# COMMONWEALTH OF PENNSYLVANIA HOUSE OF REPRESENTATIVES

GAMING OVERSIGHT COMMITTEE PUBLIC HEARING

STATE CAPITOL HARRISBURG, PA

MAIN CAPITOL BUILDING ROOM 60 EAST WING

TUESDAY, APRIL 5, 2016 9:01 A.M.

PRESENTATION ON H.B. 1887 (ORTITAY) H.B. 1925 (SANTORA)

### **BEFORE:**

HONORABLE JOHN PAYNE, MAJORITY CHAIRMAN

HONORABLE RUSS DIAMOND

HONORABLE GEORGE DUNBAR

HONORABLE SUE HELM

HONORABLE AARON KAUFER

HONORABLE KATE ANNE KLUNK

HONORABLE RYAN MACKENZIE

HONORABLE KURT MASSER

HONORABLE JASON ORTITAY

HONORABLE DAVID PARKER

HONORABLE PAUL SCHEMEL

HONORABLE RYAN WARNER

HONORABLE NICK KOTIK, DEMOCRATIC CHAIRMAN

HONORABLE DOM COSTA

HONORABLE TINA DAVIS

HONORABLE MARTY FLYNN

HONORABLE SID KAVULICH

HONORABLE WILLIAM KORTZ, II

HONORABLE ED NEILSON

HONORABLE MARK ROZZI

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Pennsylvania House of Representatives Commonwealth of Pennsylvania

## COMMITTEE STAFF PRESENT:

JOSIAH SHELLY

MAJORITY EXECUTIVE DIRECTOR

SHAWNE LEMASTER

MAJORITY LEGISLATIVE ADMINISTRATIVE ASSISTANT

CHARLES MILLER

DEMOCRATIC EXECUTIVE DIRECTOR

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1	PROCEEDINGS
2	* * *
3	MAJORITY CHAIRMAN PAYNE: Good morning. I'd like
4	to call the House Gaming Oversight Committee meeting to
5	order. We'll stand for Pledge of Allegiance.
6	
7	(The Pledge of Allegiance was recited.)
8	
9	MAJORITY CHAIRMAN PAYNE: Roll call, please?
10	
11	(Roll was taken.)
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13	MAJORITY CHAIRMAN PAYNE: Representative Diamond
14	has joined us. Thank you.
15	Today's hearing is on House Bill 1887 and House
16	Bill 1925. They're public hearings for input, which
17	sticking with the Chair's desire was to have a public
18	hearing prior to any voting meetings where we would move
19	bills so you have plenty of time for information and
20	questions.
21	Second, I want to mention to the Committee since
22	most of you are here we have a series of hearings coming up
23	and voting meetings coming up. I ask you to check your
24	calendars. If you can't make them, make sure you put in a
25	proxy. These are geared now this year towards the

1 restaurant, taverns, clubs, small games fix, increasing the small games that are allowed, the prize money that is 2 allowed, raising the thresholds. We're trying to get bills 3 4 lined up as part of the June budget process, so April and 5 May will be extremely busy. 6 With that, I'd like to call Representative Jason 7 Ortitay. You're up first. 8 REPRESENTATIVE ORTITAY: Thank you, Mr. Chairman. 9 This bill that I'm proposing today basically 10 takes all the numbers and consolidates the hotline for the 11 gambling lines and puts it into one number. As I 12 understand it, over the last decade or so, as gambling in 13 Pennsylvania has expanded, we've created more and more 14 numbers. And this way we could just pull it all back into 15 one, make it easy for everybody across the State and

MAJORITY CHAIRMAN PAYNE: Thank you.

hopefully simplify it for the casinos and everybody as well

and promote a little bit of efficiency at the State level.

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The first presenter is Josh Ercole, Chief
Operating Officer, Council on Compulsive Gambling. Josh,
all yours, please. And make sure the microphone is turned
on. The light should be green.

MR. ERCOLE: Okay. Good morning, Mr. Chairman. Can you hear me okay?

MAJORITY CHAIRMAN PAYNE: Yes.

MR. ERCOLE: Okay, great. And good morning also,
Members of the House Gaming Oversight. Thank you for once
again inviting the Council on Compulsive Gambling of
Pennsylvania to address the committee and to also provide
you with information related to the problem gambling
helpline services that are available in Pennsylvania.

2.2

At the Council, we continue to address the issue of problem gambling behaviors and the effects of these behaviors in the Commonwealth and throughout the Commonwealth of Pennsylvania. The Council has served as the State advocacy group since 1997, servicing the needs of these individuals affected by problem gambling behaviors, and the Council is currently fully managed and operated by myself, Josh Ercole, Chief Operating Officer; and Jim Pappas, Executive Director.

We also have currently have a Communications

Director and Event Planner on staff and additionally, we

partner with a number of consultant trainers throughout

Pennsylvania to assist with different workshops and

programs that we conduct. We currently have a speaker

bureau of approximately six consultant presenters that we

work with regularly.

Regarding the helpline services, allow me to begin by referring you to our 2015 Annual Report and our February 2016 Helpline Reports. Much of the information

that I will speak of today regarding these existing helpline numbers in Pennsylvania is available and highlighted in these reports.

Our 24/7 live clinical response call center receives on average 1,600 calls per month, many of these calls are from citizens who are impacted by problem gambling behavior. In 2015, we saw an increase of over 100 intake calls throughout the course of the year as compared to 2014. These were made by individuals seeking information or help about a gambling problem that either they or a loved one were currently experiencing.

There are currently 25 trained helpline specialists on staff who answer calls from problem gamblers or from friends and family members of impacted individuals. When the calls come in, the helpline specialists are able to offer additional resources and referrals to callers seeking assistance. And these referrals include, but are definitely not limited to, professional counseling services, as well as Gamblers Anonymous meetings that may be taking place in that caller's area.

