

STATE-BY-STATE ECONOMIC IMPACT: COMMERCIAL CASINOS

The past few years have been difficult ones for the gaming industry, but 2011 national economic impact figures give reasons for optimism and show that the slow and steady recovery of the commercial casino industry is well underway. In 2011, commercial casino revenues reached \$35.64 billion, which was an increase of 3.0 percent compared with 2010 figures. Commercial casinos returned \$7.93 billion of those revenues to states and localities in the form of direct gaming taxes — a 4.5 percent increase over 2010 totals. The gaming industry also continued to be a significant source of employment, providing jobs for 339,098 people who earned \$12.9 billion in wages, benefits and tips during 2011.

Fifteen states saw their gross gaming revenues increase in 2011, with the largest increases coming from states where new casinos opened during 2011 or had a full year of operations for the first time, including Maryland (+464.2 percent), Kansas (+28.3 percent) and New York (+15.6 percent). A full year of operations at Sugar House Casino in Philadelphia and a full year of table game operations statewide helped drive Pennsylvania's 21.3 percent increase in gaming revenue.

Thirteen of 22 states had increases in gaming tax contributions as well. In Maryland, the addition of a second casino and the first full year of operations at the first drove a 464.2 percent increase. New casinos in Kansas and New York led to increases of 38.0 percent and 17.9 percent, respectively.

New properties also generated significant jumps in employment in several states in 2011. New York's 46.7 percent jump in gaming employment was driven by the debut of Resorts World New York in Queens, and Illinois' 14.8 percent increase can be attributed to the Rivers Casino in Des Plaines, Ill.

Despite overall growth in national economic impact figures, some states did see declines in gaming revenue, direct gaming tax receipts and employment during 2011. New Jersey, due in part to increased regional competition from a full year of table game operations in Delaware and Pennsylvania, experienced the largest declines in both gaming (-7.0 percent) and tax (-9.1 percent) revenue. Delaware experienced the largest drop in employment with a 15.9 percent decline.

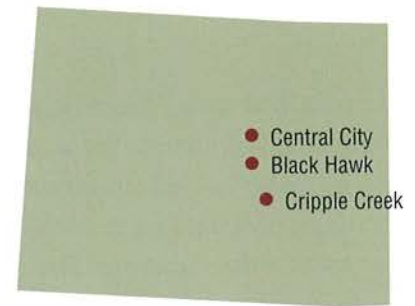
The following tables give the most complete picture available of each of the 22 commercial casino states' economic impacts, including gross gaming and gaming tax revenue, employment and wages.



COLORADO

Current # of Operating Casinos	40
Casino Format	Land-based
Casino Employees	9,263
Casino Employee Wages	\$217.47 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$750.11 million
Gaming Tax Revenue	\$102.17 million
How Taxes Spent	Local communities, historic preservation, community colleges, general fund
Legalization Date	1990
First Casino Opening Date	1991
State Gaming Tax Rate	Graduated tax rate with a maximum tax of 20% on gaming revenue
Mode of Legalization	Statewide vote, legislative action
Visitor Volume	Data not available

Sources: Colorado Gaming Association, Colorado Division of Gaming



Colorado's 40 casinos saw their 2011 total gross gaming revenue figure decline 1.3 percent compared to 2010. Direct gaming taxes in the state experienced a drop of 4.5 percent.

DELAWARE

Current # of Operating Casinos	3
Casino Format	Racetrack casinos with publicly run video lottery terminals and table games with distributions to operators
Casino Employees	2,730
Casino Employee Wages	\$124.59 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$552.37 million
Gaming Tax Revenue	\$230.16 million
How Taxes Spent	General fund
Legalization Date	1994
First Casino Opening Date	1995
Revenue Retained by Operator	43.89%
Mode of Legalization	Legislative action
Visitor Volume	Data not available

Sources: Delaware Lottery, individual properties



Even though 2011 was Delaware's first full year with table games, regional competition from casinos in Maryland and Pennsylvania drove a 3.3 percent decline in gaming revenue and a 5.3 percent decrease in gaming taxes compared to 2010 figures.

