

## TEXANS SAY NO TO STATE-SANCTIONED, PREDATORY GAMBLING

### 1. What is the status of state-sanctioned, predatory gambling in the TX 88th legislature?

Texas has been very successful without state-sanctioned, predatory gambling.

200+ gambling lobbyists are currently working to turn Texas into a Class III gambling state through a ballot measure this Session that would amend the constitution, to the opposition of the majority of Texans.<sup>1</sup>

### 2. “Let the People Vote” is a dishonest slogan because big money is involved.<sup>2</sup>

In Colorado, gambling interests outspent opponents 1,734 to 1. Citizens are being outspent in many other states as well.<sup>3 4</sup>

Gambling interest groups recently spent almost \$50 million in Ohio and \$40 million+ in Maryland to pass pro-casino bills.<sup>5 6</sup>

### 3. What is Class III gaming?

Any expansion of gambling will be met with legitimate risks triggered by the Federal Indian Gaming Regulatory Act.<sup>7 8</sup> For example, Indian tribes could negotiate a compact with the Governor, expanding casinos on hundreds of nautical miles across the state. Texas would be at risk of losing the ability to govern gaming, and any unsuccessful negotiations would lead to a cause of legal action against Texas.<sup>9</sup>

### 4. But isn't gambling a matter of personal liberty?

The freedom to gamble already exists and is not in jeopardy, such as in office pools for the Super Bowl, NCAA March Madness brackets, Friday night poker games, or casual wagers on the golf course.

Economic freedom is at stake. Government should not encourage or enable residents to gamble on state lotteries, regional casinos, or any other form of gambling where people are statistically guaranteed to be fleeced.<sup>10</sup> Two-thirds of the Texas public rarely gamble yet are forced to foot the bill for the lower standard of living and budget deficits that state-sanctioned gambling leaves behind. Even those who don't play will pay.<sup>11</sup>

The predatory gambling something-for-nothing business model is dependent on addicted or heavily indebted citizens and leaves all the taxpayers paying for the consequences of indebtedness, crime, family break-up, and budget deficits.<sup>12</sup> This is not wise or just management of taxpayer resources.<sup>13</sup>

### 5. If people are going to gamble, wouldn't we want the money to stay in our state?

Casinos leave far more gambling addicts than jobs and create unfairness for other businesses.<sup>14</sup> Gambling interests partnering with state governments have turned a nation of small savers into a nation of indebted habitual bettors.<sup>15</sup>

They lure voters with the premise of “freedom to decide,” “destination resorts,” and “new business.” Jobs are only temporarily created, then casinos and statehouses prey upon the elderly and the poor, creating a chain effect of poor economic realities.<sup>16</sup>

*Texas has a flourishing economy with a current surplus of \$32 billion dollars because a healthy economy comes from saving more, reducing our debt, strengthening our families, inventing more products, and services to export—NOT allowing the state to be a bookie for the gambling interests who rig the winnings and do not create wealth.*

## 6. What is the economic impact of state-sanctioned gambling?

American consumers experience over \$100 billion/year in gambling losses. The American people are on course to lose more than \$1 trillion of their personal wealth to predatory gambling over the next eight years.<sup>17</sup>

For every \$1 in new gambling revenue, the costs to taxpayers, DHS agencies, and governments is at least \$3-\$5 in gambling-related criminal justice and healthcare spending, job loss, bankruptcy, and other consequences. State-sanctioned predatory gambling creates no new product. Rather, it preys on the poor. It does not create new wealth. Nor does it build strong families, generational wealth, and strong communities.<sup>18</sup>

## 7. Did the Texas Lottery pay for Public Schools like we were promised?

Annual proceeds from the Texas Lottery pay about three days of the state's yearly primary and secondary education costs, although advocates convinced voters that education costs in Texas would be significantly funded.<sup>19</sup>

## 8. What's so harmful about in-person or online state-sanctioned gambling?

As many as 10 million Americans live with a gambling addiction, and it is estimated another 2-3% more are developing early signs of gambling addiction.<sup>20</sup>

Together, pathological and problem gambling may affect up to 5% of Americans. That number may rise due to many states creating more options for legal gambling, and internet gambling is becoming more common.<sup>21</sup>

Gambling is recognized as an addiction on the same level as heroin, cocaine, and opioids in the APA DSM-5.<sup>22</sup>

1 in 5 problem gamblers attempt suicide.<sup>23 24</sup> Also, physical health problems are related such as insomnia, stress-related conditions like heart disease, diabetes, peptic ulcer disease, depression, and increased anxiety.<sup>25</sup>

Gambling is creating over \$100 billion per year in losses and generational debt.

