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Economic impact of new casino to be tested

Study's findings won't be revealed until Dec.

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A state commission approved terms Tuesday for an independent study of the effect that new gambling casinos would have on Delaware's economy, with findings unlikely to arrive before mid-December.

The Sports and Video Lottery Commission's timetable would not meet the General Assembly's original order to complete the report by Oct. 15.

"We're clearly not going to be able to do that," Commission Chairman Dennis Rochford said.

A subcommittee recommended that the study include the impact of casinos that may not include a horse racing track. Gambling is now limited to the state's three horse tracks: Delaware Park, Dover Downs and Harrington Raceway.

"We want to know if the three venues are fully saturated, that there's no more business to get from the state of Delaware or the region, or if more people are going to come," said Michael Barlow, Gov. Jack Markell's legal counsel.

The study will not take into account whether a new venue might have unusual resort-style attractions that could draw more people than a simple casino.

"We're only going to look at the impact of a gambling venue -- if they build a better mousetrap, God bless them. That's competition," Barlow said.

The limitation was a setback for House Majority Leader Peter C. Schwartzkopf, D-Rehoboth Beach, who urged subcommittee members to require a study that factors in differences between resort-casinos and gambling-only centers.

"When you have a venue in Maryland with no hotel or restaurant, just gambling, and within 10 or 15 miles you have a complete resort, that's going to draw from that [Maryland] area," said Schwartzkopf, who is supporting a proposed \$800 million plan to build a gambling resort complex near Millsboro.

Northern Delaware lawmakers are separately pressing for a new casino in Wilmington.

Schwartzkopf said the delayed study makes it more likely that legislators will consider new sites at the same time they consider final approval of the rules for casino table games.

Delaware's three existing casinos want the General Assembly to approve table games as soon as possible. But Dover Downs CEO Ed Sutor said he was "disappointed" at the potential for linking votes on new sites and new games.

"I don't think that one has any connection to the other," Sutor said.

Acting Finance Secretary Tom Cook said his office could have a formal request for study proposals published as early as Monday, setting in motion a formal timetable that could see a contract awarded as early as mid- to late-October.

The chosen researchers will examine the effect of new casinos on state revenues, existing casinos, the horse racing industry and the state's economy. Forecasts will consider competition from surrounding states and effects for both racetrack and non-racetrack casinos.

Sutor said that legislators need to move quickly on the table game approvals. Plans for new casinos in Maryland and proposals for table games in Pennsylvania casinos could increase competition.
