *Crain's Chicago Business*.



Academic Senate

UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN

RS.10.01
December 7, 2009
Approved by Senate

UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN SENATE

Prefiled Resolution

RS.10.01 Resolution Regarding Local Governmental Units Banning Video Gambling Machines Due to Their Detrimental Impacts on Students and the General Public

Background

In July 2009 the State of Illinois enacted the Video Gambling Act which will allow Illinois to have more video gambling/slot machines than the State of Nevada. This legislation permits licensed facilities pouring alcohol to create mini-casinos comprised of video gambling machines and including not just bars, but truck stops, restaurants, billiard parlors, airport lounges, bowling alleys, and other convenience locations serving alcohol. Legislation has already been introduced to extend further the types of facilities and the numbers of video gambling machines.

Whereas, The U.S. National Gambling Impact Study Commission, sponsored by U.S. Senator Paul Simon, noted that the psychological, sociological, and psychiatric communities commonly refer to video gambling machines as the "crack cocaine" of creating new addicted gamblers; and

Whereas, The *Chicago Tribune* (7-12-09), the *Chicago Sun-Times* (5-14-09), and other Illinois news media have editorialized and commented against the Video Gambling Act, including calling for its repeal (*Chicago Tribune*, 9-11-09); and

Whereas, Thirty-nine Illinois counties and municipalities have already enacted new ordinances banning video gambling machines, including DuPage County by a unanimous vote and Cook County by a 10 to 4 vote; and

Whereas, Communities banning video gambling machines will not lose capital construction funds under the \$31 billion capital construction bill; and

Whereas, Studies in concurrence with and subsequent to the U.S. National Gambling Impact Study Commission have shown that student populations are particularly susceptible to addicted and problem gambling and are showing double the gambling addiction rate of the older adult population; and

Whereas, Illinois college communities, such as Carbondale, have recently banned or are poised to ban video gambling machines as problematic for students; and

Whereas, On November 12, 2009, the Champaign County Board, Urbana City Council, and Champaign City Council co-sponsored a policy review study session at the Beckman Institute, where these facts were presented to the public; and

Whereas, If bans are not initiated quickly, video gambling machines will bring all the problems of gambling into our local communities.

Be it resolved by the UIUC Senate that

For the welfare of the student population and the general public, the UIUC Senate urges the Champaign County Board, the Urbana City Council, the Champaign City Council, and surrounding governmental units to enact new bans prohibiting video gambling machines.

UIUC Senate Members:

ILLINOIS STUDENT SENATE
Senate Resolution (12-02-2009-02)
Video Gambling

Authors: Hannah Ehrenberg, David Olsen

Sponsors: Nolan Drea, Greg Thompson, Max Molloy, Cole Goldenberg, Peter Hughes, Brian Larson, Robert Gregg

Background

In July 2009 the State of Illinois enacted the Video Gambling Act which will allow Illinois to have more video gambling/slot machines than the State of Nevada. This legislation permits licensed facilities pouring alcohol to create mini-casinos comprised of video gambling machines and including not just bars, but truck stops, restaurants, billiard parlors, airport lounges, bowling alleys, and other convenience locations serving alcohol. Legislation has already been introduced to extend further the types of facilities and the numbers of video gambling machines.

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Whereas, Illinois college communities, such as Carbondale, have recently banned or are poised to ban video gambling machines as problematic for students; and

Whereas, On November 12, 2009, the Champaign County Board, Urbana City Council, and Champaign City Council co-sponsored a policy review study session at the Beckman Institute, where these facts were presented to the public; and

Whereas, If bans are not initiated quickly, video gambling machines will bring all the problems of gambling into our local communities.

Be it resolved by the Illinois Student Senate that

The Illinois Student Senate urges the Champaign County Board, the Urbana City Council, the Champaign City Council, and surrounding governmental units to enact new bans prohibiting video gambling machines.



John Kindt <johnwkindt@gmail.com>

FW: READ!!! NJ follow thru with ANOTHER STUPID move!! Pension fund/ Revel

2 messages

Kindt, John W <jkindt@illinois.edu>
To: "johnwkindt@gmail.com" <johnwkindt@gmail.com>

Wed, Oct 28, 2015 at 3:19 PM

From: DMBerlin@aol.com [DMBerlin@aol.com]

Sent: Thursday, October 02, 2014 9:22 AM

To: dmberlin@aol.com

Subject: READ!!! NJ follow thru with ANOTHER STUPID move!! Pension fund/ Revel

<http://www.courierpostonline.com/story/money/business/2014/03/15/state-takes-300-million-pension-gamble-on-revel-casino-owner/6472093/>

State takes \$300 million pension gamble on Revel Casino owner

Jean Mikle, @jeanmikle 4:25 p.m. EDT August 12, 2014

The struggling Revel casino in Atlantic City may be sold. AP file photo Revel Casino Hotel's future is in doubt ? again. AP file photo Revel, Atlantic City NJ's newest casino shown in this Oct. 17, 2012 photo, says it is considering "strategic alternatives," which in this gambling resort town usually means a property is being marketed for sale or considering a bankruptcy filing. The \$2.4 billion casino-hotel just emerged from bankruptcy court in May.(AP Photo/Wayne Parry)(Photo: Wayne Parry, AP)

Atlantic City's beleaguered Revel Casino & Hotel has lost millions from the start, but that hasn't stopped New Jersey's pension system from placing a \$300 million bet with the largest owner of the oceanfront resort.

The state agency that oversees the multibillion-dollar employee pension funds voted late last year to invest \$300 million with Chatham Asset Management, the hedge fund that owns 28 percent in the troubled casino property.

The investment deal is complex. Although the state plans to invest in Chatham, treasury officials say the transfer of funds won't happen until later this year — when Chatham said it hopes to shed itself from the faltering casino. But treasury officials told the State Investment Council that there is no firm timetable for when Chatham will be out of Revel.

The 1,399-room Revel emerged from bankruptcy protection last year from nearly \$1.5 billion in debt yet continues to have difficulty attracting customers. It ranked ninth out of 11 casinos in revenue last month, and is expected to be sold sometime this year for as little as \$200 million to \$300 million, a far cry from the \$2.4 billion it cost to build.

The 47-story Revel, touted by Gov. Chris Christie as a model for Atlantic City's rebirth, has been a tremendous failure. It lost more than \$100 million in its first year of operations.

Touted as a job creator, Revel was expected to employ 5,500 people but now has about 2,800 on staff. Meanwhile, as Atlantic City continues to struggle to compete with casinos in Pennsylvania and New York, the city's Atlantic Club Casino shut down in January, laying off 1,600 workers.

Gov. Quinn and

By JOHN KINDT

Gov. Pat Quinn is expected to veto the 2012 gambling expansion bill, SB 1849, because of the refusal of the bill's sponsors to prohibit political and campaign contributions from gambling interests. By vetoing this bill, which would create six new racetrack casinos (called "racinos") plus five land-based casinos, Gov. Quinn will be confirming the tradition of "The Untouchables." Today, Illinois needs "The New Untouchables" as historically embodied by such organizations as the Chicago Crime Commission established to combat Al Capone.

Pursuant to a 2012 study by the Institute of Government and Public Affairs at the University of Illinois, Chicago is the most corrupt area in the United States. Gov. Quinn's 2009 Illinois Reform Commission, chaired by former federal prosecutor Patrick Collins, revealed that corruption costs Illinois taxpayers billions of dollars per year — as UIUC Emeritus Professor Stephen Kaufman has recently highlighted.

In this historical context, Gov. James Thompson's administration authorized the legal granting of the

10 original casino licenses for \$25,000 each to political insiders, although the total fair market value of the licenses was \$5 billion (\$9.5 billion in 2012 dollars). One license was granted to a political insider recently convicted in the Rod Blagojevich scandals. The 2012 gambling bill gives away another \$3.5 billion to \$5 billion, among other giveaways, by charging just \$100,000 per casino license.

