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**CASINO GAMING INFLUENCE UPON CALIFORNIA  
LAW ENFORCEMENT BY THE YEAR 2000**

**NCJRS**

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**ACQUISITIONS**

by

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**COMMAND COLLEGE CLASS IX  
COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING**

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**This Command College Independent Study Project is a FUTURES study of a particular emerging issue in law enforcement. Its purpose is NOT to predict the future, but rather to project a number of possible scenarios for strategic planning consideration.**

**Defining the future differs from analyzing the past because the future has not yet happened. In this project, useful alternatives have been formulated systematically so that the planner can respond to a range of possible future environments.**

**Managing the future means influencing the future--creating it, constraining it, adapting to it. A futures study points the way.**

**The views and conclusions expressed in this Command College project are those of the author and are not necessarily those of the Commission on Peace Officer Standards and Training (POST).**

### **PART I - A FUTURES STUDY**

If casino gaming is instituted in California within the next five years, what will be the impact upon law enforcement by the year 2000?

### **PART II - STRATEGIC MANAGEMENT**

The development and implementation of a strategic management plan to assist California law enforcement in successfully directing the legalization of casino gaming.

### **PART III - TRANSITION MANAGEMENT**

The development of a plan to successfully manage the transition to legalized casino gaming and its impact upon law enforcement.

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CASINO GAMING INFLUENCE UPON CALIFORNIA  
LAW ENFORCEMENT BY THE YEAR 2000

by  
WILLIAM D. MIDDLETON

EXECUTIVE SUMMARY

**Part One - A Futures Study**

Due to financial and manpower constraints, and the level of police service expected by the public, police chiefs and city administrators must look for alternate ways of funding the police departments by the year 2000. In some states, legalized casino gaming is becoming a viable source of revenue to fund the police function.

Impact Upon Law Enforcement by the Year 2000?

A literature review, interviews of professionals with involvement in gaming, and other futures research methodologies were used to study the issue. A nominal group technique (NGT) panel was formed including professionals representing government, business, and law enforcement to define the future of this issue. Five trends were forecasted: The level of violent and nonviolent crimes' effect on local law enforcement; the level of revenue generated from gambling to fund the law enforcement function; the level of gambling-related police training; the level of crime prevention programs; and organized crimes influence. Possible events include the following: California passes a victimless crime law; Indian reservations in California legalize casino gambling; POST mandates training in gaming related-crimes; casinos fund crime prevention programs; the state forms a gaming commission. Three possible future scenarios were created. This information was used to develop policies to produce the desired future state.

A process to implement the plan involved analyzing data, developing policies and mission statements, implementing a strategic plan, and negotiating with identified stakeholders to "sell" the plan to those key players involved.

After gathering and analyzing all available data, five policies were developed. These were rated against established criteria for a final policy selection and implementation plan. The final policies included the development of a clear mission statement, plans to reduce noncriminal services, the development of a gaming research committee, a means of developing cooperation between the city government and the police department, and the surveying of agencies that already have casino gaming.

## **Part Two - Strategic Management**

Strategic Plan: The City of Chrichelle was used as a case study for California law enforcement to determine strengths and weakness both internally and externally with a department. Stakeholders were identified and analyzed. A modified policy delphi was completed to measure various alternative strategies. Three strategies were selected for implementation.

## **Part Three - Transition Management**

Commitment Plan: The process of law enforcement's response to legalized gambling included the development of a commitment plan by identifying and analyzing the critical mass. A management structure was identified to enable implementation of the plan, which identified the police chief as the program manager. Responsibility charting of key players set out areas of responsibility during this transition period.

## INTRODUCTION

The economic value of commercial gambling increased substantially in 1988. Consumers spent \$28 billion gambling in the United States last year, a 16.9 percent increase over 1987. This figure is .7 percent of the personal income generated by the U.S. economy, which rose from .6 percent the previous year, U.S. personal income being \$4,063 trillion, an enormous amount.<sup>1</sup> These startling statistics rank U.S. Gambling, as a fictitious company, 13th in the Gambling and Wagering Business and Forbes magazines' Top Fifteen U.S. Companies.<sup>2</sup> These figures have enticed many state and local jurisdictions to consider legalized casino gambling as a source of revenue.

The 1976 final report of the Commission on the Review of the National Policy Toward Gambling, Gambling in America, recommended to federal, state and local governments that most forms of gambling be legalized in order to provide a major source of revenue to these jurisdictions.<sup>3</sup> As revenues continue to shrink and costs rise in maintaining government functions, legitimate gaming enterprises could be a source of tax revenue.

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<sup>1</sup> United States Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, February 1989, vol. 8, no. 2, Table 2.1 "Personal Income and Its Disposition," p. 6.

<sup>2</sup> Eugene Martin Christiansen, "U.S. Gaming Win: \$28B in '88," Gaming and Wagering Business, 15 August 1989, Vol. 10, No. 8, p. 1.

<sup>3</sup> Commission on the Review of the National Policy Toward Gambling, Gambling in America: Final Report, (Washington D.C.: Government Printing Office, October 1976), p. 3.

California, like other states, is also looking for new sources of revenue. The loss of \$7.5 billion in property taxes due to the enactment of Proposition 13 has intensified this search.<sup>4</sup> Local governments as well are being forced to become imaginative in initiating new sources.<sup>5</sup> Thus, a reexamination of the legalization of casino gambling as a method of generating new revenue for California is necessary to understand its possible impact on the state.

#### NATURE OF THE PROBLEM

Gambling has been an issue for hundreds of years in this country, and it is one that is gaining in importance and visibility. Today, 48 states have some form of legal gambling. In 1960, New Hampshire reintroduced legalized lotteries, and since then 36 states have lottery programs, including California.

Many states are also specifically studying the legalization of casino gambling as a source of revenue. Nevada has estimated that 50 percent of all revenue in their state is gaming related, an impressive figure to governments in search of new sources of financing. In 1988, Nevada casinos took in over \$4 billion in

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<sup>4</sup> William D. Middleton, Legalization of Casino Gambling in California, California State University, Stanislaus, thesis in progress, p. 4.

<sup>5</sup> F. E. Kottke, "The Declining Infrastructure of Local Governments: A Challenge for the Future," Abstract, (California State University Stanislaus, 1981), p. 3.

revenue.<sup>6</sup> This does not account for the money spent by the 28 million visitors on nongaming items that help bolster the state's economy.

With these persuasive figures in mind, Atlantic City, New Jersey, introduced privately owned casinos in 1976. The campaign to pass legislation allowing gambling in Atlantic City stressed the issue of economic development, employment and tax relief. Other states have since looked at these two models in their determinations of whether or not to legalize casino gaming in their states. North Dakota has legalized casinos whose revenue will benefit charities. In Iowa, gambling on its riverboats is now legal. Deadwood, South Dakota, recently approved legalized casino gambling, and Lorain, Ohio, is currently attempting to do the same.

Revenue generation, however, is not the only consideration in each states' determination of whether or not to legalize gambling. There are specific costs which must also be taken into account. Increases in crime, corruption, involvement of organized crime, and various sociological factors must be explored. Atlantic City is now billed as the "boardwalk of broken dreams;" a sad comment on the impact of legalized gaming.<sup>7</sup>

In California, there have been numerous campaigns to legalize gaming over the past 19 years. Revenue generation has been the

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<sup>6</sup> "Nevada Casinos Revenues Top \$4 Billion in FY '88", Gaming and Wagering Business, 15 October 1988, p. 9.

<sup>7</sup> Priscilla Painton, "Boardwalk of Broken Dreams," Time, 25 September 1989, p. 64.

primary issue in each. However, opposition to legalized gaming has been strong enough to defeat it in each instance because the crime and social issues outweigh the revenue to be gained.

#### THE REVENUE DEBATE

Gaming taxes are regressive, thus a greater revenue is obtained from individuals making low to middle incomes rather than equally from all individuals as a proportion of their income.<sup>8</sup> This term implies a value judgment about what is good and what is bad, so the issue of legalization must be recognized as involving a moral issue which must be decided on by the public. This issue of equity is viewed differently by each state as it decides whether or not to legalize gambling, and it has had a dominant effect in the defeat of campaigns in Florida, Massachusetts, Connecticut, New Hampshire, Pennsylvania, Michigan, Texas, Arkansas and Colorado.<sup>9</sup>

In dealing with revenue from legalized gambling, the actual cost of obtaining each dollar of revenue and the revenue potential of the gambling market as a return on the cost involved in providing and maintaining the market must be considered. This is the issue of efficiency.

There are two opposing arguments on the issue of efficiency. Those in favor of legalization state that gambling is a way to

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<sup>8</sup> Commission on the Review of the National Policy Toward Gambling, p. 54.

<sup>9</sup> William Thompson, Ph.D. and John Dombrink, Ph.D., The Last Resort: Success and Failure in Campaigns for Casinos, (University of Nevada Press, forthcoming), p. 259.

raise revenue while not raising the issue of taxes with its voters. They argue that the state loses a large amount of potential funding through illegal gambling activities, and the fact that its citizens spend millions of dollars each year in states which have legalized gaming resulting in deadweight loss. Proponents also state the positive spillover effects of legalization. They claim a reduced need for law enforcement and the economically stimulating effects of increased employment, increased population, and the ensuing larger tax base.

Those who oppose legalization claim that gambling is morally offensive as a means of generating revenue. The monopolistic aspect of operation and regulation of gambling is also a strong argument against legalization. Moreover, critics claim that revenue gains are exaggerated by ignoring the effects of competition from other legal and illegal forms. They counter proponent's spillover argument by citing an increase in crime, corruption, and the potential involvement of organized crime.<sup>10</sup>

In researching the issue of casino gambling, which included contacts with local and state law enforcement officials in New Jersey as well as the review of testimony taken before two separate crime commissions and other independent documentation, one common theme emerged--that the introduction of casino gambling in New Jersey was paralleled by a significant increase of criminal activity and a seemingly inseparable co-existence in that industry of what is commonly known as organized crime.<sup>11</sup>

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<sup>10</sup> Ibid., p. 19.

<sup>11</sup> Florida Department of Law Enforcement, Casino Gambling Update, (Florida Department of Law Enforcement, May 1986), p. 1.

In this Florida study, criminal activity in New Jersey was being researched to determine its impact on law enforcement in particular and the resulting impact on local economics. They found that the demand for law enforcement-related services had increased beyond Atlantic City's capacity. The budgetary increases police agencies had received were woefully inadequate and disproportionately distributed in the casino area, resulting in a negative impact on law enforcement. States considering legalized gambling have taken note of these developments and the extensive studies and research which substantiate the fact that legalized gambling causes an increase in crime and calls for service.

Corruption of city leaders has returned since the political machines ruled Atlantic City. The mayor and three city council members have been charged with taking bribes in July 1989. In the past, four mayors were charged with misconduct. Organized crime has been conclusively linked to the labor unions there, and ownership of some casinos has been questioned.<sup>12</sup>

The 1980 "Report of Attorney General Robert Abrams in Opposition to Legalized Casino Gambling in New York State" states the following,

1. The evidence from Nevada and Atlantic City conclusively indicates that legalized casino gambling in New York would be accompanied by a debilitating upsurge of crime in areas where casinos are located.
2. Gambling casinos are a magnet for organized crime and New York lacks the sophisticated law enforcement system required to keep organized crime out of the casino gambling industry.

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<sup>12</sup>Thompson, p. 94.

3. Legalized casino gambling poses a danger to the integrity and credibility of government institutions and public officials.<sup>13</sup>

The "Final Report of the Casino Gambling Study Panel for New York State," August 1979, served as a basis for Attorney General Robert Abrams' report. These cost considerations and the added burden to law enforcement convinced New York state that it could not cope with these burdens.

#### CONCLUSION

This project is based on an assumption that due to a fiscal crisis, the State of California will legalize casino gambling. The revenue potential will outweigh the negative aspects of gambling, and the government and the public will choose to accept the added burdens which legalized casino gambling might bring. Should this actually happen, it is critical that California deal with the problems gambling will generate in a proactive manner.

As substantiated through research, the law enforcement function in California will be heavily impacted with the legalization of casino gambling. There has been limited research in this area, particularly in California. There have been no California studies of the issue. Specifically, very few police professionals in California have any knowledge in this field. Therefore, extensive background research has been conducted on

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<sup>13</sup>"Report of Attorney General Robert Abrams in Opposition to Legalized casino Gambling in New York State", (New York: Government Printing Office, 1980), p. 2.

casino gaming in the United States for this project. Observations and extensive interviews were conducted with professionals from states that have casino gaming or intend to develop it in the future. On-site visits to Nevada, New Jersey, North Dakota, Iowa, South Dakota, Ohio, Montana and Arizona were conducted in order to obtain a first-hand look at the legalized gambling environment, to speak to those involved, and to actually see how gambling has affected these jurisdictions.

A nominal group was conducted using California professionals to balance this research. When casinos are developed in California, these officials will be responsible for the implementation of legalized gambling. It was important to obtain their input.

The objective of this project is to focus on the possible future impact of legalized casino gambling on the law enforcement function by the year 2000. This project will present a model in which law enforcement will examine its role in this issue, and select and implement policies in order to positively deal with casino gaming in Chrichelle, California. It will also provide a model that will help law enforcement attain its paramount goal: "to serve and protect."

There will be four parts to this process: three objectives and a conclusion. The purpose of the first objective is to use futures research methodologies to explore potential futures concerning the issue. Literature review (scanning), personal observations and interviews, and a nominal group technique are used

to synthesize information and identify trends and events which impact the issue. From this data, three scenarios are developed to aid in understanding the major impact this issue will have on law enforcement in the future. The second objective is to formulate and implement a strategic plan to deal with the issue. The third objective is to develop a transition management plan that leads the Chrichelle Police Department through the implementation process. From this process, final recommendations will be made on the implementation of gaming in California.

## PART I

IF CASINO GAMING IS INSTITUTED IN CALIFORNIA WITHIN THE NEXT FIVE YEARS, WHAT WOULD BE THE IMPACT UPON LAW ENFORCEMENT BY THE YEAR 2000?

The first objective of the study was to use futures research methodologies to explore potential futures concerning the issue: "If casino gaming is instituted within the next five years, what would be the impact upon law enforcement by the year 2000?" Three scenarios were developed based upon the scanning and forecast data.

### SCANNING PROCESS

In order to fully develop an understanding of the topic, one must identify related past, present, and possible future issues. After reviewing data on gaming, the following list of past issues was developed:

1. The loss of many cities' main tax bases placed cities in financial constraints for funding the police and other city functions, which made gaming more appealing as an alternative. Was gaming explored as an option?
2. Did increasing expenditures and calls for service make new sources of revenue from gambling more attractive?
3. Traditional sources of gathering revenue to fund the police function such as property taxation were severely limited with the imposition of Proposition 13. What revenue alternatives were investigated?
4. Was crime a major problem for New Jersey and Nevada after gambling was legalized?

Review of data during the background portion of this study showed that these issues continue to have relevance. Gaming casinos are opening in cities across the United States every month. It is a source of revenue that many cities are finding more attractive than raising taxes.

