

Corporate Online Gambling Proposition

MYTHS vs FACTS

Background: Out-of-state online gambling corporations are funding a proposed November 2022 ballot measure that would legalize online sports gambling in California—hurting tribes, exposing kids to the perils of online gambling and driving jobs and business out of California.

Here are **FACTS** to unravel the myths about this proposition:

MYTH:	FACTS:
<p>X <i>The Corporate Online Gambling Proposition will benefit Indian tribes.</i></p>	<ul style="list-style-type: none">» A broad coalition of California Indian Tribes is STRONGLY OPPOSED TO THIS MEASURE, including the California Nations Indian Gaming Association (CNIGA) and the Tribal Alliance of Sovereign Indian Nations (TASIN), who collectively represent 43 California Indian tribes.» This measure is a direct threat to Indian self-sufficiency—driving business away from Indian casinos and undermining voter-approved tribal gaming exclusivity.» Under this measure, each online gambling corporation would only need to “partner” with one tribe to operate sports wagering statewide—excluding the vast majority of California’s 68 gaming tribes from participating.» And, in order to participate in the online sports gambling market, tribes would have to give up their sovereignty including the right to tribal-state negotiated compacts.

MYTH:	FACTS:
<p>X <i>The Corporate Online Gambling Proposition is a “solution” to homelessness.</i></p>	<ul style="list-style-type: none">» Make no mistake, this measure is entirely about legalizing online sports gambling.» Many experts, including from the UCLA Gambling Studies Program, cite gambling addiction as a significant factor that contributes to persons becoming homeless and maintaining a cycle of homelessness.» It’s simply bad public policy to fund homelessness programs by legalizing a massive expansion of online gambling that will lead to further addiction and financial distress.» California has spent more than \$13 billion to address homelessness in the last three years alone, but things have only gotten worse.» In a recent report, the independent State Auditor said the state’s homelessness efforts are “disjointed,” “fragmented” and have “not fulfilled some of its most critical responsibilities.”» Just like the false promises of the State Lottery, this proposition is a deceptive scheme that will not improve our homeless problems.

MYTH:

X The **Corporate Online Gambling Proposition** is a “solution” to the mental health crisis.

FACTS:

- » This measure would result in more problem gambling, more addiction and more individuals with mental health problems.
- » The **National Council on Problem Gambling** found that online sports gamblers are five times more likely to develop problem gambling than other types of gamblers.
- » According to the non-partisan **Legislative Analyst’s Office**, this measure may even result in increased costs for state and local governments to account for the “increase in individuals with gambling addictions that subsequently required governmental assistance.”

MYTH:

X The **Corporate Online Gambling Proposition** has strict accountability provisions to ensure money will go where it is supposed to go.

FACTS:

- » California has spent more than \$13 billion to address homelessness in the last three years alone, but the problem has only gotten worse.
- » This measure sends tax dollars to the **Homeless Coordinating and Financing Council (HCFC)**:
- » According to the independent State Auditor, the **HCFC**:
 - » “lacks a comprehensive approach”
 - » “has not fulfilled some of its most critical responsibilities”
 - » “does not track how the State spends funds to combat homelessness”
 - » “has yet to set priorities or a timeline for achieving its 18 statutory goals.”
- » The nonpartisan **Legislative Analyst’s Office’s** report on homelessness stated that “even substantial investments of resources may not result in adequate progress if investments are made without a clear plan.”

MYTH:

X The **Corporate Online Gambling Proposition** will prevent kids from gambling online.

FACTS:

- » There is no sure-proof way to prevent underage online gambling.
- » This measure would turn virtually every phone, tablet, computer and video game console in California into a gambling machine—but lacks critical safeguards to prevent kids from gambling.
- » It is too easy for children to use false identification or an adult’s credit card and start gambling.
- » The accelerated speed of play, easy access and targeted advertising make online and mobile sports gambling especially attractive to youth.
- » Online sports gambling advertisements are four times more appealing to children than adults. In fact, research from the **Journal of Public Policy & Marketing** states that nearly half of children are exposed to online gambling advertisements weekly and around a quarter encounter it daily.

<p>MYTH:</p> <p>X <i>The Corporate Online Gambling Proposition will generate millions in revenue for local communities.</i></p>	<p>FACTS:</p> <ul style="list-style-type: none"> » This measure would only guarantee funding allocations for cities with populations over 300,000—excluding 97% of California cities. Remaining cities must apply for grants and there are no guarantees cities will receive revenue. » This measure would allow the Legislature to restrict funding to certain programs at any time—undermining local control and use of funds. » The LAO reported that local governments may incur increased costs to cover new governmental assistance programs for individuals who develop gambling addictions.
<p>MYTH:</p> <p>X <i>The Corporate Online Gambling Proposition will benefit non-gaming tribes.</i></p>	<p>FACTS:</p> <ul style="list-style-type: none"> » This measure provides \$0 to the Revenue Sharing Trust Fund—the fund that is paid into by California’s gaming tribes that provides the funding that 70 limited and non-gaming tribes rely on to provide tribal members with vital services like housing and health care. » What little revenues are raised by this measure must be split with <i>any</i> tribe that does not participate in online sports wagering—significantly limiting funds provided to non-gaming and smaller tribes.
<p>MYTH:</p> <p>X <i>The Corporate Online Gambling Proposition will bring revenues and jobs to California.</i></p>	<p>FACTS:</p> <ul style="list-style-type: none"> » This measure was written and is being entirely funded by out-of-state and foreign gambling corporations to give themselves near total control over online sports wagering in California. » Under this measure, the corporations would take 90 percent of the profits out of the state and out of the country, without hiring anyone in California or making any real investments in our state.
<p>MYTH:</p> <p>X <i>The Corporate Online Gambling Proposition is supported by California voters.</i></p>	<p>FACTS:</p> <ul style="list-style-type: none"> » Polling shows that California voters overwhelmingly oppose legalizing online sports gambling, even after they are provided more information from the measure’s proponents.

STOP the deceptive [Corporate Online Gambling Proposition](#) that will hurt tribes, expose kids to the perils of online gambling and drive jobs and business out of California.

Join the Coalition for Safe, Responsible Gaming today.

StopOnlineGamblingProp.com

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