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MS. JO DEAN JOY

CHAIRMAN JAMES: Jo Dean Joy.

MS. JOY: Good afternoon. I'm from South Dakota. I have studied gambling and its consequences since my son-in-law went to prison for embezzling over \$4 million. Although studies and concerns cover all gambling issues, I have chosen to focus my comments today on the South Dakota video lottery system.

South Dakotans suffer more gambling losses per capita and lose a higher percent of their income than the people from any other state. The electronic video poker machine is an addictive gambling machine and the addiction is intense. South Dakota has taken the normal video poker machine to a new level by adding touch screens, lightening fast play, no meaningful limits and setting the machines so the average user loses 36 percent of the cash they put in. They are in your face with one machine for every 62 adults in the state. They cannot be ignored.

Accessibility is the toughest thing for a pathological gambler to deal with. The state encouraged an inexperienced population to use these gambling machines, declaring them entertainment. The South Dakota state lottery states "Lotto is fun for the future." Financial ruin, crime, destroyed families and suicides are not fun for the future. Mine is the first and only state where a form of gambling has been curtailed and then resumed, providing the basis for a natural experiment.

Studies of four centers show that the need for gambling addiction treatment almost completely stopped when the video lottery system was shut down for 100 days in 1994. If you

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1 want to learn more about addiction to the crack cocaine of
2 gambling, I urge you to research what happened in all of the
3 treatment centers in South Dakota. South Dakota video lottery is
4 owned, operated and controlled by the state. The state is the
5 video lottery business. The proceeds are not a tax. They are
6 profit from a business activity that is dependent upon
7 uncontrolled customer losses for its financial success.

8 There is no difference between what the tobacco
9 industry has done to its customers and what the state of South
10 Dakota is doing with video lottery. The state of South Dakota
11 has abdicated the role of protector of society and has now
12 assumed the role of destroyer, especially of its weakest most
13 vulnerable citizens.

14 My message to you is twofold. The general public
15 cannot handle readily accessible gambling without serious
16 consequences that have a negative impact on all of us. The
17 incredible power of political greed makes it impossible for
18 states to control gambling in the best interest of their
19 citizens. Thank you for allowing me to testify. My hope is that
20 God may guide you in your pursuits.

21 CHAIRMAN JAMES: Thank you very much.

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