SENATE DOCKET, NO. 339 FILED ON: 1/19/2011

# SENATE . . . . . No. 150

## The Commonwealth of Massachusetts

PRESENTED BY:

***Stephen M. Brewer***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act relative to an independent analysis of expanded gaming in the Commonwealth.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|---|---|
| *Stephen M. Brewer* | *Worcester, Hampden, Hampshire, Franklin* |
| *Barry R. Finegold* | ☐ *[District]* ☐ |
| *Thomas P. Conroy* | *13th Middlesex* |
| *Patricia D. Jehlen* | ☐ *[District]* ☐ |
| *Ellen Story* | *3rd Hampshire* |
| *William N. Brownsberger* | ☐ *[District]* ☐ |
| *James J. Lyons, Jr.* | *18th Essex* |
| *Frank I. Smizik* | *15th Norfolk* |
| *Michael R. Knapik* | ☐ *[District]* ☐ |
| *Carolyn C. Dykema* | *8th Middlesex* |

| | |
|---|---|
| *Ruth B. Balser* | *12th Middlesex* |
| *Susan C. Fargo* | *[District]* |
| *Elizabeth A. Malia* | *11th Suffolk* |
| *Ryan C. Fattman* | *18th Worcester* |
| *Richard T. Moore* | *[District]* |
| *Cynthia S. Creem* | *[District]* |
| *George N. Peterson, Jr.* | *9th Worcester* |
| *Jonathan Hecht* | *29th Middlesex* |
| *Angelo M. Scaccia* | *14th Suffolk* |
| *James B. Eldridge* | *[District]* |
| *Benjamin B. Downing* | *Berkshire, Hampshire, and Franklin* |
| *Todd M. Smola* | *1st Hampden* |
| *Brian M. Ashe* | *2nd Hampden* |
| *Denise Provost* | *27th Middlesex* |
| *Carl M. Sciortino, Jr.* | *34th Middlesex* |
| *Kathleen Norbut* | *95 Mayhill Road*<br>*Monson, MA 01057* |

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# SENATE . . . . . No. 150

By Mr. Brewer, petition (accompanied by bill, Senate, No. 150) of Stephen M. Brewer, Barry R. Finegold, Thomas P. Conroy, Patricia D. Jehlen and other members of the General Court for legislation relative to an independent analysis of expanding gaming in the Commonwealth [Joint Committee on Economic Development and Emerging Technologies].

## The Commonwealth of Massachusetts

An Act relative to an independent analysis of expanded gaming in the Commonwealth.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. His Excellency the Governor is hereby directed to commission a comprehensive, independent analysis of the costs and benefits of (a) legalizing Class 3 gambling in the Commonwealth, generally, and (b) siting new Class 3 gambling facilities within the Commonwealth or on tribal land within the Commonwealth, should federal law allow; provided that:

(1) the organization conducting the analysis shall be drawn from a list of qualified research institutions which are acceptable: (a) to the lead House and Senate sponsors of this Bill, (b) to the proponents of expanded gambling, as represented by the sponsors of pending legislation authorizing the legalization of Class 3 gambling; and (c) to the Governor;

(2) said analysis shall describe the costs and benefits: (a) to the Commonwealth as a whole, (b) to the host communities where any Class 3 gambling facility would be sited, and (c) to the communities within a 25 mile radius or direct impact of any such Class 3 gambling facility;

(3) said analysis shall explicitly and distinctly discuss the costs and benefits anticipated: (a) over the short term (0-2 years from the passage of legislation legalizing Class 3 gambling and licensing one or more facilities where Class 3 gambling would occur), (b) over the medium term (2 to 5 years from the passage of such legislation), and (c) over the long term (over 5 years from the passage of such legislation), taking into consideration the impacts of: (i) the likely subsequent siting of competing Class 3 gambling facilities near the Massachusetts border in surrounding states, (ii) the likely subsequent siting of competing Class 3 gambling facilities on tribal land within Massachusetts, and/or (iii) the federal legalization of Internet gambling;