Following a review of past issues, current issues that have an impact on gaming were identified. These issues are as follows:

1. Will the increased costs to law enforcement outweigh the revenue that is generated by legalized gambling?

2. How will the increase in crime due to legalized gambling affect the local law enforcement function?

3. How will the formal structure of a police organization be affected by legalized gambling?

4. How will crime prevention programs be affected by legalized gambling?

Following a review of past and present issues, potential sub-issues that may emerge in the designated future and, thus, can have an impact on the futures scenarios were identified. These issues are listed below:

1. If crime increases due to legalized casino gaming, will specially trained law enforcement units be necessary?

2. With the growing awareness of gambling-related crime, will the public demand specific crime prevention programs?

3. What effect will legalized gambling have on frequency and type of crime?

4. What will be the effect of legalized gambling on the financial position of a law enforcement agency?

5. How will the legalization of gambling affect the internal functions of a law enforcement agency?

#### REVIEW OF LITERATURE

Scanning of gaming-related literature was used to provide a background analysis of past, present and future issues related to casino gambling. The social, technological, environmental, economic and political (STEEP) issues were reviewed to provide an in-depth study.

Research by the federal government has recommended the legalization of most forms of gambling as a major source of revenue, placing much less emphasis on forms of enforcement against gambling.<sup>14</sup> Nevada alone netted over one billion dollars gross in 1988.<sup>15</sup> However, researchers have realized that the revenue issue is not the only consideration.<sup>16</sup> The experience in Atlantic City and Las Vegas indicates that development of casinos in urban areas causes a change in community character, including an increase in crime and other undesirable activities such as loansharking, pick-

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<sup>14</sup> Commission on the Review of the National Policy Toward Gambling, Gambling in America: Final Report, (Washington, D.C.: Government Printing Office, 1976) p. 132.

<sup>15</sup> Eugene Christianson, "U.S. Gaming Win," Gaming and Wagering Business, 15 August 1988, p. 21.

<sup>16</sup> Ibid.

pocketing and prostitution.<sup>17</sup> This research shows that cities that have legalized gambling have had to take a reactive approach to the consequences of legalized gaming. Officials now realize that a proactive program including specialized police training, crime-prevention programs, and formal structural changes in the police organization are all necessary to achieve a gambling environment that would provide the necessary revenues they had initially sought.<sup>18</sup>

Jerome Skolnick examined the gambling industry and discussed how government and society controls, legitimizes, and capitalizes on an industry which generates a tremendous amount of money. In his in-depth study of the Nevada and New Jersey system, he also realized the importance of this pre-planning phase by law enforcement agencies, stating that legalized gambling will generate revenue at a cost to society of increased crime, governmental corruption, and further stretching of an overburdened police department's resources.<sup>19</sup>

Two leading industry journals, Gaming and Wagering Business and Casino Journal showed that in 1988, U.S. gross revenue from

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<sup>17</sup>Gerald W. Lynch, Final Report of the Casino Gambling Study Panel for the State of New York, (New York State Printing Office, 1979), p. 61.

<sup>18</sup>Ibid.

<sup>19</sup>Jerome H. Skolnick, House of Cards, Boston: Little Brown and Co., 1978), p. 324.

casinos was in excess of 7 billion dollars.<sup>20</sup> Total gaming revenue including all forms was over 27 billion dollars in 1988. California, whose gaming is basically limited to the lottery, horse racing, and card rooms generated revenue of over 750 million dollars in 1988.<sup>21</sup> Revenue is available through gaming casinos. As Dr. William Thompson from the University of Nevada Las Vegas explained, casinos have been used as a unique and feasible economic revitalization tool and as a valuable revenue source in jurisdictions searching for "painless prosperity." He also realizes the added burdens of gambling, stating that these considerations must be accounted for before implementation of legalized gambling.<sup>22</sup>

Tom Watson discussed the toll gambling takes on society, the negative side of illegal bookmaking, why the states made a mistake getting involved in gambling, the role of organized crime in gambling, the role of the church in regard to gambling, and how gambling affects the work ethic. He concluded that these costs outweigh the potential revenue benefit of legalized gambling, especially in relation to the law enforcement function. He stated that police departments would be overwhelmed and unable to cope

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<sup>20</sup>Eugene Christiansen, "U.S. Gaming Win: \$28 B in '88," Gaming and Wagering Business, 15 August 1989, p. 1.

<sup>21</sup>California State Lottery, The Lottery and Public Education, (California State Printing Office, 1988).

<sup>22</sup>William N. Thompson Phd. and John Dombrink, The Last Report: Success and Failure in Campaigns for Casinos, (Las Vegas: University of Nevada Press, 1986), p. 2.

with the dramatic increase in crime and corruption brought on by gaming.<sup>23</sup>

Crime remains a major issue in casino gambling. Both the Final Report of the Casino Gambling Study Panel in 1979<sup>24</sup> and the Casino Gambling Update in Florida in 1986<sup>25</sup> detailed how street crime such as robbery, rape and homicide have continued to climb at disproportionate rates to the rest of the country. This can all be traced back to casino gambling and the wide-open lifestyles that casinos bring. Political corruption has also surfaced in these two gambling areas. Since gambling was introduced in Atlantic City, two mayors and 13 community leaders have either been implicated or indicted in bribery cases directly related to the casinos.<sup>26</sup> Nevada has not escaped this problem. Recently, a Reno police chief resigned after it was discovered that he had taken gratuities from local casino operators.<sup>27</sup>

Organized crime, however, remains the biggest worry in the legalization of casinos. This has been a historical problem ever since Bugsy Segal, a well known crime figure, opened the first

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<sup>23</sup> Tom Watson, Don't Bet On It, (Ventura: Regal Books, 1987), p. 52.

<sup>24</sup> State of New York, Final Report of the Casino Gambling Study Panel, (New York: Government Printing Office, 1979), p. 51-67.

<sup>25</sup> Florida Department of Law Enforcement, Casino Gambling Update, (Florida: Investigative Analysis Bureau, 1986), p. 1-5.

<sup>26</sup> "Trying To Keep the Mob Out of Atlantic City," St. Petersburg Times, 27 January 1986.

<sup>27</sup> Montana Board of Control, Gambling, (Montana: Board of Crime Control, 1973), p. 38.

casino in Nevada in 1931. Attempts to prohibit mob control in the gambling arena has been difficult. In 1983, 25 organized crime figures were implicated in receiving 1.2 million dollars in credit from an Atlantic City casino. In 1984, a former mayor was accused of conspiring with organized crime figures to arrange the sale of city property for a casino. As late as 1986, nine crime figures were indicted on RICO violations for money laundering in casinos in Atlantic City.<sup>28</sup>

While testifying before a 1985 President's Commission on Organized Crime, Frank Storey, Assistant Special Agent-in-Charge of the FBI's Organized Crime Unit in New York, made the following statement:

Regarding Atlantic City, the legalization of casino gambling in Atlantic City required the FBI to increase our agent resources in the area. Prior to the expansion of Atlantic City, the FBI had determined that within the state of New Jersey, eight crime families were represented.

With the legalization of casino gambling, the FBI has now determined that organized crime activities in the Atlantic City area are multi-state and multi-family in nature. The families influence extends to the construction of casinos, hotel service business, junket operations, restaurant employees, dealers, maids, and other ancillary services".<sup>29</sup>

Another example which shows organized crime's involvement was revealed in 1981 when the Pennsylvania Crime Commission linked 30 murders to mob efforts to control turf in Atlantic City.

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<sup>28</sup> "Trying To Keep the Mob Out of Atlantic City," St. Petersburg Times, 28 January 1986.

<sup>29</sup> Florida Department of Law Enforcement, Casino Gambling Update, (Florida: Investigative Analysis Bureau, 1986), p. 1.

Reflective of this concern, both Nevada and New Jersey spend a substantial amount of money each year to control the industry. In 1988, Nevada spent \$12 million and New Jersey spent \$42 million on these controls.<sup>30</sup>

John Rosecrance researched the social climate in which gambling has become a major legitimate leisure industry in the United States. He found that gambling can have a positive impact on law enforcement and a community if properly planned. He stated that in Nevada the revenue generated by gaming has benefited police departments by funding increased training and crime prevention programs.<sup>31</sup>

Issues which have been identified in the scanning process must be dealt with by a jurisdiction during the implementation of legalized casino gambling. Revenue is generated by legalized casino gambling; however, there is a price that must be paid. This "cost to society" is increased violent and nonviolent crime, a threat of organized crime's participation, and potential corruption of government officials. Critics of legalized casinos feel that this cost is too great. Proponents see a positive impact if revenue is earmarked to fund the law enforcement function in compensating for the cost.

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<sup>30</sup>William N Thompson, John Dombrink, The Last Resort: Success and Failure in Campaigns for Casinos (Las Vegas: University of Las Vegas, 1986), p. 249.

<sup>31</sup>John Rosecrance, Gambling Without Guilt, (Pacific Grove: Brooks/Cole Publishing Company, 1988), p. 157.

## INTERVIEWS

Structured interviews were conducted in person and by telephone with professionals having expertise in the gaming field. Persons interviewed included an assistant to a state Attorney General, casino officials from various states, a Nevada Gaming Board member, and various police officials from jurisdictions where casino gambling is legal (Appendix B). The six interview questions were related to the issue and the five sub-issues.

Two major areas of concern were covered in the interviews. First, crime issues were discussed in detail. Then revenue issues were explored along with various crime prevention programs.

Question #1 sought to determine if the state where the officials worked already had casinos or not, and if any were in the planning stages. In Ohio they do not have casinos at this time. However, the City of Lorain, Ohio, is in the planning and development stage for its first major casino. The city has been in economic decline since the American Shipbuilding Company closed in 1983 and cost the city 1,500 jobs. The attorney interviewed stated that this sparked initial interest in casinos. He predicted that the city will have a full-service casino should the public approve the initiative on the June 1990 ballot. He is assisting in the pro-casino campaign.

North Dakota has charity casino gambling limited to low stake blackjack, bingo, slot machines and pull tabs. The attorney interviewed stated this low-key method has been fairly successful to date.

New Jersey is one of two states in the U.S. having full service casinos. The casinos have virtually every imaginable game with the exception of sports betting. The casinos are open 18 hours a day, seven days a week. Atlantic City is the only city in the state which is allowed to have casinos. A police official stated that it does not appear that this will change.

Nevada is the other state with full casinos and sports betting. Gaming is allowed in every city in the state with the exception of Boulder City. Boulder City, by local option, does not allow gambling.

Legalized gambling in California is limited to horse racing, lottery, card rooms, and bingo. In the past, cities like Lakeport, Cabazon and Adelanto have proposed casinos in their jurisdictions. However, none of these proposals have been successful.

Montana is a pro-gambling state. One official stated that studies by the Montana Crime Commission have shown that gaming is favored by the majority of the state's population, and it does not appear that it would have a negative impact on the state. At this time, poker machines and keno machines are legal along with various card games. It is likely that gaming casinos will become legal in Montana.

Arizona does not allow casinos. However, a police official said they do have a group of citizens strongly advocating casino gaming. At the present time, a petition is being circulated to put the issue of casinos on the ballot.

This group of experts encompass a wide range of experiences with legalized gambling and provide prevalent views concerning the issues involved.

#### CRIME ISSUES

Question #2 concerned the increase in violent and non-violent crimes in cities that had or were proposing casinos. In Lorain, Ohio, the attorney assisting in the development of the local casino did not feel that there would be a significant increase in crime. It was observed, however, that the city already has a high unemployment rate and several downtown businesses have closed. Should a sharp drop in unemployment and a revitalization of the downtown area not occur with the opening of the casino, it appeared that the area would attract an undesirable element. A local minister who opposes the casino was interviewed, and he was extremely concerned about an increase in crime.

In North Dakota, the attorney contacted did not know of any rise in crime associated with gaming. Observation of the gaming casino showed that most were on a small scale and located within well-maintained hotels. He also stated that the harsh weather in the state did not attract many gamblers from outside localities.

New Jersey has had the most negative experience from the impact of legalized gaming. In interviewing a police official, it was learned that calls for service have doubled since the casinos first opened. The police department has had to increase its budget 336 percent from 1977 to 1985. The eleven casinos generate 1,000

additional crimes per unit per year. The state spends \$59 million in policing the casinos.

Nevada has experienced an increase as well. According to a Nevada police chief, crime is definitely on the rise, and he stated that much of the crime could be directly related to casinos. The fast-action, twenty-four-hour-a-day lifestyle brings with it a large criminal element. He stated that actual crime statistics show that Las Vegas has one of the highest crime rates in the nation.

At the present time, California has no casinos, so crime rate comparisons were not available.

Since Montana began its limited gaming, it has shown no real increase in crime. The member of the Crime Commission interviewed did say that, in a recent Gallup Poll, residents felt that crime might increase with casinos. Much like North Dakota, population and weather play a key role. The state has a small population and harsh winters. Observations of the limited gaming showed that most gaming takes place in various types of cocktail lounges.

Arizona has its limited gaming in cocktail lounges as well. The state police official interviewed could place no estimate on the increase in crime. He felt that should casinos open, crime would be sure to increase sharply. He stated that Arizona has already had a major population increase and a corresponding rise in crime.

After concluding the interviews on violent and nonviolent crime, it appeared obvious that crime is a major issue in legalized

gaming. With this in mind, question three asked if the jurisdictions had special crime prevention programs and, if so, were they funded by the casinos.

Lorain, Ohio, is attempting to develop crime prevention programs to combat the possible crime increase impacted by legalized gaming casinos. The official said that a percentage of revenue will come from the casinos for crime prevention programs. Crime prevention programs are in the developmental stages. No specifics were available for discussion.

Revenue from gambling in North Dakota benefits charity and funds crime prevention programs. One of the charities benefiting from gaming is the Safety Prevention Council. The attorney said that the Council does get revenue from casinos to fund crime prevention programs. The programs are not tailored specifically to the prevention of gaming-related crimes.

In Atlantic City, the police official revealed that crime prevention programs have been the responsibility of the police department. The police department receives no direct funding for crime prevention from the casinos. He felt that better dialogue was needed between the police officials and casino managers in the area of crime prevention. Unique programs dealing with prevention, he said, would be welcomed by the police department.

Nevada, in the past, has handled crime prevention in much the same way as most states according to one police official interviewed. They use Crime Stoppers, Neighborhood Watch, and other basic programs. In talking to several Nevada officials, they

unanimously agreed that the state should develop programs that would impact casino-related crime problems. Financing these programs remains a major stumbling block, and casinos have not been willing to fund these types of programs.

The Montana Crime Commission official interviewed is very concerned with crime prevention. Although it has not been proposed as yet, the cost of crime prevention may be passed on to the casino owners. He stated that there would be operational costs of maintaining gaming casinos in Montana.

The state police official in Arizona liked the idea of gaming-related crime prevention programs but thought it should be up to local jurisdictions to form and regulate their own crime prevention programs. Passing the costs on to casino owners would be a negotiable item.

A related crime issue is that of organized crime. The fourth question presented was "Have you or do you expect to see an increase in organized crime activity if casinos are legalized in your jurisdiction"?

During the interview in Lorain, the attorney did not seem overly concerned that organized crime might be attracted to the city, reasoning that only one casino would be built. This would allow for stricter controls. However, Cleveland, which in the past has been identified as having a major organized crime family, is less than 50 miles away. Opponents to the casino point this out, saying they believe that organized crime should be a major concern.

North Dakota has experienced no organized crime problems according to sources there. The official stated that some instances of profit skimming were uncovered, but these incidents were local in nature and involved no organized crime. Thus, he did not feel it was a problem.

