CHAIRPERSON JAMES: Doctor George.

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

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

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

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

According to the North American Think Tank on Youth Gambling Issues' final report card playing, sports betting and games of personal skill are in order of preference particularly popular amongst juvenile gamblers. Lottery, bingo, pull tabs, video machines and casino games are popular in those states and provinces where they are legal.
In the Post test which is included in my written testimony of an eighth grader, when he was asked if he had ever gambled on poker, games of skill, pull tabs, lottery or sports betting, responded yes to all. A survey of tenth grade students asked among other questions how often they gambled, a frequent response was D for daily. When questioned about how daily gambling was possible, a typical response might be, "Everyone knows during the second hour in the library next to the wall there's a poker game going on every day." When questioned about what the librarian might say about this behavior again a typical response could be, "As long as we're quiet he doesn't care."

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

These types of antidotal responses led to the design and implementation of a statewide survey in Minnesota which asked adults what they did or did not know about the dangers associated with youth gambling and their attitudes towards their own children's gambling. The survey was conducted by the Minnesota Center for Survey Research, University of Minnesota under contract with the North American Training Institute. The telephone survey questions targeted approximately 1,000 randomly
selected households focusing on parents with children under the age of 15.

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

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

Often gambling can be a family affair. Card playing, family trips to the racetrack, lottery tickets given to youngsters as birthday gifts are all gates through which youngsters first enter the world of wagering. It is very important to consider what the long term effects of gambling behavior by a role model will have on a child, especially if a parent gambles not as a form of occasional entertainment but excessively.
A child can learn from the parent an ineffective method of dealing with life's stresses or in a false belief that gambling can be a meaningful relief from financial problems. Parents who gamble excessively are avoiding issues in their lives by using such non-effective coping mechanisms. Consequently parental excessive gambling can become one more in an arsenal ineffective coping skills that can be learned by a child.

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

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

Now, why do kids gamble? In addition to role modeling, there are other reasons why youngsters gamble. Youngsters try whatever is culturally popular and gambling is promoted with exciting images of wealth, power, status and freedom. Yet for many teens gambling has little to do with money. In reality many young people gamble because of problems
at home, low self-esteem, role modeling and avoidance of pain and
grief.

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

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

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

To that end, two public policy think tanks were convened to address this important issue. The Minnesota Public
Policy Think Tank convened a group of key public and private sector leaders including legislative staff, health care providers, gaming industry leaders, educators and tribal leaders. The Minnesota Public Policy Think Tank marked the first time a broad range of Minnesota stakeholders had the opportunity to discuss and evaluate the management of compulsive and under-age gambling and to articulate the vision for the future.

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

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

The North American Think Tank was the first international event ever to focus on youth gambling and to develop specific recommendations. Despite the wide diversity of group members, participants demonstrated an amazing commonality of purpose in the development of their recommendations and I will
summarize the seven recommendations that are listed in much greater detail in the final report.

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

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

   The 1997 follow-up study of the North American Think Tank asked participants to indicate ways in which the think tank had had an impact on their community, state, province, or country
in those seven areas. And again, this follow-up survey which includes some very positive responses is included in your packet of information.

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

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

The Web site has had significant response and currently the educational curricula are being utilized in over 15 states. The adolescent compulsive gambling prevention model
marks a beginning in the development and implementation of prevention programs and treatment services. For your consideration, I would like to recommend; one, that there be an engagement in the advancement in the awareness of both adults and children and problems that attend under-age gambling; secondly, to build upon the commonality of purpose generated by participants of the North American Think Tank on youth gambling issues; and thirdly, to encourage proponents and opponents of gambling alike to join forces to develop and implement prevention and education and treatment initiatives for youth that are commensurate with drug and alcohol problems.

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

And another prediction by Charles Durell (ph), commissioner of the U.S. Office of Patents in 1899, his prediction was, "Everything that can be invented has been invented". Let us not have a prediction about under-age gambling fall into those categories. And in conclusion, I would like to thank Chair James and members of the Commission for your
invitation, your time and consideration of these very important issues. Thank you.

CHAIRPERSON JAMES: Doctor George, thank you.