



Southern New England Conference

United Church of Christ

Living the Love & Justice of Jesus

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Framingham Office - 1 Badger Road, Framingham, MA 01702

**Testimony in Support to H.B. 5167: An Act Concerning Studies of the Effects of Legalized Gambling
and;**

**Testimony in Opposition to S.B. 21 An Act Authorizing Sports Wagering, Internet Gaming, A Casino
Gaming Facility in Bridgeport, Entertainment Zone Facilities, Internet Lottery and Internet Keno
and;**

**Testimony in Opposition to S.B.212 An Act Authorizing a Casino Gaming Facility in Bridgeport, Sports
Wagering, Entertainment Zones, Online Gaming, Online Ticket Sales and Online Keno
and;**

**Testimony in Opposition to H.B. 5168 An Act Authorizing Sports Wagering in the State
and;**

**Testimony in Opposition to H.B. 5189 An Act Concerning Online Lottery Games in the State
and;**

Testimony in Opposition to H.B. 5190 An Act Establishing a Commission on Gaming

**Submitted by, Michele Mudrick, Legislative Advocate
Southern New England Conference United Church of Christ and Executive Director of The
Coalition Against Casino Expansion in Connecticut (CACE)
March 3, 2020**

Representative Verrengia, Senator Bradley and distinguished Members of the Public Safety and Security Committee,

I am Michele Mudrick, Legislative Advocate for the Southern New England Conference United Church of Christ and Director of the Coalition Against Casino Expansion in Connecticut (CACE).

The Coalition against Casino Expansion in Connecticut (CACE) is a group of 14 faith communities and organizations representing over a million people in Connecticut. Our Coalition spans a broad range of progressive and conservative viewpoints. We have joined together in a non partisan alliance to urge that no new casinos be built in our state and that there be no further expanded gambling in Connecticut.

I am also writing as a mother and on behalf of the 614 congregations and more than 120,000 people in our state's churches. In fact, the United Church of Christ (UCC) is the largest Protestant denomination in Connecticut. Nationally, the UCC has more than 5,700 congregations with nearly 1 million members. In 1974, 1977, 1979 and again in 1994, the assembled delegates and ministers of the Connecticut Conference of the United Church of Christ met and voted on Resolutions which call upon the Connecticut Conference to oppose expanded gambling.

According to the Economist, February 9, 2017, Connecticut citizens have lost more than \$25 billion of personal wealth to commercialized gambling such as casinos (excluding losses on table games), the Connecticut lottery and off track betting in the last twenty-five years.¹ Commercialized gambling is one of the biggest most-neglected problems today in Connecticut. Almost one out of three Connecticut Citizens have \$0 in savings. Almost 50% have less than

¹ Les Bernal, Stop Predatory Gaming



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\$1,000 in savings and one reason why is the amount of commercialized gambling the state is pushing onto citizens.

Source: <https://www.gobankingrates.com/saving-money/budgeting/how-much-savings-americans-have-every-state/#8>.

The bills before us today will produce a massive expansion of gambling in Connecticut and it will have a massive impact on people's lives with greater and greater financial losses for Connecticut citizens. Les Bernal, National Director of Stop Predatory Gambling states, "No single policy reform would create more financial peace for low-to-middle-income citizens than reversing the current scheme of turning millions of people who are small earners, who could be small savers, into habitual bettors".

Commercialized gambling is very different than other businesses. If you pay for a meal, or a movie ticket, that is what you will get in return. In commercialized gambling what you receive is the lure you are going to win money, but this financial exchange is mathematically rigged against you, so you lose your money.

MIT Professor, Natasha Schull, author of *Addiction by Design*, reported in one study of casual gamblers, 75% of casino visitors were casual gamblers but they made up 4% of gambling revenues.² The author of the study said, "If responsible gambling were successful, then the industry would probably shut down for lack of income."³

That's why "responsible gambling" is nothing more than a slogan to give the appearance that citizens are not in danger. The profit model, and the resulting state revenues, are based on the out-of-control gambler. Without these gamblers, there is very little gambling profit.⁴

Sports gambling will make the problem worse. In a survey of nearly 10,000 adults in Massachusetts, sports bettors had higher rates of problem gambling- 5.7 percent. Gamblers who bet online had even higher problem gambling rates, 18.2 percent.⁵ These online gamblers get caught up into significant financial debt and these online gamblers are the main source of profits. According to a major report from the United Kingdom, a region with commercialized sports gambling, online gambling operators make more than half of their profit from problem gamblers.⁶ Ireland, which has legal sports gambling just issued its first ever national survey on gambling. It found three quarters of online gamblers in Ireland have borrowed money or sold something in order to place a bet.⁷

