

Why Local Governments Should Vote

= **NO** ON **27** =

Background: Out-of-state online gambling corporations are funding a deceptive November 2022 ballot measure that would legalize online sports gambling while *falsely* masquerading as a “solution” for homelessness. The Coalition for Safe, Responsible Gaming, led by California Indian Tribes, has formed to **urge a NO vote on Prop 27**. Here’s why local governments should oppose **Prop 27**:

Don’t Be Fooled – A Massive Expansion of Online Gambling is NOT a “Solution” to Homelessness

- » Proponents are cleverly marketing **Prop 27** as a “solution” to homelessness, but **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.**
- » In fact, the nonpartisan Legislative Analyst warns that under **Prop 27**, local governments would likely **incur increased costs** to account for **“an increase in individuals with gambling addictions** that subsequently required governmental assistance.”
- » The *National Council on Problem Gambling* found that **online gambling is far more addictive** than in-person gambling and leads to more problem gambling.
- » Many experts, including from the *UCLA Gambling Studies Program*, cite gambling addiction as a significant factor that contributes to **becoming homeless and maintaining a cycle of homelessness.**

Provides No Guaranteed Funding for Local Government

- » **Prop 27’s** language only guarantees funding allocations for cities with populations over 300,000—**excluding 97% of California cities.** All remaining cities must apply for grants with no guarantee cities will receive any revenue.
- » **Prop 27** also allows the Legislature to **restrict funding** to certain programs at any time—**undermining local control and use of funds.**

Threatens Revenues and Jobs for Local Governments

- » **Prop 27** would send 90% of profits into the pockets of out-of-state gambling corporations, without creating new jobs or making any real investments in California
- » **Prop 27 directly undercuts tribal casinos** which provide nearly **150,000 jobs**, generate **\$26.9 billion** for the California economy annually, while attracting visitors to their respective regions.
- » Further, **Prop 27** would threaten the nearly **\$1.2 billion** in revenues tribal casinos provide to the state and **\$489 million** to local governments and communities annually.
- » In fact, the nonpartisan Legislative Analyst's Office said that any new revenues generated for local governments could be "**fully offset** by renegotiated tribal-state compacts that **reduce tribal payments to local governments** due to the significant expansion of non-tribal gaming activities."

Undermines Tribal Self-Sufficiency

- » A **broad coalition of California Indian tribes strongly opposes Prop 27** because it undercuts voter-approved tribal exclusivity.
- » Under **Prop 27**, online gambling corporations would take near **total control** of the sports wagering market in California—while excluding the vast majority of Indian tribes.
- » **Prop 27** would **drive business away from Indian casinos**—posing a direct threat to Indian self-sufficiency and reducing funds for healthcare, education and housing in tribal communities that endure poverty at twice the rate of California's population.

NoProp27.com

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