In New Jersey, organized crime has been involved in the casino business since its inception. The police spokesman interviewed commented on this fact and stated that most of the involvement by organized crime has been in the service industry. By this he meant workers within the casino, rather than actual ownership of casinos by organized crime.

The police chief interviewed in Nevada said that organized crime has been involved in the purchase of numerous Nevada casinos in the past. He believes the state has removed most of the organized criminal element from gambling, as the casinos and regulators have worked many years to eliminate this problem.

A Department of Justice spokesman in California expressed concern that crime families would be lured into the state if casinos were legalized. Casinos would bring in such large amounts of cash that organized crime would try to infiltrate the gaming industry.

Persons interviewed in both Montana and Arizona expressed concern that organized crime would be an issue if fully operating casinos were built within their states. At this time, neither felt that crime families had moved into their states.

During the interviews, the fifth question asked if the state has a specific gaming commission which regulates gambling.

The attorney in Lorain explained that a commission-type regulating group would be developed through the Attorney General's Office. The actual structure of the commission has not been specified as yet.

North Dakota controls its gaming through the Attorney General's Office. It has an audit unit that is reportedly understaffed. The state also has an enforcement unit. Since gaming proceeds go to charity, the need has not existed for a large gaming-control unit. Because gaming will increase, the gaming-control unit will also increase in number of employees for staffing as well as enforcing regulations.

New Jersey has a major gaming unit. It has a Casino Control Commission to hear and decide on license applications. This unit also conducts hearings pertaining to civil violations, to collect license fees, and to police casino operations. The state also has a Division of Gaming Enforcement which is an agency within the Attorney General's Office. It investigates all applicants for licenses. Licensing a casino in Atlantic City is expensive. A nonrefundable \$1 million application fee is required.

Nevada developed a tripartite structure to control gaming in the state. One of these, the Nevada Gaming Commission, makes licensing decisions, develops and enacts gaming regulations, and initiates judicial proceedings for violations of regulations under the Gaming Control Act. The Gaming Control Board is the

investigation and enforcement branch of the state in gaming issues. Its main function is to conduct background investigations and make licensing recommendations to the Gaming Commission. The third group is the Gaming Policy Committee. This is an advisory group only.

According to a Department of Justice official, California features separate regulatory agencies for each of the three major forms of legalized gaming in the state. The California Horse Racing Board, which governs parimutuel wagering on horses, the California Department of Justice Gaming Registration Unit which oversees locally approved card clubs, and the California Lottery Commission, which runs the state lottery. During the interview, I was told of a move to abolish all three agencies and consolidate their operations within a single California gaming commission consisting of five, full-time gubernatorial appointees, serving five-year staggered terms. This has not been completed as yet.

Montana has a gaming control division that is regulated by the State Department of Justice. Staffed by 30 employees, the gaming division consists of enforcement, investigation and taxation. Most of Montana's gaming is poker and keno machines. No more than 20 are allowed in any one location. It has been recommended that the state form a separate Montana State Gaming Commission.

Most of the gaming is unregulated in Arizona. However, officials in Arizona are in the process of developing a commission. At this time, gaming is controlled by the Criminal Investigations

Bureau within the Arizona Department of Public Safety.

Research indicates that commissions vary from state to state. Each seems to work well. It appears that most use the Nevada model as a basis for forming regulations, policies and units for enforcement.

The sixth and final question was asked to determine if any of the revenue generated is dedicated to the law enforcement function.

In Ohio when gaming is developed, a percentage of revenue is to be allocated to enforcement of gaming. No money has been specifically earmarked for the Lorain Police Department.<sup>32</sup> However, the new tax revenue generated would allow more money to be given to the police through the general fund.

North Dakota has much the same process. Money is given to the state through taxation and passed back to the cities through revenue sharing.

The Atlantic City Police Department receives no direct funding from the gaming industry.<sup>33</sup> The main source of funding for the police department is revenue raised by property taxes. The city does have some unique funding methods. Since it has been unable to meet every request for coverage using on-duty personnel, vendors such as gaming establishments may contract with the city for a per

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<sup>32</sup>Based on personal interview between Lorain attorney Anthony Giardini and the writer, August 22, 1989.

<sup>33</sup>Based on personal correspondence between the Chief of Police, Atlantic City New Jersey, and the writer, 1988.

hour fee which includes a 30 percent administrative cost to provide off-duty personnel for an extended tour of duty.

North Dakota cities do not receive direct revenue from casinos for police services. Except for licensing fees, all revenue goes to charity. A monthly percentage tax is collected at a rate of 3 percent to 5 3/4 percent. The state also charges a 10 percent entertainment tax on food, beverages and admissions. In 1986, of the \$250 million collected, \$220.4 million went into the general fund, \$16.9 million to schools, \$10.5 million to the university system, and \$2.2 million back to the counties. One casino was run by the Bismarck Safety Council which appeared to have law enforcement connections. This is one way police departments can raise funds.

In California, gaming revenue, with the exception of the lottery, is deposited into the general fund. Card room gaming returned \$493 thousand to the general fund while horse racing returned \$242 million in 1988. The lottery returns its profits to public education. In 1988, \$504 million was returned to schools.

In Montana, the state receives some gaming tax revenue. Local jurisdictions have the right to impose a fee on card games and video games. Currently, Montana is in the process of revising its fee structure.

Arizona officials stated that most of the gaming revenue received goes into the state's general fund.

The interviews show that states have done a minimal amount of planning prior to the introduction of gaming. States have learned

that a "trial and error" approach to gaming is ineffective in handling the negative impact on the environment. Many of the problems that now exist could have been avoided if appropriate pre-planning measures had been developed and implemented.

Overall findings of those interviewed showed that violent and nonviolent crime increased with the legalization of gambling. This was coupled with a moderate increase in organized crime. These increases, however, were partially offset by an increase in revenue generated by a larger tax base for the police function. Those interviewed felt that this increase was not enough to aid in their attempts to deal with problems generated by legalized gambling. The idea of a crime-prevention program related to gambling appealed to everyone interviewed.

An additional finding was that those interviewed felt that a strong state gaming commission was necessary to manage the gaming and integrate it with law enforcement and other governmental agencies to ensure a smooth operation. The most popular model was the Nevada model, which has been chosen by these jurisdictions as a workable one that addresses many of the issues.

TABLE 1 PRESENTS A SUMMARY OF THE INTERVIEW DATA

QUESTION	1 LEGAL CASINO GAMBLING	2 INCREASE CRIME	3 C.P. PRO- GRAMS	4 INCREASE IN ORG. CRIME	5 STATE GAMING COMM.	6 INCREASE POLICE REVENUE
STATE						
OHIO	NO	YES	NO	NO	NO	YES
NO. DAKOTA	YES	NO	NO	NO	NO	YES
NEW JERSEY	YES	YES	NO	YES	YES	YES
NEVADA	YES	YES	NO	YES	YES	YES
CALIFORNIA	NO	YES	NO	NO	NO	YES
MONTANA	NO	YES	NO	YES	NO	YES
ARIZONA	NO	YES	NO	NO	NO	YES

### FORECASTING PROCESS

**Nominal Group Technique.** A Nominal Group Technique (NGT) panel was conducted with participation by various professionals. Each person either had knowledge of gaming, law enforcement, or finance (Appendix C). This group selected and forecasted five trends and five events which have relevance to the issue, using standard Nominal Group Technique. A cross-impact analysis was conducted and three futures scenarios were developed using the information developed during the NGT process.

Prior to the actual Nominal Group meeting, each person within the group was sent a packet of background information explaining how the process works. The four subissues previously stated were given to the group to assist them in forming a general direction of thought prior to the meeting. The group was briefed on research to date and an overview of issues.

The group developed 25 trends that they felt had the greatest relevance to the issue of legalized gambling (Appendix D). The process included voting for the trends that had the most relevance to the issue. After the first vote, the list was reduced to 10 trends. Further discussion on the merits of each trend was successful in reducing the final list to the five following trends.

1. The level of violent and nonviolent crime. Criminal activity will change with the legalization of gaming. Violent crimes such as murder, robbery and rape, and nonviolent crimes such as extortion, loansharking, and prostitution will vary.

2. The level of revenue generated from gambling. Revenue is generated which makes legalized gambling a source of income for law enforcement.

3. The level of police training. Training of personnel and specialized police units will be changed in order to deal effectively with gambling-related crime.

4. Crime prevention programs. Crime-prevention programs will take effective measures to avoid, repel, or counteract the crime threat.

5. The level of organized crime. Organized crime's function in gambling will be impacted by the legalization of casino gaming.

The group evaluated these selected trends. The group rated the trends according to their states five years ago and what their states will be in five years and ten years from now. The median of the group response was used. This trend analysis is shown in Table 2.

TABLE 2 TREND EVALUATION

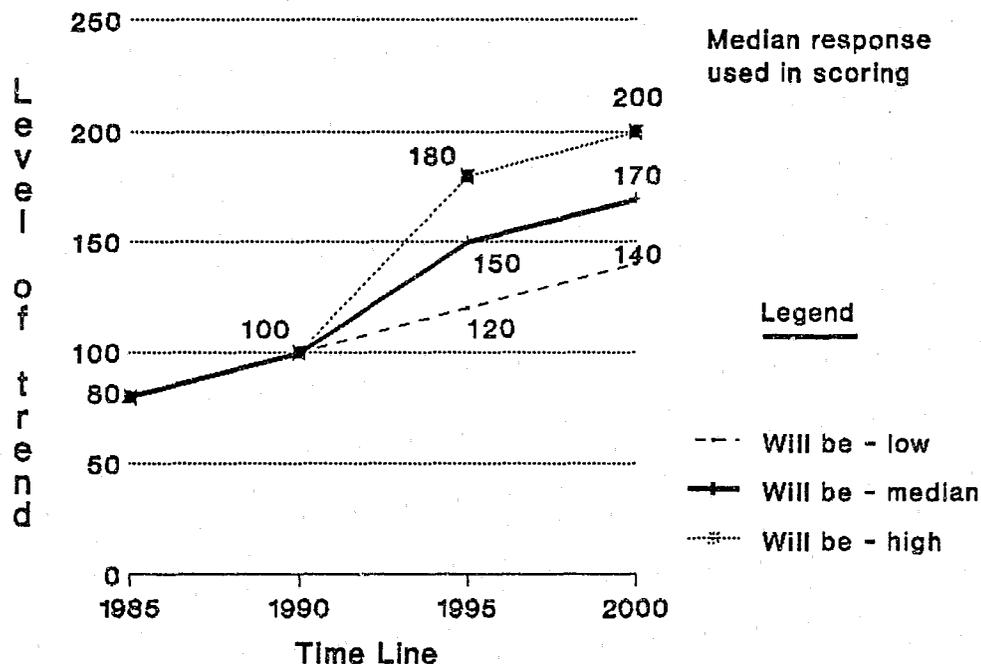
TREND STATEMENT		LEVEL OF THE TREND (Ratio Today = 100)			
		5 YEARS AGO	TODAY	5 YEARS FROM NOW	10 YEARS FROM NOW
LEVEL OF VIOLENT AND NON-VIOLENT CRIMES' EFFECT ON LOCAL LAW ENFORCEMENT	T-1	80	100	150	170
LEVEL OF REVENUE GENERATED FROM GAMBLING TO FUND THE LAW ENFORCEMENT FUNCTION	T-2	80	100	140	190
LEVEL OF POLICE TRAINING	T-3	60	100	180	190
LEVEL OF CRIME PREVENTION PROGRAMS	T-4	70	100	110	130
LEVEL OF ORGANIZED CRIME AND ITS EFFECT ON LOCAL LAW ENFORCEMENT	T-5	50	100	170	190

MEDIAN RESPONSE OF NGT PANEL USED FOR SCORING

Trend 1: The Level of Violent and Nonviolent Crime. When gambling is legalized in California, the consensus of the panel was that both the violent and non-violent crime levels will increase resulting in an expanded need for police services. One member felt that the crime rate increase would not be as high (140 Low Estimate) because of possible new advances in crime prevention and detection programs. Another disagreed and projected that crime would increase at today's accelerated rate (200 High Estimate) due to the extensive population increase and the crime rate proportional increase. The group expressed concerns about increases in robberies, burglaries, drug abuse, and juvenile delinquency offenses because of the unstable environment and sociological factors brought by legalized gambling. The range difference in this trend was moderate, but the group felt that

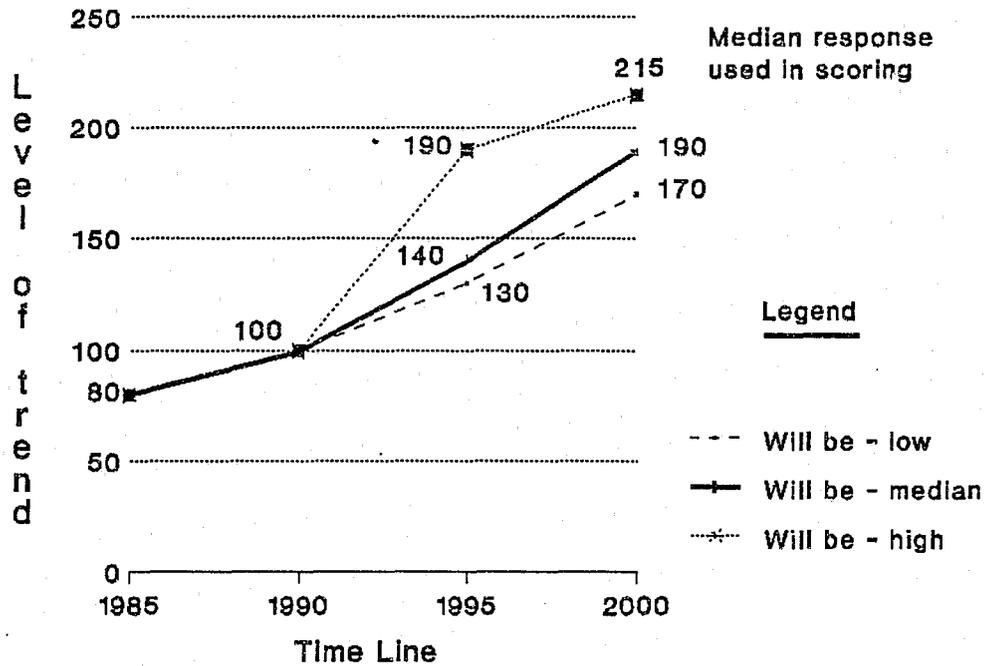
although some intervention into this problem could result in a lowering of this trend, it was not viewed as likely to be less significant in the future than it is today.

