

NATIONAL COUNCIL OF LEGISLATORS FROM GAMING STATES
COMMITTEE ON RESPONSIBLE GAMING
NAPA, CALIFORNIA
FRIDAY, JUNE 13, 2008
MINUTES

The Committee on Responsible Gaming of the National Council of Legislators from Gaming States (NCLGS) met at the Napa Valley Hotel & Spa in Napa, California, on Friday, June 13, 2008, at 12:45 p.m.

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

Other members of the Committee present were:

Rep. H. Mac Gipson, AL
Sen. Tom Harman, CA
Rep. Kevin Ryan, CT
Sen. Steven Geller, FL
Rep. John Evans, PA
Rep. Tim Solobay, PA

Other legislators present were:

Rep. Michael Caron, CT
Rep. Perry Thurston, FL
Rep. Jim Waldman, FL
Rep. Brian Quirk, IA
Rep. Trent Van Haaften, IN
Rep. Arlen Siegfried, KS
Rep. Charlie Hoffman, KY
Rep. Joni Jenkins, KY
Rep. Dennis Keene, KY
Rep. Darryl Owens, KY
Sen. Walter Michel, MS
Sen. Richard Lerblance, OK
Rep. Larry Miller, TN
Sen. Jerome Delvin, WA

Others present were:

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

MINUTES

The Committee voted unanimously to accept, as submitted, the minutes of its January 4, 2008, meeting in Scottsdale, Arizona.

RESPONSIBLE GAMING AND PROBLEM GAMBLING INITIATIVES IN THE STATES

Nanette Horner, director of the Office of Compulsive and Problem Gambling for the Pennsylvania Gaming Control Board, also speaking on behalf of the Association of Problem Gambling Service Administrators (APGSA), said that even though treatment of problem gamblers extends over several decades, most published research comes from the past ten years.

Ms. Horner said after the publication of the *Diagnostic and Statistical Manual of Mental Disorders: Third Edition* in 1980, pathological gambling officially became known as an impulse control disorder.

Ms. Horner said about two to three percent of the U.S. adult population have gambling problems. She said family, friends and co-workers are also negatively affected by problem gambling behavior, which is estimated at four to ten people per problem gambler.

Ms. Horner said 36 states currently provide public funds for problem gambling services. She said the first public funds to go toward gambling treatment began in 1980.

Ms. Horner said the May 2006 *Survey of Publicly Funded Problem Gambling Services* is the first and only survey of publicly-funded problem gambling services in the U.S. She said the survey found that the majority of problem gambling funding goes to treatment, followed by media, public awareness, and administration costs. She said a survey that includes private gambling services is in the planning stages.

Ms. Horner said APGSA and the National Council on Problem Gambling (NCPG) developed National Problem Gambling Awareness Week, which is a grassroots public awareness and outreach campaign to let the public know that help is available and effective. She said APGSA is establishing partnerships with other national organizations for information sharing and program development.

Ms. Horner said in January 2008, representatives of the Center for Substance Abuse Treatment, Substance Abuse and Mental Health Services Administration (SAMSHA) met with representatives of APGSA and NCPG in a collaborated effort to unified functional areas of problem gambling programs. She said functional areas are items, such as population, treatment, and prevention, that contribute to state specific measures and can reflect SAMSHA National Outcome Measures (NOMs).

Ms. Horner said the groups will begin assessing and testing functional areas to SAMSHA NOMs with a joint publication to be developed within the next year. She said the NOMs help to unify treatment programs that can be accessed and utilized by various states.

Ms. Horner said APGSA goals include increasing membership and conveying policy on a federal level.

Ms. Horner said 11 states have developed self-exclusion programs. She said 28,420 people have requested to be put on state self-exclusion lists as of June 6, 2008.

Ms. Horner said self-exclusion is a forum for the problem gambler to accept personal responsibility; a method to provide the problem gambler with some isolation from the temptations of gambling; a process that allows a person to request a ban from all legalized gaming activities; and a procedure to be prohibited from collecting any winnings, recovering any losses, or accepting complimentary gifts or services, or any other thing of value at a casino.

