State Revenues from Gambling Shrinking

By Lucy Dadayan

States expanded allowable gambling options significantly in the past two decades, particularly in the wake of the Great Recession when more than a dozen states authorized new options in an effort to generate more revenues. Despite these expansions, state and local government gambling revenues have softened significantly in recent years. History shows that in the long run growth in state revenues from gambling activities slows or even reverses and declines. Therefore, states considering further expansions of gambling should take into consideration market competition within the state and among neighboring states.

Gambling has become very popular as a way for states to raise revenue. Many states have been authorizing and expanding additional forms of gambling and finding ways to raise revenues from those activities. States are particularly likely to expand gambling in the aftermath of recessions and subsequent economic downturns in the hopes of raising more revenues.

In the short run, states indeed raise additional revenues due to expansion of gambling activities and facilities. However, history shows that in the long run the growth in state revenues from gambling activities eventually slows, or even reverses and declines. In short, the revenue returns deteriorate —and often quickly. This pattern of deterioration may be due to competition with other states for a limited market (saturation), competition between different forms of gambling (substitution) or other factors. Despite the deterioration, the dynamic often continues, as states find new forms of gambling to authorize, open new facilities and impose higher taxes on gambling. The results are short-run yields and longer-run deterioration.

In addition to the weak long-run growth of gambling revenues, the expansion of highly taxed gambling activities also raises equity issues, since the revenues come largely from low and moderate income households, whose incomes have declined —or not grown—in real terms along with their spending. A related equity issue is the competitive pressure that expansion of state-sanctioned commercial casinos creates for Native American casinos, which may see a reduction in their revenue yields. This can have negative effects on low-income communities that found a source of income in casinos after they were first authorized in 1988.

Why Do States Legalize and Expand Gambling?

Desperate fiscal times often lead to overeager legislative measures, including legalization and expansion of gambling without considering the long-term effects. However, fiscal stress is not the only motivation for gambling adoption.

Many researchers have examined factors leading to the legalization and adoption of gambling activities. The most compelling factors for gambling legalization are state fiscal conditions, economic development, political alignments and interstate competition.[1]

States often legalize and expand gambling activities during or after fiscal crises to generate new streams of tax revenues without increasing tax rates on income or sales. When state finances are depressed, legislators turn to gambling to attract tourism and keep gambling residents in state.[2]

State voters and legislators may also turn to casinos and racinos—hybrids of casinos and racetracks—in the hope of stimulating economic development and revitalizing distressed economies. However, there is no consensus on whether the operation of casinos and racinos leads to economic development.[3]

Politics and interest group lobbying are also contributing factors to gambling adoption and expansion. The gambling industry is a significant contributor to politicians and political parties and plays a crucial role in the political process. Some researchers have argued that the interests of the casino industry, state politicians and legislators are often aligned.[4]

The rapid expansion and geographic proliferation of gambling activities in the past decade has led to increased interstate competition for the gambling market.[5] State politicians and legislators often legalize gambling activities in response to