In addition to Gamblers Anonymous, we also link callers with Gam-Anon meetings for the significant other of the gambler.

These call services are offered free, and additionally, there is a language line service that's

available so that in the event that a caller does not speak English, they can be directly contacted to a language line service to find additional help. This is available in over 60 languages at the moment.

The staff at the helpline center goes through onsite training in gambling addiction, crisis intervention, referral dissemination, and Health Insurance Portability and Accountability, or HIPAA, regulations. There are currently three master's level counselors on staff on call 24/7 who specialize in problem gambling treatment and offer assistance on every single intake call or call of crisis that may come in.

The staff training process is intensely focused around mock calls and one-on-one mentorship with senior helpline specialists. These calls are monitored for quality assurance on an ongoing basis.

Regarding the helpline numbers in Pennsylvania, the Council's own statewide helpline number (1-800-848-1880) has been in existence since 1997. From 1997 to February of 2007, calls to this number were answered directly by Council on Compulsive Gambling of Pennsylvania staff and volunteers. During that time, the Pennsylvania Lottery and also Pennsylvania horse racing tracks advertised this number as well.

In 2004, the passage of the Pennsylvania Race

Horse Development and Gaming Act, or Act 71, allowed for the introduction of casino gambling to Pennsylvania. And as part of the license agreement with the Pennsylvania Gaming Control Board, all casinos would be mandated to advertise a helpline number. They were allowed to select which number they would advertise, and this was in place to help those seeking information and also those seeking assistance for problems related to gambling activity.

In February of 2007, as a result of this gaming expansion, the Council began offering a 24-hour-a-day, 7-day-a-week, live assistance by utilizing a clinical response call center. At that time, the Council increased available services, and the call center began managing calls coming in from additional helpline numbers. The reason for this is, is up until this point many of the residents of Pennsylvania gambled regularly in other jurisdictions where other helpline numbers had previously been advertised, and therefore, many of these individuals may not have been aware of the number that was currently being advertised in Pennsylvania, again, the 1-800-848-1880 number.

In New Jersey, for example, the Council on Compulsive Gambling of New Jersey-owned helpline number, 1-800-GAMBLER, puts callers in touch with assistance. On a national scale, the national number, the National Council

on Problem Gambling, they have the number 1-800-522-4700, which is used as a link to help. We felt that it was important to partner with these councils in order adopt these numbers as our own and offer them to callers in Pennsylvania. And since February 2007, any call made to one of these numbers from a Pennsylvania area code will put callers in direct contact with our helpline center.

Upon becoming Category 1 racinos, the majority of the racetracks that previously utilized the Council on Compulsive Gambling of Pennsylvania statewide helpline number began utilizing the 1-800-GAMBLER number. Also using the 1-800-GAMBLER number in Pennsylvania are Sugarhouse Casino, Mount Airy Casino Resort, Mohegan Sun Pocono, Presque Isle Downs and Casino, Rivers Casino, Lady Luck Casino Nemacolin, Valley Forge Casino Resort, Parx Casino, and Sands Casino Resort Bethlehem.

Typically, the 1-800-GAMBLER number does receive the majority of calls on a monthly basis representing approximately half of all calls. The 1-800-848-1880 number is still advertised by the PA Lottery and appears on all tickets and printed materials and, additionally, is regularly posted as a crawler that goes along the bottom of the television screen during televised lottery drawings.

The Meadows racetrack also continues to advertise the 1-800-848-1880 number as well. In 2015, 17 percent of

the intake calls that were received at our helpline center were made by callers utilizing this number.

The National Council on Problem Gambling number, the 1-800-522-4700, this is not actively advertised in Pennsylvania, but, again, we feel that based on national advertising and awareness of this number, as well as significant annual call rates, that it is vital to connect Pennsylvania callers who may utilize this number to our helpline service as they may become aware of the number in another jurisdiction. Calls to the national number represented approximately 18 percent of total intake calls in 2015.

The Council also currently contracts with and manages cans that are made using the number that is operated by the Pennsylvania Department of Drug and Alcohol Programs, or DDAP. This is the 1-877-565-2112. In addition, this is also the number that Hollywood Casino at Penn National Racecourse utilizes. This is the one that they advertise on a regular basis. And this number accounted for approximately 8 percent of intake calls in 2015.

Once again, all of the information I just outlined is presented in much greater detail in the annual and monthly reports that you have in front of you.

Please understand, despite the fact that there

are currently four numbers, again, four numbers that are advertised by various establishments, departments, and agencies throughout Pennsylvania, these numbers all connect callers to the exact same call center, which again offers 24/7 live assistance to callers or anybody who's seeking additional assistance.

In November of 2015, we also implemented a chatline option to our website and a text-for-help feature, both of which offer individuals who may be suffering from gambling-related issues or those seeking information an alternative from the traditional helpline or phone-call approach. Using a computer or a mobile device, an individual seeking assistance can connect with a helpline specialist utilizing one of these features, maintaining an additional level of anonymity by not requiring callers to actually verbalize that they have an issue or that they have a problem. We feel that this may help them to take that first step towards seeking help or towards seeking treatment.

Effective December 1, 2015, the Council has four billboards throughout the Philadelphia region, displaying our primary helpline numbers. Philadelphia County consistently accounts for the highest number of monthly intake calls. We are currently researching available ad space and other options throughout central and western

Pennsylvania as well.

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In an ongoing effort to raise awareness and stay connected with communities throughout Pennsylvania, we regularly take part in meetings and consortiums with the gaming task force in Philadelphia, with DDAP in Harrisburg, and several other county organizations throughout Pennsylvania.

The Council currently conducts a responsible gaming program to casino team members throughout the State titled the CAP or Customer Assistance Program training.

And these trainings, which are conducted annually as part of the casino license agreement in Pennsylvania, are presented to live audiences and also recorded for team members who are unable to attend the live presentation, as well as future hires.

