

# = NO ON 27 =

## 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:
<b>X</b> <i>Prop 27</i> will benefit Indian tribes.	<ul style="list-style-type: none"><li>» A broad coalition of over 50 California Indian tribes STRONGLY OPPOSES <b>Prop 27</b>, including the California Nations Indian Gaming Association (CNIGA) and the Tribal Alliance of Sovereign Indian Nations (TASIN).</li><li>» <b>Prop 27</b> is a direct threat to Indian self-sufficiency—driving business away from Indian casinos and undermining voter-approved tribal gaming exclusivity.</li><li>» Under <b>Prop 27</b>, 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.</li><li>» 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.</li></ul>
<b>X</b> <i>Prop 27</i> is a “solution” to homelessness.	<ul style="list-style-type: none"><li>» Make no mistake, <b>Prop 27</b> is entirely about legalizing online sports gambling.</li><li>» Many experts, including from the <b>UCLA Gambling Studies Program</b>, cite gambling addiction as a significant factor that contributes to persons becoming homeless and maintaining a cycle of homelessness.</li><li>» 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.</li><li>» California has spent more than \$30 billion to address homelessness in the last five years alone, but things have only gotten worse.</li><li>» 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.”</li><li>» Just like the false promises of the State Lottery, <b>Prop 27</b> is a deceptive scheme that will not improve our homeless problems.</li></ul>

**MYTH:**

**X Prop 27** is a “solution” to the mental health crisis.

**FACTS:**

- » **Prop 27** 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, Prop 27** 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 Prop 27** has strict accountability provisions to ensure money will go where it is supposed to go.

**FACTS:**

- » California has spent more than \$30 billion to address homelessness in the last five years alone, but the problem has only gotten worse.
- » **Prop 27** 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 Prop 27** will prevent kids from gambling online.

**FACTS:**

- » There is no sure-proof way to prevent underage online gambling.
- » **Prop 27** 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><b>MYTH:</b></p> <p><b>X</b> <i>Prop 27 will generate millions in revenue for local communities.</i></p>	<p><b>FACTS:</b></p> <ul style="list-style-type: none"> <li>» <b>Prop 27</b> 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.</li> <li>» <b>Prop 27</b> would allow the Legislature to restrict funding to certain programs at any time—undermining local control and use of funds.</li> <li>» The <b>LAO</b> reported that local governments may incur increased costs to cover new governmental assistance programs for individuals who develop gambling addictions.</li> </ul>
<p><b>MYTH:</b></p> <p><b>X</b> <i>Prop 27 will benefit non-gaming tribes.</i></p>	<p><b>FACTS:</b></p> <ul style="list-style-type: none"> <li>» 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.</li> <li>» What little revenues are raised by <b>Prop 27</b> 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.</li> </ul>
<p><b>MYTH:</b></p> <p><b>X</b> <i>Prop 27 will bring revenues and jobs to California.</i></p>	<p><b>FACTS:</b></p> <ul style="list-style-type: none"> <li>» <b>Prop 27</b> 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.</li> <li>» <b>Prop 27</b> 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.</li> </ul>
<p><b>MYTH:</b></p> <p><b>X</b> <i>Prop 27 is supported by California voters.</i></p>	<p><b>FACTS:</b></p> <ul style="list-style-type: none"> <li>» Polling shows that California voters <b>overwhelmingly oppose</b> legalizing online sports gambling, even after they are provided more information from the measure’s proponents.</li> </ul>

**STOP Prop 27, a deceptive 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.**  
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