MINUTES OF THE SENATE COMMITTEE ON JUDICIARY

Seventy-fourth Session April 23, 2007

The Senate Committee Judiciary called to order on was bν Chair Mark E. Amodei at 9:30 a.m. on Monday, April 23, 2007, Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Mark E. Amodei, Chair Senator Mike McGinness Senator Dennis Nolan Senator Valerie Wiener Senator Steven A. Horsford

COMMITTEE MEMBERS ABSENT:

Senator Maurice E. Washington, Vice Chair (Excused) Senator Terry Care (Excused)

STAFF MEMBERS PRESENT:

Linda J. Eissmann, Committee Policy Analyst Brad Wilkinson, Chief Deputy Legislative Counsel Lora Nay, Committee Secretary

OTHERS PRESENT:

John L. Wagner, The Burke Consortium Lynn Chapman, Nevada Eagle Forum David K. Schumann, Nevada Committee for Full Statehood Terry Hickman, Nevada State Education Association Pilar M. Weiss, Culinary Workers Union Local 226 Senate Committee on Judiciary April 23, 2007 Page 2

CHAIR AMODEI:

Today we have a continuation of <u>Assembly Joint Resolution (A.J.R.) 5</u>.

ASSEMBLY JOINT RESOLUTION 5: Proposes to amend the Nevada Constitution to authorize the Legislature to provide for a statewide lottery for textbooks, computers and other educational media for classrooms. (BDR C-921)

JOHN L. WAGNER (The Burke Consortium):

Government should never ever be in business. Government's business is doing the people's business, not competing with the people. To compete with our No. 1 industry, which is gaming, in this state is wrong.

LYNN CHAPMAN (Nevada Eagle Forum):

I am state vice president of Nevada Eagle Forum. The Family Council in Little Rock, Arkansas, put together statistics showing lottery players with household incomes of \$10,000 per year wager three times as much as those with household incomes with over \$50,000 per year. Annual per capita spending on the lottery among those who have not completed high school and high school dropouts is almost four times as much as college graduates. What is our dropout rate in Nevada?

Easy access to gambling through a state lottery gives risks to adolescents; even greater for them is 13 percent become compulsive gamblers. One interesting commentator said, "A lottery is to gambling as marijuana is to drug use." I think that is true. Look at the risks families take when they start gambling. Compulsive gambling pervades the family. We have victims of abuse. We have people detained and arrested by police. About 21 percent of pathological gamblers and 10 percent of problem gamblers have been incarcerated. The divorce rate goes up.

I saw a bigger problem. I went on the Internet and typed in "teen gambling problems." There were hundreds of Websites. McGill University did research in the United States, Canada, New Zealand, Europe and Australia and found 80 percent of high school students report having gambled for money during the past year. Four percent to 8 percent of adolescents presently have a serious gambling problem. Another 10 percent to 14 percent of adolescents are at risk for developing serious gambling problems.

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Where does it start? It is not unusual for parents to purchase lottery tickets for their children. Problematic gambling among adolescents has been linked with increased delinquency, criminal behavior, disruption of family and peer relationships, negative effects on overall school performance and work activities. One young lady wrote about her gambling problem. She started stealing from her parents, then she went to her grandparents' house and started stealing things to hock so she could get money to gamble. She said she smoked for two years and as tough as quitting that habit was, quitting gambling was harder. It is a serious problem when our children get involved in gambling.

In the previous hearing, there was talk about not enough textbooks. I am a homeschooler and I was given, from a Washoe County School District warehouse, brand-new books that had never been used. I do not believe the teachers' union when they say they need textbooks. Education does not need the money. We should protect our children and keep them safe from this terrible thing called a lottery.

DAVID K. SCHUMANN (Nevada Committee for Full Statehood):

Schools do not need more money. We are spending more money per student now than 50 years ago and getting less. The U.S. Bureau of Labor Statistics calculates a deflator every year, and if you do the math, you will see they are spending more and we are getting less. We should not reward poor behavior. The syllabus used 50 years ago is what should be taught, not the fluff that is going on now.

A book called *A Nation at Risk* was written by adults in Washington. Each generation of Americans has outstripped its parents in education, literacy and economic attainment. For the first time in the history of our country, the educational skills of one generation will not surpass, equal or even approach that of their parents.

Education does not need more money. The Organisation for Economic Co-Operation and Development says the combination of a good, higher education system and a substandard primary and secondary education is the source of the widening income disparity in the United States.

We need more competition. Competition breeds success. There are many more administrators than we need. The schools do not need any more money and we do not need a lottery to give them extra money to reward them for the

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substandard job they are doing right now, not just in Nevada but in the whole country.

TERRY HICKMAN (Nevada State Education Association):

I am executive director of the Nevada State Education Association (NSEA). We are here today to support A.J.R. 5. This is an important bill because it gives voters the opportunity to vote on a lottery. Passage of a lottery will raise at least \$50 million. That money will go toward instructional materials, instructional supplies, textbooks, software and other multimedia material, equipment relating to instruction including computers and other multimedia hardware and equipment used primarily for the maintenance and operation of equipment relating to instruction. The money will supplement, not supplant, existing revenues. As NSEA knows, the lottery will not solve the funding crisis in education. This is a dedicated funding source.

This bill has to pass this Legislature and again next session and then it goes to a vote of the people because it amends the *Constitution of the State of Nevada*. We urge you to support this legislation and allow the voters of Nevada to determine whether they support a lottery and the dedicated funding stream to public education that will make a difference for our students and the students yet to be in our classrooms.

PILAR M. WEISS (Culinary Workers Union Local 226):

The Culinary Workers Union represents 60,000 workers in the hospitality and casino industry in Nevada. Our members have over 35,000 children and grandchildren in the Nevada public school system.

We have heard the issues NSEA raised and we have been before the Legislature before trying to figure out a way to make sure our children have the opportunity to learn. They should not have to rely on inadequate materials.

The Legislature does not want to impose new taxes or divert other revenue streams, but there needs to be a solution to solve the problem. We are sympathetic to the competition to the Nevada gaming industry, but there is no proof that a lottery is a competitive problem on the overall gaming industry. We do not want to detract from the industry that our members enjoy working in and make a good living. We are here to support <u>A.J.R. 5</u>. Voters of the state should have the chance to choose whether they want to have this potential source that

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relies on individual people making the choice to purchase a lottery ticket and is not a tax upon the general public.
CHAIR AMODEI: We will close the hearing on A.J.R. 5. We will adjourn at 9:46 a.m.
RESPECTFULLY SUBMITTED:
Lora Nay, Committee Secretary

APPROVED BY:

Senator Mark E. Amodei, Chair

DATE:_____