MR. CLARK: Madam Chair and members of the Commission, I'm Joe Clark with the Illinois Family Institute. Two weeks ago I had the chance to spend some time with a woman who I'll call Amy who lived in a western suburb here in the Chicago area. Amy is going through a very difficult time. Her husband is an addicted gambler, formally a six figure income family. He was a major partner with a Fortune 500 company. The situation is such that she's now fighting for possession of her home. She is fighting the IRS for non-filing for two years, where her husband failed to pay taxes. She's also trying to cut off access to credit cards, where her husband has used her name as well as his own in applying for credit, and she was employed as well.

This particular situation is particularly repugnant because what I have seen happening in this case is something I'll have to call nothing short of predatory marketing. And Mr. Moore, I would suggest that one thing this Commission can do is look at the marketing practices of casinos. We heard it called high roller clubs earlier. I guarantee you that we'll hear it called player's clubs, slot clubs just as frequently.

There's a profiling process that begins with frequent visitors to the gambling sites and that results in major marketing that goes on with the frequent visitor. Things that are mailed to the home, birthday cards, you get all kinds of things.

This lady happens to still be getting marketing from the casinos. This example I'm giving you here gives her a
membership at the exclusive private club at one of the local
casinos I believe out in Elgin. This is a cheers celebration,
just to remember that you're here, that sort of thing. Once a
month she's getting something like this in spite of her plight,
her current situation, with absolutely no credit. They still
want her to come back and she's never been. Her husband is the
one that signed her up for this.

Predatory marketing is a huge concern for us in
Illinois because right now, 1997, we have seen the first decline
since the casinos have been here, a decline in their revenues.
And these are smart business men and women and they know how to
increase revenues. They'll do that through, I believe, increased
predatory marketing.

You look at who is visiting the boats in Illinois, a
third of the people account for 60 percent of the visits. These
are the people that are slot club members, people that get this
kind of marketing. Currently four out of ten are over 55; six
out of ten are women; and three out of ten have income less than
$30,000 a year.

We only have time to mention the elderly. You
project where we are demographically in Illinois versus what the
census says, there will be six out of ten of these casino
visitors that will likely be over 55 within ten years. You add
to that the thought process, the electronic gaming devices, the
EGDs, the video slots are the most prevalent used by these.
They're low skilled. They target women; they target senior
citizens.

The Illinois casinos are showing a growing dependency
on this type of gambling, from 42 percent of the revenues in '91,
to almost 75 percent last year. Again, the key is as revenues
are declining we expect to see marketing of this type towards
those least able to afford it, to the seniors, the women and the
low income. Case in point, Carolyn and Skip Warner, age 53 and
69 respectively, down in Joliet. Miss Warner was well known on
the riverboat in Joliet and she accumulated a $200,000 debt;
committed suicide. Her husband Skip followed her weeks later.
They also lost their home. You have to ask, how can we allow
this kind of marketing to continue?

Bankruptcy continues to be of interest to your folks.
The Illinois bankruptcy attorneys will say ten to 15 percent of
their case load, which is something between 6,000 and 9,000
bankruptcies in Illinois alone in 1997, were tied to gambling.

As you look at the options that you have, what you
can do, monitoring predatory marketing practices. When I was a
senior in high school I received free cigarettes on the high
school campus. That was predatory. I consider what's happening
now, with many people being identified as these slot club
members, getting all kinds of perks is predatory. That's an area
that you can regulate. You've already heard about credit being
an issue. I would ask that you focus on some of these fact based
studies. That can provide a great deal of help to all of us.

In closing, let me just say that I would ask you to
remember people like Amy and Carolyn and Skip as you go forward,
because I think our society will be judged by how well we care
for those that are least able to care for themselves. Thank you.

CHAIRMAN JAMES: Thank you, Mr. Clark.