Again, it is mandated by the Gaming Control Board that all casino team members complete these trainings on an annual basis. And these trainings focus on helping team members to understand what problem gambling is, understand some of the signs that are often displayed by folks who may be suffering from a problem, and then, most importantly, what resources are available to them and how they should utilize these resources.

Now, please understand, the people that we're referring to, this can be a customer, it can be a coworker,

it could be a friend or family member of the team member, so there is a lot of value to these trainings that goes well beyond just the patrons of each of the gaming establishments.

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The primary resource that we focus on is the use of the onsite or the site-specific advertised helpline number. Our main goal in providing this training to empower every single team member at every casino throughout Pennsylvania to use the resources that are available to them. We want them to be the link between somebody who is going through a difficult time and help that's available. We stress the importance of awareness and customer assistance and stress that this training is not about diagnosing disorders. We simply want team members to be ready should they be asked for assistance.

Finally, the Council on Compulsive Gambling of Pennsylvania has worked to expand our social network and website in an effort to share as much information and make as many resources as possible available. These resources include downloadable materials for the general public, as well as for clinicians. This includes information in several languages.

In our opinion, mandating that one universal number be made available throughout Pennsylvania could potentially be problematic in the following ways:

First of all, the costs associated with updating advertised helpline numbers would be considerable for all involved parties who would be required to make this change. Throughout Pennsylvania casinos, the site-specific numbers are advertised at many locations throughout the casino, including but not limited to all entrances and exits, ATM machines, locations such as guest services, and on all printed signage that's posted throughout the gaming area.

A change of this caliber would require not only updating of all advertised onsite signage and materials, but also all billboard advertisement, player club/VIP/casino cards, anything that's utilized onsite, and any other materials that are distributed to and utilized by existing patrons.

A larger concern in our eyes lies among those who are geographically and culturally linked to the numbers that are advertised at the gaming establishment or in the area that they frequent. There are many areas of the State where residents are likely unaware of other existing or multiple numbers in Pennsylvania, and our fear is that replacing numbers, a confusion may be created, a confusion among those who are familiar with the existing number in their area, which would then possibly prevent that person from taking the first steps toward seeking help.

This concludes our testimony. Thank you again

for inviting us to participate today. And if time permits,

I would be happy to answer any questions or hear any

comments that the Committee Members have for us.

I'd also like to introduce Jim Pappas, the

Executive Director of the Council, who on a historical

level he's been around longer than I have as far as at the

Council, so he may be able to field some questions better

than I will. But we do welcome any that may arise. Thank

you.

MAJORITY CHAIRMAN PAYNE: Thank you.

Let me add to the list of Representatives that are present: Representative Costa, Neilson, Kavulich, Rozzi, Mackenzie, Klunk, and Davis. I think I got them all. Did I miss anybody?

Thank you.

Questions? Representative Kaufer.

REPRESENTATIVE KAUFER: Thank you, Mr. Chairman.

Thank you, Josh, for being here. I appreciate it.

Obviously, an issue that I know we've talked about before and I'm very passionate about.

A couple of questions for you. I was looking at the numbers, and we recently had a hearing in the Aging Committee about the lottery fund. There currently isn't any money coming from the lottery to support any compulsive gambling initiatives. You guys talked with them, but there

1 isn't any funding that comes from them towards you guys 2 currently? No, right? 3 MR. ERCOLE: No, there is. REPRESENTATIVE KAUFER: Okay. There is? 4 5 MR. ERCOLE: Yes. 6 REPRESENTATIVE KAUFER: Okay. What's that fund? 7 MR. PAPPAS: Hello again. I'm Jim Pappas from Council. Sorry for being late. 8 9 Historically, our initial funding began with Paul 10 Clymer, a grant of \$15,000 through the lottery in 1997. 11 Our annual contract and grant from the lottery is now 12 \$150,000 a year. That pays for half of all of our helpline services and for staffing and administrative issues, 13 14 conferences, et cetera. 15 So we have partnered -- even before them, we did 16 get \$5,000 in 1992 when we were a mom-and-pop kind of organization with walking-around, WAM money, from then-17 State Senator LeAnna Washington. 18 19 REPRESENTATIVE KAUFER: You know, and I 20 appreciate that. I guess at that time they weren't aware 21 of that? They seemed to not be aware of that --22 MR. PAPPAS: Well, the lottery funding is totally separate from the Act 71, DDAP, Gaming Control Board 23 24 sources.

REPRESENTATIVE KAUFER: So one more question,

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Mr. Chairman. Thank you.

Their testimony was about such a small number of people calling about the lottery. And I'm looking at last year's annual report, which there was total calls of 34 in regard to the lottery from last year for compulsive gambling issues. And this year, just in the two months, we're already at 41 phone calls. It's the third-highest on the list of different options that are here that are available. I'm wondering if you guys can identify any reasons why we've seen such a large spike.

And I'm comparing the two numbers between the two different reports, the 2015 report and the one from this year where it has identified lottery and scratch-offs for 41 phone calls between the months of January and February compared to last year, a total of 34 total calls regarding lottery compulsive gambling. Anything that you guys have seen or why that number would have spiked so much?

MR. ERCOLE: One possible explanation is the increased involvement in lottery play this year specifically. As I'm sure we're all aware, we had the record-breaking lottery that took place in January.

Generally, we receive somewhere in the neighborhood of 300 to 400 calls monthly. I think it was January of this year, which I could find for you in the February report. But you'll see that there was over 1,000 calls lottery-

1 specific. A lot of these calls again were informational based; I don't mean that they were all problems. But we 2 3 did see a tremendous spike. So generally, when there is tremendous spikes in 4 5 calls, that represents a lot of participation in the 6 activity, which unfortunately, as the percentages do 7 indicate, when the higher involvement is there, unfortunately, there's also more problems that develop. 8 9 REPRESENTATIVE KAUFER: I appreciate it. 10 MR. ERCOLE: So without analyzing it further, 11 that would be my first guess. 12 REPRESENTATIVE KAUFER: No, I thank you for that because that is an area of concern of mine. If we're 13 14 advertising gambling addiction, I know it's on the back of 15 our lottery tickets, but I think there's something more 16 that we could be doing with our locations that are selling 17 lottery tickets to make people aware. I think it is a huge issue, as we've heard from -- I know you were here when I 18 19 had somebody from my community come and testify. 20 But thank you. And thank you, Mr. Chairman. 21 MR. ERCOLE: Thank you. 22 MAJORITY CHAIRMAN PAYNE: Thank you, 23 Representative. 24 Other questions before the Chair asks?

