

## **BAY STATERS SPENT OVER \$968 MILLION AT CONNECTICUT RESORT CASINOS AND AT RHODE ISLAND AND MAINE RACINOS IN 2009**

**Massachusetts spending increased by 5.3%**

**Bay Staters generated \$230 million in tax revenues to  
Connecticut, Rhode Island and Maine state governments**

**Rhode Islanders spent \$483 million at region's casinos and racinos**

**New England resort casino and racino revenues exceeded \$3.2 billion**

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Despite an ongoing recession that has battered the national economy, decimated state and municipal budgets, and increased unemployment to its highest level in over 33 years, Bay State residents in 2009 spent \$968.3 million at New England's resort casinos and racinos, a 5.3% increase over 2008 spending, according to the 2010 New England Gaming Update (NEGU), released today by the Center for Policy Analysis at the University of Massachusetts at Dartmouth.

The study, which tracks annual gaming and non-gaming expenditures at New England's resort casinos and racinos, found that in 2009 Massachusetts residents spent:

- \$730.6 million versus \$709.0 million in 2008 at Connecticut's Foxwoods and Mohegan Sun resort casinos, an increase of over \$21 million (+3%);

- \$237.0 million versus \$210.9 million in 2008 at Rhode Island's Twin River and Newport Grand racinos, an increase of nearly \$28 million (+12.5%); and

- \$709,136 versus \$602,345 in 2008 at Maine's Hollywood Slots racino, an increase of about \$107,000 (+17.8%).

Bay Staters and Mainers are the only New Englanders whose expenditures at the region's resort casinos and racinos collectively increased in 2009 compared to 2008 spending levels.

Massachusetts spending in 2009 at New England's casinos and racinos generated \$230 million in tax revenues to Connecticut, Rhode Island and Maine state governments, a \$19 million increase - about 9% - over 2008's \$211 million in taxes generated.

Overall, in 2009, Foxwoods and Mohegan Sun generated \$362 million in tax revenues to Connecticut state government. Table games are untaxed in Connecticut yet traditionally equal about 30% of slot machine revenues at resort casinos.

Twin River and Newport Grand contributed nearly \$282 million in tax revenues to Rhode Island state government. Table games are not offered at Rhode Island's racinos.

The resort casinos and racinos last year generated \$3.246 billion in total (gaming and non-gaming) revenues.

From 2004 through 2009, gaming and non-gaming expenditures at New England's resort casinos and racinos totaled \$20.652 billion. Some \$6.83 billion - about 33% or one-of-every three dollars - was spent by Massachusetts residents.

Since 1992, Massachusetts residents have spent over \$12 billion at Connecticut's resort casinos and at the Rhode Island and Maine racinos, generating about \$4.3 billion in tax revenues, primarily, to Connecticut and Rhode Island state government.

Massachusetts residents comprise 36% of Foxwoods, 19% of Mohegan Sun, 48% of Twin River, 45% of Newport Grand, and one percent of Hollywood Slots' patrons, respectively. They are the Connecticut resort casinos and Rhode Island racinos' largest out-of-state customer base, and make more visitations to Foxwoods - 3.7 million annually - than residents of Connecticut.

The patron findings are consistent with previous patron origin analyses conducted by the CFPA, which used the same methodology to estimate patron origins in 1995, 1999, 2004, 2006, 2008, and 2009. The only statistically significant shift in patron origins in 2010 is that patronage from Massachusetts returned to its historic average after a slight decline in the previous year, while the ratio of Massachusetts patrons visiting Twin River continued to increase and reached the highest level ever recorded by NEGU.

CFPA director Dr. Clyde W. Barrow said that Massachusetts spending at the resort casinos and racinos "is a consistent and sustaining revenue generating, job-creating and tourism and hospitality incubator for Connecticut and Rhode Island."

He also said "Massachusetts spending has created more than 6,000 of the 20,000 jobs at New England's resort casinos and racinos."

Rhode Island spending in 2009 at Connecticut's resort casinos totaled about \$236 million, a 5.9% decline from \$250.9 million in spending in 2008. But the spending falloff by Rhode Islanders at their home state racinos was more dramatic, a 13.8% decline from \$286.2 million in 2008 to \$246.8 million in spending this past year.

Rhode Islanders in 2009 spent about \$482.8 million at the region's resort casinos and racinos, a 10.1% decline from \$537.1 million in spending in 2008. They represent 13% of Foxwoods, 5% of Mohegan Sun, 49% of Twin River and 51% of Newport Grand patrons, respectively.

Barrow said "Rhode Island is particularly vulnerable" should Massachusetts officials approve resort casinos and racinos.

