

NATIONAL COUNCIL OF LEGISLATORS FROM GAMING STATES  
SPECIAL MEETING ON RESPONSIBLE GAMING BEST PRACTICES  
LAS VEGAS, NEVADA  
FRIDAY, JUNE 8, 2007  
DRAFT MINUTES

The Responsible Gaming Committee of the National Council of Legislators from Gaming States (NCLGS) met at the Rio All-Suite Hotel & Casino in Las Vegas, Nevada, on Friday, June 8, 2007, at 2:15 p.m.

Representative Chris Sainato from Pennsylvania, Chair of the Committee, presided.

Other members of the Committee present were:

Rep. James Buskey, AL  
Sen. Tom Harman, CA  
Rep. Kevin Ryan, CT  
Rep. Bill Oberle, DE  
Sen. Steven Geller, FL  
Sen. Pete Brungardt, KS  
Rep. Tim Solobay, PA

Other legislators present were:

Rep. Pebblin Warren, AL  
Rep. Charles Ormond, AR  
Rep. Mark Desimone, AZ  
Sen. Jeffrey Denham, CA  
Sen. Dennis Jones, FL  
Sen. James King, FL  
Rep. Trent Van Haaften, IN  
Rep. Steve Huebert, KS  
Rep. Michael Peterson, KS  
Rep. Arlen Siegfried, KS  
Rep. Tom Burch, KY  
Rep. Dennis Horlander, KY  
Rep. Lois Delmore, ND  
Sen. Ben Altamirano, NM  
Rep. Ben Lujan, NM  
Rep. Patricia Lundstrom, NM  
Sen. John Arthur Smith, NM  
Rep. Harold James, PA  
Rep. Ronald Waters, PA

Others present were:

Susan Nolan, Nolan Associates, NCLGS Executive Director  
Nicholas Brozean, Nolan Associates, NCLGS Assistant Legislative Coordinator

## CONSIDERATION OF RESPONSIBLE GAMING BEST PRACTICES

Kevin Mullally, general counsel & director of government affairs for Gaming Laboratories International (GLI) and board member of the National Center for Responsible Gaming (NCRG), said the NCRG is an organization in North America that raises funds to promote awareness for problem gambling issues, more specifically for problem gambling research and education.

Mr. Mullally said the Division of Addictions at the Cambridge Health Alliance was established to deal with addictive issues on problem gambling, as well as a variety of human addiction disorders through the NCRG.

Mr. Mullally said the extent to which social policy needs to be science-based has been debated among problem gambling experts. He said problem gambling experimentation on citizens is a controversial issue. He said a proper balance between scientific research and policy should exist.

Mr. Mullally said self-exclusion was originally a social experiment implemented without scientific evidence. He said the long-term effects of self-exclusion are unknown. He said the Cambridge Health Alliance is currently studying self-exclusion.

Mr. Mullally said problem gambling treatment is a process similar to quitting smoking. He said the treatment process includes periods of abstinence and relapse until the patient succeeds. He said the majority of people that recover from an addiction, even those that go through treatment, do it themselves.

Heather Lambert, deputy director of legislation for the California Lottery, said legal gaming in California includes pari-mutuel horserace wagering, commercial cardrooms, tribal casinos, charitable gambling, and a state lottery. She said statewide efforts towards problem gambling have been individual and fractured.

Ms. Lambert said in 2003 the California legislature passed a bill creating the California Office of Problem Gambling (COPG). She said upon implementation the COPG was tasked with conducting a study, raising awareness, and costing out treatment for problem gambling within California. She said the legislature is determined to unify statewide efforts.

Ms. Lambert said the California Lottery problem gambling program began ten years ago and is the first such effort in California. She said the Lottery introduced the first state helpline, which was displayed on materials, machines, and in advertisements. She said the Lottery also sponsored community groups, joined the California Council on Problem Gambling, and conducted public service announcements for national Problem Gambling Awareness Week.

Ms. Lambert said California Lottery problem gambling efforts have changed over time with different political appointees.

Ms. Lambert said the California Lottery is planning on transitioning its helpline number to the statewide COPG number. She said the Lottery is unable to address problem gambling as well as the California Council on Problem Gambling, which is devoted to the cause. She said the Lottery and the Council will be working together on education, funding, and treatment efforts.

Ms. Lambert said AB 1336 and AB 1339, relating to problem gambling, have been introduced in the California legislature. She said AB 1336 requires the COPG to provide problem gambling training reimbursement grants to substance abuse prevention and treatment agencies over a three-year period. She said AB 1339 specifies programs to be included in the COPG's statewide plan and formalizes a Problem Gambling Advisory Board.

Ms. Lambert said Rep. Meehan (D-MA) sponsored HR 1170, the Comprehensive Awareness of Problem Gambling Act of 2007. She said the bill would increase knowledge and raise awareness of problem gambling issues and administer voluntary donations of resources, as well as administer \$10 million annually in grants to states, localities, and non-profits to assist in problem gambling programs. She said the bill was referred to the Committee on Energy and Commerce.

