

Ten-Year Trends in Gambling Revenue to the States



**COUNCIL OF STATE GOVERNMENTS
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**LUCY DADAYAN
SENIOR POLICY ANALYST**



**THE NELSON A.
ROCKEFELLER INSTITUTE OF GOVERNMENT**

Independent Research on America's State and Local Governments

Outline



- **Gambling availability across the nation**
- **Trends in revenue from major sources of gambling for 1998-2007**
- **Current state of revenue from gambling**
- **Future outlook**

Gambling Availability and Legalization Date Across States



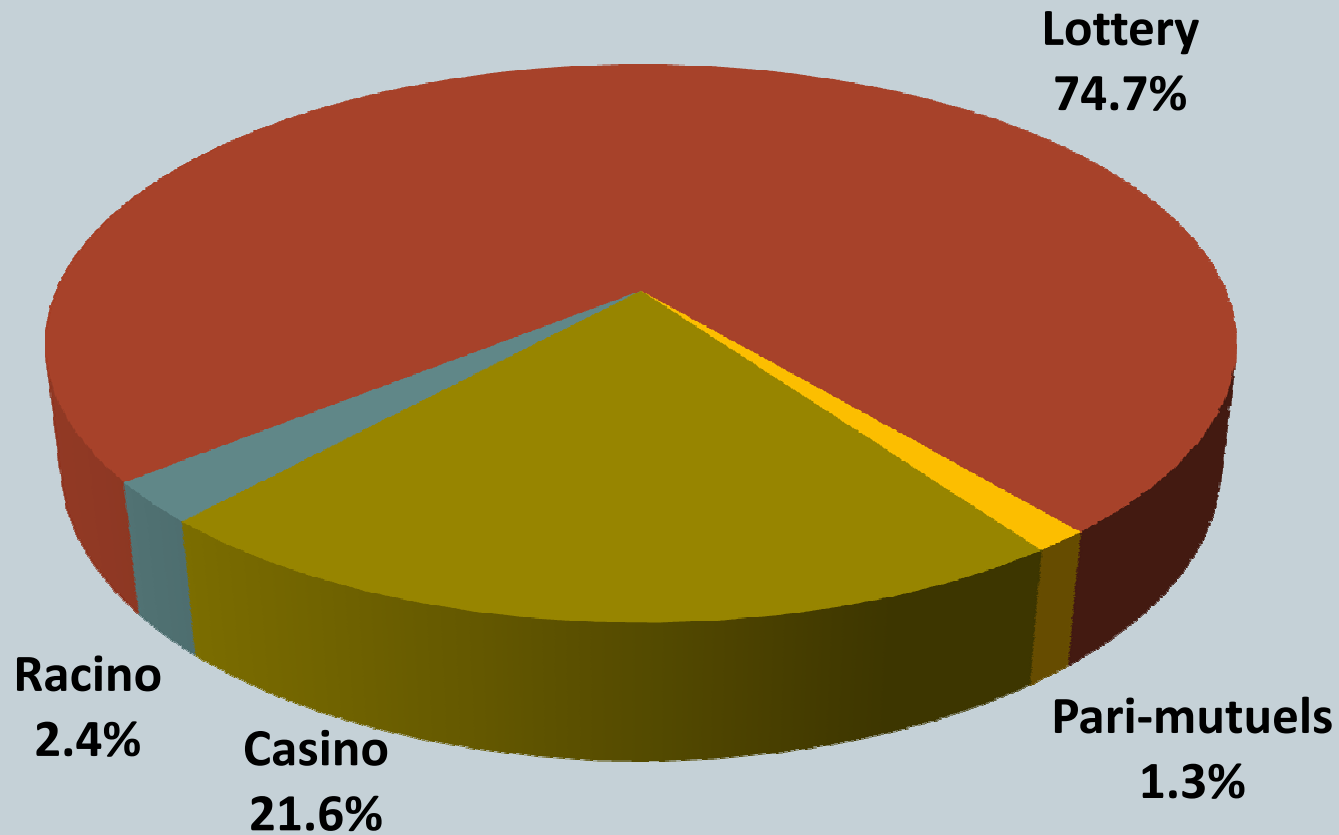
Gambling Type	# of states	Until 1990	1991-2000	2001 - 2007
Lotteries	42	32	5	5
Commercial Casinos	12	7	4	1
Racinos	11		6	5
Pari-mutuel	43			
Native American	32			