Since the original 10 casino licenses were granted, academics at the University of Illinois at Springfield have spent two decades documenting millions of dollars in legalized political and campaign contributions made by lobbyists to legislative supporters of gambling.

Disturbed by the spreading political corruption accompanying legalized gambling, U.S. Sen. Paul Simon sponsored the bipartisan U.S. National Gambling Impact Study Commission. Co-sponsored by U.S. Rep. Henry Hyde and supported by virtually the entire Illinois congressional delegation, the Final Report of the U.S. Gambling Commission called for a moratorium on the expansion of any type of gambling anywhere in the country, and the commission included

Sunday, July 29, 2012

C-3

THE NEWS-GAZETTE

COMMENTARY

'The New Untouchables'

recommendations for stringent curbs on campaign contributions (Rec. 3.5), the re-criminalization of slots/electronic gambling machines (EGMs) convenient to the public (Rec. 3.6), and continued prohibitions on creating racetrack casinos (Rec. 3.12). The Illinois 2012 gambling expansion bill obviously ignores all of these recommendations and adds to the national embarrassment of Illinois.

Today's business model for racetracks is to let the racing die, while simultaneously transforming the racetrack into a casino. For example, the Quad-City Downs racetrack has not run a live race since 1994, and by giving slots to racetracks, they are just being enabled to become slots/EGM casinos.

Confirming the U.S. Gambling Commission, the multi-volume 2009-2012 U.S. International Gaming® Report, produced in large part at the University of Illinois, concluded that by 2008 "lobbying monies and gambling interests were the largest influences and dominant forces in 26 state governments" and were dictating state economic policies ruinous to state budgets. By comparison, the state of Virginia rejected casinos during the

same time frame that Illinois authorized its first 10 casinos, and Virginia currently has a budget surplus, while the Illinois state budget is the nation's worst. For the strategic perspective on Wall Street gambling, decriminalized in 2000, and its delimitation as the catalytic cause of the current economic crisis, the news video "Financial WMDs" may still be viewed at the website for "60 Minutes."

If the Illinois Legislature really needed money, it could immediately collect at least \$5 billion in casino license fees which the casinos should have originally paid — instead of the mere \$25,000 per license. In 2003 legislative presentations in Springfield by the Maryland Tax Education Foundation, for example, the fair market value of the Illinois casino licenses were pegged as being worth up to \$500 million each.

Apparently, only troubled casino licenses have a fair market value under \$500 million, as casino licenses are laundered by regulators from one casino owner to the next.

In 2001 it was reported that Nevada's Jack Binion, the tycoon of Horseshoe Gaming, was ruled unfit for his \$25,000 Illinois casino license.

Accordingly, Binion sold his Illinois casino interests for \$465 million. In 2008, a \$435 million offer was made for the troubled 10th Illinois casino license as the casino went to Des Plaines. Dogged by improprieties, Station Casinos sold its Missouri casino interests to Ameristar Casinos for \$488 million. As Louisiana Gov. Ed Edwards went to jail for his part in a casino scandal, Players International Inc. sold its Louisiana casino interests to Harrah's Entertainment for \$425 million.

If Illinois needs tax revenues, the current casino license fees are a pot of gold worth billions of dollars. Until these billions are collected, authorizing racinos and new casino license giveaways to political insiders via SB 1849 is a non sequitur. By vetoing gambling expansion, Gov. Quinn will draw favorable national attention to Illinois as the home of "The New Untouchables."

John Kindt is a contributing author and editor of the U.S. International Gaming® Report. He frequently testifies before Congress and state legislatures as an expert regarding issues in business and legal policy.

SUNDAY SUN-TIMES



WINNING RACES — NOT POPULARITY CONTESTS

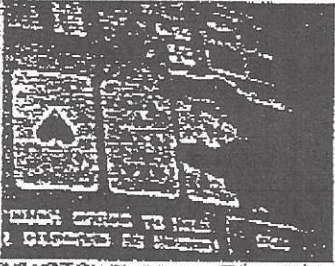
Defending NASCAR champion Jimmie Johnson wins Daytona 500 today. PAGES 102-105A
POSTER INSIDE: Jimmie Johnson's victory poster. NASCAR's Daytona 500 weekend: where available

2005 SUNDAY
FEBRUARY 20
2005
SLOPPY
73°/30°
Weather forecast: Pages 2A, 2A

FEDS: MOB BOSS RAN VIDEO POKER EMPIRE FROM JAIL

They say secret tapes show James Marcelllo was expanding his criminal ventures with his brother's help

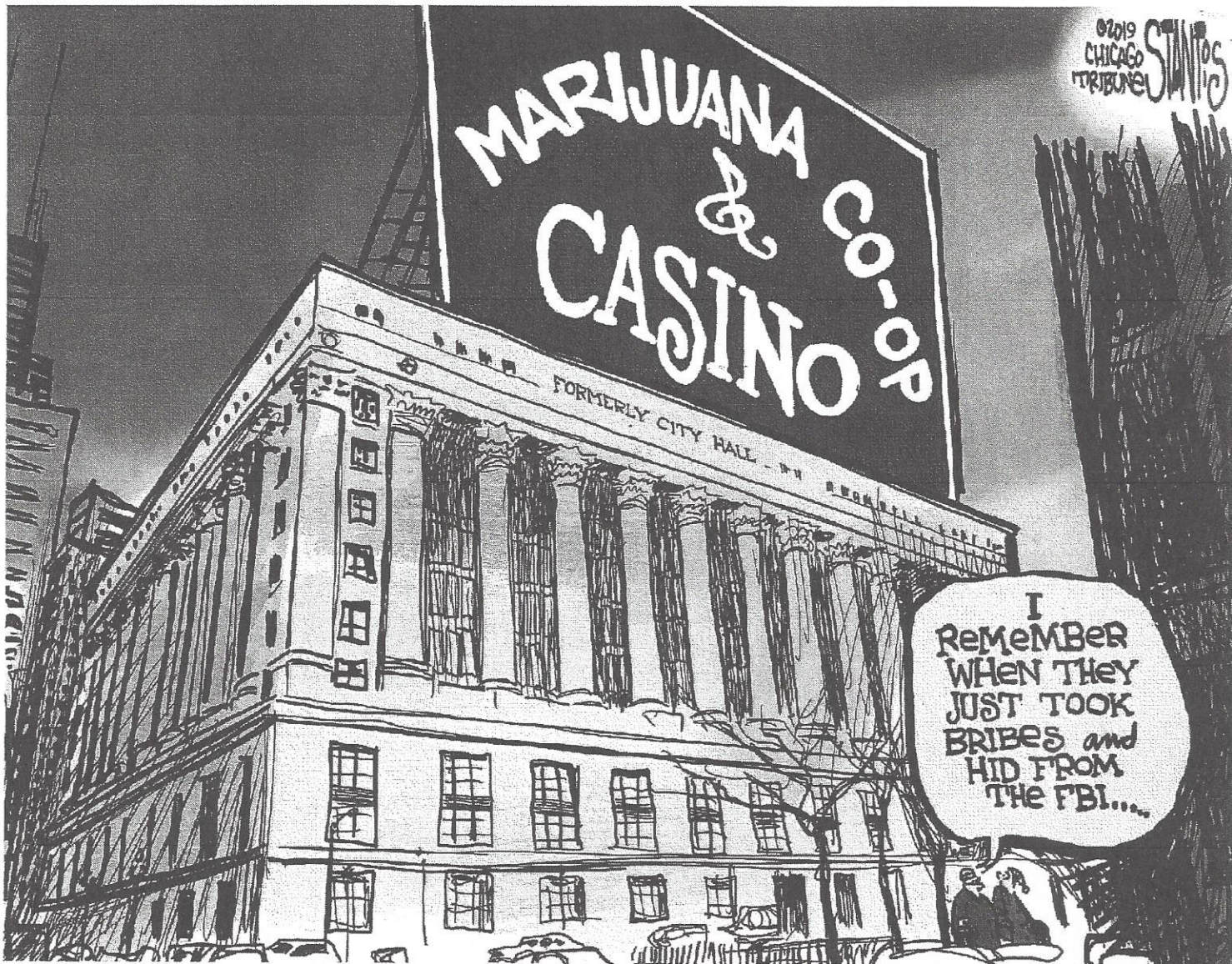
Feds believe Mickey Marcelllo — brother of James Marcelllo (right) — worked out of his Cicero business, collecting money from more than 40 bars throughout the suburbs. STORY BY STEVE WARMBIR AND ROBERT HERGUTH, PAGES 8-9A

