

1 CHAIRPERSON JAMES: Doctor George.

2 DR. GEORGE: Chair James and members of the  
3 Commission, thank you for the invitation to be here today as we  
4 examine this very important and emerging issue.

5 In my testimony I will address the following  
6 subjects; where and how minors gamble, parental attitudes towards  
7 children's gambling behaviors, why youngsters gamble, effects of  
8 the exposure of minors to parental gambling, and finally  
9 strategies and recommendations regarding the management of youth  
10 wagering.

11 This includes a summary of the final report from the  
12 North American Think Tank on Youth Gambling Issues, the 1996  
13 Compulsive Gambling Survey, the Lottery's Response to the  
14 Management of Problem and a word about the community based  
15 adolescent compulsive gambling prevention model.

16 Where and how are minors gambling? Gambling in  
17 contemporary America is virtually universal. According to  
18 Shaffer, Hall, Walsh and Vanderbilt approximately 90 percent of  
19 high school seniors have placed a bet during their lifetime.  
20 Unfortunately, this has occurred without educational messages to  
21 raise awareness among youth, parents and other adults about the  
22 risks and vulnerabilities of youth to gambling addiction.

23 According to the North American Think Tank on Youth  
24 Gambling Issues' final report card playing, sports betting and  
25 games of personal skill are in order of preference particularly  
26 popular amongst juvenile gamblers. Lottery, bingo, pull tabs,  
27 video machines and casino games are popular in those states and  
28 provinces where they are legal.

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1 In the Post test which is included in my written  
2 testimony of an eighth grader, when he was asked if he had ever  
3 gambled on poker, games of skill, pull tabs, lottery or sports  
4 betting, responded yes to all. A survey of tenth grade students  
5 asked among other questions how often they gambled, a frequent  
6 response was D for daily. When questioned about how daily  
7 gambling was possible, a typical response might be, "Everyone  
8 knows during the second hour in the library next to the wall  
9 there's a poker game going on every day." When questioned about  
10 what the librarian might say about this behavior again a typical  
11 response could be, "As long as we're quiet he doesn't care."

12 One disturbing adult view towards youth gambling  
13 comes from a school official's response to a school sponsored  
14 casino night. He was distressed that for the past two years  
15 gambling sophisticated youth had won all the prizes. Now, as a  
16 youth official who valued fairness and impartiality, he proposed  
17 a short gambling class which would teach students how the games  
18 of chance are played and thus provide an equal opportunity for  
19 all students to win.

20 These types of antidotal responses led to the design  
21 and implementation of a statewide survey in Minnesota which asked  
22 adults what they did or did not know about the dangers associated  
23 with youth gambling and their attitudes towards their own  
24 children's gambling. The survey was conducted by the Minnesota  
25 Center for Survey Research, University of Minnesota under  
26 contract with the North American Training Institute. The  
27 telephone survey questions targeted approximately 1,000 randomly

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1 selected households focusing on parents with children under the  
2 age of 15.

3           While 84 percent of parents in this survey reported  
4 awareness of the symptoms of gambling problems in the general  
5 population, only 47 percent were aware of potential problems  
6 associated specifically with youth gambling. Of the parents who  
7 indicated they were aware of their child's gambling behavior, 22  
8 percent were somewhat concerned, 35 percent indicated they were  
9 not very concerned and 34 percent stated they were not at all  
10 concerned about their own child's gambling behavior.

11           Only nine percent of the parents stated that they  
12 were very concerned about their own child's gambling behavior.  
13 Exposure of youth to parental gambling and role modeling; one of  
14 the reasons youngsters seek to gamble is because of role modeling  
15 by parents and other adults close to them. According to Linda  
16 Berman (ph), clinician and author of the book, "Behind the Eight  
17 Ball, a Guide for Families," parents are the major role model for  
18 children, not their peers. A child mimics what they see as  
19 normal in their home; be that love, violence, alcohol use or  
20 gambling activity.

21           Often gambling can be a family affair. Card playing,  
22 family trips to the racetrack, lottery tickets given to  
23 youngsters as birthday gifts are all gates through which  
24 youngsters first enter the world of wagering. It is very  
25 important to consider what the long term effects of gambling  
26 behavior by a role model will have on a child, especially if a  
27 parent gambles not as a form of occasional entertainment but  
28 excessively.