Table A: State Lottery Net Revenue, FYs 2008–2015

State	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	% chg. FY 2014–15	CAGR FY 2008–15	% chg. FY 2008–15	$ chg. FY 2008–15
	$ millions, adjusted to inflation											
United States	$18,181.7	$17,539.1	$17,854.4	$17,409.8	$18,375.7	$18,557.1	$18,337.5	$18,213.1	-0.7%	0.0%	0.2%	$31.4
Arizona	160.7	141.2	154.4	156.3	172.6	183.0	177.9	176.0	(1.0)	1.3	9.5	15.3
Arkansas	N/A	N/A	90.3	79.5	102.4	93.1	82.7	72.8	(12.0)	NM	NM	NM
California	1,217.5	1,147.3	1,185.7	1,205.7	1,383.6	1,322.2	1,366.8	1,391.7	1.8	1.9	14.3	174.2
Colorado	136.0	130.9	122.9	121.1	129.1	139.6	131.8	128.0	(2.9)	(0.9)	(5.9)	(8.0)
Connecticut	314.7	309.6	310.6	309.1	324.8	321.3	323.6	319.7	(1.2)	0.2	1.6	5.0
Delaware	43.9	40.9	40.1	40.8	42.1	44.6	44.9	39.4	(12.3)	(1.5)	(10.2)	(4.5)
Florida	1,427.1	1,409.0	1,356.6	1,273.2	1,384.5	1,466.2	1,514.5	1,496.4	(1.2)	0.7	4.9	69.3
Georgia	964.8	954.1	961.7	903.9	944.2	954.8	957.1	980.5	2.4	0.2	1.6	15.7
Idaho	39.3	38.6	39.9	39.6	43.6	49.7	49.7	45.1	(9.3)	2.0	14.7	5.8
Illinois	721.1	694.4	709.6	714.1	794.3	843.5	787.3	690.3	(12.3)	(0.6)	(4.3)	(30.7)
Indiana	241.4	195.8	206.4	201.1	215.0	231.7	254.3	242.7	(4.6)	0.1	0.5	1.3
Iowa	62.9	66.2	63.0	72.6	82.5	87.4	74.9	74.5	(0.5)	2.5	18.5	11.6
Kansas	77.9	74.6	75.1	74.8	75.4	76.7	75.2	75.0	(0.3)	(0.5)	(3.7)	(2.9)
Kentucky	213.6	223.6	233.1	226.8	226.7	230.4	229.0	236.1	3.1	1.4	10.5	22.5
Louisiana	146.6	148.7	145.5	145.7	164.4	164.9	172.8	184.8	6.9	3.4	26.0	38.1
Maine	55.0	54.5	56.8	52.9	56.3	54.5	52.6	54.0	2.8	(0.3)	(1.9)	(1.0)
Maryland	588.7	539.6	555.6	554.9	582.7	561.3	527.7	526.5	(0.2)	(1.6)	(10.6)	(62.2)
Massachusetts	1,141.9	988.1	1,032.3	948.6	1,030.6	983.9	941.7	959.0	1.8	(2.5)	(16.0)	(182.9)
Michigan	836.6	806.6	776.5	788.1	824.4	761.6	756.3	799.4	5.7	(0.6)	(4.5)	(37.2)
Minnesota	129.3	129.4	133.0	130.2	129.7	139.1	128.6	133.4	3.7	0.4	3.2	4.1
Missouri	296.5	280.4	282.5	273.3	286.6	288.2	281.1	271.3	(3.5)	(1.3)	(8.5)	(25.3)
Montana	12.3	11.1	11.5	11.6	13.7	13.6	12.4	12.4	0.1	0.1	0.8	0.1
Nebraska	34.5	33.1	34.8	34.2	37.8	41.2	38.5	37.1	(3.6)	1.1	7.6	2.6
New Hampshire	84.1	74.8	72.1	66.5	69.9	76.5	73.3	74.3	1.4	(1.7)	(11.6)	(9.8)
New Jersey	980.8	970.7	1,005.4	993.5	995.3	1,116.9	977.3	960.0	(1.8)	(0.3)	(2.1)	(20.8)
New Mexico	45.4	44.7	47.4	44.1	43.3	45.0	41.5	41.1	(0.8)	(1.4)	(9.4)	(4.3)
New York	2,354.0	2,277.5	2,410.3	2,252.3	2,249.5	2,267.9	2,263.5	2,220.0	(1.9)	(0.8)	(5.7)	(134.0)
North Carolina	387.3	452.9	470.3	466.0	481.3	492.6	509.5	526.4	3.3	4.5	35.9	139.1
North Dakota	6.6	7.0	6.2	6.3	8.0	8.2	7.9	6.7	(15.1)	0.3	2.1	0.1
Ohio	747.4	768.4	792.8	789.3	807.7	774.6	774.6	739.9	(4.5)	(0.1)	(1.0)	(7.5)
Oklahoma	78.9	75.6	76.2	74.3	73.5	72.3	68.2	60.6	(11.1)	(3.7)	(23.2)	(18.3)
Oregon	722.5	650.2	588.7	585.9	550.1	564.6	515.4	547.8	6.3	(3.9)	(24.2)	(174.6)
Pennsylvania	1,032.0	996.1	996.4	1,026.2	1,111.4	1,098.8	1,095.3	1,060.9	(3.1)	0.4	2.8	28.9
Rhode Island	66.1	64.8	60.4	57.5	59.7	65.3	58.9	56.9	(3.4)	(2.1)	(13.9)	(9.2)
South Carolina	295.0	286.1	296.5	289.9	314.4	314.2	330.7	343.5	3.9	2.2	16.4	48.5
South Dakota	137.1	131.2	130.3	115.4	108.6	110.9	107.6	112.1	4.2	(2.8)	(18.3)	(25.0)
Tennessee	318.2	306.5	314.3	313.5	338.8	349.7	341.6	347.8	1.8	1.3	9.3	29.6
Texas	1,150.8	1,162.1	1,156.7	1,093.7	1,210.5	1,249.8	1,236.3	1,242.7	0.5	1.1	8.0	91.9
Vermont	25.3	23.1	23.5	22.9	23.4	23.6	22.8	22.8	(0.4)	(1.5)	(9.9)	(2.5)
Virginia	506.2	480.4	468.1	474.6	510.2	500.8	545.4	533.8	(2.1)	0.8	5.4	27.5
Washington	144.9	131.7	155.0	160.4	144.6	143.3	149.6	141.3	(5.6)	(0.4)	(2.5)	(3.6)
West Virginia	73.0	71.7	66.4	63.9	70.3	68.3	65.1	61.1	(6.1)	(2.5)	(16.3)	(11.9)
Wisconsin	164.0	145.9	139.4	155.4	158.1	161.4	171.5	167.5	(2.4)	0.3	2.1	3.4

