Five Reasons to Vote NO on Casinos and Slots

(submitted 6/18/2010 by Fred Berman, Somerville, MA fredlori@rcn.com)

- (1) It's economic cannibalism, not economic development.
- (2) If the goal is to create and sustain decent jobs, there are faster, better alternatives.
- (3) <u>Government promotion of casino/slot-machine gambling to solve our economic and employment problems is as</u> <u>unethical and contrary to our stated values as promoting smoking and binge drinking to generate sin tax revenues</u>.
- (4) The notion of setting aside more adequate resources for "treatment" is a cruel hoax.
- (5) <u>Hyped with unrealistic revenue projections and fraught with under-stated or ignored secondary costs, the</u> introduction of casinos/slot machines is a risky gamble with Massachusetts' future, not a solution to the State's <u>Budget or employment problems</u>

(1) It's economic cannibalism, not economic development.

Although industry advocates talk about an untapped market with hundreds of millions of dollars in potential gambling revenues, the truth is that those dollars are currently being spent on other things: on the Lottery, on household and consumer goods, at local restaurants/bars, on movies/shows, etc. <u>The gambling industry only makes money by redirecting that spending to casinos and slot machines -- cutting into Lottery revenues, eroding spending at existing local retail, restaurant, and entertainment businesses, and undermining the ability of those businesses to continue to provide employment and pay taxes.</u>

Legislators have included provisions to replace lost Lottery revenues, but at a much higher cost to Mass. residents. Because the Lottery returns a much higher percentage of gross revenues as Local Aid to cities and towns than would a tax on casino/slot machine revenues, Mass. residents will have to gamble away a lot more money to casinos and slot machines to make up for the lost Lottery revenues.

Proposed legislation contains no such hold-harmless provisions to save the local businesses and jobs that will fall victim to competition with casinos. Without the kind of cost/benefit analysis that accounts for this cannibalization of local economies -- an analysis that industry advocates have understandably resisted -- all we have to go on is the experience of other communities that have watched their traditional local economies fall victim to predatory gambling expansion.

Predicting the impact of re-directed consumer spending isn't rocket science. There are only two potential sources of gambling revenues: in-state residents and out-of-state tourists. Earlier debates about casinos featured talk about attracting gambling tourists. Reality has set in, however, and proponents acknowledge that with "destination casinos" in an increasing number of states, local gambling concerns will have to depend on the patronage of Massachusetts residents for the overwhelming majority of their revenue.

Proponents estimate that Mass. residents spend about \$1.1 billion annually on gambling trips to Foxwoods and Mohegan Sun in Connecticut and Twin Rivers in Rhode Island. The Spectrum Report talks about recapturing half of that, or approximately \$550 million, of which 27% or \$148 million would be paid in State taxes. [www.mass.gov/Ehed/docs/EOHED/MA_Gaming_Analysis_Final.pdf] If that \$148 million were all that proponents were promising, the Legislature wouldn't be seriously considering introducing Class 3 gambling into the State, with all its related problems and costs. Proponents' revenue estimates are much higher, based on assumptions that Massachusetts residents could potentially spend another \$1-2 billion on in-state casino/slot machine gambling, if given the opportunity.

That is \$1-2 billion *in addition to* the \$1.1 billion that is reportedly going to out-of-state gambling concerns, and the \$4.7 billion that Mass. residents annually spend on Lottery products. Of course, like casino/slot machine gambling, Lottery spending -- which averages out to \$720/person/year and upwards of \$1,800 per household per year -- isn't evenly distributed across the population: these averages mean that some households are spending many thousands of dollars a year on scratch tickets, Keno, and out-of-state slots. You can be sure that nobody with a yen for gambling is putting money in their piggy bank waiting for the Legislature to legalize the slots in Mass. <u>If there's an additional \$1-2 billion market for in-state gambling, it's going to come out of Lottery sales, and at the expense of the consumer spending that sustains thousands of existing local businesses and their employees.</u>

And, just in case anyone thinks that the State can harness all that demand and keep all those gambling revenues within our borders, think again. If Massachusetts builds casinos that threaten to lure Granite State gamblers, the New Hampshire Legislature is ready to license competing casinos at Rockingham Park and Seabrook. And as soon as Class 3 gambling becomes legal in Massachusetts, Indian tribes that aren't included in the initial deal-making are free to develop their own tax free establishments. So much for all that market share. Passage of the proposed legislation simply fires the starting gun in a race to the bottom.