CHART 1 THE LEVEL OF VIOLENT AND NONVIOLENT CRIME



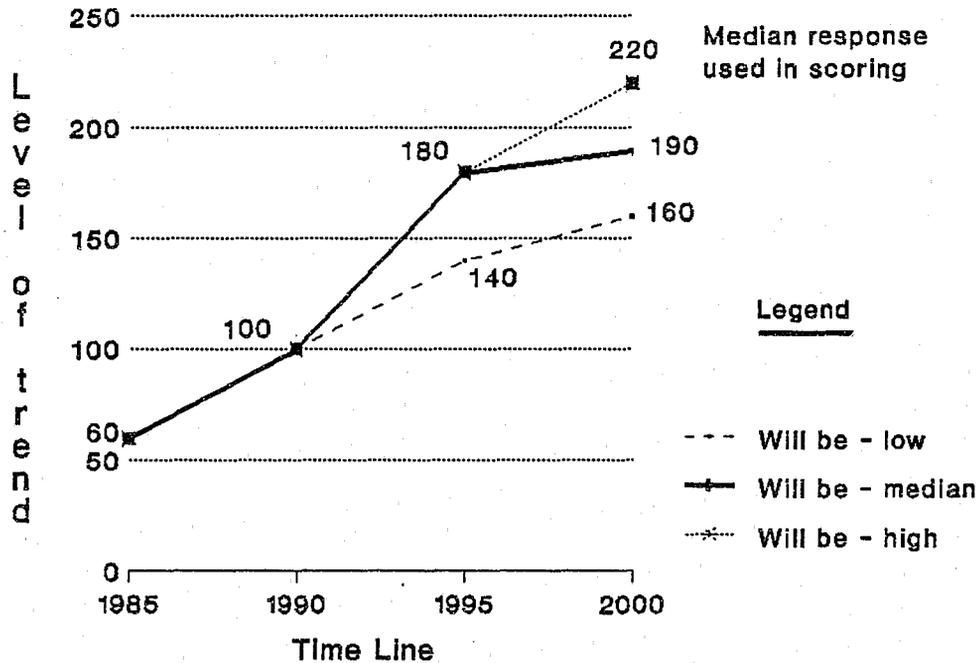
Trend 2: The Level of Revenue Generated From Gambling. The general consensus of the panel was that the revenue generated from gambling to fund the law enforcement function would increase over the next 10 years. The High Estimate of 215 was justified by a member because Atlantic City had gained more revenue than Las Vegas during its first 10 years due to the novelty factor. On the other hand, the Low Estimate of 170 was due to a member's contention that Las Vegas and Reno would still draw a significant number of gamblers from California. The group also felt that this revenue would be critical in offsetting the additional calls for service due to the crime increases predicted in Trend 1.

CHART 2 THE LEVEL OF REVENUE GENERATED FROM GAMBLING



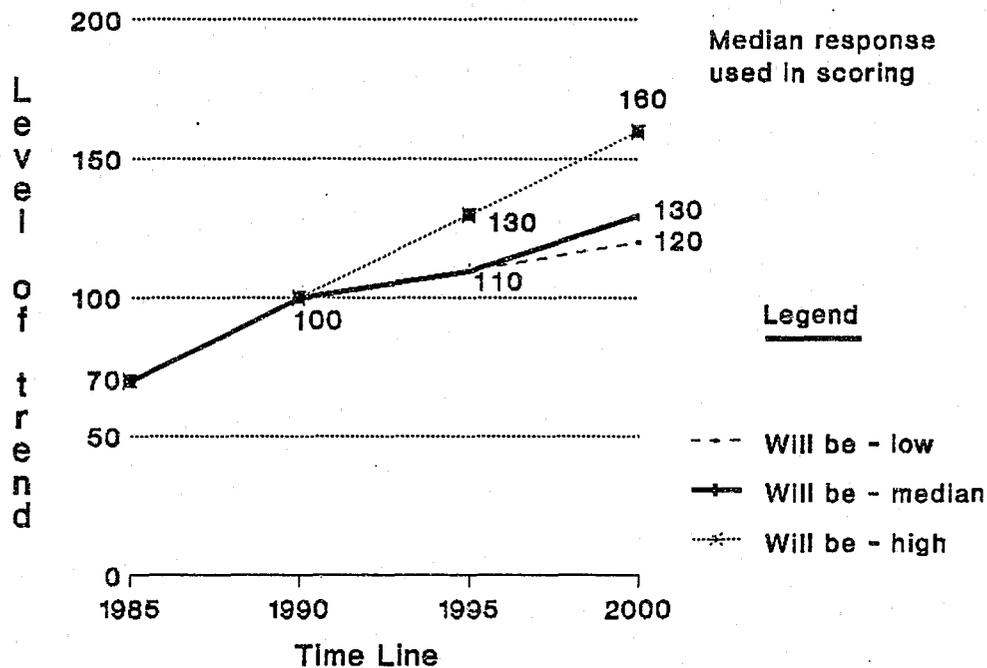
Trend 3: The Level of Police Training. For the past five years, California has been mandating more and more required training for police officers. The entire panel felt that because of this, the level of police training would increase specifically due to increased calls for service (Trend 1) and the unique nature of gaming-related crime. One member, a college instructor, predicted a higher need for training through education than did the other panel members (220 High Estimate). The Low Estimate of 160 was an opinion of a police official who felt that education and training is already excessive and might possibly increase at a slower rate. Several panel members indicated that gambling-related subject matter would have to be added to the mandated training the officers already receive.

CHART 3 THE LEVEL OF POLICE TRAINING



Trend 4: Crime-Prevention Programs. Taking into consideration Trend 1, the consensus of the group was that the level of crime-prevention programs would increase and become critical over the next 10 years. Those members from police organizations felt that crime-prevention programs would increase only moderately (Low Estimate 120), while the civilian members of the panel felt that this need was greater (High Estimate 160) because the public would demand it. All members agreed that these programs would need to specifically deal with gambling-related crimes. Panel members expressed caution in their predictions due to their estimates of the level of revenue generated to fund the law enforcement function (Trend 2). If the funding levels do not reach expected levels, Crime-Prevention Programs may be reduced.

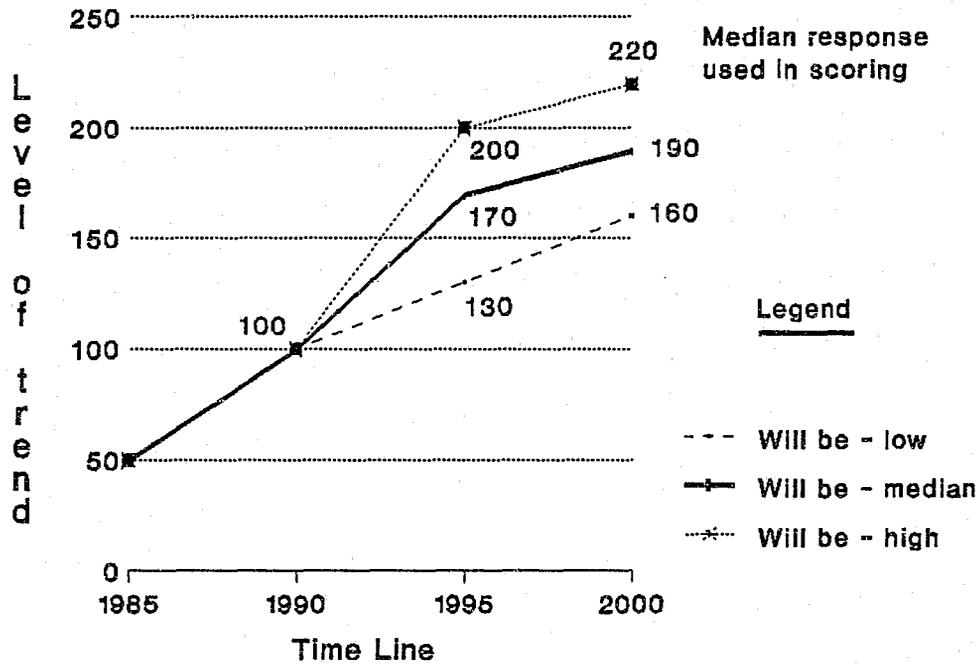
CHART 4 THE LEVEL OF CRIME-PREVENTION PROGRAMS



Trend 5: The Level of Organized Crime. The consensus of the panel was that organized crime would have an ever-increasing influence on the level of law enforcement when casino gambling was legalized. This was reflected in the moderate to high estimates of the group. As a whole, they based this prediction on the FBI's account of organized crime's involvement in casinos from five years ago to today. They forecast that over the next 10 years organized crime would not only increase but infiltrate the police departments in the possible form of payoffs and favoritism as happened in Atlantic City. The Low Estimate of 160 was predicted by a city administrator who felt that California is less susceptible geographically to organized crime. The High Estimate of 220 came from police officials who felt that the big money generated by organized crime would greatly influence the gaming industry. One

member speculated that law enforcement agencies may need to develop intelligence units within their departments to deal with this activity, thus affecting Trend 3, the level of police training.

CHART 5 THE LEVEL OF ORGANIZED CRIME



EVENT FORECASTING

Following the trend development, the group continued to formulate a list of possible events. Events were defined to the group as unique or one-time occurrences that could alter the course of the selected trends and the issue. The following five events came from a list of 25 generated by the group and shown in Appendix E. 1.) California passes a victimless crime law. 2.) Indian reservations in California legalize wide-open gambling. 3.) POST mandates training in gaming-related crimes. 4.) Crime-prevention programs receive apportionment from gaming revenue. 5.) State

gaming commission formed. The group forecast which year the event would first exceed zero, the probability of the event occurring five years from today, and the probability of its occurrence 10 years from today.

**TABLE 3** EVENT EVALUATION

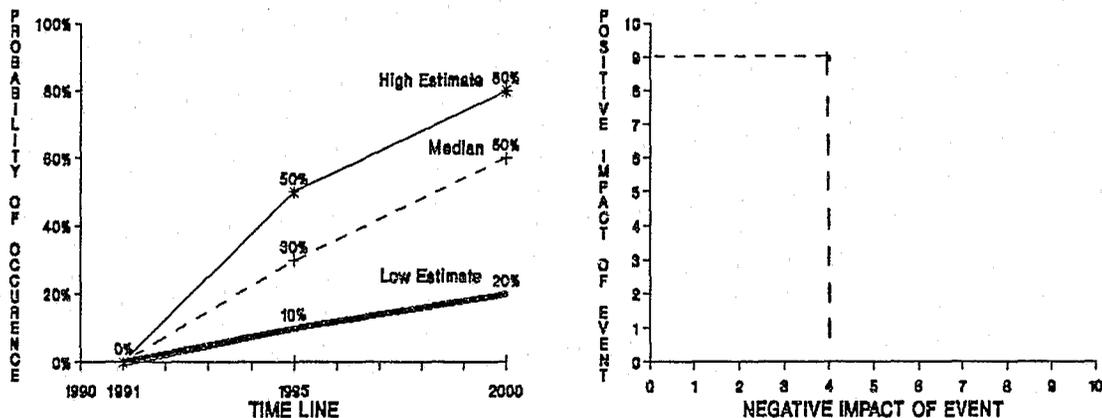
EVENT STATEMENT	PROBABILITY			IMPACT ON ISSUE AREA IF THE EVENT OCCURRED	
	YEAR THAT PROBABILITY FIRST EXCEEDS ZERO	FIVE YEARS FROM NOW (0 - 100)	TEN YEARS FROM NOW (0 - 100)	POSITIVE	NEGATIVE
E-1 CALIFORNIA PASSES A VICTIMLESS CRIME LAW	1991	30	60	9	4
E-2 INDIAN RESERVATIONS IN CALIFORNIA LEGALIZE WIDE-OPEN GAMBLING	1991	40	80	6	8
E-3 POST MANDATES TRAINING IN GAMING RELATED CRIMES	1991	60	80	7	4
E-4 CRIME PREVENTION PROGRAMS RECEIVE APPORTIONMENT OF GAMBLING REVENUE	1991	70	90	8	3
E-5 STATE GAMING COMMISSION FORMED	1991	60	80	10	5

MEDIAN RESPONSE USED FOR SCORING

Event 1: California Passes a Victimless Crime Law. Much of today's crimes are considered "victimless," yet there would be no crime if the act does not affect any other individual. The panel expressed a wide range of opinion on the probability of Event 1 occurring before 2000 (from 20 to 80 percent), with the majority of the panel members believing there was a 60 percent (moderate) probability of occurrence by 2000. The group concluded that this passage would give law enforcement agencies more manpower and

monies to deal with violent crime, thus having an overall positive impact (+9) on law enforcement. On the other hand, the panel felt that this event would also have a -4 impact on the neighborhoods most affected by victimless crimes, such as low income areas. It was projected by the group that this event may first occur in 1990. The probability of it occurring in five years is 30 percent, in 10 years, 60 percent.

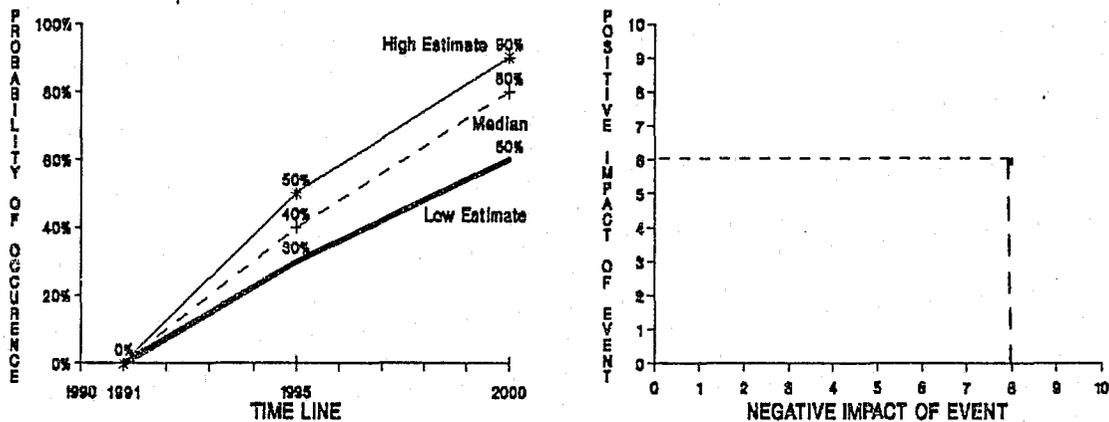
CHART 6 CALIFORNIA PASSES A VICTIMLESS CRIME LAW



Event 2: Indian Reservations in California Legalize Wide-Open Gambling. Event 2 is seen as an event with a Median Estimate of occurring by 1995 of 40 percent. It continues to rise to an 80 percent probability by the year 2000. The panel felt that if this event occurred, California's gambling revenue would be reduced by

the amount taken in by these Indian gambling establishments. This would possibly include lost revenue of local, state, and federal taxes, as Indian Reservations are exempt from paying these taxes. As a consequence, this event would have a negative impact (-8) on the issue. However, a positive impact of (+6) was predicted based on the increased tourism to the state. It was projected that this event may first occur in 1990.