FLORIDA

Current # of Operating Casinos	5
Casino Format	Racetrack casinos with slot machines
Casino Employees	2,601
Casino Employee Wages	\$71.79 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$381.72 million
Gaming Tax Revenue	\$143.60 million
How Taxes Spent	Statewide education
Legalization Date	2006
First Casino Opening Date	2006
State Gaming Tax Rate	35%
Mode of Legalization	Statewide referendum, local option vote, legislative action
Visitor Volume	Data not available

Note: Florida wage and employment data includes four of five properties, as one declined to participate in data collection. 2010 data was used for the fourth property because they declined to provide 2011 information.

Sources: Florida Department of Business and Professional Regulation, individual properties



Compared to 2010, Florida's commercial casinos experienced a significant 16.0 percent increase in gaming revenue in 2011, but since 2011 was the first full year with a 35 percent gaming tax rate, the state saw tax receipts drop by 6.4 percent compared to the previous year.

ILLINOIS

Current # of Operating Casinos	10
Casino Format	Riverboat
Casino Employees	7,911
Casino Employee Wages	\$313.39 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$1.477 billion
Gaming Tax Revenue	\$489.42 million
How Taxes Spent	Education assistance, local government
Legalization Date	1990
First Casino Opening Date	1991
State Gaming Tax Rate	Graduated tax rate from 15% to 50% of gross gaming revenue, \$2-3 admissions tax
Mode of Legalization	Legislative action
Visitor Volume	14.80 million

Sources: Illinois Casino Gaming Association, Illinois Gaming Board



The July opening of Illinois' 10th riverboat — The Rivers Casino in Des Plaines — drove increases in both gaming revenue (+8.0 percent) and tax receipts (+5.0 percent). Employment in Illinois also experienced a bump from the new casino, with a 14.8 percent increase compared with 2010 figures.

INDIANA

Current # of Operating Casinos	13
Casino Format	Riverboats, land-based and racetrack casinos with slots and table games
Casino Employees	14,079
Casino Employee Wages	\$459.30 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$2.721 billion
Gaming Tax Revenue	\$846.37 million
How Taxes Spent	Economic development, local government
Legalization Date	1993
First Casino Opening Date	1995
State Gaming Tax Rate	Riverboat and Land-based Casinos: Graduated tax rate from 15% to 40% of gross gaming revenue; \$3 per patron admissions tax; Racinos: Graduated slot tax from 25% to 35% of gross gaming revenue
Mode of Legalization	Local option vote, legislative action
Visitor Volume	25.04 million

Note: Indiana wage and employment data includes 12 of 13 properties, as one declined to participate in the data collection.

Sources: Casino Association of Indiana, Indiana Gaming Commission



Indiana, the nation's third-largest commercial gaming state by revenue, saw both its gross gaming revenue (-2.5 percent) and its gaming tax revenue (-3.3 percent) decline in 2011 compared to 2010 data.

IOWA

Current # of Operating Casinos	18
Casino Format	Riverboat, land-based and racetrack casinos with slots and table games
Casino Employees	9,384
Casino Employee Wages	\$337.66 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$1.424 billion
Gaming Tax Revenue	\$321.53 million
How Taxes Spent	Infrastructure, schools and universities, the environment, tourism projects, cultural initiatives, general fund
Legalization Date	1989
First Casino Opening Date	1991
State Gaming Tax Rate	Graduated tax rate with a maximum of up to 22% on gross gaming revenue at riverboats and up to 24% at racetracks with slots and table games with gaming revenue exceeding \$100 million
Mode of Legalization	Local option vote, legislative action
Visitor Volume	22.16 million

Sources: Iowa Gaming Association, Iowa Racing and Gaming Commission



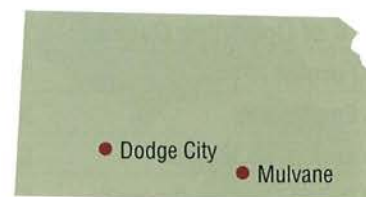
In June, Grand Falls Casino Resort opened in Larchwood, Iowa — becoming the state's 18th commercial casino. The new property helped spur increases in gaming revenue (+3.7 percent), tax revenue (+5.3 percent) and gaming employment (+5.3 percent), compared to 2010 figures.