Ms. Lambert said Government Code Section 8880.24(a) provides that the California Lottery "shall act to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the Lottery." She said the code holds the Lottery accountable for problem gambling efforts. Ms. Lambert said the industry needs to work together with the state, adjust to the needs of the constituency, and maintain efforts in order to effectively counter problem gambling.

Terri Sue Canale, manager of charitable & responsible gambling programs for the California Department of Justice, Division of Gambling Control and western US regional director of North American Gaming Regulators Association (NAGRA), said the California Division of Gambling Control (CDGC) regulates the cardrooms in California and ensures compliance for certain sections of California tribal-state gaming compacts.

Ms. Canale said the CDGC works with the Council on Problem Gambling and the legislature on problem gambling issues and to ensure responsible gaming. She said the agencies adopt regulations for California card rooms to ensure responsible gambling programs. She said efforts toward responsible gambling include training staff and employees of card rooms to promote best practices.

Ms. Canale said the CDGC administered the first statewide self-exclusion program. She said the CDGC has a responsible gambling assistance program, which educates youth on problem gambling education and prevention.

Mr. Brozean said Keith Whyte, executive director of the National Council on Problem Gambling (NCPG) had provided NCLGS with two documents, entitled (1) *The Five Principles of an Effective Responsible Gaming Program* and (2) *Minimum Standards for Responsible Gaming Operations*. He said the documents include recommended responsible gambling best practices that include youth problem gambling awareness and prevention programs, information for new employees, signage and readily available information displayed within gaming facilities, financial support contributed from the industry, and 'self-restriction' provided for gamblers.

Rep. Oberle said the special meeting on responsible gaming best practices is a continuing process of developing best practices within the industry. He said practices need to be developed at a state level, as well as on a national level, in order to effectively treat individuals with gambling disorders. He said he would like to see NCLGS develop responsible gaming model legislation for state legislators to bring to their legislatures.

Mr. Mullally said efficient use of resources and promotion of quality research is essential. He said prevalence studies have become common and less expensive. He said policymakers and problem gambling researchers need to work together in order to effectively and properly develop awareness for prevention and treatment programs.

Rep. Oberle said confusion exists within the industry regarding proper prevention and treatment programs. He said in some states funding of problem gambling is not an issue. He said funding must be used properly to be effective.

Dr. Dewey Jacobs, Professor of Psychiatry for Loma Linda University, said the first step in developing treatments for problem gambling is to obtain the facts surrounding or regarding the nature and causes of problem gambling. He said continuous prevalence studies would illustrate the effects of problem gambling and of educational treatment, as well as garnering more facts.

Dr. Jacobs said development of problem gambling treatments parallels attempted efforts for the treatment of alcoholism. He said without problem gambling prevalence studies or facts treatment is not possible.

Mr. Mullally said problem gamblers cannot all be treated using the same method.

Rep. Oberle said the development of responsible gaming best practices will help legislators relay effective practices to one another. He said these practices will make awareness and treatment of problem gambling less time consuming.

Sen. Geller said NCLGS should consider conducting a problem gambling survey through the NCLGS Foundation, which is an educational and informational arm of NCLGS. He said NCLGS should weigh all perspectives on problem gambling in order to ensure that a relevant study is conducted with a fair representation from the industry.

In response to a question from Sen. Denham, Ms. Lambert said a privatized California Lottery will likely change the allocation of funds toward responsible gaming.

Ms. Canale said the Welfare and Institutions Code, a California statute mandates that the California Lottery contribute funds toward responsible gaming, and this will continue unless the name of the Lottery is changed within the original statute or guidelines.

Rev. Grey, national spokesperson for the National Coalition Against Legalized Gambling (NCALG), said legislatures permitted gambling as a revenue source and are responsible for ensuring that individuals are safe and protected from problem gambling. He said if a study is

going to be conducted, it should have results that illustrate conclusive statistics that are not based on proprietary knowledge.

In response to a question from Rev. Grey, Mr. Mullally said self-exclusion is not intended to keep problem gamblers from gambling, but to help them realize their problem and get treatment.

Rev. Grey said if a government offers an addictive product, such as gambling, the government must have the industry enforce the regulation of responsible gaming.

In response to a question from Sen. King, Mr. Mullally said if commercial gambling was illegal, gamblers would still participate in gambling activities. He said similar to commercial gambling, illegal gambling activities will spur problem gamblers. He said more people are exposed to commercial gambling, which leads to a higher percentage of problem gambling.

Mr. Mullally said research shows that individuals will adapt to gambling within society after they are exposed. He said individuals will realize problem gambling effects and work towards moderation after exposure.

In response to a question from Rep. Lujan, Ms. Nolan said past presentations suggest that problem gambling and responsible gaming programs can be instituted through drug and alcohol addiction programs.

#### ADJOURNMENT

There being no further business, the meeting adjourned at 3:15 p.m.

k:/nclgs/2007-2008/8000810