Gambling results in family conflicts, verbal, and physical arguments, and increased domestic violence.<sup>26</sup> Online gambling is addictive, through which individuals often gamble uninterrupted and undetected for hours at a time in isolation, using credit.<sup>27</sup>

Youth rates of being at-risk for problem gambling are 2 to 3 times higher than adult rates.<sup>28</sup> 75% of college students gambled during the past year; the number of college students who suffer from gambling addiction has increased by nearly 50% in the last decade due to online gambling.<sup>29 30</sup>

Sports betting has a damaging and corrupt effect on sports and encourages a culture of young people to think of competition in terms of bets and odds.

Crime increases greatly with state sanctioned, predatory gambling.<sup>31</sup>

State-sanctioned gambling is exempt from truth-in-advertising laws enforced by the Federal Trade Commission, enjoying much latitude in advertisement, exaggerating chances of winning and aggressively luring citizens.<sup>32</sup>

Gambling violates many biblical principles; it further burdens those already in financial difficulty resulting in serious consequences for families.<sup>33 34</sup>

**ACTION ITEM:** Please contact Governor Abbott, Lt. Governor Patrick, Speaker Phelan, and your Texas Senator and House Representative and let them know you do not want Texas to become a state-sanctioned predatory gambling state.

You can find out who represents you and their contact information at <https://wrm.capitol.texas.gov/home> .

## Footnotes

<sup>1</sup> Adam Bennett, Cory McCord, Texas could expand legalized gambling in 2023, KHOU, January 12, 2023, <https://www.khou.com/article/news/politics/legalizing-gambling-texas/285-06fe0470-8af8-448f-8e0b-e78b2a6d8927>

<sup>2</sup> Stop Predatory Gambling, A Briefing on Casinos for Georgia Leaders, 2017, <https://gabaptist.egnyte.com/dl/RtnV5yEn9T/2017-Stop-Predatory-Gambling-Georgia-Brief-on-Casinos-FINAL.pdf>

<sup>3</sup> Ibid.

<sup>4</sup> Anne Bauer, Never a Sure Bet, National Institute on Money in State Politics, October 28, 2009, <http://stoppredatorygambling.org/wp-content/uploads/2012/12/Never-A-Sure-Bet-Report-from-National-Institute-on-Money-in-State-Politics.pdf>

<sup>5</sup> Ballotpedia, Ohio Casino Approval referendum, Question 3, 2009, [https://ballotpedia.org/Ohio\\_Casino\\_Approval\\_and\\_Tax\\_Distribution,\\_Amendment\\_3\\_\(2009\)](https://ballotpedia.org/Ohio_Casino_Approval_and_Tax_Distribution,_Amendment_3_(2009))

<sup>6</sup> J. Freedom du Lac and John Wagner, The Washington Post, MGM gets the deal for Maryland's sixth casino, December 20, 2013, [https://www.washingtonpost.com/local/mgm-gets-the-nod-to-build-marylands-sixth-casino-at-national-harbor-in-prince-georges/2013/12/20/059e7276-693e-11e3-a0b9-249bbb34602c\\_story.html?utm\\_term=.87301d4b47cb](https://www.washingtonpost.com/local/mgm-gets-the-nod-to-build-marylands-sixth-casino-at-national-harbor-in-prince-georges/2013/12/20/059e7276-693e-11e3-a0b9-249bbb34602c_story.html?utm_term=.87301d4b47cb)

<sup>7</sup> Code of Federal Regulations, Title 25, January 12, 2023, <https://www.ecfr.gov/current/title-25/chapter-III/subchapter-A/part-502/section-502.4>

