The Star-Ledger/Eagleton-Rutgers Poll

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RELEASE: SL/EP 71-4 (EP121-4)

Roll and Pay: Gambling in the Garden State

Gambling in the Garden State is a double-edged sword. On the one hand NJ residents really like gambling. We do an awful lot of it in a variety of forms, especially the lottery. Additionally, New Jerseyans take pride in Atlantic City and recognize the contribution gambling makes to the state's coffers.

On the other hand, we're very wary about gambling. New Jerseyans are very reluctant to embrace liberalized betting forms to help the state's troubled horse-racing industry. Most people do not want to see casinos outside of Atlantic City and a large number believe the lottery encourages people who can't afford it to lose their money. And, most alarmingly, *one-fourth of New Jersey adults say they personally know someone with a gambling problem*.

These are some of the main findings of the most recent *Star-Ledger*/Eagleton Poll conducted with a statewide sample of 800 residents between January 7 and 13th. The survey took a detailed look at what New Jerseyans do and how they feel about casino gambling in Atlantic City, the New Jersey lottery, and proposals to change horse-race betting in the state. Here is a summary of findings:

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Atlantic City

Three-quarters of New Jerseyans approve of casino gambling in AC. The vast majority feels it has been good both for the state and for the state's image--how others see New Jersey. Fully 7-in-10 have gambled in AC at least once; four-in-ten report having done so in the past year. However, New Jerseyans don't see casino gambling as having lived up to its promise to revitalize Atlantic City: just one-third see AC coming back as a major resort center; just one-quarter say gambling has been good for people who live in AC as well as the casino-hotels.

In response to proposed changes, poll respondents have no problem with allowing casino employees to gamble at other casinos, but think employees should not be allowed to make contributions to candidates running for public office. Riverboat gambling on the Delaware is OK, but casinos should not be permitted in other parts of the state.

The Lottery

Playing the lottery may be the single most common public activity in the state--certainly more play the lottery than vote in elections. The basic numbers are impressive: eight-in-ten have played at some point in their lives; seven-in-ten say they played in the last year, and four-in-ten say they played the lottery in the last month alone. The survey estimates that one-in-five plays on a weekly basis, and that about the same number spends more than \$10 per month on the NJ lottery.

New Jerseyans recognize there may be social costs to the lottery, but say "So What!" While a bare majority agrees that the lottery encourages people to gamble who can't really afford to and may act as a Ahidden tax@on them, three-quarters think the lottery is something the state should provide because people want it, and that folks are going to gamble anyway. Poll analysis indicates the lottery is in fact regressive--those who make the least money spend a larger portion of their income on the lottery.

Horse-race Betting

Voters in last November's elections gave the legislature the authority to make the state's troubled horse-racing industry more competitive. But there appears to be a real concern about how far public opinion is willing to go to help the industry. A majority opposes phone-in betting at tracks or phone-betting on televised races, and 50 percent oppose allowing slot machines at race tracks. The public is evenly divided on the desirability of having off-track betting parlors around the state. New Jerseyans appear to want to move very cautiously in expanding horse-race betting options.

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Gambling Activities

New Jerseyans engage in a wide variety of gambling. Here is what the statewide sample reports having done during the 1998 calendar year: Taken together, *just one New Jerseyan in five (21%) has not gambled in any of these ways during 1998*.

2%	Played a Lottery (in any state)
42%	Gambled at a Casino (anywhere)
23%	Bet on a Card Game or played Bingo 14% Cards 13% Bingo
18%	Bet on a Sporting Event
13%	Bet on a Horse Race, a Dog Race or a Simulcast 11% bet on a live dog or horse race 9% bet on a simulcast horse race

The gambling incidence figures for 1998 are very similar to the amount of gambling recorded by a 1986 *Star-Ledger*/Eagleton Poll, with one major exception. The amount of live horse (or dog) race betting declined by half from 23 percent in 1986 to its current level of 11 percent.