Gambling Revenue Highlights

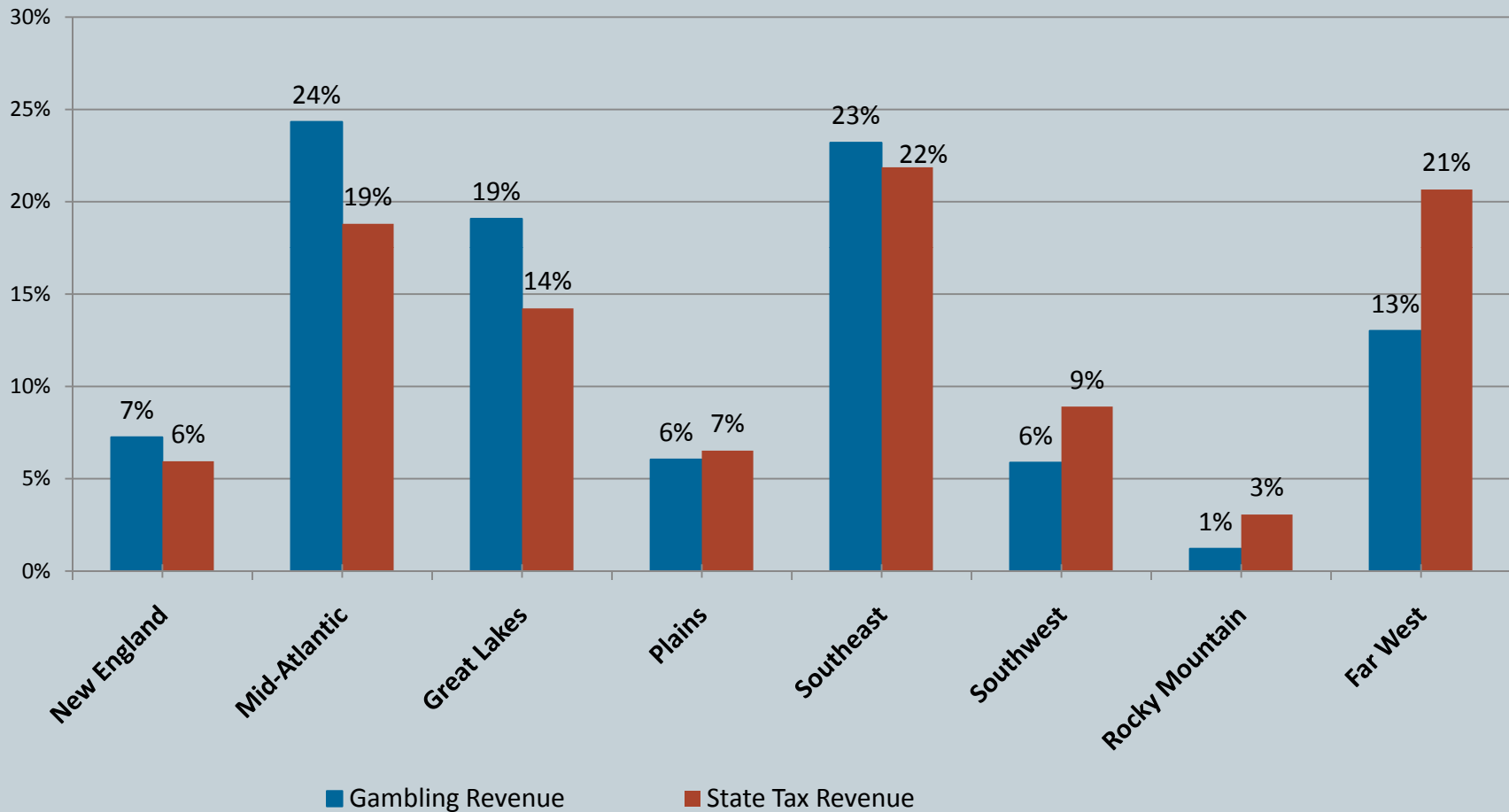


- State revenues from gambling have risen steadily over the past decade
- Such growth is explained by new technology, economic trends, government support
- Gambling revenue plays a consistently important role in state finances
- Gambling revenue represents nearly half of the amount that states collect in CIT