Representative Diamond.

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REPRESENTATIVE DIAMOND: Thank you, Mr. Chairman.

And thank you, sir, for your testimony.

I just want to clarify a couple things you said in your testimony. You said that all four other numbers go to the same location, right? So is it your opinion that the requirements of House Bill 1887 would simply be an expensive advertising campaign just to make those numbers advertise the same even though they're dumping into the same system?

MR. ERCOLE: For lack of a better description, yes. Without putting our suggestion or advice or any strong feeling, currently, what House Bill 1887 would do is basically change the advertised number but ultimately not change where those calls go.

REPRESENTATIVE DIAMOND: Okav.

MR. ERCOLE: So that's where we feel that costwise it would be a deterrent. It would be a difficult process.

But again, as I stated, our bigger concern is changing -- in Erie, for example, there's one casino within a couple hundred miles of that area. The community is aware of 1-800-GAMBLER. If all of a sudden the only number that they saw was this different number coming in, they may not be aware that that other number is still available, and it may cause confusion.

1 REPRESENTATIVE DIAMOND: Okay. MR. ERCOLE: So that's a potential concern for 2 3 us. REPRESENTATIVE DIAMOND: I'm looking at one of 4 5 these reports here, and there's a section on co-occurring 6 I mean, it lists alcoholism, drug abuse, 7 depression, eating disorder, overspending, and sexual addiction. Can you tell me what happens with callers that 8 9 express that? Do you shunt them off to some other agency 10 or --11 MR. ERCOLE: No. No, not at all. First of all, 12 within gambling disorder, there are incredibly high rates 13 of co-occurring disorders, whether it be behavioral health 14 or drug and alcohol problems or some other disorder, as is 15 outlined in the report. No, the majority of the trained 16 clinicians throughout Pennsylvania are actually drug and 17 alcohol counselors or behavioral health counselors who then 18 expand their services to offer gambling --19 REPRESENTATIVE DIAMOND: Okav. 20 MR. ERCOLE: -- services as well. So they're 21 actually the perfect people to go to --2.2 REPRESENTATIVE DIAMOND: Okay. MR. ERCOLE: -- because a lot of them are trained 23 24 in co-occurring disorders. And we do have lists of

referrals. When I mentioned we would send people to a

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       trained clinician or a counseling agency, generally, it
       would mirror the need that the caller has. So we wouldn't
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 3
      put somebody in touch with a service that didn't make sense
 4
       for them.
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                 REPRESENTATIVE DIAMOND:
                                          Okav.
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                MR. ERCOLE: That would be a referral that fit
 7
       their problem.
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                 REPRESENTATIVE DIAMOND: All right. Thank you,
 9
       sir. Thank you, Mr. Chairman.
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                MAJORITY CHAIRMAN PAYNE: Thank you.
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                 Representative Neilson.
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                 REPRESENTATIVE NEILSON: Thank you, Mr. Chairman.
13
       Good morning. Thank you for your testimony.
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                MR. ERCOLE: Good morning.
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                 REPRESENTATIVE NEILSON: I'm looking at the
16
       annual report here, and it's talking about -- I just want
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       to make certain I understand it right.
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                MR. ERCOLE: Yes, please.
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                 REPRESENTATIVE NEILSON: The intake 1,664 calls
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       annually, then it talks about seeking casino information,
       seeking lottery information. You just testified that you
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2.2
       don't give them other places to go. What do you do if they
23
       ask you, hey, where's this casino at? Do you give them
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      that?
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MR. ERCOLE: If they ask for the location?

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1 REPRESENTATIVE NEILSON: Yes. MR. ERCOLE: No. So basically --2 3 REPRESENTATIVE NEILSON: So --MR. ERCOLE: -- if the call center --4 5 REPRESENTATIVE NEILSON: So you're taking 10,000 6 calls that are seeking --7 MR. ERCOLE: Information --REPRESENTATIVE NEILSON: -- some kind of 8 9 information about casino or lottery, where they can get the 10 tickets. What do you do with those calls? Just hang up 11 and say --12 MR. ERCOLE: No. No, no, no. 13 REPRESENTATIVE NEILSON: Do you give them another 14 number to call? 15 MR. ERCOLE: No. So basically the majority of 16 those calls, for example, would be I missed the drawing 17 last night; can you tell me what the numbers are? 18 REPRESENTATIVE NEILSON: Okay. 19 MR. ERCOLE: So obviously that's not the call 20 center's responsibility. That's not our focus. That's not 21 what we would offer. What we would do at that point is let 2.2 them know what the call center is set up for. Please 23 understand this is a service for folks who are suffering 24 from or looking for information about problem gambling. 25 Please remember this. Please share this with anybody that

you may come across.

As far as directions, they would maybe relocate them to a -- they wouldn't look up the information to get them directions to a casino or they wouldn't look up last night's lottery drawings in other words. But they don't just hang up on those calls or treat them as a worthless call in other words.

MR. PAPPAS: Yes, a lot of these calls that you're referring to are people, lost items that they left in Hollywood Casino as an example or Mohegan Sun or they have a complaint, legitimate or not, about the services rendered at those agencies. They are referred to the proper agency. Usually, those types of calls are referred to the Pennsylvania Gaming Control Board. They not only regulate the daily operations, but they manage the compulsive gambling plans that all the gaming industry is required and mandated to have by them and reviewed every year. So we try to connect them wherever possible as a resource for other services.