KANSAS

Current # of Operating Casinos	2
Casino Format	Land-based (state-owned)
Casino Employees	N/A
Casino Employee Wages	N/A
Gross Casino Gaming Revenue	\$48.48 million
Gaming Tax Revenue	\$13.08 million
How Taxes Spent	State debt reduction, infrastructure improvements, property tax relief, problem gambling treatment
Legalization Date	2007
First Casino Opening Date	2009
State Gaming Tax Rate	22% state tax, 3% local government tax and 2% tax to fund problem gambling treatment
Mode of Legalization	Legislative action, local option vote
Visitor Volume	Data not available

Note: Both properties in Kansas declined to provide employment and wage data.

Sources: Kansas Lottery, individual property



The second state-owned casino opened in Mulvane, Kan. in December 2011 and was part of the reason that Kansas experienced year-over-year increases in gaming revenue (+28.3 percent) and tax receipts (+38.0 percent).

LOUISIANA

Current # of Operating Casinos	18
Casino Format	Riverboat, land-based and racetrack casinos with slots and table games
Casino Employees	17,207
Casino Employee Wages	\$569.23 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$2.374 billion
Gaming Tax Revenue	\$573.19 million
How Taxes Spent	General fund, city of New Orleans, public retirement systems, state capital improvements, rainy day fund
Legalization Date	1991
First Casino Opening Date	1993
State Gaming Tax Rate	Riverboat Casinos: 21.5% ¹ ; Land-based casino: \$60 million annual tax or 21.5% of gross gaming revenue, whichever is greater; Racinos: 18% of gross gaming revenue paid to horsemen; 18.5% of net to state taxes and 4% to local parish
Mode of Legalization	Local option vote, legislative action
Visitor Volume	32.04 million

¹Riverboat casinos pay an additional 4 percent to 6 percent to local governing authorities under the terms of "local boarding fee" agreements.

Sources: Louisiana Casino Association, Louisiana Gaming Control Board, individual properties



The economic impact of Louisiana's commercial casinos held steady in 2011, with a negligible (+0.01 percent) increase in gross gaming revenue and a slight (+0.2 percent) increase in gaming tax revenue versus 2010 figures.

MAINE

Current # of Operating Casinos	1
Casino Format	Racetrack casino with slot machines
Casino Employees	364
Casino Employee Wages	\$10.83 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$59.45 million
Gaming Tax Revenue	\$29.06 million
How Taxes Spent	Education, health care, agriculture, gambling control board administration, city of Bangor
Legalization Date	2004
First Casino Opening Date	2005
State Gaming Tax Rate	1% tax on handle or the amount wagered; 39% tax on gross gaming revenue; 3% tax on gross gaming revenue to the city of Bangor
Mode of Legalization	Local option vote, legislative action
Visitor Volume	Data not available

Sources: Maine Gambling Control Board, Penn National Gaming, Inc.



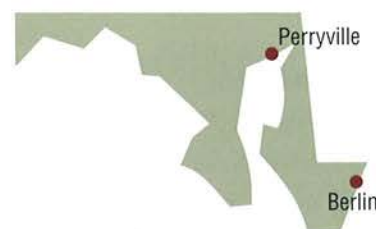
When compared with 2010 figures, Maine's gross gaming revenue dropped by 3.6 percent in 2011, and its gaming tax receipts fell by 3.7 percent year-over-year.

MARYLAND

Current # of Operating Casinos	2
Casino Format	Land-based, slots-only casinos
Casino Employees	290
Casino Employee Wages	\$9.86 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$155.71 million
Gaming Tax Revenue	\$89.53 million
How Taxes Spent	Education trust fund, local impact grants, small, minority- and women-owned businesses
Legalization Date	2008
First Casino Opening Date	2010
State Gaming Tax Rate	33%
Mode of Legalization	Constitutional referendum
Visitor Volume	Data not available

Note: Maryland wage and employment data includes one of two properties, as one declined to participate in the data collection.

Sources: Maryland Lottery, individual properties



The first full-year of operations at Maryland's first casino in Perryville, Md. and the opening of its second property in Berlin, Md. led to the collection of four times the amount of gaming (+464.2 percent) and tax (+464.2 percent) revenue in 2011 as was earned in 2010.

