

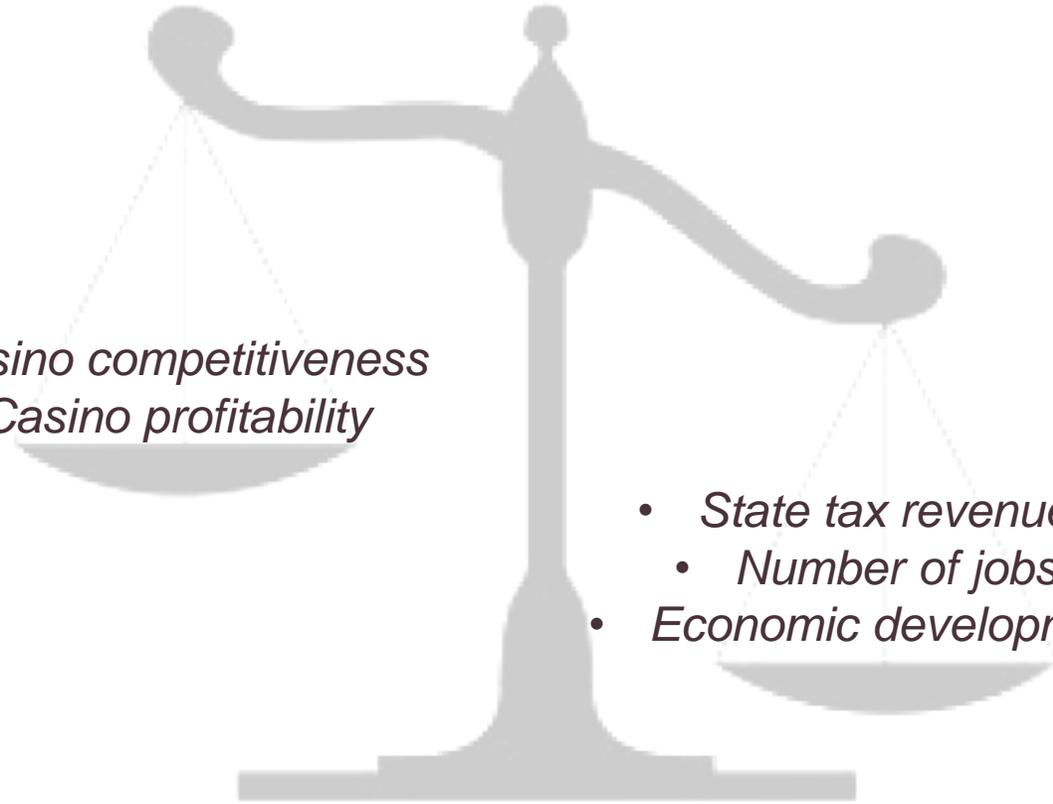
INDIANA GAMING LAWS: A BALANCING ACT

Presented by:
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Office of Fiscal & Management Analysis
Indiana Legislative Services Agency

- *Casino competitiveness*
- *Casino profitability*

- *State tax revenues*
 - *Number of jobs*
- *Economic development*





	2007	2014
Indiana Gross Gaming Revenues	\$2,625 M	\$ 2,231 M
Gaming Tax as a Share of General Fund	5.5%	3%
Casino Employment	16,000	12,000
Casino Employee Wages	\$ 610 M	\$ 461 M

GROSS GAMING REVENUE TRENDS



Space in Sq.ft.

