

## Debunking the myths of gaming's effect on the community

While critics of expanded gaming claim that legalized gaming devastates communities, studies show that millions of people across the United States are participating in gaming without any dire social costs. In fact,

- **Legalized gaming creates jobs.** According to the American Gaming Association, last year the commercial casino industry employed more than 375,000 people who earned more than \$13 billion in total wages. More than two-thirds of these employees say they have access to better health care since they began working in the casino gaming industry.
- **Legalized gaming reduces dependence on government-subsidized programs.** Communities close to casinos experienced a 12 to 17 percent drop in welfare payments, unemployment rates and unemployment insurance, according to a 1999 study by the National Opinion Research Center.
- **Legalized gaming generates state tax revenue.** Across the river in Indiana, casinos brought in \$838 million in state and local tax contributions last year. Nationwide, that figure was \$7.3 billion.
- **Legalized gaming stimulates local economies.** The addition of gaming facilities in a community creates direct opportunities for construction, financing, new jobs and vendors—such as facilities and maintenance, marketing, food and beverage, professional and financial services, technology support, etc. There are also opportunities for spin-off economic development for off-site hotels, restaurants and retail shops.

Data shows that crime, bankruptcy, and other perceived quality of life concerns associated with expanded gaming are not affected by gaming facilities in a community.

### Legalized gaming does not increase crime:

- A 2000 National Institute of Justice study found that gaming facilities do not appear to have an effect on crime rates in local communities.
- Law enforcement officials in communities with gaming facilities do not attribute any increase in crime or traffic in the community to casino development, most likely due to internal security at these locations.
- According to data collected by the FBI from nearly 17,000 law enforcement agencies nationwide, the crime rate in Las Vegas for 2007 was lower than many other major American tourist destinations and cities.

### Legalized gaming does not increase bankruptcy cases:

- The 2008 Innovation Group study and data from the American Gaming Association indicate that there is no causal relationship between casino gaming and bankruptcy. Bankruptcies are no more common in communities with gaming facilities than in communities without.

- A report for the Indiana Gambling Impact Study Commission concluded that there is no evidence to support the speculation that people who file bankruptcy are more likely to engage in gambling activity.
- A *USA Today* survey of bankruptcy filers revealed that 63 percent cited credit cards bills and 50 percent cited job loss or pay cuts as the main reason for bankruptcy, and gambling debts ranked 11th out of 11 factors.

Legalized gaming does not create pathological gamblers:

- The 2008 Innovation Group Study and the National Institute of Justice both suggest that pathological gambling is less common than perceived. Thus, the general public's perception of the prevalence of serious gambling problems is "wildly exaggerated."
- Fewer than one percent of the population struggles with pathological gambling, and research shows that legalized casino gambling doesn't necessarily translate to increased occurrences of this disorder.
- A National Gambling Impact Study Commission report concluded that pathological gambling rates in places closest to casinos were no higher than in places further from casinos. In fact, the availability of casinos within driving distance had no affect on instances of pathological gambling.

The truth about other societal impacts:

- There is no evidence that suicide rates increase in communities after the introduction of legalized gaming.
- According to research conducted by The Innovation Group, existing local businesses either hold their own or perform better after the introduction of gaming facilities in their community.
- A National Institute of Justice report concluded that a clear majority of community leaders in with gaming facilities in their hometowns believe that casinos have enhanced their communities' quality of life and the local economy.
- Gaming opponents would have you believe that legalized gaming preys on the poor and elderly, but the typical U.S. Gaming customer is actually from a household with an above average income, and he or she is about the same age and better educated than the average American.

In sum, studies clearly show that the social impact of casino development is positive for communities. Expanded gaming facilities are already readily accessible to many residents of Kentucky. Let's make their benefits accessible to Kentuckians, too. From job creation to tax revenue to tourism dollars, expanded gaming in Kentucky is sure to positively impact the Commonwealth.