We know from national experience that when casinos from one state are competing with casinos in neighboring states, legislators hear calls to reduce the tax rate, to increase the number of slot machines, to loosen restrictions on the service of liquor, to increase hours of operation ... all in the interest of increasing revenues that allow bigger payoffs and better odds. Once we go down the path of legalization in Massachusetts, it's only a matter of time before elected officials hear complaints that our casinos can't compete with casinos in New Hampshire or Connecticut or Rhode Island casinos unless we relax our guidelines and lower the State's "take". So much for the promised revenues.

We've been through this before with other businesses that broke their promises to increase jobs or to stay in Mass. in exchange for tax breaks. Haven't we learned anything about the ephemeral nature of "commitment" and "loyalty" from the arm twisting that happens when sports teams pit cities against one another? The reality is that no matter what kind of promises the gambling industry makes to get us to open the door in Massachusetts, the rules will change once the industry has a foothold here, and there's no going back.

The gambling industry isn't biotech or clean energy, which can capitalize on the State's research and technological advantages to create products that bring in investment and customers from other states or nations. Legalizing and promoting Class 3 gambling merely creates an industry that will suck revenues out of existing local economies and redirect it to sustain a handful of predatory enterprises.

(2) If the goal is to create and sustain decent jobs, there are more efficient mechanisms.

Thousands of out-of-work Massachusetts residents need and deserve jobs as fast as possible. Casinos and slot machine warehouses are not the answer. Even under the most optimistic scenarios, developers wouldn't be ready to put shovels in the ground for 12 to 18 months. The desperately needed construction jobs that casino development could create will disappear after two years. And, as noted above, the jobs operating the casinos come at the expense of jobs lost at existing retail, restaurant, and entertainment businesses. To make matters worse, predatory slot machine gambling is one of the most regressive taxes possible, given the socioeconomics of its customer base.

By comparison, <u>the gas tax increase that died last year (19¢per gallon) would have raised \$500 million to pay for</u> <u>necessary infrastructure repairs and improvements, creating between 10,000 and 13,000 jobs paying \$15-20/hour</u> with benefits. These jobs -- and the thousands of indirect jobs they would spawn -- would begin almost <u>immediately, and wouldn't end in two years like casino construction jobs, but would continue indefinitely to</u> <u>address the ongoing need for maintaining our infrastructure</u>.

The cost to the average Mass. household of the proposed gas tax increase would be between <u>\$8-10/ month</u> -- an amount that someone playing the slots could expect to lose in 10-20 minutes at \$.50-1.00 per play. [www.massbudget.org/documentsearch/findDocument?doc_id=660]

The gas tax died because it is politically easier to rely on gambling addicts to blow their paycheck or exhaust their monthly Social Security than to pass a broad-based tax, where everyone shares the burden. (To make a gas tax more progressive, the State could sacrifice 10-15% of potential revenues and raise the income tax exemption level and/or increase the amount of the Earned Income Tax Credit. In contrast, there is nothing the State can do to turn predatory casino/slot machine gambling into a progressive revenue source.)

How ironic that fiscal conservatives who worry about the State spending beyond its means are lining up to partner with an industry whose business model depends on the success of gaming technology to transfix and addict customers, to get them to keep pushing that "play" button until they've exhausted their credit card limit, until money set aside for retirement, tuition, car payments, rent, or mortgage goes down the toilet that is modern day slot machine gambling. We can do better.

