

TABLE GAMES: A BAD BET BASED ON FALSE PROMISES

- **This is not a good deal for Jefferson County.** We will need far more money than is being legislated to pay for the impact that casino gambling will have on our community. These costs include increased law enforcement, emergency services, road construction, social services for gambling addiction. The track and the state get the lion's share of the revenue and the citizens get stuck with future taxes to pay the infrastructure bills.
- **Will casinos spread throughout the county?** Almost certainly. In the current bill, casinos have been legislated for Charles Town Races and Slots. Video lottery machines were initially allowed only at racetracks. The machines have since been legalized statewide to other bars and clubs. The Greenbrier bill allows casinos at 'historic resort hotels.' This opens the door for casino proliferation throughout all of West Virginia.
- **Will we become another Atlantic City?** No one can predict the future, but if table gaming comes to Jefferson County, it will bring the kind of unbridled growth our community doesn't want or need. Casino gambling will bring increased traffic congestion, crime, high-rise hotels, and a flood of new workers to fill low-paying hotel and gaming jobs. The casino will take away employees and customers from other local businesses. Look at Atlantic City; behind the glitzy high-rise hotels are slums.

Table games proponents are making some big promises:

"Nearly \$4 million dollars to the schools." Read the fine print. That amount is projected for 2012 and by then if other states like Maryland get slots, the projections will shrink. The funds are restricted to capital improvements, with **NOTHING** for teachers' salaries. There could be NO net gain because the SBA is not legally required to send money for capital improvements if they think Jefferson County has received adequate funds through table games. We were promised school funding in the 1996 video lottery referendum: "A vote for video lottery is a vote for education." That didn't happen..

"500 new jobs." Most of the jobs will be low-paying entry-level jobs such as hotel maids, waitresses, cashiers, and security guards. There aren't enough available local workers to fill these positions, so workers will have to be imported, most likely from other countries. These workers will be unable to afford homes, so we will bear the tax costs of more schools to educate their children. Dealers will in all likelihood be transferred in from other areas. Look what happened at Mountaineer: jobs were promised, but they've had three sets of layoffs of over 300 positions since table games were introduced two years ago.

"Helping the horsemen." Look at what happened at Mountaineer after table games were introduced in 2007: purses have been cut almost a third and track owners are asking to cancel four months of racing. Horsemen get \$14 per hundred from slots, with table games they get 70 cents. West Virginia is the **ONLY** state to differentiate between slots and table game revenue. If takeout rates were the same for table games as for slots, horsemen wouldn't be harmed. The inequitable division of revenue will put most local horsemen out of business and seriously jeopardize local farms and agricultural green spaces.

HIDDEN COSTS OF CASINOS

The evidence shows that gambling causes addiction, bankruptcy, crime, corruption, and all of the social costs associated with those problems, with little pressure on government or industry to do better.

(See www.ncalg.org for references)

Gambling brings addiction.

When gambling appears in a community, it brings a wave of addiction. In a mature gambling market, compulsive gambling typically seizes the lives of 1.5% to 2.5% of the adult population. That amounts to three to five times the number of people suffering from cancer. **“Gambling is an addictive behavior, make no mistake about it...Gambling has all the properties of a psychoactive substance, and again, the reason is that it changes the neurochemistry of the brain.”** The American Psychiatric Association says between 1% and 3% of the U.S. population is addicted to gambling, depending on location and demographics. Youth have even higher addiction rates, between 4 and 8%.

Proximity matters.

Addiction rates double within 50 miles of a casino. Probable pathological gambling in Nevada in 2000 measured 3.5%. Other states ranged from 2.1% in North Dakota in 2000 to 4.9% in Mississippi in 1996. A casino within 10 miles of a home yields a 90% increased risk of its occupants becoming pathological or problem gamblers. Neighborhood disadvantage increases that risk another 69%.

Gambling increases crime.

Desperate to “chase” and recover gambling losses, pathological gamblers often turn to crime. Fraud and embezzlement become common among formerly hard-working and highly trusted people. Violent crimes also increase. Three years after the introduction of casinos in Atlantic City, there was a tripling of total crimes. *Per capita crime there jumped from 50th in the nation to first.* Comparing crime rates for murder, rape, robbery, aggravated assault, burglary and motor vehicle theft reveals Nevada is the most dangerous place to live in the United States.

Gambling doubles bankruptcy.

It takes three to five years for gamblers in a newly opened market to exhaust their resources. When addiction ripens in the market, so do the social costs. The most recent study of all the casino counties in the nation confirmed personal bankruptcy rates are 100% higher in counties with casinos than counties without casinos.

Real costs for everyone.

Gambling costs more than raising taxes, even for those who never gamble! Each compulsive gambler costs the economy between \$14,006 and \$22,077 per year. If 2% become addicted, that's \$280 to \$440 per year paid by every other citizen!

Expect suicides.

A study of addicted gamblers revealed, “Between 20% and 30% of the respondents made actual suicide attempts. No other addictive population has had as high prevalence for attempts.” Nevada has been the highest in the nation for suicides for 10 of the last 12 years.

Trading jobs kills development.

Most casinos attract 80% or more of their market from a 35-50 mile radius. Casinos absorb existing entertainment, restaurant and hotel business, and deplete dollars available to other retail businesses. That destroys other jobs in the trade area and eliminates their sales, employment and property tax contributions.