

EagleTribune.com

June 30, 2014

High Stakes: Expensive campaign expected for casino question

By *Christian M. Wade*
Statehouse Reporter

---- — BOSTON — Casino supporters have spent millions to bring Las Vegas-style gambling to Massachusetts — with limited success.

Groups seeking to repeal the state's two-year-old casino law are mindful of that following last week's state Supreme Judicial Court ruling that cleared the way for their referendum to appear on the Nov. 4 ballot.

"We know we can't compete with Steve Wynn and other people who can write million-dollar checks," said David Guarino, a spokesman for the group Repeal the Casino Deal. "But money isn't an absolute in these campaigns. In some of these local referendums, casino opponents were outspent 100 to 1 and still won."

The next four months promise a crush of advertising, leaflets and robo-calls as the gaming industry and its opponents try to convince voters to allow, or prohibit, casinos in the Bay State. If other states are an indicator, money will pour into the campaign by the millions of dollars.

In Massachusetts, the sky is the limit for contributions to committees formed to raise money for ballot questions. Unlike contributions to candidates, there are no limits on donations to committees, and corporations can get involved, potentially unleashing a deluge of advertising from casino operators, labor unions and other supporters.

Nearly 100 ballot committees have been formed in the past two years in support or opposition to local votes on casino gambling in potential host communities including Boston, Revere, Everett, Springfield and Taunton.

Many have been small groups that have raised a few thousand dollars. But others — with names like Friends of Mohegan Sun and Yes for Springfield — are supported by casino operators and have banked millions of dollars in contributions from California to Florida, according to filings with the state Office of Campaign and Political Finance.

To date, the big spending has produced mixed results. Local referendums have been approved by voters in Revere, Plainville, Leominster and Springfield but have been rejected in West

Springfield, Palmer, East Boston, and Milford. Under the 2011 casino law, towns and cities seeking a casino must get approval from the voters.

If casino referendums in other states are a sign, Massachusetts voters can expect a flood of out-of-state money that will pay for campaigns on both sides of the referendum.

In November, New York voters approved a referendum backed by Democratic Gov. Andrew Cuomo and a powerful coalition of business and labor leaders who had raised more than \$4 million.

Two years ago, Maryland voters approved expanded gambling after campaigns funded largely by out-of-state gaming interests that spent more than \$90 million. MGM Resorts alone spent \$41 million in support of the measure.

The most money spent on any single question in Massachusetts, by contrast, was \$13.1 million devoted to both sides of a 2006 campaign to allow grocery stores to sell wine, according to the Office of Campaign and Political Finance. The referendum failed.

Casino operators say their argument to voters will be that they create jobs and provide economic development. They plan to form a coalition to convince voters to keep the law on the books.

“We will take our message to every corner of the state to ensure that Springfield and its people get their shot at a comeback, and the commonwealth realizes the enormous economic benefits at risk,” said Carole Brennan, a spokeswoman for MGM Springfield. “We are confident that we will win the day in November.”

Supporters of a repeal have their work cut out for them in terms of fundraising. Last year, the Repeal the Deal group only collected \$175,476 from a handful of contributors and spent all but \$7,767, according to state records.

The state’s casino law, approved in 2011 after years of debate, allows for up to three regional casinos and one slots parlor in Massachusetts. The state Gambling Commission has granted MGM Resorts International a license for a proposed \$800 million casino in Springfield and Penn National Gaming a license for a slots parlor at a Plainville racetrack.

The remaining two licenses have not yet been awarded. Mohegan Sun has proposed a \$1.3 billion casino in Revere and is competing for the regional license with Wynn Resorts, which has pitched a \$1.6 billion proposal for Everett.

Opponents of casinos say they bring crime and traffic, and they seldom deliver on promised money for communities.

“The evidence is clear: Government-sponsored casinos have been a failure,” said Les Bernal, of Lawrence, who is national director of Stop Predatory Gambling Foundation.

Recent polls suggest that casino gambling is losing support among Massachusetts residents, though whether that will translate into a repeal of the casino gambling law remains to be seen.

Nicole Burke, 33, of Swampscott, said she's not a gambler but thinks a few casinos might be good for the state's economy, especially if a share of the money would be going to education.

"We need jobs and money for education," she said. "I don't think the sky will fall if we have a few casinos."

Jim Pennant, 46, of Middleton, said he casinos will prey on the state's most vulnerable residents.

"It's like they say in Vegas," he said, "the casinos are the only ones that really win."

Christian M. Wade covers the Massachusetts State House. He can be reached at cwade@cni.com Follow him on Twitter: @cmwade196.

Spending on Statewide Ballot Questions

Year Total Ballot Questions Total Spent

2012 3 \$9.6 million

Big-Money Question - "Death with Dignity" on allowing physician-assisted suicide. Question failed with 49 percent in favor, 51 percent against. Total spent by both sides: \$5.9 million

2010 3 \$9.1 million

Big-Money Question - Reducing state sales tax to 3 percent. Measure failed with 43 percent in favor, 57 percent against. Total spent: \$4.8 million.

2008 3 \$11.5 million

Big-Money Question - Repealing state income tax. Question failed with 31 percent in favor, 69 percent against. Total spent: \$7.9 million.

2006 3 \$15.3 million

Big-Money Question - Allowing food stores to sell wine. Question failed with 41 percent in favor, 53 percent opposed. Spending on that issue set a record for a single question. Total spent: \$13.1 million.

2004 None

2002 3 \$2.3 million

Big-Money Question - Replacing bilingual education with “English immersion.” Question passes with 61 percent in favor, 29 percent against. Total spent: \$1.1 million

2000 8 \$15.3 million

Big-Money Question - Mandating health insurers to adopt patients rights. Question fails with 45 percent in favor, 48 percent against. Total spent: \$5.4 million

Sources: Office of Campaign and Political Finance, Secretary of the Commonwealth, news reports