

VALLEY NEWS

Editorial: States All In On Gambling

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News that the New Hampshire Legislature is, yet again, considering a bill that would bring big-time casino gambling to the state raises two concerns. The primary one, of course, is that lawmakers will succumb to the lure of additional revenue this time and open the doors to all the ills that accompany casinos. But we're also a bit worried about the well-being of the legislators themselves. Might another round of the same debate — it's been going on for at least a couple of decades now, and the talking points for both sides haven't changed much — prove to be a mind-numbing, soul-killing experience for lawmakers who are otherwise quite busy deciding which social services and agencies to most underfund?

We propose to make a contribution to the mental health of New Hampshire lawmakers in two forms. First, we will refrain from repeating the same points that we've been making about why casino gambling would be bad for the state and its residents. But just to help the hardworking representatives in Concord keep things fresh, we suggest that if they feel obliged to again address the matter of gambling, they try something different: How about a debate on shrinking the enterprise?

Yes, it's about as likely as a free-ranging debate about the adequacy and fairness of the state's revenue base, but it's not unheard of for a state to entertain the notion of reducing its dependency on gambling

revenue — or at least toning it down a bit. According to a recent report from the Pew Charitable Trusts, legislatures in several states have considered measures that would require state lottery commissions to exercise some restraint in their efforts to promote their games.

How we got to this point is fairly easy to grasp. It's indisputable that lottery revenue is pretty easy money for most states. Forty-three states now supplement their revenues by offering games of chance.

“Supplement” might be the wrong word. According to the North American Association of State and Provincial Lotteries, if all states' revenues were thrown into one pot, lotteries sales would now account for more than 10 percent of the money. Some states are finding it difficult to resist the temptation to further lean on lottery sales to boost their budgetary health — not just by offering new games, but also by venturing into new territory such as mobile apps, online sales and even credit card purchases. That has prompted some legislators to propose measures to ban certain gaming platforms or at least to make more resources available for helping problem gamblers.

Such measures signal a recognition that while lottery sales may be an easy way for states to raise money, they're also a bad way. Numerous studies have documented the reverse Robin Hood effect: A disproportionate percentage of players are among those who can least afford to spend the money. That might not be a troubling phenomenon if they were spending only the odd buck here and there for the slim chance of hitting a big payoff. Many are. But, according to the Stop Predatory Gambling organization, more than 70 percent of state lottery money is coming from just 10 percent of the players. In other words, the nominal price of lottery tickets isn't preventing problem gamblers from buying so many of them that they're creating real financial problems for themselves and their families.

If New Hampshire legislators were to address the question of whether the state ought to dial back on lottery promotion, it would be an interesting debate. According to the North American Association of State and Provincial Lotteries, per capita sales in New Hampshire in fiscal year 2014 amounted to \$208 (with total sales at \$276 million), compared with the national per capita sales of \$250. On the other hand, there are 10 states recording per capita sales below \$100. (Vermont, at \$163, was not among them.)

New Hampshire is not a state that's shy about capitalizing on people's vices, so it's not hard to imagine it following the lead of others by offering online sales or mobile apps. (It's already possible to sign up for text notifications of jackpots.) Should the state exercise some self-control by pre-emptively banning possible expansion of lottery options or otherwise limiting the amount of money it takes from people who might not be in the best position to squander it? It's a debate worth having.