Horse Racing

The problem of declining track attendance was one put to the voters in the 1998 general election. In an extremely light turnout, just 31 percent of registered voters cast ballots on a generally worded Constitutional Amendment to give the state legislature the authority to enact laws to try to revitalize the horse-racing industry in New Jersey by making it more competitive

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with neighboring states. The Amendment, passed by just under 60 percent of those voting, did

not authorize specific actions or proposals to be put into practice.

The poll tested four ideas that have garnered some attention and found that none of them

enjoyed widespread support from the public as a whole.

- By a margin of 50 to 40 percent more people oppose than favor allowing slot machines at race tracks, with the remainder expressing no opinion.
- Just one-third feel betting by phone at race tracks should be allowed, while 56 percent oppose the idea.
- By a margin of two-to-one, far more oppose (62%) allowing live telecasts of racing over cable TV accompanied by phone betting than favor the idea (30%).
- The public is evenly divided on the idea of Ahaving off-track betting parlors at different parts of the state where people can go to watch races, eat and bet on the races shown on screen≅B46 percent favor, 44 percent oppose and the remainder express no opinion.

Atlantic City

Casino gambling in Atlantic City is a widely accepted New Jersey landmark. In 1979 when casino gambling was in its infancy, just 54 percent said they approved of it. The percentage approving rose rapidly to 68 percent in 1980 and to 72 percent in 1982. Now 77 percent say they approve of casino gambling, the same figure as 13 years ago.

Most New Jerseyans think casino gambling has been both good for the state and good for the state's image: 72 percent now say casino gambling has been good for New Jersey (up from 66 percent in 1986); 64 percent think it is good for New Jersey's image that is how others see the state.

But Atlantic City is not an unreserved source of state pride. Almost 85 percent of all New Jerseyans have been to AC since gambling was legalized and many don't like some of what they see. Just one-in-four thinks that casino gambling has been good both for the casinos and the

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people who live in Atlantic City; seven-in-ten say it has really only been good for the casino-

hotels. Just one-third think AC's future will be as a major convention and resort city centered

around gambling, while 57 percent believe it will be known only as a gambling mecca.

The Rutgers-based survey also asked respondents to react to four ideas about how casino gambling might be changed. Here are their views:

- Most New Jerseyans see nothing wrong with casino employees being allowed to gamble at casinos other than where they workB60 percent favor the idea, just 27 percent are opposed and the remainder express no opinion.
- By a similarly strong measure of 55 to 33 percent, the clear majority of New Jersey residents do want casino employees to be able to make donations to candidates running for state office.
- When told that Pennsylvania was considering legalizing Riverboat gambling on the Delaware River, 52 percent said they favor the idea and 30 percent said they oppose it.
- However, by a margin of 54 to 35 percent more New Jerseyans oppose than favor allowing casino gambling to be permitted in other parts of the state.

The Lottery

Clearly the New Jersey lottery is an institution. About 70 percent of New Jerseyans report having played the lottery at least once in the past year—consistent with survey estimates in 1986, 1988 and 1996. Just under 40 percent reported playing in the month before the survey was taken. And lottery play pretty much spans the socio-economic spectrum, although those under 30 are less likely to buy a ticket. About one-in-five can be considered a weekly player. About one-in-five also report spending more than \$10 in the average month.

New Jerseyans feel a bit ambivalent about the lottery and the state's use of the

lottery to raise revenue. On the one hand, bare majorities agree with the statements:

• The lottery encourages poor people who really can't afford it to gamble and waste their money. (52 percent agree, 42 percent disagree)

 The lottery is like a hidden tax on poor people because they play more often than wealthy people, and the chances of their winning are slim. (55 percent agree, 39 percent disagree)

And, there is some truth to this second observation. While people with lower incomes do not spend more money than wealthy ones on the lottery in absolute dollars (and actually people from middle income families spend the most), their lottery spending does account for a greater percentage of their family income.