But he's right. Very quickly, in the helpline services, there are two provider lists that we maintain, one that we call the master provider list, which is folks that have completed our clinical training and have been approved by either us or the Pennsylvania Certification

Board or Department of Drug and Alcohol that are qualified to treat the issue and be paid by the State.

But we also have for those folks that we've trained -- and we've trained over 8,000 therapists in the State since 2006, so we have a master provider list for those that are reimbursed by third-party payers such as Signa, Aetna, BlueCross, whatever the case may be. And most of the folks that are on the DDAP provider list are already on the master provider list.

REPRESENTATIVE NEILSON: Thank you for that.

My other question is 1,600 calls and you think that's problematic of us getting everybody on one -- I mean, you almost essentially said at the end of your testimony you're against us making this type of move. Did I understand that correct?

MR. ERCOLE: I'm not sure I follow the --

REPRESENTATIVE NEILSON: You don't want us to use one number. You think it's problematic. It's going to cost money and --

MR. ERCOLE: That's just a concern. I wouldn't say that I don't want you to or that we don't --

REPRESENTATIVE NEILSON: Okay.

MR. ERCOLE: -- want you to. It's not it at all. We're just expressing our thoughts on the subject.

As far as the 1,600 calls that come in, the

problem here is that statistically and based on studies that are done on an ongoing basis nationally and internationally, anywhere between 1 to 3 percent of the adult population suffers from a moderate to severe gambling problem. In Pennsylvania it's estimated nearly 300,000 people are suffering from some type of an issue.

So our concern is greater than just the 1,600 calls that we get. It's the overall population who may be suffering.

REPRESENTATIVE NEILSON: Well, you said a larger concern in our eyes is those geographically.

MR. ERCOLE: Correct.

mean, reality is I'm answering a phone call, and they don't know where I'm at, so how can that impact you geographically? Because when you call an 800 number, you don't know what State you're calling. You go on the back of your credit card and you're disputing a charge and you call a number and they're putting you in with a Third World country half the time. I mean, that's real. How does that person know where you're calling? I'm trying to understand that your impact, you're seeing an issue with this and we're trying to consolidate costs here and put more money into the problem instead of having all these numbers out there and have one number. I don't understand how you can

1 sit there and say, hey, it's a problem, but you know what, 2 are you for this bill or against the bill? 3 MR. ERCOLE: Do you want to --MR. PAPPAS: With the bill itself we are 4 5 completely neutral. To us it doesn't matter -- the cost 6 and burden that Josh referred to is not going to fall on 7 the Council. The burden would be for the gaming industry for them to go through a massive change of numbers from 8 800-GAMBLER, whatever their numbers to one central number. 9 10 The cost and burden is to them. 11 REPRESENTATIVE NEILSON: All right. So the 12 calls --13 MR. PAPPAS: The calls will still come to us. 14 will still --15 REPRESENTATIVE NEILSON: Maintain those calls. 16 MR. PAPPAS: If you decide to go with one number, 17 we will still man the ones that we manage and lease and 18 own. 19 REPRESENTATIVE NEILSON: So just to throw a 20 number out there, so instead of the casino making a billion 21 dollars next year, they might only make \$999 million 2.2 because they have to make this change? 23 MR. PAPPAS: We're completely neutral. 24 REPRESENTATIVE NEILSON: You're neutral but the 25 cost that you're testifying about is not on you, not on the

- services that you provide. It will actually be on the big casino?
- MR. PAPPAS: For all the gaming industry within the State, yes.
- 5 REPRESENTATIVE NEILSON: Thank you, sir. I have 6 nothing further, Mr. Chairman.

MAJORITY CHAIRMAN PAYNE: Thank you,

Representative. I was going to ask a question along that

line but I'm not going to. I guess I would just say this,

having spent 25 years in the fire service, I wonder if they

had this discussion when they said let's all use 911?

I do want to follow up on the \$150,000 from the lottery to help fund the Council. Are you aware of monies that the lottery puts towards education and treatment? I mean, I walk in the convenience stores, I don't see problem gamers, if you have a problem with a lottery ticket, call this number. I don't see those signs.

MR. PAPPAS: Yes, those numbers are posted now. They're posted on all their -- in the last few year, the ATMs.

MAJORITY CHAIRMAN PAYNE: I'm talking about the counter when you go up and buy the ticket.

MR. PAPPAS: Well, that you would have to talk to the lottery. They have them posted on where the lottery tickets are sold, and I know specifically highlighted on

the new ATM machines. But they, too, get a list of all the providers that are available for service in the Commonwealth through us.

MAJORITY CHAIRMAN PAYNE: Okay. We'll follow up with them. I'm concerned that the appropriate amount of money is being spent on education and treatment there, as it's already being spent by the casinos.

MR. PAPPAS: Well --

MAJORITY CHAIRMAN PAYNE: And as far as the cost on the change, I've talked to Representative Ortitay at length, part of that process is going to be a phase-in, like you mentioned billboards. Well, the next time the billboard is put up, we'll put the new number on it. The next time something happens -- it wasn't designed to be at midnight tonight, everybody uses that new number.

MR. PAPPAS: Well, again, we're --

MAJORITY CHAIRMAN PAYNE: So thank you. I want to move on to the next presenter, Secretary Gary Tennis, Pennsylvania Department of Drug and Alcohol. Secretary, thank you for being here.

MR. TENNIS: And if it's all right with you, I'd like to introduce to you -- here, you take this one -- Dr. Ken Martz is my special assistant, and is nationally published in gambling issues, treatment and prevention, as well as got the certification to treat counseling so that

he kind of has a deeper understanding of the issue.

2 I'm going to keep my comments brief so that we 3 can --

MAJORITY CHAIRMAN PAYNE: We appreciate that.