22 (4) said analysis shall describe: (a) the anticipated increases in employment associated
23 with the development and operation of Class 3 gambling facilities, and the development and
24 operation/expansion of so-called "ripple-effect" businesses, in terms of the types and numbers of
25 jobs that will be created, the salaries and benefits paid, and the anticipated duration of such jobs,
26 as well as (b) the anticipated adverse impacts on jobs whose existence pre-dates the introduction
27 of Class 3 gambling, including jobs associated with businesses that compete for the
28 entertainment spending of Massachusetts residents and so-called "ripple effect" businesses, in
29 terms of the types and numbers of jobs that will be lost or that will experience reduced hours,
30 and the lost or diminished salaries and benefits;

31 (5) said analysis shall describe: (a) the anticipated increase in revenues to the
32 Commonwealth, including the sources and anticipated magnitudes of such revenues, and the
33 anticipated duration of such revenues at the stated magnitudes, using the fee and tax structures
34 proposed in authorizing legislation enacted by the General Court in July 2010 and subsequently
35 returned by the Governor with proposed changes, and (b) the anticipated loss or diminution of
36 revenues to the Commonwealth, from businesses and employees that are adversely affected by
37 the introduction of Class 3 gambling facilities, and from reduced Lottery sales;

38 (6) said analysis shall describe the anticipated increase in costs to the Commonwealth
39 and/or host communities: (a) of creating and maintaining the necessary regulatory/enforcement
40 infrastructure for overseeing the lawful operation of Class 3 gambling facilities; (b) of
41 investigating, prosecuting, and adjudicating criminal activities associated with the operation or
42 use of such Class 3 gambling; (c) of incarcerating and rehabilitating persons found guilty of
43 criminal activities associated with the operation or use of such Class 3 gambling facilities; (d) the
44 costs of creating and maintaining the physical infrastructure (e.g., roads, utilities, water, sewage,
45 etc.) needed to accommodate such Class 3 gambling facilities; (e) of the impact on employers,
46 families, and persons/organizations doing business with individuals who gamble away the money
47 they would otherwise use to meet necessary expenses and satisfy ordinary financial obligations;
48 (f) of any increased bankruptcies attributable to the siting of Class 3 gambling facilities; (g) of
49 the public health, public safety, and corrections-related costs associated with increases in
50 compulsive gambling and the increased use of alcohol or drugs, including prescription drugs, by
51 customers of such Class 3 gambling facilities; (h) of the publicly and privately insured health
52 care costs associated with increases in compulsive gambling, increased use of alcohol or drugs,
53 including prescription drugs, and/or with increased incidence or severity of depression, anxiety,
54 suicidality, and/or other mental health problems experienced by customers of such Class 3
55 gambling facilities; and (i) of the costs associated with any increases in domestic violence or
56 family dysfunction, associated with use of such Class 3 gambling facilities.

57 SECTION 2. The General Court shall not enact, nor shall the Governor sign, any
58 legislation authorizing Class 3 gambling and/or licensing the use of slot machines or other
59 instruments associated with Class 3 gambling, at casinos or other such facilities, until the
60 comprehensive, independent cost benefit analysis described herein shall have been completed

61 and delivered to and accepted by the Governor, the Senate President, and the Speaker of the
62 House, and made public on the websites of the Governor and the General Court; provided,
63 however, that in the event that the Governor, the Senate President, and the Speaker of the House
64 do not affirm in writing their belief that said analysis clearly demonstrates, in both the short-term
65 and medium-term, that the benefits with respect to jobs and revenues outweigh the costs to the
66 Commonwealth, to the host communities of any Class 3 gambling facility, and to the
67 communities within a 25-mile radius or direct impact of any such facility, then enactment of any
68 legislation legalizing Class 3 gambling or licensing facilities at which Class 3 gambling activities
69 are authorized to occur shall require a 2/3 majority in both the House and Senate.