	Casinos	Gas Tax
Shovels in the ground	12-18 months	Immediate
Number and duration of construction	10-15,000 construction jobs plus	10-13,000 construction jobs plus ripple
and secondary jobs	ripple effect jobs lasting 2-3 years.	effect jobs lasting indefinitely.
Cost of new infrastructure to administer	Millions of dollars	None
Costs resulting from increased crime,	Millions of dollars	None
criminal prosecution, incarceration,		
alcohol and drug addiction, family		
violence, suicide, bankruptcy, etc.		
Long-term economic impact	Ongoing operation of casinos	Sustained construction and ripple effect
	cannibalizes existing retail,	jobs; sustained increase in income tax
	restaurants, theaters, entertainment	revenues; repaired and modernized roads,
	businesses. Minimal net economic	bridges, tunnels, and dams enhance Mass.
	development.	business climate.

(3) Government promotion of casino/slot-machine gambling to solve our economic and employment problems is as unethical and contrary to Mass. values as promoting smoking and binge drinking to increase sin tax revenues.

Even the legislators who are backing expanded legalized gambling acknowledge that it's a path they wish the State didn't have to go down. "We wouldn't be considering this if the State weren't in such desperate need of jobs," they say. (To be clear, whether the discussion is about "destination casinos" or installing slot machines at race tracks, we're still talking about the legalization and promotion of predatory slot machine gambling. Casinos are merely well-dressed slot machine warehouses. Slot machines typically provide about 80% of the income in casinos. And problem gamblers provide 70-90% of the revenue generated by slot machines.)

Like nicotine-laced cigarettes, today's generation of slot machines are designed to addict the user. "Every feature of a slot machine — its mathematical structure, visual graphics, sound dynamics, seating and screen ergonomics — is calibrated to increase a gambler's "time on device" and to encourage "play to extinction," which is industry jargon for playing until all your money is gone. The machines have evolved from handles and reels to buttons and screens, from coins to credit cards, from a few games a minute to hundreds. Inside, complicated algorithms perform a high-tech version of "loading the dice" — deceptions no self-respecting casino would ever allow in table gambling. The machines are designed to exploit aspects of human psychology, and they do it well. In the eyes of the gaming industry, this may look like success, but it comes at great expense for gamblers." – Dr. Natasha Dow Schüll, MIT Assistant Professor and author of "Addiction by Design". (quoted in www.uss-mass.org/the_truth_about_slot_machines.html)

Industry advocates try to minimize the relevance of concerns about problem gambling by citing prevalence rates of between 2 and 4% in the <u>overall adult population</u>; the prevalence of problem gambling is, of course, <u>much higher</u> <u>among actual gamblers</u>. Focusing on the prevalence of problem gambling within the overall adult population, instead of the prevalence within the projected customer base is as misleading as calculating motorcycle accident or death rates as a percentage of the total population, instead of as a percentage of the 2% of the population that own a motorcycle. The 10% of slot machine gamblers who generate 70-90% of the slot machine wagers are exactly the population that the gambling industry is targeting, and <u>to the extent that Massachusetts exploits their addiction to bolster our tax</u> <u>revenues, we are all complicit in their ruin, and in the pain and suffering their addiction cause to others</u>.

The 1999 National Gambling Impact Study estimated that "of the 125 million Americans who gamble at least once a year [about 60% the adult population], approximately 7.5 million [6%] have some form of gambling problem, and another 15 million [12%] are "at risk" of developing a gambling problem.... Other addictive behaviors are generally found with problem gambling and may be a contributing factor, but unlike alcohol or drug abuse, gambling addiction produces no telltale physical symptoms such as slurred speech or stumbling. Perhaps the only sign is a stream of vanishing money—frequently unnoticed until it is too late." "As losses pile up, the gambler becomes preoccupied with gambling and makes larger and more frequent bets, "chasing" losses in the hopes of breaking even. At this point, the gambler will 'max out' credit cards, cash in insurance policies, pawn or sell personal property, and dip into retirement or investment accounts.... Lies, loan fraud, absenteeism, family disputes, and job changes are frequent danger signs.... Some problem gamblers will seek professional help at this stage, but many proceed to the next stage before getting help. At the *desperation* stage, the gamblers experience health problems such as panic or insomnia as debts pile up and relationships deteriorate. Having exhausted their financial resources, some gamblers turn to crime.... Others simply run

