have to start now, and we're going to start now.

We're going to insure that Atlantic City

is rebuilt because if the tunnel comes, it will become

the City of Atlantis. I urge you to come there as

soon as you can with your hearings so that you can see

first hand how 21 years of the first wave ought not to

end up so that before we begin this second wave.

Thank you very much.

CHAIRPERSON JAMES: Chief Billie Redwing Tayac.

Bernie Horn.

MR. HORN: Hi. Good afternoon. I'm the

Communications Director of the National Coalition

Against Legalized Gambling.

Members of the Commission, the single most

important action you can take is to use your subpoena

power to uncover documents showing the extent to which

gambling enterprises rely on addicts for their

revenue. As you must know from reading the papers,

litigants against the tobacco industry have used

subpoena power to uncover documentation of what that

industry knew about their product. They knew their
product was addictive. They knew that the profit
margin depended on that addiction, and they seem to
have responded by manipulating the addictive
properties of their product.

We believe that documents exist which
prove that the gambling industry is also fully aware
of the nature of their product. They know that many
of their customers suffer from gambling addiction, a
medically recognized mental disorder.

They know that a huge percentage of their
profits are earned from gambling addicts, and they
respond by designing gambling games and establishments
in ways to encourage and exploit this addiction.

Some research in this area is available.

For example, Dr. Henry Lesoeur found that for the
average gambling establishment in seven North American
states and provinces 30 percent of the profits come
from the pockets of gambling addicts. We shouldn't
allow that.

Now, how does the gambling industry know
which tact it's to pursue to maximize profits? By
spending millions of dollars each year on research.
Obviously the industry draws some conclusions from polls and focus groups, but there is psychological research as well.

For example, the Colorado lottery recently sponsored a study called "Mind Sort" which analyzed the left and right sides of the human brain to understand how to manipulate player behavior, and according to a story in the U.S. News & World Report, casinos use psychological research to learn how to keep their customers' senses stimulated with light, sound, action, and even color, and smell. They speed up games, offer small payouts to keep customers trying, and design facilities so patrons lose track of time, in other words, treating their customers as if they were rats in a cage.

You've been concerned about the Commission's resources. You have limited resources, but you have an unlimited resource, and that is your subpoena power. Millions and millions of dollars of research is out there which has been done by various elements of the gambling industry, and you can obtain that research, and you should obtain that research
because that's how you can spread your influence.
That's how you can get the information that can be
gotten efficiently, quickly, and thoroughly.

Thank you.

CHAIRPERSON JAMES: Mr. Cornelius.

MR. CORNELIUS: Ms. James, Commission, I'm
a guest safety officer at Harrah's in Atlantic City,
and I would like to thank everyone concerned for the
opportunity to tell my story.

I was born and raised in Atlantic City and
have seen many positive things in the past 18 years
since the beginning of the casino industry. Before
the opening of the casinos, I worked in factories for
low wages, including a job as a presser in a clothing
factory. Most of these factories closed down,
including mine, and I was unemployed.

There was not an industry left in Atlantic
City to work in. Luckily for me, I found the Atlantic
Cape May Private Industry Council, a nonprofit
organization that was providing training for new jobs,
including those in the new casino industry.

After attending a ten-week class to learn