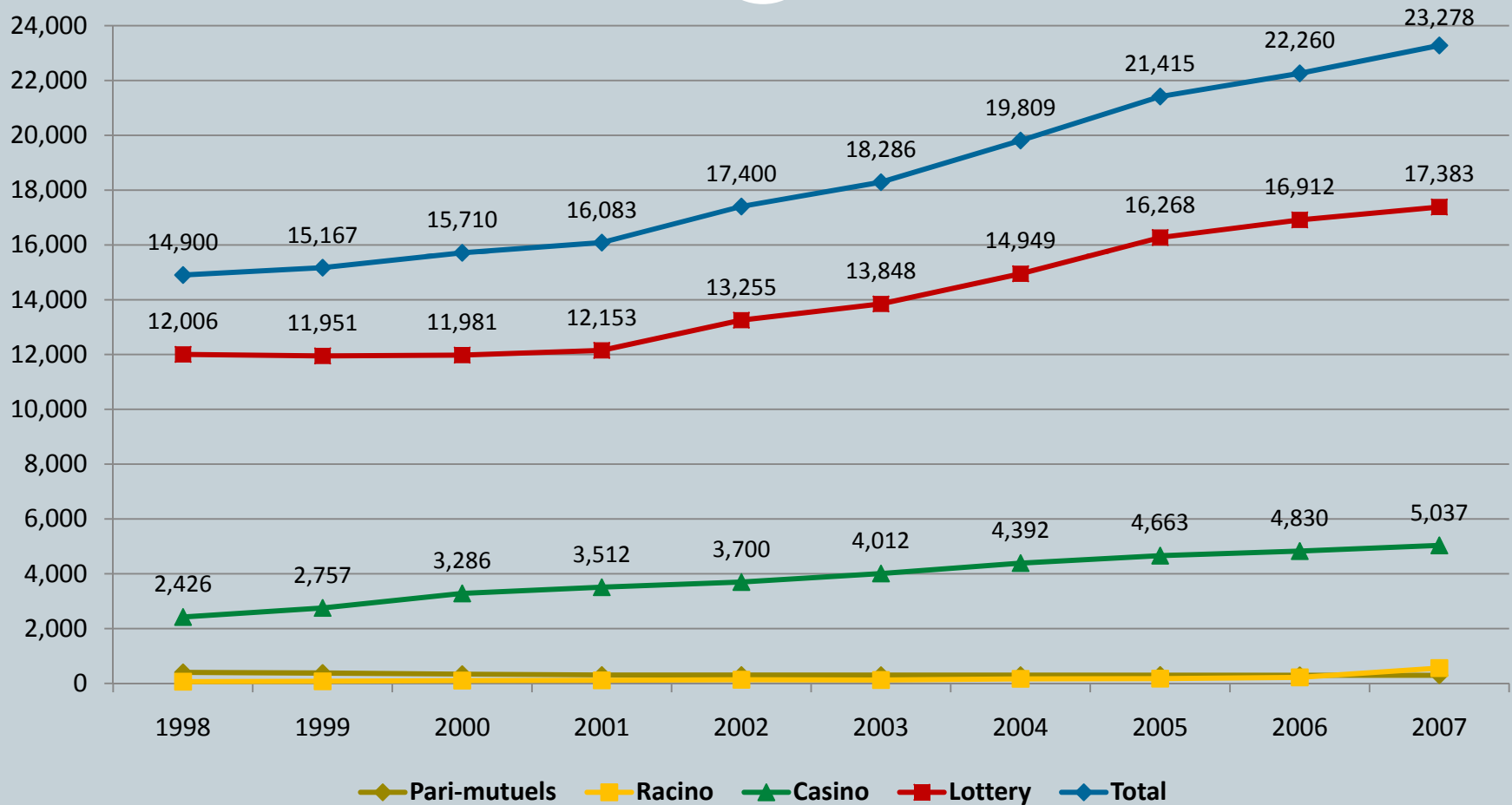
Share of Gambling Revenue, FY 2007



Gambling Revenue vs. Tax Revenue Distribution, By Region, FY 2007



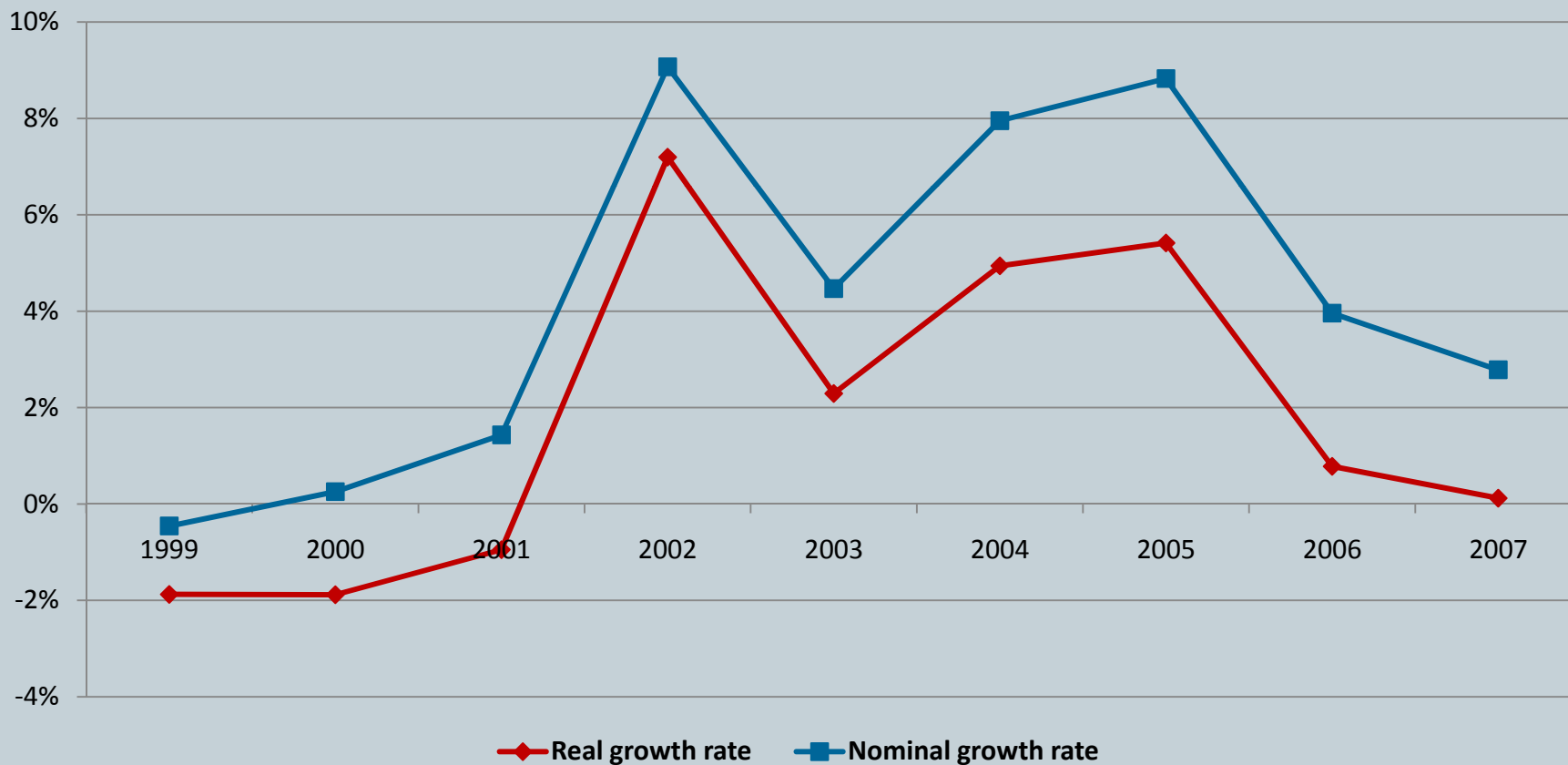
Trends in Gambling Revenue, 1998-2007



Trends in Lottery Revenue to State-Local Governments



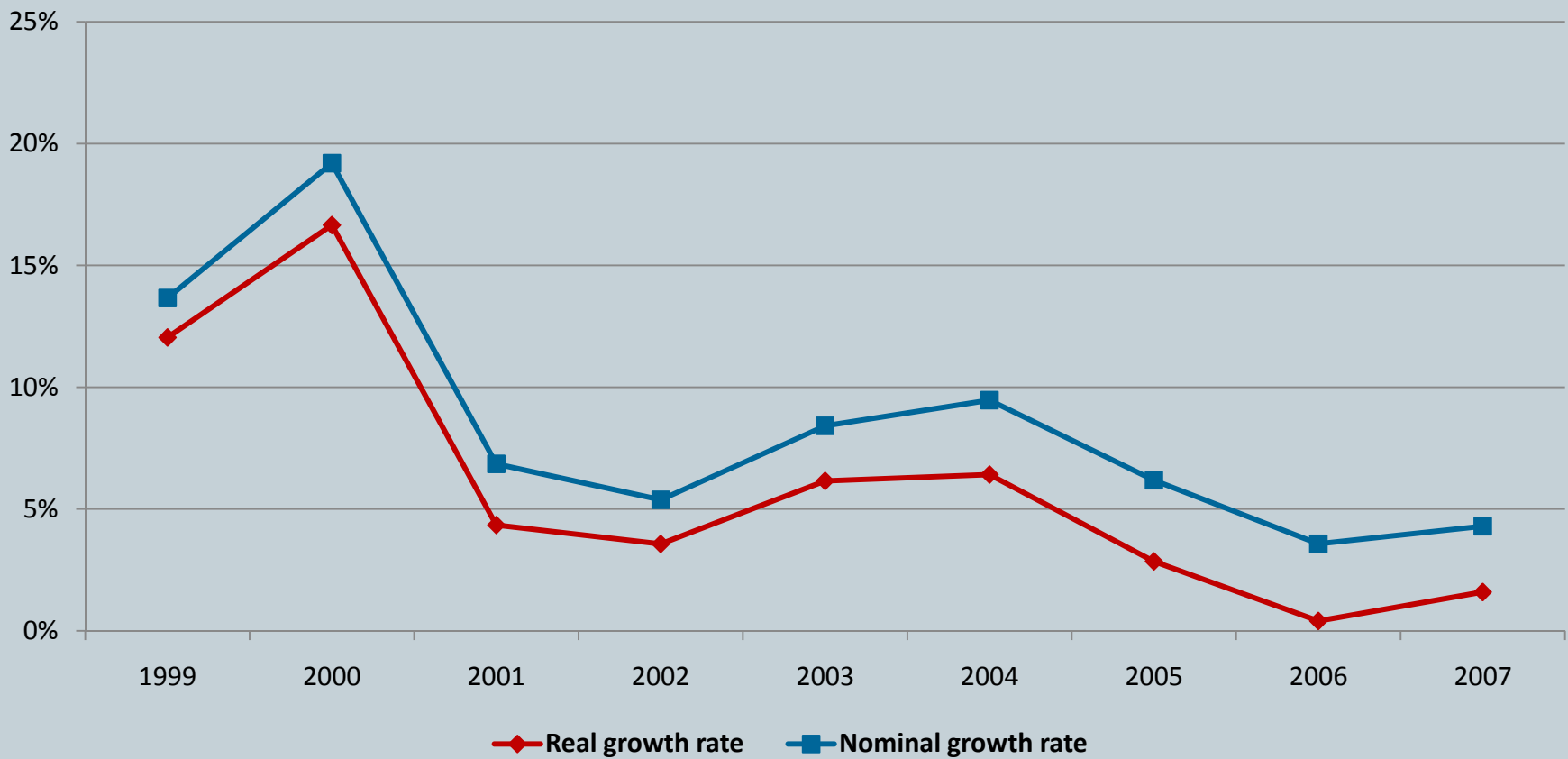
Year-over-year growth rate



Trends in Casino Revenue to State-Local Governments



Year-over-year growth rate



State Gambling Revenue From Casinos



State	July 2006 - June 2007	July 2007- June 2008	Percent change
Colorado	112,004,927	108,176,398	-3.4%
