

1 CHAIRPERSON JAMES: Mr. Barrett.

2 MR. BARRETT: Thank you for the opportunity to
3 address the Commission. It's great to be here today.

4 I want to recognize Churchill Downs and the gentleman
5 sitting to my left in regard to their responsible wagering
6 program that they've really been a forerunner in the industry in
7 that regard, and it's recognized and I salute you guys for that
8 program.

9 My accent's a little heavy still. I moved out from
10 New York about six years ago, so maybe we can just all close our
11 eyes and make believe we're looking at a rerun of My Cousin
12 Vinnie.

13 At any rate, I'm here to bring you a little bit of a
14 different point of view, and actually I'll give you some
15 background about myself. I'm Associate Professor of
16 Administration of Justice at Palomar College here in San Marcos.
17 I worked as a police lieutenant in Westchester County, New York
18 for 21 years. I worked in the area of employee assistance
19 programs, and we have several programs in Westchester; and also
20 started a law enforcement assistance program that treated police
21 officers for drug, alcohol, and gambling problems in South Oaks
22 Hospital in Amityville, Long Island. I'm a member of the Board
23 of Directors of the California Council on Problem Gambling. I
24 worked as a hot-walker at Belmont Park in New York, and I also
25 worked as a pari-mutuel clerk at Belmont, Saratoga and Aqueduct
26 racetracks in New York. So I've kind of a varied background.

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1 Again, I have to bring a kind of a negative situation
2 to the program today, and my thing is going to be talking about
3 problem gambling, and problem gambling in the gaming industries.

4 As a police officer I've experienced many critical
5 incident stress situations during my 21 years, and one of them
6 I'll relate to the panel today. It was a gentleman who lived in
7 the area of New Rochelle, New York who decided one day to step in
8 front of a train coming out of Manhattan to commit suicide. What
9 he did was he took about 200 address labels and put it all over
10 his body, and stepped in front of a train going about 90 miles an
11 hour. The stickers were there so the police could determine who
12 this guy was because he had no other identification. The suicide
13 note in the situation related that it was -- the primary cause
14 was his trips to the OTB which started in the '70's in New York,
15 and to various racetracks in the Westchester and Long Island
16 area. I can remember picking up the pieces of that body and
17 reading that note, and that's something that really hit home with
18 me.

19 As a police officer I've also dealt with illegal
20 numbers that were based on track races and handles. Domestic
21 violence where someone would come home after a bad day at the
22 Off-track Betting parlor and decide to beat up his wife or kids,
23 loan sharking and other assaults. As a pari-mutuel clerk I
24 observed loan sharking in that area both by other pari-mutuel
25 clerks, and also had to do with organized crime in the New York
26 area. Again, I've seen assaults at the track, domestic violence
27 at the track and in track parking lots, and a pari-mutuel clerk
28 that committed suicide about eight years ago.

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1 I believe the industry does not do enough as far as
2 helping problem gamblers and problem employees that work for the
3 different racing associations. It was quite easy to go short and
4 have a shortage and just be able to pay that money back without
5 any real consequences. This caused a major problem on the
6 racetrack. During my tenure on the back stretch, we all know
7 about the drug and alcohol abuse, and also composed of gamblers
8 by in my mind, the people that can least afford it. The Winners
9 Foundation was mentioned before, and they do have a good program
10 in regard to drug and alcohol, but I think they're really lacking
11 in certified compulsive gambling counselors.

12 The other day in the San Diego Union Tribune I
13 observed a picture which in the appendix of the testimony I've
14 given to gentlemen and ladies today. The picture was of a seven-
15 year-old and a ten-year-old looking at the program opening day at
16 Del Mark Park, and the quotation was "they were deciding how to
17 bet their \$20 each". I've counseled many, many hundreds of
18 people and many police officers as well. The picture was very
19 disturbing to me and it presents a very big concern. I know
20 someone. I know someone very well who made his first bet at 12
21 years old at a racetrack in New York, and from that point on was
22 addicted to gambling. Hit the Daily Double, ended up all
23 throughout high school gambling, all throughout Army career
24 gambling. I can remember that person standing in front of a
25 racetrack or in a racetrack in Seoul, Korea watching the horses
26 run in a different direction and not even being able to read the
27 program but still betting, and at every waking moment was
28 dedicated to handicapping races. It destroyed that person's

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1 life, finances and family. This person was strictly a horse
2 player. Strictly a horse player. So that picture of those two
3 young people presented a big concern for me.

4 We've had calls on our hot-line for the California
5 Council on Problem Gambling regarding the elderly and senior
6 citizens that get their social security check on the 3rd of the
7 month and call our hot-line on the 4th or 5th with no money to
8 pay rent or no money for food. Who bails them out? Other family
9 members and/or they go on the Social Service roles.

10 We've heard about a lot of positive effects in your
11 industry, and I said horse racing industry, but the gaming
12 industry has, and I can't dispute that. It does provide a lot of
13 benefits and a lot of jobs and a lot of taxes, and that part is a
14 real positive. However, economically the two or three or four or
15 five percent of people that have gambling problems, their money
16 goes into the industry. Instead of going into the other parts of
17 the economy; buying homes, cars, resources to pay their mortgages
18 and buy homes and rent, and things like that. So it is a double-
19 edge sword in that regard. Many times we as taxpayers end up
20 paying for that miss-use by these small percentage of problem
21 gamblers. Bankruptcy is at an all-time high, and I'm sure if any
22 studies were done, there would be many, many of them would have
23 some kind of problem gambling in their background.

24 To finish up I just want to talk a little bit about
25 the California Council on Problem Gambling, which I am a member
26 of the Board of Directors, and we are gambling neutral. We don't
27 either support or have any real position on gambling as a whole.
28 However, we are against illegal gambling, and we are against

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1 legal gambling if they do not set aside a portion of their
2 profits to help the problem gambler. We're about public
3 education, research and prevention. California laws right now
4 have no laws in California that give any percentage of money to
5 our council or treatment in the area of problem gambling. I
6 heard before one of the other speakers talk about \$39 million for
7 medical research for horses. I'd like to have some of that money
8 go towards some medical research for problem gamblers and people.
9 The California Association of Thoroughbred Racetracks did give us
10 a grant, give the Council a grant about two months ago, and we
11 are using that money to provide a hot-line for compulsive
12 gamblers that are employees at a racetrack and also the public in
13 general. We are hopeful, and we haven't heard anything after the
14 grant was given to us, that we have a continued relationship with
15 that group, and that the financial support would continue for us.

16 Also I'd like to give the Commission an idea of
17 looking into the possibility of problem gambling help, financial
18 support coming from uncashed tickets. Here in San Diego County -
19 - I know you are going to have the casino issue up next. I just
20 want to bring up one final point.

21 CHAIRPERSON JAMES: Mr. Barrett, I'm going to ask you
22 to hold that point until we get to the discussion portion of our
23 panel where you will certainly have the opportunity to make that
24 at that time.

25 MR. BARRETT: Can I give about five more words?

26 CHAIRPERSON JAMES: Five words, you got it.

27 MR. BARRETT: All right. I would like the gaming
28 industry --

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1 CHAIRPERSON JAMES: Sorry, that's it.

2 MR. BARRETT: -- to do the right -- to take a quote
3 from the Quaker Oats salesman, Wilfred Brimley, and remember
4 "It's the right thing to do".

5 CHAIRPERSON JAMES: Thank you, very much, Mr.
6 Barrett, and we will hear from you in a few more minutes.

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