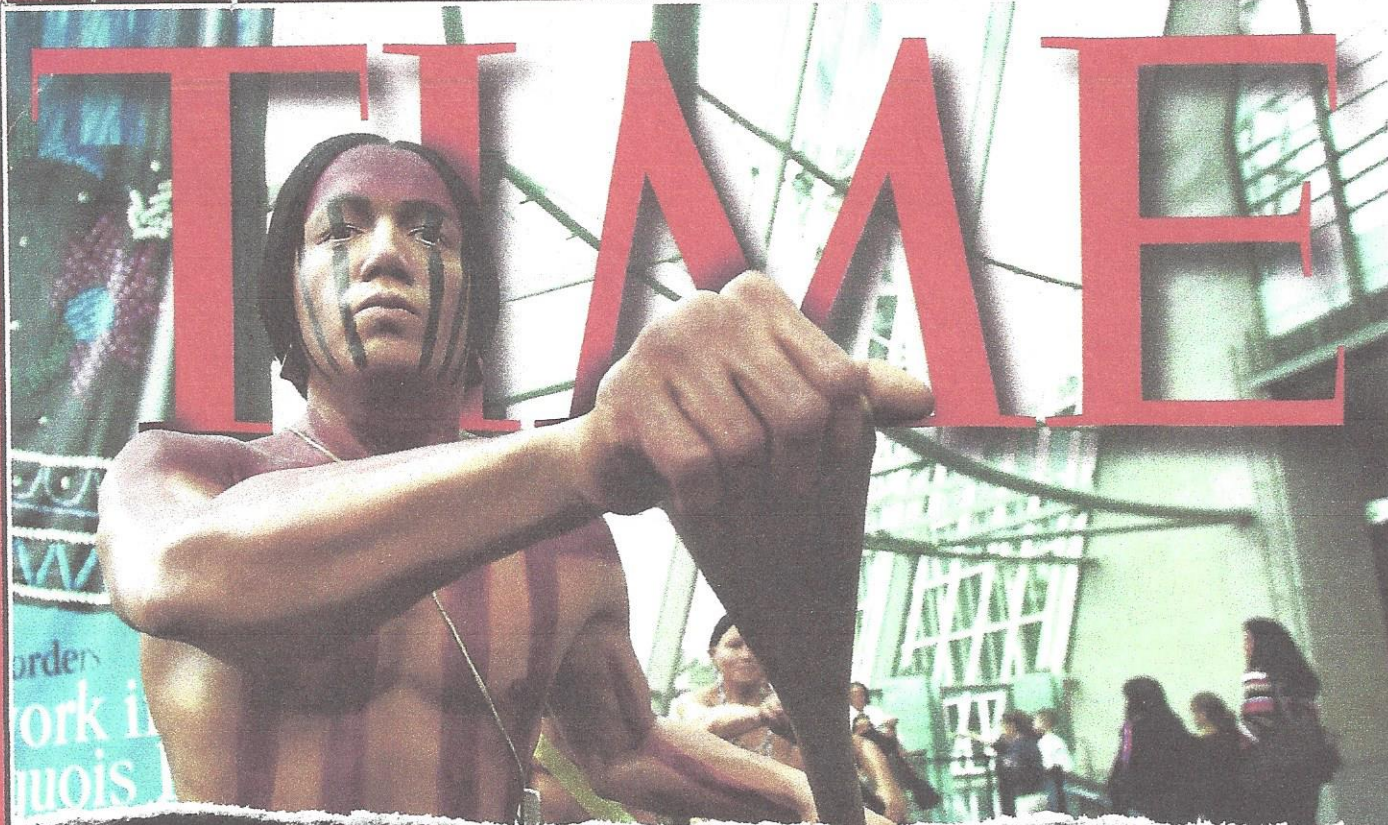


Steve Warmbir & Robert Herguth,
*Feds: Mob Boss Ran Video Poker
Empire From Jail*, Chi. Sun-Times,
Feb. 20, 2005, at A1 [hereinafter
Mob Boss Ran Video Poker Empire],
at www.suntimes.com.

www.suntimes.com

SCOTT STANTIS

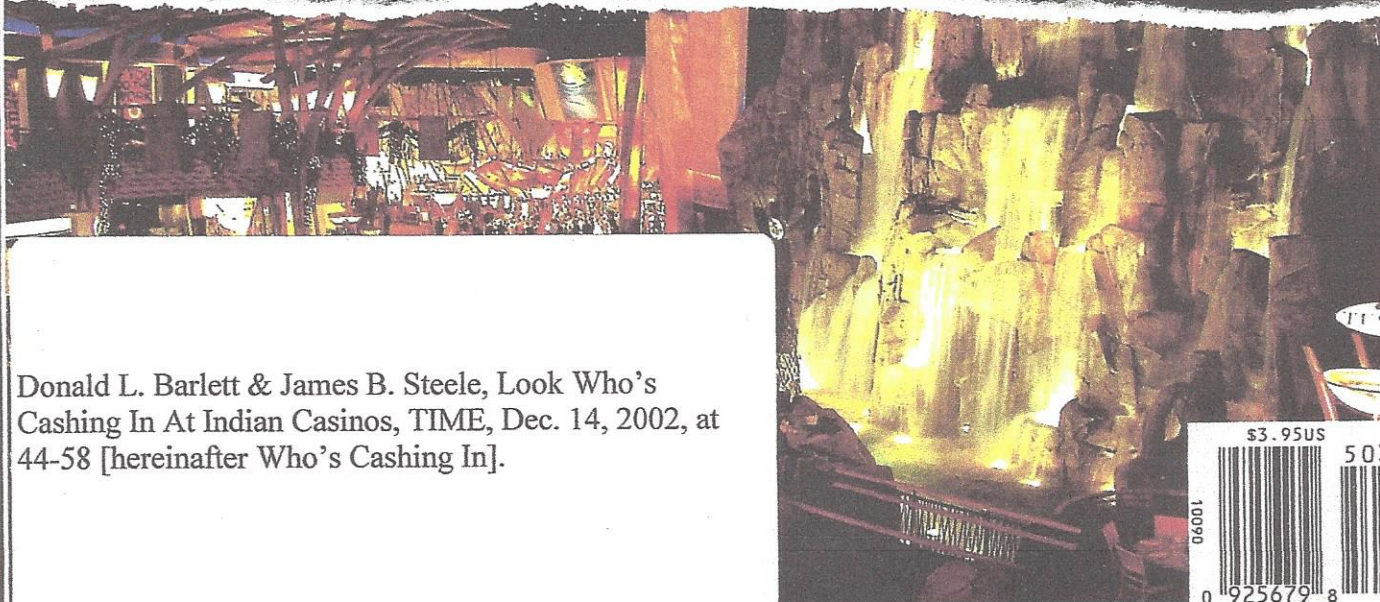




**LOOK WHO'S CASHING IN AT
INDIAN CASINOS**

HINT: It's not the people who are supposed to benefit

SPECIAL INVESTIGATION BY DONALD L. BARLETT AND JAMES B. STEELE



Donald L. Barlett & James B. Steele, Look Who's Cashing In At Indian Casinos, TIME, Dec. 14, 2002, at 44-58 [hereinafter Who's Cashing In].

