



MICHIGAN FAMILY FORUM

The Voice of Hope for Michigan's Families

**Testimony Before the Congressional Commission on Gaming
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**by
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Madame Chairperson and Honorable Commissioners:

I am Mike Harris, Executive Director of Michigan Family Forum, Lansing, Michigan.

Thank you for this opportunity to testify.

I first encountered the issue of riverboat casinos in 1993 as a Kansas State Senator. The message then was, "Missouri has riverboats and they're taking all our money. We must respond." The right response, the lobbyists said, was to place a casino in a racetrack on the Kansas side of the river.

It is the same argument that the casino industry is using with success in Michigan. The Windsor Casino across the river from Detroit, just like a large riverboat casino, is supposedly sucking all the money out of Michigan—never to return again. So, the argument goes, we've got to have our own casinos to keep our money home and create all those high-paying jobs the casino industry touts.

After several defeats, in 1996 gambling interests staged a massive last minute expenditure and narrowly obtained approval of a ballot initiative to authorize three casinos in Detroit. Mayor Archer has conducted a beauty contest and named the licensees: Greektown--Chippewa, MGM Grand, and Atwater-Circus Circus. It appears these casinos will be located on the river, though not in boats, avoiding the utter hypocrisy that currently exists in some locales—such as the boats in moats situation in Kansas City.

What can Detroit and Michigan expect from these river casinos? Experience with Native American casinos and the nearby Windsor casino gives us some indication, and the independent studies which have been done are helpful as well.

1. Bankruptcies will grow. According to articles published in the Detroit newspapers, bankruptcy attorneys in the Detroit area are already experiencing a tremendous growth in bankruptcy filing as a result of the gambling in Windsor. One estimated that the increase in cases related to gambling may be forty-fold. (Attachment A)
2. Addiction will likely multiply and, indeed, already has. Michigan had nine chapters of Gamblers Anonymous five years ago and now has thirty-five. (Attachment B) A survey by Western Michigan University, completed in 1997, shows that there is a significant problem. According to the survey, 230,000 Michigan adults have experienced gambling problems in the past year and nearly 90,000 meet the criteria as pathological gamblers. Wayne County, the Detroit area, has the highest rate of gambling problems in the state. These problem gamblers lose on average more than \$6,000 a year on gambling, yet most never seek help. Only 2.5 percent of problem gamblers and only 6 percent of pathological gamblers reported ever seeking help for their problem. (Attachment C)
3. Crime will increase. Though crime is decreasing nationally, certain crimes in casino neighborhoods are increasing. In the Detroit area recently, a man faked his own son's kidnapping in order to try to pay back \$50,000 in gambling debts. (Attachment D) According to a recent survey conducted of the Detroit area by Social Systems Research Institute (SSRI), arson and car theft, two crimes staged to raise money to pay for gambling addiction, have risen in the Detroit area 118% and 18% respectively since the advent of the Windsor casino.
4. The poor will be victimized. The same survey by SSRI finds that the percentage of compulsive gamblers in Detroit is twice as large as the rest of the state. Nearly 3 in 10 of those receiving public assistance patronized a casino in the last year, and those on public assistance lost five times more as a proportion of their total household income than did other Detroiters. Thirty-eight per cent of single Detroit mothers patronized casinos within the last year and African-Americans lost 2.5 times more at Casinos than whites. New locations will surely multiply these problems. (Attachment E)

For Michigan families, especially those in Detroit, expansion of casino gambling won't mean a brighter future. Rather, it will be the doorway to addiction, bankruptcy and darkness for a city that deserves better.

Thank you.

Mike Harris