But in fact, New Jerseyans are rather blase about the possible regressive social costs of the lottery. At least three-quarters of the public agreed with the following two statements:

- People are going to gamble anyway, so there is nothing wrong with the state raising money through the lottery. (77 percent agree, 20 percent disagree)
- The lottery is something the state should provide because people who live here want it. (75 percent agree, 19 percent disagree).

In fact, fully 70 percent think that gambling from Atlantic City and the lottery is a good way Afor the state to raise money--just 23 percent say this is a bad idea. However, even in the face of this appreciation there is apprehension. People in the New Jersey are evenly divided about whether there is a danger of their state becoming too dependent on gambling revenueB44 percent think there is a danger, 49 percent thinks there is not . So while New Jerseyans very much enjoy their gambling, they are very conscious of two-edged sword it represents.

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BACKGROUND MEMO - RELEASE SL/EP71-4 (EP121-4) MONDAY, FEBRUARY 8, 1999

The latest *Star-Ledger*/Eagleton Poll was conducted between January 7 and 13, 1999, when a scientifically selected random sample of 800 New Jersey adult residents was interviewed by telephone. All surveys are subject to sampling error, which is the expected probable difference between interviewing everyone in a population versus a scientific sampling drawn from that population. The sampling error for the total sample size of 800 is \pm 3.5 percent, at a 95 percent confidence interval. Thus if 50 percent of New Jerseyans were found to have a favorable opinion of the Governor, one would be 95 percent sure that the true figure would be between 46.5 and 53.5 percent (50 \pm 3.5) had all New Jerseyans been interviewed, rather than just a sample. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported for men and women, are subject to more error than are statements based on the total sample. The following chart shows the relationship between sample size and sampling error.

Sample Size and Sampling Error



Sampling error does not take into account other sources of variation inherent in public opinion studies, such as non-response, question wording or context effects. The verbatim wording of all questions asked is reproduced in this background memo. The sample has been stratified based on county and the data have been weighted on age and education to insure an accurate proportional representation of the state. Two versions of the questionnaire were used in this study. Not all questions were asked on both versions.

"For many people gambling is a form of entertainment. I'm going to read you a list of different ways people can gamble, and would like you to tell me if you have done any of these in the last year—that is in 1998. First, have you..." (RANDOMIZE ITEMS) ...in the last year?" [G1]

January, 1999

	Yes	<u>No</u>	<u>Total</u>	<u>(n)</u>
Played bingo	13%	87%	100%	(800)
July, 1986	16	84	100	(800)
Bet on a live horse/dog race	11	88	100	(800)
July, 1986	23	77	100	(799)
Bet on a simulcast horse race	9	91	100	(800)
July, 1986	6	93	99	(800)
Played a lottery in any state	70	30	100	(800)
July, 1986	72	28	100	(800)
Bet on a sporting event	18	82	100	(800)
July, 1986	18	82	100	(800)
Gambled at a casino anywhere*	42	58	100	(800)
July, 1986	47	53	100	(800)
Bet on a card game anywhere	14	86	100	(800)
July, 1986	15	85	100	(800)
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*In July, 1986 the question was worded "Gambled at a casino in Atlantic City" [see G9]

ASKED FORM A ONLY

"Are you in favor or opposed to legalized casino gambling in Atlantic City?" [G2A]

	Yes	<u>No</u>	Don't Know	<u>Total</u>	<u>(n)</u>
January, 1999	77%	14%	10%	101	(399)
July, 1986	77	14	8	99	(800)
March, 1982	72	22	6	100	(603)
September, 1980	68	26	6	100	(601)
February, 1979	54	30	6	100	(1003)

ASKED FORM A ONLY

"Overall, do you think casino gambling has been good or bad for the state?" [G3A]

	<u>Both/ No</u>					
	Good	Bad	Difference	No Opinion	<u>Total</u>	<u>(n)</u>
January, 1999	72%	12%	7%	9%	100%	(399)
July, 1986	66	14	11	9	100	(800)
December, 1984	68	12	9	11	100	(499)
March, 1982	58	20	13	9	100	(603)
September, 1980	58	23	11	8	100	(601)