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**U.S. Department of the Interior
Office of Inspector General**

AUDIT REPORT

ISSUES IMPACTING IMPLEMENTATION OF THE INDIAN GAMING REGULATORY ACT

**REPORT NO. 94-I-113
NOVEMBER 1993**

**This report may not be disclosed to anyone other than
the auditee except by the Assistant Inspector General
for Administration, Office of Inspector General,
U.S. Department of the Interior,
Washington, D.C. 20240**

Gambling with the mob?

Wise guys have set their sights on the booming Indian casino business

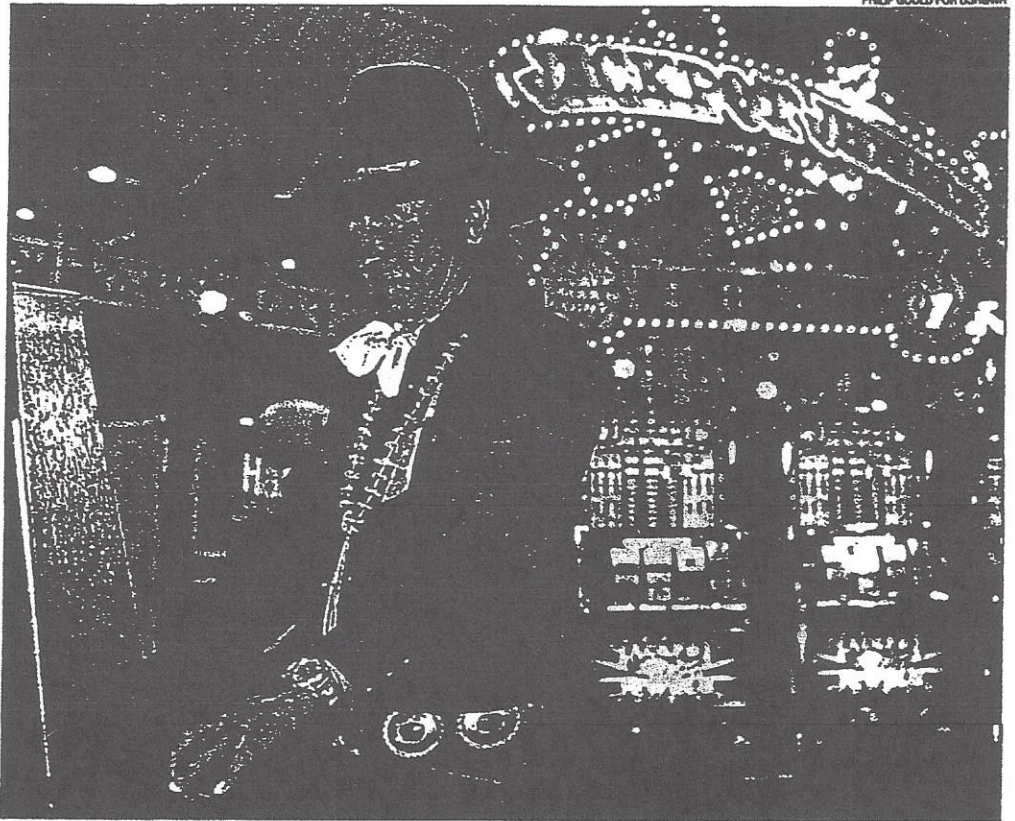
PHILIP GOLD FOR USNEWS

Seated in the largest Senate hearing room with a hood over his head to protect his identity, the witness identified only as "Marty" had some confessions to make. Not only had he helped the mob set up and run a high-stakes bingo hall on an Indian reservation, he testified, but he had padded expenses and robbed the tribe of over \$600,000 a year.

But even Marty's sensational tales of filling bingo balls with helium and awarding \$60,000 cars to paid shells paled in comparison to his next news flash. Marty told members of the Senate Select Committee on Indian Affairs that 12 other Indian bingo halls also were controlled by the mob. "Organized crime is destroying the Indian reservation," he said in a slow, mechanical baritone, his voice deliberately altered through the use of a special machine.

Four years later, the leaders of the Indian gambling industry are still smarting. Marty's apocalyptic visions of Mafia domination have been proven wrong, they argue, adding that Indian-owned casinos and bingo halls are more heavily regulated than the glitz palaces in Atlantic City and Las Vegas. But while it's true that the industry has grown much more sophisticated and has weeded out the most venal operators, many questionable characters remain. From dozens of interviews with federal, state and local law-enforcement officials and from documents obtained through the Freedom of Information Act, *U.S. News* has learned of a number of cases that raise serious doubts about the integrity and inviolability of Indian casinos.

The new buffalo. Devastated by unemployment, substandard housing and schools and crippling alcoholism, many Indians have come to see gambling as "the new buffalo"—the first true economic opportunity in two centuries. But buffalo never paid dividends like a one-armed bandit. In Connecticut, the sprawling Foxwoods Casino owned by



Big-time enterprise. *The huge, new market in Indian-owned casinos is a draw for vendors.*

the Mashantucket Pequots could conceivably gross \$1 billion this year and net half that amount. On the Shakopee Mdewakanton Dakota reservation near Minneapolis, the Mystic Lake casino takes in so much cash that tribal members sometimes receive dividend checks for up to \$20,000 a person per month, one official with the Bureau of Indian Affairs says. And just last month near Syracuse, N.Y., the Oneida Indians opened the \$10 million Turning Stone Casino, expected to rake in well over \$100 million a year.

Now that 73 tribes in 19 states offer or will soon offer full-scale casino gambling, the big boys have taken notice. Atlantic City casino owner Donald Trump recently sued the U.S. government for allegedly giving an unfair advantage to tribes setting up casinos. And he's out to prove the fledgling industry is corrupt. "A lot of the reservations are being, at least to a certain extent, run by

organized crime," says Trump. "There's no protection. It's become a joke."

Mobsters did, in fact, prey upon Indian gambling during the 1980s. Besides Marty, whose real name was Stewart Siegel and who managed a California bingo hall for the Barona Indians before he died of cancer, Indian gambling's cast of characters was like something out of an Edward G. Robinson movie. Just this spring, for example, reputed Chicago mob boss John "No Nose" DiFronzo and his gambling expert, Donald "The Wizard of Odds" Angelini, were convicted of conspiracy and fraud in a failed attempt to take over gambling operations at the Rincon Reservation near San Diego in the late '80s. The Chicagoans had hoped to skim profits and launder mob money, FBI wiretaps show. In 1980, California's Cabazon Indian tribe hired as their poker-room manager one Rocco Zangari, identified as a mobster in Senate