"Slot machines at southeastern Massachusetts racetracks will be devastating to Rhode Island gaming revenues," he said, "recapturing significant Massachusetts spending at Twin River and Newport Grand, and possibly capturing some Rhode Islander spending from their home state racinos."

Barrow also said that, if approved, a southeastern Massachusetts resort casino will "compete for more than \$200 million spent yearly by Rhode Islanders at the Connecticut casinos."

New Hampshire residents spent about \$62 million in 2009 at the region's resort casinos and racinos --- \$57 million at Foxwoods and Mohegan Sun, nearly \$5 million at Rhode Island's racinos, and just over \$700,000 at Hollywood Slots in Maine.

New Hampshire residents comprise 3% of Foxwoods, more than 1% of Mohegan Sun, 1% of Twin River, and fewer than 1% of Newport Grand patrons. State officials are debating legislation to authorize a Hudson resort casino and slots at two racetracks near the Massachusetts border.

New Hampshire legislators are considering legislation to authorize a Hudson resort casino and slots and table games at five other locations, including two racetracks near the Massachusetts border. The state senate approved the legislation on Wednesday, March 24, 2010 by a vote of 14-10. The New Hampshire gaming bill now moves to the House of Representatives for consideration.

Maine residents in 2009 spent \$88 million at New England gaming venues in 2009 --- about \$61 million at Hollywood Slots, \$26 million at Connecticut's resort casinos, and \$1 million at Rhode Island's racinos. They represent about 96% of Hollywood Slots, more than 1% of Foxwoods, nearly 1% of Mohegan Sun, and less than one percent of Rhode Island racino patrons.

Maine voters will cast ballots in November of 2010 on an initiated bill that, if passed, would authorize a resort casino in Oxford County, Maine.

The annual New England Casino Gaming Update is a publication of the New England Gaming Research Project, which is funded entirely by the University of Massachusetts Dartmouth.

The full report is available at <http://www.umassd.edu/seppce/policyanalysis/index.html>.

## State residents' spending at Connecticut resort casinos and at Rhode Island and Maine racinos

### 2009

	<u>Slot Machine Spending</u>	<u>Other Gaming Spending</u>	<u>Total Gaming Spending</u>	<u>Non-Gaming Spending</u>	<u>Grand Total Spending</u>	<u>Taxes Generated To CT/RI/ME</u>
CT	\$ 656,187,359	\$275,502,364	\$ 931,689,722	\$254,471,244	\$1,186,160,966	\$ 166,568,850
<b>MA</b>	<b>\$ 604,663,980</b>	<b>\$164,751,318</b>	<b>\$ 769,415,298</b>	<b>\$198,891,632</b>	<b>\$ 968,306,930</b>	<b>\$ 229,864,752</b>
RI	\$ 349,968,412	\$ 52,676,410	\$ 402,644,822	\$ 80,108,609	\$ 482,753,431	\$ 169,357,674
ME	\$ 71,016,888	\$ 5,779,916	\$ 76,796,804	\$ 11,317,399	\$ 88,114,203	\$ 30,334,391
NH	\$ 34,629,014	\$ 12,734,304	\$ 47,363,318	\$ 14,350,040	\$ 61,713,358	\$ 10,273,216
VT	\$ 5,345,584	\$ 2,170,283	\$ 7,515,867	\$ 2,102,369	\$ 9,618,237	\$ 1,387,693
	<b>\$1,721,811,237</b>	<b>\$513,614,593</b>	<b>\$2,235,425,831</b>	<b>\$561,241,193</b>	<b>\$2,796,667,125</b>	<b>\$ 607,782,576</b>
NY	\$ 198,676,513	\$ 83,788,919	\$ 282,465,432	\$ 80,013,550	\$ 362,478,982	\$ 50,159,727
OTHER	\$ 26,855,966	\$ 9,475,767	\$ 36,331,734	\$ 10,304,845	\$ 46,636,579	\$ 8,251,614
NJ	\$ 21,327,280	\$ 9,095,932	\$ 30,423,212	\$ 9,946,741	\$ 40,369,952	\$ 5,331,820
	<b>\$ 246,859,759</b>	<b>\$102,360,618</b>	<b>\$ 349,220,378</b>	<b>\$100,265,136</b>	<b>\$ 449,485,513</b>	<b>\$ 63,743,161</b>
<b>TOT</b>	<b>\$1,968,670,996</b>	<b>\$615,975,211</b>	<b>\$2,584,646,209</b>	<b>\$661,646,209</b>	<b>\$3,246,152,638</b>	<b>\$ 671,525,737</b>