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Casino Journal
April, 2001

Lottery Logic

After a victory in the legislature, Tennessee lottery supporters prepare for a campaign against real challenges and conservative scare tactics.

Landing a lottery vote in Tennessee has been no cakewalk. Then again, cakewalks aren't legal in the Volunteer state.

During the past 16 years, several efforts to lift the state's lottery ban have earned easy approval in the House, only to be slammed in the Senate. Consequently, Tennessee has remained one of the few states in the nation to allow neither a lottery nor casino gambling nor charity gaming events.

The bottleneck finally broke Feb. 7, when the Tennessee Senate voted 22-11 (exactly the two-thirds required) to approve a lottery measure sponsored by Democratic Senator Steve Cohen. The House voted 88-15 in favor of the bill on Valentine's Day.

Now voters will be asked in the 2002 gubernatorial election whether to remove Tennessee's constitutional ban against lotteries. If they approve the measure, the legislature will implement a state lottery in 2003.

The bill specifies that proceeds from the lottery (which by varying accounts could be \$188 million to \$285 million annually) would go first to a college scholarship fund similar to Georgia's famed HOPE program. Any leftover revenue would fund construction of K-12 classrooms, early learning projects and after-school programs.

Looking toward 2002, the prospects for public approval are good. Surveys collected over the past two decades show persistent public support for a Tennessee lottery. A recent statewide survey, released by Mason Dixon Polling & Research Inc. in early January, reported that 68 percent of those polled said they would favor a lottery.

Current support aside, passage is not a done deal. The measure squeezed through the Senate without a vote to spare, and the conservative religious leaders who have fought it these many years are not about to roll over. The coming year will probably witness a very expensive, very contentious gaming campaign.

In the course of this session alone, several attempts have been made to puncture Cohen's plan. These objections can be grouped into two categories:

irrational scare tactics and legitimate challenges.

In the first category are the arguments made by groups who oppose gambling on moral grounds but need a mainstream rationale to sound sensible.

The most common, most classic of these is the warning that a legal lottery would trigger a slippery slide into casino quicksand. How many times have we heard that tired refrain?

Sure, states that start lotteries often decide later to expand their gambling activities because the revenue is good and the people want casinos. Is there anything illegal or unavoidable about that chain of events? Of course not.

The critical link in the process is that voters and/or lawmakers must actively decide to expand gambling. Lottery tickets do not magically morph into poker decks; the move from lotteries to casino gambling does not happen without a series of large-scale choices.

Granted, some shoddy legislation in other states might open a gateway for full-scale gambling - but part of Cohen's proposal explicitly excludes "games of chance associated with casinos" from its constitutional changes. The Tennessee attorney general's office issued a memorandum the day before the Senate vote agreeing that the measure would not provide a mechanism to legalize casino gambling.

Those who still insist that a lottery would lead to gambling houses need only look to Georgia, the state serving as a model for Cohen's lottery plan. While that state's lottery has been winning for a decade, Georgia has yet to welcome casino gambling.

Objectors might also look to public opinion surveys that indicate support for casinos in Tennessee. The poll mentioned above reported that 59 percent of respondents said would support casinos in voter-authorized areas. These findings are not out of line with previous surveys.

Given that, it seems that the will of the public - not Cohen's lottery bill - is the most likely "gateway" to casino gambling.

In a similar alarmist vein, lottery opponents have also suggested that a lottery bill might start a frenzied gold rush by the state's 900 non-profit organizations. A provision in Cohen's bill would allow each charity in the state to run one fund raising lottery-type event per year, subject to a two-thirds vote of the legislature.

Rather than considering the annual limit and stringent authorization process

protections against abuse, opponents warn that the legislature might be inundated by a swarm of requests from both legitimate and suspect charities.

Never mind the absurd image this conjures up; the damage that could be done even if every church and charity had one gaming event per year has yet to be illustrated!

Moving on from the irrational to the rational, we should examine a couple of real weaknesses within the current lottery proposal; both of which stem from the plan to devote all proceeds to education.

The first potential snag is that the Lottery proceeds wouldn't go to anything but education. While it's a good rule of thumb in any gaming campaign to define goals and dedicate revenue, it is also a mistake to serve too narrow a purpose.

The state of Tennessee has big budget problems right now, and media reports suggest that one reason voters are backing a lottery so strongly is that they think it might help forestall tax hikes. The problem is that Cohen's plan could only provide relief in the area of education - and even there the plan would create new projects rather than pave existing budgetary potholes.

While 51 percent of respondents in the Mason-Dixon survey agreed that lottery revenue should be dedicated to education, a considerable 37 percent said they would prefer for funds to go to other state programs.

There are also concerns over how educational funds will be allocated. Although Cohen's plan is modeled after Georgia's HOPE college scholarship fund - a plan that has inspired lottery bills in several other states - recent murmurings suggest that the plan might not be so great after all.

Specifically, some fear that the money will be given mainly to students from more privileged families, effectively collecting money from poor lottery players in order to fund the educations of rich kids.

Cohen's bill reportedly does not address this issue extensively, instead leaving it to the legislature to decide how scholarship money will be distributed. If that is the case, then someone needs to come up with a plan soon that will placate those who worry about where the dollars will go.

All of the challenges to Tennessee's lottery bill, both real and imagined, must be faced in order to accomplish public approval and successful implementation.

To tackle the real issues like revenue allocation, Cohen and his cohorts need to start thinking now about regulations to assuage the fears of

objectors and convince voters that the cause of education is worthy and will benefit the entire state.

The arguments of opponents, while less rational, are no less important to address in a public forum.

Lawmakers in other states have learned from harsh experience that it is wrong and arrogant to ignore public will and pass laws that circumvent the proper processes. But isn't it an equal betrayal to stonewall for two decades a measure that clearly has public support?

It's high time that Tennessee finally lets its own citizens make an informed decision about when, how and what types of gaming are allowed in that state.

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