

Approved: March 13, 1997
Date

MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Garry Boston at 2:15 p.m. on March 10, 1997 in Room 519-S of the Capitol.

All members were present except: Representative Doug Mays, Excused
Representative William G. Mason, Excused

Committee staff present: Mary Galligan, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
June Evans, Committee Secretary

Conferees appearing before the committee: Joyce Markham, LMSW, C.C.G.C. St Francis Hospital & Medical Center Chemical Dependency Treatment Center
Chuck Yunker, Adjutant, Kansas Department, American Legion
Carol Christensen
Tim Duguid, Jefferson West High School
Bruce Dimmitt
Frank DeSocio, Bowling Proprietors Association

The Chairperson stated **HB 2504 - Microbreweries; donation of beer to event for benefit of nonprofit charitable organization** was scheduled for a hearing, but due to no proponents contacting the office that they were interested in appearing, the bill would not have any further action this session.

HB 2174 - Kansas Lottery authorized to operate certain games at racetracks.

The Chairperson opened the hearing and stated this would be the last day to have hearings on **HB 2174**.

Joyce Markham, LMSW, C.C.G.C., St Francis Hospital & Medical Center Chemical Dependency Treatment Services, testified opposing **HB 2174**, stated research indicates that for most of the population; gambling activities would not result in harmful effects. However, studies indicate approximately 4% of the total population would develop problem gambling and 1-2% would become pathological gamblers. The social costs of compulsive gambling are staggering. (Attachment 1)

Chuck Yunker, Adjutant, Kansas Department, The American Legion, and Secretary/Treasurer of the Kansas Sunflower Club testified as an opponent to **HB 2174** and any other measure which would enable horse and dog tracks in Kansas to conduct Bingo and Instant Bingo games. In 1975 when the citizens of Kansas voted to amend our State Constitution to permit low stakes Bingo games their vote was to allow non-profit religious, charitable, fraternal, educational and veterans organizations the ability to raise funds to finance their charitable programs. In 1995 Kansas voters again recognized the need to assist non-profit religious, charitable, fraternal, educational and veterans organizations in funding their programs by amending the State constitution to allow sales of Instant Bingo tickets by these groups. (Attachment 2)

Carol Christensen, being opposed to **HB 2174**, stated last year's performance audit report on the Kansas Racing and Gaming Commission raised serious questions about the state's ability to regulate current gambling at pari-mutuel tracks. If the state can't adequately regulate tracks now, how could it handle the addition of new games at the tracks? Kansas voters in 1986 approved the lottery, not casino-like games. Expanded gambling would create thousands of new compulsive and problematic gamblers in Kansas. The costs to the individuals and their families could be devastating: greatly increased rates of bankruptcy, indebtedness, depression, suicide, divorce, domestic abuse, and financial crimes. (Attachment 3)

Tim Duiguid, Jefferson West High School, Meriden, testified opposing **HB 2174**, stated the crime rate was up in many cities that has legalized machine gambling at race tracks. There have been many studies conducted that show a direct correlation between crime and poverty. Gambling could be an addiction like drinking, smoking and drugs. People have no control of what they are doing and run up huge debts. It is not considered morally correct to give an alcoholic unlimited alcohol, a smoker unlimited cigarettes, or a drug addict unlimited drugs. Young people learn from their parents and if the parents gamble and youth would become even more addicted to gambling. It is urged this issue be voted down because crime would increase, gamblers would start making more and more bad decisions, and the innocent youth would have to deal with

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE FEDERAL AND STATE AFFAIRS, Room 519-S
Statehouse, at 1:30 p.m. on March 10, 1997.

the addictions of their parents and themselves. Do what is right for all of the people of Kansas. (Attachment 4)

Frank DeSocio, President, Kansas State Bowling Proprietors Association, testified in place of Conrad Miller, Jr., opposing HB 2174, stating much has been said of the parimutuel tracks economic downturn due to neighboring gaming, they by no means have a monopoly on this downturn in business, all segments of the entertainment industry in Kansas have felt the presence of riverboat gambling and the bowling industry in no exception. Approximately 140 bowling centers in Kansas employ 2500 people with annual payrolls of between \$18M and \$22M. From this comes \$4M to \$6M of payroll taxes. These centers also generate over \$1M in local real estate and personal property taxes and \$3M to \$5M in state and local sales and liquor taxes. (Attachment 5)

Bruce Dimmitt, testified as an opponent for HB 2174, stating he agreed with all of the opponents that had testified. Mr. Dimmitt stated he was unequivocally opposed to legalizing casino machines at parimutuel racetracks and lottery retailers. Legalizing casino machines would be bad for economics as gambling merely picks the pockets of locals, eroding profits and driving some companies out of business and people out of work. Gambling brings broken homes, divorces, suicides, mental health problems, dysfunctional families, neglect of parental, community and church responsibilities and inefficiencies at the workplace. Government and charities could become addicted to the gambling industry as a source of income. The state should not see itself liable or responsible for supporting or saving the Woodlands or the gambling industry. Mr. Dimmitt provided some newspaper articles from the Kansas City newspapers. (Attachment 6)

Representative Grant moved and Representative Long seconded to approve the minutes February 10 thru March 6. The motion carried.

The meeting adjourned at 2:50 p.m.

The next meeting is scheduled for March 11, 1997.

FEDERAL & STATE AFFAIRS COMMITTEE

DATE: March 10, 1997

NAME	REPRESENTING
Carol Christensen	self
Frances Wood	4776 Woman's Christian Temperance Union Churches of the Nazarene in Kansas
Dave Schneider	Kansas For Life At Its Best
Glen Thompson	Stand Up For Kansas
Bettie Thompson	" " " "
Tim Duguid	student
Steve Blank	Hubbell Assoc.
Cep Honey	Cage Bowl
Robert Jabannes	Ranch West Bowl
FRANK DeSoro	JOMA Co.
TUCK JUNCAN	Ks. Wine & Spirits Wholesalers Assn.
Charles M Yunker	Ks. American Legion / Ks Sunflower Clubs Assac.
Neal Whitaker	Ks Beer Wholesalers Assn.
Rebecca Rier	Ks Coalition for Gaming Equity

HOUSE BILL NO. 2174

Recommendation to address responsible gaming in the State of Kansas and responsible approaches to help with problem gambling issues.

Today, there is legal gambling in every state and in every province in Canada; except the states of Utah and Hawaii.

Today, pathological gambling is defined as a progressive behavior disorder characterized by a continuous or periodic loss of control over gambling. A preoccupation with gambling and with obtaining money with which to gamble; irrational thinking; and a continuation of the behavior despite adverse consequences.

Research indicates that for most of the population; gambling activities will not result in harmful effects. However, studies indicate approximately 4% of the total population will develop problem gambling and 1-2% will become pathological gamblers.

Social cost of compulsive gambling are staggering. Civil suits such as non-payment of debts, divorce issues and the compulsive gambler seeking relief from financial pressures through bankruptcy court are common. Many criminal cases that have to do with embezzlement, bad checks, insurance fraud (approx. 40% are gambling related), and credit card fraud are caused by compulsive gamblers who commit these illegal acts during their desperation phase.

The cost of compulsive gambling on employers, police, judiciary and the correction system is staggering but no where measurable to the cost of the disintegration of the family. The problem is often hidden to family, friends, and employers until the individual reaches the desperation phase. The families are left feeling betrayed. Compulsive gambling destroys families' hopes, dreams, and their future.

Adolescents are 2-4 times at higher risk than the general population of developing a compulsive gambling problem.

The availability of gambling and the opportunity to gamble are two determining factors of how many problematic gamblers a state will have.

What percentage of money won at gaming entities are from problem/compulsive gamblers? According to Dr. Henry Lesieur in a presentation at a national conference, he indicated the following: Including all forms of gambling together, the state and provinces range from a low of 22% of the total money spent by problem gamblers in British Columbia to 41.2% of the total money spent by problem gamblers in Louisiana. The average for the state and provinces examined was 30.4% of all money won from gamblers was from problem gamblers.

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Issues of Suicide Amongst Compulsive Gamblers

It is known that Nevada has the highest suicide rate in the United States. It is not known how much gambling plays into the Nevada statistics. Although statistics vary, 10-20% had attempted and 90% had thoughts of suicide.

What can legislators do to help with the problem of compulsive gambling?

Develop a policy which would set aside funds for prevention, education, research, and treatment.

Legislators should insist that any gaming entity that does business within the state needs to develop a responsible gaming policy. This includes state fun lotteries, casinos, race tracks, bingo, charity and amusement gaming. The policy should include three areas:

1. The customers
2. The employees
3. The general public

The Council on Compulsive Gambling of New Jersey believe some of the important issues facing New Jersey and other states that promote gambling are as follows:

1. Prevention and educational programs for our school children. Presently there is no curriculum on compulsive gambling issues.
2. Adequate financial support for treatment for compulsive gamblers and their families.
3. More research about the compulsive gambler and the costs to society as a result of compulsive gambling.
4. More education and training to mental health professionals in identifying compulsive gamblers.
5. Identification and treatment of compulsive gamblers who are incarcerated.

We thank all of you for your help, support and prayers in helping the compulsive gambler and their families.

North East Kansas Regional Coalition on Compulsive Gambling

Joyce Markham, LMSW, C.C.G.C. and Donna Doolin, LMSW
St. Francis Hospital & Medical Center
Chemical Dependency Treatment services

MEASURING THE COSTS OF PATHOLOGICAL GAMBLING:

Saying Too Much With Too Little

Henry R. Lesieur, Ph.D.

Plenary presentation to the National Conference on Gambling Behavior of the National Council on Problem Gambling. Chicago, Illinois, September, 1996.

I'm going to talk today about the social costs of pathological gambling. Cost issues include financial costs, such as borrowing, crime, unemployment, insurance costs, criminal justice costs, and court costs in civil cases. Family costs are also numerous including divorce and separation costs, family finances, stress costs, abuse/neglect issues, costs to children, and old data, which needs new needs.

How do we examine the social costs of gambling in the family? Studies of Gamblers Anonymous members were conducted in Illinois and Wisconsin. These studies show that 17% of Gamblers Anonymous (GA) members had gambling related divorces. Furthermore, an additional 10% of members were separated.

"Cost" results when the female headed household falls below poverty line. For example, a situation in which the gambler fails to provide child support. Ironically, in order to study this phenomena, we are required to rely upon Lorenz and Yaffee's research, which is over 10 years old and included female GamAnon members.

However, more recent data show that 85% of GA members used household money and 52% sold personal or family property. Overall, debt is virtually universal and places strain on the families. In addition, Lorenz's notes that spouses were often harassed by bill collectors. Therefore, it is the spouses that bear the brunt of the gambler's actions, such as bankruptcy, evictions, and electric, gas, and telephone cut-offs.

Costs of stress-related illnesses are also documented by Lorenz and Yaffee. They include back pains, ulcers and other digestive disorders, heart problems, such as hypertension, asthma, and other respiratory problems. However, we must keep in mind that these problems are not exclusively for the gambler. We must also measure the costs to the spouse and children. However, the effects on the spouse and children are difficult to measure.

As a result, no one is measuring the impact of gambling on children. Child abuse and neglect appears to be a desperation phase activity, which is a consequence of pathological gambling. Abuse seems to be perpetrated by the non-gambling parent, while neglect is perpetrated by the gambling parent. However, data is weak in this area. The only researchers to examine the children of compulsive gamblers so far are Jacobs and Lesieur.

A recent Nova Scotia study asked 801 people if they knew someone who has a gambling problem. 15.5% of respondents answered affirmatively. Of that 15.5%, 48/801 or 6% knew someone who were non-related, possible co-workers or friends. 9.5% had a relative with a gambling problem. 5% of respondents had lived with someone who had a gambling problem.

Regarding gambling and families, Las Vegas is considered family entertainment. In 1994, a Las Vegas visitor profile noted that 7% of the gambling market segment was geared toward gamblers with children (Danderand, 1995, August). In Spain, Elisardo Becora and colleagues noted that children play the slot machines in restaurants with their parents watching.

In an Attorney General's study in Massachusetts on lottery sales in 1994, 11 girls and 10 boys ranging from 9-17 years made 153 attempts to purchase tickets. They documented an 80% success rate. Only 40% of sale distributors posted notices about the Massachusetts Council's helpline. In their study, they recommend self-monitoring by store owners.

Tom Radecki conducted two similar studies in Illinois. He studied a 16 year old female who successfully purchased tickets 49/50 times. She was carded once. Another time a store owner asked the female her age, in which she replied by lying. A more recent study by the Illinois State Crime Commission found that two girls, aged 12 and 14, successfully purchased lottery tickets 20 separate instance without being carded once.

Costs of teen gambling are also numerous. They include arguments with parents, hindrance on school performance, misuse of money, theft from family, theft from others, drug sales, and suicide attempts. However, assessing the costs is not easy. Most is relatively innocuous. It is often seen as fun with no cost or a shifting of resources.

Research on the costs of teen gambling has been performed and has found that arguments with parents and others are numerous, school performance drops (this could have long term implications, but may be recoverable), misuse of money including lunch money and borrowing and

not returning money, thefts from families and other relatives, other types of thefts, drugs sales, and suicide attempts. No researcher has attempted to assess these costs.

Regarding the issue of suicide among gamblers, Illinois, Wisconsin, and New Jersey surveys have found that 79% wanted to die, 67% contemplated suicide, 49% had a definite plan to kill themselves, and 18% had attempted a potentially lethal suicide attempt. It is known that Nevada has the highest suicide rate in the United States, but it is not known how much gambling plays into the Nevada statistics. Therefore, we think gamblers have a high suicide rate but must rely on studies of contemplations and attempts. (show suicide news stories)

The suicide counting problem has shown that Gamblers Anonymous members have high suicidal ideation and attempt rates. We know that some Gamblers Anonymous members commit suicide. We see suicide stories in the paper. We know Nevada has a high rate of suicide. We do not know the actual rate of suicide, for autopsies do not reveal cards on the breath or dice marks on the arms.

There are several costs involved in the suicides and deaths of gamblers. They include the fact that they are no longer a wage earner for their family, the insurance company may have to pay, the funeral costs, the spouse is without a partner, and children are without a parent. The irony of an early death is that the costs finally stop, including health costs, bankruptcies, loans and criminal justice system costs. In addition, illegal behavior stops. Moreover, the costs to the family stop. After the stress of a spousal death, and the mess is left behind, other types of stress is reduced. Child abuse and neglect is no longer a problem. Furthermore, we save money in Medicare and Social Security costs. In other words, while alive, the compulsive gambler costs more than when he/she dies.

In the past few months I've been asked about the cost of gambling by newspaper reporters, legislators and others. One of the questions they have asked is what percent of the total gambling expenditures is accounted for by problem gamblers. Earl Crincls at the University of Illinois used the figure of 50%. I thought that was rather high so I did some calculations using existing surveys.

The data were calculated in the following way:

1. Surveys were conducted in each of the states/provinces (by Rachel Volberg, etc).

2. Questions were asked on each survey about whether the person had gambled in the past year and how much money they typically spent per month on each of the activities on the attached table.
3. There were questions in each survey asking about problem and pathological gambling using the South Oaks Gambling Screen (the SOGS). Those scoring three or more on the SOGS were classified as "problem gamblers" for the purpose of the survey.
4. The total amount of money spent in a typical month by all respondents was added up for each form of gambling and for all forms together.
5. The total amount of money spent in a typical month by problem gamblers was added up for each form of gambling and for all forms together.
6. The problem gambler totals were divided by the grand totals to get the percent of the total that was spent by problem gamblers.

Putting all forms of gambling together, the states and provinces ranged from a low of 22.6% of the total money spent by problem gamblers in British Columbia to 41.2% of the total money spent by problem gamblers in Louisiana. The average for the states and provinces I examined was 30.4% of all the money spent on gambling was spent by problem gamblers. This varied tremendously by game. I would divide the games into three types: "democratic," "moderate," and "problem gambler skewed" games.

"Democratic" forms of gambling involve less than 20% of expenditures from problem gamblers. Included are raffles, sport bets with friends, pulltabs, lotto, and slots (See Table 1).

"Moderate" forms of gambling involve 20-33% of expenditures coming from problem gamblers. Pulltabs (British Columbia only), instant/scratch lottery tickets, on-track wagering in some states and provinces, and sports action (in British Columbia) are included.

"Problem gambler skewed" forms of gambling involve more than 33% of expenditures coming from problem gamblers. Casino table games, video machines, horses, especially off-track betting, sports with bookies, and bingo are included.

Using the above scenario we might start to rethink about the problematic nature of different forms of gambling. Some, like raffles and lotto are so widespread and "democratic" that problem gamblers are not paying an extraordinary share of the "voluntary" tax. While there are people who get into problems with these games (notably pull tabs), we need to be especially



FOR INFORMATION CONTACT:
Edward Looney, CCGC, Executive Director
Kevin O'Neill, CCGC, Deputy Director

FOR RELEASE ON 3/20/96

1995 STATISTICS FOR 1-800-GAMBLER™ HELPLINE
RELEASED BY COUNCIL ON COMPULSIVE GAMBLING

The Council on Compulsive Gambling of New Jersey, Inc. maintains a toll-free, 24-hour helpline 1-800-GAMBLER™ to assist compulsive gamblers and other callers by providing information, education and referral services.

Information Summary:

- 1-800-GAMBLER™ calls nationwide were up 86%
- 1-800-GAMBLER™ calls in New Jersey were up 61%
- Average gambling debt rose while callers' income dropped
- Calls from females increased 20%
- Calls from minorities increased 20%
- Second highest callers' occupation was unemployed

Volume of calls:	<u>Nationwide</u>	<u>New Jersey</u>
	32,425 in 1993	14,577 in 1993
	39,352 in 1994	15,025 in 1994
	75,805 in 1995	24,270 in 1995

Types of gambling:	60% casino games	7% video machines
	43% lotteries	5% bingo
	34% sports betting	5% illegal gambling
	26% horse racing	1% stocks & commodities

(These figures add up to more than 100% because many callers mentioned more than one type of gambling)

Average gambling debt: \$28,315 **Average annual income:** \$33,410

Highest occupational categories:	19% sales	7% students
	11% unemployed	6% retired
	11% service workers	6% clerical
	9% professionals	4% gaming industry

Age: 12% were under the age of 21; 11% were over the age of 55

The Council on Compulsive Gambling of New Jersey, Inc.
1315 W. STATE STREET • TRENTON, NJ 08618
609-599-3299 • FAX 609-599-9383
GAMBLING PROBLEM? CALL 1-800-GAMBLER

Gender: 70% of gamblers were male; 30% were female
In 1992 80% were male and 20% were female
In 1990 87% were male and 13% were female

Marital status: 45% were married 3% were widowed
37% were never married 3% were separated
10% were divorced 2% were living together but not married

Family size: Average family of caller had 2 children; 31% had children under the age of 10 and 39% had children over the age of 20

Race/Ethnicity: 82% White 2% Asian
13% Black .5% American Indian
2% Hispanic/Latino .5% Others

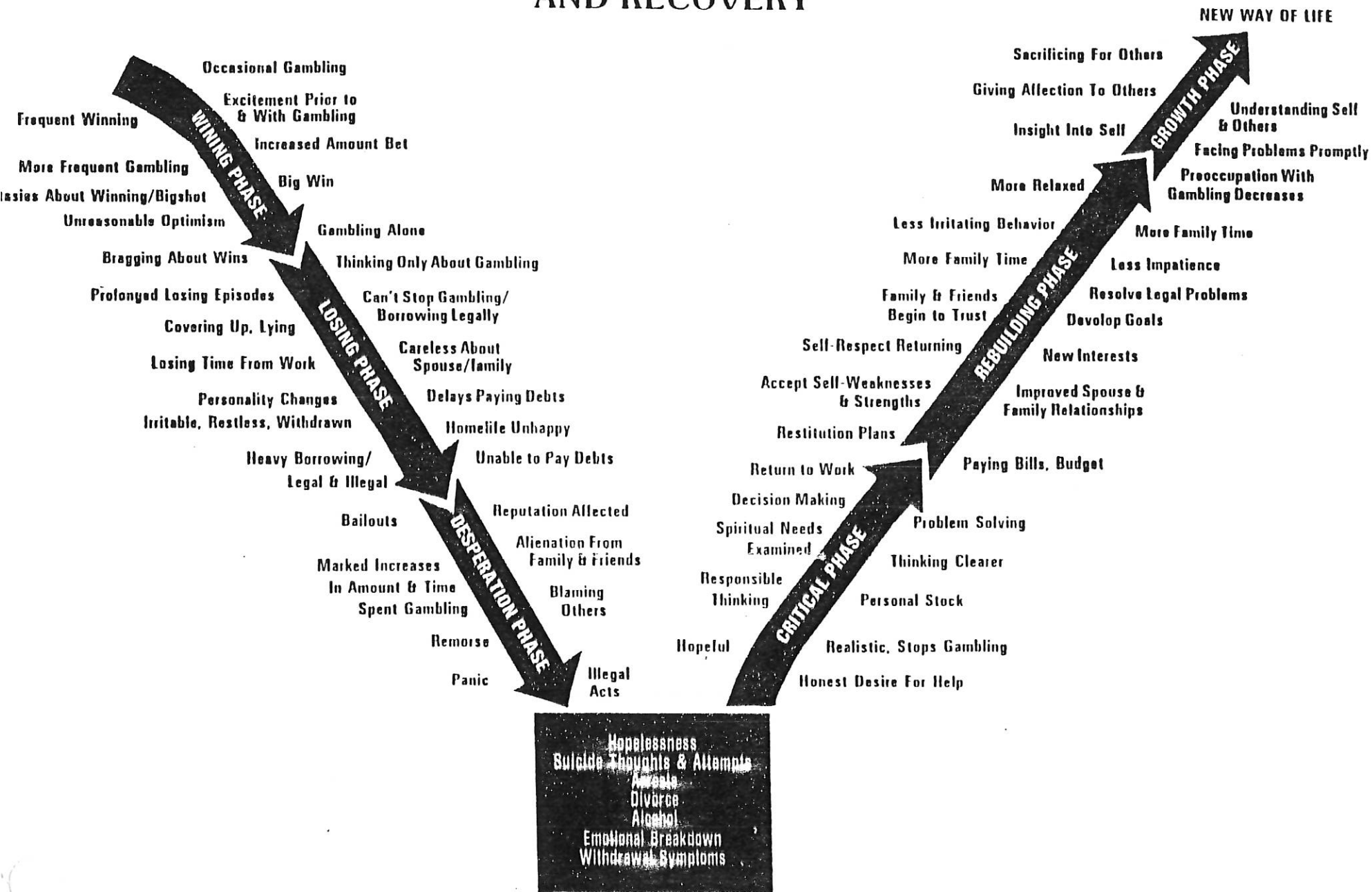
Who called: 71% of the calls were from the gambler; 29% of the calls were from someone seeking help either for the gambler or the gambler's family

Presentations: 35 prison inmate consultations
35 high schools
9 colleges
6 senior citizen groups
7 employee assistance program (EAP) workshops
40 alcohol and drug treatment programs
20 conferences/workshops
2,236 1-800-GAMBLER information packets mailed
525,000 pieces of literature distributed
586 interviews or appearances (TV, radio, newspaper)

By releasing these statistics to the public, the Council hopes to better educate the public about their activities in addressing compulsive gambling.