MR. TENNIS: -- have more time for discussion.

MAJORITY CHAIRMAN PAYNE: CliffsNotes version is always good.

 $$\operatorname{MR}.$$  TENNIS: It's very hard for me to do, but I think it's the right thing here.

Just a few initial thoughts, first of all, thank you. Any time you bring attention to this issue, the suffering around gambling you all know is tremendous. And although we deal primarily with the drug and alcohol issue, we find that those that are suffering with compulsive gambling disorders end up committing even higher -- we know drug and alcohol there's a high rate of suicide for those who suffer with that disease.

In this area it's even higher because when that person descends into the disease, they've ended up often squandering not only their own resources but their family's resources and they've left kind of a disastrous situation there. And it's something that sometimes body who suffers with this disease really can't face and they can't go on any longer. So we've got to get this area right. And I appreciate both your putting the spotlight on it and

looking to make this system work better.

The way our agency handles the gambling, it's actually statutorily assigned to the Department of Health, but because my agency was borne out of the Department of Health and our Bureau of Drug and Alcohol programs handled gambling, they MOU it or they contract it over to us and kind of shift that function directly to my department, which with the same people that were doing it before.

I'll just make a few kind of broad comments.

There are a couple of issues here. One is should we have one hotline number instead of a bunch of them? Clearly, that makes sense. I mean, it's just kind of a commonsense issue. There will be costs and I think it's a legitimate inquiry to find out what the costs are. Those are the costs of the fix. I think once you've had those initial costs, I don't see how that would create an ongoing cost. It seems to me it would be a one-time deal. And that's something we'd have to look at.

It is correct all of these numbers all go to the same place. Furman, I gather, in Louisiana that handles them for a number of States. So that's one of the issues.

The other issue is I know and it's been raised and I've had conversations with Representative Kaufer about what happens when you call that number, and we've seen the testimony and we actually did our own double-check and the

response on that call is underwhelming. It's not something anybody should be very happy about in terms of is the kind of intervention, is the kind of interaction that's occurring there going to be something that helps somebody who's often in a state of sometimes life-threatening crisis. So those are a couple of the issues.

And I've been thinking, we actually had a lot of conversation about this bill. One of the things that a good piece of legislation does, whether it passes or not, is it catalyzes action within government. And I've seen that more and more since -- you know, I used to represent the district attorneys. We just wanted to get the crimes codes done and it didn't have that function. In this area, it's very helpful.

So I would like to sort of suggest maybe an alternative way of looking at this. And I mentioned it to Representative Ortitay just a minute ago. We've had conversations, my staff has, with Representative Diamond about an 800 number for folks with drug and alcohol problems. Gene DiGirolamo has a bill in assessing the pharmaceutical industry for a little tiny, tiny percentage of their enormous profits to pay for drug and alcohol treatment and an 800 number.

It's not just folks -- as bad as this problem is with gambling, you all know probably from your constituents

and from this terrible crisis that's going on now that when you meet with parents or family members of loved ones who've died from drug and alcohol overdose, one of the first things they say is we didn't know where to go to get help. We didn't know where to turn. You know, we went online and you got to this come to this wonderful place in Florida and we'll fix you up and send you home and you'll be all better. We know it's not true.

We actually have the best -- I think we have the best treatment probably in America here in Pennsylvania, and if allowed to get the sufficient level of care and length of stay, they have tremendous outcomes. And my suggestion, what we were thinking about, and come to find out it's what they're doing in New York State is that we considered -- and it would be a broader, a little bit more in-depth discussion. It doesn't lend itself to an immediate legislative fix, but it is something we could explore is could we have a 1-800 number that includes people with drug and alcohol problems, compulsive gambling problems, being a suicide risk?

Number one, these are -- and then really put the resources in to publishing it so that you can't go anywhere without knowing this number, that everybody is going to know this number because we're going to -- instead of putting all the resources in all different directions,

we're kind of consolidating them in one area. And then the person who answers the phone will be somebody with expertise in those areas and will be able to engage the person at the proper fashion.

We were looking at is there a way to bring it inhouse because we can't -- it's hard to control a firm that's serving 10 States or however many States that that firm serves. Now, this is all tentative and I would need to touch base with a number of other agencies. I would need to, you know, have more conversations up with the Governor's office and legislative staffers. But if you're willing to explore that avenue, I think it might make the most sense to have the same number everywhere that everybody knows, and we could solve this problem and maybe solve another problem as well. And my suspicion is that Chairman DiGirolamo would be amendable to this kind of thing as well.

So we're looking at anybody in crisis whether for mental health, drug and alcohol, compulsive gambling disorder, anybody in crisis would be able to know the number. It would be posted at the 7/11 and everywhere else, well-advertised, and they would be effectively intervened with probably by somebody right here in Pennsylvania.

So that's kind of -- and I say it tentatively but

it is kind of assuring to know that that is what they do in New York State, and I just want to put that out there for your consideration.

MAJORITY CHAIRMAN PAYNE: We thank you for that CliffsNotes version and very effectively done.

Questions, Representative Kaufer?

REPRESENTATIVE KAUFER: Thank you, Mr. Chairman. Thank you, Secretary Tennis. Dr. Martz, thank you very much for being here.

The New York State model, I think, has been a model that I think is in the process of being proven to be very effective. And I think it ties very well into what we're talking about today and about stabilizing people.

One of the things you mentioned, and I think it's so important and if you could elaborate a little bit on it was about gambling addiction. When you go and get the treatment and you get the therapy and you change your lifestyle, one of the problems, unlike with drugs and with alcohol, is you leave that and then it's just the social problems of getting back into the normal. And with gambling addiction, one of the problems you still owe all those people money. You still owe money, typically, all over the place. Can you just elaborate a little bit on that? I know you touched on it quickly.

MR. TENNIS: I could elaborate, but if it's okay

with you, Dr. Martz is more knowledgeable than me, so I'll let him.