Gambling ads and marketing are widespread in regions with commercial sports gambling. The high frequency of marketing by gambling operators has normalized gambling for kids, leading them to believe gambling was central to playing and watching sports.⁸ To understand how kids are impacted by sports gambling, look at facts from the United Kingdom and Australia, two regions with commercialized sports gambling: 1. In the UK, one out of every 5 ads during a sporting event is a gambling ad⁹ 2. Promotions and special offers for several major online gambling firms are regularly appearing in the social media feeds of children and directing them to the companies' website via social network.¹⁰ 3. Twitter users under the age of 18 who follow popular sport accounts in the UK are being "bombarded" with online gambling ads, according to an investigation by The Times of

² Natasha Dow Schull, PhD, *Addiction by Design*, Machine Gambling in Las Vegas, pg 267 (2012)

³ Ibid

⁴ Les Bernal, *Stop Predatory Gambling*

⁵ Rachel A. Volberg et al., *Gambling and Problem Gambling in MA: Results of a baseline population survey*, 52 *University of MA School of Public Health and Health Sciences* (May 28, 2015)

⁶ *Online Gambling: Addicted to Addiction* ResPublica Report, Aug. 17 2018

⁷ "Most online gamblers bet using loans", *The Times*, Feb 13, 2018

⁸ "Child and parent recall of gambling sponsorship in Australian sport", *Victoria Responsible Gambling Foundation*, May 2016

⁹ "Gambling adverts 'in 95% of TV matches', *BBC News*, Oct 23, 2017.

¹⁰ "Children bombarded with Twitter gambling adverts," *The Times of London*, May 14, 2016



London.¹¹ 4. Two in three UK teenagers feel deluged by advertisements for online gambling firms on TV.¹² 5. Seventy-five percent of children as young as 8 could correctly recall a sports betting brand, repeatedly exposing them to messages and advertisements about sports gambling.¹³ 6. Researchers have found that more than half of 16-year-olds in the UK have gambling apps on their smartphones- two years before they are legally allowed to place bets.¹⁴ 7. 450,000 UK children ages 11 to 16 bet regularly, more than those who have taken drugs, smoked or drunk alcohol, according to the UK’s Gambling Commission study.¹⁵ 8 Almost half of these teenagers- 49%- said some of these companies’ commercials made gambling look like a good way to make money.¹⁶ “Cash back” offers, a casino marketing practice to make the player feel better about losing by offering them a cash return on part of their wager, contributes to the perception by children that they could not lose from gambling.¹⁷ 9. Children regularly exposed to gambling advertisements are more likely to bet among friends, try to enter bookmakers, and gamble when they turn 18 years old.¹⁸ 10 .The younger children start gambling, the more likely it is they will become habitual and problem gamblers, regardless whether they are from an urban or suburban community.¹⁹

Those who will benefit financially from operating sports betting claim legalizing it protects the integrity of sports, but facts from countries with commercialized sports betting have proven that claim to be a myth. Europol, the joint police body of the European Union, investigated the possibility of major soccer games being fixed and found evidence of over 680 “suspicious games” in five continents over a three-year period, including a Champions League match in England and several World Cup qualifying matches.²⁰ According to one German investigator, this widespread corruption is “on scale and in a way that threatens the very fabric of the game”.²¹

The same is true for tennis. Tennis has been engulfed by a “tsunami” of corruption involving “serious and substantial” match-fixing.²² A survey of 3,200 players at all levels of the professional game found that 14.5% had first-hand knowledge of match-fixing-464 players in total.²³

Illegal gambling tends to increase when states legalize gambling. The primary source of information for illegal sports gambling in the U.S. has been the American Gaming Association, the national lobbying organization for gambling operators who have a vested financial interest in seeing gambling metastasize.²⁴ Australia authorized commercialized sports gambling in 2006. The claim was made that allowing commercialized sports gambling would wipe out the black market. Facts show the oppsite is true: illegal sports gambling in Australia is bigger than before. Billions of dollars are being bet on rugby league and other sports using illegal gambling companies.²⁵ There are many reasons why illegal gambling tends to increase when states sanction gambling. These include, illegal operators offer credit to gamblers, untaxed illegal operators can offer better odds and tax