away from their family and debts, or attempt suicide." ["Gambling" by Meloney Crawford Chadwick in GP Solo, a publication of the American Bar Association <u>www.abanet.org/genpractice/magazine/2004/oct-nov/gambling.html</u>)

Without these problem gamblers, the casinos/slot machine warehouses authorized by the proposed legislation don't make money, and can't generate the jobs or taxes that gambling advocates have promised. In other words, **proponents are asking the Legislature for the go-ahead to exploit the already-addicted 6% of gamblers, and to hook as many of the 12% of at-risk gamblers as they can**. Today's technologically sophisticated slot machines -- designed to encourage and exploit addictive behavior -- are perfectly suited to the task. The question legislators have to answer for themselves, then, is **whether the wellbeing of 6-18% of slot machine customers targeted for exploitation -- and the wellbeing of their families, employers, and communities -- is an acceptable tradeoff for the anticipated jobs and revenues**.

What health department would promote flu shots if they caused 6-18% of vaccinated people to develop chronic health problems? What kind of parent would purchase a toy that was known to injure 6-18% of the children who play with it? How long would a restaurant last if 6-18% of its patrons predictably required hospitalization after eating there? Why are legislators so willing to legalize a product that will addict and contribute to the financial ruin of 6,000 to 18,000 of every 100,000 users? Particularly, when there are other alternatives that create as many jobs faster, and without the concomitant social and economic costs.

Some advocates of expanded gambling make the libertarian argument that people have the right to spend their money as they see fit. There is a huge distinction, however, between a person's <u>right</u> to gamble and the government's decision to enter into a public/private partnership to <u>promote</u> predatory slot machine gambling despite the predictable consequences to gamblers, their families, impacted communities, and cannibalized businesses and their employees. In the same way that states protect the public interest by setting limits on how fast we can drive, on the sale of tobacco and alcohol to minors, and on the interest rates that lenders can charge, current laws prohibiting Class 3 gambling protect the 6-18% of the public that is vulnerable to self-destructive gambling from exploitation by an industry that has mastered the art and science of hooking and exploiting addicts. Legislators considering overturning that legislative prohibition have good reason for hesitating before allowing and promoting predatory gambling technology with such destructive potential.

Although Massachusetts is facing desperate financial conditions, with unemployment at disastrous levels, casinos and slot machines are not the answer... any more so than partnering with check-cashing businesses to exploit the poor, or with tobacco companies to promote highly addictive nicotine-laced cigarettes, or with alcoholic beverage distributors to encourage binge drinking in order to boost tax revenues. With the right packaging, even the most noxious product can be made to look reasonable. It's a strategy the tobacco industry exploited for years. Slot machines are a more elegantly packaged poison, but are no less harmful to our public health or economic wellbeing.

(4) The notion of setting aside more adequate resources for "treatment" is a cruel hoax.

Proponents of expanded gambling have argued that the risks can be mitigated by making treatment more available to those who need it. The sobering reality is that they're wrong. Testimony from Dr. William Bennett, a Somerville psychiatrist whose patient base includes problem gamblers, paints a bleak picture of treatment alternatives.

First of all, treatment only works for those who seek it. All too often, before pathological gamblers acknowledge the need for treatment, they have done irreversible damage to themselves, their families, and their employers. Treatment doesn't put back the home, the marriage, or the job.