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A CHART OF COMPULSIVE GAMBLING AND RECOVERY



THE AMERICAN LEGION, DEPARTMENT OF KANSAS
TESTIMONY AGAINST HOUSE BILL 2174
PRESENTED TO
THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE
CHARLES M. YUNKER, ADJUTANT
KANSAS DEPARTMENT, THE AMERICAN LEGION

Thank you for allowing me the opportunity to present testimony opposed to House Bill 2174 or any other measure which would enable horse and dog tracks in Kansas to conduct Bingo or Instant Bingo games. My name is Charles M. Yunker and today I represent The American Legion as its State Adjutant and I'm also currently serving as the Secretary/Treasurer of the Kansas Sunflower Club Association whose membership consists of non profit veteran and fraternal organizations in Kansas as well as several religious and charitable organizations who conduct Bingo games for their charitable programs.

In 1975 when the citizens of Kansas voted to amend our State Constitution to permit low stakes Bingo games their vote was to allow non profit religious, charitable, fraternal, educational and veterans organizations as defined by KSA 79-4701 the ability to raise funds to finance their charitable programs. Nothing remotely connected with racetracks or the lottery, for that matter, appeared on the ballot to legalize Bingo in Kansas for the aforementioned charitable groups.

In 1995 Kansas voters again recognized the need to assist non profit religious, charitable, fraternal, educational and veterans organizations in funding their programs by amending the State Constitution to allow sales of Instant Bingo tickets by these groups. Again nothing on the ballot identified racetracks or the Lottery.

Despite Legislative intent and the successful hard work of many people to legalize Instant Bingo sales for those organizations defined in KSA-4701, within days of the vote to amend the State Constitution the Kansas Lottery began advertising their own version of "Instant Bingo" in an attempt to capitalize on the publicity generated by the issue. Fortunately both the Lottery's and our Instant Bingo games proved successful.

When the tracks first arrived on the scene in Kansas they cut deeply into the Bingo revenues of almost every licensee. However after the shine wore off that new high stakes method of gambling many of our patrons returned to playing low stakes Bingo. When Instant Bingo was first proposed to the Legislature it was presented as a compromise between the large and small Bingo licensees in an attempt to end the annual Legislative battle to expand the number of days Bingo could be held in a given location and the maximum prize money which could be paid out during a given session. That compromise and agreement among the Bingo licensees

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still holds true today. Unfortunately we haven't been able to keep our promise not to appear before the Legislature on an annual basis regarding Bingo because the tracks now want Call and Instant Bingo.

Last year those who have interests in the tracks sought last minute passage of unlimited Call and Instant Bingo for their facilities because they know they could not get a slot machine bill passed. These same groups for years have stood before committee after committee saying they were about to go under. One year the savior of their industry was simulcast racing, the following year and for several years after their pleas for survival hinged on getting slot machines. Last year you may recall they even demonstrated an "Instant Bingo" machine here in the State Capitol Building which was nothing more than a slot machine which dispensed a receipt whether the player won or lost.

Yes the tracks have been hurt by the casinos in Missouri and to some extent by those on the Indian reservations. So have our veterans and fraternal clubs. In Emporia for example the American Legion Post has seen a \$17,000 drop in annual gross Bingo receipts since the Casinos opened. The Olathe American Legion Post had to abandon their Bingo games because of the Casinos and is giving up their 15-16 year old American Legion Baseball Team because of their decrease in revenues.

After the "new" wears off the Casinos in Missouri many will return to the tracks and our Bingo games. I predict one or more of the Casinos will close, reports are one is already losing a million dollars per month and has slashed their staff in the same manner the tracks have after their grand statements of providing jobs.

Please notice HB 2174 does not mention KSA 79-4706 which sets out the number of games and payouts allowed under current Bingo law. HB 2174 does however seek to eliminate the requirement that Instant Bingo be conducted by Bingo licensees. HB 2174 would increase the percentage tracks would get from Kansas Lottery games. HB 2174 would allow tracks to virtually conduct unlimited Call and Instant Bingo twenty-four hours a day, seven days a week neither of which was the intent of either Constitutional Amendment passed by the people to legalize small stakes Bingo for non profit groups.

This bill is being promoted by the same people who told veterans and fraternal organizations that all of us should have slot machines but conveniently left our groups out of every bill they promoted with one exception. One slot machine/video poker proposal even went so far as to include a percentage of everyone else's slot machine revenue for the tracks. This bill is being promoted by the same people who promised to create far more jobs than they have, and each year have returned to the Legislature with dire predictions of their survival while asking for more and more at the expense of others. If the tracks were on their "last legs" three years ago how have they survived?

Not only have the tracks and now the casinos proven to be the bane of compulsive gamblers, and a drain on legitimate charitable organizations' revenue from small stakes Bingo games; the tracks are trying to entice the Legislature to give them more every year with the false promises of "just a little more and that will be all we need." In other words they're running the same scam on you that they do to their customers who think 'they're so close to winning that one more try will hit pay dirt.' We all know it doesn't work that way.

Therefore we urge your No vote on HB 2174.

TESTIMONY OF CAROL W. CHRISTENSEN
IN OPPOSITION TO H.B. 2174
TO THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS
FEBRUARY 27, 1997

Chairman Boston and other members of the House Committee on Federal and State Affairs, I appreciate the opportunity I have today to share with you my opposition to House Bill 2174 and all other legislation that would expand gambling in Kansas.

I am Carol Christensen of Topeka, formerly a teacher and librarian and now a homemaker and active community volunteer. As a concerned citizen and mother, I have been following the debate, news, and research about gambling for several years. I want to thank you legislators and your colleagues who have resisted efforts in the past to expand gambling in Kansas.

As I prepared this testimony, I was reminded of a recent performance I saw of "The Music Man," a musical with which you're undoubtedly familiar. Do you remember the lively song in which Prof. Harold Hill and the citizens of River City, Iowa, sing about all the trouble that could come to that city because of a pool table? As I've thought about that song, "Trouble," I've thought that we could have real trouble if H.B. 2174 is passed, trouble right here in the state of Kansas--and that starts with "T" and that rhymes with "G" and that stands for gambling!

Now, at the performances of "Music Man," most people in the audience probably smiled or laughed smugly at the quaint, old-fashioned values of the River Citizens and their overreaction to the pool table. Please don't dismiss opponents of gambling for those same reasons, though. I think there are many very important, very valid reasons for being worried about H.B. 2174, the negative effects of gambling, and gambling's expansion in our state.

Though some of my arguments against this bill and gambling in general may not be new to you, I feel they are still worth presenting now. (Don't worry: I won't sing them, and I hope you won't think you're getting a "song and dance" from me either.)

First, let me remind you of last year's performance audit report on the Kansas Racing and Gaming Commission, which raised serious questions about the state's ability to regulate current gambling at pari-mutuel tracks. If the state can't adequately regulate tracks now, how can it handle the addition of new games there? (See "Reason for Concern" [editorial], Topeka Capital-Journal, Feb. 1, 1996, p. 4A.)

Even if the Racing and Gaming Commission had an excellent "track record" for regulating the racetracks, I strongly oppose the state becoming a partner with the tracks in operating the proposed new casino-like games there. With more state-approved and, under H.B. 2174, state-sponsored gambling, the state would exploit the weaknesses of its citizens for its own economic good (and for the benefit of the other gambling operators). Exploitation is certainly not the role of government.

Many of my objections to H.B. 2174 apply to any legislation that would expand gambling in Kansas.

1. When Kansas voters approved the lottery in 1986, they only approved the lottery, not casino-like games, such as would be legal under H.B. 2174. There is no mandate--or even permission!--from the voters to expand gambling in Kansas!

2. Gambling sends the wrong message to many of our youth--and adults too--about the value of education and hard work. Do we want "get something for nothing" to become the new American Dream?

3. Expanded gambling would create thousands of new compulsive and problematic gamblers in Kansas. The costs to the individuals and their families can be devastating: greatly increased rates of bankruptcy, indebtedness, depression, suicide, divorce, domestic abuse, and financial crimes. (Suber, Jim and Peggy Krendl, "Addiction-Carries Many Ugly Sides," Topeka Capital-Journal, Aug. 16, 1994, p. 3C). Gambling proponents often tout the economic benefits of "gaming." St. Francis Hospital and Medical Center in Topeka recently started a new program to help compulsive gamblers. Is this the kind of new "economic development" that we want?

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4. Teenagers are especially susceptible to the lure of gambling. Dr. Dur os says the rate of problem gambling among youths who gamble is at least percent, twice that of adults. ("Gambling by Youths Compulsive," Topeka Capital-Journal, Jan. 9, 1994, p. 4A.) And, though underage youths are supposedly prohibited by law from gambling, they do gamble, particularly in states where gambling for adults is legal. I thought it tragic that a 1994 nationwide newsletter for educators had "Identifying the Young Compulsive Gambler" as the lead article in one issue. (Helping Hand: Information about Today's Youth, Nov. 1994, p. 1) Do we want more "young compulsive gamblers" in Kansas?

5. Gambling encourages greed and breeds crime. A 1992 report by the Illinois State Police summarized gambling's impact on eight gambling communities across the country that it studied: "The costs include increased crime, increased organized crime activities, a deterioration of the business climate of the area, an increase in compulsive gambling of the residents, increased prostitution, an increase in the transient population, increased political corruption, and exposure of the young to unsavory activities." ("Forget about Casinos" [editorial], Topeka Capital-Journal, Feb. 4, 1994, p. 4A.)

6. Gambling is a very regressive means of financing government since many gamblers are low-income-retirees on Social Security, blue-collar workers, and welfare recipients. ("East St. Louis Places Its Bet," Time, April 1, 1996, p. 32.)

I recognize that a person can find "some research somewhere" to "prove" just about any point. To be persuasive, one needs a preponderance of evidence. Earl L. Grinois, a professor of economics at Illinois University, told a special Kansas legislative committee in November, 1995, "We've had studies [about gambling] for 60 years, and there has never been one that showed greater benefits than costs." ("Gambling's Costs, Benefits Disputed," Topeka Capital-Journal, Nov. 28, 1995, p. 2A.)

One of the sad lessons of history is that people often don't learn from history. Kansans are smarter than that! The experiences of other states show that the costs of gambling far outweigh the benefits. We don't want trouble with a capital "T" and that rhymes with "G" and that stands for gambling here in Kansas! Let's learn from other states' experiences so we can prevent many future social problems and not get more addicted as a state to gambling revenues.

In 1986 the proponents of gambling undoubtedly knew that Kansas voters wouldn't allow full-blown casinos in our state; so they proposed that Kansans vote only on the "innocent" lottery and on pari-mutuel wagering. It seems that ever since those forms of gambling were allowed, gambling proponents have been trying to expand gambling in Kansas.

This situation reminds me of a story about frogs! I've been told that if you put a frog in hot water, it'll jump out immediately. But, if you put a frog in a pan of cold water and then gradually heat the water on a stove, the frog will stay in the water and eventually die from the heat.

Kansans wouldn't have jumped into the hot water of casino gambling in 1986, but we certainly "jumped into the pan of cold water on the stove" when we allowed the lottery and pari-mutuel wagering. The gambling proponents keep turning up the heat. Let's get out before we're in really hot water!

In November, 1996, voters in Colorado, Arkansas, ~~Colorado~~, Washington, and in certain counties in Mississippi and Iowa "roundly rejected," as a syndicated news story stated, ballot initiatives to expand gambling. ("Casino Measures Rejected," Topeka Capital-Journal, Nov. 7, 1996, p. 1C.) I ask you members of the House Committee on Federal and State Affairs to "roundly reject" H.B. 2174 and any other legislation that would expand gambling in Kansas.

Thank you very much for your time and consideration.

March 10, 1996

Tim Duguid

Mr. Chairman, honorable members of this committee:

Good afternoon. My name is Tim Duguid and I am a junior at Jefferson West High School in Meriden. I would first like to thank you for this opportunity to talk to you this afternoon. Secondly, I would like you to consider the future ramifications of this bill if it were to go into effect. It is my feeling that the bill to allow machine gambling at race tracks would be detrimental to this state. I came to this conclusion because it will increase crime and in turn not save the state any money. You will have to budget the money replaced to the government by this bill to crime fighting and criminal punishment.

In many cities and states across America where games of this kind have been legalized, the crime rates have gone up. Some of these states include Colorado, South Dakota, and Connecticut. Organized crime will also increase. In 1994, 17 people, associated with the Marcello, Gevovese, and Gambino crime families, were indicted for RICO violations because of profit skimming through video poker machines in Louisiana. These are the types of games you could legalize.

One of the reasons that crime will increase is because poverty is a proven cause of crime. There have been many studies conducted that show a direct correlation between crime and poverty. Let's stay here, in Topeka, to prove this point. East Topeka is probably one of the poorest areas in town, and that is where you see most of the criminal activity. Crime is not as rampant, however, in the wealthier areas of Topeka. If you allow these games, the families will rake up huge debts, because they will borrow more money than they would if these games were illegal. Obviously this would add to the poverty rates and eventually the crime rates.

Let's take another perspective on this issue. Gambling can be an addiction like drinking, smoking, and doing drugs. People have no control of what they are doing, and run up huge debts. It is not considered morally correct to give an alcoholic unlimited alcohol, a smoker unlimited cigarettes, or a drug addict unlimited drugs. We instead worry about these people and try to get them help. In the same light, we should try to help these habitual gamblers get over their addiction. If we pass this bill, it would just add to the problems that the gamblers of this state already have. The gamblers, like an alcoholic, want the thing that satisfies their yearning, so it is understandable when the gamblers come in and tell you to legalize their addiction.

Let's also think what it will do to the future generations of this state. Young people learn a lot from their parents. Things like the parents' beliefs and actions have a huge influence on what a young person feels and does. If you allow this bill to pass, the parents of the youth will become even more addicted to gambling. And this addiction will be passed from generation to generation. Do you want to be responsible for the addictions that will occur if you pass this?

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Tim Duguid

I urge you to vote this issue down because crime will increase, gamblers will start making more and more bad decisions, and the innocent youth will have to deal with the addictions of their parents and themselves. Do what is right for all of the people of Kansas.

TESTIMONY REGARDING
HOUSE BILL 2174
PRESENTED TO THE KANSAS LEGISLATURE
FEBRUARY 19, 1996
BY
CONRAD MILLER, JR.
P.O. BOX 7054
Shawnee Mission, Ks. 66207-0054
(913) 492-5865
on behalf of the
KANSAS BOWLING PROPRIETORS

MY NAME IS CONRAD MILLER, JR.. I AM AN ATTORNEY AND BOWLING PROPRIETOR AND I AM HERE TODAY ON BEHALF OF THE BOWLING PROPRIETORS OF KANSAS. MY REMARKS WILL DEAL WITH THE ECONOMIC IMPACT THAT LIMITED GAMING HAS AND WILL HAVE ON ONE SEGMENT OF THE KANSAS ENTERTAINMENT ECONOMY, THE BOWLING INDUSTRY.

WHILE MUCH HAS BEEN MADE OF THE PARIMUTUEL TRACKS ECONOMIC DOWNTURN DUE TO NEIGHBORING GAMING, THEY BY NO MEANS HAVE A MONOPOLY ON THIS DOWNTURN IN BUSINESS, ALL SEGMENTS OF THE ENTERTAINMENT INDUSTRY IN KANSAS HAVE FELT THE PRESENCE OF RIVER BOAT GAMBLING AND THE BOWLING INDUSTRY IS NO EXCEPTION

THE TRACKS DON'T HAVE A MONOPOLY ON BEING AN IMPORTANT PART OF THE KANSAS ECONOMY. WHILE IT IS DIFFICULT TO GET AN ACCURATE COUNT ACCROSS THE STATE, WE HAVE ESTIMATED THAT THE APPROXIMATELY 140 BOWLING CENTERS IN KANSAS EMPLOY TWO THOUSAND FIVE HUNDRED (2500) PEOPLE WITH ANNUAL PAYROLLS OF BETWEEN EIGHTEEN MILLION (\$18,000,000) AND TWENTY TWO MILLION (\$22,000,000). FROM THIS COMES FOUR TO SIX MILLION(\$4,000,000 TO \$6,000,000) DOLLARS OF PAYROLL TAXES. THESE CENTERS ALSO GENERATE OVER ONE MILLION (\$1,000,000) DOLLARS IN LOCAL REAL ESTATE AND PERSONAL PROPERTY TAXES AND THREE TO FIVE MILLION (\$3,000,000 TO \$5,000,000) IN STATE AND LOCAL SALES AND LIQUOR TAXES. SHOULD OUR BUSINESS BE ERODED BY UNFAIR COMPETITION FROM HORSE TRACK GAMING, THESE NUMBERS WOULD BE SERIOUSLY IMPACTED.

AFTER GAMING WAS INTRODUCED IN MISSOURI, SOME CENTERS IN KANSAS CITY HAVE REPORTED UP TO A 40% REDUCTION IN THEIR CASUAL BOWLING AND A 10% REDUCTION IN OVERALL REVENUE. PEOPLE ARE SIMPLY CHOOSING TO SPEND THEIR ENTERTAINMENT DOLLAR IN MISSOURI, RATHER THAN KANSAS. WITHOUT THIS CASUAL BOWLER, LEAGUE FORMATION AND TOURNAMENT PARTICIPATION DWINDLES UNTIL FINALLY THE CENTERS WILL BE UNABLE TO SUSTAIN THEMSELVES

THIS IS NOT MERELY A HYPOTHETICAL SITUATION. THE MOST RECENT CASUALTY OF THE GAMING BORDER WARS HAS BEEN THE SUNSET BOWLING CENTER IN KANSAS CITY, KANSAS. THIS WAS A CENTER WHICH

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HAD BEEN ESTABLISHED FOR OVER 30 YEARS BUT SINCE THE INTRODUCTION OF GAMING IN MISSOURI, ITS BOWLER BASE HAS STEADILY DECLINED UNTIL IT FINALLY COULDN'T SUPPORT ITSELF. THIS CENTER WAS DIRECTLY DOWN THE STREET FROM THE WOODLANDS AND IS INDICATIVE OF THE TYPE OF ECONOMIC IMPACT THE GAMING INDUSTRY HAS HAD ON THE ENTERTAINMENT INDUSTRY IN KANSAS.