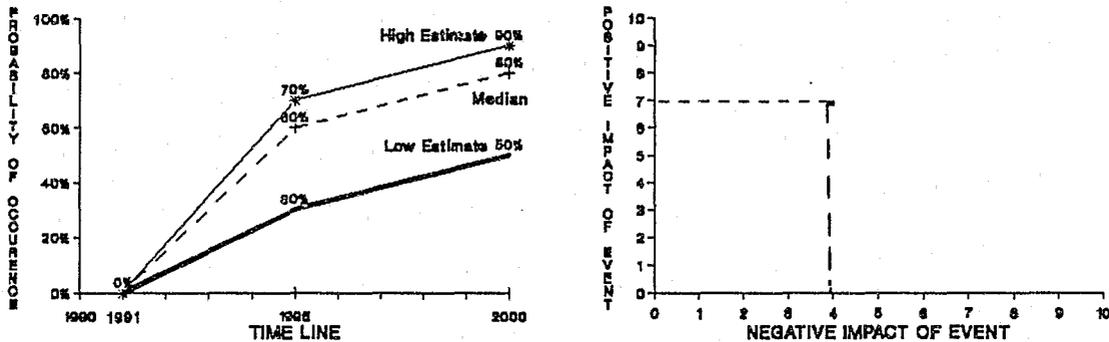
**CHART 7** INDIAN RESERVATIONS IN CALIFORNIA LEGALIZE GAMBLING



Event 3: POST Mandates Training in Gaming-Related Crimes. Event 3 is seen as an event that may first occur in 1990. Its probability of occurring in five years is 60 percent. By the year 2000, it has an 80 percent (Median Estimate) probability of occurring. The High Estimate (90 percent) assumed that the state continues to pay for local training. The Low Estimate (50 percent)

Event 3: POST Mandates Training in Gaming-Related Crimes. Event 3 is seen as an event that may first occur in 1990. Its probability of occurring in five years is 60 percent. By the year 2000, it has an 80 percent (Median Estimate) probability of occurring. The High Estimate (90 percent) assumed that the state continues to pay for local training. The Low Estimate (50 percent) was based on the assumption that the police departments would have to pay for their training. The group acknowledged that POST already offers courses in gaming, and thus when gambling is legalized, they felt that POST would mandate an increased and more specific level of training. The group realized it has been a practice to update POST training as the need arises and agreed it would have a more positive than negative impact on the issue. The positive impact (+7) is based on the fact that a better-trained police force is better equipped to deal with gambling. The negative impact (-4) is due to the time lost while officers are in training.

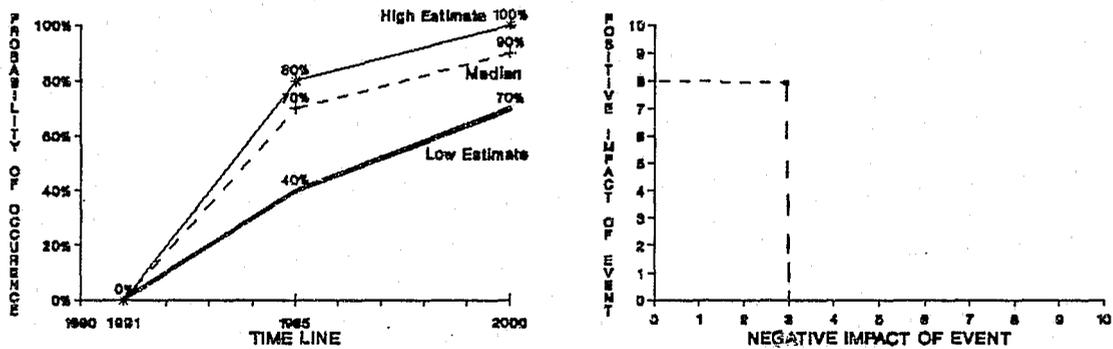
CHART 8 POST MANDATES TRAINING IN GAMING-RELATED CRIMES



Event 4: Crime Prevention Programs Receive Apportionment from Gambling Revenue. There was little disparity of opinion on the probability of crime-prevention programs receiving an apportionment from gambling revenue occurring before 2000 (from 70 to 90 percent). The majority of panel members believed there was a 90 percent (Median Estimate) probability of occurrence by 2000 and that this event may first occur in 1990. Crime-prevention programs have been proven to deter crime. Therefore, the panel felt that the police department would need to adequately fund these programs in order to keep pace with the anticipated increased crime rate. Several members pointed out that the amount of funding would need to remain steady and not fluctuate much from year to year. It was

also unanimously agreed that the effect of crime prevention programs on the issue would be a positive one (+8) due to these factors. A negative impact of the event (-3) would possibly be the result of ignoring funding needs in other areas.

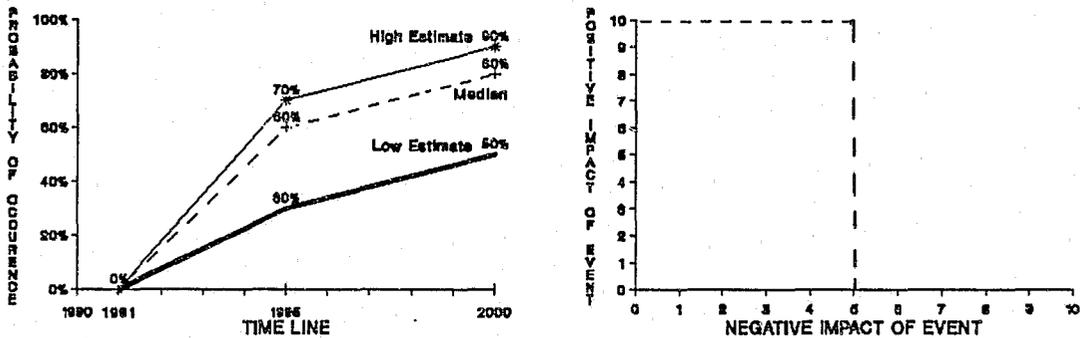
**CHART 9** CRIME-PREVENTION PROGRAMS RECEIVE APPORTIONMENT FROM GAMBLING REVENUE



Event 5: State Gaming Commission Formed. There was a wider range of opinion on the probability of a state gaming commission being formed before 2000 (50 to 90 percent). The panel projected that this event would first occur in 1990, and the probability of it occurring in five years is 60 percent. The Median Estimate was 80 percent probability of occurrence by 2000. The panel realized that without a state gaming commission, each local jurisdiction would regulate gambling on its own. Over 10 years, they felt that this

would lead to chaos on both levels of government. The Low Estimate (50 percent) was due to the fact that California already has three independent gaming boards. Consolidating them would be a difficult task as each of the three agencies would not be willing to give up their control. The High Estimate (90 percent) was projected because the panel felt government is attempting to streamline itself by consolidation. Thus, the panel predicted that a state gaming commission would have a positive impact (+10) on law enforcement by having a single integrated gaming commission, which would mean consistent policies with everyone playing under the same rules.

CHART 10 STATE GAMING COMMISSION FORMED



## CROSS-IMPACT ANALYSIS

The cross-impact matrix (Table 4) was constructed after consensus by the Nominal Group. The matrix indicates the interaction between events, and the interaction between the events and each trend.

Each event is considered to have happened. Their probable impact affecting each of the other four events and the final five trends is scored. The events which impact the highest number of events and trends are considered the "actor" events. The events and trends that have the highest totals of hits in the columns are considered "reactors." They are affected by the occurrence or nonoccurrence of the "actor" events.

Three events can be considered "actor events." The first (E3) had an effect on four events and four trends. Another event (E4) had an effect on three events and three trends. The last actor event (E5) had an effect on four events and two trends. "Reactors" included Event 1, California passes a victimless crime law, Event 3, POST mandates training in gaming related crimes and Event 5, a state gaming commission is formed. Trends 1, the level of violent and nonviolent crime, Trend 3, the level of police training, Trend 4, the level of crime prevention programs, and Trend 5, the level of organized crime were all "reactors."

All of the "actor" events can be looked at for policy consideration. Along with these, the "reactors" should also be used for this purpose. Actor Events E3, E4 and E5 are strongly indicated for policy consideration because they have the highest

score based on the event evaluation process. These three have an 80 percent or greater chance of occurring by the year 2000. They all have positive impact scores of 7 or greater. Reactor events E1, E3, E5, T1, T3, T4 and T5 could have a significant impact on policy as well and should be considered.

**TABLE 4 CROSS-IMPACT EVALUATION**

Suppose that this Event actually occurred.....

		How would the probability of the events shown below be affected?					How would the level of these trends be affected?				
		REACTOR		REACTOR		REACTOR			REACTOR	REACTOR	REACTOR
		E-1	E-2	E-3	E-4	E-5	T-1	T-2	T-3	T-4	T-5
Actor	E 1		---	+10	---	---	+10	---	+20	-10	---
	E 2	---		---	---	+20	---	-20	---	---	+10
Actor	E 3	+30	+10		+20	+30	+20	---	+30	+10	+10
Actor	E 4	+20	---	+20		+10	-20	---	+10	+30	---
Actor	E 5	+20	+10	+20	+10		---	+10	---	---	+20

- E-1 California passes a victimless crime law
- E-2 Indian reservations legalize gambling
- E-3 POST mandates training in gambling related crimes
- E-4 Crime prevention programs receive funding
- E-5 State gaming commission formed

- T-1 Level of violent and non-violent crime
- T-2 Level of revenue generated
- T-3 Level of police training
- T-4 Level of crime prevention programs
- T-5 Level of organized crime

MEDIAN RESPONSES USED FOR SCORING

**SCENARIOS**

Scenario writing is a method used to describe in some detail events and trends that could lead to the envisioned future. Nobody can accurately predict the future, but the observations made by the Nominal Group can be used as a starting point.

The hypothetical consists of the "what if" scenario. It is written by manipulating elements of the data base but does so in an impartial manner. The normative consists of a "desired and attainable" scenario. This is a future that can be achieved. The scenario suggests that by anticipating and forecasting the future, policies and procedures can be implemented that will change the direction and outcomes of forces currently in motion to ensure a desired future. The nominal mode seeks to discover and describe the future evolution of current forces in motion. It is "surprise free," permitting new events, trends, and policies, but only if their presence would not be surprising.

The literature review and interviews have shown that the projected rise in crime, corruption and organized crime are major issues. The revenue generated by legalized gambling seems to be substantial, but is it adequate to compensate for these added burdens to law enforcement? By taking these major factors and the projected trends and events of the Nominal Group, three scenarios were developed.

In Scenario 1, the revenue did not meet expectations and crime skyrocketed. In Scenario 2, a more positive outcome occurred. In Scenario 3, a successful program of legalized gambling was obtained.

#### **SCENARIO 1: HYPOTHETICAL (WORST CASE)**

Scenario 1 was constructed using factors from the literature, interviews, and trends and events. Areas addressed are revenue

generation for law enforcement, the lack of gaming-related police training programs, increases in violent and nonviolent crimes as well as organized crime, the ramifications of Indian gaming, the necessity of a gaming commission for control and regulation, and the possibility of wide-open gambling.

On November 2, 1990, by a state-wide voter referendum, casino gambling in Chrichelle, California, was legalized. The first casino opened in May 1991. The city of Chrichelle was chosen for a model for legalized gambling by the state in an effort to revitalize a city that had long been in decline. City hall and the Chamber of Commerce had persuaded state officials that the private investment by casino operators would benefit the city in many ways. Business owners were supportive of the measure to bring back the former booming tourist industry.

The Chrichelle Police Department also supported the measure even though it would receive no direct funding from gaming. The police department anticipated a wider tax base that would generate new revenue and help the department prosper. The State Police had agreed to develop police training relating to gaming issues when promised a percentage of gambling revenue.

As the year 2000 approaches, however, business leaders, city officials, and residents have not reaped the benefits promised by the legalization of casino gambling in their fair city. No one anticipated the increase in the rate of violent and nonviolent crime within the first two years. Street crimes increased 27 percent, larcenies 40 percent and vehicle thefts 38 percent. In

1991, the police department had logged 5,738 crimes. By 1993 that number had reached 14,901.

The level of revenue generated by gambling never met expectations. By 1994, two of the 11 casinos first authorized by the state had closed and a third had suffered deep financial problems. Casino owners blamed part of the loss of revenue on the opening of an Indian casino on federal land, that pays no taxes and draws off much of their trade.

The specialized training of law enforcement officers to deal with gambling-related crime was not forthcoming. The State Police were never given adequate funding to present these programs when promises of revenue were retracted, and this state-mandated training was not financially feasible.

The FBI entered the scene in 1998 to investigate allegations of corruption within the police department and city hall. Two past mayors and numerous other city workers have been indicted and some jailed in a so-called "selling city hall to the mafia" case. Twenty-five known organized crime figures had also been implicated in receiving \$1.2 million in casino credit.

Thus, instead of prospering from the legalization of gambling, Chrichelle is stricken with new forms of crime that law enforcement agencies are inadequately trained to handle. The badly needed revenue was not forthcoming, and the increase in the crime rate and the participation of organized crime has left little time and funding to offset the negative impact of legalized gambling.

## SCENARIO 2: NORMATIVE

Scenario 2 was formulated using concepts from the literature, interviews, and trends and events. Areas addressed in this "surprise-free scenario" are gaming-related revenue generation, the formation of crime prevention programs to offset the increases in violent and nonviolent crime as well as organized crime, and the institution of gaming-related police training.

By the year 2000, the City of Douglas has realized some of the benefits proposed when the legalization of casino gambling in their city was successfully implemented after a state-approved, city-wide referendum in 1995. Their success was attributed to the casinos being run by charity organizations. In this way, direct revenue benefited the charity as well as the Douglas Police Department. Prior to instituting legalized casino gambling in the city, a major research project was conducted by Douglas Police Department to determine the positive and negative effects of gambling on the city in order to avoid the pitfalls that other jurisdictions and their law enforcement agencies had experienced.

A major crime prevention program to deter violent and nonviolent crime was instituted as recommended by this study in early 1996. This foresight kept the crime rate from drastically increasing. The rate in 1995 was 4,234 reported crime; the rate in 1997 was 5,664, a steady and acceptable increase.

In mid-1996, a State Gaming Commission was formed to regulate the city's casinos and to train local police officers in gaming-

related enforcement. This measure was successful in ensuring that corruption and organized crime did not gain a foothold in the city.

All in all, the City of Douglas' police department has benefited marginally from the legalization of casino gambling. Charity gaming has never had the lure of wide-open Las Vegas-style casino gambling.

### **SCENARIO 3: NOMINAL**

Scenario 3 was developed using components from the literature, interviews, and trends and events. Areas addressed are increased revenues due to gambling, prevention of organized crime infiltration, gaming-related training for police, the use of crime prevention programs to counteract the increases in crime, and the formation of a state gaming commission for regulation of gaming.

The City of Lorrio was determined to make their model a success. For years, the city had been losing its main source of employment: the steel industry. United States Steel had once employed about 70 percent of the population. In recent years, however, the work force had been reduced to about 10 percent of the population, with more layoffs expected in the future.

This economic disaster had a devastating effect on the overall economy of the city. The Lorrio Police Department had been hit hard as well. The police chief had decided that the time was right to propose a pet project of his: the legalization of casino gaming with a major apportionment of the revenue being earmarked for the police department. Armed with a superb California POST Command

College project, he went before the city manager. After reading the project and discussing it with the police chief, the city manager felt comfortable with the proposal and set out to discuss it with the city council. The council, like most political bodies, was a bit apprehensive about going along with the proposal. After all, everyone knows that organized crime runs casinos. After being shown many new research studies, the council was convinced that this, in fact, was not true. Casino operators were also contacted and were willing to discuss any areas in which the city needed more information. After considering all the evidence, the council agreed to the proposal. It was then placed on a ballot.

The actual proposal would give 10 percent of the casino profits to the Lorrio Police Department. The city would benefit from the added property tax base and the tourist dollars that would be generated. Overall, it did not appear that the city could lose.

The chief had done his homework. He was not naive about the issue. He knew that crime would increase and the local citizens would be affected. He had planned for this by anticipating that specialized training would be necessary to prepare his men for a future which included casinos and the crimes associated with them. He had also developed new crime-prevention programs that would directly relate to these emerging crime issues. Even with his foresight and planning, the chief knew it would be difficult to successfully incorporate casino gaming in his city, but he was optimistic. The final decision, though, would be made by the voting public. The chief felt confident that by preparing both

the community and his department in this proactive approach, the measure had a good chance of passing.