ASKED FORM A ONLY

"And, has casino gambling been good or bad for the state's image—how others see New Jersey?" [G4A]

	Both/ No						
	Good	Bad	Difference	No Opinion	<u>Total</u>	<u>(n)</u>	
January, 1999	64%	16%	9%	11%	100%	(399)	
July, 1986	64	16	13	7	100	(800)	
December, 1984	63	13	13	11	100	(500)	

ASKED FORM A ONLY

"Do you think Atlantic City will become a major convention and resort city centered around gambling, or do you think in the years to come it will be known <u>only</u> for gambling?" [G5A]

	Resort/Convention	Gambling Only	Don't Know	Total	<u>(n)</u>
January, 1999	34%	57%	10%	101%	(399)
July, 1986	35	54	11	100	(800)
December, 1984	41	47	12	100	(500)
March, 1982	49	44	7	100	(603)

ASKED FORM A ONLY

"Do you think that gambling has been good for both the casinos and the people who live in Atlantic City, or has it really only been good for the casino-hotels?" [G6A]

	Everyone	Casinos Only	Other/Don't Know	Total	<u>(n)</u>
January, 1999	24%	71	5	100%	(399)
July, 1986	25	67	8	100	(800)
March, 1982	30	59	11	100	(603)

"Have you been to Atlantic City since gambling was legalized some 20 years ago?" [G7]

	Yes	<u>No/Don't know</u>	Total	<u>(n)</u>
January, 1999	84%	16%	100%	(800)
July, 1986	78	21	99	(800)
December, 1984	71	29	100	(500)
March, 1982	63	37	100	(603)

"Have you ever gambled in one of the casinos?" [G8]

	Yes	<u>No</u>	Total	<u>(n)</u>
January, 1999	70%	30%	100%	(799)
July, 1986	66	34	100	(800)
December, 1984	59	41	100	(500)
March, 1982	49	52	101	(603)
September, 1980	34	66	100	(601)

"Thinking back over 1998—that is the last 12 months—about how many times have you been gambling in an Atlantic City Casino?" [G9]

	None	Once	Twice	<u>3 to 5</u>	<u>6 or more</u>	<u>Total</u>	<u>(n)</u>
January, 1999	61	12	9	9	9	100%	(799)
July, 1986	53	19	12	10	6	100	(800)
March, 1982	56	19	11	11	4	101	(603)

"I'm going to read you some proposals for how casino gambling might be changed. Please just tell me if you favor or oppose each. If you don't have an opinion just say so."

"Casino employees cannot now gamble in Atlantic City. One proposal would allow them to gamble at casinos other than where they work. Do you favor or oppose that?" [G10A]

	<u>Favor</u>	<u>Oppose</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
January, 1999	60%	27%	13%	100%	(800)

"Firms operating casinos and their employees are not now allowed to make contributions to candidates running for state office. One proposal would allow them to make political donations. Do you favor or oppose this change?" [G10B]

	<u>Favor</u>	<u>Oppose</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
January, 1999	33%	55%	11%	99%	(800)

"Pennsylvania is considering legalizing Riverboat Gambling on the Delaware River? Do you favor or oppose that idea?" [G10C]

	<u>Favor</u>	<u>Oppose</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
January, 1999	52%	30%	18%	100%	(800)

"Do you think casino gambling should be permitted in other parts of the state or should it be limited to just Atlantic City?" [G10D]

			Not permitted	Don't		
	Favor	<u>Oppose</u>	anymore	Know	<u>Total</u>	<u>(n)</u>
January, 1999	35%	54%	3%	8%	100%	(800)

"Have you ever played the New Jersey Lottery?" [G11]

"Have you played it at any time in 1998—that is in the last 12 months?" [G12]

"Have you played it in the last month?" [G13]