WOULD "RACETRACK LOTTERY GAMES" HAVE SAVED SUNSET? IT IS HARD TO SAY, HOWEVER, THIS LEGISLATION WOULD HAVE GIVEN THEM AN ADDITIONAL TOOL TO GENERATE INCOME TO SURVIVE AND PRESERVE THE JOBS AND TAX BASE WHICH THE CENTER GENERATED.

IF THE LEGISLATURE GRANTS A FEW SELECTED MONOPOLIES FOR THESE LOTTERY GAMES, FURTHER EROSION OF THE ENTERTAINMENT DOLLAR WILL RESULT AND THE KANSAS CITY EXPERIENCE WILL BE SPREAD THROUGHOUT THE STATE. WICHITA, HAYS, COLBY, JUNCTION CITY, DODGE CITY AND GREAT BEND WILL ALL EXPERIENCE THE SAME TYPE OF REDUCTIONS IN BUSINESS WHICH IN TURN WILL REDUCE EMPLOYMENT AND TAX RECEIPTS.

I WANT TO MAKE IT CLEAR THAT WE ARE NOT OPPOSED TO GAMING IN THE STATE. HOWEVER, NO ONE SEGMENT OF THE ENTERTAINMENT INDUSTRY HAS A MONOPOLY ON THE ECONOMIC PROBLEMS CAUSED BY GAMING IN ADJACENT STATES AND OUR GROUP FEELS THAT ONE SEGMENT OF THAT INDUSTRY SHOULD ***NOT*** BE SINGLED OUT FOR MONOPOLY PRIVILEGES WHEN THE TOOLS TO COMPETE WITH MISSOURI ARE BEING HANDED OUT. SIMPLY PUT, **THE SOLUTION FOR ONE SEGMENT OF IS THE SOLUTION FOR THE OTHER.**

THEREFORE WE ARE OPPOSED TO A BILL NOT GRANTING ALL SEGMENTS OF THE ENTERTAINMENT INDUSTRY AN OPPORTUNITY TO UTILIZE THE RACETRACK LOTTERY GAMES TO SUPPLEMENT THEIR BUSINESSES. THE BOWLING INDUSTRY VIEWS THIS GAME AS ANOTHER WAY TO ATTRACT NEW PEOPLE TO OUR CENTERS, TO KEEP PEOPLE WHO ARE ALREADY BOWLING THERE AND TO INCREASE THE BOWLING LINEAGE. THIS IN TURN STABILIZES OUR BUSINESSES AND PRESERVES AN ECONOMIC BASE WHICH HAS BEEN IN THIS STATE FOR DECADES.

THE BOWLING INDUSTRY DOES NOT SHRINK FROM THE PROSPECT OF FAIR AND OPEN COMPETITION, WE HAVE A GOOD PRODUCT AND COMPETITION ONLY MAKES IT BETTER. HOWEVER, WE FEEL THAT THE COMPETITION SHOULD BE FAIR AND EQUAL AND THAT THE GOVERNMENT SHOULD NOT HELP ONE INDUSTRY AT THE EXPENSE OF ANOTHER. **THAT IS WHY WE ENCOURAGE PASSAGE OF HOUSE BILL 2174 WITH PROVISIONS FOR THE OPERATION OF RACETRACK LOTTERY GAMES BY LOTTERY RETAILERS WHO ARE WELL ESTABLISHED AS (1) LICENCED CLUBS OR DRINKING ESTABLISHMENTS, OR (2) LICENSED TO CONDUCT GAMES OF BINGO OR (3) ORGANIZATIONS DETERMINED BY THE EXECUTIVE DIRECTOR TO BE BONA FIDE NOT FOR PROFIT ORGANIZATIONS.**

**STATEMENT BY BRUCE DIMMITT
TO HOUSE FEDERAL AND STATE AFFAIRS
COMMITTEE**

**CONCERNING INCREASED GAMBLING IN
KANSAS
HOUSE BILL No. 2174**

March 11, 1997

I am from Overland Park, Kansas and am registered as an Independent Lobbyist. I am unequivocally opposed to legalizing casino machines at parimutuel racetracks and lottery retailers as proposed by HB 2174 and to House Concurrent Resolution 5013 which would put the issue of off-track betting on a state-wide ballot.

My reasons are as follows:

1. **It would be bad for economics.** In his 1995 book *The Luck Business*, author and Hampshire (Mass.) College Professor Robert Goodman concludes that gambling merely picks the pockets of locals, eroding profits and driving some companies out of business and people out of work.

Any perceived economic benefits are short-lived, Goodman contends. "(Gambling) is a grand illusion of new jobs...and fresh revenues," he wrote. Eventually what is left, Goodman contends, is "a local economy under siege."

Gambling absorbs dollars that would otherwise be spent or saved elsewhere. Dollars that are spent for entertainment at the Woodlands will not be spent at Kansas restaurants, bowling alleys or other entertainment businesses. Additionally, dollars compulsively and unwisely spent by an addicted gambler will not be spent in Kansas on such family needs and necessities as groceries, utility bills, clothing, cars, health and life insurance, college tuition, savings for retirement and emergencies, investment in businesses, etc. Nor will they be spent through contributions to the charity of the gambler's own choosing.

In Kansas City, customers lost to the riverboats ten times more than was pledged to the United Way.

In the case of the casinos in Kansas City, ten percent of the gambling losses are kept by the gambling businesses. When Wal*Mart sells a product, Wal*Mart keeps less than five percent and the customer has a product whereas at a casino, the customer has no enduring product, just an experience which in the case of an addict, must be repeated often for some lengthy period of time until ruination to self and others occurs.

Gambling also absorbs workers that would otherwise be available for local businesses. Because of the riverboats in Kansas City, other businesses report they have had to raise wages/benefits for workers by substantial percentages (thus raising the cost of living for the population or decreasing the business profits) and employers such as government agencies that do not have the flexibility to increase compensation levels have reported severe problems finding qualified employees.

Employees who are addicted to gambling add to the cost of employers because of increased employee absenteeism, workplace inefficiency, medical treatment and insurance expenses, theft, fraud, embezzlement, employee indebtedness, turnover, etc.

2. It would be bad for the social and moral fabric of communities. Gambling brings:

- Broken homes, divorces, suicides, mental health problems, dysfunctional families, neglect of parental, community and church responsibilities and inefficiencies at the workplace.
- Organized crime and public corruption, dominance by gangs, alcoholism, drug addiction and marketing, street crime, robberies, armed robberies, increased cost of law enforcement including additional facilities for detention and incarceration. The cost to government for dealing with crime and social problems would be significant and might exceed gambling as a revenue source.

- Economic deterioration of communities and housing and commercial property values, and
- Addiction to gambling is like a sorceress, seductress or secret mistress to which a significant number of persons, their families, employers, financial institutions and communities would become victims. The lure of gambling is effective **even though everybody knows the gambling house is the winner** in the long run for the vast majority of people. The gambling industry even targets their "best customers" to gamble even more, to the point of becoming addicted.

3. **Government and charities can get addicted to the gambling industry as a source of income.** The gambling industry may not necessarily be reliable as a long-term source of revenue. The industry is, and has been, seeking more and more support to "survive". It is unlikely that that would end if they get what they are now asking for.

4. **The State should not see itself liable or responsible for supporting or saving the Woodlands or the gambling industry.** That is a socialistic concept. The state should not single out the gambling industry for partnership over other businesses or industries. Also, the state should not be a partner responsible to make gambling succeed and at the same time have responsibility for regulating and controlling the gambling industry (an industry that brings corruption, greed and sloth to the moral fabric of society).

Finally, I object to putting the issue to a public referendum. If the issue is put to a vote, the gambling industry will bring in a huge amount of money for television and other advertising. The anti-gambling forces could probably only raise a fraction of the money to compete with such an advertising campaign onslaught. This is not good democracy. Democracy is best served by the principled action of honest legislators elected to act as statesmen and stateswomen in the best interests of the state not controlled by the promise of corrupting big money.

Conclusion:

While people have a constitutional right to gamble, **legislators should not cater or succumb to the base interests of people seduced by the fleeting but ultimately unsatisfying pleasures of gambling to the serious detriment of the personal well-being, social fabric and economic health of our civilization.**

Signs of the future

KC's bet can pay off if right steps are taken

By RICK ALM and
KEITH CHROSTOWSKI
Staff Writers

Kansas City, get ready for our new identity — Little Las Vegas.

The riverboats demand the repeal of the state's \$500 betting loss limit and the two-hour cruise requirement. They want us to become a wide-open gambling town.

Most likely, they will prevail.

History shows that the boats

will use their formidable political and financial muscle to get their way in Missouri. They defeated river cruising. They overcame a legal challenge to slot machines.



Third in a series

chines.

Once they erase the limits, prepare for change — and maybe not all of it bad. Gambling supporters and city leaders predict an economic boomlet as the city pulls in more conventioners and tourists.

Visitors will be drawn to all of the city's attractions, boosters say, including some of the most lavish and expensive gambling houses in the country.

The convention industry sees chartered planes landing at the Downtown Airport loaded with

See CITY, A-10, Col. 2



KEVIN ANDERSON/The Star

Kansas City, 2002: Two scenarios

■ **BOOM:** Gambling limits fall, tourism increases, Kansas City becomes a fashionable new destination city for vacationers and conventioners. Other city attractions link with the casinos to expand their businesses.

■ **BUST:** The gambling restrictions remain, the casinos flounder and fight for more customers with extraordinary giveaways. More layoffs result. Eventually two casinos shut down with no buyers in sight.

INSIDE

■ Cities funnel casino money into public improvements, A-10

■ What history tells us about gambling's future, A-11

■ Riverport Casino outside St. Louis is set to open, D-8

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City has stake in future of riverboats

Continued from A-1

wealthy high rollers, another big convention center hotel and even a train running from the casinos to Union Station.

With a tourism surge, even restaurant and club owners might stop complaining about the boats.

Some already have.

"Folks, take an aspirin. Gambling is here to stay," advises Craig Glazer, executive officer of Stanford & Sons Restaurant & Comedy House in Westport. "We've been handed a golden opportunity" to shed our "cow town" image and join the big leagues of convention cities, he says.

What supporters of the boats don't like to talk about is the social cost — the certain rise in problem gambling, bankruptcies, spousal and child abuse.

That vision is just as real.

David Barnes of Kansas City, Kan., who responded to *The Star's* Internet call for comments about gambling, alludes to the classic film "It's a Wonderful Life," in which a sublime, wholesome town called Bedford Falls becomes garish, unseemly "Pottersville," named for the town's avaricious banker. It swarms with strip bars, casinos and an anxious and despairing citizenry.

"This is what I envision casino gambling doing for our city — turning it into Pottersville."

There are many ways our gambling future might unfold. But based on interviews with casino executives, city leaders, gambling counselors and even financial planners, a clearer picture is emerging.

Imagine Kansas City, five years hence. The loss limits and cruise times are gone, just as the casinos want. The boats are now open 24 hours a day.

We've become "Little Las Vegas."

Step into the future

The Western Pacific airliner, sporting Sam's Town colors and logo, lands at the Downtown Airport. Inside: scores of junketing conventioners on a charter trip from Denver.

There's a full day and night ahead for the free-spenders. First, the short trip to the new downtown hotel, built just that year south of Bartle Hall. Then on to a shuttle bus to the new Science City at the old Union Station. Hop the Station Casino train — brightly lit, accented by hostesses and piped-in Kansas City jazz.

Then on to Casino Row — east along Missouri 210, hard by the river. Harrah's is the first stop. Then Sam's Town. Then Station Casino, which features not only the fifth-largest gambling hall in the nation and numerous restaurants, but a towering 1,000-room hotel, movie theaters, a shopping arcade and bowling alley.

The supercharged marketing campaign seems to be working. Ads run from Dallas to Little Rock to Chicago. The groups were sold not just on the casinos, but package deals involving the Royals, the Kansas City Zoo and the Riverfront Park Aquarium.

Upriver at the Argosy, local high-rollers drop \$100 on a hand of blackjack. Ask them about Las Vegas, and they just shrug. What's the point?

Overall, the industry and city leaders are slaphappy with gambling's payoff. The casinos, once near panic over whether all five could survive, now boast of expansion plans. City leaders see an enlivened downtown, attractive to tourists, conventioners and local residents.

Beyond the grandeur

The same day, also north of the river, a divorce court judge stares

down at a distraught Clay County couple. It's the last day of their marriage. The husband is ashamed of a gambling habit that emptied their savings account and an IRA of \$120,000 — in two months.

He also owes Harrah's about \$10,000. Just last year, Harrah's started legally offering credit to gamblers, like in Las Vegas.

Similar tragedies play out across town. In bankruptcy court, a judge, hard-pressed to keep up the pace of just a few years ago, despairs at the surge in gambling-related cases.

Just south, on Armour Boulevard, the nonprofit Consumer Credit Counseling Service is overbooked. A counselor comforts a young man who keeps falling victim to Station's new paycheck sweepstakes contest. "I cash my check at the boat ... you know, hoping to win," he says. "Then I can't leave, man. I keep losing the rest." It doesn't help that he keeps getting fliers from Station, just before payday.

A 40-year-old woman tells a treatment counselor why she can't stay away from the boats. It's too easy, she says. "I just put my Visa in the slot machine." She knows she's turning to the boats to compensate for problems on the job. It's a worn-out story for the counselor. She can almost predict what the woman will say. It wasn't that way a few years ago.

"One in 20 people out there have problems with gambling, or will have," she says between sessions. "It's a heckuva load right now."

Gambling's grip is now tightly closed.

W **Everyone agrees on**

These scenes easily could come

true. After all, Station's Las Vegas casino already runs a paycheck sweepstakes. Comdata Corp. of Tennessee has developed a credit card reader for slot machines. The Sam's Town airliner is flying today.

This much is certain:

Eventually, legislators or voters will agree to lift loss limits and cruise time restrictions. Expenditures per customer will increase — maybe to \$37, the national average, up from the \$24 today.

Kansas City's gambling market will increase to at least \$500 million in revenue a year — or more — from \$318 million last year.

Sam's Town and the Flamingo, both on Wall Street analysts' death watch, will have a better chance to survive.

High rollers will, indeed, come into town. The casinos planned on it. Look upstairs at Station's and Harrah's new hotels. Both have suites set aside for them.

Gambling dollars will pay to finish Kansas City's riverfront park. The boats increasingly will help convention officials sell the city to meeting planners. As limits are lifted, even suffering restaurants should feel less pain.

"Everybody prospers, *everybody*, when this becomes an entertainment destination," promises Joe Canfora, the former Midwest president for Station Casino.

It is also true that after the limits are gone, the time between an addict's losses and his desperation will shorten.

The casinos here will be a place "where people walk in and lose \$10,000, \$25,000 in a couple of hours," says Kansas City psychologist Robert Kretchmer.

And, experts warn, we will have to start worrying more about underage gambling — the next big "youth crisis." This is the first generation of young people here to grow up encircled by legalized gambling.

Schools, they say, must begin warning students of the perils, alongside messages about alcohol, drugs and sex.

Nancy McReynolds, clinical director of addiction programs at Crittenton, a comprehensive mental health facility for children and adolescents, has started seeing children devastated by their parents' addiction.

That points up the irony in Station Casino's on-site day-care center.

Kansas City will struggle with its long-range concern to make sure the area remains a healthy place to raise children.

Kansas City's Partnership for Children wants us to filter gambling through the group's "No. 1 Question" public awareness campaign that simply asks us to ask ourselves of any activity: "Is it good for the children?"

What needs to be done

So the boats are here. They aren't going away. We must learn to live with them.

Yes, there are caveats. Some in

the industry aren't convinced the tourism draw will work. White-hot competition for gambling dollars is everywhere — in casinos, race-tracks, lotteries, sports betting and even the Internet. You can legally place a bet on *something* in 48 of the 50 states.

And it may take a year or two for Missouri's limits to be lifted. If the legislature doesn't act, the casinos have millions of dollars to finance a petition drive. They've done it before.

But in the end, many if not all of the boats will remain. And we'll have to deal with them.

It won't be easy.

The *Star's* survey of Kansas City area adults found more than half do not think the riverboats have made Kansas City a better place to live.

And gamblers in the survey are surprisingly ambivalent. Forty-six percent don't think the boats have made the area a better place to live, while 42 percent say they have.

For now, top business and civic decision-makers prefer to ignore the issue.

The 1997 strategic plan for the Greater Kansas City Chamber of Commerce doesn't even mention gambling.

In preparing this series, *The Star* asked more than 50 civic, religious and business leaders for their views on the riverboats. Only a handful replied. Some who declined said they didn't want to get involved with the subject publicly.

But people on both sides of the gambling debate say we have some critical decisions ahead. There's a prime opportunity to maximize gambling's potential. But only if we minimize its pain.

In talks with industry observers, economic development officials, gambling counselors and business owners, here's what they suggest.

■ Face facts about the limits. They don't stop problem gamblers. They're too easy to get around. Enforcement is a nightmare. Even Keith Spare, founder of the new Missouri Council on Problem Gambling Concerns, agrees. He's willing to lose them — if more money goes for treatment and education on problem gambling.

■ Devise a coordinated marketing effort that hits hard across the Midwest, selling not only the casi-

nos, but the Royals, the Truman Library, the zoo and all the rest of our region's charms.

■ Improve the city's people-mover network — buses and cabs — so casino tourists and conventioners can see more than just the boats.

■ Continue the improvements to downtown. It still needs more face-lifting and hotels to flourish as a convention draw.

■ On the casinos' part, go after the tourists — not us. State regulations now prohibit paycheck cashing and easy credit aboard the boats. Leave those rules alone. We aren't going to buy those changes under the guise of "customer convenience." They have nothing to do with increasing tourism.

■ Most important, make sure problem gamblers know where to get help — and that they get it. Care must always be taken, no matter the cost, to help the afflicted and their families. Missouri must boost its current \$300,000 allotment for treatment. It also must fortify public education — for all ages — about gambling's talent for sucking dollars from our pockets.

Epilogue

As the Missouri River's morning mist burns off each day, Kansas City Mayor Emanuel Cleaver can glimpse each one of the area's casinos from atop City Hall.

It's not a sight he relishes. Devoutly anti-gambling from his United Methodist pulpit training and beliefs, he struggles to understand gambling.

"Gaming...is almost a socially barbaric institution," he says.

But as mayor, he couldn't say "no" to the jobs and taxes.

"Once you start seeing the benefits, you start to relax your opposition. No matter how you cut it, they've generated jobs and pumped up the economy."

As for getting rid of the limits: "If they're bringing 25,000 people into the city," he says, "maybe we ought to be less stringent."

But the mayor also predicts gambling will run its course. In a decade, he says, only two boats will survive their own warfare and the fickle public.

"The competition will become so great, the incentives so wild," he says.

"I know I'm right; I know it."

Along the way, he acknowledges, "we will never know the death toll — those lives permanently damaged. We will never get that number." He insists that much more be done for the growing number of victims.

In the end, however, he accepts the pact we've made.

As an economic force, riverboat gambling "is working better than I expected and better than in any other city I know of."

But it hasn't cracked our bedrock values.

"Many of us preached that it would happen. But it hasn't happened. I don't think there's been any change to the soul of the city."

The Star.
KANSAS CITY

Visit *The Star's* site at <http://www.kansascity.com> for the following:

- Visit casino industry resources on the Internet.
- Send e-mail to the series authors and editors.
- Voice your opinion of the effects of the casino industry in Kansas City.
- Read the Little Las Vegas series in its entirety.

kansascity.com

How the casinos affect us

Even many gamblers can see the boats' unsavory side.

An opinion survey of 800 area adults by *The Star* discovered that:

- **Only four in 10 gamblers** said the casinos had made Kansas City a better place to live.
- **About a quarter of gamblers** said the casinos have led to moral decay.
- **And 35 percent** said there was social stigma attached to people who visit the casinos.

In all those areas, the opinions of non-gamblers were harsher on the boats. For instance, almost half of nongamblers said the boats had led to moral decay.

And there were other disagreements.

- **80 percent of gamblers** said the boats had made Kansas City a better place to visit compared with 60 percent of nongamblers.
- **26 percent of gamblers** said the \$500 loss limit was too high while 56 percent said it was about right. Among nongamblers, 37 percent said it was too high, while 40 percent said it was about right.



Casinos pave way for city

improvements

By RICK ALM
Staff Writer

On a sweltering August morning in 1995, Mayor Emanuel Cleaver spoke to a shirt-sleeve crowd of 250 people at groundbreaking ceremonies for the Hilton Flamingo Casino.

"This marks the coming to light of this grand old river. This is something Kansas City should have done 100 years ago."

He wasn't talking about gambling.

The riverfront boardwalk and mile-long public park now under construction just west of the casino site wouldn't have happened without casino dollars — our gambling losses.

When those attractions open in the summer of '98, they will herald a potential rebirth of the River Market district and downtown — becoming a new focal point for visitors and area residents alike.