¹¹ Ibid.
¹² “Shocking toll of gambling adverts on children:Two in three teenagers say they feel bombarded by betting firms,” The Daily Mail, Jan. 28, 2018.
¹³ “Child and parent recall of gambling sponsorship in Australian sport”, Victoria Responsible Gambling Foundation, May 2016
¹⁴ “Shocking toll of gambling adverts on children:Two in three teenagers say they feel bombarded by betting firms,” The Daily Mail
¹⁵ “Young people and Gambling”, UK Gambling Commission 2018 Report
¹⁶ “Shocking toll of gambling adverts on children:Two in three teenagers say they feel bombarded by betting firms,” The Daily Mail, Jan 28, 2018.
¹⁷ Ibid
¹⁸ “Children bombarded with Twitter gambling adverts”, The Times of London, May 14, 2016
¹⁹ “The Dangers of Youth Gambling Addiction,” New York Council on Problem Gambling, Know the Odds
²⁰ Investigations uncovers possible fixing of soccer games worldwide”, Los Angeles Times, Feb. 4, 2013
²¹ Ibid.
²² “Tennis has ‘serious integrity problem’ with betting, says independent review,” The Guardian US Edition, April 25, 2018
²³ Ibid.
²⁴ “The American Gaming Association suggest that \$4.6 billion will be wagered illegally on the Eagles versus Patriots match-up” Inc Magazine, Jan. 30, 2018
²⁵ Michael Carayannis, “Offshore gambling firms take billions and Australian authorities cannot act”, Daily Telegraph Australia, June 12, 2016



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avoidance that legal operations cannot, once gamblers start betting legally, they become less averse to gambling in unlicensed venues and websites, and law enforcement in gambling states view illegal gambling as a state revenue issue rather than a criminal activity, making enforcement less of a priority.

Right now, no illegal operator sends free gambling wagers by direct mail to your home to lure you back to the local casino, like legal operators do. No illegal operator is giving free alcohol to citizens to keep them gambling to 4am like legal casino operators do. No illegal operator is pushing \$30 lottery tickets, seven days a week, in economically-depressed communities, like state lotteries do. No illegal operators are running gambling ads during live sports broadcasts with such intensity that 1 out of every 5 ads is to place a bet, like legal sports gambling operators do in places like the U.K.²⁶

The New York Times Magazine did a major cover story on electronic gambling machines and toured the Nevada headquarters of America's biggest gambling machine maker, International Gaming Technology. During the tour the reporter asked IGT employees if they ever used the machines they made. They answered no and one slot machine designer said, "Slots are for losers".²⁷ These losers are all of us. Nearly every major casino executive, including three of the nation's biggest casino operators, MGM CEO Jim Murren,²⁸ Sheldon Adelson of Las Vegas Sands,²⁹ and Penn National Chairman Peter Carlino are not gamblers either.³⁰

Data from Stop Predatory Gambling in Washington, DC reports that Americans are expected to lose \$1 trillion of their personal wealth to government-sanctioned gambling over the next eight years. This is happening at the same time that around 50 percent of the US population has zero or negative net wealth, meaning their debts equal or exceed their assets.³¹ Let's be smart in Connecticut and not encourage our residents to lose their hard earned dollars.

We are in support of H.B. 5167 An Act Concerning Studies of the Effect of Legalized Gambling. However our support assumes that the comprehensive study will be conducted by a truly independent, objective party that has no ties to the Mashantucket or Mohegan Tribes or anyone in the casino industry. We recognize that Spectrum Gaming Group, which did Connecticut's last study in 2009, may bid to do the new study. Mr. Adam Steinberg, the Executive Vice President of Spectrum Gaming Group testified at the March 1, 2018 Informational Hearing on Gaming that Spectrum has performed work for our Tribal Nations here in Connecticut. The comprehensive study must be performed with no conflict of interest or bias. We recommend hiring an independent expert or experts who can give our state a true picture of the social and economic costs of casinos. I would like to emphasize again, that Spectrum Gaming Group is not only a key consultant to the gambling industry, but is affiliated with Spectrum Gaming Capital, which helps finance casinos. Therefore, they are an integral part of the gambling industry and do not qualify as an independent expert. Also, Spectrum's study did not attempt to provide a comprehensive cost/benefit analysis so therefore the value of the study was compromised. We would recommend hiring a qualified academic research and analysis team from a first-tier United States university and include a detailed cost/benefit analysis for the state.