#### **SUMMARY**

Scenario 1 was chosen for further study in this project. In Scenario 1, the police department was only able to react to the problems brought about by legalized gambling. This "worse case" scenario can be avoided if gambling is dealt with in a proactive manner with specific programs and policies to ensure its successful implementation. In Part II and Part III, this approach will be specified and played out in the City of Chrichelle.

## PART II

### THE DEVELOPMENT AND IMPLEMENTATION OF A STRATEGIC MANAGEMENT PLAN TO ASSIST CALIFORNIA LAW ENFORCEMENT IN SUCCESSFULLY DIRECTING THE LEGALIZATION OF CASINO GAMING

The second objective of this research project is to build a strategic management plan to ensure that Scenario 1, hypothetical (worst case) does not occur. This plan will be implemented in the City of Chrichelle following California's legalization of casino gambling.

A proactive approach by the Chrichelle Police Department is critical to achieving a successful revenue-generating, revitalized city mode. The strategic plan will be implemented prior to the start up of the casinos. The police department will do this by bringing together city administration, county administration, labor unions, the general public, and other interest groups. Each will identify the supporters, the issues that trouble them, and the arguments that can be used to sway them so that a coordinated city-wide effort will be achieved.

During this process, the plan will be evaluated for its strengths and weaknesses, policy considerations, and the structure of the implementation process. It will take the trends and events and data developed in the interviews and scanning of literature and project how legalized casino gambling will impact law enforcement. The result will be a strategic plan, including stakeholder identification and analysis, policy considerations, a mission statement, and implementation plan for the police department that

will allow for a successful implementation of casino gaming into the community.

#### WOTS UP ANALYSIS

The "WOTS/UP" analysis was used to assess the internal capability of the police department to adjust to the legalization of casinos. The analysis also identified and analyzed stakeholders who would become involved.

Using Scenario 1 from the forecasting process, the following assessment was made using the City of Chrichelle, which has a council/administrator form of government. The main purpose in using this form of city government is that it is the most common in California and often has direct control over the police department. The assessment determined the Weaknesses, Opportunities, Threats, and Strengths along with the underlying plan of a law enforcement program to implement casino gambling. A select group from a police department was chosen to assist in the analysis. The members included the chief of police, a lieutenant, two sergeants, and various line personnel.

WEAKNESSES The police department's financial base is very limited. Based on expectations by the city management, this trend will continue into the future. The city offers little financial encouragement for patrol officers to stay. Low pay, lack of benefits, and lack of promotional opportunities have caused a high degree of turnover in the patrol ranks.

Since the department has lacked resources, specific units such as those specializing in street crime, organized crime, and property crime have had to be reduced. This will greatly limit the department's effectiveness in reacting to these special types of problems. In addition, no one on the department has knowledge of the gaming industry. Since casinos are new to California, it is a learning experience for both patrol and management.

OPPORTUNITIES The new revenue coming into the police department from the casinos will help the department overcome many of its financial obstacles. These funds will buy equipment and supplies as well as capital improvements and additional manpower. It will also give the department the opportunity to pay its current officers a better wage in order to reduce the high turnover rate. This will enhance the morale and encourage the officers to attain a higher skill level.

New levels of training specific to gambling will be developed. This training will be flexible enough to accommodate new problems arising from gaming that cannot be foreseen at the time of implementation.

THREATS Internal threats to the department will most likely occur in the area of police corruption. Atlantic City faced this problem shortly after legalizing casino gaming. Like the drug trade, gambling involves big money and an opportunity to make a "fast buck." Given the opportunity to become wealthy is often too great a temptation to low-paid civil servants.

Another threat may come from opposition by the local religious community. Open communication between these religious groups and the police department will help reduce this threat.

STRENGTHS The department has had a stable and moderately educated management team. They are open to change and eager for the challenges casinos will bring. The department enjoys a good working relationship with other city departments and the community as a whole. Management staff also believes that this new revenue for the police department and the new opportunities for the officers will help cut the high turnover rate of patrol officers due to low pay and lack of benefits.

#### **CAPABILITY ANALYSIS**

The law enforcement personnel from the group study were given two forms to rate the capability of the police department. This process was used to obtain an unbiased assessment of the organization's strengths and weaknesses. The survey analyzed important functional categories such as manpower, equipment, skills and others shown on Tables 5 and 6. The following are the results of the survey using the panel's median for scoring purposes.

TABLE 5 CAPABILITY ANALYSIS - RATING ONE

- I. Superior. Better than anyone else.
- II. Better than average. Suitable performance. No problems.
- III. Average. Acceptable. Equal to competition. Not good, not bad.
- IV. Problems here. Not as good as it should be. Deteriorating. Must be improved.
- V. Real cause for concern. Situation bad. Crisis. Must take action.

CATEGORY:	I	II	III	IV	V
Manpower	---	---	<u>X</u>	---	---
Technology	---	---	---	<u>X</u>	---
Equipment	---	---	---	<u>X</u>	---
Facility	---	---	---	<u>X</u>	---
Money	---	---	---	---	<u>X</u>
Calls for Service	---	---	<u>X</u>	---	---
Supplies	---	---	---	<u>X</u>	---
Management Skills	---	<u>X</u>	---	---	---
P.O. Skills	---	<u>X</u>	---	---	---
Supervisory Skills	---	<u>X</u>	---	---	---
Training	---	<u>X</u>	---	---	---
Attitudes	---	---	<u>X</u>	---	---
Image	---	<u>X</u>	---	---	---
Council Support	---	---	<u>X</u>	---	---
City Mgr. Support	---	<u>X</u>	---	---	---
Mgt. Flexibility	---	<u>X</u>	---	---	---
Pay Scale	---	---	---	---	<u>X</u>
Benefits	---	---	---	---	<u>X</u>
Turnover	---	---	---	---	<u>X</u>
Community Support	---	<u>X</u>	---	---	---
Morale	---	<u>X</u>	---	---	---

TABLE 6 CAPABILITY ANALYSIS - RATING TWO

- I. Custodial Rejects Change
- II. Production Adapts to Minor Changes
- III. Marketing Seeks Familiar Change
- IV. Strategic Seeks Related Change
- V. Flexible Seeks Novel Change

CATEGORY:	I	II	III	IV	V
TOP MANAGERS:					
Mentality/Personality	—	—	—	<u>X</u>	—
Skills/Talents	—	—	—	<u>X</u>	—
Knowledge/Education	—	—	<u>X</u>	—	—
ORGANIZATIONAL CLIMATE:					
Rewards/Incentives	—	<u>X</u>	—	—	—
Power Structure	—	—	<u>X</u>	—	—
ORGANIZATION COMPETENCE:					
Structure	—	—	<u>X</u>	—	—
Resources	—	<u>X</u>	—	—	—
Middle Management	—	—	—	<u>X</u>	—
Line Personnel	—	—	<u>X</u>	—	—

ORGANIZATIONAL STRENGTHS It was the opinion of the group that the department has strong management skills. Managers are well trained and capable. They were perceived as flexible and progressive in seeking change toward improvement of the department. Police officers were well trained and able to adapt to the skills required to conduct various tasks. Training is readily available and fully taken by the officers. City council support has been an

important plus for the department as well. The only limitations the group saw were due to lack of resources.

The mentality personality of the department has been to seek change. The departments skill/talents are strategic and flexible. Knowledge/education has always been an important factor in the department.

ORGANIZATIONAL WEAKNESSES It was the overall opinion of the group that the department is lacking in manpower, equipment, money and supplies. These can be directly attributed to the lack of revenue generated by the city. Money is not available to meet the demands for the growing number of calls for service. The pay scale for patrol officers is below the desirable level. Morale suffers with the low pay and ever-increasing work load.

The department has sought ways to give rewards/incentives but has been unsuccessful because of lack of revenue. The police department does seek change in this area and is still attempting to encourage higher morale through incentives such as education and training.

#### **STAKEHOLDER ANALYSIS**

A list of stakeholders relating to the strategic issue was generated by the same group which completed the "WOTS-UP" analysis. Stakeholders are individuals and groups or organizations who 1.) are impacted by the issue, 2.) are able to impact the issue, or 3.) are concerned about the issue. Within this list is a "snaildarter," a seemingly insignificant stakeholder who has the

ability to drastically impact the issue. The following are results of the analysis.

#### STAKEHOLDERS

*Religious Groups	**County Sheriff
Tourists	Board of Supervisors
*City Council	District Attorney
*City Administrator	Public Works
Police Association	*Chief of Police
Private Security	School System
Jails/Prisons	*Labor Unions
Mental Health Professionals	*Environmentalist
Attorneys	Banks
Community Residents	Cocktail Lounge Owners
*Casino Owners	Elderly
Courts	*Police Officers
Private Industry	Criminals
Business Community	*Chamber of Commerce
*Native Americans	*FBI Representative
*State Attorney General	
* Selected Stakeholders	**Snaildarter

Only 13 of the most important stakeholders were chosen by the group for further study.

1. Religious Groups. Reaction by these groups to casino gambling will be cautious for the most part. They will be weighing the moral issues with the economic issues. Religious leaders will have to be convinced that the effect on community values will be positive and, more specifically, that the police department can handle any increase in crime due to the casino factor.

2. City Council. The city council is the most powerful political entity in the city. This group consists of the mayor and four city councilmen. The council is convinced that gaming

will be advantageous to the city, and this support will have a major impact on gaming's success.

The council is well aware of the police department's budgetary woes, and it is convinced that gaming will financially benefit the department directly. The council will also want to give the public an opportunity to voice their opinion and to assure the community that their concerns will be addressed.

3. City Administrator. The city administrator has supported the legalization of casinos from the idea's conception. He/she sees this move as a great financial asset to the city. Since a major portion of the revenue generated by gaming will go directly to the police department, the administrator sees that this will benefit all departments, as funds previously going to the police may now be re-routed to other deficit areas. Since the city council values his/her opinions, his/her alliance will be beneficial in the implementation plan.

4. Casino Operators. Casino operators have a major stake in the implementation process as they will be generating revenue for the city and, specifically, the police department. Past performance by these operators will be researched with only the "cleanest" operations allowed to operate. These casinos will play a key role in selling the idea of trouble-free gambling to the entire community. If gaming is to succeed, the casino operators must work closely with the police department.

5. County Sheriff, (Snaildarter). The sheriff will indirectly be a major stakeholder in the outcome of gaming. The sheriff has

no control over what goes on in the city but must deal with the spillover effects of population including its proportionate crime and any other effects brought on by legalized gambling. He gains no additional revenue and can see no benefits for himself or his department, only added calls for service. A concentrated effort by the police chief will be launched to obtain the sheriff's support.

6. Chief of Police. The chief of police will be responsible for the successful implementation of casinos in the city. He/she will have to be concerned with all aspects of the plan and continually ensure that all stakeholders remain supportive.

7. Labor Unions. Historically, the gaming business has been very prounion. Unions will be supportive of these new employment opportunities for their members. However, in the past, labor unions have been strongly associated with organized crime. The police department will have to work closely with the unions to ensure the community of the unions' integrity and support.

8. Environmentalist. This group is interested in making sure that the quality of life changes very little, if any, in their city. These environmentalists will have to be assured by the police department that gaming is in the best interest of the community, and that the influx of people, vehicles, and crime can be dealt with effectively.

9. Police Officers. With this new source of revenue, police officers' demands for increased pay and benefits can be met. It is likely that they will also have some concerns in the area of

training, staffing levels, and increases in crime. The police chief and POST Command College have already addressed these issues and will be supportive of the officers.

10. Chamber of Commerce. The Chamber of Commerce is excited about this opportunity to revitalize their city. They intend to coordinate their efforts with the police departments in order to retain the city's positive image.

11. Native Americans. With the passing of the 1989 Federal Gaming Act, native Americans can form gaming casinos on their reservations under certain circumstances. This group could be in direct competition for a limited amount of gaming dollars. Their support will be sought to convince them that the city's plan is beneficial and to work in unison rather than against the local effort to bring in casinos.

12. FBI Representative. The local FBI would be consulted on organized crime issues. They have proved in the past to be a valuable intelligence-gathering force. Their support would show the public that an effort is being made to protect the police department from organized crime influence.

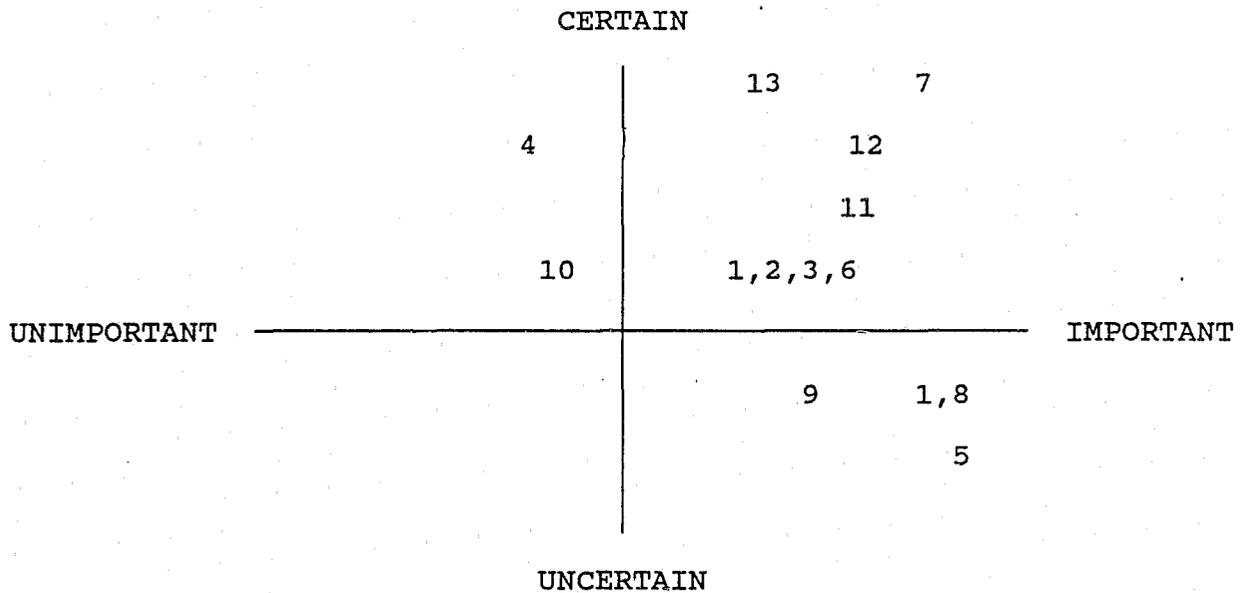
13. State Attorney General. The State Attorney General has not been overly supportive of localized gaming. Adding his involvement may bring support. Currently, gaming is regulated out of the Attorney General's Office. Their support and expertise may assist in the formation of a state gaming commission.

## STRATEGIC ASSUMPTION SURFACING TECHNIQUE

The following table used the Strategic Assumption Surfacing Technique (SAST) to examine each stakeholder in relation to the issue. In Table 7, certain assumptions of stakeholders are plotted according to two criteria. The first is the stakeholder's assumed importance to the police department and the issue. The second is the degree of certainty that the assumption is, in fact, correct. The SAST shows the importance of stakeholders to the issue and how much effort must be directed towards each stakeholder.

The most important stakeholders having the most certainty are the chief of police and the city administrator. They play key roles in both the strategic and transition plans. Labor unions and the city council are also key to the plan. Support and cooperation must be developed with the stakeholders to ensure success.