Strolling that boardwalk might be the first time some of us really see the Missouri River.

If Port Authority officials can make it work, a cultural heritage museum and an aquarium will anchor the site.

Just to the south, authority officials say they are getting nibbles of interest in the proposed office and industrial park also being carved out of barren, city-owned riverfront land.

And apartment and condo developers are suddenly interested in the city's riverfront acreage.

"I think we'll get serious requests this year," says authority lawyer Phil Kuznetsky. "It's exciting."

Casino dollars also are tearing down abandoned and dangerous

inner-city buildings, funding college scholarships and minority business development grants and helping to underwrite the state's treatment programs for problem gamblers.

In the fiscal year that begins this spring, \$11 million of the

city's projected \$66 million capital improvements budget will come from casino dollars. Big-ticket items include Blue Valley flood control, completion of Bruce R. Watkins Drive and \$14 million worth of neighborhood conservation projects.

Likewise, without tax dollars from Harrah's, North Kansas City would never be able to build new ballfields and park shelters; buy new ambulances and fire trucks; buy new computers for City Hall; replace worn bridges; pave rutted roads and alleys; replace cracked sidewalks; lay new sewer lines; beautify neighborhoods; and much more listed on the city's ambitious but now-attainable five-year capital improvements plan.

Casino dollars are having no less an effect in Riverside, a tiny, flood-prone Missouri River town that is undergoing an infrastructure renaissance — starting with a new city hall and community center complete with swimming pool.

Kansas City Councilman Ed Ford says we must be realists.

"They're here," he says of the boats.

"We can grumble all we want about the evils of gaming, but my position has been that the voters approved it.... We might as well emphasize the positives."

Jerry Miller, an economics professor at Rockhurst College and observer of the gaming industry, agrees that Kansas City especially drove a hard bargain with its boats.

Despite still festering controversy over questionable city dealings with Hilton, Miller said the casino's lease for city property was "a master stroke" of negotiations on taxpayers' behalf.

Long after the gambling fever cools, says Miller, the revived riverfront will be "something that politicians can point to and say, 'Look what riverboat gambling did for us.'"

GAMBLING FACTS

■ **Under the Amateur and Professional Sports Protection Act of 1992**, Congress outlawed betting on sports except in the six states where it already was legal.

Another federal statute bars the use of interstate communications wires for wagering "on any sporting event or contest."

The laws aren't working too well. It's estimated that \$88 billion was unlawfully bet on games, races and other sporting events in 1995. By comparison, legal sports books in Las Vegas grossed \$2.6 billion.

Now comes the latest twist: sports bookies with toll-free telephone lines who advertise openly, including on some Kansas City radio stations.

They avoid trouble because they're based offshore, as are Internet casino companies that now accept real bets from at-home gamblers.

Federal officials say their hands are tied trying to prosecute electronic offshore casinos or bookies who avoid using federally regulated institutions.

So far the government has shown no inclination to prosecute individual gamblers on U.S. soil, although legislation was introduced in 1996 to do just that.

■ **In July** the Wisconsin Policy Research Institute estimated that each problem casino gambler imposed a cost to the state of \$10,000. Its study included costs for lost wages and taxes, bankruptcy, suicide attempts and crimes.

If the Wisconsin formula were applied to 1 percent of the area's 1.1 million adults, the social cost here would reach \$110 million a year.

Other studies estimate the per-gambler costs to be anywhere from a few hundred dollars a year to \$50,000.

■ **Some traditional civic leaders shun the boats.**

Banker R. Crosby Kemper Jr. feels so strongly about gambling that his UMB Financial Corp. won't do business with the casino companies.

"We don't put ATM machines on the boats nor do we accept accounts from them," he says. "We don't want their business because we know what (gambling) can do to people."



Kemper

■ **Tourism success depends in part on people** like Chip Paul, human resources manager at MAC Equipment Inc.

The Kansas City-based pneumatic equipment manufacturer employs about 75 people here and about 400 nationwide.

In a recent company newsletter, Paul promoted the newly opened Kansas City Station Casino to fellow employees as one of the sights to see when they're in town on business.

"It's the biggest thing that's happening (in Kansas City) right now."

■ **There's an economic downside** if the \$500 loss limit and two-hour cruise times are stricken from the law.

The boats will need hundreds fewer employees to hand out voucher cards, police the boarding times and change cash into tokens.

■ **Jerry Miller**, economics professor at Rockhurst College, sees a pattern by the riverboat industry.

The casino companies, he says, "agree to any restriction, such as a loss limit, cruise times or high tax levels, just to get up and running."

Then, he argues, politicians and regulators — who don't want to see a boat fail or tax dollars disappear — simply nod yes and stand aside as the restrictions fall.

"They are no longer enforcers," says Miller of the government. "Now they're promoters."

ABOUT THE SERIES

■ **Sunday: An economic windfall**

Despite doomsayers' predictions that casinos would ravage Kansas City's economy, the opposite has been true. But can it last?

■ **Monday: Gambling's dark side**

Gambling addicts, the distressing by-product of the casinos' success, are on the rise here. There is help for them.

■ **Today: The future is now**

Gambling advocates are slowly but surely reshaping Kansas City into "Little Las Vegas." Can we live with that?

6-10

Regarding gambling's future, odds are heavily with the house

By KEITH CHROSTOWSKI
and RICK ALM

Staff Writers

Many people still wonder how those cruising riverboats we were promised turned into real estate developments.

Basically, we jumped into riverboat gambling with our eyes shut to the industry's relentless ability to get what it wants.

"There was a picture in somebody's mind that it was going to be a certain way," says Norm Powell, Sam's Town general manager.

Indeed. When legislators put the issue to voters in November 1992, Kansas Citians were charmed by the 19th century-style riverboats then cruising Iowa waters.

Industry ads and brochures were peppered with paddle-wheel churning riverboats. And that November, the ballot language said nothing about the boats not cruising.

Nearly 63 percent of the voters said yes.

Most weren't aware, however, of two sections of the law they had approved.

One gave the Admiral, an aging, engine-

dustry didn't.

Nationwide, riverboat gambling was evolving from Iowa-style riverboats to the audacious, noncruising riverboat casino strips seen in Mississippi.

Before that November 1994 vote, however, we had glimpsed the casino trend of the future: In September of that year, Harrah's had opened its \$89 million gambling, restaurant and sports bar complex. The "North Star" casino never cruised.

Irwin says his visit to Mississippi earlier that summer, and the lucrative reality of what Harrah's had built, forced the Missouri commission to rethink its fast-track approach to licensing "boats."

Mississippi had approved too many boats, he said. Some were failing and others were sailing away. Iowa boats, hampered by unrealistically low loss limits, also were giving up.

"What we were seeing were these \$40 million, \$50 million projects — boats, parking lots and lunch counters," said Irwin. It was too easy for the casino companies to walk away.

The Missouri commission decided to

ANALYSIS

less riverboat and St. Louis icon, a cruising exemption from the start.

The other set an April to October cruising "season" for all other boats, allowing them to operate from dockside all winter. That was mentioned in the ballot summary at the polls, but few voters read the fine print.

Immediately after the vote, the industry began arguing that the Missouri River is too dangerous year-round, not just in winter when it is ice-choked. The Coast Guard didn't disagree; there were no rescue boats anyway.

The Missouri Gaming Commission began granting "permanent docking" privileges. And no one testified to the contrary, a commission official says.

In the meantime, and with help from industry lobbyists, the General Assembly twice rewrote the gambling laws. First it gave the commission more discretion on permanent docking. Then it established the "boat in a moat" concept, allowing

casinos to operate within 1,000 feet of the river.

There were more changes to come. In a legal challenge over games of chance, the Missouri Supreme Court stunned the industry by insisting that voters have a say on that as well as the new docking provisions.

Voters twice considered those issues. Both times they were distracted by furious debate over legalizing the slots.

In the first vote, in April 1994, church-based opposition and a low turnout defeated the changes by less than 1 percent. That summer the industry spent millions on a petition drive to force another vote in November.

And it got what it wanted. Ballot language — approved by 54 percent of voters — clearly stated that games of chance would take place on "excursion gambling boats and floating facilities."

Says Tom Irwin, executive director of the gaming commission: "For those who say they didn't vote for this, yeah, you did."

But most of us missed what that "floating facility" phrase meant. The gaming in-

consider only the strongest companies with the best proposals. And commissioners squeezed them hard for restaurants and hotels — real estate developments.

"If somebody sinks in \$100 million, they're not going to run at the first gunshot," Irwin says. "They're going to stick around for awhile."

Irwin said the commission expected criticism either way. "If the boats had made only minimal investments, critics would be howling that they're taking all this money out of the community, that ... they've made no commitment here."

Instead, the critics are howling: "'Oh, it's too big. We didn't want it this big,'" he said.

In the end, the gaming industry and the state of Missouri strong-armed each other for what they wanted most.

The casinos put \$1.5 billion worth of steel and concrete in the ground and hired 10,000 Missourians to satisfy the state's hunger for jobs and tax dollars.

And now, with such a big investment, the pressure is relentless to keep the boats profitable.

History shows attitudes on gambling change with times

By TED SICKINGER
Staff Writer

If history teaches, then legalized gambling is doomed.

In fact, Americans' passion for legal gambling wavers like a bad radio signal. We love it, and then we hate it. We embrace it, and then we kill it.

In the 19th century, for example, Kansas City was a gambler's paradise, a sleazy playground for every cardsharp and cattleman on the frontier. Then reformers squashed it.

In the 20th century, Prohibition, Pendergast, policy rackets and poker made Kansas City a must-see vice pit for every wannabe high roller in America. Then reformers squashed it.

That boom and bust cycle, and the tug of war between individual rights and the need to police public morality, is the history of legalized gambling in the United States.

Now Kansas City is hot into another gambling gorge, a cluster of casinos having mushroomed on the muddy banks of the Missouri. But are these neon palaces doomed, too?

Maybe not. Casinos today are run by rich, brand-name corporations, not unctuous thugs with pencil mustaches and double-breasted suits. Right now they have the support of politicians and Wall Street. And their product is being promoted as clean, family fun, not to mention a magic bullet for city and state economies.

As for the public, well, it has changed, too. Today, at least in the short term, the opposition choir hasn't raised its voice beyond a squeak. Not family groups, not church groups, not educational groups.

Maybe ... this time ... gambling is here to stay.

From time immemorial

Ever since Eve reached up and plucked the apple in the Garden of Eden, people have gambled.

The Greeks, those high-minded founders of the Olympic Games, loved a good fight to the death, or a match in which contestants guzzled flagons of wine till they keeled over dead. Both were bettable bouts.

Roman emperors were notorious gamblers. Claudius redesigned his carriage so he could roll dice on his way to the library, where he wrote a treatise on gambling. Caligula arrested two knights and appropriated their property to replenish his gambling-depleted coffers.

King Henry VIII often lost his ermine-fringed shirt at gambling. But he outlawed all forms of it for his subjects.

They ignored him. One of the popular bets of the day was on the outcome of court trials. And when Henry's wife Anne Boleyn and her brother were awaiting trial for incest and high treason, odds ran 10 to 1 on their acquittal.

Never bet against the house — of Tudor. Off came their heads.

In America, our national gambling mania began with lotteries.

The Jamestown settlement was supported by a lottery. Lotteries financed bridges, canals and churches. They funded Harvard, Yale, Dartmouth and the University of North Carolina. They even bankrolled the Continental Army.

After the Revolutionary War, private promoters took over. And like any group of proper peddlers, they pushed their product hard.

By 1831, more than 420 lotteries offered tickets worth \$66 million — five times the federal budget that year, according to historian L.J. Ludovici.

On the frontier, casino gambling flourished from New Orleans to St. Louis.

In the 1830s as many as 1,500 professional gamblers were working the riverboats below St. Louis, most of them cheating and paying a percentage to the crew.

Lotteries became notorious scams and a favorite target for social reformers. They seemed an easy legislative fix. And by 1862

legislatures killed them in every state but Missouri and Kentucky.

America's breather from legal gambling was brief. The lottery reappeared after the Civil War, bigger than ever.

The Louisiana Lottery embarked on a three-decade orgy of corruption in 1868. It sold tickets by mail across the continent. It let anyone "insure a number" for a few pennies. And it grew to \$300 million in annual revenue — about \$4.3 billion in today's dollars.

In its own way, Louisiana reflected America after the Civil War: consumed with growth and greed. And the place to get rich quick was on the frontier, in towns like Kansas City.

'Den of iniquity'

For 15 years following the Civil War, Kansas City was a playground for the cattlemen, buffalo hunters and army officers who roamed the West.

Locals claimed that in the six-block area around Fifth and Main streets, there were more gambling houses than in any city in America. This in a burg of 32,000 souls.

"Basically, Kansas City was a den of iniquity," said Lawrence Larsen, a history professor at the University of Missouri-Kansas City. "Before it really became a village, it was a glorified frontier camp."

Wyatt Earp, Wild Bill Hickok, Bat Masterson and Jesse James pa-

troned the gambling halls.

Eventually, however, the Wild West gambling era disappeared in the turn of the century tide of moral reform that created Prohibition.

Between 1914 and 1919 the country passed its first effective liquor, prostitution and drug laws. Reformers crusaded against municipal corruption, poverty, the abuses of big business and other social ills.

6-12

Prohibition laws didn't work. They simply drove drinking and gambling underground. In many cities, notably Kansas City, politicians controlled the rackets, and the laws only ensured them a monopoly.

Prohibition coincided with Tom Pendergast's reign in Kansas City. And in Boss Tom's "wide open town," vice ruled.

By the late 1920s, Pendergast-sanctioned bookies were selling numbers door to door. Slot machines could be found in any corner drugstore. And gambling joints with sophisticated alarms sprang up all over town.

One of the most notorious was the Chesterfield Club, a few steps from the federal courthouse. Patrons boozed and gambled openly. And the club's waitresses bounced around in little more than change belts.

As the '20s roared, similar stories played out in cities across the country. Instead of arresting those re-

sponsible, the public changed the laws.

Gaming comes clean

Modern gambling was born in the Depression, when casinos were legalized in Nevada and thousands of construction workers moved to the desert near Las Vegas to build Hoover Dam.

The mobsters were not far behind. They ran the rackets elsewhere, and legal casinos presented an opportunity to launder money, lay off bets and skim profits. Besides, crime syndicates were the only ones willing to finance Las Vegas.

In fact, the mob's influence was so pervasive in Las Vegas that when federal authorities focused on organized crime after World War II, their attacks threatened legal gambling's survival.

It took Howard Hughes to save the industry.

In 1966 the reclusive billionaire moved into the penthouse suite at the Desert Inn in Las Vegas, grew his hair and fingernails long, ordered a lifetime supply of banana ripple ice cream and mounted an ever-vigilant campaign against germs.

The mob tolerated him until they determined his entourage wasn't spending enough at the casino. Then they tried to evict him.

Hughes promptly bought the place, and then three more Vegas properties reputedly controlled by

organized crime. His stature and shrewd reputation lent credibility to the casino business. And other companies hurried to stake their claims. They changed the industry forever.

Corporations poured "clean money" and political clout into a capital-starved, pariah industry. They persuaded regulators to allow publicly traded corporations — and through them stockholders — to own casinos.

And they legitimized the industry in the eyes of the public and the business community. Law enforcement agencies, banks, unions, pension funds and suppliers all fell into the same orbit and developed an economic interest in the casinos' survival.

Gambling was no longer a moral issue. It was a cost-benefit analysis.

The permanent wave

For the last three decades the gambling industry has taken up all the moral and legal slack that society has paid out.

As recently as 1964, no state had a lottery and only one state had casinos. Today there are lotteries in 38 states, casinos in 25 and only two states without legalized gambling.

Add church bingo, card rooms, sports betting, dog and horse racing, jai alai and other forms of betting, and Americans legally bet \$550.3 billion in the United States in 1995, according to a trade publi-

cation.

Gambling's corporatization has made it more palatable, but morality also has changed, academics and theologians say. Gambling's legalization is just one aspect of a wholesale shift in American values, a shift from the public to the private sphere, and from the absolute to the relative. Nothing is wrong anymore. It is simply an individual's choice.

Jeffrey Black of the Episcopal Diocese of West Missouri and others liken gambling to a debased form of religious truth.

"The whole hope of a human being is that somehow, in spite of the things I've done wrong, there will be an episode when grace and fate shower down on me and an unearned blessing will come to me — that I'll be the one," Black said.

That faith in chance, and the thimbleful of hope that a casino offers, may reflect Americans' changing work ethic and beliefs about the rewards of hard work.

"People believe, really believe, that there is greater possibility of succeeding on an eight-to-five bet than making it in the eight-to-five, dead-end jobs that they've had for the last 15 years," said Chuck Bishop, a historian at Johnson County Community College.

And the institutions that have traditionally opposed gambling no longer enjoy the same influence.

With some exceptions (Mormons, Muslims and some Protestants), religious institutions have not presented an organized front against gambling.

And government's role has changed. Politicians have quit fighting the industry and become addicted to gambling revenues. Government has become a bookie, an industry shill touting gambling as an economic miracle: a tourist magnet, tax machine and job-maker wrapped in one.

The real negative in all this, experts say, is the problem gambler.

"But that's a very small part of the equation," said Bill Eadington of the University of Nevada-Reno, who equates it with the liquor industry and the alcoholic. "Society is willing to make the tradeoff."

Opposition predicted

Even gambling's harshest critics acknowledge that in this cycle, on this historical wave, legalized gambling is different — bigger, better-connected and more entrenched.

But they note that gambling itself has not become more respectable. And they contend that the explosion since the 1980s is more the result of gambling industry pressure than a demand by the people.

Gambling expanded "because of aggressive lobbying by the gambling industry and the promotional efforts of politicians who haven't been able to find more productive alternatives for economic development," said Hampshire College's Robert Goodman, a well-known critic of gambling.

But because of the latest expansion, casino companies are competing fiercely for gambling dollars. Moreover, following the historical pattern, they're pushing regulators to loosen the restrictions on their profits.

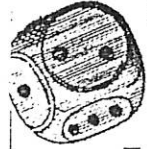
Critics say the future holds sports betting, convenience gambling at every bar and restaurant, and unlimited gambling on the Internet. And that as the social costs begin to show up, so will opposition.

Nelson Rose, a professor of law at Whittier University and a gambling authority, says a crash is inevitable. He is convinced that a moral retrenchment will come about, that gambling's growth will bring on a wave of social problems and scandals greater than the petty ones we've seen so far in Missouri.

"The next crash will come when the general population says this is enough," he said.

Black agrees. "We'll be into it until the economy goes down and the damage that gambling does to families is more apparent. Then we'll get rid of it and go another 75 years or so until it happens again."

A gambling through the ages



■ **2300 B.C.:** Chinese invent Go, a tile game later used for gambling.

■ **1500 B.C.:** Ivory dice are used at Thebes, an ancient Egyptian city on the Nile.

■ **1193 to 1184 B.C.:** Greek soldiers wile away the siege of Troy by throwing dice.

■ **776 B.C.:** The first recorded Olympic games. A celebration to honor the gods. Greek athletic contests also become the subject of heavy betting.

■ **384 B.C.:** Aristotle, Greek philosopher, born. Later compares dice players to thieves. Also devises a better way to throw dice.

■ **A.D. 30:** Roman soldiers gamble for the robes of Christ after his Crucifixion.

■ **570:** Mohammed, founder of Islam, born. Later forbids all games of chance.



■ **1541:** Comprehensive anti-gambling laws are passed under King Henry VIII.

■ **1612:** Captain John Smith sponsors a lottery to support Jamestown.

■ **1621:** Plymouth Colony bans gambling.

■ **1770s:** A series of lotteries are held in the colonies to support colonial militias and the Continental Army.

■ **1793:** George Washington sponsors a lottery for improvements in Washington, D.C.

■ **1812:** Riverboats begin to ply the Mississippi.

■ **1827:** John Davis opens America's first complete casino in New Orleans.

■ **1850s:** Reformer zeal increases with the aim to wipe out lotteries.

■ **1856:** Monte Carlo, the world's most renowned casino resort, is chartered by Monaco's Prince Charles III.

■ **1868:** The notorious Louisiana Lottery is established.

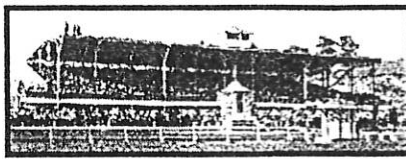
■ **1869:** Nevada legalizes



Captain Smith



Confiscating punchboards in eastern Jackson County, 1948.



gambling.

■ **1870s:**

Kansas City, riverboat stop,

gateway to the West and livestock trailhead, becomes one of the country's gambling meccas.

■ **1881:** Jim Pendergast, Tom's older brother, wins big on a horse named "Climax." Opens a saloon by the same name. Goes on to

become a city alderman.

■ **1881:** Missouri outlaws gambling.