Source: Rockefeller Institute review of state lottery financial reports.
Notes: VLT revenues are excluded for Delaware, Maryland, New York, Ohio, Rhode Island and West Virginia. Those revenues are reported under racinos or casinos. NM = not meaningful. N/A = Not applicable.

interstate competition and in the hopes of keeping residents and gambling taxes within the state.

Gambling and State-Local Government Revenues

State-sanctioned legalized gambling has expanded gradually and continuously over the last four decades. All states except Hawaii and Utah collect revenue from one or more forms of gambling such as lotteries, commercial casinos, racinos, pari-mutuel wagering, Native American casinos and some less common types of gambling activities. Currently, 44 states operate lotteries, 24 states have legalized commercial casino or racino operations, and more than 40 states allow pari-mutuel wagering. In addition, Native American casinos are legal in 29 states.

States derive the bulk of gambling-related revenues from three major sources—lotteries, commercial

Table B: Commercial Casino/Racino Legalization and Opening Dates, Distribution and Format

State	*Casino legalization date*	*First casino opening date*	*Racino legalization date*	*First racino opening date*	*Number of operating casinos/racinos, FY 2015*	*Casino/racino format*
Colorado	1990	1991			36	Land-based
Delaware			1994	1995	3	VLTs / Table games
Florida			2006	2006	7	Slot machines
Illinois	1990	1991			10	Riverboat
Indiana	1993	1995	2007	2008	13	Riverboat (10), Land-based (1), Racino (2)
Iowa	1989	1991	1994	1995	18	Riverboat (4), Land-based (11), Racino (3)
Kansas	2007	2009			3	Land-based
Louisiana	1991	1993	1997	2002	20	Riverboat (15), Land-based (1), Racino (4)
Maine (a)	2010	2012	2004	2005	2	Land-based
Maryland	2008	2010	2008	2011	5	Land-based (4), Racino (1)
Massachusetts (b)	2011	2015			0	Land-based
Michigan	1996	1999			3	Land-based
Mississippi	1990	1992			28	Dockside, Land-based
Missouri	1993	1994			13	Riverboat
Nevada	1931	1931			271	Land-based
New Jersey	1976	1978			8	Land-based
New Mexico			1997	1999	5	Slot machines
New York (c)	2014		2001	2004	9	VLTs
Ohio	2009	2012	2009	2012	11	Land-based (4), Racino (7)
Oklahoma			2004	2005	2	Slot machines
Pennsylvania	2004	2007	2004	2006	12	Land-based (6), Racino (6)
Rhode Island (c)			1992	1992	2	VLTs / Table games
South Dakota	1989	1989			17	Land-based
West Virginia	2009	2010	1994	1994	5	Land-based (1), Racino (4)

Source: Rockefeller Institute review of state gaming regulatory agency information.
Note: Shaded rows indicate casino legalization dates during or after the Great Recession period.