<sup>8</sup> Cornell Law School, 25 U.S. Code § 2710 - Tribal Gaming Ordinances, <https://www.law.cornell.edu/uscode/text/25/2710>

<sup>9</sup> Snell and Wilmer, Ninth Circuit Holds California Negotiated State-Tribal Gaming Compacts in Bad Faith, August 18, 2022, <https://www.swlaw.com/publications/legal-alerts/ninth-circuit-holds-california-negotiated-state-tribal-gaming-compacts-in-bad-faith>

<sup>10</sup> Stop Predatory Gambling, The Spectacular Failure of Government-Sanctioned Gambling, <https://www.stoppredatorygambling.org/tag/the-spectacular-failure-of-government-sanctioned-gambling/>

<sup>11</sup> Stop Predatory Gambling, Frequently Asked Questions, <https://www.stoppredatorygambling.org/frequently-asked-questions/>

<sup>12</sup> Stop Predatory Gambling, What is Predatory Gambling? <https://www.stoppredatorygambling.org/what-is-predatory-gambling/>

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Arkansas Faith & Ethics Council, Predatory Gambling Lies, <https://arfaith.org/predatory-gambling-lies/>

<sup>16</sup> Michael Brendan Dougherty, Do you want to increase crime, poverty, and addiction in your area? Build a casino, January 10, 2015, <https://theweek.com/articles/444009/want-increase-crime-poverty-addiction-area-build-casino>

<sup>17</sup> Stop Predatory Gambling, The American people are on course to lose \$1 trillion over the next 8 years, <https://www.stoppredatorygambling.org/the-american-people-on-a-collision-course-to-lose-more-than-1-trillion-over-the-next-eight-years-testimony-of-les-bernal-before-congress/>

<sup>18</sup> John Kindt, Economic, Business, and Legal Studies at Emory, Mercer, U.Ga. & U.S. Universities Conclude: Georgia Casinos & Online Gambling Would Increase Gambler's ABCS-Addictions, Bankruptcies, Crime, Sex-Trafficking & Suicides, <https://gabaptist.egnyte.com/dl/YGzUY5Z5sp>

<sup>19</sup> Dallas Business Journal reported that 1.4 billion was used from the Texas lottery to go to the state education fund in 2018, and according to the Texas Education Agency, funding the state's public school system cost Texans almost 21 billion dollars that year. The lottery would have made up 7%. However, Texas Tribune reported that in 2018, 52.3 billion in state and local money went to our public education system. In this case, 1.4 billion from the Texas lottery would make up 2.67% of education funding., <https://www.bizjournals.com/dallas/news/2019/02/01/does-the-texas-lottery-still-support-education.html> , <https://www.texastribune.org/2019/02/15/texas-school-funding-how-it-works/>

<sup>20</sup> Denise-Marie Griswold, LCAS, Gambling Addiction Facts and Statistics, The Recovery Village, May 02, 2022, <https://www.therecoveryvillage.com/process-addiction/compulsive-gambling/gambling-statistics/>

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- <sup>27</sup> Federal Trade Commission, FTC Warns Consumers about Online Gambling and Children, June 26, 2002, <https://www.ftc.gov/news-events/news/press-releases/2002/06/ftc-warns-consumers-about-online-gambling-children>
- <sup>28</sup> National Council on Problem Gambling, College Gambling Facts and Statistics, <https://www.ncpgambling.org/files/NPGAWcollegefactsheet.pdf> and National Council on Problem Gambling, High School Gambling Factsheet, [https://www.ncpgambling.org/files/HS\\_Fact\\_Sheet.pdf](https://www.ncpgambling.org/files/HS_Fact_Sheet.pdf)
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- <sup>30</sup> National Center for Responsible Gaming, Gambling on College Campuses, [https://www.icrg.org/sites/default/files/oec/pdfs/nrcg\\_fact\\_sheet\\_gambling\\_college\\_campuses.pdf](https://www.icrg.org/sites/default/files/oec/pdfs/nrcg_fact_sheet_gambling_college_campuses.pdf)
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