■ **1887:** Charles Fey invents the slot machine in San Francisco.

■ **1890:** Congress outlaws the lotteries.

■ **1909:** Nevada outlaws gambling.

■ **1920s:** Prohibition. However, gambling, booze and prostitution flourish in Kansas City.

■ **1928:** Horse track frequented by Tom Pendergast opens north of the Missouri River.

■ **1930s:** Many states legalize betting on horse racing.

■ **1930s:** Tom Pendergast earns a national reputation as a heavy gambler and a sucker.

According to some estimates, he loses \$1 million a year.

■ **1931:** Nevada again legalizes casino gambling.

■ **1940s:** The mob runs much of Kansas

Riverside Racetrack

City, including its gambling and numbers racket. The Las

Vegas Strip is established.

■ **1945:** Nevada begins to license casinos and tax house winnings.

■ **1950:** A federal grand jury reports that the mob in Kansas City earned \$34.5 million a year from gambling.

■ **1957:** Gamblers Anonymous is founded in Los Angeles.

■ **1963:** New Hampshire votes to organize a lottery.

■ **1967:** Howard Hughes buys the Desert Inn.

■ **1970:** New York State and City permit pari-mutuel betting.

■ **1975:** Kansas permits bingo

■ **1978:** Atlantic City permits casino gambling.

■ **1981:** Missouri permits bingo.

■ **1984:** Missouri approves a lottery.

■ **1985:**

Montana becomes the first state to allow slot machines in bars

■ **1987:** Kansas approves a lottery.

■ **1988:** Casino gambling still illegal in all but two states.

■ **1988:** Indian gaming is legalized.

■ **1988:** Missouri voters legalize pari-mutuel betting on horse races.

■ **1989:** The Woodlands opens.

■ **1991:** Iowa becomes the first state to legalize riverboat casinos

■ **1992:** Missouri voters approve riverboat gambling.

■ **June 1994:** The Argosy opens, the first riverboat in the Kansas City area.

■ **Sept. 1994:** Harrah's Casino opens.

■ **Nov. 1994:** Voters approve constitutional amendment permitting games of chance

■ **Jan. 1997:** Station Casino opens.



Wanted: A lot more good workers

Businesses forced to adapt to compete with boats' appeal.

By RICK ALM
and KEITH CHROSTOWSKI
Staff Writers

The boats bring a unique twist to the area's labor crunch: Not only have they attracted a lot of workers, but they have soaked up many of the good ones.

Under the eye of the Missouri Gaming Commission, casinos can't hire anybody with a criminal record or history of drug use. The scrutiny is even tighter for applicants whose jobs would take them close to gambling operations.

Susan Bell, a tour and travel representative for the Argosy Riverside Casino, was surprised by the process.

Employees undergo a physical, take a drug test and are fingerprinted. Then they must fill out a 30-page questionnaire.

"It's your history from the day you were born," Bell says.

Once a person is tentatively hired, the commission can take weeks to complete its investigation. Bell met with an investigator just before she received commission clearance.

"I had been stopped for defective

taillights a week before and the guy asked me, 'Do you have any tickets?' I said, 'Yeah, my taillights were out and I didn't know it.'

"He said, 'OK, it's in your file.' They had already checked it out."

Despite the scrutiny and recent reports of some boat-related layoffs, plenty of people want to work for the boats. Station Casino received more than 20,000 applicants to fill 3,000 initial jobs.

Other employers are feeling the pressure.

One restaurant owner says he's seen some wage categories, even for dishwashers, rise by a third, to \$9 or \$10 an hour.

And some business owners are offering new incentives to attract workers:

■ Mickey Finn, former owner of the NKC Pro Bowl, offered a scholarship program for high school students who worked at his snack bar.

■ A Blue Springs Price Chopper grocery store last fall promised flexible hours to clerks, including a pledge that it would "work around extra-curricular activities" of high schoolers.

■ To fill some of its Johnson County jobs last year, the St. Louis Bread Co. advertised "\$100 signing bonuses."

■ Jim Kerwin, president of Tip-pins, added dental coverage, a 401(k) plan and college tuition re-

imbursement.

■ At one point last summer, Boatmen's First National Bank of Kansas City had 130 job openings in its area branches and, partly to compete with the boats, raised entry teller wages 12 percent.

Government also is affected.

David Kierst, administrator of Jackson County Family Court, says he's had trouble filling jobs at residential juvenile facilities.

"We are requesting funds to raise the entry-level wage rates."

Joe Canfora, the former Midwest president of Station Casinos Inc., says plenty of businesses are competing well for employees.

For instance, he says, Station quit trying to lure workers from the PB&J group, which owns several premier restaurants, including Yia Yia's.

Canfora says PB&J employees "love working there."

And some employers accept the reality of the new competition.

Craig Glazer, chief executive officer of Stanford & Sons Restaurant & Comedy House in Westport, said Stanford has lost employees to the boats. But he isn't upset.

"Our DJ is now a blackjack dealer. You can't blame the kid. He went from making \$20,000 to making \$34,000. I don't hate the boats for that."

How the casinos affect us

Even many of those people who don't gamble say they think the boats are helping our economy.

In an opinion survey of 800 area adults by *The Kansas City Star*, 46 percent of nongamblers said the casinos appeared to be an economic positive. About 42 percent said they were a negative. And 38 percent said they'd vote today to legalize the boats.

That survey also discovered that:

45% of area households include at least one adult who has visited a riverboat. That is 14 percent higher than the national average measured by Harrah's Entertainment Inc.

The racial makeup of gamblers mirrors the local population. And so do their financial means, with slightly more than half having an annual household income of at least \$35,000.

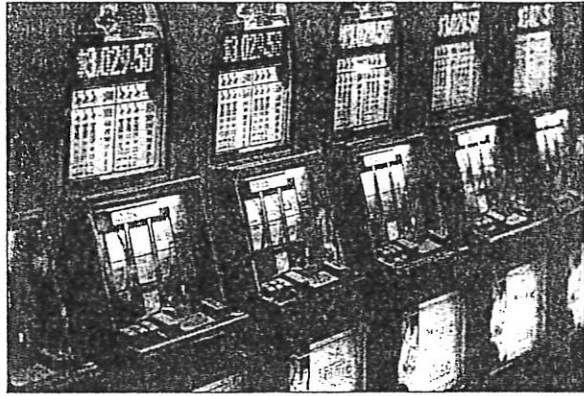
Six in 10 gamblers are married. Almost one-third are grandparents.

One-third work in professional or management jobs. But another one-third said they didn't complete high school.

Gamblers say their spending habits haven't changed much since the boats arrived.

Only about 5 percent who identified themselves as gamblers said the riverboats had caused them to cut back on other entertainment, including dining out or going to movies, concerts, bowling or professional sporting events.

Just 3 percent said they'd skipped a planned purchase —

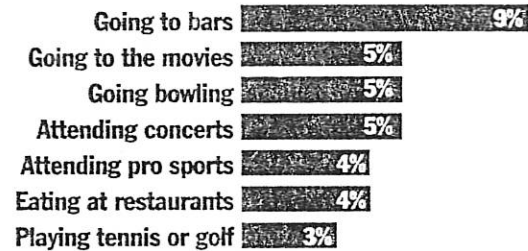


KEVIN ANDERSON/The Star

and less than 1 percent said they'd pawned a possession or withdrawn retirement savings — to get money for gambling.

By margins of up to 18 percent, they said the boats did cause a shift in their gambling interests, away from The Woodlands, trips to Las Vegas and other casino cities and playing the lotteries or charitable bingo.

■ **What activities** do gamblers say they are doing less or spending less on these days?



Long-term economic impact of casinos yet to be seen

Continued from A-22

our business grow about 2 percent" last year.

■ And finally, the area's vast number of cultural and sports venues are almost brushing off the boats' impact.

From the Kansas City Symphony to the American Heartland Theater to the Kansas City Chiefs, the Attack and Wizards soccer teams, to the Lakeside and I-70 speedways — all report stable or increased attendance since the boats opened.

Two exceptions: The Kansas City Royals and the hockey Blades. But their executives blame their sagging attendance the last few years on their teams' poor play or rising ticket prices at least as much as the boats.

"Winning makes a considerable difference," said Dale Rohr, the Royals' vice president for finance.

The perceived business problems here, in fact, have less to do with the boats than with other economic trends.

■ Even before the first casino opened, Kansas City had a glut of restaurants.

■ And a glut of retail space.

■ Kansas Citians — indeed



KEVIN ANDERSON/The Star

"If the restaurants are saying 'The boats are killing me,' I would ask them, 'What have you done to change your operation?'"

— Phil Pisciotta, president of Pisciotta Produce & Provisions

Americans — each year for the past several have spent proportionally more of their disposable income on entertainment.

The result is a push-pull effect. Even without the boats, Kansas City's fast-growing and intensely competitive restaurant and retail industries were cannibalizing

themselves.

The boats speed up that process, while the booming economy slows it down.

"You can't deny the effect of the boats," said Jerry Duggan, an investment adviser and restaurant industry analyst in Leawood. "The problem is quantifying it."

He contends the restaurant industry here is in the latter stages of a decade-long overbuilding cycle.

"Those that are crying the blues are victims of too many restaurants," Duggan said.

Jim Kerwin, president of Tippins Restaurants Inc., agrees.

"There's been an explosion the past three years," he said. "Kansas City's gotten more saturated than it ever has been."

Indeed, the number of restaurant entries in the Yellow Pages has been steadily increasing.

The same holds true for retail space. Frank Lenk, an economist with the Mid-America Regional Council, says the area offers far too much retail square footage — which helps explain empty storefronts in shopping malls and along most area Main Streets.

For a struggling retailer the boats may be the proverbial last straw — albeit a heavy one.

The big questions loom

To be sure, the casinos have tapped a rich artery at the right time in Kansas City.

The real test comes when the economy contracts in a recession, as it must someday, and consumer spending shrivels.

The Star.
KANSAS CITY

■ To visit casino industry resources on the Internet, send e-mail to the series authors and editors or to read the Little Las Vegas series in its entirety, visit *The Star's* site at <http://www.kansascity.com> and click on the series icon.

kansascity.com

In that environment, discretionary spending is the first to shrink, said Lenk. "It'll be real interesting to see how movies and dining out drop in comparison to the boats."

Local-market casinos are a phenomenon of the 1990s. History has yet to show whether they are recession-proof.

The other wild card is tourism, which also is vulnerable to recession. If the tourist dollars pour in, gambling is likely to be a net winner for Kansas City.

Toward that end, state and local convention and tourism officials are promoting the casinos — partly

with casino funding — as one of the area's many attractions, from professional sports to the Truman Library.

The economic debate over the boats is predictable, says Charles W. de Seve, president of the American Economics Group Inc., which consults for the gambling industry.

"Look what happens when a Wal-Mart comes to town, especially in smaller towns. All kinds of guys are screaming for the store's head...It is the nature of capitalism in the United States today."

In his 1995 book *The Luck Business*, author and Hampshire (Mass.) College Professor Robert Goodman concludes that gambling merely picks the pockets of locals, eroding profits and driving some companies out of business, and people out of work.

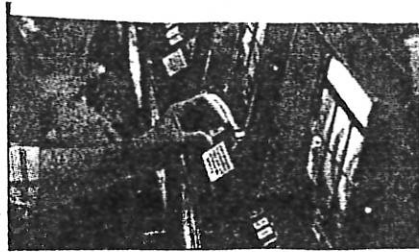
Any perceived economic benefits are short-lived, he contends.

"(Gambling) is a grand illusion of new jobs...and fresh revenues," he wrote.

Eventually what is left, Goodman contends, is "a local economy under siege."

That hasn't happened here. Only time will tell.

Little Las Vegas



Kansas City's risky bet on the boats

Residents jump aboard, but can the economy sustain our casinos?

By RICK ALM and
KEITH CHROSTOWSKI
Staff Writers

"Gimme a six, gimme a six,
GIMME A SIX!"

A shooter raises the dice in his right fist, shaking them next to his ear. His eyes are open wide, his mantra rolling. "Six-six-six-six."

The dice clack and tumble across the felt, bouncing hard against the spongy wall of the craps table. Ten pairs of eyes follow the settling cubes.

Two 3s.

The shooter shrieks, ecstatic. Others moan or cheer, according to their bets, as the stickman rakes in the dice.

It's late afternoon on a crisp December Wednesday in 1996. Christmas Day. The presents have been unwrapped, the church clothes put away and the riverboats are in business.

The boats welcomed 41,253 guests last Christmas Day. Santa was unkind. The casinos kept \$834,079 of their money.

At almost any hour of any day, the area's seven casino boats are a clamor of winners' shouts and losers' cries, barely heard over the outlandish symphony of wall-to-wall slots.

Kansas City has never seen the likes of it. Boss Tom Pendergast's free-wheeling '30s might have come close. But not like this.

No enterprise, business or social, has leaped onto the city's stage so quickly, with so much money, with so much energy and with such impact on so many lives. And despite fears that the boats meant economic disaster, they have created an economic bonanza.

Who could imagine that Kansas City, with its sturdy work ethic and traditional family values, would become home to such neon palaces of pleasure?

Here's how much we loved the casinos last year:

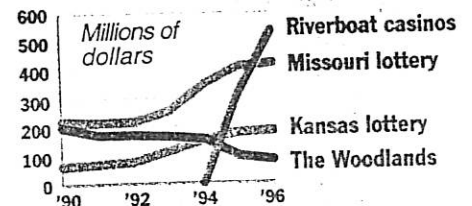
We spun their turnstiles 14

See **BOATS, A-22, Col. 2**

We spent \$318 million at the boats last year, equal to:

- 10 times what we gave to United Way
- 1½ times what we spent on tobacco products
- Half of what we spent at area Wal-Mart stores

Where our gambling dollars go in Missouri and Kansas



Casino and lottery gross receipts for fiscal year ending June 30. Woodlands total handle for calendar year. Bingo data is unavailable.

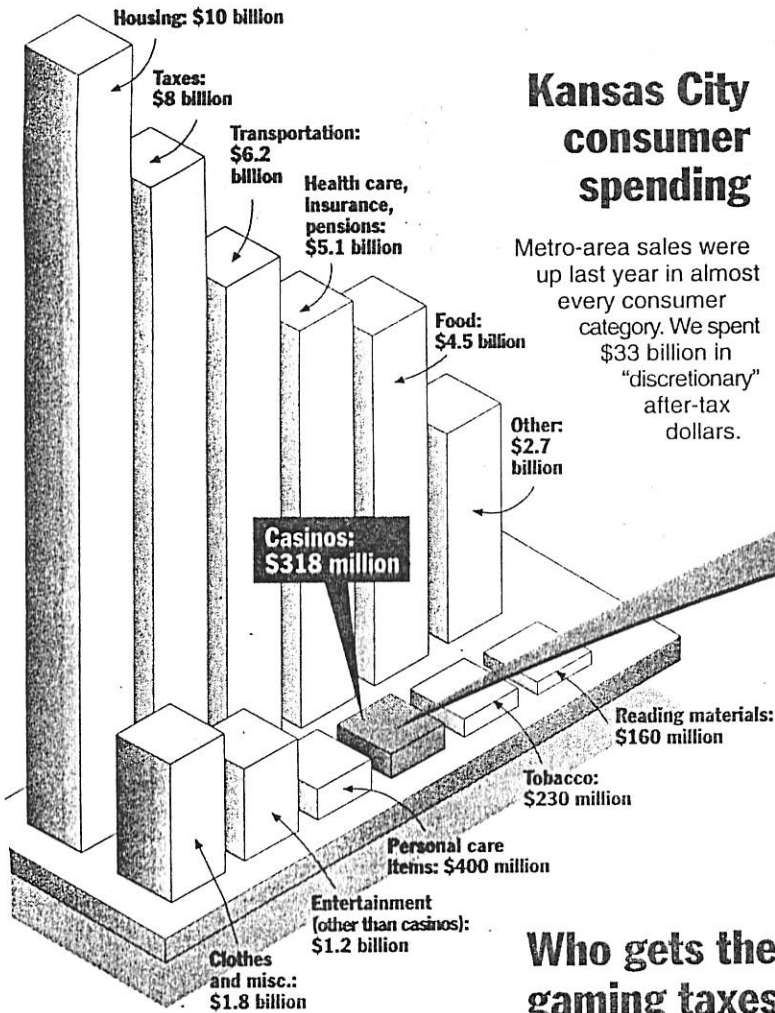
LITTLE LAS VEGAS

Following the money

In 1996, metro area residents had \$41 billion to spend before taxes. \$318 million, less than one percent, was spent at area casinos.

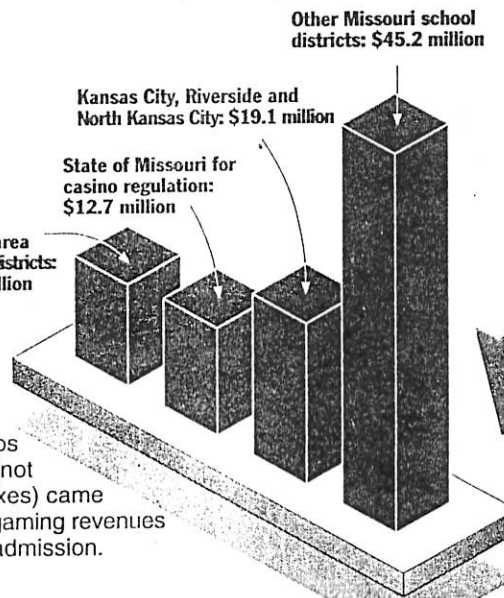
Kansas City consumer spending

Metro-area sales were up last year in almost every consumer category. We spent \$33 billion in "discretionary" after-tax dollars.



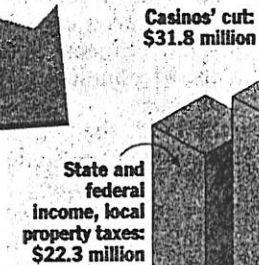
Who gets the gaming taxes

The \$89 million that area casinos paid in gaming fees and taxes (not including income or property taxes) came from a 20 percent tax on gross gaming revenues and a \$2 fee for each turnstile admission.



Area casino revenue

Of the \$318 million, casinos keep about 10 percent as profit and to pay stock dividends, interest and other corporate expenses.



Source: *Kansas City Star* analysis based on annual data, estimates and projections provided by: the Missouri and Kansas state departments of revenue; the Missouri Gaming Commission; riverboat casino companies; the Missouri Riverboat Gaming Association; the U.S. Commerce Department's Bureau of Economic Analysis; the U.S. Bureau of Labor Statistics *Kansas City Consumer Expenditure Survey*; and the Kansas City office of the Consumer Credit Counseling Service

6-21

Boats a windfall, but for how long?

Continued from A-1

million times. That's enough people to fill Kemper Arena every day of the year, *twice a day*.

We dropped \$318 million aboard the boats in 1996, about 10 times more than we pledged to the United Way.

We ate 10,000 meals aboard them — breakfast, lunch and dinner. This year we'll at least double that.

From Olathe to downtown, from Belton to North Kansas City, established businessmen and merchants look at these new casino competitors with both awe and dread.

"They have taken this town by storm," Van Vandiver says icily. He owns Longshots sports bar in Overland Park. And he isn't happy about the boats.

In Westport, Terry Burns, co-owner of Californos restaurant, is a few degrees warmer.

"If they can fill up Bartle Hall and these hotels, more power to 'em," he said. "But if...they can't market themselves past this city, if they're just going to suck off what's in the city, then we're all in trouble, including them."

Economic trouble? Economic boon?

The Kansas City Star has spent the last seven months finding out, poring over the evidence from tax collections to Lyric Opera attendance to *The Star's* own market survey.

What the newspaper found was that the boats, contrary to doom-sayers' predictions, have been a financial windfall for the area.

So far.

They have created 7,500 jobs, more than the local airline or railroad industries.

Their aggressive hiring has tightened the labor market and helped drive up wages. Some suburban fast-food counter clerks now make more than \$6 an hour for part-time, after-school work that once was minimum-wage drudgery.

The boats are lucrative customers for area businesses, buying millions of dollars of goods and services every month. They pay tens of millions more in taxes that go to municipal and school district budgets statewide.

And they spent \$738 million building their adult playgrounds here, hiring area construction workers and buying materials and services from area businesses.

That construction sum is more than the cost of AMC's proposed "Centertainment" district downtown and the proposed expansion of the Country Club Plaza — combined.

The irony: The Plaza and Centertainment projects are begging for public funding. The boats paid their own way.

Of course there's a downside. Riverboat gambling absorbs dollars that would have been spent, or saved, elsewhere. Restaurant owners especially are howling about their financial pain.

And already there are casino layoffs as the gambling market itself tightens.

But the boats arrived during a healthy economic expansion in Kansas City, which may mask negative effects. Time will tell.

