

A delay in licensing the sole Boston-area casino could have at least a short-term impact on state finances.

The state's budget for the fiscal year ending June 30 anticipated \$195 million in casino-related licensing fees, including \$25 million from a slots parlor and \$85 million for each of the regional resort casino licenses in eastern and western Massachusetts.

But the state gaming commission says a dispute over Boston's negotiating rights for proposed casinos in the neighboring cities of Everett and Revere could delay the eastern award until August or later.

A \$20 million portion of casino licensing fees are dedicated to the state's so-called rainy day fund, while other revenue goes toward a variety of purposes including local aid, community colleges and tourism. Some of the fees are also designated to so-called "non-budgetary" funds, including one for health care payment reform and another to help the horse racing industry.

The state has received a \$25 million licensing fee from Penn National Gaming for a slots parlor under construction in Plainville. Officials also anticipate awarding of a western Massachusetts casino license and payment of the \$85 million licensing fee by June 30.

MGM Resorts, which hopes to build an \$800 million casino in Springfield, is the only applicant for the western license.

In the eastern region, the administration of Boston Mayor Martin Walsh is seeking host community status for casinos proposed in Everett by Wynn Resorts and in Revere by Mohegan Sun. If granted, the status would give Boston a more powerful negotiating position with the developers and allow for referendums on the casinos.

The gaming commission has scheduled a May 1 hearing on the dispute.

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Written by Administrator
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State officials no longer expect to receive the \$85 million licensing fee by June 30. Officials could divert other budgetary revenue to offset the shortfall, anticipating that the state would be reimbursed when the license is finally awarded in the next fiscal year, which begins July 1.

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