**TABLE 7 STRATEGIC ASSUMPTION SURFACING TABLE**



**Stakeholders**

- |                       |                         |
|-----------------------|-------------------------|
| 1. City Council       | 8. Environmentalist     |
| 2. Religious Groups   | 9. Police Officers      |
| 3. City Administrator | 10. Chamber of Commerce |
| 4. Casino Operators   | 11. Native Americans    |
| 5. County Sheriff     | 12. FBI                 |
| 6. Chief of Police    | 13. Attorney General    |
| 7. Labor Unions       |                         |

**MODIFIED POLICY DELPHI**

Using various ranks of police personnel from the department designated in the case study, a Modified Policy Delphi process was used to generate strategic alternative approaches to the policy issues to determine the feasibility and desirability for each alternative and to reduce the number of alternatives to a manageable number (Appendix F).

The Delphi Panel chose six policy alternatives that were examined and rated based on feasibility and desirability.

#### POLICY ALTERNATIVES

1. Develop Clear Mission Statement. Prior to the implementation of gaming, the police department must develop a clear mission statement. This will provide direction for the department to proceed, as well as informing the public of what the police department will be doing once the casinos are developed. Input will also be received from the community specifying what they expect from the police department. This process will eliminate any so called "surprises." Both the Macro-mission statement that are basic to the organization and the Micro-mission statements that relate to the future of the department will be developed.

2. Develop Police Training Programs. It is apparent that the police department does not have knowledge of casino gaming and its impact on the community. Several in-house programs will be developed that will provide officers with the knowledge to handle any new situations that will develop. Each police division will be given technical training to effectively carry out their function. Training will include instruction in casino management, personnel control, organized crime, internal security, and other related issues. By having a well-trained force, the casinos and police department can begin operations with a desirable working relationship.

3. Reduce Noncriminal Police Services. Services not related to the police function will be reduced or eliminated. These current police functions will be handled by nonsworn personnel to allow officers to perform only police-related activities. Functions routinely handled by sworn officers such as report writing on property crimes, vehicle abatement, and noninjury accident reports will be delegated to civilian personnel. The police department's main function will be the control of violent crime.

4. Develop Command Staff Committee. This committee will be developed to form a liaison between the state and the police department in the implementation of gaming policies. In order to successfully implement gambling, the police department will have to work with various state agencies who in the past have regulated the current limited gaming industry. Many enforcement statutes are regulated by the Attorney General's Office, Lottery Commission, and the Horse Racing Board. Additionally, this committee will ensure a close working relationship with federal authorities to impede the development of organized crime. This committee will recognize the relative inexperience the department has in the gaming field and use the available resources that exist in various agencies.

5. Survey Agencies With Legalized Casinos. Making contact with police agencies in states that already have casino gaming can save time and effort in developing policies and procedures that will prove successful. This survey will also provide useful information on problems that other states have had and the methods

used to solve them. In addition, these agencies will provide an important networking organization within the gaming community.

6. Develop Cooperation Between City Government and the Police Department. The police department will make sure that all service providers within the city are kept aware of the issues that will involve casino gaming. Information will be shared throughout the city to allow everyone concerned to have a stake in the outcome of gaming. Elimination of the so called "rumor mill" will provide for a more realistic chance of continued success.

After developing the list of policy alternatives, the members of the Delphi group used a rating sheet to determine the feasibility and desirability of each policy alternative. The scores were averaged to produce the two highest scoring (Policy 1 and 2) alternatives and one alternative (Policy 3) that was the most polarized (widest diversity of scores).

The three alternatives and their "pro" and "con" discussions are presented as follows:

Policy 1. Developing A Clear Mission Statement was rated as both feasible and desirable. This alternative received the highest rating. It was favored because it establishes goals and objectives for the police department. It will provide direction for the department as well as informing the public of the capabilities of the department with the introduction of gaming casinos.

PROS

1. Defines area of operation.
2. Ensures consistency.

CONS

1. Limits flexibility.
2. Idealistic.

3. Builds foundation for decisions.

4. Builds commitment.

Policy 2. Developing Police Training Programs received the second highest rating and was also rated as feasible and desirable.

It was felt that this was feasible noting POST's willingness to tailor its training to the existing and future needs of the department. It was desirable to make the department more efficient with well-trained officers.

PROS

1. Reduced liability.
2. Enables officers to better understand gaming related crimes and issues.
3. Increased enforcement.
4. Safer casino environment.

CONS

1. Higher training costs.
2. Duplication of existing programs.
3. Reduced manpower while officers are being trained.

Policy 3. Reducing Noncriminal Police Service was the most polarized alternative, being rated as desirable but possibly not feasible. Rated as desirable, this alternative had the widest range of scores.

This alternative was selected because it would allow the department to use its officers in the most cost-effective manner. The streamlined services would make the department more efficient in handling gaming-related crimes. It did not seem feasible that the public would agree with this alternative.

PROS

1. Immediate cost savings.
2. More efficient use of officers.
3. Dedicate more officers to gaming crimes.
4. Concentrate on organized crime.

CONS

1. Public resistance.
2. Not a solution to the problem.

**ALTERNATIVE SELECTION**

All three alternatives were selected for implementation. This would involve the development of a mission statement, reduction of noncriminal police services, and the development of police training programs.

These policies were selected because they best address the issue. A clear mission statement will provide the necessary direction. Law enforcement has an ongoing training process. Adding gaming issues would be a natural continuation. The reduction of noncriminal police services would provide for a more cost-effective use of the department's police officers.

Implementing these alternatives would reduce many of the costs brought about by casinos. This plan would be amended to meet the changing needs of the community.

## MISSION STATEMENTS

The mission of an organization provides purpose, direction and measurement for determining the success of the organization. A mission statement will define the area of operation, communicate inside and outside the organization, express values, set a foundation for strategies and decisions, guide behavior, build commitment, and ensure consistency. The Macro-mission statement defines the basic mission of the organization while the Micro-mission statement directs the mission of the organization in relation to the issue being addressed.

### MACRO MISSION

Crime Prevention. To provide for the protection of lives and property of the citizens, and to provide a safe and healthy community in which to live.

Crime Control. To minimize criminal activity.

Services. To maximize the level and quality of police service to the community.

Administration. To provide sound, economical, and efficient law enforcement services.

### MICRO MISSION

To ensure the safety and security of citizens.

To maximize crime prevention.

To minimize the opportunity to commit crimes.

To promote a healthy business climate.

To explore new sources of revenue.

## IMPLEMENTATION PLAN

For successful implementation of the strategic plan, it is important that stakeholders support the policy along with the course of action and the planning phase. This is accomplished through negotiations.

The stakeholders will be willing to negotiate on some points but not on others. Each will be approached with tactics to obtain the desired results. The following is an analysis of the negotiations.

## STAKEHOLDER NEGOTIATION

Religious Groups. The support of the religious groups will involve convincing them of the propriety of gaming casinos in the city. Gaming will provide the police department with much needed revenue to keep the city an attractive place to live. They must realize that it has been legalized, and their support will allow them input.

Religious leaders will negotiate on the following:

1. Funding for specific police services.
2. Implementation of the program.
3. The level of participation of religious groups in developing crime prevention programs.

Religious groups will not negotiate on the following:

1. Strict control by the police department on casinos.
2. Funding crime-prevention programs.
3. Reduction of police services.

City Council. Since the council controls the police department, their support is essential. They are influenced by the voters who legalized gaming.

The city council will negotiate on the following:

1. The resources needed to start gaming.
2. Level of participation of the council in the implementation plan.

The council will not negotiate on the following:

1. Private control of the police function.
2. A nonharmonious police/casino relationship.
3. Reduction of training.

City Administrator. The support of the city administrator is as important as the support of the city council. The city administrator is also sensitive to the issue's success or failure. If casino gambling is unsuccessful, it could have a negative effect on his/her position as administrator.

The Administrator will negotiate on the following:

1. Use of new revenue.
2. Delivery of service to casinos.
3. Training needs.
4. Addition of sworn and nonsworn personnel.

The Administrator will not negotiate on the following:

1. Any program that would reflect negatively on the city/department.
2. Reduction of police services.
3. Reduction of community crime prevention programs.

Casino Operators. The casino operators concern is to make gaming both desirable to the community as well as profitable. They will have a substantial "voice" in the future of casinos. Support will be given as long as conditions do not restrict their internal control.

The casino operators will negotiate on the following:

1. Duties and responsibilities of law enforcement in dealing with the criminal element in gaming.
2. Share of the revenue given to the police department.
3. Implementation of gaming.

The casino operators will not negotiate on the following:

1. Legislation by the city or state that would have a negative impact on the operation of the casinos.
2. Interference by the police department on the internal workings of the casinos.

County Sheriff. The sheriff is likely to oppose the concept of casinos within the city. The sheriff will support efforts aimed at increasing county revenue.

The sheriff will negotiate on the following:

1. Programs that would provide significant additional revenue to the Sheriff's Department.
2. Implementation of the program.
3. How much direct service the Sheriff's Department will provide to the casinos.

The Sheriff will not negotiate on the following:

1. Programs that will increase the department's budget with no increase in revenue.
2. Loss of tax base to city.

Chief of Police. Without the support of the chief, the development of the casinos would not have taken place.

The chief will negotiate on the following:

1. Civilianization of certain aspects of the police department.
2. Implementation of new community/police programs.
3. The implementation of training.

The chief will not negotiate on the following:

1. Any reduction of personnel or revenue.
2. Private control of police services.
3. Strict law enforcement control of the casinos.

Labor Unions. Labor unions will support the addition of new jobs to the city. They would oppose the use of nonunion personnel in the casinos.

The unions will negotiate on the following:

1. Implementation of gaming.
2. Wages and benefits.
3. How much direct service the union will provide.

The unions will not negotiate on the following:

1. The hiring of nonunion workers.
2. Programs that increase work load without compensation.

Environmentalist. This stakeholder group has major concerns for the environment. They will support new revenue to the city if it does not cause a deterioration of the environment.

Environmentalists will negotiate on the following:

1. The implementation of the plan.
2. Programs that make the community safer.
3. Increased funding sources for the police department.

Environmentalists will not negotiate on the following:

1. Reduction of clean air standards.
2. Construction of ecologically sensitive areas.

Police Officers. This stakeholder group shares concerns similar to the chief's. They may resist efforts to increase their workload without compensation. They will want clear guidelines on the direction of the department with the implementation of casinos.

Police officers will negotiate on the following:

1. The policies and procedures in dealing with the casinos.
2. The amount of time dedicated to casinos once operational.
3. Small increases of workload during initial start-up without compensation.

Police officers will not negotiate on the following:

1. Increase in safety risk.
2. Lack of training.
3. More than small workload increases without compensation.
4. Private security to control the casinos.

Chamber of Commerce. The chamber will actively support the police department's efforts to successfully implement gambling. It will benefit the chamber in terms of membership and attract tourism.

The chamber will negotiate on the following:

1. The number of casinos in the city.
2. The amount of gaming revenue dedicated to law enforcement.

The chamber will not negotiate on the following:

1. Placing casinos outside the city limits.
2. Reduction in crime-prevention programs.
3. Reduction of essential police services.

Native Americans. This group will be in direct competition with the city if and when they open casinos on the reservation.

The native Americans will negotiate on the following:

1. The implementation of gaming.
2. The hiring of native Americans in the casinos.
3. The splitting of revenue.

The Native Americans will not negotiate on the following:

1. Loss of self rule.
2. Regulation by the state of their gaming.
3. Their right to develop their own casinos.

FBI. This group is concerned about organized crime in gaming. Their expertise in these matters will assist the city.

The FBI will negotiate on the following:

1. Implementation of gaming.

2. Regulations controlling gaming.
3. Assisting in the training needs.

The FBI will not negotiate on the following:

1. Interference with its investigations.
2. Organized crime influence.
3. Federal gaming regulations.

Attorney General. His/her office is a very valuable asset to the city. The support of the Attorney General will be looked upon favorably by other police departments.

The Attorney General will negotiate on the following:

1. Training of personnel.
2. Location of casinos.
3. Types of games allowed.

The Attorney General will not negotiate on the following:

1. A share of the revenue.
2. Strict regulation.
3. Its role as chief law officer in the state.

#### **SUMMARY**

It is important to develop a strategy for negotiating with the stakeholders for the successful implementation of the plan. Dictating solutions should be avoided whenever possible. When a group consensus is reached by personally involving all the stakeholders, success is likely.

As far as the problem has been discussed, the future has been defined, and the strategic plan has been developed. The next step

is to develop a transition management plan to move from the present to the desired future.

### PART III

#### THE DEVELOPMENT OF A PLAN TO SUCCESSFULLY MANAGE THE TRANSITION TO LEGALIZE CASINO GAMING AND ITS IMPACT UPON LAW ENFORCEMENT

The purpose of Part III, transition management, is the movement of an organization from its present state to the desired future state. It is designed to ensure smooth transition into the desired future and proper policy implementation. Determining the major tasks involved in the transition period, and determining the structures and management mechanisms vital to accomplishment of these tasks are critical in the transition stage.

#### COMMITMENT PLANNING

Commitment of persons critical to the change effort is essential. In order for successful implementation of casinos in Chrichelle, the Chrichelle Police Department must be committed to the change. Should the level of commitment within the organization pose a problem to the successful implementation of the plan, different approaches will be taken to move players to the required level of commitment.

The steps in developing a commitment plan consists of identifying individuals or groups whose commitment to the plan is necessary. These individuals are the "critical mass". Their commitment is needed to ensure success of the change. A plan will be developed to gain the commitment of the critical mass, and a system to monitor the progress in this area will also be developed.

## CRITICAL MASS

To successfully implement the plan, the "critical mass" must be identified. They are defined as persons closely affected by the change. There are six key players in this plan, each of whom have a stake in its future. These individuals, whose active commitment is considered essential to the success of the proposed course of action, are identified as: -

1. Chief of Police
2. City Council
3. City Administrator
4. County Sheriff
5. Police Officers
6. Labor Unions

Assumptions were assigned to each actor identifying their present position on the proposed change. A commitment planning table which was used indicates each player's present position (X) based on their assumed commitment to change (Table 8). It also reflects the minimum commitment (0) necessary for the change to occur. An arrow designates the direction of change required to get the necessary commitment. There are four levels of commitment: "Block Change"; "Let Change Happen"; "Help Change Happen"; and "Make Change Happen".

TABLE 7 COMMITMENT PLANNING

ACTORS IN CRITICAL MASS	TYPE OF COMMITMENT			
	BLOCK CHANGE	LET CHANGE HAPPEN	HELP CHANGE HAPPEN	MAKE CHANGE HAPPEN
CHIEF OF POLICE				XO
CITY COUNCIL			XO	
CITY ADMINISTRATOR			X-----	----->O
COUNTY SHERIFF	X---	----->O		
POLICE OFFICERS		X-----	-----	----->O
LABOR UNIONS				XO

X - INITIAL (CURRENT) COMMITMENT TO PLAN  
 O - MINIMUM LEVEL OF COMMITMENT REQUIRED FOR SUCCESSFUL IMPLEMENTATION OF PLAN

Chief of Police: The success or failure of policies and procedures of the police department are the responsibility of the Chief of Police. The Chief has expressed his support of casinos in Chrichelle. By his proactive stance, he will "make change happen." He is willing to publicly state the advantages of casinos. To make sure the plan is successful, he will use strategies to "sell" the casino plan to other key actors.