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1 A child can learn from the parent an ineffective  
2 method of dealing with life's stresses or in a false belief that  
3 gambling can be a meaningful relief from financial problems.  
4 Parents who gamble excessively are avoiding issues in their lives  
5 by using such non-effective coping mechanisms. Consequently  
6 parental excessive gambling can become one more in an arsenal  
7 ineffective coping skills that can be learned by a child.

8 The goal or the job of adolescents is to learn how to  
9 feel competent, productive, accepted and worthwhile. A child who  
10 learns to gamble as a coping mechanism is bypassing that job of  
11 adolescents by leap frogging over them via gambling. A youth  
12 might learn, "If I'm sad, gambling will make me happier; if I'm  
13 happy, I will celebrate by gambling; if I'm anxious, gambling  
14 will calm me down."

15 As we consider convenience gambling and its  
16 relationship to youth, we must consider the nature of the  
17 adolescents' style, impulsive. This is yet another job of going  
18 through adolescence to develop maturity and a primary feature of  
19 maturity is controlling impulses such as sex, alcohol and other  
20 risky behaviors. Again, according to Linda Berman, youth  
21 gambling can create a tendency in them to avoid reality and rely  
22 on self-deception and illusion as methods of problem solving.

23 Now, why do kids gamble? In addition to role  
24 modeling, there are other reasons why youngsters gamble.  
25 Youngsters try whatever is culturally popular and gambling is  
26 promoted with exciting images of wealth, power, status and  
27 freedom. Yet for many teens gambling has little to do with  
28 money. In reality many young people gamble because of problems

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1 at home, low self-esteem, role modeling and avoidance of pain and  
2 grief.

3 For youth with unstable family lives, such as  
4 parental alcohol, drug addiction or gambling addiction, violence  
5 or abuse, gambling can be an escape from those unfortunate  
6 realities of their lives. People love winners. For youngsters  
7 who lack self-esteem, winning a bet can provide an instant,  
8 though temporary, boost in self-esteem. Gambling makes them feel  
9 important and looked up to by others, part of the group and  
10 powerful, a remarkably heavy experience for a youth and one they  
11 most assuredly would wish to repeat.

12 Losses and trauma for a youth can include loss of a  
13 job, boyfriend, girlfriend, a position on a sports team, death of  
14 a parent, grandparent or sibling. Most teens work through these  
15 traumas with the help and support of friends and family but for  
16 others who may have problems with low self-esteem or may feel  
17 isolated and without friends, they may turn to something to ease  
18 that pain, to anesthetize themselves from the unbearable loss.  
19 That something with which they medicate themselves may be  
20 alcohol, drugs or gambling.

21 Moreover, since many adults are unaware of the  
22 dangers that are involved with gambling, they may encourage such  
23 behaviors as exciting, entertaining and safe. It is vitally  
24 important for youngsters, as well as parents, educators, adult  
25 role models and policy makers to recognize the potentially  
26 addictive nature of gambling and the vulnerability of youth.

27 To that end, two public policy think tanks were  
28 convened to address this important issue. The Minnesota Public

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1 Policy Think Tank convened a group of key public and private  
2 sector leaders including legislative staff, health care  
3 providers, gaming industry leaders, educators and tribal leaders.  
4 The Minnesota Public Policy Think Tank marked the first time a  
5 broad range of Minnesota stakeholders had the opportunity to  
6 discuss and evaluate the management of compulsive and under-age  
7 gambling and to articulate the vision for the future.

8           The Minnesota Think Tank clearly pointed to the need  
9 for a similar discussion at the national level. The purpose of  
10 the North American Think Tank on Youth Gambling Issues was to  
11 develop a blueprint for responsible public policy in the  
12 management of under-age gambling. The event held in April of  
13 1995 brought together 42 key leaders from throughout the United  
14 States and Canada who represented diverse fields including  
15 government, education, the gambling industry, finance, law  
16 enforcement, the judiciary, health care and research.

17           Although their backgrounds and perspectives were  
18 widely diverse, they shared a common commitment to invest their  
19 time, energy and considerable talent in the development of a bi-  
20 national strategy to address the management of youth gambling.  
21 The process consisted of a highly structured and tightly managed  
22 format including small and large group discussions, as well as  
23 presentations by experts on the topic of youth gambling.

24           The North American Think Tank was the first  
25 international event ever to focus on youth gambling and to  
26 develop specific recommendations. Despite the wide diversity of  
27 group members, participants demonstrated an amazing commonality  
28 of purpose in the development of their recommendations and I will

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1 summarize the seven recommendations that are listed in much  
2 greater detail in the final report.

