

Minutes
Gaming Study Commission
Meeting: Tuesday, March 16, 2010

Commissioners present: Joe Foster, Vice Chair; Jim Craig, Tom Ferrini, Bob Odell, David Bailey, Lew Feldstein, Maggie Pritchard, Karen Pollard, Mark MacKenzie, David Bailey; present via teleconference: Andy Lietz, Chairman; Bonnie Newman

Commissioners Absent/Excused: Michelline Dufort, Ned Densmore, Mary Heath

Staff Present: Gail Wolek

Commission Vice Chair Joe Foster called the meeting to order at 1:05 p.m.

Vice Chairman Foster asked Gail Wolek to conduct the roll call. A quorum being present, Vice Chairman Foster then asked for a motion to approve the minutes of the March 2, 2010 meeting. Commissioner Craig motioned for the minutes to be approved, seconded by Commissioner Pollard. Vice Chairman Foster called for a vote to approve the minutes. The minutes were unanimously approved.

Following a brief discussion of logistics for the upcoming public hearings scheduled for April 6, 2010, the Commission heard a presentation by Dartmouth students Anya Perret, Boyd Lever, and David Lumbert II on the *Social Impacts of Gambling in the United States* (refer to separate PowerPoint presentation and accompanying handout). Conclusions identified in additional discussion following the presentation include:

- Most state oversight is through legislative committees and primarily governs revenues and regulations, not social impacts.
- Social costs are not being included among the mandates given for review by oversight agencies.
- Data collection on social impacts is not happening; it may be that such data is not generally sought because states don't want to admit that any problems came along with the approved gambling facilities.
- The state would benefit from having data collected, no matter what agency collects it.
- Research indicates that most budgets for dealing with problem gaming activities are reactive, not proactive.

A second presentation was given by Steve Burton, CEO of First Choice Health Systems, Inc. in West Virginia (refer to separate PowerPoint presentation and 1800GAMBLER FY 2009 annual report which can be accessed at: <http://www.1800gambler.net/Portals/0/FY%202009%20Annual%20Report%20for%20website.pdf>). First Choice was established in 1995 as a statewide network of behavioral health providers and manages various state contracts, including a program approved in 1999 to design and implement a statewide gamblers' help program. Notes from the presentation and subsequent discussion include:

- Each license approved = 5 machines.
- 16% of West Virginia state revenues come from gaming.
- Outreach and advertising are critically important to proactive treatment programs.
- A gaming-neutral message also important so that agency is not viewed as judgmental or agenda-driven and to encourage strong intervention partnerships with gaming interests.
- More than just creating the illusion of help, it is vitally important to establish programs and clinically certified/masters level staff to deliver the help.
- West Virginia views it as very important to keep track of salary levels paid by Medicaid, Medicare, and private insurers to make sure his company is paying competitive wages in order to retrain highly credentialed, highly skilled, and effective counselors and clinicians.
- Make your state's program specific to your population and also make sure that your clinicians are recognized as experts in their field. People want to know they received the best possible medical care and attention.
- Collecting data is critically important to explaining why you're funded, how you're funded, and whether you should continue to be funded.

- Results in West Virginia are defined by “harm reduction.” After ten years their reports indicate a rate of 80% success at long-term follow-up.
- Ten years ago the average caller to the help line was a 55 year old man; today it’s a 45-50 year old woman.
- West Virginia has “self-exclusion” programs at all four of its full-fledged casinos.
- First choice has good relations with the casinos and appreciates the casinos’ outreach to help problem gamers. Mr. Burton thinks they have taken lessons from the tobacco industry problems and believe that attacking the issues head-on is a better solution.
- There are seven Gamblers Anonymous groups in West Virginia. Mr. Burton said it is important that the state help network reach out and partner with GA.
- In West Virginia’s experience, only 5-10% of problem gamblers reach out for help. Youth are 2-4 times at greater risk of developing problem gambling issues.
- About 72,000 people in West Virginia are estimated to be at risk for developing a problem gambling issue; approximately 8,000 are in the help network system.