BANKRUPTCY DEVELOPMENTS JOURNAL

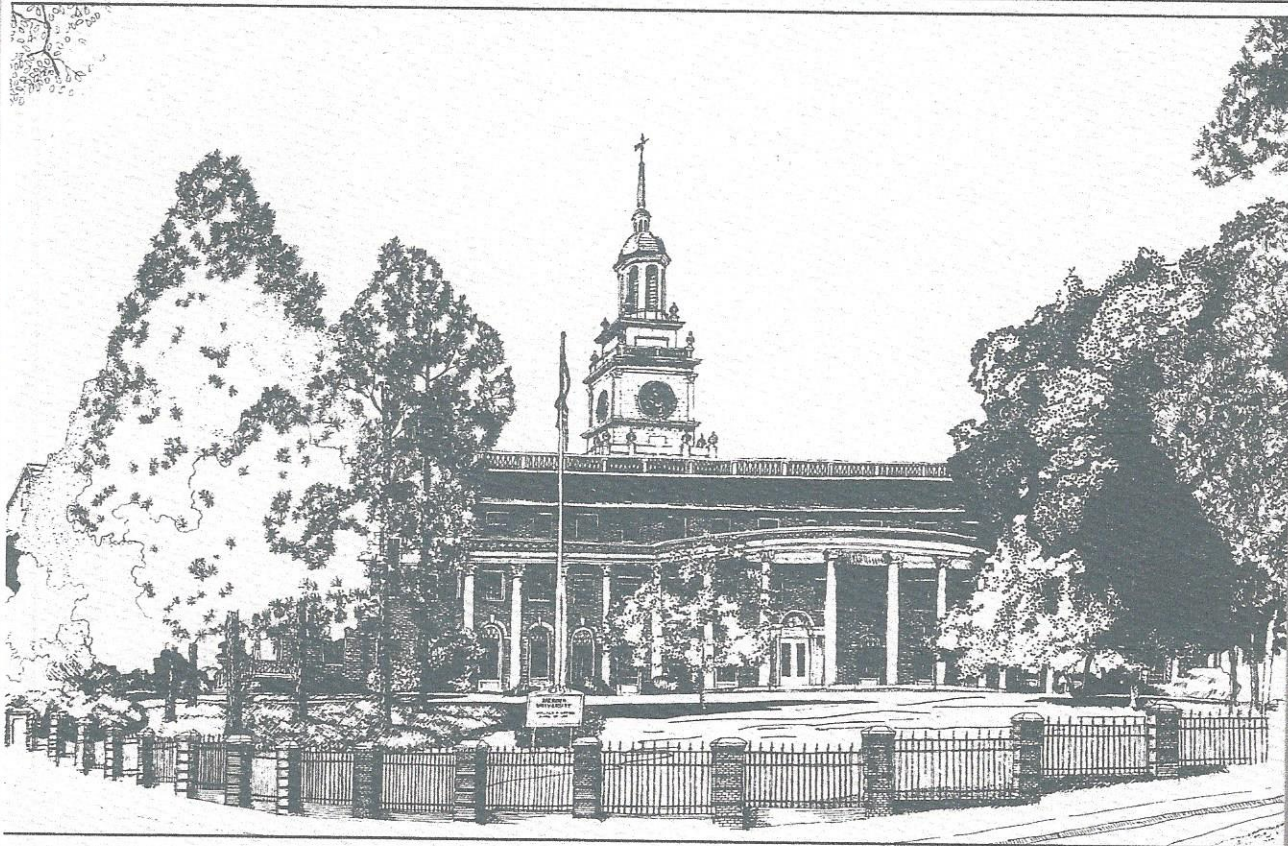
**LEGALIZED GAMBLING'S DESTABILIZATION OF
U.S. FINANCIAL INSTITUTIONS AND THE
BANKING INDUSTRY: ISSUES IN BANKRUPTCY,
CREDIT, AND SOCIAL NORM PRODUCTION**

*John Warren Kindt
John K. Palchak*

Reprinted from
Bankruptcy Developments Journal
Volume 19, No. 1

MERCER LAW REVIEW

Walter F. George School of Law



“The Insiders” for Gambling Lawsuits:
Are the Games “Fair” and Will Casinos and
Gambling Facilities Be Easy Targets for Blueprints
for RICO and Other Causes of Action?

John Warren Kindt

The Costs of Addicted Gamblers: Should the States Initiate Mega-Lawsuits Similar to the Tobacco Cases?

John Warren Kindt*,¹

University of Illinois, Champaign, IL, USA

INTRODUCTION

In 1999, *The Economist* cited to the critics of gambling activities and raised the spectre that 'there might be a lot of money to be made by suing the entities that knowingly get people addicted to gambling'.¹ This observation paralleled the long-held conclusions among gambling addiction experts such as the former executive director of the Council on Compulsive Gambling of New Jersey, Arnie Wexler, who highlighted the concerns of the gambling interests in 1997:

'I think the industry is sitting on its hands nervously looking at what's happening to the cigarette industry', said Wexler, a frequent lecturer about compulsive [i.e., 'pathological'] gambling. 'The stuff that happened to the cigarette industry is going to happen 10–20 years down the road, if not sooner'.²

As early as 1996, the Las Vegas gambling industry had a premonition of being saddled with mega-lawsuit problems similar to the tobacco industry, and had developed plans to counter the educational efforts of public interest groups,³ such as the National Coalition Against Legalized Gambling (NCALG), an organization similar to Mothers Against Drunk Driving (MADD). In 1996, in the heart of Las Vegas, the local paper opined a wake-up call to the gambling industry:

Gambling and tobacco. Tobacco and gambling.

* Correspondence to: University of Illinois, Champaign, IL 61820, USA. Tel.: +1 217 3336018; fax: +1 217 2447969.

¹ Professor, Univ. Ill.; A.B., William and Mary, 1972; J.D. 1976, MBA 1977, Univ. Ga.; LL.M. 1978, SJD 1981, Univ. Va.

A leader in the national fight against the spread of legalized gambling is . . . attempting to link the tactics of both industries in their separate battles for public relations legitimacy.

'It is out-and-out lying, and . . . [the gambling industry is] in denial', said Tom Grey [executive director of the NCALG].⁴

By 1997, the strategies of anti-gambling groups combined with public interest groups were being readily detailed in the US press.

Anti-gambling crusaders are borrowing a page from the anti-smoking movement, trying to tar casinos and lotteries with some of the same criticisms leveled against the tobacco industry.

The critics say legalized gambling, too, depends on addiction for profits, runs ads that glamorize its offerings and targets minors for future customers.⁵

Similarly, it became apparent where the gambling industry was trying to focus the public's attention and frame the long-term strategic debate.

Gambling proponents stress their industry has acted to keep itself out of the same dock as tobacco, by trying to identify its addicted clientele for treatment.

Critics say those efforts are cosmetic, and that the \$50-billion-a-year industry's profit margin depends on compulsive [i.e., 'pathological'] gamblers lured by marketing strategies to exploit their addiction.⁶

This scenario was reminiscent of several public interest debates involving potentially harmful products—particularly tobacco.

In this context the pro-gambling commissioners on the 1999 National Gambling Impact Study Commission (1999 Gambling Commission) may

B UNIVERSITY OF MIAMI **L** **BUSINESS LAW JOURNAL**

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Corruption remains strong in Illinois, report shows

April 26, 2016

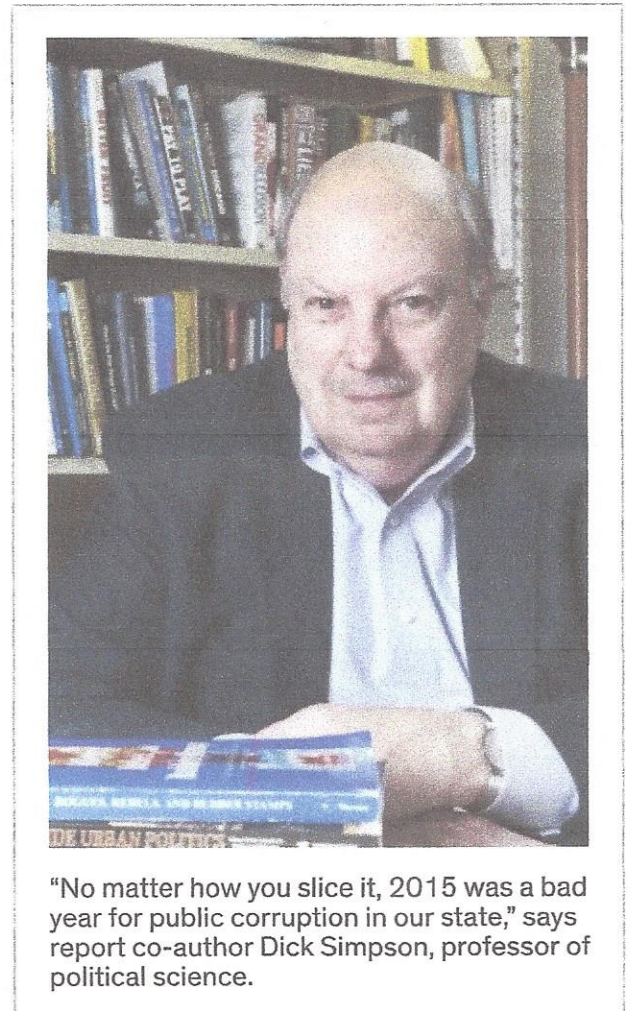
The tradition of corruption in Illinois remained strong last year according to a new report published by UIC researchers.