Indiana Casinos – Gaming Floor Space & Revenues

GGR in \$M

1,000,000

\$3,000

950,000

\$2,800

900,000

\$2,600

850,000

\$2,400

800,000

\$2,200

750,000

\$2,000

700,000

\$1,800

650,000

\$1,600

600,000

FY 2007

FY 2008

FY 2009

FY 2010

FY 2011

FY 2012

FY 2013

FY 2014

FY 2015

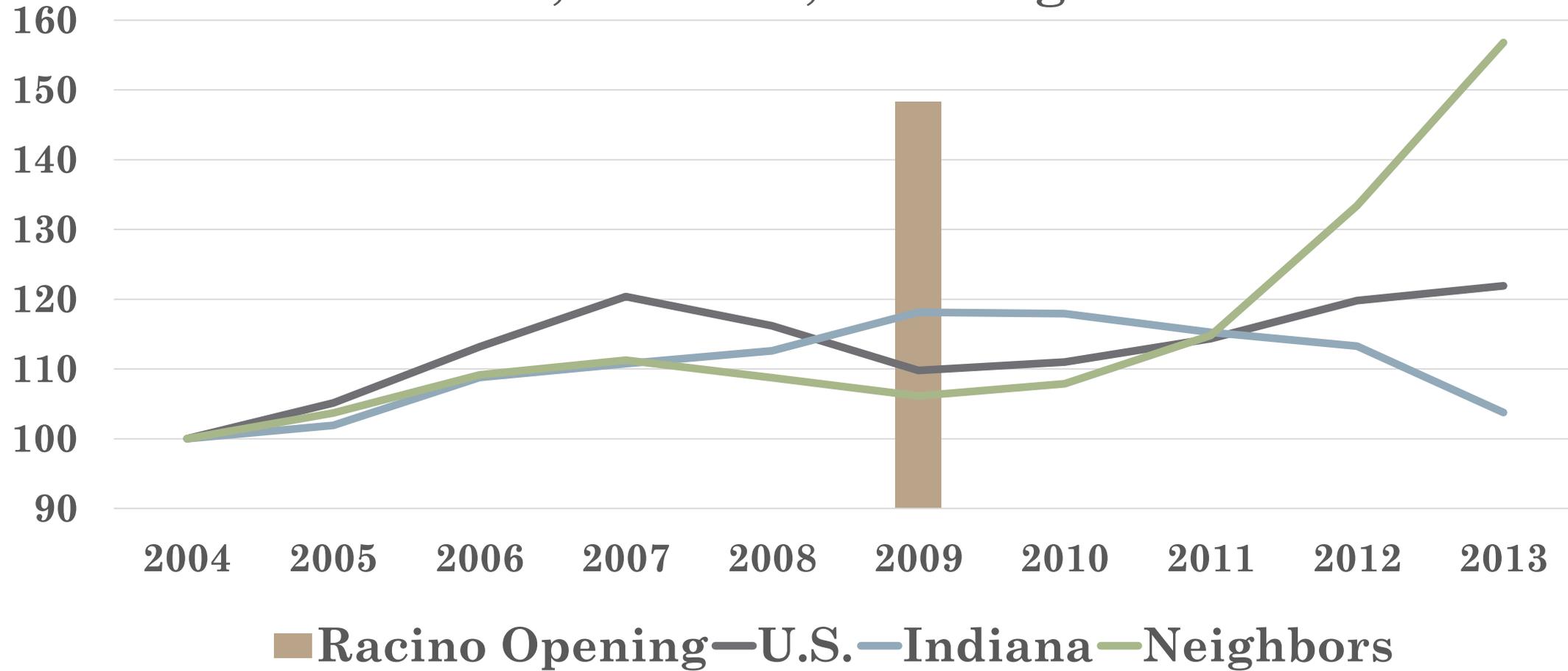
— Gaming Floor Space

— Gross Gaming Revenues

500,000



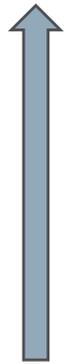
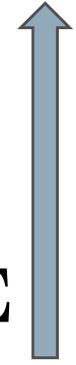
Gross Gaming Revenue Indexed to 2004 U.S., Indiana, and Region



COMMON GOAL



CASINO ATTENDANCE
GROSS GAMING REVENUE



Yogi Berra on baseball attendance:
“If people don’t come to the ballpark, how are you going to stop them?”

REGIONAL MARKET SHARE



Indiana's Share in the Region in 2014

Population 21 and above	14.2%
Personal Income	13.6%
Gaming Floor Square Footage	23.5%
Number of Slot Machines	21.8%
Gross Gaming Revenue	29.5%