Once an addict finally does seek treatment, available options are few and largely ineffective:

- "No medication has been shown to inhibit gambling addiction."
- Although "there are some data to support the effectiveness of cognitive/behavioral therapy (CBT) for pathological gambling..., CBT is an expensive and barely available modality that requires high motivation on the part of the client." As with other addictions, the tendency to deny the problem is strong, and the motivation to seek and maintain treatment is unreliable and often hard to sustain.
- "[There is] no evidence of direct [financial or insurance] support for any treatment modality. There are scattered clinics offering gambling treatment, which must be compensated by insurance."
- "Gambling addiction, under current law, is not regarded as a 'biological' condition triggering the parity provisions for mental health coverage." That is, obligations to cover other mental health services do not compel insurers to cover treatment for gambling addiction.

• "Over the entire Commonwealth of Massachusetts ... in any given week there are only 46 [12-step Gamblers Anonymous] meetings (six-and-a-half per day) which take place in 36 [scattered] cities and towns... For this kind of treatment to be effective, the addict needs to be able to go to a meeting every day or nearly so...."

In other words, available treatment is largely ineffectual, difficult to access, and, because of the nature of the addiction, is typically sought only after the damage has been done.

State Legislators who think that pumping additional resources into a fundamentally inadequate treatment system justifies the introduction and promotion of an industry whose profits depend on the addiction and exploitation of its customers should consider the lesson of the Gulf Coast oil spill. Offshore drilling permits were issued despite the fact, as recently acknowledged by the CEO of Exxon, that none of the participating oil companies were prepared to handle the consequences of the kind of accident that has ruined thousands of lives and livelihoods in the Gulf of Mexico.

If we don't have the resources or technology to mitigate the harm to problem gamblers, their families, and their communities, and if we are prepared to intervene only after the damage has been done to their lives, what business do we have unleashing an industry that is dependent on compulsive gambling for its profits?

(5) Hyped with unrealistic revenue projections and fraught with under-stated or ignored secondary costs, the introduction of casinos/slot machines is a risky gamble with Massachusetts' future, not a solution to the State's Budget or employment problems.

Despite the promises of the industry and the fervent hopes of legislators, Class 3 gambling has failed to solve the budgetary problems of other states into which it has been invited:

- Casinos and slot machine gambling haven't helped California (\$19.1 billion 22.6% deficit) or Connecticut (\$5.1 billion 29.2% deficit) or Delaware (\$377 million 11.7% deficit) or Illinois (\$13.5 billion 36.1% deficit) or Nevada (\$1.8 billion 56.6% deficit) or Pennsylvania (\$4.1 billion 16.3% deficit) or Rhode Island (\$395 million 13.2% deficit) avoid historic deficits. [www.cbpp.org/cms/?fa=view&id=711]
- Casinos and slot machine gambling haven't helped New Jersey avoid a \$10.9 billion deficit or the loss of 121,000 private sector jobs (and they certainly haven't been kind to Atlantic City).
 [www.realclearpolitics.com/articles/2010/05/26/the_reform_agenda_changing_course_in_new_jersey_105729.html]
- Despite revenues from casinos and slot machine gambling, California (10.5%), Connecticut (11.1%), New Jersey (11.8%), Rhode Island (10.2%) and Pennsylvania (10.2%) all have higher tax burdens than Massachusetts (9.5%). [p. 32 "State-Local Tax Burdens 2008" in <u>www.taxfoundation.org/taxdata/show/336.html</u>].

Not surprisingly industry proponents aren't ready to let their poor track record get in the way of promises about prosperity. Unfortunately, leading legislative advocates seem to have forgotten the old adage about promises that are too good to be true.

I've already mentioned that projected gambling revenues are primarily redirected spending, rather than representing an infusion of new spending in Massachusetts -- that casino and slot machine revenues would come at the expense of existing spending on the Lottery and on consumer and household goods, spending at bars and restaurants and on entertainment. And I've already noted that alluring revenue projections ignore the fact that market share will be quickly undercut by the development of competing gambling establishments by Indian tribes and neighboring states.