The report, "2015 a Banner Year for Corruption in Illinois, Anti-Corruption Report #9," catalogues 27 convictions, 28 indictments, the launch of 11 corruption investigations, and the sentencing of 30 convicted elected officials, government employees, and private sector individuals from the Land of Lincoln.

"No matter how you slice it, 2015 was a bad year for public corruption in our state," says report co-author Dick Simpson, professor of political science.

Highlights of the [report](#) include:

- the arrest and guilty plea by former Congressman Dennis Hastert;
- the indictment and conviction of Chicago Public Schools CEO Barbara Byrd-Bennett;
- the indictment of a Chicago Police officer for the shooting murder of an unarmed teenager;



"No matter how you slice it, 2015 was a bad year for public corruption in our state," says report co-author Dick Simpson, professor of political science.

https://www.ilnews.org/news/state_politics/poll-shows-percent-of-chicagoans-considered-moving-out/article_c2a765b2-6082-11e9-bdec-0f6f23ab1abe.html

Poll shows 44 percent of Chicagoans considered moving out

By Cole Lauterbach | Illinois News Network Apr 16, 2019



Chicago Board of Trade building.

CiEII / Shutterstock.com

Citing the high cost of living, taxes and violence, a poll of Chicagoans 55 and older found nearly half had considered leaving and even more knew someone else who had thought about a move elsewhere.

The AARP poll was conducted in December and focused on the Chicago mayoral election, but included in the survey of more than 800 likely voters over age 55 was whether they'd considered leaving the city. Forty-four percent said they had thought about it.

AARP Illinois director Bob Gallo said the high cost of living and high taxes were the two reasons most said they considered it.

THE NATIONAL GAMBLING
IMPACT STUDY COMMISSION



FINAL REPORT

June 1999



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Thursday, April 29, 1999

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this story](#)

Gambling panel favors new casino moratorium

A commission's 5-4 vote reveals profound divisions between pro-gaming and anti-casino representatives.

By Tony Batt
[Donrey Washington Bureau](#)

WASHINGTON -- A federal commission voted 5-4 Wednesday to recommend a moratorium on new gaming, revealing a deep schism in the panel and prompting some members to openly ponder if a report on their 22-month study of legalized gambling will be completed.

The veneer of cordiality that characterized recent meetings of the National Gambling Impact Study Commission vanished with the vote, the first major tally of its members. Commissioners split along anti-casino and pro-casino lines, an underlying division that had been put aside for most of the study period.

In the vote, three commissioners with ties to Nevada and an Alaskan who customarily defends Indian tribal gambling were outnumbered by the panel's chairman and four others.

Raising his voice and pounding the table, Commissioner John Wilhelm complained the commission had strayed from its mission to examine the economic and social effects of gambling and was on its way to producing a one-sided report.

"We are going to write a report on social impact -- period," Wilhelm fumed. "The commission is trying to hide in the notion that since we can't say with finality what the economic impact of gambling is, therefore let's say, 'Who knows?'"

Wilhelm, president of the Hotel Employees and Restaurant Employees International Union, said the draft reports do not reflect testimony of

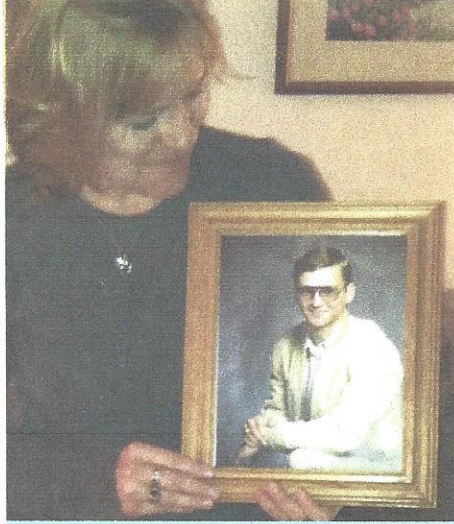
GAMBLING RESEARCH BRIEF

NOT IN OUR BACK YARD!!

The gambling moguls, who fully understand the havoc created by their industry, continue to boast of Las Vegas as a wonderland of close family life, of good jobs, wonderful tourism, excitement and a great life for its' residents. Consider these documented facts about Nevada:

- # 1 in suicides¹**
- # 1 in divorce²**
- # 1 in high school dropouts³**
- # 1 in women killed by men⁴**
- # 1 in gambling addictions⁵**
- # 3 in bankruptcies⁶**
- # 3 in abortions⁷**
- # 4 in rape⁸**
- # 4 in out of wedlock births⁹**
- # 4 in alcohol related deaths¹⁰**
- # 5 in crime¹¹**
- # 6 in prisoners locked up¹²**
- # 50 in voter participation¹³**

(Documentation of sources are on page 2)