Illinois	818,366,481	698,245,273	-14.7%
Indiana	851,480,685	818,976,161	-3.8%
Iowa	194,162,554	214,405,437	10.4%
Louisiana	466,990,745	478,101,753	2.4%
Michigan	316,614,825	302,808,850	-4.4%
Mississippi	332,285,489	344,588,730	3.7%
Missouri	422,307,208	428,641,541	1.5%
Nevada	1,035,456,280	1,017,573,560	-1.7%
New Jersey	473,326,095	441,534,890	-6.7%
Pennsylvania	NA	60,825,614	NA
South Dakota	7,442,657	8,020,264	7.8%
Total	5,030,437,947	4,921,898,471	-2.2%

Gambling Revenue From Racinos for Selected States



State	July 2006 - June 2007	July 2007- June 2008	Percent change
Florida	49,655,859	122,886,731	147.5%
Iowa	110,865,402	112,031,156	1.1%
Louisiana	55,505,610	58,309,724	5.1%
Maine	19,922,060	20,412,755	2.5%
New Mexico	65,648,862	66,796,602	1.7%
Oklahoma	9,984,708	10,761,971	7.8%
Pennsylvania	250,018,898	711,788,679	184.7%
Total	496,751,856	838,248,089	68.7%

Gambling Revenue in Eastern Region



State	State Share of Gambling Revenue for All States		Gambling Revenue Per Resident (US average = \$77.3)	
	Percent	Rank	Dollar	Rank
Connecticut	1.2%	24	\$82.1	20
Delaware	1.1%	27	\$297.0	4
Maine	0.3%	38	\$56.2	26
Massachusetts	3.9%	11	\$138.9	10
New Hampshire	0.4%	36	\$62.4	23
New Jersey	5.6%	4	\$149.6	9
New York	10.3%	1	\$123.6	11
Pennsylvania	5.3%	5	\$98.5	17
Rhode Island	1.4%	22	\$306.2	3
Vermont	0.1%	42	\$37.7	32

Summary



- **Gambling revenue has slowed**
- **State revenues from casinos declined by 2.2% in FY 2008**
- **Gambling revenue growth is usually associated with expansion of state gambling operations**
- **Resistance to further expansion of state-sanctioned gambling may be increasing**
- **Gambling may temporarily ease budget imbalances, but is unlikely to solve structural imbalance**