MICHIGAN

Current # of Operating Casinos	3
Casino Format	Land-based
Casino Employees	7,303
Casino Employee Wages	\$425.05 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$1.424 billion
Gaming Tax Revenue	\$320.67 million
How Taxes Spent	Public safety, capital improvements, youth programs, tax relief, neighborhood development and improvement, infrastructure repair and improvement
Legalization Date	1996
First Casino Opening Date	1999
State Gaming Tax Rate	19% tax on gross gaming revenue (10.9% to city of Detroit, 8.1% to state of Michigan); state and municipal service fees also are levied annually
Mode of Legalization	Local advisory vote, statewide voter referendum, legislative action
Visitor Volume	Data not available

Sources: Michigan Gaming Control Board, individual properties



Michigan's commercial casino market, which includes three properties in Detroit, continued to experience growth in 2011 with a 2.9 percent increase in gross gaming revenue and a 3.0 percent increase in gaming tax contributions compared to 2010 figures.

MISSISSIPPI

Current # of Operating Casinos	30
Casino Format	Dockside, land-based
Casino Employees	23,721
Casino Employee Wages	\$826.64 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$2.239 billion
Gaming Tax Revenue	\$274.42 million
How Taxes Spent	Housing, education, transportation, health care services, youth counseling programs, local public safety programs
Legalization Date	1990
First Casino Opening Date	1992
State Gaming Tax Rate	Graduated tax of 8% on gaming revenues; up to 4% additional tax on gaming revenues may be imposed by local governments
Mode of Legalization	Legislative action, local option votes
Visitor Volume	28.87 million

Sources: Mississippi Casino Operators Association, Mississippi Gaming Commission



Mississippi River flooding that forced many riverboat casinos in northern Mississippi to close during April and May contributed to declines in visitor volume, gaming revenue (-6.3 percent) and tax contributions (-3.9 percent) in 2011.

MISSOURI

Current # of Operating Casinos	12
Casino Format	Riverboat
Casino Employees	10,435 (FY 2011)
Casino Employee Wages	\$343.50 million (includes tips and benefits) (FY 2011)
Gross Casino Gaming Revenue	\$1.805 billion
Gaming Tax Revenue	\$484.83 million
How Taxes Spent	Education, local public safety programs, compulsive gambling treatment, veterans' programs, early childhood programs
Legalization Date	1993
First Casino Opening Date	1994
State Gaming Tax Rate	21% tax on gross gaming revenue; \$2 per patron admission fee, per excursion, split between home dock community and the state
Mode of Legalization	Statewide vote, local option vote, legislative action
Visitor Volume	25.87 million

Sources: Missouri Gaming Association, Missouri Gaming Commission



A full year of operations at River City Casino in St. Louis helped Missouri's statewide gross gaming revenues increase slightly (+1.1 percent) compared to 2010 figures, but gaming tax revenue inched downward (-0.3 percent) when contrasted with 2010 statistics.

NEVADA

Current # of Operating Casinos	256 (FY 2011)
Casino Format	Land-based
Casino Employees	174,381 (FY 2011)
Casino Employee Wages	\$7.461 billion (includes tips and benefits) (FY 2011)
Gross Casino Gaming Revenue	\$10.701 billion
Gaming Tax Revenue	\$865.25 million
How Taxes Spent	Education, local governments, general fund, problem gambling programs
Legalization Date	1931
First Casino Opening Date	1931
State Gaming Tax Rate	Graduated tax rate with a maximum tax of 6.75% on gross gaming revenue; additional fees and levies may be imposed by counties, municipalities and the state adding approximately 1% to the tax burden
Mode of Legalization	Legislative action
Visitor Volume	51.37 million

Sources: Nevada Gaming Control Board, Nevada Commission on Tourism

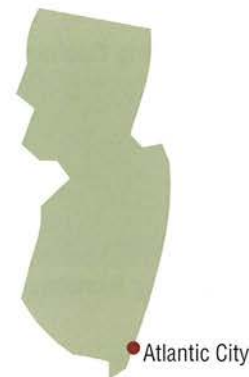


From 2010 to 2011, visitor volume increased by more than one million in Nevada, helping to drive increases in gaming revenue (+2.9 percent) and tax revenue (+3.6 percent). Employment, which tends to be a lagging indicator of recovery, declined slightly by 0.4 percent.