	Yes, have ever	Played in last		
	<u>Played</u>	12 months	Played last month	<u>(n)</u>
	[G11]	[G12]	[G13]	
January, 1999	79%	70%	39%	(800)
Age	66	53	22	(152)
18-29	82	70	41	(352)
30 - 49	87	77	50	(168)
50 - 64	81	64	45	(117)
65 and older				
Education				
High school or less	80	67	42	(245)
Some college	84	73	38	(239)
College graduate	72	60	35	(316)
Total Annual Family Income				
Less than \$30,000	76	65	39	(144)
\$30,001-\$50,000	81	67	38	(153)
More than \$70,000	83	71	44	(189)
Gender				
Male	83	70	45	(399)
Female	76	63	34	(401)
Race				
White	81	68	42	(595)
Non-white	75	62	32	(193)
PAST SURVEYS:				
February, 1996	78	66	51	(804)
January, 1988	76	65	42	(800)
July, 1986	79	72	54	(800)
March, 1982	56	N.A.	N.A.	(1005)

"How often do you usually buy a lottery ticket—every day, a few times a week, once a week, a few times a month, once a month, or do you only buy a lottery ticket once in a while?" [G14]

		Few Times	Once A	Few Times	Once in	Not in		
	<u>Daily</u>	A Week	Week	A Month	A While	Past year	<u>Total</u>	<u>(n)</u>
January, 1999	3%	12%	8%	13%	30%	34%	100%	(800)
February, 1996	5	13	10	10	29	34	101	(804)
January, 1988	5	16	12	11	22	35	101	(800)
July, 1986	7	16	17	10	21	28	99	(800)
March, 1982	5	7	5	8	7	6*	101	(1005)

*combined "less than monthly" answers (44% never).

"How many dollars worth of tickets do you think you buy in an average month?" [G15]

							Don't		
	<u>\$0</u>	<u>\$1-5</u>	<u>\$6-10</u>	<u>\$11-20</u>	<u>\$21-49</u>	<u>\$50+</u>	Know	Total	<u>(n)</u>
January, 1999	41%	28%	11%	9%	6%	4%	1%	100%	(800)

ASKED FORM B ONLY

"I'm going to read you some statements about the lottery. For each one please just tell me if you agree or disagree. First (RANDOMIZE STATEMENTS) Do you agree or disagree? [G16B]

January, 1999

•				Don't	- I	
TTI 1 // 1 1	<u>Agree</u>	Disagree	Depends	Know 20/	<u>Total</u>	(n)
really can't afford it to gamble and waste their money	52%	42%	3%0	3%	100%	(401)
January, 1988	51	45	2	2	100	(799)
People are going to gamble anyway, so there is nothing wrong with the state						
raising money through the lottery	77	20	1	2	100	(401)
January, 1988	78	18	2	2	100	(799)
The lottery is like a hidden tax on poor people because they play more often than wealthy people, and the chances of their						
winning are slim	55	39	2	4	100	(401)
January, 1988	53	41	1	4	99	(800)
The lottery is something the state should provide because people who live here want						
it	75	19	1	5	100	(401)
January, 1988	77	19	1	3	100	(800)

"The state is considering a number of ideas about how to help New Jersey's horse racing tracks. I'm going to read you some proposals and would like you to tell me if you favor or oppose each one. (RANDOMIZE ITEMS) First, do you favor or oppose this?" [G17]

January, 1999

	Favor	Onnose	Depends	Don't Know	Total	(n)
Allowing slot machines at race tracks	40%	<u>50%</u>	0%	<u>9%</u>	<u>99%</u>	(800)
Allowing live telecasts of racing over cable TV, where people can also bet by						
phone	30	62	1	8	101	(800)
Allowing betting by phone at race tracks	33	56	1	11	101	(800)
Having off-track betting parlors at different parts of the state where people can go to watch races, eat, and bet on the						
races shown on screen	46	44	1	9	100	(800)

"The state collects tax revenue to support public services from various forms of gambling—such as the New Jersey Lottery and the casinos in Atlantic City. In general, do you think this is a good idea or a bad way for state government to raise money?" [G18]

