NOTE: "Any casino license that goes for under half a billion dollars is a total robbery of the citizens," said John Warren Kindt, a University of Illinois business administration professor who studies gambling economics and who is critical of state-backed casino initiatives."
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[Ohio's casino licenses are $50 million.]

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Ohio faces obstacles, conflicts in regulating casino gambling

In 1999, the last time the U.S. government took a hard look at casino gambling, its growth was so rapid, its impact so unclear, and its oversight so fragmented that the national advisory panel urged Congress to temporarily halt the expansion.

That didn't happen.

Today, with Ohio the newest member of the burgeoning casino fraternity, the state is experiencing the proliferation and regulatory concerns the advisory panel warned of more than a decade ago:

•The number of Ohio slot machines -- which many experts consider the fastest, most intensive and problematic form of gambling -- will jump from zero to as many as 20,000 when the state's four casinos open next year. The amount could double if Ohio horse tracks win approval to add slots.

•The agency that will oversee Ohio's casinos still lacks an executive director, is only beginning to draft gambling rules, and has been slowed by staffing and funding disputes.

•When the Ohio Casino Control Commission finally is up and running, its operating budget -- as well as the state's ailing general fund -- will depend on gambling profits. Critics say that's a conflict of interest and a disincentive for tough regulation.

•Three state agencies will split oversight of the various gambling activities in Ohio, with additional ones handling gambling addiction treatment, consumer and criminal complaints, tax collection and health impact.

•Though the state expects to collect at least $643 million a year from casino gambling, it lacks reliable estimates of the prevalence and costs of gambling addiction, which affects regulatory decisions.

Experts who study casino gambling lament the failure of most state governments, including Ohio, to properly consider and prepare for its impact. Most of the focus is on how much money the state will reap from casino taxes, with considerably less effort on how to regulate, or to deal with addiction and other negative consequences.

"There are few jurisdictions in the United States that have any sort of plan on problem gambling, or on gambling in general," said Keith Whyte, executive director of the National Council on Problem Gambling. "It's still amateur hour. We're still approaching it piecemeal. Ohio's guilty of that as well."

Read more here: http://blog.cleveland.com/metro/2011/05/ohios_chance_to_really_control.html#incart_hbx

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