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Loss limits and law enforcement: How Missouri is uniquely protected

By Joseph Day

There are many reasons to support Missouri's \$500 loss limit, however, one of the most overlooked and forgotten reasons for its support is because it is an effective tool for law enforcement officials. The loss limit provides Missourians with unique protection from organized crime and money laundering and helps aid law enforcement officials in matters ranging from tracking criminal suspects to preventing underage gambling.

As Attorney General, Jay Nixon has a unique perspective in government as he views most policies through a law enforcement lens. He believes the \$500 loss limit is critical to keeping elements of crime out of Missouri such as organized crime and money laundering. In an open letter to Casino Watch, the Attorney General outlined why he believed we should have continued support for the loss limit:

As Attorney General, one of my primary duties is to fight crime and protect the safety of Missouri citizens. A key challenge in the fight against crime is keeping criminal elements out of our state. Casinos – and in particular, those without loss limits – can provide an attractive and convenient means for drug dealers, organized crime and even potential terrorists to “launder” money derived from criminal activity, thus hiding the illegal origin of that money.

The Financial Crimes Enforcement Network of the U.S. Department of Treasury states that restricting the amount one can bet in a casino “makes it exceedingly difficult for laundering currency” and Assistant U.S. Attorney Steve Holtshouser of the Eastern District of Missouri in St. Louis explained, “the absence of loss limits is a major reason St. Louis-area drug dealers flock to the Alton Belle and Casino

Queen.” Those who believe in removing the loss limit need to answer a most obvious question: Why would anyone want to encourage criminal elements to do their dirty work in Missouri?

Loss limits also help aid law enforcement officials in a variety of ways. It has already been explained how the Disassociated Persons List will be unenforceable without the loss limit (see Casino Watch PolicyBrief, Missouri's \$500 Loss Limit: How it helps compulsive gamblers, March 28, 2008), but there are other key issues where the loss limit becomes a tool for law enforcement officials - the most obvious being underage gambling. Without a boarding pass, the vehicle used to track chip buy-ins for loss limit enforcement, casino officials only have to check identification if they believe a gambler “looks” too young. However, a valid ID must be shown to obtain a boarding pass, which significantly increases the ability to stop underage gambling.

When speaking with law enforcement officials, they also explain that boarding passes are a key way to determine who was at a casino during the time of a crime. This is beneficial in cases ranging from simple crimes such as accidents in the parking lot, theft from a patrons car, and chips or tokens stolen from the casino to far more troubling crimes including identity theft and fraud, assaults and burglary and even sexual crimes like rape, which happen at casinos. Removing the loss limit removes an important tool, which law enforcement officials need to bring people to justice and properly safeguard Missouri citizens.

Clearly, Missouri's unique \$500 loss limit has support on many fronts but the ability to assist law enforcement officials must not be ignored. Keeping organized crime and drug dealers out of the state, as well as maintaining the ability to properly investigate crimes, must remain a top priority for all Missouri policy-makers.