DR. MARTZ: So you hit on a key issue again that has been mentioned already earlier today that individuals that are coming in with one of these concerns usually have a multifaceted problem. They have mental health issues, they may have substance abuse as well. They typically have financial issues, which then also creates relationship problems because my spouse is very upset that I got rid of the retirement fund and everything else.

So that's a part of the comprehensive assessment that gets done. The hotline is just the intro to the door, so they're going to then go to a complete assessment that will work for them for the intensity and duration of treatment that's needed, and they will be stepped down so that they've got hand-in-hand coordination with -- when I was doing counseling, there was always somebody working hand-in-hand to make sure that the financial concerns were addressed as well or mental health, et cetera, so that it's a comprehensive step-down so when they're ready to leave, it's appropriate.

MR. TENNIS: And then sometimes there's another issue as well, which is sometimes people with compulsive gambling end up getting caught up in the criminal justice system because they've embezzled -- often you'll see -- and

I speak to this as a former prosecutor, you'll see cases where people have embezzled from their company or their employer. These end up being people with gambling problems.

So one of the solutions there -- I mean, obviously, you have to answer for your criminal behavior, whatever the reason for it. But we need to offer hope to people at some point getting their life back. So Lieutenant Governor Stack and I have started in the drug and alcohol treatment area where we also have a lot of criminal justice involvement, Pathway to Pardons, which is really about educating people coming out of treatment that after you've got several years of recovery and you're several years past completing, having paid all of your penalty back to society, you've paid for your crimes, that after three years of staying out of trouble, staying clean, you can apply for pardons, and you probably have a very good chance of getting that pardon.

So at the end of the day you have to feel like you have some hope of having a decent life again, even if it's several years down the road. So that would be another — aside from dealing with all the problems that maybe you've, you know, taken your parents' money and spent it all and now they have no retirement and you have all that guilt, you also have sometimes criminal justice

consequences as well.

REPRESENTATIVE KAUFER: Well, I think the point that you touched on, too, is also the reason why we started the PA-HOPE Caucus, which I know you're aware of, and trying to address and streamline a lot of these services, as being talked about, whether it's gambling addiction, drugs, alcohol, anything, that there is a streamlined process of getting people the help they need through stabilization units or emergency detox centers or anything along those lines.

But one quick follow-up on that about the issue itself, the lottery recently expanded to allow credit gambling in certain areas on certain machines. It was a test being done in the Harrisburg market. I have a big concern about credit gambling. I asked a similar question in our Aging Committee. I was wondering if you guys could weigh in about gambling addiction and credit gambling.

MR. TENNIS: I don't know. I wasn't aware of that. I'm sorry.

DR. MARTZ: That's been debated over the years, various concerns with regard to credit because gamblers will work to increase credit availability, which brings with it associated components --

MR. TENNIS: But we'll look into that and -DR. MARTZ: Yes.

MR. TENNIS: -- have that discussion. 1 2 REPRESENTATIVE KAUFER: Thank you very much for 3 your testimony today. Thank you, Mr. Chairman. 4 MAJORITY CHAIRMAN PAYNE: Thank you. 5 Representative Diamond. REPRESENTATIVE DIAMOND: Thank you, Mr. Chairman, 6 7 and thank you for your testimony, Mr. Secretary. And thank you to you and your staff for taking the time in previous 8 9 weeks --10 MR. TENNIS: It's an important issue, yes. 11 REPRESENTATIVE DIAMOND: -- to talk to me about 12 this. 13 We heard from Mr. Ercole that the folks who take 14 these calls or hear about these people, they have general 15 behavioral -- and they can deal with any of these issues. 16 Is that your understanding? 17 MR. TENNIS: I'm going to let Dr. Martz answer that question. 18 19 REPRESENTATIVE DIAMOND: Whether it's alcoholism 20 or drug abuse or --21 DR. MARTZ: Yes. 22 REPRESENTATIVE DIAMOND: The people who are trained to deal with the gambling addiction are also 23 trained in those other areas, correct? 24 25 DR. MARTZ: Absolutely. If you have a gambling

addiction, 50 percent of those with a gambling addiction also have a substance abuse addiction --

REPRESENTATIVE DIAMOND: Right.

DR. MARTZ: -- they also have depression because, again -- and the guilt associated, anxiety associated. So the comorbidity of multiple disorders and needing to work with multiple issues --

REPRESENTATIVE DIAMOND: Okav.

DR. MARTZ: -- is commonplace.

REPRESENTATIVE DIAMOND: So it occurs to me that it's not really necessary to have one number, that we could have 1-800-ALCOHOL, we could have 1-800-HEROIN, and it could all be shunted to the same place where you have these behavior specialists. And if you wanted to eventually get down to one phone number for every problem, you could do that by attrition instead of the casinos being forced to change all their signage now. When they naturally replace that signage, the put up the new unified number.

And I think adjacent, related to you, my frustration when I pretended to be -- and I don't have to pretend too much -- somebody with an alcohol problem who went to your website just looking for a toll-free number for somebody to talk to, we don't have one.

MR. TENNIS: Right.

REPRESENTATIVE DIAMOND: We don't have one.

1 MR. TENNIS: That's a problem. REPRESENTATIVE DIAMOND: And I think that's a 2 3 huge blockade. 4 Now, one more thing. These folks that are 5 dealing, these behavioral specialists, they are not department, agency employees. They are contracted out, is 6 7 that correct? MR. TENNIS: My understanding is there's a firm 8 9 in Louisiana that handles the 1-800-GAMBLER and this for 10 many States --11 REPRESENTATIVE DIAMOND: Okav. 12 MR. TENNIS: -- quite a few States, so yes. 13 That's right. 14 REPRESENTATIVE DIAMOND: And do you feel that 15 that's more cost-effective than having specialists in-16 house? 17 MR. TENNIS: I probably don't know enough to answer that reliably, but I will say that when we looked at 18 19 having somebody in-house on gambling we looked at the 20 numbers we get, which are not sufficient to support that, 21 to make that reasonable. 2.2 That's what led into our discussion of what if we had somebody -- we know we have a problem with the issue 23 24 you identified, which is that folks with a drug and alcohol

problem don't know where to go. We don't have an 800

number. We should have one. We don't have the resources to set one up at this point, but I would like to.

