



March 1, 2010

Dear Mayor:

I understand that there are many issues that your community must weigh as you consider whether or not to participate in the Illinois' Video Gaming Act. The introduction of video gaming is obviously a complex question of public policy. However, I do not believe a concern over increased crime should play a major role in your decision.

For 26 years, I worked with the FBI and gained extensive experience overseeing organized crime, white collar crime and violent crime investigations. During my tenure, I also had the opportunity to serve as the Associate Special Agent in Charge of the Chicago Field Office. After leaving the FBI, I have been fortunate to help design and manage compliance and regulatory procedures for publicly-traded and private gaming companies. I have also led a national gaming industry association.

As an FBI agent, I have built a career on understanding and enforcing the law. As in house counsel for several gaming companies, I focused on ensuring compliance with regulations and the integrity of gaming operations.

The Illinois Video Gaming Act gives law enforcement officials clear standards by which to judge the legality of video gaming terminals. On August 1st of this year, all "amusement only" machines will be illegal throughout the state. The simple possession of unlicensed machines will be a Class IV felony. No longer will prosecutors and officers have to conduct lengthy investigations to determine whether illegal payouts are occurring. Moving forward, either the machine and operator are licensed, or they are not.

The Act also mandates that every video gaming terminal must be connected to a state-managed central system, just like the Illinois Lottery. The state will control and monitor the integrity of each terminal and the financial data from every transaction involved. This oversight is critical to combat illegal activity and maintain the integrity of the system. It will also ensure that appropriate taxes are collected by the state and local governments.

These two critical tools – clear standards for licensing and direct oversight of operations – will improve the ability for law enforcement officials to combat illegal gambling and organized crime influence. The elimination of so-called "gray games" will help police and other law enforcement officials to concentrate resources on other crime issues affecting local communities. The new legal framework will be an improvement over the status quo.

Undoubtedly, gaming is a complex issue that raises legitimate questions that must be carefully considered by local elected officials. However, as your community discusses video gaming, in



my opinion, formed by many years of law enforcement experience, fears of increased crime should not be at the heart of the debate.

I would welcome the opportunity to discuss this issue in greater detail with you or your colleagues. Please feel free to contact me at 312-772-BTWI (2894) or email me at LawEnforcement@BackToWorkIllinois.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter Stowe".

Walter Stowe

Former Associate Special Agent in Charge, Chicago Field Office of the FBI  
Regulatory and Law Enforcement Consultant for BWI