Key:
(a) Maine converted its only racino into a casino in March 2012.
(b) Massachusetts legalized casino operations in 2011 and opened the first casino on June 24, 2015.
(c) In addition to racino operations, New York also legalized casino operations in 2014 and expects to open four destination casinos.

casinos and racinos. While commercial casinos experienced dramatic growth during the 1990s, that trend shifted downward over the past decade. In recent years, much of the growth has shifted to racinos as more states have approved such facilities.

In this report, we provide detailed analysis of government tax and fee revenue from lottery and commercial casino/racino operations. We define gambling revenues as revenues from various taxes and fees transferred to state and local governments.

Lotteries

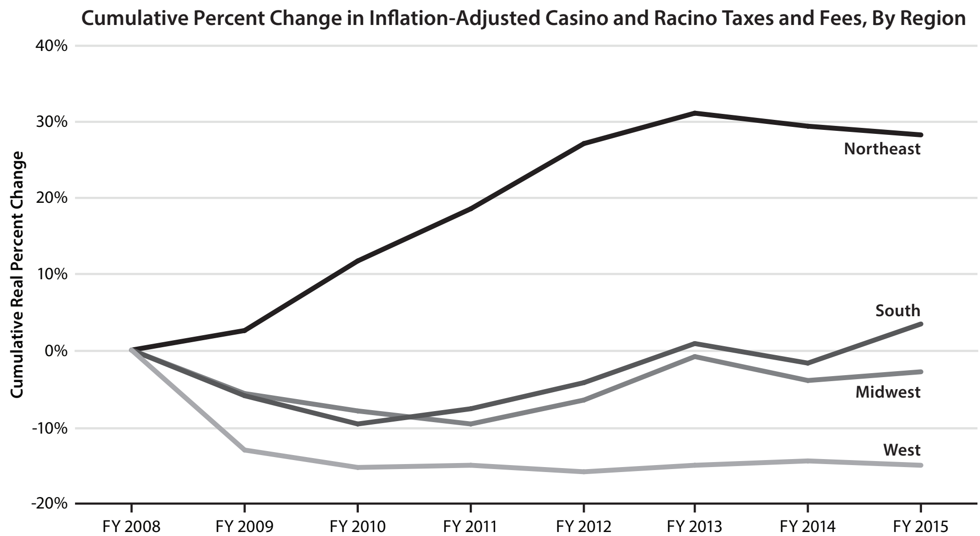
While casinos and racinos are the focus in many states, lotteries remain the primary source of gambling revenue to governments and represent about two-thirds of all gambling revenues.

Table A shows state-by-state inflation-adjusted revenue collections from lottery operations for fiscal years 2008–2015. In fiscal year 2015, states took in about $18.2 billion from lotteries. Inflation-adjusted revenues declined in 27 states while 16 states reported growth compared to fiscal year 2014.

Table A also shows compound annual growth rates between 2008 and 2015. For the nation as a whole, the compound annual growth rate was less than 0.1 percent between fiscal years 2008 and 2015.

Finally, Table A shows the growth between 2008 and 2015, both in percentage and dollar terms. Inflation-adjusted revenue collections from lottery operations for fiscal years 2008–2015. Inflation-adjusted state revenues from lotteries grew by $31.2 million, or 0.2 percent, between fiscal year 2008 and 2015. Twenty-one states saw declines in real lottery revenues between 2008 and 2015, with nine states seeing double-digit declines. Another five states reported declines of over 5 percent.

Figure A: Wide Regional Disparity in Tax and Fee Revenues from Casinos and Racinos



Sources: Rockefeller Institute analysis of data retrieved from state gaming regulatory agencies.