	Good	Bad	Depends	<u>OK</u>	<u>Total</u>	<u>(n)</u>
January, 1999	70%	23%	3%	4%	100%	(800)

ASKED FORM A ONLY

"Do you think that there IS or is NOT a danger of the state becoming too dependent on gambling revenue?" [G19A]

	<u>Is</u>	<u>Is not</u>	Depends	Don't Know	Total	<u>(n)</u>
January, 1999	45%	48%	1%	6%	100%	(399)

ASKED FORM B ONLY

"The state now raises about 5 percent of its budget from gambling in Atlantic City and the Lottery. Do you think that there IS or is NOT a danger of the state becoming too dependent on gambling revenue?" [G19B]

	Is	<u>Is not</u>	Depends	Don't Know	<u>Total</u>	<u>(n)</u>
January, 1999	43%	49%	1%	7%	100%	(401)

"Do you personally know anybody with a gambling problem—that is someone who can't stop gambling or loses more than they can afford to?" [G20]

	Yes	No	Don't Know	<u>Total</u>	<u>(n)</u>
January, 1999	24%	76%	1%	101%	(800)

The distribution of New Jerseyans having engaged in the gambling activities on the first page of this background memo [G1] is as follows:

	No	<u>1</u>	2	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>Total</u>	<u>(n)</u>
I	<u>Activities</u>	200/	240/	120/	(0/	20/	20/	10/	1000/	(000)
January, 1999	21%	30%	24%	13%	0 %0	3%	2%	1 %0	100%	(800)

The following estimates are designed to give a profile of how much people spend on the lottery. Data from two 800-person surveys (January 1999 and February 1996) were compiled to increase the statistical accuracy and reliability.

Household income was measured by grouped category (under \$20,000, \$20,000 to \$30,000, \$30,001 to \$50,000, \$50,001 to \$70,000, and over \$70,000). Midpoints were used to estimate income.

Per Capita Income Estimate* by Monthly Lottery Play

January, 1999					
• /	<u>N</u>	Monthly Lottery Play	<u>y</u>		
Per capita Income	Non-Player	<u>\$1 to 9</u>	<u>\$10+</u>	<u>Total</u>	<u>(n)</u> **
Low Third	43%	35%	22%	100%	(362)
Middle Third	28	35	37	100	(454)
High Third	33	38	29	100	(502)
*Grouped income report	rt divided by number	of people in housel	old Data are weigh	hted	

**Weighted group percentages: Low 32.5%, Medium 32.9%, High 34.6%.

Spending on the Lottery by Income Group

January, 1999			
Income	Monthly Spending	Percent of Income	<u>(n)</u>
Under \$20,000	\$8.38	1.00%	(155)
\$20,000-30,000	9.27	.45	(181)
\$30,001-50,000	11.83	.36	(320)
\$50,001-70,000	13.08	.26	(277)
Over \$70,000	8.12	.11	(460)

Annual Lottery Spending Estimate*

January, 1999	Amount		
	Mean	Median	<u>(n)</u>
Statewide	\$117	\$24	(1577)
Age			
18-29	84	12	(295)
30 - 49	125	36	(713)
50 - 64	153	60	(285)
65 and older	105	24	(264)
Education			
High school or less	142	48	(514)
Some college	101	24	(411)
College graduate	79	12	(650)
Total Annual Family Income			
Less than \$20,000	101	12	(151)
\$20,001-\$30,000	111	36	(179)
\$30,001-\$50,000	142	48	(319)
\$50,001-\$70,000	157	60	(275)
More than \$70,000	97	36	(453)
Gender	143	48	(784)
Male	91	12	(788)
Female			
Race			
White	114	24	(1202)
Non-white	129	21	(345)
Region			
North	127	36	(720)
Central	113	24	(409)
South	127	24	(417)
Household Size			
One	151	12	(155)
Two	132	60	(566)
Three	114	24	(307)
Four+	97	12	(520)
Party			
Democrats	141	36	(480)
Independents	112	24	(373)
Republicans	92	24	(535)
self-reported monthly figure*12.			