Ms. Horner said self-exclusion is not a cure-all method, a substitute for treatment, or a promise or contract to keep the problem gambler out of the casino. She said Missouri is the first state to begin the program, mandates a lifetime ban, and handles the largest number of self-excluded individuals.

Ms. Horner said not all states engage in data collection during the self-exclusion process. She said nine states record the gender of the individuals who have requested to be on the state's self-exclusion list. She said in states that report gender, the number of men and women on the self-exclusion list are very equal, except for in New Jersey, which more men participate in the program than women.

Ms. Horner said five states collect data on race and report that more Caucasians utilize self-exclusion than any other race.

Ms. Horner said Pennsylvania began participating in the self-exclusion program a year and a half ago. She said the program allows individuals to sign up for a one-year, five-year, or lifetime, ban. She said the majority of participants have chosen the one-year or lifetime ban.

Ms. Horner said during the self-exclusion intake interview, individuals are asked data collection questions and the majority responds. Ms. Horner said reports suggest that many program participants are in treatment and have previously gone to a Pennsylvania gaming facility to gamble. She said participants range from 22 to 78 years of age.

Ms. Horner said Pennsylvania's gaming act and regulations provide a comprehensive framework that prohibits wagering by gaming employees; prohibits gambling on credit and debit cards and limits check cashing; only allows individuals 21 and over to gamble; prohibits gambling by intoxicated individuals; restricts gambling by excluded, excludable and self-excluded persons; and requires licensees to have comprehensive compulsive and problem gambling (CPG) plans and procedures.

Ms. Horner said having a comprehensive CPG plan must include goals, policies, procedures, duties, responsibilities, techniques, training materials, advertising guidelines, and outreach programs. She said compliance with the plan is a condition of license renewal.

Ms. Horner said Pennsylvania also created the first state "model" CPG plan. She said the CPG plan must mimic internal controls of a gaming facility.

Ms. Horner said the NCLGS proposal to study best practices in responsible gaming legislation and regulations could lead to utilizing and integrating some of the commercial gambling

safeguards and tools with other types of gambling such as lottery, racing, pari-mutuel, charitable and Internet.

In response to a question from Rep. Gipson regarding the lack of self-exclusion in Nevada, Ms. Horner said Nevada does not have a statewide self-exclusion program because gaming is readily available and programs would be hard to enforce, but individual casinos have their own programs. She said self-exclusion within Indian casinos is usually done on a tribal basis.

EVIDENCED-BASED TREATMENT PRACTICES FOR PATHOLOGICAL GAMBLING

Dr. Timothy Fong, director of the UCLA Gambling Studies Program (UGSP), said the UCLA gambling studies program is three years old and its mission is to investigate the causes and courses of pathological gambling, to develop effective treatments and translate treatment to the mainstream for all problem gamblers across the country, and support to public health policy that lessens consequences from pathological gambling.

Dr. Fong said medicine is evidenced-based, therefore legislation should be evidenced-based as well. He said policy should not be developed using myths or stereotypes, but by using scientific method.

Dr. Fong said in 2005 the UCLA Gambling Studies Program helped conduct the largest statewide prevalence study in U.S. history. He said the study found that four percent of Californians have been affected by problem gambling. He said four percent is much higher than people affected by schizophrenia, bipolar disorders, and severe mental illnesses.

Dr. Fong said nearly one million Californians are afflicted with pathological gambling. He said the highest rates come from African Americans, and people with disabilities or those on unemployment.

Dr. Fong said in California, inpatient treatment program costs range between \$20,000 and \$60,000 a month. He said outpatient treatment programs are also often very expensive and not covered by insurance. He said California also provides gambler's anonymous networks, individual therapists that are certified in gambling treatment, a helpline, and a Web site for local treatment.