A third presentation was provided by Joe Harding, Director, NH DHHS Bureau of Drug and Alcohol Services (refer to separate PowerPoint). Notes from presentation and subsequent discussion include:

- There is a distinction between problem gaming and pathological gaming.
- In the event of expanded gaming in NH, his agency’s focus would be to use existing state programs to deliver treatment for addictive behaviors.
- It is very difficult to identify what numbers truly reflect the percentage of pathological gamblers with either the propensity to develop a problem or who already have existing problems, within a given population; however, existing reports indicate that accessibility will drive an increasing rate of problems.
- Mr. Harding said there is no hard data to support a conclusion that availability of alcohol exacerbates problem gaming behaviors.
- However, Ms. Perret stated that in her research, Illinois did ban alcohol in certain gambling establishments which resulted in an immediate and dramatic loss of revenue from those facilities.
- Mr. Burton followed up saying it is very clear to him that alcohol in combination with gambling activities increases revenues. If a state is looking to derive revenues from expanded gaming it needs to realize that revenue results are driven by the availability of alcohol as part of the gaming/gambling activity.

Dr. Bruce Mallory provided a preliminary report (see separate handout) on the results of the deliberative democracy (*What’s At Stake*) sessions that were conducted around the state in February. Dr. Mallory emphasized that the Commission should be aware that the public discussion process raised expectations that public input was valued and will be acknowledged in the final report. He noted that Berlin and Salem had two very different perspectives—Salem wants to preserve the traditions of Rockingham Park while Berlin is suffering from economic displacement. Two very different reasons for pursuing expanded gaming in those areas. Other discussion notes include:

- Participants in the public dialogue sessions did not seem to have pre-conceived notions of what the Commission’s final report would include.
- None of the groups seem to have been influenced by any highly energized or focused effort by interest groups. None of these groups showed up en masse, no halls were packed with interest group activities, and there is no sense that one persuasion or another tried to unduly impact the proceedings.
- In most cases, where participants had a strong opinion on the topic, the group discussion didn’t necessarily change their opinion, but these people expressed appreciation for being better informed and thought the discussion should be even broader based so people could learn more about both the challenges and the opportunities associated with gambling activities.

Roundtable Discussion Notes:

- To the degree that pathology exists, a problem will result.
- Agencies are getting better at measuring mental health issues arising from problem gaming.
- General consensus is that proximity has an impact—not whether, but how much.
- Expanded gambling activities will result in some increased in troubled behavior.

- Most problems center around where and to what extent the bulk of the social cost impact will be experienced.
- Lexicon includes notion of “abused dollars”—referring to the loss family members suffer as a result of addictive behaviors and at what level these losses are felt at the community, region, and state level as well.
- Estimating the cost of potential problems expected as a result of expanded gaming activities is very difficult, which is why a commitment to collecting social cost impact data is very important.
- Synthesizing both the qualitative input as well as the quantitative data being collected for the final report is very important to the findings of the Commission.

Concern was expressed that the public and legislators don’t understand the depth of the work being accomplished by the Commission. Is May too late to deliver the Commission’s report to the Governor? Chairman Lietz responded that legislators are aware of the work of the Commission and that the Governor continues to encourage the Commission to take the time it needs to fully complete its work and deliver a solid set of findings. Chairman Lietz confirmed that integrating all the public dialogue and testimonies will be an important outcome in the final report.

Chairman Lietz asked Executive Director Gail Wolek to check on the availability to add extra Commission meetings to the schedule suggesting the dates of April 13, April 27, and May 18.

Vice Chairman Joe Foster concluded by thanking the speakers and commissioners for the excellent presentations and discussion that resulted. He reminded everyone that public hearings were next on the meeting schedule for April 6th.

The meeting was adjourned at 4:05 p.m.

NEXT MEETING:

Two (2) Public Hearings, April 6, 2010, 6:00 to 8:00 p.m.

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Respectfully submitted: Gail A. Wolek, Executive Director