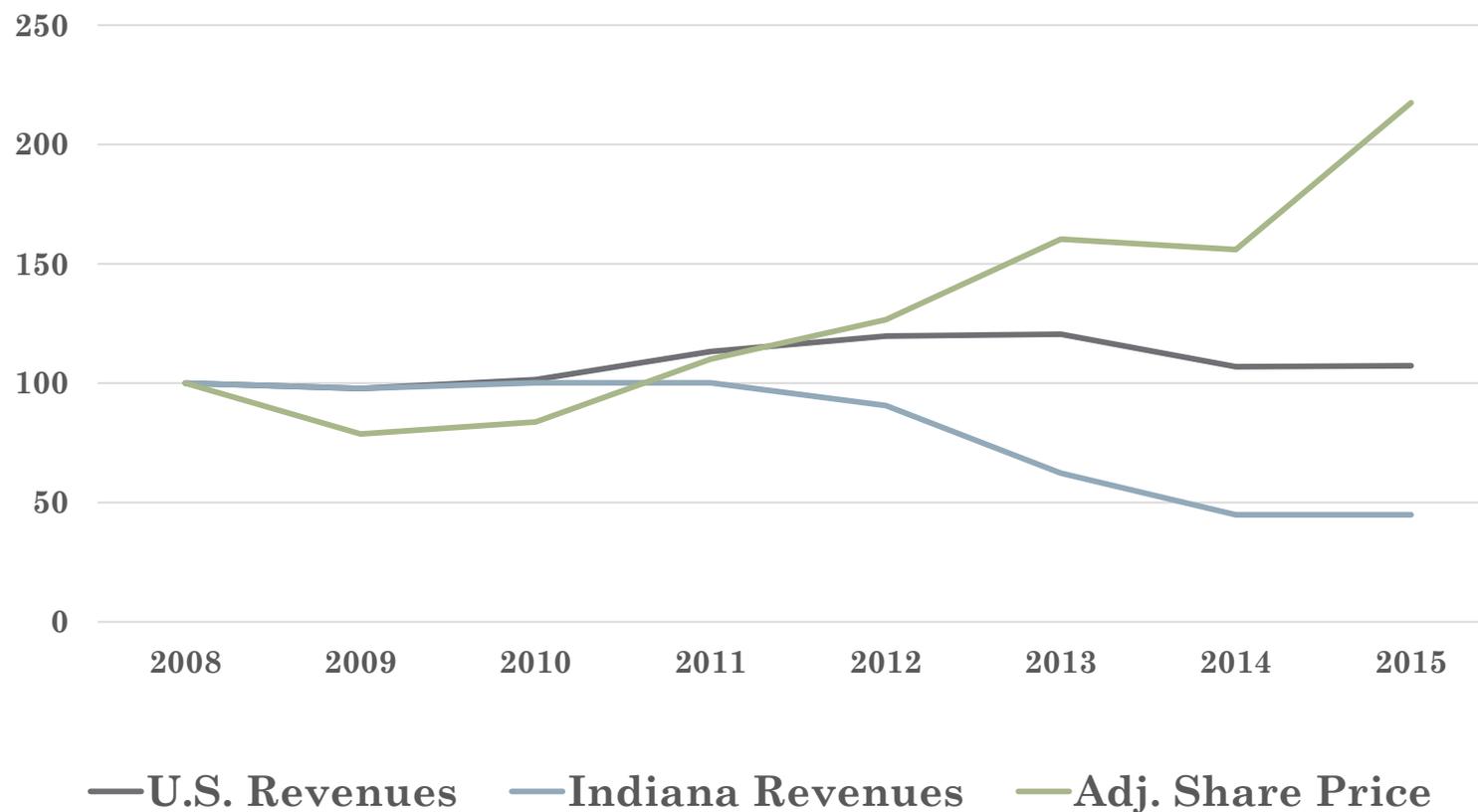
Penn National Gaming operates Hollywood Casino in Lawrenceburg Indiana.

Since 2012 it has added 4 new facilities in Ohio and Video Lottery Terminals in Illinois that directly compete with the Indiana facilities.