3 Policy development recommendations; the U.S. and  
4 Canada create a bi-national task force to coordinate the  
5 development of North American response to family issues and  
6 solicit funds to pay for needed programs. Funding  
7 recommendations; a task force is structured as a not for profit  
8 organization to attract funding from public and private sectors.  
9 Law enforcement recommendations; the gambling industry establish  
10 standards, industry standards for enforcement of under-age  
11 gambling prohibition and support tougher penalties against  
12 vendors who fail to enforce legal gambling age limits.

13 Research recommendations; an international research  
14 effort is undertaken to determine the prevalence of youth  
15 gambling and effective prevention and treatment programs.  
16 Treatment and training recommendations; that professional  
17 training for youth gambling treatment providers be tailored to  
18 meet training needs. Education; curricula and programs be  
19 developed to educate children, parents and teachers about the  
20 issues of youth gambling. Public awareness and media  
21 recommendations; the public and policy makers be educated about  
22 youth gambling throughout the media and the various strategies be  
23 addressed within the gambling industry and with outside agencies  
24 to discourage targeting of gambling advertising to young  
25 consumers.

26 The 1997 follow-up study of the North American Think  
27 Tank asked participants to indicate ways in which the think tank  
28 had had an impact on their community, state, province, or country

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1 in those seven areas. And again, this follow-up survey which  
2 includes some very positive responses is included in your packet  
3 of information.

4 Other strategies for addressing issues surrounding  
5 youth gambling, youth wagering are found in the 1996 compulsive  
6 gambling survey, the lottery's response to the management of the  
7 problem. Three questions were asked of lottery directors in the  
8 United States and Canada. Thirty-one lottery officials and two  
9 Canadian officials responded. One question had to do with youth.  
10 It asked, "Many state lottery directors report concerns about the  
11 issue of under-age gambling with lotteries. Have you had  
12 difficulties preventing under-age players from purchasing lottery  
13 tickets and what would assist you and your lottery staff in the  
14 management of this issue".

15 Many lottery directors asked that training programs  
16 on this topic would be helpful. One example from Illinois  
17 suggested a training video that would be most helpful to that  
18 staff in addressing that particular issue. The adolescent  
19 compulsive gambling prevention model, a community based  
20 educational strategy that was designed in 1991 by the North  
21 American Training Institute has grown in scope since that time  
22 and the delivery now includes curriculum, video and other  
23 prevention material. Within the past month, the model has been  
24 expanded to include an online magazine that utilizes a 13-year  
25 old junior editor and a 13-year old cartoonist.

26 The Web site has had significant response and  
27 currently the educational curricula are being utilized in over 15  
28 states. The adolescent compulsive gambling prevention model

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1 marks a beginning in the development and implementation of  
2 prevention programs and treatment services. For your  
3 consideration, I would like to recommend; one, that there be an  
4 engagement in the advancement in the awareness of both adults and  
5 children and problems that attend under-age gambling; secondly,  
6 to build upon the commonality of purpose generated by  
7 participants of the North American Think Tank on youth gambling  
8 issues; and thirdly, to encourage proponents and opponents of  
9 gambling alike to join forces to develop and implement prevention  
10 and education and treatment initiatives for youth that are  
11 commensurate with drug and alcohol problems.

12 I would like to leave you with a thought. If we make  
13 a prediction about youth and gambling problems it might go  
14 something like this. Kids and gambling, it's just a phase that  
15 they are going through. In five years perhaps this prediction  
16 could be placed in the same hall of fame as the following  
17 predictions. Thomas Watson, chairman of IBM predicted in 1943,  
18 quote, "I think there is a world market for maybe five  
19 computers", unquote. Said an engineer at the Advanced Computing  
20 System Division of IBM in 1968, his prediction about some of  
21 those things said, "But what is it good for?" as he commented on  
22 the micro-chip.

23 And another prediction by Charles Durell (ph),  
24 commissioner of the U.S. Office of Patents in 1899, his  
25 prediction was, "Everything that can be invented has been  
26 invented". Let us not have a prediction about under-age gambling  
27 fall into those categories. And in conclusion, I would like to  
28 thank Chair James and members of the Commission for your

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1 invitation, your time and consideration of these very important  
2 issues. Thank you.

3 CHAIRPERSON JAMES: Doctor George, thank you.

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