Bobby Hafemann

**TRAGEDY SPARKS
NATIONAL DAY
OF ACTION**



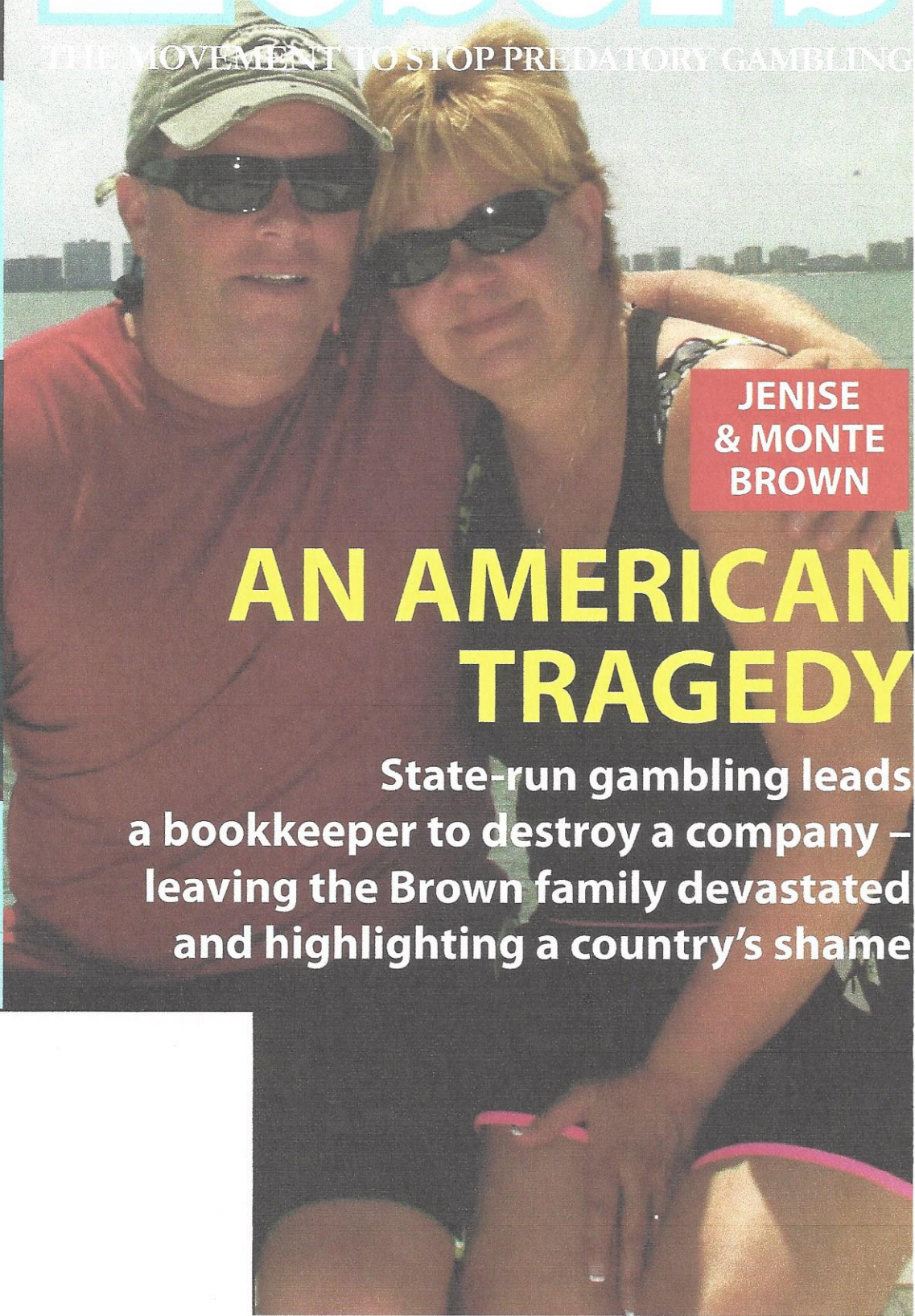
**'WE WILL
BEAT THIS'**

Melynda Litchfield

We, The Losers

JUNE 2015

THE MOVEMENT TO STOP PREDATORY GAMBLING



**JENISE
& MONTE
BROWN**

AN AMERICAN TRAGEDY

State-run gambling leads a bookkeeper to destroy a company – leaving the Brown family devastated and highlighting a country's shame

Teens laying their futures

Addictive habit: Few adolescents are aware that they can become hooked on gambling.

By Charles Walston
STAFF WRITER

In the explosion of gambling in the United States, some of the biggest losers are kids.

As lotteries, casinos, Keno games and other forms of legal wagering spread across the country, studies indicate that 7 million teenagers in the United States gamble regularly. As many as 1 million may have a serious gambling problem.

"Gambling has become an average and expectable activity among adolescents," said Dr. Howard J. Shaffer, director of the division on addictions at Harvard Medical School. About 90 percent of high school seniors have gambled, he said.

Widespread legal gambling is fairly new in Georgia, where the lottery started in 1993, and the first study of teenage betting in the state will not be completed or several months. Despite the lack of scientific data, it is a sure bet that many Georgia teens have a problem with gambling, Shaffer said.

A study completed for the Department of Human Resources last year indicated that 4.4 percent of adults in Georgia have been problem or pathological gamblers at some point in their lives, and 2.3 percent currently have a problem. And in every state where comparative studies have been done, the rate of problem gambling among juveniles has been higher than among adults.

"Kids are at least twice as likely to have problems with gambling," said Durand Jacobs, vice president of the National Council on Problem Gambling and a professor of psychiatry at the University of California School of Medicine in California.

Children are more vulnerable



Illustration by WALTER CUMMING / Staff

than adults, because they don't understand gambling can be addictive, Jacobs said. The American Psychiatric Association has recognized compulsive gambling as an addiction since 1980.

Although children younger than 18 are not legally allowed to play state-sponsored lotteries, they are affected by the millions of dollars in lottery advertising, according to Jacobs and Shaffer.

"It's the first time in more than 100 years that young people are growing up in a context of legalized gambling," said Shaffer.

Atlanta teens say the experts are right: Gambling is common.

"It goes on at every school," said Reggie Barrow, an 18-year-old who graduated from South Atlanta High School last year.

"They start in middle school and stuff."

Dee Dee and Monica Bowden

point of gambling. "The object is to take the other person's money," said Dee Dee, 13.

Bill Sonenshine, acting director of the Georgia Council on Compulsive Gambling, has visited meetings of Gamblers Anonymous and met several teenagers there.

"One boy, a graduating senior in high school, was about ready to go to jail," said Sonenshine. "He gambled himself, and he was making a book for other students."

Like adult gamblers who go over their head, some teenage gamblers turn to crime. Jacobs said his surveys indicate that 10 percent of all teenage gamblers have committed crimes ranging from forgery to prostitution to pay gambling debts.

August Seale, who witnessed a murder, says he was shot in the head by a loser in a video game bet, is the only Atlanta teenager to be killed while gambling. A 19-year-old East Point man, Derico Cunningham, was killed seven years ago during a holdup at a dice game, and two juveniles allegedly killed a man at the Lake Meadows housing project over a \$2 gambling debt.

Yet juvenile judges in Atlanta say they have not seen much evidence of gambling-related crime, and school officials seem unaware of gambling by students.

At South Atlanta High School, students played dice outside the cafeteria during lunch hour, Barrow said. Teachers and administrators at the school "really didn't know," he said.

Shaffer said most adults tend not to view gambling by teenagers in the same light as drug use, but he sees many similarities. For most people, such behavior will never become a serious problem, while others develop a compulsion that can damage or ruin their lives.

"There is no need to assure just because a child gambles that they have a gambling problem," he said. "But I think we should be concerned when children engage in all risk-taking behaviors."

Where to get help

If you know someone with a gambling problem, here are some places to call for help:

- Georgia Gambling Helpline, 800-699-7117
- Gamblers Anonymous, 404-237-7281
- National Council on Problem Gambling, 800-522-4700

live near Bankhead Highway in west Atlanta and sometimes hang out at a store where grown-ups line up to play the lottery.

Dee Dee, who is in high school, and Monica, who is in elementary school, know kids who bet on everything from dice to cards to a coin-matching game called "Get Like Me." Monica said she has even gambled herself.

They already understand the

futures on the line

point of gambling. "The object is to take the other person's money," said Dee Dee, 13.

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Like adult gamblers who get in over their head, some teenage gamblers turn to crime. Jacobs said his surveys indicate that 13 percent of all teenage gamblers have committed crimes ranging from forgery to prostitution to pay gambling debts.

August Seale, who witnesses say was shot in the head by a sore loser in a video game bet, is not the only Atlanta teenager to be killed while gambling. A 19-year-old West Point man, Derico Cunningham, was killed several years ago during a holdup at a dice game, and two juveniles allegedly killed a man at the East Lake Meadows housing project over a \$2 gambling debt.

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"There is no need to assume, just because a child gambles, that they have a gambling problem," he said. "But I think we should be concerned when our children engage in all risk-taking behaviors."

Juveniles who gamble

With lotteries and other forms of legal wagering widely available, studies indicate teenagers bet on everything from dice and cards to video games and sporting events, and as many as 1 million may have serious gambling problems.

Level 1	
Gamble but exhibit no problem	77.9% - 83%
Level 2	
At risk of developing a problem	4.2% - 9.9%
Level 3	
Serious problem or pathological behavior	4.4% - 7.4%

Source: Based on nine studies of 7,700 adolescents in U.S. and Canada by the Division on Addictions at Harvard Medical School.

Problem gamblers

A government study last year indicated that 4.4 percent of Georgia's adults have been problem or pathological gamblers at some point in their lives, and 2.3 percent currently have a problem.

	Non-problem gamblers	Problem or pathological gamblers
Male	44%	63%
Younger than 30	22%	41%
Non-Caucasian	26%	48%
Single	43%	63%
Less than high school education	8%	19%
Income under \$25,000	31%	33%
Began gambling (mean age)	27	20
Bet \$100 or more in a day	19%	40%

Source: Based on survey of 1,550 adults by the Georgia Department of Human Resources.