We thought, because of the co-occurring nature of gambling and substance use disorder, why not get one number and really just hammer away at it in the public arena so that everybody knows this number and we just spread it out. All of the resources that go into putting out these various numbers, we'd go -- and the attrition idea is a great idea in terms of reducing the cost, especially given that they all can channel into the same place.

But we were really looking at doing this in, number one, a way that would be streamlined and more cost-effective and in a way that we could have better quality control maybe because we can manage it a little more closely than with somebody that's handling it for various States.

And it's an exploration, haven't had a chance to speak with Josh or the folks at the Council about it to get their thoughts, and I would like to. We're just kind of -- you know, seeing that New York has done it successfully, we think it's worth a look.

REPRESENTATIVE DIAMOND: Okay. Well, thank you so much again. I think, Mr. Chairman, that we've heard some great ideas here today on this topic, and I'm more than willing to work with you, Representative Ortitay,

Secretary Tennis, and Representative DiGirolamo on any of these issues, that we can consolidate this so that we can do as much as possible to help as many Pennsylvanians as possible who need our help.

MR. TENNIS: And one of the things I just have to throw in the plug because it's true is we've been doing a lot of work with warm handoff to treatment for overdose survivors out of emergency departments. We've been doing work and we're starting to get police engagement and actually police officers doing interventions and getting people, especially homeless folks with drug and alcohol addiction into treatment.

Consistently, what we're hearing is you've got no beds. So our resources, as we make it more workable for people who need help, we have to make sure that the resources are there both in terms of detox beds, residential rehab, MAT, whatever. I mean, it's different needs for each person clinically. But we have got to be expanding our infrastructure. Right now, according to the Federal Government, nationally we provide enough resources to treat one person for every 10 with addiction.

So we have a mountain to climb, and we need to do it. And when we do do it, we will be a safer, healthier community with a lot less suffering than is going on right now.

1 MAJORITY CHAIRMAN PAYNE: Thank you, Mr. Secretary. Thank you very much for your testimony. 2 3 MR. TENNIS: You bet. MAJORITY CHAIRMAN PAYNE: Next, we have 4 5 Representative Jamie Santora's bill, House Bill 1925. 6 Josiah Shelly will give a brief overview. 7 MR. SHELLY: Currently, \$2 million is annually transferred to the board to give local law enforcement 8 9 grants to combat illegal and unlawful gambling. 10 Auditor General recently released a report that this grant 11 program goes unused, so in order to address that, 12 Representative Santora's bill would allow the State Police 13 to be eligible for these grants and to use these grants in 14 any municipality. Currently, they're limited to using 15 these grants in municipalities that do not have a local law 16 enforcement municipal police department. 17 The bill also says that funds that are not used on an annual basis will be transferred to the Problem 18 19 Gambling and Treatment Fund. 20 MAJORITY CHAIRMAN PAYNE: Thank you, Josiah. 21 We have written testimony in our packets received 22 by the Pennsylvania State Police. Joining us this morning is Kevin O'Toole, Executive Director, Pennsylvania Gaming 23 Control Board. Welcome back. 24

MR. O'TOOLE: My pleasure. Thank you very much,

Chairman Payne, Chairman Kotik, and Members of the House Gaming Oversight Committee.

You've asked me to offer some comments on House Bill 1925, and I'm very pleased to do that. We administer the local law enforcement grant program. Any agency that administers a grant program understands the difficulty of that. It's a very serious proposition. You have money and you want to make sure that that money is going out for the intended purposes. You want to make sure that when the grant term is over that it has been reasonably successful in accomplishing the mission. And we've done an outstanding job of overseeing this program to date.

It has been challenging to get enough applicants, although in the eight years, a little bit over eight years of the program, we've had 59 grantees. Some of them, a certain percentage of them do renew, and we currently have six active grants. And I believe we have one application pending, and we've had several recent inquiries from law enforcement agencies.

I do believe that in the 2010 amendments to the Gaming Act there was restrictive language that kind of geographically limited how the Pennsylvania State Police would be able to use grant funds. So PSP chose not to bring an application all the way to the end. So we've never issued a grant to PSP because they felt that the

limiting language restricted their ability to use the funds as effectively as they would like to.

So, you know, myself personally, I support the change that will take out that limiting language. I believe it will allow the Pennsylvania State Police, who are very well trained in this area and do an excellent job, that they would be able to take advantage of this grant program.

And in terms of any uncommitted or unencumbered funds and what should happen to those, that's clearly within the purview of the Legislature, and however you choose to do that, we certainly would follow those instructions.

So thank you very much for allowing me to testify this morning.

MAJORITY CHAIRMAN PAYNE: Thank you again.

Ouestions?

I just note that if there is excess money, it's going to the Problem Gaming Fund. You guys have done an outstanding job. I appreciate all the testimony that you've been here for, all the hearings you've been here for. We have a lot more coming up in the next two months to try to get ready by June to have some legislation out on the House Floor ready to move. So thank you very much.

MR. O'TOOLE: You're welcome. You keep us sharp.

1 MAJORITY CHAIRMAN PAYNE: Thank you. Josiah had a good comment. The written testimony 2 3 from the State Police, they do support the legislation. And with that, Chairman Kotik, any questions or 4 5 comments? DEMOCRATIC CHAIRMAN KOTIK: No. 6 7 MAJORITY CHAIRMAN PAYNE: This hearing's adjourned. Thank you very much. 8 9 10 (The hearing concluded at 9:55 a.m.)

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