The 1999 U.S. National Gambling Impact Study Commission enacted by Congress recommended that states conduct periodic cost/benefit studies analyzing the socio-economic impacts of gambling activities, especially before any expansion of gambling takes place. Connecticut is required by law to conduct a gambling impact study every ten

²⁶ "Gambling adverts in 95% of TV matches", "BBC News, Oct 23, 2017

²⁷ Gary Rivlin, The Tug of the Newfangled Slot Machines, N.Y. Times Magazine, May 9, 2004

²⁸ Andrew Ross Sorkin, Is there Life After Blackjack? Ask MGM, N.Y. Times, December 26, 2004

²⁹ Mary Lynn Palenik, Gambling Legend Profile: Sheldon Adelson, "Casino Enterprise Management, June 2011

³⁰ The Hypocrite Hall of Fame, March, 20018

³¹ Stop Predatory Gambling



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years. The last study was done in 2008 and issued in 2009. Based on both Connecticut law and the National Commission's recommendations, we strongly encourage the legislature to approve undertaking this study this year.

We are in opposition to H.B.5190 : An Act Establishing a Commission on Gaming. Establishing a Commission on Gaming would put more power in the hands of a few people, rather than the entire legislature. The Gaming Commission could control all gaming policy in the state and therefore the voices of Connecticut's citizens would not be heard. We believe the residents of Connecticut should decide where and if gambling should increase in our state, not a few individuals. We oppose it because we are concerned that the commission would consist exclusively of pro-gambling people or people in the gaming industry.

If a Commission on Gaming is established, the Commission must include individuals with expertise in problem gambling, health policy and statistical training. The Commission's responsibilities should also include public reporting of problem gambling data. We suggest an annual report that tracks problems with gambling such as embezzlements, increases in problem gamblers, weakening of nearby businesses, reductions in property values, increases in broken families, increases in crime, bankruptcy, suicides, illnesses related to pathological gambling, social service costs, increases in school related costs such as ESOL programs for casino worker's children, DUI data etc. Police, as part of a DUI investigation, ought to record where a person had their "last drink" and police departments should be required to report last drink data on a quarterly basis.

The Institute of American Values published a report entitled "Why Casinos Matter: Thirty-One Evidence-Based Propositions from the Health and Social Sciences." This report was created by the Council on Casinos, an independent, nonpartisan group of scholars and leaders who joined together to examine the role of casinos in American life.³² This report's research shows that gambling is highly addictive, that casinos depend on problem gamblers for up to 50% of their revenue, that living close to a casino increases your chance of becoming a problem gambler, that the benefits of casinos are short-term and easy to measure while the costs are longer-term and harder to measure. Furthermore, casinos drain wealth from communities, weaken nearby business, hurt property values, reduce civic participation, increase the risk of broken families and increase crime and bankruptcy in communities.³³ There is no justice in using addictive gambling machines to obtain revenue from these most vulnerable populations.

According to Earl Grinols, the leading expert on the study of casinos in communities, there are many hidden social costs of gambling. These costs include crime costs, business and employment costs, bankruptcy costs, suicide costs, illnesses related to pathological gambling, social service costs, and family costs. Grinols reported factoring in all the economic and social cost, these costs outweigh the benefits 3 to 1.³⁴ Our state has not done a Comprehensive study on Gaming in Connecticut in over 10 years, to give our state a true picture of the social and economic costs to casinos.

There is very little evidence that casinos strengthen a state or municipality. Jobs and the economy are crucial for all Connecticut residents, no one is denying that and we need good jobs and need to grow our economy, but casino jobs come at the cost of other jobs in the communities surrounding a casino. It could be a net decrease in jobs due to the

destruction of the local businesses. When a casino is built in a community, the local restaurants, local entertainment venues, local retail establishments and other businesses can't compete with the casino so they will be negatively impacted or end up closing. Independent experts and studies have concluded, the presence of a casino do far more harm than good, and the social and economic costs to casinos are far greater than the benefits of job creation and

³² Institute for American Values

³³ Institute for American Values

³⁴ The Hidden Social Costs of Gambling



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generating revenue. As a pastor from Massachusetts mentioned, casinos are like a vacuum, they suck the money out of the local economy instead of pumping it in. People go to the casino, eat in the casino, sleep at the casino hotel, shop at the casino, gamble at the casino, fill their gas tank at the casino gas station and go home, they do not spend their money in the local economy.

Additionally, we need to create jobs that add value, create real products, provide a living wage and focus on jobs in industries that are not declining in potential. The market for casinos is saturated, there are close to 70 casinos in the Northeast and there are over a 1,000 casinos in the forty states that have them. When Foxwoods and Mohegan Sun opened there were only 12 casinos in the Northeast, all in Atlantic City and half of the revenue was from out of state, now the Northeast is saturated with casinos so it is mostly Connecticut residents losing their money. Five of New Jersey's twelve casinos recently closed and New Jersey residents voted 4-1 against a proposal to expand casino gambling beyond Atlantic City, reflecting the view that casinos have become an economic and social dead end for New Jersey. Furthermore, Delaware is spending millions trying to bail out its three casinos.