The big test lies ahead. Will riverboat gambling lure significant numbers of tourists and new dollars here? It's not happening yet.

And the big worry is what happens when — not if — the economy turns sour.

An economic primer

Picture gambling's impact on our economy as three cresting waves.

■ **The first splash:** The casino companies come to town. They pour millions of highly desired "new" dollars into the economy to build their complexes — a net gain for the economy.

■ **The second splash:** The casinos open their doors. They hire thousands of workers, pay millions in taxes and buy food and other goods and services from local vendors. *But* they pay for this primarily with "old" money that already exists in the local economy and that would have been spent here anyway. No gain.

■ **The third splash:** And the most important one. The casinos become regional or even national attractions. Tourists flock to the city, pumping up the economy with fresh dollars — a long-term net gain.

Kansas City enjoyed the first wave, but is still surfing the second, causing probably the largest short-term swing in consumer spending in the area's economic history.

Almost overnight, casino revenues — gamblers' losses — have become a huge percentage of our collective entertainment budget. The boats claim dollars we might otherwise have spent at movie theaters, bowling alleys, amusement parks and other leisure-time pursuits.

Critics of casinos see disaster. They argue that all that money flows to out-of-town casino company headquarters, to the detriment of Kansas City's homegrown

busin

That is a vast oversimplification.

First, most of the money stays here.

Of the \$318 million collected by the boats last year, casinos kept about 10 percent — \$31 million, after taxes and expenses.

Compare that with Wal-Mart. Based on corporate national averages, the Arkansas-based retailer's 25 area outlets did more than \$600 million in sales last year — almost double the casinos' annual "sales" here.

As is typical for a mass market retailer, Wal-Mart keeps less than 5 percent in earnings. But when you figure in what it sends out of town to pay for the goods that fill store shelves, it's clear the company extracted much more from Kansas City's economy than the casinos did.

"All we do is recycle money through the economy," says Norm Powell, general manager of Sam's Town casino.

Casino operators insist that gamblers are buying a product, even if it isn't something you can hold in your hand — like a toaster, say, from Wal-Mart.

The product is the "entertainment experience" of wagering, says Harrah's former general manager, Jay Seigny, who now runs Station Casino.

"Like every business, we offer a product for the prospect of revenue," Seigny said. "The product is a gaming experience that is designed to provide revenue for the casino. (But) the gaming activities always remain in a positive advantage for the house."

That long-term house edge is what keeps the casinos in business.

Missouri's lavish, land-based gambling emporiums all started in

September 1994 with Harrah's.

Tom Irwin, the executive director of the Missouri Gaming Commission, said it is no accident that almost every new casino in Missouri since then has been bigger and better, with more nongaming amenities.

The restaurants, the sports bars and the nightclubs are all acceptable elements of what Irwin says is the intensely competitive entertainment industry.

"Everything that's sitting out there at Station Casino in Kansas City is their risk...Is it going to change the entertainment choices here in Kansas City? Yeah, it will."

After almost three years, however, Irwin said the commission has had few complaints — except from restaurants.

Indeed. Because Kansas City's economy is so big and diverse, the boats haven't digested any single segment of it, as foes predicted.

Since the first boat opened here in June 1994, sales tax collections in the six-county area are up in almost every category of consumer spending — bars and restaurants included.

We absolutely did gamble away \$318 million last year. But that amounts to less than 1 percent of the 11-county area's nearly \$33 billion in annual discretionary income.

"What's that? It's a pack of gum," says Station's Seigny.

The pain

Casino executives minimize their impact, but the boats do inflict economic pain.

Carl DiCapo, owner of the venerable Italian Gardens restaurant downtown, almost shouts his displeasure: "They're *killing* our industry is what they're doing. They're killing the restaurant industry."

He's one of a legion of restaurant operators convinced that gambling and the boats' inexpensive buffet tables drain from their bottom lines.

At Sam's Town, 3,200 meals a day are served. Station Casino has a dozen eating spots. Argosy's \$1.99 breakfast is packed nearly every day.

Rod Anderson, owner of the popular Hereford House downtown, says his weekend business "hasn't grown since the boats have opened. And we were growing at 15 percent a year before that."

Anderson is convinced the casinos are shamelessly selling food at a loss, or close to it, to bring the people in. Casino officials admit it.

"We like to make a little money on food," says Dan Marshall, a vice president of Argosy Gaming Co. "But if we don't, it's OK."

It's not only restaurants. Steve Beyer is former co-owner of the

Furniture Showcase Superstores that closed last fall, costing 140 people their jobs.

He's convinced the boats were a factor.

"The numbers prove that the casinos absolutely did have an effect — in my opinion," he says of declining profits. "I didn't all of the sudden become a lousy merchant overnight."

Auto parts salesman Dan Gage says mechanic shops, especially in the inner city along Troost and Prospect, are hurting. They all blame the boats, he said.

"Their business has gone from 'fix it' to 'just get it running,'" Gage said. "I'm selling a lot more of the cheaper stuff. We saw the same thing when the lottery first hit."

Robert Rohlf, executive vice president at Starlight Theater, contends gambling is responsible, at least in part, for an almost 5 percent drop in average audience size since 1994.

None of them is sure where the customers have gone. Surely some are at the boats.

According to *The Star's* survey of adults in the area, only 5 percent of those who identified themselves as gamblers said the riverboats had caused them to cut back on other entertainment and night life.

Not all complain

But for every ailing business, another is applauding, or at least tolerating, the boats.

Phil Pisciotta, president of Pisciotta Produce & Provisions, is one of those saluting the casinos. His company supplies some casinos with foodstuffs.

"If the restaurants are saying, 'The boats are killing me,' I would ask them, 'What have you done to change your operation? What have you done to make your restaurant more exciting?'"

"If a guy doesn't adapt to industry trends he probably won't survive in a very competitive industry. Kansas City has always been a tough (restaurant) market....The strong will survive."

Others agree. Ron Barkley, managing partner of the PB&J restaurant group, Dominick Azevedo of Rhodes Furniture and Dick Walsh of AMC Entertainment Inc. all say the boats have had no effect on their businesses. In fact, their business is better than ever.

AMC operates 83 screens in the area. It plans to add 75 in the next 18 months.

"The boats are here to stay," Barkley said, "and we're going to have to learn to compete with them."

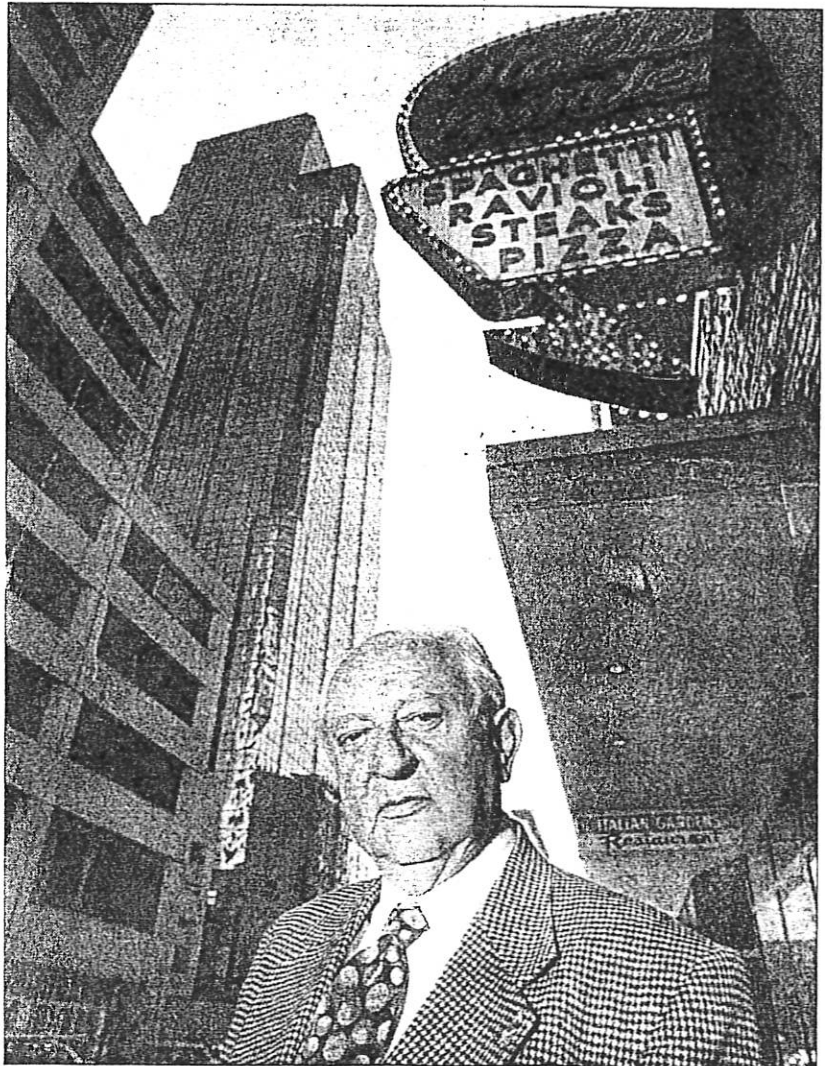
The list goes on:

■ Sales at the Sears store at Antioch Shopping Center in the heart of the Northland registered double-digit increases in both 1995 and 1996.

■ Business is so good at Bellas Hess Antique Mall in North Kansas City — a few miles from Harrah's — that it recently expanded the collectibles and fine-furniture store.

"We have had several people who have won big come in here and spend it," said Denese Caulkins, store manager.

■ Bob Spence, vice president at family-owned Faultless Linen & Uniform Rental in Kansas City, said the boats "probably helped
See **LONG-TERM, A-23**, Col. 1



KEVIN ANDERSON/The Star

"They're *killing* our industry is what they're doing. They're killing the restaurant industry."

— *Carl DiCapo, owner of the Italian Gardens*

Kansas City's casinos and the men who run them



Saluter

ARGOSY RIVERSIDE CASINO

Interstate 635 at Missouri 9

■ **Opened:** June 22, 1994. A \$90 million capital investment, including restaurants, a sports bar and a convention and meeting center.

■ **Owner:** Argosy Gaming Co., based in Alton, Ill., also operates casinos in Alton, Ill., Sioux City, Iowa, Baton Rouge, La., and

Lawrenceburg, Ind. Restructured as public corporation in 1993.

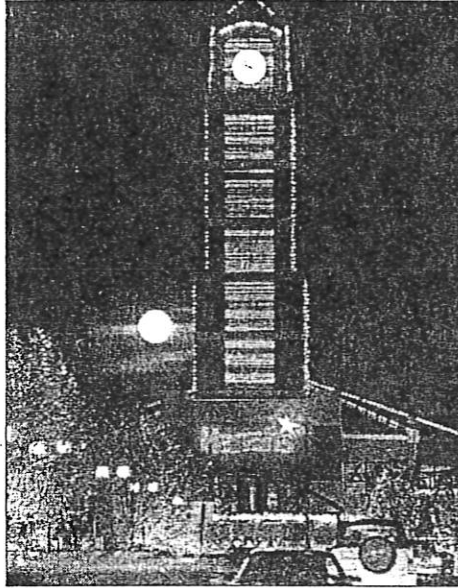
■ **General manager:** Philip A. Saluter II, who declined to disclose his age, has been with the company two years and has other experience in the gaming and resort hotel industry, including with Harrah's in Atlantic City.

■ **Jobs:** 840

■ **Facility:** 30,000 square feet of gaming; 955 electronic devices and 60 table games.

■ **Market share:** 20.9 percent in Kansas City before Station Casino opened. Salomon Brothers analyst W. Bruce Turner projects Argosy's share at marketplace maturity in 1999 at 12 percent.

■ **Stock:** Argosy stock (NYSE: AGY) closed Friday at 4 a share and its one-year total return was negative 52.9 percent.



Harrah's

HARRAH'S NORTH KANSAS CITY CASINO & HOTEL

Missouri 210 and Chouteau Trafficway

■ **Opened:** Sept. 22, 1994. A \$168 million capital investment, including a second gaming vessel that opened in May, restaurants, a sports bar, a car wash and a 200-room hotel and convention center that opened in December.

■ **Owner:** Harrah's Entertainment Inc., based in Memphis, Tenn., is one of the world's largest gaming companies, owning or managing 18 casinos, including the Potawatomie tribal casino near Topeka. With partners, it is building a four-boat complex near St. Louis that was to open this week. Parent firm founded in 1937.

■ **General manager:** Job now open.

■ **Jobs:** 2,000

■ **Facility:** 62,000 square feet of gaming; 1,900 electronic devices and 102 table games.

■ **1996 market share:** 49.8 percent. Turner's 1999 projection: 33 percent.

■ **Stock:** Harrah's stock (NYSE: HET) closed Friday at 18½ a share and its one-year total return was negative 34.9 percent.



Powell

SAM'S TOWN

Interstate 435 and Missouri 210

■ **Opened:** Sept. 13, 1995. A \$145 million investment, including restaurants and a sports bar.

■ **Owner:** Boyd Gaming Corp., based in Las Vegas, owns or manages 11 other casinos in Nevada, Mississippi and Louisiana, including other Sam's Town properties. Found-

ed in 1941.

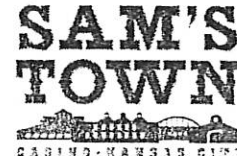
■ **General manager:** Norman Powell, 47, has experience in the Las Vegas gaming industry, including with the Summa Corp., and joined Boyd in 1986 as a finance officer at its Stardust Resort & Casino in Las Vegas.

■ **Jobs:** 850

■ **Facility:** 28,000 square feet of gaming; 1,000 electronic devices and 47 table games.

■ **1996 market share:** 16.7 percent. Turner's 1999 projection: 8 percent.

■ **Stock:** Boyd stock (NYSE: BYD) closed Friday at 5½ a share and its one-year total return was negative 52 percent.





Skelley

HILTON FLAMINGO CASINO Front Street and Interstate 29

■ **Opened:** Oct. 18, 1996. A \$100 million capital investment, including a food court and a lounge. The operation leases public land from Kansas City. Rent payments are being used to develop a public river-front park and boardwalk.



■ **Owner:** The Hilton Hotels

Corp., based in Beverly Hills, Calif., now controls 250 hotels and 16 casinos worldwide. Founded in 1919.

■ **General manager:** Kansas City President Lee Skelley, 53, is a one-time Las Vegas valet parking attendant and joined Hilton as a pit boss.

■ **Jobs:** 975

■ **Facility:** 30,000 square feet of gaming; 1,000 electronic devices and 45 table games.

■ **1996 market share:** 12.6 percent. Turner's 1999 projection: 9 percent.

■ **Stock:** Hilton stock (NYSE: HLT) closed Friday at 26¼ a share and its one-year total return was 11 percent.



Sevigny

KANSAS CITY STATION CASINO Missouri 210 just east of Interstate 435

■ **Opened:** Jan. 16. A \$300 million investment on 170 acres, including twin casinos, a 200-room hotel, restaurants, entertainment lounges, a micro-brewery, a special events



arena and child care.

■ **Owner:** Station Casinos Inc., based in Las Vegas, operates three casinos there and is building a fourth. It has other gaming interests in Nevada and Louisiana and operates Station Casino in St. Charles, Mo. Founded in 1976.

■ **General manager:** Jay D. Sevigny, 37, who started with Harrah's as a busboy in 1981.

■ **Jobs:** 2,750

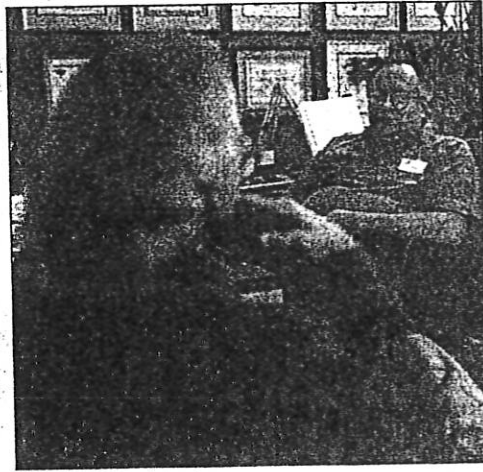
■ **Facility:** 140,000 square feet of gaming ranks it among the nation's five largest casinos; more than 3,000 electronic devices and 190 table games.

■ **Market share:** Turner's 1999 projection: 38 percent.

■ **Stock:** Station stock (NYSE: STN) closed Friday at 9¼ a share and its one-year total return was negative 21.4 percent.

Gambling's social toll

In the midst of all the neon are those who can't quench their thirst for action



Keith Spare (right) counsels Michael Heinz, who has a gambling problem. Spare is program manager with Rodgers South's substance abuse and compulsive gambling treatment program.

KEVIN ANDERSON
The Star



KEVIN ANDERSON/The Star

Rows of slot machines lighted the hopes of gamblers on a recent Saturday afternoon at Kansas City Station Casino.

Downward slide ends in anguish, suicide

By KEITH CHROSTOWSKI
Staff Writer

Allan Powell's downward spiral was desperate. It ended with his owing \$100,000 in gambling debts, fighting a drug problem and dying of car exhaust fumes in a Parkville garage.

In his suicide note, 36-year-old Powell wrote: "I just could not take living in hell each day — every second, minute, hour."

It was only three months before his death Oct. 28, 1995, that a friend discovered what Powell was battling: addictions to blackjack and cocaine.

Interviews with friends and acquaintances indicate he was upset about his personal problems. Psychologists say gambling addicts often get trapped in a deadly mix of substance abuse and emotional distress.

Powell's decline doubly surprised his closest friend, Howard Haynes.

For one, Haynes said, "He couldn't tolerate anything that wasn't totally aboveboard." And "he really thought the riverboats were evil. He just thought they shouldn't be introduced to Kansas City at all."

He also had never known Powell to use drugs previously, an observation backed up by Powell's friends. They describe him as bright, charming and hard-working.

Powell was a graduate of Washburn University, where he played varsity football. He met Haynes in the early 1980s.

Haynes, a wealthy real estate owner and patron of the arts, lived then in a historic Hyde Park home



Allan Powell

in Kansas City. He hired Powell to look after his properties.

By 1990, Powell was working for a federal agency, the Neighborhood Reinvestment Corp. In 1993, Haynes moved to Parkville and Powell moved into an apartment nearby. He was still overseeing property for Haynes.

Haynes says he saw no signs of trouble until March 1995. Powell began to lose weight from his 200-pound frame and became irritable. Haynes said he didn't know that those were signs of heavy cocaine use.

In July a banker let Haynes know that Powell was \$5,000 overdrawn on a bank account they shared because of their business dealings.

Haynes visited the banker, "and there was check after check after check written to the Argosy."

Haynes confronted Powell, who also said he was three months behind in his rent and had used money from his federal agency credit card to gamble. Haynes covered the \$12,000 due.

"Allan was so full of remorse," Haynes said.

After more prodding, Powell told Haynes about the cocaine use. A cocaine dealer had invited him into the Argosy's restroom, he said, because "when you win" the drug sellers "know you have money."

Argosy General Manager Phil Saluter said that because there are no security cameras in the restrooms, such dealings could happen.

"But it's highly, highly impractical and not probable," Saluter said.

He and Missouri Gaming Commission officials stressed that security officers and commission agents roam the boats and spot-check the restrooms often.

Shortly after the July incident, Powell attempted suicide with an overdose of pills. Less than a week later, Powell told Haynes: "The devil has a hold of me, and there's nothing I can do about it."

His boss, Bob Brooks, said Powell was a valued employee and "did not talk about gambling" on the job. In Brooks' mind, personal problems "brought Allan to the brink," and the drugs and gambling combined pushed him over.

"The trouble with gambling," Brooks said, "is that it is a facilitator for someone out of control."

Haynes talked Powell into entering a psychiatric center. After a week, he checked himself out and "was living like himself again."

That was Haynes' impression until Oct. 30, when he returned from a trip to Santa Fe. Driving up to the house, Haynes couldn't get his automatic garage door to open.

Inside, Haynes found Powell dead in his fume-filled garage. Powell had been watching the house. He apparently died two days before Haynes returned.

Haynes found the suicide note, went to Powell's apartment and found the truth.

"He had mortgaged his car, which was paid for. He was again three months behind on his rent. There were four or five credit cards with \$78,000 in debt on them."

The credit-card debt, Haynes said, had been run up since late July, and the statements showed that Powell was using the cash machines at the Argosy.

"Every single credit card," Haynes said, "had let him go over his limit. I'm really bitter about that."

A few days after the suicide, opening Powell's mail, Haynes found that the day before Powell died, he had used the agency credit card about a dozen times at a convenience store. The total was only \$400.

Haynes visited the store, and its clerks remembered "that nice-looking black man" who that day had sat in his car, and "whenever somebody who looked poor drove up, he would buy their gas, groceries or whatever."

Choking back tears, Haynes read from Powell's suicide note:

"My love and compassion ran out — hope left — I was just existing."

