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### **Maryland's sordid slots history about to be repeated**

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In 1905, American philosopher George Santayana, wrote: "Those who cannot remember the past are condemned to repeat it." Maryland voters appear ready to condemn themselves to repeating one of their state's worst experiences. Here's some of that sordid history as reported by The Washington Post.

Slots were first legalized in Maryland in 1943 in Anne Arundel County. Calvert County got slots in 1947, the same year that Charles, St. Mary's and Worcester Counties also tried to "put the counties in better financial condition and particularly help their school programs." Only St. Mary's County succeeded that year. Charles County and Prince George's County won state and voter approval for slots in 1949. The Prince George's law was ruled invalid and unconstitutional because of its vague wording that called slots "amusement devices." In the end, slots were only legalized in Anne Arundel, Calvert, Charles and St. Mary's Counties.

In 1950, Congress banned the interstate shipment of slot machines unless a state sought exemption. Only Nevada did so. Maryland decided not to seek this waiver because of "a fear of outsiders 'muscling in' on Maryland's slot machine business." In 1958, one of the three largest U. S. slot machine manufacturers relocated to Maryland from Chicago to be in the only other state truly friendly to slots outside of Nevada and to also be able to supply the Maryland market.

In 1951, a Prince George's County state senator reported being offered a \$30,000 bribe to support gambling. In 1963, a state delegate claimed he was offered \$300 to be out of the room when a vote on an anti-slots bill came up for a vote. In 1966, Spiro Agnew reported being offered a \$200,000 bribe to support gambling while running for governor.

Slots ended up on piers in Colonial Beach, Va. Charles County, Md. was allowed to license slots on these Virginia piers and no one could stop them because the building was in the section of the Potomac River considered to be part of Charles County. There were 600 slot machines at the Reno, the Monte Carlo, and the S.S. Freestone at Freestone Point, Va. In 1958, Maryland banned such river-based gambling by passing a law that made it illegal "to operate slot machines in a structure which could not be reached on foot from the Maryland shore." The Supreme Court refused to review the law.

A March 1954 article titled: 'Slot Addict Draws 2-Year Jail Term' stated that "A [man] with an 'uncontrollable urge' to play slot machines drew a two-year term here today for stealing \$1765 [\$13,500 in 2007 dollars] worth of the 'one-armed bandits' and their cash contents."

In the summer of 1954, a Washington Post reporter wrote a five-part series. "Charles County - where the slot machine is king - may best be described as the place where the gambler winks at the law while the public official keeps his eyes closed. It is where prosperity has come to some 300 individuals - the slot machine owners and operators - who enjoy a take of more than five million dollars a year. [\$38 million in 2007 dollars] It is where money transactions are mostly secret - and sometimes a mystery. It is where a man loses \$15,000 [\$115,000 in 2007 dollars] of his father's estate by pulling a handle, and the community gives it only a passing thought." The Post reporter observed children under 16 being encouraged to gamble, numerous examples of slots license applications being incomplete, and non-residents being allowed to operate machines in violation of the law.

"In the five years the gambled nickel has helped build dozens of plush new places worth millions along the 20-mile tobacco land stretch of U.S. 301." & "You don't open your mouth to voice disfavor in Charles County 'if you know what's good for you.' On six occasions, agents for distributors, tavern owners and one public official suggested to the reporter to 'get out of the county.' A LaPlata storekeeper related how his neighbor's boy stole \$20 from his own mother and lost it all in a nickel machine at the corner drug store."

As a result of this series, a grand jury was convened to look in to the allegations of flagrant violations of alcoholic beverage, child gambling, and slot machine registration laws, which included questioning the reporter. According to an October 1954 editorial: "The report filed Tuesday by the Charles County grand jury can give scant pride to the county's residents. These findings regarding slot machines are identical with assertions contained in [the reporter's] stories. These are facts which the people of Charles County need to recognize and face and weigh. They are, we think, the inevitable price of legalized gambling."

A month later, the Post was able to report that "Democrats captured control of the Board of County Commissioners. In Charles County, long a Republican stronghold, slot machine and liquor law violations became a campaign issue after a grand jury denounced abuses and recommended clean-up action."

In a 1959 series, the Post reported: "Charles County is in the economic doldrums, with slot machine profits balancing the budgets of the County itself and of some 300 of its businesses. Heavy slot machine revenues have allowed the County Commissioners to drop their real estate tax rate to the lowest level in the State."

Another 1959 article stated: "The director of the Maryland Crime Investigating Committee said today his organization received funds recently from Anne Arundel's 11 slot machine distributors. The director said the contributions were received with 'complete objectivity and impartiality.' 'It must be understood that an organization of this type cannot operate without money. We are not supported financially by the State, county or other public aid'."

In 1960, Charles County voters narrowly approved limiting establishments to no more than 35 slot machines each. For the 1962 election, Charles County resident David Hume decided to run for Governor on a platform that emphasized outlawing slots. His advocacy and candidacy successfully pushed incumbent Governor Tawes to promise the "eventual abolition of slot machines in Maryland." In 1963, the state legislature passed a plan to phase out slots between 1965-1968.

During the phase out, which required establishments to reduce the number of slot machines every year, some operators tried to get around it by creating multiple-unit slot machines that allowed up to ten players to put coins in for each pull of the handle. The state passed a bill in 1966 to require such ten-unit machines to count as 10 machines, rather than as one. In 1966, Spiro Agnew campaigned to support the phase out of slots, as well as banning pinball machines used to provide cash or prizes as a substitute for slots.

In March 1968, just before the July 1 total ban went into effect, the Comptroller's aide recommended legalizing slot machines throughout the state, saying they would bring in \$50 million [\$295 million in 2007 dollars]. It went nowhere. In December 1968, the Court of Appeals ruled "that machines converted to pay off in merchandise or tokens were just as illegal as those that paid off in cash." Only pinball machines paying off in free games were legal.

Maryland officials then shifted their focus to legalizing a lottery, which was approved by voters in 1972. A 1981 story about the introduction of a permanent instant lottery game described its impact: "Just like slot machines. I could buy these tickets all night, This is fun. It's almost like going to Atlantic City. I'm going to buy one more.' A man noted: 'You're spending unnecessary money that you don't have to spend,' he said. 'If this game hadn't come up, if I hadn't have spent, I'd have put it for my kids in school, and for payments on my new car.' But he kept buying the tickets."

A 1990 story about the Lottery pointed out that ours "is among the nation's leaders in per capita receipts. The state remains of two minds, spending about \$6 million annually to advertise the lottery, then contributing \$10,000 a year to a hot line operated by the National Center for Pathological Gambling. The \$360 million expected to be contributed by the lottery this year will make it the state's third-largest source of general fund income. Lawmakers again this year are of many minds about gambling. [Some] want to siphon off lottery money for the estimated 170,000 Maryland adults classified in a recent [NIH] study as 'problem' or 'pathological' gamblers."

On November 4, some who will vote for slots may do so knowing of Maryland's gambling past, but not really caring. The phrase "Those who cannot remember the past are condemned to repeat it" could also apply to the backlash against slots abuses in the '50s that led to the bans of the '60s. We may find another backlash beginning within a few years after slots begin operation.

*The views expressed in this column do not necessarily reflect formal positions adopted by the Federation. To submit an 800-1000 word column for consideration, send as an email attachment to [waynengoldstein@hotmail.com](mailto:waynengoldstein@hotmail.com)*