Dr. Fong said the California Office of Problem Gambling started about five years ago and is run under the California Department of Alcohol and Drug Programs, under its prevention division. He said the Office of Problem Gambling began with a three million dollar budget that does not allocate funds for treatment. He said the funding comes from a special distribution fund, which obtains revenue through Native American gaming.

Dr. Fong said \$150,000 will come from the card clubs for problem gambling treatment in July 2008. He said California is well behind in funding for treatment practices. He said over \$200 million dollars is spent on drug and alcohol problems per year in California.

Dr. Fong said the California Office of Problem Gambling is funding research initiatives and working with UGSP to determine the best ways to reach and treat individuals that have gambling

problems. He said over the next five years the California Office of Problem Gambling plans to focus on expanding treatment services, prevention, and research by developing infrastructure for training and treatment, and increasing education.

Dr. Fong said evidenced-based treatment uses the best clinical practices based on scientific method, is based on science and not pseudoscience, and translates research into clinical practice. He said academic professors and legislators need to work together on evidenced-based treatments.

Dr. Fong said research shows that evidenced-based treatment saves money. He said California research suggests that evidenced-based treatment for alcohol and drug addiction works and every dollar spent on treatment saves seven dollars of the state general fund. He said evidenced-based treatment also maintains integrity, ensures consistency, is easier to monitor, and makes treatment easier to adopt and change over time.

Dr. Fong said current evidenced-based treatments for pathological gambling include the self-help workbook, helpline counseling, cognitive behavioral therapy, medications, other forms of psychotherapy, and social help. He said self-help workbooks promote self-change, are easy to distribute, appeal to a wide range of audiences, eliminate the need for training, are cost effective, and easy to update. He said the workbook is available on the California Office of Problem Gambling Web site.

Dr. Fong said UGSP is conducting a study on the effectiveness of the self-workbook, with and without counseling, that will be complete in fall, 2008. He said currently, the majority of patients are Caucasian or African American males with an education, are jobless or make less than \$35,000 a year, spend nearly \$3,000 a month on gambling, and have a wide range of other addictive disorders. He said patients have seen a reduction in their gambling frequency and loss by the second or third visit. Dr. Fong said research for evidenced-based treatment can take up to eight years in order to maintain efficiency and the integrity of scientific-method.

Dr. Fong said California gambling helplines are available 24 hours a day. He said as a study, the California Office of Problem Gambling made available five free clinical treatments that problem gamblers could use by phone. He said the study found that by the final free treatment, gamblers were able to reduce their spending by half and number of gambling hours by five. He said the cost of providing phone treatment is about 20 percent less than face-to-face treatment.

Dr. Fong said UGSP is in the process of expanding its cognitive behavioral treatment by developing a client and therapist manual on how to treat pathological gambling, which can be used across the U.S.

Dr. Fong said pathological gambling treatment programs need support from all parties, including problem gamblers, legislators, healthcare providers, and private industry. He said in order to initiate and organize effective and efficient evidenced-based treatment, funding needs to be provided for problem gambling treatment, research, and accountability. He said funding treatment will not only help problem gamblers, but will save the state money in the long run.

In response to a question from Rep. Gipson regarding the amount of money problem gambling costs the government, Dr Fong said Professor Earl Grinols wrote a book on the economic impact of pathological gambling that suggests the economic damage problem gamblers cost society ranges between \$5 and \$35 billion nationally, which compared to drug abuse is around \$100 billion. He said this number is not exact, as pathological gambling costs can go unseen, unlike many other addictions.

STUDY ON BEST PRACTICES IN RESPONSIBLE GAMING LEGISLATION AND REGULATION

Rep. Ryan, NCLGS Vice President, said Keith Whyte of the NCPG offered a proposal at the NCLGS Winter Meeting 2008 to conduct a joint study with NCLGS on best practices in responsible gaming legislation and regulation. He said the study would cost almost \$75,000. He said contributions to the study would be tax-exempt.

Ms. Nolan said the study would be a ground-breaking study and beneficial for everyone that gets involved.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:45 p.m.

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