GSU to study youths' betting habits

There are no hard statistics on teenage gambling in Georgia, but soon there will be.

The Department of Human Resources recently contracted with Georgia State University to survey 1,000 adolescents in the state about their betting habits, according to Judy Byrnes, the DHR specialist in gambling behavior. The report should be completed in a few months.

The DHR did its first gambling study last year, surveying adult betting. That study concluded that "at a minimum, 17,000 Georgia adults are currently experiencing severe problems related to their involvement in gambling."

Every compulsive gambler

costs government agencies and businesses between \$13,000 and \$52,000 a year, according to a 1994 economic analysis by the University of Massachusetts. Based on those figures and the DHR study, compulsive gambling is costing between \$221 million and \$884 million a year in Georgia.

The DHR study also found that problem gamblers were much more likely to be nonwhite, male and younger than 30 than those who gambled without any problems. Also, problem gamblers had started betting at a much earlier age than other gamblers — 20 years, compared with 27.

— Charles Walston

BloombergBusiness

Porn Giant Vivid Wants to Rescue Daily Fantasy Sports

Eben Novy-Williams

novy_williams

February 19, 2016 — 9:00 AM EST



Football fans watch an NFL game at a bar.

Source: Anadolu Agency via Getty Images

-
- ▶ 'Fantasy sports and naked girls have a lot in common.'
 - ▶ DraftDay will provide platform, Vivid will provide an audience

As one of the world's largest adult film companies, Vivid Entertainment has spent 31 years selling sexual imagery for all types and tastes. Now it's focusing on a different kind of fantasy.

Next week, Vivid will debut daily fantasy sports games, in which customers assemble a roster based on actual players and win or lose based on how those athletes perform in real life. Called Vivid Sports 4 Money, the site will be built and operated by DraftDay Gaming Group. The companies will share profits.

This is a natural extension for Vivid, said company co-founder and part-owner Bill Asher. In the early days of the Internet, pornography found a massive new market online -- and attracted the interest of regulators. But Asher and others figured out how to navigate new regulations and keep their millions of

US Gambling Operators Have 90 Days to Comply With New Rules

The Department of Justice will wait 90 days to implement a legal opinion that will affect online gambling.

Jan. 15, 2019



FILE - In this Wednesday, Aug. 2, 2017, file photo, a game of internet slots is under way on a free-play site in Atlantic City, N.J. A legal opinion from the U.S. Department of Justice made public Monday, Jan. 14, 2019, could threaten the viability of online gambling that crosses state lines, such as poker. (AP Photo/Wayne Parry, File)

THE ASSOCIATED PRESS

LAS VEGAS (AP) – THE Department of Justice will w opinion that will affect online gambling.

We are running a quick survey. Would you like to participate?

Start Survey

No Thanks

GAMBLING NEWS (<https://www.gamblingnews.com/>)

ESPORTS (<https://www.gamblingnews.com/news/category/esports/>) DECEMBER 31, 2018


The US Federal Trade Commission to Probe Loot Boxes

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SIMON DELOIT ([HTTPS://WWW.GAMBLINGNEWS.COM/NEWS/AUTHOR/SIMON/](https://www.gamblingnews.com/news/author/simon/))

There has been growing concern over the use of loot boxes in video games (<https://www.gamblingnews.com/news/olympic-future-for-esports-and-caveats/>) for quite a while and the issue has finally gotten the attention of the United States Federal Trade Commission. This comes in the wake of si efforts by several other countries including the United Kingdom and Australia that have been looking into the issue very seriously for the past year o

First used in Japan in the early 2000s, loot boxes were used in video games that added extra functionality that allowed players to earn points to win virtual lives or weapons in rooms or in a treasure box. The name "loot box" was derived from the fact that there were treasure boxes to loot. They we originally considered be extra features in video games but as time went by, the video game companies began to realize how valuable purchases c From then on, the video game manufacturers began to add extra rooms, lives, prizes, equipment, and characters that could be purchased by the p the same time, **the video game and app developers began to make the loot boxes more difficult for the gamers and this is perhaps when the cor started.**

How It All Started

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John W. Kindt is a Professor of Business and Legal Policy at the University of Illinois. After receiving a B.A. in business from the College of William and Mary in 1972, Professor Kindt earned several graduate degrees in law and business, specifically, J.D. 1976, and MBA 1977, from the University of Georgia; LL.M. 1978, and SJD 1981, from the University of Virginia.

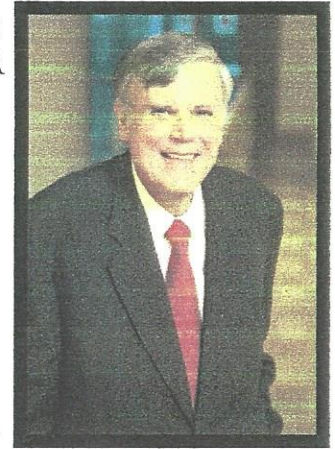


Photo courtesy of the University of Illinois News Bureau.

Professor Kindt's research has resulted in more than 70 academic articles and studies in the areas of antitrust law, commercial law, and environmental law. For 20 years his research has been focused on the societal, business, and economic impacts of decriminalizing gambling activities, particularly gambling's destabilization of international financial institutions and criminal justice systems.

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Table 2. Annual Social Costs per Pathological Gambler

	MD Politzer <i>et al.</i> (1981) (\$)	FL Exec. Office of Gov (1994) (\$)	WI Thompson <i>et al.</i> (1996) (\$)	CT Thompson <i>et al.</i> (1998) (\$)	SD SD Leg. Research Council 1998-1999 (\$)	LA Ryan <i>et al.</i> (1999) (\$)	US Gerstein <i>et al.</i> (1999) (\$)	SC Thompson and Quinn (1999) (\$)	Row averages for studies 1994-1999 (\$)
Crime									
Apprehension and increased police costs			44	71	1000	53		116	257
Adjudication (criminal and civil justice costs)	1788		1234	994	27	649		476	676
Incarceration and supervision costs	2828	15 221	758	889	382	690		451	3065
Business and employment costs	11 265								
Lost productivity on job									
Lost time and unemployment			2717	3436		5936	320	1082	1082
Bankruptcy			515					2156	2913
Suicide								118	316
Illness									
Social service costs							700		700
Therapy/treatment costs			437	114	75	396	30	83	189
Unemployment and other soc. svc. (incl. welfare and food stamps)			606	971	549	60	145	318	442
Government direct regulatory costs									
Family costs									
Divorce, separation								111	111
Abused dollars	14 354		3802	9519	240	3175		2436	3834
									13 586

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& David B. Mustard, *Business Profitability
versus Social Profitability: Evaluation Industries
with Externalities - The Case of Casinos*, 22
MANAGERIAL & DEC. ECON 143 (2002) (John
Wiley & Sons Ltd., Pub.).



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Dear Friend,

The vision and plan I'm sharing with you in the pages that follow has been a long time in the making.

It's the result of the selflessness and the grit of thousands of people in our national network, almost all of whom are volunteers who take action because of what we believe:

- We believe everyone should have a fair opportunity to get ahead and improve their future.
- We believe every person's life has worth and that no one is expendable.
- We believe that a good society depends on the values of honesty, concern for others, mutual trust, self-discipline, sacrifice, and a work ethic that connects effort and reward.
- We believe no agency or entity of government should depend on predatory gambling to fund its activities.

In 2020, we are launching a national campaign with a national strategy that will dramatically change the course of your community and our country: The Campaign for Compassion and Fairness.

My purpose in writing is to present Stage 1 of the campaign and to ask how will you contribute your time, talent, and treasure to help these desperately-needed, long-overdue, social reforms move forward over the next 24 months? Please let me know. My email is les@stoppredatorygambling.org and my phone is (202) 567-6996. Thank you.

Sincerely,

Les Bernal, National Director
Stop Predatory Gambling