NEW JERSEY

Current # of Operating Casinos	11
Casino Format	Land-based
Casino Employees	32,823
Casino Employee Wages	\$915.32 million (includes tips)
Gross Casino Gaming Revenue	\$3.318 billion
Gaming Tax Revenue	\$277.60 million
How Taxes Spent	Senior citizens, disabled, economic revitalization programs
Legalization Date	1976
First Casino Opening Date	1978
State Gaming Tax Rate	8% tax on gross gaming revenue, plus a community investment alternative obligation of 1.25% of gross gaming revenue (or an investment alternative 2.5% on gross gaming revenue)
Mode of Legalization	Statewide vote, legislative action
Visitor Volume	28.45 million

Sources: New Jersey Casino Control Commission, South Jersey Transportation Authority



Increased regional competition from a full year of table game operations in neighboring Delaware and Pennsylvania continued to take its toll on the Atlantic City market. In 2011, gross gaming revenue (-7.0 percent), employment (-3.9 percent) and direct gaming tax revenue (-9.1 percent) all declined compared with 2010 figures.

NEW MEXICO

Current # of Operating Casinos	5
Casino Format	Racetrack casinos with slot machines
Casino Employees	1,447 ¹
Casino Employee Wages	\$33.61 million (includes tips and benefits) ²
Gross Casino Gaming Revenue	\$248.92 million
Gaming Tax Revenue	\$64.72 million
How Taxes Spent	General fund, problem gambling treatment
Legalization Date	1997
First Casino Opening Date	1999
State Gaming Tax Rate	26% tax on gross gaming revenue; 20% to purse supplements; 0.25% to fund disordered gambling treatment and awareness
Mode of Legalization	Legislative action
Visitor Volume	Data not available

¹New Mexico employment data includes four of five properties, as one declined to participate in data collection. 2010 data was used for the fourth property because they declined to provide 2011 information.

²New Mexico wage data includes three of five properties, as two declined to participate in data collection. 2010 data was used for the third property because they declined to provide 2011 information.

Sources: New Mexico Gaming Control Board, individual properties



Economic impact figures in New Mexico held steady in 2011 when compared to 2010 figures, with slight increases in both gaming revenue (+0.6 percent) and direct gaming tax contributions (+0.6 percent).

NEW YORK

Current # of Operating Casinos	9
Casino Format	Racetrack casinos with publicly run video lottery terminals with distributions to operators
Casino Employees	5,082
Casino Employee Wages	\$179.06 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$1.259 billion
Gaming Tax Revenue	\$593.40 million
How Taxes Spent	Education
Legalization Date	2001
First Casino Opening Date	2004
Revenue Retained by Operator	32.86%
Mode of Legalization	Legislative action
Visitor Volume	Data not available

Note: New York employment and wage figures reflect 2010 data for one property that declined to provide 2011 data.

Sources: New York Racing and Wagering Board, New York Lottery, individual properties



The October 2011 opening of Resorts World New York in Queens, New York City not only brought commercial gaming to the largest city in the U.S., but drove substantial year-over-year increases in employment (+46.7 percent), gaming revenue (+15.6 percent) and tax receipts (+17.9 percent) compared to 2010 figures.

OKLAHOMA

Current # of Operating Casinos	2
Casino Format	Racetrack casinos with slot machines
Casino Employees	905
Casino Employee Wages	NA ¹
Gross Casino Gaming Revenue	\$106.23 million
Gaming Tax Revenue	\$18.30 million
How Taxes Spent	Education
Legalization Date	2004
First Casino Opening Date	2005
State Gaming Tax Rate	Graduated state tax from 10-30% on gross gaming revenue; 9% tax to state racing commission, varying payments to horsemen, breeders and purses depending on track gaming revenues
Mode of Legalization	Statewide question on ballot
Visitor Volume	Data not available

¹Both properties in Oklahoma declined to provide wage data.

Sources: Oklahoma Horse Racing Commission, State of Oklahoma-Office of the State Auditor and Inspector



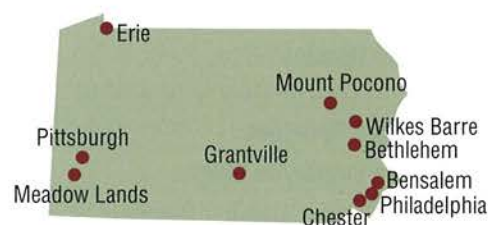
The success of Oklahoma's two racetrack casinos is one sign that a slow and steady economic recovery may have begun. Properties in Oklahoma City, Okla. and Claremore, Okla. experienced their largest percentage increases in employment (+17.5 percent), but also posted gains in gross gaming revenue (+6.4 percent) and gaming tax contributions (+10.6 percent).

