



79 West Monroe Street
Suite 801
Chicago, IL 60603-4906

Combating Crime in Metropolitan Chicago Since 1919

To: Illinois Media Assignment/News Desk	From: The Chicago Crime Commission
--	--

Thursday, February 7, 2007

Total pages, including cover: 3

NEWS RELEASE ATTACHED

**Chicago Crime Commission Raises Concern Over Expanded Gambling
In Illinois**
*Offers solution that increases the integrity of gaming and places financial burden on
gaming industry, not taxpayers*



79 West Monroe Street
Suite 801
Chicago, IL 60603-4906

Combating Crime in Metropolitan Chicago Since 1919

NEWS

For More Information

Contact:

John J. Pastuovic
312-372-0101, ext. 240 voice
(312) 925-9092 cell

Chicago Crime Commission Raises Concern Over Expanded Gambling In Illinois

*Offers solution that increases the integrity of gaming and places financial burden on
gaming industry, not taxpayers*

For Immediate Release

February 8, 2007 - Chicago, IL - Today, the Chicago Crime Commission said that Illinois State Representative Lou Lang's (D-Skokie) recent proposal to expand gaming in Illinois, which would add four gaming licenses and slot machines at horse race tracks, would have a significant negative impact to the integrity of gaming in Illinois. To address these concerns, the Chicago Crime Commission is suggesting a pay-as-you-go solution to keep gaming in Illinois honest and not place the financial burden on taxpayers.

The Chicago Crime Commission is concerned the Illinois Gaming Board is ill-equipped to facilitate the expansion of gaming outlined in Representative Lang's proposal. "From what we have seen, the proposal to expand gaming in Illinois does not appear to address the need for required suitability investigations to be conducted by the Illinois Gaming Board on the potential investors in these new gambling operations," according to Jim Wagner, President of the Chicago Crime Commission. "To even consider expanded gambling, I think the citizens of Illinois must be assured that the companies and employees who provide gaming services, gaming equipment and other ancillary services are beyond reproach," Wagner continued.

(more)

Unfortunately, even at current levels of gaming in Illinois, the Illinois Gaming Board has had difficulty reviewing applications for investments and conducting thorough background investigations on companies providing gaming equipment, in a timely manner. “As the former top investigator at the Illinois Gaming Board, I will tell you we have never had sufficient staffing to routinely review all vendor contracts that provide services to the gaming industry in Illinois,” Wagner added.

“Budget restrictions imposed on the Illinois Gaming Board by the State of Illinois have left Illinois Gaming Board staff with concerns about appropriate due diligence or comprehensive background investigations over all aspects of gaming in Illinois,” said Wagner. “Adding four new casino licenses and slot machines at horse race tracks would, potentially, completely overwhelm the ability of the Illinois Gaming Board to provide complete, competent and independent oversight of the industry,” he added.

Arguments have been made that increasing the budget of the Illinois Gaming Board in order to improve their ability to investigate and monitor the gaming industry would decrease the revenue generated by taxes on gaming. “The answer to this concern can be found in the business model provided by the gaming control operations in both Nevada and New Jersey. Both states utilize variations of a pay-as-you-go investigative requirement. They require companies and individuals to pay, in advance, the cost of each investigation. Refusal to pay ends the licensing process,” Wagner said.

To further defray costs to the taxpayers and increase the integrity of gaming, each casino could also be required to pay for the cost of Illinois Gaming Board Agents who are required to be on-site during gaming activity but should be on-site at all times. “While these steps would not remove the need for state budget appropriations, the overall costs of operating the Illinois Gaming Board would shift significantly to the companies and individuals that benefit from owning and operating Illinois gaming facilities and their ancillary businesses,” he concluded.

###