At the same time that industry proponents exaggerate the potential benefits, they dismiss or ignore the real and significant costs of legalizing Class 3 gambling. In California, the Attorney General said problem and pathological gamblers cost the state \$1 billion per year. In Indiana, an exhaustive review showed the costs at \$2,500 per problem gambler per year. In Massachusetts, assuming that 4% of the adult population has or develops gambling problems, that would mean well over \$500 million in costs every year.

There's the cost of creating and sustaining a new regulatory infrastructure. The cost of increased crime and the associated increases in police, court, and prison costs. The cost of increased alcohol and drug addiction. The cost of increased rates of bankruptcy and default. The cost of increased rates of domestic violence. The cost of family turmoil as money set aside for rent or mortgage or car payments, for child care or higher education, for food or clothing or prescription drugs -- for whatever else the household needs or wants -- is spent instead by the addicted householder on "gaming." No other industry that we could bring to Massachusetts would engender all these additional costs or

put such a hit on Lottery revenues. (As previously noted, shifting spending from the Lottery to casinos/slots has a disproportionate impact on Local Aid, because the Lottery returns a much higher percentage of gross revenues to cities and towns than would a tax on casino/slot machine revenues. Mass. residents would have to lose a lot more money to casinos/slots to make up the lost Lottery revenues.)

Proponents argue that we're already paying some of the social and economic costs, on behalf of the Mass. residents who do their compulsive gambling in out-of-State venues. As long as we're paying the price, they argue, we might as well benefit from that gambling. By that unsavory logic, if New Hampshire or the Wampanoag Tribe started selling cigarettes or alcohol to 16-year-olds, Massachusetts would be justified in lowering the minimum age for purchasing tobacco and alcohol. After all, the argument might go, if State resources have to pay for the consequences of their smoking and drinking, we might as well capture their spending and tax dollars. Never mind the fact that loosening sales restrictions would make it easier for more 16-year-olds to start smoking and drinking.

As previously noted, studies conservatively estimate that 6% of gamblers are already addicted and another 12% are prone to addiction. Researchers have noted, however, that the incidence of pathological gambling is probably higher than any study based on self-reporting can measure, because denial of the problem is part of the disease. In a study of <u>casino patrons</u> cited by the 1999 National Gambling Impact Study (NGIS) Commission Report, 13% of subjects self-reported attitudes and behaviors evidencing "problem" or "pathological" gambling, and another 18% self-reported behaviors indicating that they were "at risk" of developing severe gambling problems. [http://govinfo.library.unt.edu/ngisc/reports/4.pdf]

What is clear, is that <u>the more convenient the opportunity to gamble, the more likely that at-risk gamblers are to</u> <u>slide into addiction</u>. The 1999 NGIS Commission estimated that <u>prevalence rates of problem gambling double</u> when access to gambling becomes more convenient. That people smoke or drink or engage in other addictive behaviors when it becomes more convenient should come as no surprise: it's why communities limit the number of liquor licenses, restrict the placement of cigarette vending machines, etc. It's why we hold bars and bartenders liable for serving alcohol to patrons who are already intoxicated.

Unfortunately, in the interest of maximizing "easy money", the Legislature is on the verge of endorsing a business model that promotes addiction and that depends on addicted "players" for the majority of its revenues. The last thing gambling industry representatives -- and their allies on Beacon Hill -- want to see are well-intentioned legislative requirements to interrupt the play of gamblers while they are "in a zone", to limit daily losses, to restrict the gambling of known addicts, to put limits on the serving of alcohol, or other provisions that might erode the success of slot machines in getting addicted patrons to "play to extinction" (i.e., exhaust their resources). [http://web.mit.edu/newsoffice/2009/vegas-tt0520.html]