6-28

Allegations of public corruption swirl around industry

By RICK ALM
Staff Writer

Casino money and allegations of corruption have swirled around Kansas City and the state capital almost from the day riverboat gambling became legal in Missouri.

No indictments have been issued. But in nearly every case investigations are continuing.

Those inquiries reinforce a widespread perception that where casinos go, public corruption follows.

In Missouri, however, the cases involve not just questions of misdeeds by some casinos but also allegations that public officials lie in wait for the wealthy gambling companies.

In 1994, *The Kansas City Star* and others began reporting on former House Speaker Bob Griffin's links to companies seeking state gambling licenses. The investigation

quickly widened.

By late 1996, one Las Vegas firm was barred from Missouri, while top executives at two other gaming companies were forced out by state regulators to clear the taint of questionable dealings from those casinos' front offices.

Authorities are still trying to unravel Griffin's tangled web of relationships with casino companies, legal clients, political associates and lawyers linked to organized crime.

■ **Boyd Gaming:** When it was disclosed that Boyd Gaming Inc., which operates Sam's Town, had indirectly paid legal fees to Griffin — and that there may have been a cover-up — the \$145 million casino's September 1995 opening was threatened. Company President Charles L. Ruthe stepped down. Sam's Town opened the following week.

■ **Sahara Gaming:** Griffin is suspected of

threatening the Sahara Gaming Corp. with state license trouble if it did not pay \$16 million to his law clients — some of whom were longtime political associates who had done consulting work for the proposed Parkville casino and were demanding an ownership share in that riverboat.

One Sahara executive at the time called it blackmail and reported the incident to the FBI. No money changed hands.

One of those Griffin associates, Cathryn Simmons, was among those indicted with him late last year on unrelated corruption charges involving consulting work for health-care, landfill and construction interests. All have pleaded not guilty and are awaiting trial.

■ **Becker Gaming:** Becker Gaming Inc., which sought to open a Jefferson City casino, was barred from Missouri for failing to disclose an agreement to pay \$6 million — if

the casino opened — to various Griffin associates, including Simmons, and lawyers Byron Fox of Kansas City and Oscar Goodman and David Chesnoff of Las Vegas. All three lawyers are noted for representing reputed mobsters. No money ever changed hands.

■ **Hilton Flamingo:** Three top Hilton Flamingo Casino executives were forced to step down late last year after the company paid \$250,000 to a company with ties to former Port Authority Chairman Elbert Anderson.

Anderson was responsible for key government decisions in granting Hilton rights to operate here.

He had no comment when he was indicted last week on unrelated corruption and bribery charges involving other local officials, city contracts and the insurance industry.

Casinos track players to find

by RICK ALM
Staff Writer

If you enter a casino you will be watched. Closely.

All those black globes on the ceiling are security cameras. Operatives are watching for cheaters, drunks and trouble.

But for club-card players, the scrutiny is even greater. That's because the casinos are on the lookout for more profits.

Every coin that club-card players plunk into a slot machine is recorded in a computer.

It's called "player tracking," and it is the hottest trend today in the competitive casino business. No other industry measures its customers with such precision.

When players sign up to be club-card members, they volunteer to be tracked each time they use their plastic membership cards. For each spin of a slot machine or hand of blackjack played they accumulate club "points" redeemable for casino merchandise, meals and even cash.

What the casinos are doing is buying the information needed to identify customers who bet big — and lose big. Those folks will be enticed with additional rewards to gamble and lose even more.

That's not what casino executives say.

Modern casinos insist they are

tracking systems are their "real-time" aspects, which alert game-floor managers to "hot machines" where a player has settled in and is betting both heavily and rapidly — usually at maximum-coin limits.

Employees hasten to those spots to say hello, offer a few comps and otherwise make that player feel most welcome. No wonder. They are the casinos' bread and butter. As much as 70 percent of Kansas City's riverboat revenue comes from the noisy one-armed bandits and video poker games.

Right now, said Gabriel, only about half the players in Kansas City have or use club cards, and that surprises him. "Not everyone in Kansas City understands that you are entitled to those rewards for enjoying our products."

Tracking also nets a gold mine of marketing data used to attract players with bonus-point nights, tournament nights and special entertainment offerings aimed at specific age and demographic groupings.

Such marketing works. And the gaming industry has many other tricks.

Why do casinos always have such garish carpeting? Because research shows people tend to avert their eyes. And when they look up, what do they see?

Slot machines.

remove their names from tracking systems and mailing lists.

Cash-back awards hardly match what a gambler loses. That fact may be lost on many club-card players.

Harrah's, for instance, awards one "gold" point for every \$10 worth of coins played — and re-played — through a typical 25-cent machine. Forty gold points, or \$400 worth of play, is redeemable for \$1 in prizes.

The roots for rewarding gamblers — most of whom statistically must lose — go back a long way.

Joe Canfora, former Midwest president for Station Casinos Inc., said in the good old days of Las Vegas, table-game pit bosses did all the tracking themselves, deciding which regulars and high rollers to "comp" with free meals, hotel rooms, show tickets and the like.

"As the industry changed into a slot-player market ... with players jumping from machine to machine, it was difficult to align supervisors to evaluate players," said Canfora. "So the (computerized) player-tracking system evolved to identify levels of players."

Now every player can qualify for comp rewards. The high rollers and big losers are still wooed and courted with even more valuable inducements and fawning VIP treatment.

The heart and soul of most

Swallow a pill, suppress a habit

Someday compulsive gamblers might swallow a pill and chemically suppress their habit.

In fact, the pill is available now. Its chemical name is clomipramine hydrochloride. The first commercial version, Anafranil, was developed



in 1989 by the Ciba-Geigy Corp. Others have been developed since then.

Problem is, "It's not standard treatment right now," said Joseph Parks, deputy director for psychiatry with the Missouri Department of

Mental Health. Studies on the drug are expected to be released in the next year.

There's already convincing evidence of a physiological component to compulsive and obsessive behavior.

In 1991 New York physician Eric Hollander administered dosages to a woman with a six-year history of compulsive gambling.

While taking daily doses of clomipramine hydrochloride, her impulse was held in check for almost a year, Hollander reported.

selling "entertainment," which happens to be gambling — win or lose.

Harrah's marketing director Andy Gabriel likens it to the airlines' frequent-flier programs. "The rewards are commensurate with the level of play."

Gabriel and others say player tracking simply helps them learn what makes players happy and want to come back for more.

Henry Lesieur, professor of criminal justice sciences at Illinois State University and a compulsive-gambling expert, agrees — to a

point. Tracking systems are, in fact, merely a variation on time-tested marketing techniques.

"We might think that there's some kind of hidden motive here," he says. "What they're trying to do is basically look for good customers."

Unfortunately, he adds, "problem gamblers are their best customers."

That's why the Missouri Gaming Commission's self-exclusion program for gamblers requires casinos not only to ban self-declared addicts from the property but also to

Gambling can become an inescapable trap for some

KC sees addiction rise with boats

By KEITH CHROSTOWSKI
and RICK ALM
Staff Writers

Gambling's dark side lies just beneath the riverboats' glittery veneer.

We are seeing more Gamblers Anonymous meetings, more calls to gambling hot lines and more people struggling with gambling debts. Judges are hearing more gambling-related cases — sad stories of divorce, bankruptcy and bounced checks.

And there has been violence. A North Kansas City man is killed for the \$3,000 he won playing craps. A Kansas City woman murders her husband for life insurance money to cover her blackjack debts.

"When the dealers and waitresses start knowing you by name, you better sit back and ask yourself if you're going too far," says Michael Heinz, 45, a compulsive gambler calling it quits after losing more than \$7,000.



KC'S RISKY BET ON THE BOATS

Second in a series

vere form of gambling addiction.

But for that one, the effect is devastating.

And police, clergy, researchers, financial counselors and gamblers all agree that gambling's cold grip is tightening on Kansas City.

"You're just at the beginning of your problem," says Joseph Parks of the Missouri Department of Mental Health.

See GRIP, A-10, Col. 2

True, most people gamble sensibly and within their means. And gambling's social toll has been minor compared with those of alcohol, tobacco and drugs. Only one person in 100 is prone to the most-se-

Problem gambling is growing in Kansas City

People who will have gambling problems during their lifetime*:

Before the boats..... 1 in 50
In five years..... 1 in 20

* estimates

Gamblers Anonymous groups

Before..... 1
Now 5

Consumer Credit Counseling Service

Before..... Rarely any gambling-related cases
Now 20 new clients a month

Grip of gambling can lead to ruin

Continued from A-1

Experts say many compulsive gamblers here are still in denial — they won't seek help until it reaches crisis stage.

How many will reach that crisis? Based on a *Kansas City Star* survey, about half of the area's adults — 500,000 — have gambled at a riverboat at least once. Of those, about 25,000 go at least once a week.

The experts say that as many as half of those 25,000 are prime candidates to become "pathological gamblers," men and women plunged into desperation and financial ruin.

A divorced mother of two in her 30s estimates she lost \$120,000 on a two-year boat spree that ended late last year. She gambled away her savings, \$5,000 in an IRA and an inheritance.

"Now there's nothing," she says. "I'm living paycheck to paycheck."

Addicts aren't the only concern. Financial counselors point to another group — those who think they can afford the action but cannot.

According to *The Star's* survey and area casinos' own research, about seven in 10 casino gamblers have household incomes of less than \$50,000, placing them squarely in the middle class or lower.

Study after study shows they are in the economic class that complains and worries most about financial insecurity.

But casino marketing, like that of the state lotteries and other legalized gambling, preys on people's get-rich-quick dreams. One Argosy Casino billboard even reads: "The road to riches."

It's absurd, of course. A handful of gamblers did get rich last year, hitting jackpots made up of money lost by other gamblers. But after the casinos took their cut, area gamblers as a group were \$318 million poorer by the end the year.

Rarely does anyone get ahead of the game — especially those who are hooked.

The mother of two hit it big twice, but then she gambled away those jackpots of \$10,000 and \$31,000. "I didn't even tell anyone I won that \$31,000 jackpot," she said, because she knew she'd lose it again.

The boats' response

Unlike the tobacco industry, which hesitates to acknowledge all the dangers of smoking, the gaming industry admits gambling can be addictive.

"You can't deny there are people who have problems with this," says Norm Powell, general manager at

Sam's Town.

Harrah's years ago started "Operation Bet Smart" — a program focusing on compulsive gambling — and "Project 21" — on underage gambling.

All of Missouri's riverboats adopted the programs. Employees offer help to problem gamblers and identify underage customers.

At a January pep rally for employees of Kansas City Station Casino, an executive shouted to the crowd: "What do you do if someone approaches you and says he has a gambling problem?"

"Call 1-800-GAMBLER," the crowd boomed back.

Phil Saluter, general manager of the Argosy, asks, "I wonder how many bars make such an effort" to help alcoholics?

Last year, William Boyd, the head of Boyd Gaming Corp., which operates Sam's Town, helped establish the American Gaming Association's National Center for Responsible Gaming in Kansas City.

In Missouri, riverboat taxes pay for counselor training and reimburse five agencies in the area that treat gambling addicts.

It also has a "self-exclusion" program, in which gamblers grant casinos permission to kick them out. The state expects 100 to be

signed up by the end of the year.

No other state has such a program.

The industry draws praise for being out front on the issue.

But, "from a purely sound business perspective, if one has a major problem, that problem needs to be addressed," or you will find yourself in the same fix as the tobacco industry, says Randolph Baker, a former Harrah's executive and former visiting professor of gaming studies at the University of Nevada-Reno.

This business is different

The addiction question puts gaming in a special category in the business world.

"I don't see people destroying themselves because they went to Disneyland too often," says professor Henry Lesieur, a gambling expert at Illinois State University.

Frank Lenk, an economist at the Mid-America Regional Council, says, "In no other business is there the idea that 'you can get something for nothing.'"

Addicts have always been in our midst, but researchers know that easy access to glitzy fast-paced casinos brings more of them to the surface.

No recent studies in Missouri de-

tail the prevalence of pathological gamblers or less-afflicted "problem gamblers."

But *The Star* reviewed more than a dozen studies done elsewhere. Rachel Volberg, a sociologist from Pennsylvania, wrote one of the most respected. She examined Iowa before and after riverboat gambling began in 1991.

Volberg estimated that the number of "lifetime problem and probable pathological gamblers" in Iowa tripled — to 5.4 percent of the adult population — after five years. Most of the increase can be laid to the riverboats, she says.

The five-year lag is critical, because it takes time for most gamblers to dig themselves deep into trouble and admit their problem.

If Volberg's findings play out here, we can expect to see about 60,000 of the area's 1.1 million adults — 1 in 20 — with a gambling problem sometime in their lives.

One in 100 could fall into the "pathological" category, doing great harm to themselves and others — spouses, children, parents, employers, co-workers and friends.

The industry, uncomfortable with such studies, has begun its own research.

Last year it established the National Center for Responsible

Gaming to fund research on the causes and treatment of problem gambling.

The center awarded its first grant, for \$140,000, to the Division of Addictions at the Harvard Medical School. The school will analyze more than 100 other studies of addiction and publish the results later this year.

What we're seeing

Despite the lack of data, there are signs of more problem gambling here.

Before the boats arrived, the area had one Gamblers Anonymous meeting each week. Now it has five. Groups also have started in Lawrence and St. Joseph.

"When I first started going, there were four or five people at a meeting," said Steve, who takes calls on GA's help line. "Now there are anywhere from 20 to 35 people."

The Consumer Credit Counseling Service is seeing 20 new clients a month with gambling problems — from a caseload of 1,000 — up from almost none three years ago.

Stan Bier, a clinical psychologist, says he's "absolutely" seeing more gamblers. "These are stockbrokers, lawyers, salesmen, white-collar, well-educated middle-class peo-

See **GAMBLING, A-11, Col. 1**

Continued from A-10

ple."

Jack VanCleave, owner of Hardwood Originals, had to fire a salesman.

"The boats were the start of his downfall," he says. "He used to have a great job, but now he's broke."

"Our problem is in women," says Johnnie Fields, minister of the interdenominational, 200-member Christ Temple North.

He and his wife have counseled two women gamblers. For one, the problem "almost destroyed her marriage," he says.

The problem gambler who lost \$120,000 says she usually played at Harrah's on \$1 video poker machines or in the high-rollers room on \$5 slots. She was treated like a queen, and she loved it.

"You don't know the rush I would get in the car just driving" to the casino, she says.

Troubled gamblers are out there, but fewer than expected are asking for help.

Only 995 gamblers called one of the gambling help lines last year. That was up 20 percent over the previous year but far below that expected by the industry.

The state Department of Mental Health says that it has tracked 170 to 200 gamblers who have sought treatment in various agencies since April.

Only three dozen gamblers have been treated through state-funded programs. Counselors blame that on a lack of publicity, plus a now-rescinded rule that gamblers co-pay for treatment — a cost many couldn't afford.

But the biggest reason few problem gamblers are asking for help, counselors say, is that many of them are still in denial.

"We're much too early in cycle," says Keith Spare, prog. manager at the Rodgers Community Health Center South counseling center. And gamblers hide their problem from family and friends.

"You can't smell slot machines on someone's breath," Spare says. "You can't tell until you get a look at their financial statements. That's why the spouse is often the last to know, when she finds the home refinanced or the bank account empty."

There is also the tricky question of cross-addiction. Gamblers typically also struggle with alcoholism, drug abuse and depression.

"A lot of people who have problems with gambling don't come in complaining, 'Hey, Doc, I've got a problem with gambling,'" says Parks of the mental health department.

"Most of them come in complaining they are depressed and suicidal because their lives have been ruined by it."

The state has checked with treatment centers and found an increase in the number of people — gamblers as it turned out — admitted under suicide watches.

Minister Fields admits he "underestimated" the boats' allure, so he checked one out.

"When I walked in there, I could understand that anyone who has any kind of addiction — a partying addiction, a drinking addiction, a gambling addiction — it's all right there in one spot."

"You've got the lights. You've got the noise. It's just go, go, go."

The 'economic' problem

The irony is that the people who make up the biggest number of casino-goers — those who have less than \$50,000 in household income — are the most worried of all about their economic futures.

Despite a healthy national economy, six in 10 Americans with family incomes between \$30,000 and \$50,000 said they worry about having enough money for retirement.

"Casinos are nothing more than a way to separate fools and money," says Bill Gee of Olathe.

But 91-year-old Harriette Carpenter disagrees. Leaning on her cane and playing the slots at the Argosy with others from John Knox Village one day, she said sharply: "That's my entertainment. Do you ever go out for entertainment and pay nothing?"

Financial counselors warn that even with a healthy economy, we

The Star KANSAS CITY

■ To visit casino industry resources on the Internet, send e-mail to the series authors and editors or to read the Little Las Vegas series in its entirety, visit *The Star's* site at <http://www.kansascity.com> and click on the series icon.

kansascity.com

haven't suddenly stumbled on new wealth that would allow us to justify higher entertainment spending, including our trips to the boats.

That explains why credit-card debt and bankruptcy filing rates are at record levels. Easy access to credit cards from banks and others makes it easy to overextend.

The casinos only add to the problem. One of the sure signs of gambling addiction, counselors say, is a sudden, big jump in cash advances on credit cards.

The Star examined area bankruptcy filings since 1994. Barely a handful mentioned gambling as a cause for bankruptcy in all of 1994. Now the courts see four to five such cases a month. And the number is growing.

"We are constantly seeing the effects of gambling," says Ronald Weiss, a Kansas City bankruptcy lawyer.

"Nobody (filing for bankruptcy) lists Sam's Town or Harrah's as a creditor," says Western Missouri U.S. Bankruptcy Court Judge Frank Koger. "People lose their money and then go out to an ATM and get some more and then maybe they lose that too. It feeds itself."

Financial columnist Humberto Cruz advises that if you go to the boats, "carry no more cash with

you than you are able to spend, and don't take your credit card."

Keep 'em playing, paying

The gaming industry does not want to bankrupt people.

"A casino is much better off having (the gambler) come back 10 times than by taking him for all he's worth once," says Baker, the former professor of gaming studies.

The casinos' most active customers are their most profitable, and they acknowledge the maxim that many businesses get 80 percent of their revenue from 20 percent of their customers.

According to *The Star's* survey, about a quarter of gamblers say they go to the boats once a month or more. If, for instance, those customers accounted for 80 percent of the boats' revenue last year, they lost an average of \$170 a month. For someone who goes four times a month, that's \$42.50 a trip.

That's not a wise use of money,

says Wayne Starr, an area financial planner. Starr would encourage people instead to put that \$170 a month in a money market account earning 5 percent.

After five years, instead of losing \$10,200, a person would have \$11,560 before taxes, enough for a couple years of college for a child.

Entertainment spending "is the No. 1 problem area for most people," says Jeff Sheets of the Consumer Credit Counseling Service.

They spend, Sheets says, "when the mood strikes them." And in a casino with cash machines handy, he says, that mood is dangerous.

Recovering gambler Heinz said he learned that lesson. He advises the rest of us to watch gamblers' faces as they leave the boats, especially on weekdays.

The handful "that wins come out happy. The rest come out angry and depressed."

Staff writer Joyce Smith contributed to this article.

How the casinos affect us

■ **Just plain stinginess** — not a religious or moral objection — is the No. 1 reason nongamblers don't like to gamble.

In an opinion survey of 800 area adults by *The Star*, nongamblers were asked why they don't gamble. Forty-six percent agreed with the statement, "Don't like to lose money."

Only about a third cited moral and religious objections. One in 10 agreed with the statement, "Don't have time," and one in 10 with the statement, "Not viewed as entertaining."

The survey also found:

■ **One in 10** said he or she knew someone who had had a problem with gambling, but not necessarily casino gambling.

■ **Only 7 percent** of riverboat gamblers were willing to lose more than \$100. But 17 percent said the largest amount they had ever lost was more than \$100.

■ **Eighteen percent** said the largest amount they had ever won was between \$100 and \$300; for four in 100, the largest amount won was more than \$2,000.

■ **A quarter used their winnings as extra spending money.** Ten percent said they paid bills; 8 percent used it to gamble.

■ **Thirteen percent** of gamblers said their tendency to gamble has increased since the boats came.

Compulsive gamblers inevitably

crash in despair

By KEITH CHROSTOWSKI
Staff Writer

A young Kansas City woman recalled nervously that before the riverboats arrived, "I had never gambled before."

But on her first trip to a boat, "just for fun," she won a big slot jackpot. And gambling "took over my whole life."

Gambling can do that to both men and women in various ways. But according to the National Council on Problem Gambling, women are the fastest growing group of compulsive gamblers.

In the past, about two-thirds of problem gamblers were men. But treatment counselors in states with longtime casino gambling say half their caseloads now are women.

Joseph Parks of the Missouri Department of Mental Health says the introduction of casinos touches people differently.

