

TESTIMONY BY ERIE COUNTY COUNCIL MEMBER JOY GRECO
before the PENNSYLVANIA HOUSE JUDICIARY COMMITTEE
on RIVERBOAT GAMBLING
SEPTEMBER 12, 1996
PENN STATE-BEHREND, ERIE

My name is Joy Greco. I am a member of the legislative branch of Erie County government, currently serving as the vice-chair of Erie County Council.

Government should not be in business to make people lose money or to create dysfunctional families. In my opinion this committee and the legislature ought to outright reject House Bill 2308 and get on with important business to make this Commonwealth function better. We need to bring new solid businesses to Pennsylvania. More gambling outlets are not the type of business to which I am referring.

Pennsylvania does allow licensing for small games of chance, the lottery and bingo...all seemingly harmless forms of gambling in the big scheme of things, but dangerous enough to trap low income gamblers into losing their last few dollars. To add major gambling ventures, such as riverboat gaming, will further erode families and moral values.

Surely such operators promise big returns. Why shouldn't they! They take in millions...perhaps billions. They can well afford to dangle a fist full of dollars in front of government officials to use for some fancy extra that our community would not have otherwise. According to I. Nelson Rose, a gambling-law professor and paid industry consultant, states frequently overestimate the financial impact of revenues derived from gambling, and the industry is never large enough to solve the social problems it creates.¹ Quoting Professor Rose, "Casinos act like a black hole, sucking money out of the local population."² Remember, there is no free lunch, even at the gaming table. Such revenues are unstable and government leaders must not be duped by the slick talk.

Just as they try to con government officials, these operators are conning the unsuspecting or the already addicted gambler with promises of big payoffs, which seldom, if ever, materialize.

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Nearly all of today's societal problems, including gambling, are connected to social welfare programs originated by government agencies. Now the state government may compound the problem by adding the riverboat gaming industry. A gambling addict is helpless to stop himself or herself. Just like any other addiction, just one more try will be the big win, or the last try. But it never works that way. Eventually the family, the job and the person's self-esteem are all gone and he or she is so mired in the desperate attempt to win the "big one" that nothing else matters. This sort of life breeds abuse, violence, theft, lying, cheating, etc. This is not what I want for my county.

If Pennsylvania permits this bill to pass, what will be next? If counties are given the option to have gambling, and Erie and adjacent counties all approve of it, we could have "riverboats" on every little tributary from Lake Erie to the West Virginia line. Where are you going to get your customers then? Regardless, once the first flash is gone, tourists, who just want to see what the boat looks like, will stop coming, and you'll be left with the chronically addicted customers, who will sell their souls to come to the poker table, the roulette wheel or the slots. The odds ALWAYS FAVOR THE HOUSE and anybody who thinks otherwise must be hallucinating. The local economy loses, too, because every dollar that goes to the gaming boats is a dollar less spent in local businesses.

Let's suppose for a moment that New York and Ohio get into the riverboat business, too. Now your tourist base is further eroded and you certainly are not going to get the year-round residents of Dunkirk and Ashtabula coming here, if they have riverboats in their own harbors. We had Commodore Downs, a horse racing track in Fairview Township, right along Interstate 90, and it folded after a few years. This should be a prime example of what will happen when the riverboat operators are lured elsewhere.

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Let's talk about the social ills. Gambling is an addiction. It breeds other problems. Are we going to make these other ills, like prostitution, drug use and violent behavior, legal, too? Where will it stop? Our Human Services budget in Erie County is already over \$60 million dollars annually, much of that coming, usually late I might add, from the Commonwealth. Can you, the legislature, afford to pay us more money to control our social ills?

I suggest that the legislature ought to encourage local government to update their accounting procedures and get into some concepts such as activity based costing. This accounting procedure measures the total of all direct and indirect costs of performing a service. It is a proven method for managers to utilize to control costs and increase productivity, and it helps governments become more accountable. Indianapolis is a role model for other cities in using this method. With it, counties can make more accurate public/private cost comparisons and studies show ABC can lead to cost savings in the range of 20 to 50 percent. If cities and counties would get on this bandwagon, instead of tying their hopes to a "riverboat" of questionable vintage or direction, we all could improve our lot. There is no pot of gold at the end of the rainbow.

From my perspective, state and local governments must not soil their hands with the get-rich schemes of the gambling interests. We'll end up addicted to the hope for big profits, just as the gambler is addicted to the "big win" that he is sure is coming.

Thank you.

FOOTNOTES:

¹ U. S. News & World Report, March 14, 1994, p.46.

² Pamphlet, NO DICE, non-partisan citizens' group, Pittsburgh, PA.

GOP opposes riverboat gambling

By JIM THOMPSON
Times-News staff writer

More than 100 members of the Erie County Republican Committee met Saturday and passed a resolution opposing riverboat gambling. Only three committee people voted against the resolution.

The motion was made by Lee Coleman of Lawrence Park, an anti-pornography activist, and was passed after lengthy discussion.

The committee members also unanimously elected Erie lawyer John Mizner to a second two-year term as Erie County GOP chairman.

"It's clear that the Republican Party is unified and we will now reach out to our friends in the Democratic Party to make sure that Tom Ridge is elected Pennsylvania's next governor," Mizner said afterward.

He added, "And that Rick Santorum is the next U.S. senator from Pennsylvania; that Phil English is the next 21st District representative in the U.S. Congress."

Mizner also said party will push hard for the upset of three Erie County Democratic state lawmakers in the Nov. 8 general election. He called for the election of Republican candidates for the state House of Representatives: Dave Bossart over Democratic incumbent Tom Scrimenti in the east-county 4th District; John Krupar over incumbent Democrat Italo Cappabianca in the 2nd District on Erie's west side; Joe Podolsky over Democratic incumbent Linda Bebko Jones in the 1st District on Erie's east side, Wesleyville and Lawrence Park; and the re-election of Jim Merry in the west-county 5th District, who is challenged by Democrat Cynthia LoPresto. Republican Rep. Karl Boyes of Millcreek has both party nominations for re-election in

Other officers will be appointed by Mizner.

Mizner downplayed the election May 10 of the executive director of the Pennsylvania Christian Coalition, Rich Schenker of Millcreek, to the Republican State Committee and the ramifications that and other coalition committee members might have on the local party.

"I talked to Rich before Saturday's meeting," Mizner said, "and he pledged his support for me as chairman and to work within the party for Ridge and others in the general election."

Schenker had said prior to May 10 that he would support Ridge if elected to the state committee, and that he would have some suggestions about positions Ridge might take for the fall campaign against Democratic Lt. Gov. Mark Singel. Schenker was not at Saturday's meeting.

Party insiders have estimated that about one-third of the present county committee members are staunch conservatives or directly affiliated with the Christian Coalition. It has pushed such positions as a strong anti-abortion stand, anti-pornography, pro-school choice, pro national defense, balanced budgets and a general family values approach for the GOP.

Mizner said more than 100 of the GOP's 140 committeemen and committeewomen in Erie County attended the session. Although it was not announced beforehand to the media, Mizner said each member of the county committee was given at least 10 days' notice, as required by party rules.

Mizner said he will appoint Republicans to fill as many of the open committee seats as possible. The party has a slot for one committeeman and one committeewoman in each of the county's 152 voting districts.



John Mizner

the 3rd District.

The GOP committeemen and committeewomen met in county council chambers at the Erie County Courthouse Saturday morning. The election process was chaired by Ash Khare of Warren, chairman of the 17-county Republican Northwest Caucus.

Rhonda Juhasz was re-elected first vice chairman.

MAY 10, 1994 TIMES-NEWS