Commercial Casinos and Racinos

Commercial casinos and racinos are operated by businesses and taxed by the states. Commercial casinos and racinos have been on the rise in the last decade. Before 1991, there were very few commercial casinos across the country outside of Nevada. About 50 percent of all casinos and racinos outside of Nevada were opened after 2001. In most states, casino and racino facilities are located near state border lines with other states to take advantage of cross-border consumers.

Currently, 24 states have legalized commercial casino and racino operations. Seven states legalized casino operations and three states legalized racino operations during or after the Great Recession (see Table B). In addition, a number of states introduced table games at their casino/racino facilities in the hopes of raising more revenues.

Figure A shows cumulative percent change since the Great Recession in inflation-adjusted tax and fee revenues for all commercial casinos and racinos by region. Tax and fee revenues from commercial casinos and racinos are still below the pre-recession levels in the Midwest and West regions and only slightly above the pre-recession level in the South. The modest growth in the South is mostly attributable to a single state, Maryland, which legalized casino and racino operations only in 2008. The Northeast experienced steep growth in revenues from casinos and racinos since the start of the Great Recession, although the growth has softened in the last two fiscal years. The large growth in casino and racino revenues in the Northeast region is almost exclusively attributable to a single state, Pennsylvania, and to a single racino located in New York City. Pennsylvania legalized casino and racino operations in 2004 and opened five racinos in fiscal year 2007. Pennsylvania opened an additional racino and six casinos since fiscal year 2008. While racinos in New York have been operational since fiscal year 2004, the facility located in New York City was opened more recently, in fiscal year 2012.

Table C shows state-by-state inflation-adjusted revenue collections from casinos and racinos for fiscal years 2008–2015. The states are divided into two groups: the older casino/racino states and the newer casino/racino states. The older states include

Table C: Casino and Racino Tax and Fee Revenues to State-Local Governments, FYs 2008–2015

	$ millions, adjusted to inflation								*% chg.*	*CAGR*	*% chg.*	*$ chg.*
State	*FY 2008*	*FY 2009*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014*	*FY 2015*	*FY 2014–15*	*FY 2008–15*	*FY 2008–15*	*FY 2008–15*
United States	$8,248.5	$7,878.1	$7,919.6	$8,068.3	$8,405.8	$8,761.0	$8,592.0	$8,686.4	1.1%	0.7%	5.3%	$437.9
"Older" casino/ racino states	$7,255.3	$6,709.0	$6,467.8	$6,401.1	$6,535.8	$6,417.0	$6,144.7	$6,073.0	-1.2%	-2.5%	-16.3%	($1,182.3)
Colorado	120.3	103.8	117.1	112.0	107.0	107.2	106.2	110.1	3.6	(1.3)	(8.5)	(10.2)
Delaware	236.9	230.5	258.0	263.5	237.5	194.8	166.0	151.0	(9.1)	(6.2)	(36.3)	(85.9)
Illinois	776.4	582.3	525.6	488.6	574.4	574.4	523.2	498.3	(4.8)	(6.1)	(35.8)	(278.1)
Indiana	910.7	958.1	949.5	923.5	868.5	774.5	662.3	617.9	(6.7)	(5.4)	(32.1)	(292.8)
Iowa	339.4	328.1	322.0	312.9	327.3	318.7	303.3	305.0	0.6	(1.5)	(10.1)	(34.4)
Louisiana	596.5	572.7	527.4	522.6	513.5	507.7	506.0	534.9	5.7	(1.5)	(10.3)	(61.5)
Maine	22.7	28.9	30.7	29.5	31.7	52.0	51.5	51.7	0.5	12.5	127.9	29.0
Michigan (a)	332.2	307.9	287.7	300.8	299.4	281.3	267.3	273.5	2.3	(2.7)	(17.7)	(58.6)
Mississippi	383.2	341.5	312.3	293.3	294.9	271.5	251.0	250.2	(0.3)	(5.9)	(34.7)	(133.0)
Missouri	476.6	499.7	516.5	521.2	503.3	477.8	444.4	440.9	(0.8)	(1.1)	(7.5)	(35.7)
Nevada	1,089.8	938.7	902.3	911.8	905.8	918.3	924.0	909.9	(1.5)	(2.5)	(16.5)	(179.9)
New Jersey	523.5	440.9	373.1	330.0	292.4	258.0	260.9	241.2	(7.6)	(10.5)	(53.9)	(282.3)
New Mexico	74.6	75.7	70.8	69.8	68.5	65.2	67.8	70.6	4.1	(0.8)	(5.4)	(4.0)
New York (b)	545.7	505.8	535.8	562.6	714.2	896.6	949.6	943.7	(0.6)	8.1	72.9	398.0
Oklahoma	12.0	15.3	15.1	18.6	19.9	21.3	20.9	20.6	(1.2)	8.1	72.3	8.7
Rhode Island	327.0	309.7	312.4	321.9	338.2	327.3	324.4	327.2	0.9	0.0	0.1	0.2
South Dakota	17.7	17.4	18.5	17.7	17.9	17.6	16.4	16.1	(2.0)	(1.4)	(9.3)	(1.6)
West Virginia	470.2	452.2	392.8	401.1	421.6	352.7	299.6	310.2	3.5	(5.8)	(34.0)	(160.0)
"New" casino/ racino states	$993.2	$1,169.1	$1,451.8	$1,667.1	$1,870.0	$2,344.1	$2,447.2	$2,613.4	6.8%	14.8%	163.1%	$1,620.2
Florida	134.1	113.7	150.3	133.6	150.8	157.0	176.2	182.6	3.6	4.5	36.2	48.5
Kansas			6.1	11.6	55.8	100.3	96.8	98.6	1.8			98.6
Maryland				63.3	117.2	344.5	383.7	445.5	16.1			445.5
Ohio					24.6	289.2	426.8	527.5	23.6			527.5
Pennsylvania	859.1	1,055.5	1,295.4	1,458.6	1,521.6	1,453.1	1,363.7	1,359.2	(0.3)	6.8	58.2	500.1