The two casinos we have in Connecticut now laid off thousands of workers the past few years and their profits are down 40%. Since casinos are increasingly cannibalizing each other, a 2016 study by the Rockefeller Institute of Government, the leading independent privately financed organization in the USA whose job is to advise states and municipalities across the country did a study and they are warning states, like Connecticut that while casinos may generate short term revenue, it is quickly reversing and declining. If we were to grow this industry we would create more addictive gamblers which has huge societal costs.

In 2009, the state sponsored study found that there was a 400% increase in arrests for embezzlements in Connecticut since the casinos arrived, an increase of ten times the national average. In 2014 Western Connecticut State University did a study and found that the number of violent crimes, murder, rape, robbery, aggregated assault increased around the two casinos, despite in Connecticut as a whole going down. Theft crimes increased 40% and there were also increases in non violent crimes such as prostitution and illicit drug use.

Casinos make people poorer. I have heard many heartbreaking stories from pastors, many in the areas surrounding Foxwoods and Mohegan Sun as well as throughout the state. People often come to our churches asking for money to pay their rent or put food on their tables because they spend all their money in the casinos. Pastors would visit parishioners in their home and they were eating cat food because they spent all their money in the casino.

According to the UCONN School of Medicine, the growing gambling epidemic is hitting lower socioeconomic groups that hardest and the resulting societal costs are being borne by employers, law enforcement, social welfare agencies and the healthcare system. Gambling is a serious addiction, that is not often talked about because there is so much shame around it. The National Council of Problem Gambling estimates that one in five gambling addicts attempts suicide, a rate higher than any other addiction. There is so much shame in gambling addictions that it is very difficult, if not impossible to get people to testify in person.

The studies show that casinos are poor economic drivers and multipliers. According to the The United States Bureau of Economic Analysis, the US consumer economy has an economic multiplier of 2 to 3 which means that for every dollar spent the re-spent dollars double or triple the economic increase but a casinos multiplier is below 2 at best and according to a University of Massachusetts study the starting point for casinos is a negative multiplier. Casinos make communities poorer, they do not build stronger communities.



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According to job numbers provided by Foxwoods and Mohegan Sun, the two casinos presently employ about 14,000 people in either part-time or full-time jobs.³⁵ By conservative estimates, at least 2%-5% of Connecticut citizens are now gambling addicts.³⁶ The state's population was 3.57 million in 2016, which means the number of citizens addicted to gambling is conservatively between the range of 71,520 people to 178,800 people. That's at least five times more citizens who have suffered life-changing financial losses because of gambling addiction than there are citizens who work at the state's casinos. Only about 10% of people that experience problems with gambling seek help from problem gambling services, 90% never come forward for help.³⁷

At least one out of every 20 citizens have had their lives turned upside down because they become addicted to commercialized gambling.³⁸ This figure does not account for the reality that each gambling addict has at least 1-2 people close to them whose lives have also been severely harmed.

The people of Connecticut have spoken in the Quinnipiac University poll released on March 11, 2015, that three in four Connecticut voters oppose having more casinos in Connecticut. The Coalition Against Casino Expansion in Connecticut (CACE) represents the people most affected, the public, over one million people and the public is saying no more casinos in Connecticut. We have the two largest casinos in the Western Hemisphere in Connecticut and that is enough.

All of God's children deserve opportunities to live and thrive in their communities and putting a casino in a community and expanding gambling is not a way people can thrive. There are better strategies for creating jobs and promoting economic growth in Connecticut that don't come with the significant downsides that casinos and expanded gambling bring.

The members of the Coalition Against Casino Expansion in Connecticut include:

Connecticut Conference of the United Church of Christ – Episcopal Church in Connecticut – Connecticut League of Women Voters – Connecticut Catholic Conference -- Family Institute of Connecticut – New England Synod, Evangelical Lutheran Church of America – Connecticut Association for Human Services – Council of Churches of Greater Bridgeport – Advocacy Unlimited, Inc. – Farmington Valley American Muslim Center and Bridgeport Islamic Community Center - Resident Bishop New England Conference of the United Methodist Church – American Baptist Churches of Connecticut – Presbytery of Southern New England

Thank you for your work and the opportunity to supply written testimony in opposition to expanded gambling and I would be honored to answer any questions.

Blessings,

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³⁵ The Hartford Business Journal, April 3, 2017

³⁶ The Connecticut Council on Problem Gambling

³⁷ National Council on Problem Gambling

³⁸ National Institute for Health, May 2011