

Position Points: “No Casinos”

Casinos Promise, but Seldom Deliver

- Since 1978, gambling interests have been making big promises to Florida voters about the supposed benefits of expanded gambling. Their promises have consistently fallen short.
- Remember the promises made about the Lottery? Gambling promoters sold Floridians on the hope of more money for education; they even promised the public votes every 2 – 4 years on whether to continue it. Instead, the Lottery money replaced, rather than enhanced, our state’s investment in education. And the voters have **never** again been asked to consider the Lottery at the ballot box.
- Card rooms were allowed at pari-mutuels in 1996 with the promise of limited days, limited hours and \$10 pots. Just 15 years later, card rooms are now no-limit gambling dens, open at least 18 hours a day, 365 days a year.
- In 2004, voters were told that slots would be limited to Miami-Dade and Broward counties, and to just seven existing pari-mutuel facilities. Gambling interests actively claimed the state would net \$500 million per year in new tax revenue – again, for education. Seven years later, the South Florida slots have failed to generate even 30 percent of that figure each year.
- In addition to the current legislative proposal to authorize the world’s largest casinos right here in Florida, a recent court case has now opened the door to a possible 8th gambling facility. **Where will it end?**

Casinos Prey on Existing Businesses

- Most economic studies that make big jobs claims are paid for by the casino industry. The fact is that **when casinos are introduced into a developed economy like ours, they do little more than cannibalize existing jobs and businesses.**
- Despite industry claims, most gamblers would be Floridians or tourists already visiting – so money put in a slot machine or on a blackjack table is money not spent in a local restaurant, entertainment complex, movie theatre, night club, or some other sector of Florida’s economy.
- **That’s why 40 percent of the restaurants and one third of the retail establishments in Atlantic City went out of business within one year of the casinos opening.** Most “success stories” spouted by gambling interests derive from places that have little in common with Florida – like Las Vegas and the Mississippi Gulf Coast – where virtually no commerce existed before the introduction of casinos. But in developed economies like Florida’s, gains in the casino gambling industry have come at the expense of existing jobs and businesses.

Casinos Breed Corruption

- *The Wall Street Journal* reported recently that the Las Vegas Sands Corporation "disclosed in March that the U.S. Securities and Exchange Commission and the U.S. Justice Department were investigating whether the company violated the Foreign Corrupt Practices Act." Las Vegas Sands is one of the primary backers of legislation to legalize mega-casinos in Florida.

- The Miami Herald reported earlier this year that Genting Malaysia—a casino gambling conglomerate that stands to benefit from expanded gambling legislation in Florida—was fined \$425,000 by Singapore’s Casino Regulatory Authority for violating that country’s gambling regulations. Genting has spent over \$200 million this year buying bay front property in Miami as part of its efforts to legalize Vegas-style casinos in Florida.
- Genting also came under fire in 2007 from Singapore’s gaming officials, who forced the company to pull out of a partnership to build a casino in Macau because its partner, Stanley Ho Hung-sun, had been named by the U.S. Justice Department as a money launderer for the Chinese Triads’ organized-crime syndicate.

Who pays for expanded Casino Gambling? You do.

- **Studies paid for by the gambling industry promise big payoffs for the state but fail to take into account the economic and social costs of expanded gambling that must be borne by taxpayers.** These costs include: revenue offsets for taxable money spent in a casino that is not spent in another sector of the economy, the cost of regulation, the cost of additional law enforcement, and the cost of counseling, treatment and support for families of addicted gamblers. When all of these costs are calculated and subtracted from revenues, gambling ends up being a net loss for taxpayers.
- A 2010 report by the New Hampshire Gambling Commission concluded that adding one casino (in New Hampshire) would raise \$219 million in state revenue, but the total social cost would be \$287.7 million: a net drain of \$68.7 million.
- A recession is the worst time to approve new gambling. It amounts to the state preying on its own people at their weakest moment, and simply siphons money from tight household budgets into the pockets of out-of-state corporations.
- Florida has spent years – and billions – to diversify our economy. Legalizing Vegas-style casinos won’t advance those efforts, and is inconsistent with the kind of state we want Florida to be.

Mega-Casinos Do Not Reduce Gambling

- The “sleight of hand” is one of the casino promoter’s best tricks. **The fact is that the expanded gambling bill would put the biggest casinos in the world right here in Florida. The casino proposed by Malaysian gambling conglomerate *Genting* would be nearly double the size of the largest casino in the world.**
- In fact, even if Genting limits the casino size to 8 percent of their development, that Miami casino would be big enough to house six modern marquee casinos on the Las Vegas Strip – with room to spare! The Genting casino alone would comfortably fit the casinos of the MGM Grand, the Wynn, the Mirage, the Bellagio, Caesar’s Palace and the Venetian.
- If 3 casinos of this size are built – which is likely what the forthcoming legislation will propose - Florida would have as much casino gambling as 20 or more casinos on the Las Vegas strip – and all the money would be in the hands of just 3 companies, none of which are based in Florida.