## No dice on Delaware casino bailout legislation

Written by Administrator Friday, 12 June 2015 16:09 -



Gamblers play poker at Dover Downs Hotel & Casino in November. A proposed \$46 million package aimed at helping the state's three ailing casinos has stalled in the General Assembly.( Photo: KYLE GRANTHAM/THE NEWS JOURNAL)

It looks like 2015 is not the year for the state's three casinos.

A <u>proposed \$46 million bailout package</u> has stalled in the General Assembly since its introduction in late January, and lawmakers say the legislation as currently written will not be considered this year.

"I think it is very clear that Senate Bill 30 will not be enacted," said Sen. Brian Bushweller, D-Dover, the measure's prime sponsor. He added that there is support to help the casinos, but he declined to get into specifics on what alternatives there are and if they could be enacted by June 30, when the legislative session concludes.

Officials for Delaware's three casinos have said they are being cannibalized by out-of-state competition and need assistance.

The state Lottery and Gaming Study Commission in January <u>recommended the funding</u> package, spread over two years, to Dover Downs, Harrington Raceway and Delaware Park. The legislation includes cuts to table game fees and credits for marketing and capital expenses.

But the bill never advanced and has not been heard by the Senate Finance Committee.

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"Right now, it's not a priority, but we'll see how things unfold," said committee Chairman Sen. Harris McDowell, D-Wilmington.

Even if the bill were to get through the Senate, it would not get worked in the House, said House Majority leader Valerie Longhurst, D-Delaware City. There are much larger issues, like the budget, she said. The casinos, Longhurst said, "are not one of the tough decisions."

"The last thing any of us need is them down here when we're trying to fix the budget," she added. "No one is talking about casinos right now."

Longhurst has long opposed Senate Bill 30. She and other lawmakers tried to pitch a plan that would have offered standalone slot operations to the existing casinos. But casino executives declined that offer.

"We threw it out there and thought it was viable," she said. "They wanted all or nothing."

Casino executives have cautioned lawmakers that inaction would come at a hefty price to both state coffers and Delaware's economy.

Dover Downs, Delaware's largest casino, posted a 2.5 percent drop in gaming revenues during the first quarter of this year. The casino has halted overnight table game operations, eliminating 24 jobs.

Denis McGlynn, president and CEO of Dover Downs Gaming and Entertainment and Dover Motorsports Inc., said Thursday that no action could result in further personnel cutbacks and a decrease in revenue for the state.

McGlynn said the \$46 million is a "heavy lift in a short period of time," but said casinos are willing to work with lawmakers to spread it out over four years, or more, instead of two. There are a lot of issues to deal with, but the casinos are one of the largest revenue generators for the

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state, he said.

"Aren't [lawmakers] concerned about preserving that?" he said.

In New Jersey, lawmakers are considering a constitutional amendment that would allow gaming establishments outside of Atlantic City and in other areas of the state. Hard Rock International also has expressed interest in opening a casino in the Meadowlands, and another project is being touted in Jersey City.

Bill Fasy, president of Delaware Park, said he's worried about the new competition, especially the MGM National Harbor, which is due to open next year in Prince George's County, Maryland.

Not acting on the bill will mean that Delaware Park and the state's other casinos have no way of reinvesting in capital projects to remain competitive amidst new, out-of-state operations, he said.

"It's going to be tough competing when you can't reinvest in the capital," he said.

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