

December 17, 2012

Dear Governor Sandoval:

The Advisory Committee on Problem Gambling (ACPG), created in Nevada statute in 2005 and consisting of gubernatorial appointees, would like to offer the following information for your consideration regarding the State Fiscal Year (SFY) 2014-15 budget for the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling.

First, we sincerely appreciate your support of Problem Gambling funding in the SFY12-13 budget process. The recommended budget that you inherited from the departing governor proposed to zero out this funding. However, you restored half of the funding and the Legislature agreed. This funding has supported basic treatment services for problem gamblers and their family members who often have depleted all resources as a result of their gambling disorder.

Based on FY12 expenditures and service data, an average investment of only \$1,440 per client helps reduce the significantly higher financial and social burden caused by bankruptcy, divorce, job loss, civil and criminal judicial system involvement, mental health and suicide. Moreover, according to a University of Nevada Las Vegas (UNLV) study, Nevada's Problem Gambling treatment system works. Well over 90% of clients report dramatic and real improvement in their everyday lives. While these results are encouraging, even more can and must be done to mitigate the harmful effects of problem/pathological gambling in Nevada.

This is especially prudent since Nevada has set the stage to expand gaming to the internet. Throughout its policy deliberations, Nevada's Gaming Policy Committee (GPC) heard testimony from gaming industry experts that a strong Problem Gambling system must accompany this expansion of gambling in the state – a perspective that you and the GPC enthusiastically endorsed through Regulation 5A (which mandated certain responsible gambling policies). Internet gamblers have a different profile than non-internet gamblers, and as such, training of clinical and prevention staff to meet these evolving needs of the state will be crucial. If we are to play a leadership role in the internet gambling era, as the state hopes, it is vital that we play a leadership role in every aspect.

Full funding for Problem Gambling services is the most cost-effective and reliable way to ensure that appropriate resources are in place for those who find themselves in jeopardy. As we enter into a crucial new era for the state, it is important to note that restoring full funding would not only allow expansion of treatment to cover internet clients, but also the restoration of prevention activities that would keep them from developing problems in the first place, and that the State was investing in prior to the severe budget cuts implemented in SFY11.

The current legislation that reduced the revenue earmarked for Problem Gambling services from \$2 per slot machine per quarter to \$1 is scheduled to sunset on June 30, 2013. The ACPG **strongly urges** you to recommend restoring this funding to the level intended by the Legislature when the Revolving Account was established in 2005 and reaffirmed in 2007. Members of the ACPG will work to ensure this funding produces state-of-the-art prevention and treatment

services for the people of Nevada. If additional information is needed, please let us know – [carol@nevadacouncil.org](mailto:carol@nevadacouncil.org) or (702) 369-9740. Thank you.

Sincerely,

Carol O’Hare, Chair  
On behalf of the Advisory Committee on Problem Gambling

**Advisory Committee on Problem Gambling Members**

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