PENNSYLVANIA

Current # of Operating Casinos	10
Casino Format	Land-based and racetrack casinos with slots and table games
Casino Employees	13,050
Casino Employee Wages	\$460.29 million (includes tips and benefits)
Gross Casino Gaming Revenue	\$3.024 billion
Gaming Tax Revenue	\$1.456 billion
How Taxes Spent	Property tax relief, economic development, tourism, horse racing industry, host local government
Legalization Date	2004
First Casino Opening Date	2007
State Gaming Tax Rate	Slot Machines: 34% to state gaming fund, 12% to horse racing industry, 5% to economic development, 4% to local and county governments; Table Games: 16% tax - 14% to general fund, 2% to local county municipalities
Mode of Legalization	Legislative action
Visitor Volume	Data not available

Note: Pennsylvania wage and employment data includes nine of 10 properties, as one declined to participate in data collection. 2010 data was used for two properties because they declined to provide 2011 information.

Sources: Pennsylvania Gaming Control Board, individual properties



In Pennsylvania, 2010 to 2011 year-over-year increases in gaming revenue (+21.3 percent), tax receipts (+9.6 percent) and employment (+3.0 percent) were driven by a full year of table games at all 10 properties and a full year of operations at Sugarhouse Casino in Philadelphia.

RHODE ISLAND

Current # of Operating Casinos	2
Casino Format	Racetrack casinos with publicly run video lottery terminals with distributions to operators
Casino Employees	N/A
Casino Employee Wages	N/A
Gross Casino Gaming Revenue	\$512.86 million
Gaming Tax Revenue	\$308.71 million (FY 2011)
How Taxes Spent	General fund
Legalization Date	1992
First Casino Opening Date	1992
Revenue Retained by Operator	27.53% ¹
Mode of Legalization	Legislative action
Visitor Volume	Data not available

Note: Both properties in Rhode Island declined to provide employment and wage data.

¹FY 2010 data was used to calculate the percentage of revenue retained by operator.

Sources: Rhode Island Lottery, individual properties



2011 was a successful year for Rhode Island's racetrack casinos. Combined, the two properties saw increases compared with 2010 in both gross gaming revenue (+7.5 percent) and direct gaming tax revenue (+4.2 percent).

SOUTH DAKOTA

Current # of Operating Casinos	35
Casino Format	Land-based (limited-stakes; \$100 maximum bet)
Casino Employees	1,647 (CY 2010)
Casino Employee Wages	\$37.26 million (CY 2010) (includes tips)
Gross Casino Gaming Revenue	\$100.90 million
Gaming Tax Revenue	\$16.36 million
How Taxes Spent	50% commission fund; 40% Department of Tourism; 10% Lawrence County
Legalization Date	1989
First Casino Opening Date	1989
State Gaming Tax Rate	9% tax on gross gaming revenue; gaming device tax (\$2,000 per machine per year)
Mode of Legalization	Statewide vote, local option vote, legislative action
Visitor Volume	Data not available

Sources: South Dakota Gaming Commission, Labor Market Information Center, South Dakota Department of Labor



Direct gaming tax revenue and gross gaming revenue in South Dakota both declined by 5 percent during 2011, due in part to a smoking ban that took effect in November 2010.

WEST VIRGINIA

Current # of Operating Casinos	5
Casino Format	Racetrack casinos with publicly run video lottery terminals and table games with distributions to operators, one land-based commercial casino
Casino Employees	4,475
Casino Employee Wages	\$148.71 million
Gross Casino Gaming Revenue	\$958.70 million
Gaming Tax Revenue	\$406.46 million
How Taxes Spent	Education, senior citizens, tourism
Legalization Date	1994
First Casino Opening Date	1994
Revenue Retained by Operator	46.99%
Mode of Legalization	Local option vote, legislative action
Visitor Volume	Data not available

Note: West Virginia wage and employment data includes four of five properties, as one declined to participate in the data collection.

Sources: West Virginia Lottery, individual properties



A full year of table game operations at Hollywood Casino at Charles Town Races in Charles Town, W.V. drove significant 2011 increases in both gross gaming revenues (+9.2 percent) and direct gaming tax contributions (+6.4 percent) compared to 2010 numbers.