"The thrill gamblers, mostly the guys that gamble on sports and stuff like that, are already gambling," he says. "They may change their mode of gambling, but it won't be a real new behavior for them."

"The big increase is more in the 'escape' gambling, and they tend to be middle-aged to older women who prefer machine gaming."

Gambling counselors contacted by *The Kansas City Star* agree that men and women approach the casinos differently. Men prefer the table games, while women favor the slots and video poker. Says Parks: "They're like robots."

Nancy McReynolds, a clinical director at Crittenton, says women use gambling to replace what's missing in their lives.

"It's about having a relationship... That's 'your machine,' and it can make you feel good; it can make your dreams come true."

Pathological gambling — the most extreme case of problem

gambling — is an "impulse control disorder" similar to alcohol and drug abuse, kleptomania, pyromania and compulsive shopping.

Compulsive gamblers at first love to gamble, but then they begin irrationally "chasing" their losses and can't stop.

Ultimately, many just want to be in "action," which leads to a cocaine-like euphoria with sweaty palms and a pounding heart.

For "escape" gamblers, however, the addiction becomes a search for numbness, a heroin-like narcotic.

Male pathological gamblers

tend to be narcissistic, competitive, energetic, workaholics, easily bored. They resent authority figures.

They begin gambling young and can take years to get addicted. They're good at it, and an early big win is common.

They like card games, sports

betting, the track and the stock market. Their gambling requires skill and arcane knowledge.

Like Randy, a recovering gambler and part-time dealer at an area boat, they crave the action: "It's like you're gonna go score some dope or go into a bar.... There's my fix, right in front of me, whether I win or lose."

Even when men play the slots, they think of how to overcome randomness.

Morty Lebedun, executive director of Tri-County Mental Health Services, says that men, "maybe as a matter of arrogance or training...., tend to more likely feel they have 'figured out' the system. And those really are the most dangerous types of gamblers."

Female pathological gamblers tend to have started later in life but can become addicted quickly.

They also can be workaholics, and are often efficient mothers.

Lynn John Rambeck, a psychologist from Minnesota, throws in another twist: Women are often "spending their husband's money as a way of punishing them for not giving them their love.... They're very prideful about that."

Pathological gamblers eventually enter the addiction endgame: desperation and then the crash.

Gamblers crash when they realize there's no way out. Deep depression sets in, and up to 20 percent try to kill themselves, wiping the slate clean.

"When a gambler starts talking suicide, take him seriously," one counselor says.

In treatment, action gamblers must conquer the addictive high; escape gamblers must grasp what they're avoiding.

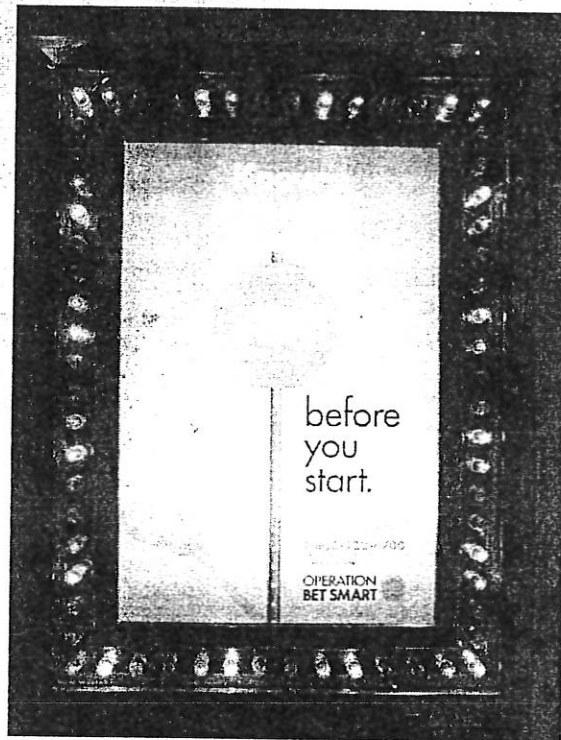
Abstinence is the recommended cure.

The addict has to "fight this 100 percent," says Stan Bier, a psychologist in Kansas City. "Until that person gets to that point, whatever we do is not successful."

Gamblers Anonymous asks 20 questions

According to Gamblers Anonymous, most compulsive gamblers will answer "yes" to at least seven of these questions:

1. Did you ever lose time from work due to gambling?
2. Has gambling ever made your home life unhappy?
3. Did gambling affect your reputation?
4. Have you ever felt remorse after gambling?
5. Do you ever gamble to get money with which to pay debts or otherwise solve financial difficulties?
6. Did gambling cause a decrease in your ambition or efficiency?
7. After losing did you feel you must return as soon as possible and win back your losses?
8. After a win did you have a strong urge to return and win more?
9. Did you often gamble until your last dollar was gone?
10. Did you ever borrow to finance your gambling?
11. Have you ever sold any real or personal property to finance gambling?
12. Were you reluctant to use "gambling money" for normal expenditures?
13. Did gambling make you careless of the welfare of yourself and your family?
14. Did you ever gamble longer than you had planned?
15. Have you ever gambled to escape worry or trouble?
16. Have you ever committed or considered committing an illegal act to finance gambling?
17. Did gambling cause you to have difficulty in sleeping?



KEVIN ANDERSON/The Star

The gaming industry hangs signs in the casinos telling gambling addicts where to get help.

18. Do arguments, disappointments or frustrations create within you an urge to gamble?
19. Do you have an urge to celebrate any good fortune by a few hours of gambling?
20. Have you ever considered self-destruction as a result of your gambling?

GAMBLING FACTS

■ **Keith Spare of Rodgers Community Health Center South** has founded the Missouri Council on Problem Gambling Concerns, a state affiliate of the National Council on Problem Gambling. The national council recognized the Missouri group Thursday.

■ **Working at a casino can have its downside.**

"There's nothing quite like a casino customer that's mad," says Norm Powell, general manager of Sam's Town. "Twenty percent are going to be as hard to deal with as anybody you can imagine."

Typically, those people have been losing, they are out late and they had too much to drink. That type of customer often convinces employees they just aren't cut out for casino work.

"We have considerable turnover," Powell says. "Dealing with the public with this frequency and intensity is difficult...."

"As an employee, you have to have the right frame of mind to deal with that...to not take it personally."

■ **"Ah, I have a premonition — I can't miss!...Why am I such an irresponsible infant? Can't I see that I am a doomed man? But why can't I come back to life? All I have to do is be calculating and patient once, and I'll make it! I have to hold out for just one hour, and then my whole life will be different."** — *Fyodor Dostoevsky, in the novel The Gambler*

■ **Why do people like to gamble?**

David Friedman, an economics professor at Santa Clara University in California, says: "People enjoy struggle. They enjoy competing with other people. And for some people it adds an additional pleasure to have something at stake.

"You know, we're not living in the jungle anymore — most of us very rarely face a dangerous predator, but to some extent we've got psyches that are designed for a more dangerous world.

"So one way of satisfying that for some people is to create their own danger, whether by jumping out of airplanes or by sitting down at a table and saying, 'All right, if I make the wrong decision in the next three seconds I'm going to lose a hundred dollars.'

"That's my guess of what's going on."

What kind of gambler are you?

Casual social

- Gambling is one of many forms of entertainment
- Plays infrequently

Serious social

- Major source of entertainment
- Plays regularly, with intensity

Professional

- Gambling is primary source of income.
- Knows the odds well
- Patiently waits for best bet, knows when to quit

Antisocial personality

- Career is getting money by illegal means
- Tries to fix the game

Bungler

- Stupid, inept
- Don't know the games, odds

Relief-escape

- Major activity, of equal importance with family and work.
- Use gambling to escape boredom, loneliness or to get away from problems

Compulsive-pathological

- Gambling is the only thing in life
- Family and work are ignored
- Uses crime to support habit
- Depressed, suicidal

■ **Gambling hot lines:** The Gamblers Anonymous hot line for the area is 346-9230. A volunteer will return your call as soon as possible. National gambling hot lines: 1-800-GAMBLER; 1-800-522-4700.

GAMBLING FACTS

■ **Harrah's twin casinos** in North Kansas City pay more in state and local gaming and admission taxes in seven weeks — over \$5 million — than all 500 of Missouri's charitable bingo parlors and their game suppliers collectively pay in a year.

■ **The boats all receive a monthly bill** from the state of Missouri to pay the wages of state troopers who provide security and regulatory oversight aboard the boats. For Harrah's the tab comes to about \$675,000 a year.



■ **Crowds were down** last season for the Explorers pro tennis team's home matches in Kansas City. But General Manager Tom Rieger said he was more than pleased to see more than 3,000 seats filled for each match.

"I know in Kansas City people claim (the boats) are hurting them. I've heard that from the other sports teams in town... We were very realistic in our projections, boats or no boats.

"If we don't do well, we won't blame it on the boats," said Rieger. "We'll blame it on our product, our effort and our lack of ability to draw fans."

■ **Kansas City's casinos** are run by some of Las Vegas' corporate giants. That's not true in St. Joseph.

The St. Jo Frontier Casino might be what Missourians had in mind when they voted for riverboat gambling.

That paddlewheeler is the state's smallest gaming vessel and is the only one that is locally owned and operated. It might also be the most loved by its community.



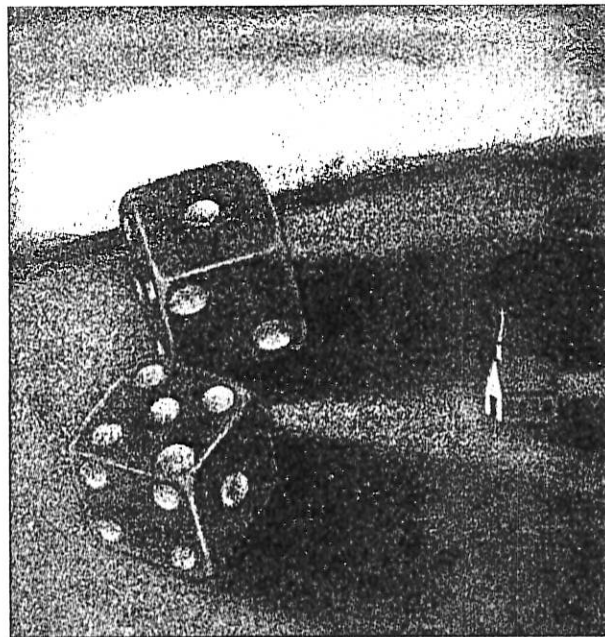
"We have a different relationship with our riverboat," said Marci Bennett, director of the city's Convention and Visitors Bureau. "The owners' families have been here for generations... It's been good for the city and the county."

Local police, business leaders and others agree that casino-related problems have been few and far between.

City budget manager Vince Capell notes that the boat came along at one of the low ebbs in city history — rebuilding from the devastating floods of 1993.

Is gambling ungodly?

**Not all area churches see it
as sinful, but many are
seeing it as a problem**



TOM DOLPHENS/The Star

By HELEN T. GRAY
Religion Editor

Teresa is a regular churchgoer. She attends weekday Bible study and prayer meeting. She readily testifies about her faith...and she is addicted to gambling.

She asked members of her prayer group to pray for her. "The Lord never let me win big so I wouldn't really get hooked on it," said the Kansas City factory worker, who asked that her last name be withheld. "I knew God didn't want that for me."

Increasingly, area clergy are discovering that when they talk about riverboat gamblers, they are talking about members of their own congregations. And increasingly, they are encountering the problems that result from addictive gambling.

"These are not all unchurched people who are going," said the Rev. Ed Whelan of the Episcopal Church of the Redeemer, north of the river. "Only a fool can put his head in the ground and say these are not my people. They are."

See **GAMBLING, E-2, Col. 1**


**LITTLE
LAS VEGAS**
KC'S RISKY BET ON
THE BOATS

GAMBLING

Continued from D-1

Many clergy and religious groups adamantly fought legalizing riverboat gambling.

Now, nearly three years after the first casino opened, it is as if the religious community has thrown up its hands and said, "They're here, we lost that battle," said the Rev. Jack Nietert of the Episcopal Church of the Good Shepherd north of the river. And many are preparing to face the next battle: to help churchgoers overcome gambling-related problems.

Is gambling a sin?

The biblical guideposts regarding gambling are not plainly marked.

"You do not find a clear scriptural injunction," said Ron Reno, researcher in the public policy division of the Colorado-based Focus on the Family. "You're not going to find, 'Do not gamble.'"

The Qur'an states that gambling is a sin, said Imam Bilal Muhammed of Masjid Inshirah, a Kansas City mosque. But in the Jewish-Christian tradition, gambling lends itself to varying scriptural and theological interpretations. And many of the strongest objections are based on social concerns.

The riverboats are luring many people into taking risks that they cannot afford, said Rabbi Ronald W. Goldstein of the New Reform Temple in south Kansas City.

"In Judaism, there are risks that could be considered healthy," he said. "When Abraham went out from his home, it was a healthy risk. Gambling is not."

Catholics do not have a prohibition against gambling, said the Rev. Robert H. Stewart of Holy Family Catholic Church in Kansas City, North. Catholics must be responsible in taking care of their family, community and church obligations. "Then if they gamble for recreation, that's up to them."

"We've had discussions in our Bible School classes on gambling, and the question that comes up is 'Is gambling a sin?'" said the Rev. Darryl Walker of Ebenezer

A.M.E. Church in the central city. "This has to be answered within yourself."

"If you are doing what you're supposed to be doing with your money — taking care of God, family and others in need — and still have some additional monies, I'm not going to say it is a sin to gamble."

Katie Mead agrees. She and four other church-going widows in their 70s and 80s often attend Saturday evening services at the Good Shepherd church and then go to a riverboat.

"We don't for recreation, and we do have a lot of fun," she said. "I just don't feel like I'm doing anything wrong."

Loretta Stewart, a Kansas City housewife and churchgoer, sees the casinos as a form of entertainment and believes that only things done in excess are sinful.

"Some people have made statements that the boats are not the proper place for Christians to go, but they haven't pointed out any scriptures to me," she said. "My response is that each person has their own relationship with God. If I put that before God, I have sinned."

The die is cast

Few congregations have noted any drop in attendance or offerings due to the casinos. Nonetheless, some clergy think the temptation is there and increasingly they are becoming drawn into the gambling issue.

"We have drastically underestimated the effects of the boats," said Rabbi Daniel Horwitz of Congregation Ohev Shalom in Prairie Village.

Searching for ways to respond to the impact of gambling, a small group of clergy recently met with the Consumer Credit Counseling Service. In addition, several church members have approached the pastor of a small Raytown congregation on behalf of relatives who are compulsive gamblers.

According to the Raytown minister, one person sold most of the furnishings in his house to finance his gambling habit. Another man's gambling problem is leading to the breakup of his marriage. A professional woman has diverted savings,

house payments and her children's education funds for gambling.

"A family that was upper middle class is now struggling for survival," the pastor said.

In some cases the church has had to step in to help with financial emergencies.

"I know there are people in the Jewish community who go to the casinos and perhaps have lost a lot of money," Horwitz said.

North Cross United Methodist Church in Kansas City, North, is receiving more requests for help from the community, said the Rev. William Bamman, senior pastor.

"People are not able to pay their rent, and they are coming to the church," he said. "We do not specifically ask people, 'Did you gamble away your money,' but we do know that in the last year there has been a marked increase in requests for help."

Young people, distraught about their parents' gambling, have gone to Sister Theresa Torres, pastoral minister at Our Lady of Guadalupe Catholic Church on the West Side. Some families have asked for assistance, and she knows that some of them have visited the casinos.

"Poor people are going to the riverboats, and my concern is that down the road we may have some real serious problems," she said. "Being poor is hard, and the riverboats may seem like a solution."

On the plus side, she added, a

few parishioners have secured jobs at the casinos.

Cries for help

Hillside Christian Church north of the river began by just committing space to a Gamblers Anonymous group. Now the staff is becoming more involved in counseling, said the Rev. Bruce Frogge, co-pastor.

One or more people a day with gambling problems call him or the other co-pastor, the Rev. Susan Heim-Davis, and some stop by the church. One man was threatening to jump off the Chouteau Bridge after gambling away his paycheck.

"Gambling is such a big problem," Heim-Davis said. "I'm a pessimist at heart, but sometimes I have visions of sinking those boats — if they really were boats and really in the water!"

Only a few men attended the weekly Gamblers Anonymous meetings when Frogge came four years ago. Now 20 to 30 people meet, and a second group has just been formed, he said.

In addition, since the advent of the casinos, a support group for addicted gamblers' relatives has started.

Whelan of Redeemer Church has noticed people leaving early from worship services to rush to the boats for Sunday brunch. On the flip side, a member quit his job at a casino when he was not allowed time off to attend Sunday

services.

In 1995 St. Patrick Catholic Church in Kansas City, North, received \$1,000 from the casinos for its social service agency but decided not to apply for the funds last year. The church originally had viewed the contribution as a way the casinos could give back to the community.

"But the negative impact is far greater than the funds we would receive," said the Rev. Michael Roach, St. Patrick's pastor. "We have so many families affected by gambling that we did not feel we could accept it any more."

Preaching not to practice

The extent of the gambling problems has caught the religious community off guard, Roach said. "How do we respond to this? I think the churches are going to have to do *something*."

Some clergy advise addressing the emotional needs that gambling meets; others take the hard line.

"All pastors have a prophetic obligation to preach against this," said the Rev. Paul Brooks, pastor of First Baptist Church of Raytown. "Gambling is built on the principle of trying to get something for nothing, getting something that belongs to someone else without working for it. This is anti-Christian and ungodly. And it is based on greed."

Not all clergy blame the casinos for encouraging addictive behav-

ior.

In counseling an attempted suicide victim, the Rev. Sandra McFadden-Weaver of Community Fellowship Church of Jesus Christ discovered that the woman had an addictive personality before going to the boats.

"She ... was broken in her spiritual life and went as an escape from her problems," McFadden-Weaver said. "I believe the faith community has to have a strong spiritual accountability so people will run to the church if they are broken in their spirit."

Loretta Stewart, who goes to the boats for entertainment, said some people are seeking companionship and fellowship, which most churches do not offer during the week.

"So somebody is bothering to meet a need," she said.

The Rev. Robert Lee Hill of Community Christian Church on the Country Club Plaza counters that point, saying that churches and synagogues have the resources of caring and providing opportunities for fun and fellowship and a sense of belonging.

"For those who are going (to the casinos) for revenue for their families, we would provide a reality check...helping them to understand that for some, it can be entertainment," he said. "But for others, it can be an entry into an inferno."

Here's that old gem about dog named Sex

Dear Abby: I do volunteer work at nursing homes where there are many senior citizens.

These men and women love company, but unfortunately some of them do not have many visitors, so I do what I can to cheer them up.

You had a piece in your column about 10 years ago that always made a big hit with these seniors.

It was titled "A Dog Named Sex."

I read it to my bridge club, and one of the women said, "Please let me borrow it to show my husband. I'll get it back to you tomorrow."

Well, you guessed it — she lost it.

Please run it again, Abby.

It was a favorite of many.

— SEATTLE VOLUNTEER

Dear Volunteer: Here it is. It's also one of my favorites:

When I went to City Hall to renew my dog's license, I told the clerk I wanted a license for Sex. He said, "I'd like one, too!"

Then I said, "But this is a dog."

He said he didn't care what she looked like.

Then I said, "You don't understand. I've had Sex since I was 9 years old."

He winked at me and said, "You must have been quite a kid."

When I got married and went on my honeymoon, I took my dog with me. I told the hotel clerk I wanted a room for my wife and me, and a special room for Sex.

He said, "You don't need a special room for Sex. As long as you pay your bill, we don't care what you do."

I said, "Look, you don't seem to understand. Sex keeps me awake at night."

The clerk said, "Funny, I have the same problem."

Well, one day, I entered Sex in a



DEAR ABBY

ABIGAIL VAN BUREN

contest, but before the competition began, the dog got loose and ran away.

Another contestant asked me why I was just standing there, looking disappointed. I told him I had planned to have Sex in the contest. He said, "Wonderful! If you sell tickets, you'll clean up!"

"But you don't understand," I said. "I want to have Sex on TV." He said, "They already have that on cable. It's no big deal anymore."

Well, my wife and I decided to separate, so we went to court to fight for custody of the dog.

I said to the judge, "Your honor, I had Sex before I was married." The judge said, "The court is not a confessional. Please stick to the facts."

Then I told him that after I was married, Sex left me. He said, "Me, too."

Well, last night Sex ran away again, and I spent hours looking all over town for him.

A cop came over to me and asked, "What are you doing in this alley at 4 o'clock in the morning?" I said, "I'm looking for Sex."

My case comes up on Friday.

Abigail Van Buren is a syndicated columnist. Problems? Write to Dear Abby, Wichita Eagle, P.O. Box 820, Wichita, Kan. 67201-0820. For a personal reply, enclose a self-addressed, stamped envelope.