

Casinos multiply as states, such as Massachusetts, hunt for jobs, revenue

Ohio, Kansas, and Maryland now have casinos. Florida may consider them. Massachusetts is poised to invite them in. Hard times tip the balance to economic over social issues, analysts say.

By [Stacy Teicher Khadaroo](#), Staff writer / September 15, 2011

[Massachusetts](#) appears poised to open its doors to casino gambling – amid a flurry of recession-driven interest in gambling to boost jobs and tax revenue.

In [Ohio](#), a new [Cleveland](#) casino is in the midst of hiring 500 workers to staff its gaming tables – and it's one of four expected to open in the state after voters agreed to casinos in 2009. Casinos have opened in recent years in [Kansas](#) and [Maryland](#). And in [Florida](#), lawmakers are preparing a proposal to allow resort-style casinos.

Previous efforts to allow casino gambling in several of those states had failed – but times have changed.

“When we hit recession, the attention of legislators and the weighing and balancing of economic considerations versus social considerations really swings toward the economic,” says [Bill Eadington](#), an economics professor and the director of the [Institute for the Study of Gambling and Commercial Gaming](#) at the [University of Nevada, Reno](#).

Thirty-five states now have casinos or other forms of Class III gambling such as slot machines. Twelve of those states have only Indian gambling, 11 have commercial gambling, and 12 have both, says [Clyde Barrow](#), director of the [Center for Policy Analysis](#) at the [University of Massachusetts, Dartmouth](#).

In 2007, legal gambling contributed about \$25 billion to state governments, with the largest share coming from state lotteries, according to Professor Eadington.

Opportunities for drawing people from far away to a new casino have dwindled, now that about 90 percent of Americans live within a three-hour drive of a casino. But a city such as [Boston](#) has strong potential because it's popular with tourists, and many Massachusetts residents who have been traveling to [Connecticut](#) and [Rhode Island](#) to gamble will opt to stay closer to home, Eadington says.

The Massachusetts plan, which passed the House with a 123-32 vote Wednesday, would take bids for three resort-hotel casinos in different regions, requiring developers to invest a minimum

of \$500 million in each. It would also take bids for a slots parlor, allowing as many as 1,250 slot machines. The casinos would pay a 25 percent tax on daily gambling revenue.

House [Speaker Robert DeLeo](#) estimates the plan will create 15,000 jobs -- 6,000 of them in construction.

[Gov. Deval Patrick \(D\)](#) has long supported resort-style casinos as a way to generate living-wage jobs for the less-educated population within a state where educated professionals have fared relatively well, says Professor Barrow. Though the governor is not a big proponent of slot machines, Barrow says, he supports this plan because, unlike a previous one, it requires competitive bidding rather than simply setting up slot machines at racetracks.

The bill moves now to the [Massachusetts Senate](#), where it has support from [President Therese Murray](#).

But opponents argue passionately against expanding gambling in the state.

For state [Rep. Ruth Balser](#), who spoke against the bill before the vote on Wednesday, the prospect of bringing in thousands of slot machines is akin to the state “setting up crack cocaine shops.”

She shared information from an [MIT](#) professor’s sociological study of gamblers who use slot machines, noting that this nonsocial form of gambling is “uniquely addictive ... and the majority of the profits [from machine gambling] come from the addicted gamblers.” These gamblers tend to use the machines to escape, to the point where the goal is to keep playing rather than to take winnings home.

The costs of state-sanctioned lotteries, slot machines, and casinos far outweigh the benefits, says [Les Bernal](#), executive director of the [Stop Predatory Gambling Foundation](#), a nonprofit group with offices in Massachusetts and [Washington, D.C.](#)

For Mr. Bernal, looking to gambling as a source of jobs and revenue is bound to fail, as did the recent subprime mortgage industry and related investment schemes that led to collapses in the housing market and on [Wall Street](#). “Those people [who issued all these subprime loans] had jobs, but it represents a phony prosperity,” he says. Gambling “is a business that’s based on people losing money.”

In [Illinois](#), the number of people who have put themselves on a “self-exclusion” list to help them stay out of casinos because of gambling addictions – about 8,300 – is more than the number of people employed by the casinos – about 6,900.

The Massachusetts bill includes provisions to study addiction and treatment strategies, and to address needs in communities that end up hosting casinos. It would send 5 percent of the revenue to a public health fund to deal with problem gambling. It’s expected to be debated in the Senate within three weeks.