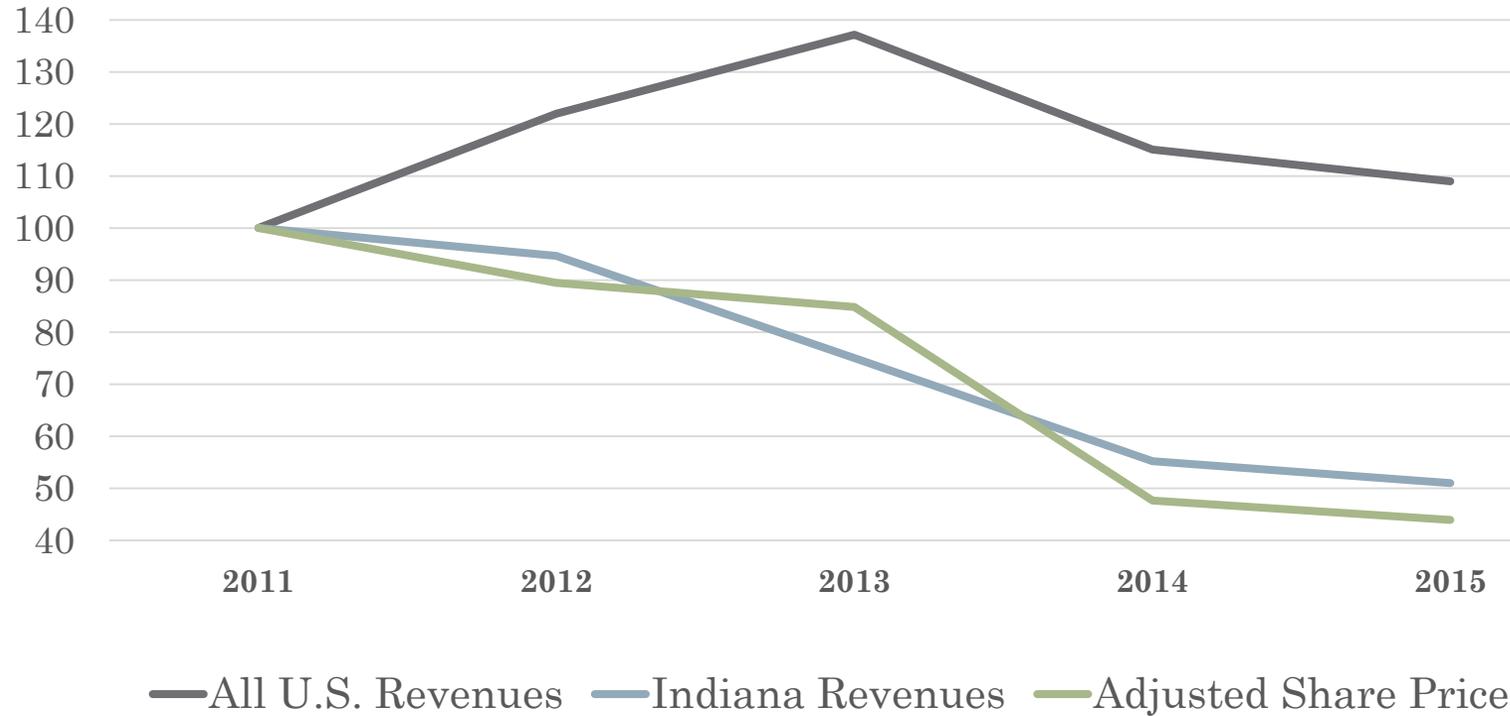


Penn National –U.S. and Indiana



- ❖ Hollywood Indiana was 18% of Indiana Gaming GGR in 2008. It is 8% of Gaming GGR in 2015.
- ❖ Penn National had 15% of the regional market in 2008. It has 12% of the larger regional market in 2015. The companies total regional revenue went up.
- ❖ **New Facilities Added:**
 - Hollywood Casino – Columbus, OH
 - Hollywood Casino – Toledo, OH
 - Dayton Raceway – Dayton, OH
 - Mahoning Valley – Youngstown, OH
 - Prairie State Gaming – VLT Operation, IL

Full House Resorts - Rising Star Casino : Rising Sun, Indiana



- ❖ Rising Star Indiana was 5% of Indiana Gaming GGR in 2008. It is 2% of Gaming GGR in 2015.
- ❖ Full House Resorts had 1.5% of the regional market in 2011. It has .5% of the larger regional market in 2015. The companies total regional revenue went down.
- ❖ **New Facilities Added:**
None

Since its acquisition of Indiana casino in 2011, the company acquired another casino in Mississippi in October 2012.



AVAILABLE OPTIONS & PROPOSALS

- Wagering Tax Rate Cut
 - Repeal Admissions Tax
 - Partial to Full Free Play Deduction
 - Change Local Development Agreements
-
- Allow Land Based Casinos
 - Provide Capital Investment Tax Credit
 - Allow Moving Casinos to Population Centers
-
- Allow Table Games at the Racinos
 - Allow Video Lottery Terminals in Bars and Taverns
 - Allow Sports Betting as a License Plus Option



Sources:

Indiana Gaming Commission

American Gaming Association

National Indian Gaming Commission

Yahoo Finance

Penn National Gaming Inc.

Full House Resort Inc.

THANK YOU