As noted above, approx. 80% of casino revenues come from slot machines, and approx. 70-90% of slot machine revenue comes from 10% of the players. Despite all the opportunities to offer counter-arguments, industry advocates have never disputed the charge that slot machines are engineered for addiction and designed to keep customers gambling until their resources are depleted. As Dr. Natasha Dow Schull, MIT assistant professor and author of "Addiction by Design" has testified and written, today's generation of slot machines maximize "time-on-device" and minimize the need for disruptions (e.g., by replacing the use of coins and pull levers with credit and push buttons), speed up play to allow in excess of 900 games per hour, combine mesmerizing displays and sound effects, and employ algorithms that sustain the illusion that "winning" is possible, all the while depleting the player's resources. When gamblers are in their "zone", the play becomes even more important than periodic small payouts (which disrupt the rhythm of the interaction). [http://scripts.mit.edu/~schull/nds/wp-content/uploads/2008/05/digitalpdf.pdf

The last thing on an addicted gambler's mind is whether they can afford to lose any more money.

Perhaps because the consequences of excessive drinking are more immediately visible and more demonstrably dangerous, public pressure has forced elected officials to make bars and bartenders accountable for serving patrons who are already past their limits. There are no such norms in the world of gambling; and as long as the personal and economic consequences of self-destructive gambling are treated as externalities that taxpayers must shoulder, the gambling industry will have no reason to change its business model, which depends upon increasingly sophisticated technologies to addict and exploit their customer base.

In his 2005 book <u>Gambling in America: Costs and Benefits</u>, Baylor Professor of Economics Earl Grinols (a senior economist in the Reagan Administration, and no "flaming liberal") estimated that taxpayers spend \$3 on associated costs for every \$1 in revenues from casino gambling. The aforementioned1999 National Gambling Impact Study estimated that the 7.5 million problem gamblers cost society approximately \$5 billion per year and an additional \$40 billion in lifetime costs for productivity reductions, social services, and creditor losses. Add ten years of inflation and we're talking about \$6.5 billion per year plus an additional \$53 billion in lifetime costs. Double or triple that to factor in the costs generated by the up to 15 million other gamblers predisposed to addiction, but not quite there yet (a prime target of the gambling industry and its predatory slot machines). Add to those calculations the cost of creating an infrastructure to regulate and monitor the gambling industry, the cost of investigating, prosecuting, adjudicating, and incarcerating the perpetrators of gambling-related crimes (which typically include passing bad checks, credit card fraud, extortion, robbery, and worse.)

Massachusetts has been able to duck some of these national costs by prohibiting Class 3 gambling here. In a 2006 letter opposing licensing slot machines, the Mass. Public Health Association argued for a continued ban on predatory slot machines, citing "increased costs for taxpayers, insurers, health providers, and the Commonwealth due to acute medical care, mental health services, substance abuse services, unemployment insurance, child protective services, domestic abuse services, public safety, and correctional system costs" that are associated with compulsive gambling.

Massachusetts spends millions of dollars to discourage smoking and substance abuse. Despite the potential for higher tax revenues and more jobs, no legislator would agree to put cigarette vending machines in our schools or to dramatically expand the number of liquor licenses ... because we know the individual and societal costs of those addictions.

Without the supporting evidence of a comprehensive analysis of the short- and long-term benefits and costs of legalizing Class 3 gambling -- statewide and in the regions where venues are sited -- the proposed legislation represents an irresponsible crap shoot with Massachusetts' future, posing predictable risks and hardships to thousands of residents and their families, to hundreds of impacted businesses and their thousands of employees, and to the cities and towns that must cope with those impacts.

And unlike defective cars which can be recalled for repair, <u>once we unleash the gambling industry and legalize</u> <u>predatory slot machines, there is no turning back</u>. Like a virus or invasive species, once the gambling industry gains a foothold in new territory, once its lobbyists and corporate contributions become marbled in the culture of the State House, we can't wipe the slate clean and start afresh.

Let's not go down that path.