Sources: Rockefeller Institute review of state gaming regulatory agencies' financial reports.
Note: States that opened the first casino/racino facilities in 2006 or later are classified as "new" casino/racino states. Shaded rows indicate casino legalization dates during or after the Great Recession period.

Key:
(a) Michigan's state fiscal year is from Oct. 1 to Sept. 30.
(b) New York's state fiscal year is from Apr. 1 to Mar. 31.

those states that had casino or racino operations in place before 2006, while the newer states include states that opened casino or racino facilities in 2006 or beyond.

In fiscal year 2015, states took in just about $8.7 billion from commercial casinos and racinos. Inflation-adjusted revenues declined in 11 of 23 states with casino or racino operations compared to fiscal year 2014. The largest growth was in Ohio and Maryland at 23.6 and 16.1 percent, respectively. In both states the strong growth is attributable to the opening of new facilities in fiscal 2015.

Table C also shows compound annual growth rates between 2008 and 2015. For the nation as a whole, the compound annual growth rate was 0.7 percent between fiscal years 2008 and 2015, which is slower compared to the growth rates in overall state tax collections. Moreover, the compound annual growth rate was negative 2.5 in the older casino/racino states.

Finally, Table C shows the growth between 2008 and 2015, both in percentage and dollar terms. Between 2008 and 2015, inflation-adjusted tax and fee revenues from casino/racino operations grew by $5.3 percent or $438 million nationally—with growth of more than $1.6 billion in newer casino/racino states and a decline of $1.2 billion in older casino/racino states. Declines were reported in 14 of the 18 older casino/racino states, indicating that casinos in older casino/racino states either reached saturation or have been cannibalized by newer casino/racino states.

The regional competition for casino tax dollars is at its height, particularly for the states in the Northeastern region. For example, when Pennsylvania legalized and opened the doors to casino and racino operations in mid-2000s, casino revenues in New Jersey saw declines and officials in New Jersey put the blame on the new competition in its neighboring state. Pennsylvania enjoyed the boom of tax revenue growth from casino and racino operations for the next few years, until the neighboring states Ohio and Maryland legalized and opened their own casinos and racinos. Moreover, the opening of a new racino in New York City also had a negative impact on casino/racino revenues in Pennsylvania.