The Chief will assist in developing the hours of operation, manpower allocation and fees charged the casinos for services rendered. He will also develop policies and procedures on the level of enforcement action by his police officers.

City Council: The City Council is the most powerful local political entity. The city has a highly educated and very astute

level of leadership. The Council has studied the plan and has seen its fiscal rewards. It has determined it will actually lose nothing by the casinos being developed in the city. Casinos would have a positive financial impact on the entire community. Their level of commitment is to "help it happen."

The Council will negotiate with the companies that will develop the casinos, agree on the percentage of revenue given to the police department and location of the casinos. The city will study the needs of additional police personnel, increase wages and benefits to attract and retain the best possible officers.

City Administrator: The City Administrator is important in the city government in his ability to control resources and authority as chief administrative officer in the city. He is also a key player in the planned success of casinos. The city is in the midst of economic problems to fund the police department. The City Administrator sees casinos as an answer to the problem.

The City Administrator is committed to "helping change happen." His support of the overall goals might move him to "make change happen." If he shows personal involvement, it will smooth this process. To make the transition work, the City Administrator will negotiate on responsibilities of the police department, type and cost of new equipment to implement the program, location of the casino, and which casino companies will build within the city. He will be major power broker in the plan.

County Sheriff: The County Sheriff is in a position of importance to the success of casino implementation. Cooperation

between the police department and sheriff's department is essential. This issue gives both agencies an opportunity to develop sources of new revenue.

The Sheriff's opposition to the plan may cause serious delays in implementation. A change in level of commitment from "block change" to "let change happen" would best be accomplished by collaboration on the plan. Consultants and experts would show the sheriff that the plan is the best for the community. After being educated on the rewards of the plan, an increased commitment is possible.

Police Officers: The police officers in the city have the ability to impact the issue by supporting the plan. The increased revenue is sure to benefit their compensation package. Support should not be a major issue to the officers.

To ensure the officers "make change happen" rather than "let change happen" involvement in the initial planning stage of the casino implementation plan will be used. This strategy is to immediately gain support from the officers.

Labor Unions: The unions in the city have the ability to ensure or impede the successful implementation of the policies and plans. The key individual in the plan is the union president. He has a direct line of communication with his members. The city and the police department realize that the best way to ensure success is to involve the union.

Seeing the potential for new jobs and continued employment in the area, the union will "make change happen". Both the city and

the police department must remember, however, that labor unions are often associated with organized crime. A close relationship with unions may be interpreted by the public as support or association with organized crime.

#### **METHODS AND TECHNOLOGIES**

In order to implement the actual transition once the needed commitment is obtained, it is necessary to develop some specific implementation strategies. During this period, uncertainty, emotional stress and energy will be high, and conflicts will arise. Strategies are to prevent these problems from getting out of hand. It must always be assumed that there will be resistance to change. Neutralizing this resistance is essential to the success of the plan.

There are a number of strategies that can be used to create the conditions for commitment. One such strategy is to develop a communications philosophy statement describing management's expectations for receiving and providing information on the plan. This will keep all members of the transition team informed on how the organization is developing.

Team building workshops take much of the mystique out of the process. This group would consist of those members involved in the transition plan. One method is to hire an outside facilitator to conduct these meetings. The facilitator would keep the group on track with the needs of Chrichelle in mind. The actual of the

meetings would be to get better acquainted with each other and share ideas and information on the implementation plan.

Problem finding is also an important intervention strategy. Problem finding allows concerned parties to get together to identify and clarify problems. These methods are effective in successful implementation of casino gaming in Chrichelle.

#### **MANAGEMENT STRUCTURE**

It is necessary, prior to beginning the transition process, to develop a transition management team. This team, which will consist of members of the critical mass, will be used to educate the future decision makers, implementors and impacted groups and individuals. The team will also have to develop a transition management plan which can predict the necessary transitions, ensure proper resources and enhance the "transition-worthiness" of the plan. Last of all, and perhaps the most important, the team will facilitate the transition management plan. People will have to be taken through the "neutral zone": the gap between the old ways and the new.

Several management structures may be used during the transition phase. With casinos being built to generate revenue to the police department and the city, an appointed project manager would be the most advantageous method used. Certain qualities would be required of the project manager. They would include technical expertise involving both gaming and management of the police function. The person would need to be a skilled planner,

have knowledge of available resources and be a skilled negotiator. Most of all, the manager would have to be an accomplished "doer".

The Chief of Police would be the logical choice. He would be the person responsible for coordinating the change effort. His task will focus on achieving the future state. He will take total responsibility for the transition period to make the process effective. He will oversee the formulation of a "master transition plan". On a day-to-day basis he will monitor the progress by mapping out strategies and actions which will lead to change. He will identify and use available resources. He will also monitor each key actor to ensure the desired level of commitment.

The Chief will remain active throughout the development of casinos making sure obstacles are overcome. However, he will not be able to complete this task alone. Although he will be the facilitator of the process, he will have a "kitchen cabinet" to offer its expert advice. He will consult the cabinet on an informal basis for any technical advice. The cabinet members would be comprised of prominent business and community leaders along with casino owners. It is felt that this type of informal group would be beneficial to the plan. It could also bring the plan smoothly through the "Neutral Zone". If input is not accepted from outside sources, mistrust might occur. It will give the plan more divergent thinking allowing for alternatives to be suggested.

Transition will be a trial and error period. Some actions will work while others will not. Innovative ideas by both the key actors and transition team will establish a firm commitment by all

involved. Providing both external (kitchen cabinet) and an internal transition team, this period of change will be a coordinated effort encouraging a "buy in" by the entire community.

#### RESPONSIBILITY CHARTING

Responsibility charting focuses on the responsibilities of the participants during the transition period. The chart defines each member of the transition team, their tasks and their expected level of participation necessary to carry out the transition. Only one person may be assigned the responsibility and approval roles. The charting starts with each member of a group rating the involvement of the actors in relation to the tasks, actions or decisions. Actors are defined and labeled as follows:

R: Responsibility to ensure completion.

A: Approval necessary.

S: Support is essential to completion.

I: Must be informed.

Once charted, the group members meet and discuss the findings. Charting develops understanding of the role of each individual, each group and any other persons involved in the project.

TABLE 8 RESPONSIBILITY CHARTING

DECISIONS	ACTORS							
	CP HO IL EI FC E O F	CC IO LT IY C I L	CA ID TM YI N. I	CS OH UE NR TI YF	PO OF EL RI CC E RS	LU FA BI IO CR E S	KA IA TB OC HN SE NT	
DEVELOP TIMELINE	R	A	A	I	I	I	--	
DEVELOP TRAINING	R	I	A	I	S	I	I	
RESEARCH REVENUE	I	A	R	I	--	S	I	
FORM C.P. PROGRAMS	A	I	I	S	R	I	S	
MEET STATE REPS.	R	A	S	S	I	I	I	
MEET FEDERAL REPS.	R	A	S	S	I	I	I	
MEET CASINO OWNERS	S	A	R	--	I	I	I	

- R = Responsibility - see that decisions or actions occur
- A = Approval - of actions or decisions with right to veto
- S = Support - of actions or decisions by provision of resources but with no right to veto
- I = Informed - of action or decisions but with no right to veto

**SUMMARY**

Monitoring and evaluation is a key component of the management process. Monitoring allows the Chief, as project manager, to follow the progress of the city and the police department in the move towards the desired future. He is in the best position to monitor the movement, but active participation by the critical mass is essential.

Evaluation of the transition process will continue throughout the transition period. This is to ensure that the operation,

efficiency and effectiveness of the policies for implementing legalized gambling meet the desired goal of a successful transition for the city. This will answer questions such as: Is the program successful?; What changes should be made?; and Should the plan continue?

Along with these questions, statistical information will be gathered. This type of information will consist of:-

1. The amount of revenue generated by the casinos.
2. The amount of revenue returned to the police department.
3. The level of the crime, violent and non-violent.
4. Interviews from officers on the impact of the casinos.
5. Interviews from the community on their feeling of how casinos had affected their lives.

## CONCLUSION

The purpose of this project was to present a model for structuring a strategic plan for the future impact upon law enforcement when casino gambling is instituted within the next five years. The model contains three sections, each of which addresses certain tasks required to make the plan successful. All three sections combine to form a complete study.

In Part I, futures research was conducted using scanning and interview techniques, as well as a nominal group which was used for the development of trends and events that could affect gaming. This NGT group was also used to determine how these trends and events could be interrelated by the year 2000.

From the data gathered, three scenarios were developed. The first was a hypothetical (worst case) scenario. Next, a normative, then a nominal scenario were developed. The hypothetical scenario was selected for further study by the nominal group. It was anticipated that the worst case could be prevented by the implementation of proactive policies.

In Part II, the overall plan was more likely to prove successful. It was also determined by the Modified Policy Delphi group that the strategic plan dealing with implementation problems would be more realistic. Using Scenario 1 and the Chrichelle Police Department, it was determined that the police department had the capability to change and deal with future issues related to casinos. A strategic management plan was

developed by analyzing the weaknesses, opportunities, threats and strengths of the department and key stakeholders. By identifying these stakeholders and coordinating their efforts with the police department, the plan was well on its way to successful implementation. Policies were identified by another group of knowledgeable persons in a modified policy delphi process. Desirable and feasible policies were then scheduled for implementation.

In Part III, those persons instrumental in carrying the policies forward were identified, and their current and necessary levels of commitment were determined. Methods were identified to bring about appropriate levels of commitment critical to ensuring a smooth transition to a successful implementation process.

Through this process, it was concluded that a smooth transition is possible should gambling be legalized in California. Law enforcement, however, must take many proactive steps to ensure this outcome. Since research has shown that the level of violent and nonviolent crime will increase, law enforcement must train its personnel in gambling-related issues, as well as develop crime prevention programs. Included in this area will be steps to prevent the infiltration of organized crime, as its presence is imminent with the institution of legalized gambling. Revenue generated from gaming earmarked for law enforcement will provide a viable source of funding for these added expenses. In addition, a California gaming commission is

essential for the organization, coordination and regulation of casinos within the state.

#### RECOMMENDATIONS

The objective of this project was to determine the effect legalized gaming would have on police departments by the year 2000. The primary purpose was to examine the future environment and develop new strategies to manage this issue in the future. Many alternatives were explored to make the transition a positive one. It is recommended that the following steps be taken to make casinos acceptable to the city and law enforcement:

1. A pilot project consisting of one casino-hotel be developed within the city limits.
2. Before the pilot project begins, a special gaming commission be developed by the Attorney General's Office.
3. The operator of the gaming facility be prohibited from making loans or extending credit to patrons.
4. A special tax be imposed on the casino equal to 12% of the gross revenues derived from the games of chance conducted at the gaming facility and distributed to the police department. Ten percent must go to the development of crime prevention programs and training of officers.
5. The casino must be prohibited from receiving tax abatement, tax deferrals, grants or loans from the

state or political subdivisions to subsidize the operation of gaming.

6. The casino be licensed for five years, and may be permanent if successful.

Further research in the area of casino gaming's impact on law enforcement is also recommended, as only limited information is currently available.

APPENDIX A

INTERVIEWS

Assistant Attorney General

State Gaming Official

Private Practice Attorney

Casino Official

Clergyman

State Police Official

APPENDIX B

INTERVIEW QUESTIONS

1. Does your State have legal casino gaming at this time?
2. When gaming was instituted did violent and non-violent crime increase? When gaming is developed in your jurisdiction do you anticipate an increase in crime?
3. Does your jurisdiction have special crime prevention programs to deal with gaming issues? If you do is it funded by the casinos?
4. Have you or do you expect to see an increase in organized crime activity related to the casinos?
5. Does your State have a specific commission that regulates gaming?
6. Is any of the revenue generated by the casinos dedicated to the law enforcement function?

APPENDIX C

NOMINAL GROUP

Sociology Instructor

Police Chief

Chamber of Commerce Director

Police Lieutenant

Finance Director

City Administrator

Cocktail Lounge Owner

APPENDIX D

TRENDS

- Level of Alcohol Abuse
- \* Level of Violent and Non-Violent Crime as a Result of Gambling
- Level Of Social Events (Fairs, Rodeos, Etc.)
- Level of State Control
- Level of Funding Needed for Social Services
- Level of Drug Abuse
- Prison Reforms
- Prison Overcrowding
- \* Level of Police Training
- Volume of Illegal Gambling
- Level of Tourist Trade
- \* Level of Organized Crime
- Level of Homeless
- \* Level of Revenue Generated from Gambling
- Recruitment of New Officers
- New Housing Needs
- Urban Sprawl
- Level of Compulsive Gamblers
- Jurisdictions Allowing Gambling
- Senior Citizen Programs
- Level of Police Services
- The Level of Crime
- \* Level of Crime Prevention Programs
- Police Training

\* Selected Trends

APPENDIX E

EVENTS

- \* California Passes a Victimless Crime Law
  - Dog Racing Legalized
  - Jai Lai Legalized
  - Black Jack (21) Legalized
- \* Gaming Commission Formed
  - Washington-Oregon Legalize Casinos
  - Proposition 13 Repealed (Property Tax Limits)
  - Drugs Legalized
  - Major Depression
- \* Gaming on Indian Reservations Legalized
  - City-County Consolidation
  - Gasoline Automobiles Banned
  - Williamson Act Repealed
  - Casino Employees Vote to Join Unions
  - Casinos go on Strike
  - Water and Sewer Systems Reach Capacity
  - Police Strike
  - Gasoline Shortage
- \* Crime Prevention Programs Receive Revenue from Casinos
  - Police to Charge User Fees for Services Performed
  - Major Increase in Unemployment
  - Federal Government Outlaws Foreign Investments in U.S.
  - Prostitution Legalized
- \* P.O.S.T. Mandated Training in Gaming-Related Crimes \* Selected

APPENDIX F

MODIFIED POLICY DELPHI

Feasibility:

Definitely Feasible

no hindrance to implementation  
no political roadblocks  
acceptable to the public

Possibly Feasible

indication this is implementable  
further consideration to be given  
to political or public reaction

Possibly Infeasible

some indication unworkable  
significant unanswered questions

Definitely Infeasible

all indications are negative unworkable  
cannot be implemented

---

Desirability:

Very Desirable

will have positive effect and little or  
no negative effect  
extremely beneficial  
justifiable on its own merits

Desirable

will have positive effect, negative  
effects minor  
beneficial  
justifiable as a by-product or in  
conjunction with other items

Undesirable

will have a negative effect  
harmful  
may be justified only as a by-product  
of a very desirable item

Very Undesirable

will have a major negative effect  
extremely harmful

---

APPENDIX F (Continued):

RATING SHEET FOR POLICY DELPHI

Alternative 1: Developing a clear Mission Statement

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 6
Desirability	VD (3)	D (2)	U (1)	VU (0)	

Alternative 2: Developing police training programs

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 5
Desirability	VD (3)	D (2)	U (1)	VU (0)	

Alternative 3: Reducing non-criminal services

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 3
Desirability	VD (3)	D (2)	U (1)	VU (0)	

Alternative 4:

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 4
Desirability	VD (3)	D (2)	U (1)	VU (0)	

Alternative 5:

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 4
Desirability	VD (3)	D (2)	U (1)	VU (0)	

Alternative 6:

Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Score = 4
Desirability	VD (3)	D (2)	U (1)	VU (0)	

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