While the expansion of casino and racino operations leads to some growth in total revenues, much of the growth appears to come at the expense of already established operations. The growth in gambling revenues is not sustainable and the empirical studies indicate that Americans are spending much less on gambling than they used to. The Great Recession and its anemic recovery had a big impact on consumer discretionary spending behavior, including spending on gambling activities. Moreover, baby boomers have far less retirement savings after the 2008 stock market crash and millennials and Generation Xers simply don't gamble as much as the baby boomers do.

The bottom line is that the trends talk for themselves: Gambling is not a reliable and sustainable source of revenue for the states.

Conclusions

Revenue from legally sanctioned gambling plays a small, but politically important, role in states' budgets. States are most likely to expand gambling operations when tax revenues are depressed by a weak economy, or to pay for new spending programs. Many states expanded and encouraged gambling during and after the Great Recession in response to historic declines in tax revenues. Still, the growth in revenue collections from gambling is not nearly as strong as it used to be.

The softening in the growth in gambling revenues is partially due to the impact of the Great Recession and due to changing consumer behavior in most recent years. In the wake of the Great Recession, many consumers became more conservative in their spending behavior, particularly when it came to discretionary spending. Since spending money on gambling activities is discretionary, consumers are less likely to spend significantly more on gambling despite the expansion of gambling activities. The recent geographic expansion of gambling created stiff competition, particularly in certain regions of the nation where states and facilities are competing for the same pool of consumers. Therefore, the weakening of the growth in gambling revenues is also attributable to market saturation and industry cannibalization.

If history offers any lesson, it is that gambling is only a short-term solution to state budget gaps. Gambling legalization and expansion lead to some revenue gains. However, such gains are short-lived and create longer-term fiscal challenges for the states as revenue growth slows or declines. In addition, gambling is associated with social and economic costs which often are hard to quantify and measure.

Notes

[1] See Edward J. Furlong, "A Logistic Regression Model Explaining Recent State Casino Gaming Adoptions," Policy Studies Journal 26, 3 (1998): 371–83; Peter T. Calcagno, Douglas M. Walker, and John D. Jackson, "Determinants of the Probability and Timing of Commercial Casino Legalization in the United States." *Public Choice* 142 (2010): 69–90.

[2] Ibid.

[3] Ernest H. Wohlenberg, "Recent U.S. Gambling Legalization: A Case Study of Lotteries," *Social Science Journal* 29, 2 (1992): 167–83; Steven D. Gold, *Gambling Is No Panacea for Ailing State Budgets, State Fiscal Brief* (Albany: Rockefeller Institute of Government, October 1993); Calcagno, Walker, and Jackson, "Determinants of the Probability and Timing of Commercial Casino Legalization in the United States."

[4] Earl J. Grinols, "The Impact of Casino Gambling on Income and Jobs," *Casino Development: How Would Casinos Affect New England's Economy?* (Boston: Federal Reserve Bank of Boston, October 1996): 3–17; Jamisen Etzel, "The House of Cards Is Falling: Why States Should Cooperate on Legal Gambling" *New York University Journal of Legislation & Public Policy* 15, 1 (2012) 199–246; Douglas M. Walker and Peter T. Calcagno, "Casinos and Political Corruption in the United States: A Granger Causality Analysis," *Applied Economics* 45, 34 (2013): 4781–95.

[5] Furlong, "A Logistic Regression Model Explaining Recent State Casino Gaming Adoptions;" Calcagno, Walker, and Jackson, "Determinants of the Probability and Timing of Commercial Casino Legalization in the United States;" Etzel, "The House of Cards Is Falling."

[6] William R. Eadington, "After the Great Recession: The Future of Casino Gaming in America and Europe," *Economic Affairs* 31, 1 (March 2011): 27–33.

About the Author

Lucy Dadayan is a senior policy analyst at the Rockefeller Institute of Government. She has conducted research and coauthored reports on state and local government fiscal policy issues; state spending on public policy programs and the effects of state fiscal capacity and economic changes; among other topics. Dadayan holds a Ph.D. in Informatics from the State University of New York.