

# Vote NO while you still can!

As the owner of Charles Town Racing and Slots, Penn National's net revenues from CTRS in 2008 was \$477 million. In the past six yrs PN's net revenues from CTRS totaled a staggering \$2 billion, 632 million. Where's the economic boom for Jefferson county small business from CTRS? There hasn't been one because PN uses its CTRS profits to finance expansion elsewhere, pay shareholders and fund compensation for parent company management who live out of state. The economic benefits of CTRS to the county's horse racing businesses come from the state's share of CTRS profits, not Penn National's.

**Where does the future lie for Penn National? Away from Charles Town.** Presently it operates 24 gambling facilities in 13 states and is expanding rapidly. Cash and equivalents as of Jan'09 was \$746 million. PN is bidding on the unfinished Fontainebleau casino in Las Vegas that's in bankruptcy and will cost \$2 billion when it's finished. PN also has offered the state of New York \$250 million to operate slots at the Aqueduct race track. If they are successful with these and other acquisitions it will make them a national rather than regional gambling enterprise. It's obviously part of their business plan to diminish their dependence on Charles Town whether a casino is permitted here or not; that process is already underway.

**Penn National was involved in the effort to get slots passed in Maryland in 2008.** This was admitted by a PN employee two weeks ago. Penn National this February applied for a slots license in Maryland. Is it unrealistic to expect PN to support the effort to get casinos in Maryland? Will they apply for casino licenses in Maryland when casinos are approved? Of course they will. Maryland is struggling with a \$1 billion deficit; is it unrealistic to expect them to add casinos to slots sooner rather later? Of course they will.

**County residents need to come to grips with the fact that gambling revenues at CTRS are on their way down (Penn National has).** Maryland will see to that. Baltimore makes a lot more sense than Charles Town for a casino or two and if local residents here think that DC and Baltimore metro area gamblers will make the trek to Charles Town rather than go to the casino in their local area, they're mistaken. We're not going to out-compete Maryland casinos and slot operations, it's absurd to believe otherwise, and Penn National's assertion that gamblers have brand loyalty is as ludicrous as the notion that PN is loyal to Jefferson County.

**The explosive expansion of gambling in the region and the nation will do the same to our county as it has elsewhere.** Ten states are near bankruptcy; Nevada is one of them. The Foxwoods casino, located in Ledyard, Connecticut, is the largest casino in North America; it's near bankruptcy. In both cases skyrocketing expansion of gambling is cited as their undoing.

**If county residents approve a casino now, within 10 yrs we'll be stuck with a predatory, marginal casino that will turn to local residents for its trade.** County residents have so far been spared the social costs that come with a casino while benefiting from slots revenue (a relatively crime-free source of "free" money). Gambling revenue will drop even with a casino here and we'll get the "social costs" we haven't seen before - drunk driving will increase, as will violent crime and family-oriented problems (foreclosures, bankruptcies, suicide, embezzlement).

**Penn National is not subject to a county or municipal ordinance;** they answer only to the Lottery Commission. Any attempt by a local jurisdiction to reduce the social costs of table games by imposing controls on the casino will fail; reduced hours, no alcohol on Sunday, no alcohol before or after certain hours, limited ATMs etc. will have no effect. In the state statute this is termed "pre-emption".

**"What people don't realize is that casinos are essentially nothing more than huge bars.** Gamblers get as much to drink as they want free of charge 24 hours a day. Casinos admit they use alcohol as a tool." - a quote from a police officer.

**A casino preys on pathological gamblers.** Estimates vary, but generally a casino gets 70% of its profit from 10% of its customers. Pathological gamblers tend to be male, less well educated and unmarried. 33% of pathological gamblers have an arrest record; only 4% of non-gamblers do.

**The dominant demographic for slots venues is 55-65 yr olds who commit almost no violent crime. The dominant demographic for a casino is 21-35 yr old males who commit almost all of the violent crime.**

**CasinoPlus ATMs that are already installed in the slots area at the Track accept cash withdrawals in excess of \$5,000.**

**“I have worked for PN and I know that their focus is on exploitation and nothing else. I’m interested in keeping the industry of gambling in check. In my opinion CTRS is as big as they need to be.” - former PN employee.**

**Like the billion gallon toxic slurries in WV coal country, once a casino is permitted in the county it’s not going away.** The option of calling for a referendum to remove the casino is not available to county residents for a minimum of five years after a casino is approved. By then you can be sure the municipalities will be dependent on casino revenue, no matter how little it is, just like they are now with slot revenue. It’s unthinkable now to attempt to vote out slots; it will be the same with a casino.

**Not everyone is aware of an unpublicized shift in the state’s operating revenue; as of 2008 the state now gets more of its operating revenues from gambling than it does from the Coal Severance tax.** Is Jefferson County being pressured to allow a casino so the state can subsidize cheap coal for the coal companies? Consumers are not benefiting from low coal severance taxes. Coal prices have gone up, driving up electricity prices to consumers; it’s the coal companies that are benefiting.

**Penn National expanding its operations is a lot like the utility companies building PATH.** They both look for weak communities to get what they want. If a county can mount an effective resistance they move on to somewhere else.

**Jefferson County doesn’t fit the usual profile for a rural gambling-dominated community.** We have a diversified economy based on agriculture, horse racing, heritage tourism, outdoor recreation and higher education, and we are within commuting distance of two major metropolitan areas. We are in a recession like everywhere else, but the recession will pass. However, there are those in the county who evidently expected perpetual prosperity and are now desperate for money. They want the casino despite the harm it will bring them and their neighbors for years to come.

**Penn National says that 90% of their workforce lives in the Eastern Panhandle but they are unwilling to say what % live in Jefferson County.** The Vote No organization contacted them for that information and never got an answer. Why is PN unwilling to make public how many of their employees live in Jefferson county? It might become clear that a casino may provide 500 new jobs for the region but the majority of those jobs will go to people who live outside the county.

**How is this year’s deal better than the ’07 deal?** In ’07 the county would have received \$2.10. Now it would get \$3.15. Penn National knows the new deal is only marginally better than the last one, which may explain why they chose the referendum date of December 5<sup>th</sup>.

**Why did PN choose Dec 5<sup>th</sup> for the referendum?** It’s pretty obvious no one wants to go to the polls during the Christmas season so turn-out will more than likely be low. PN lost in a heavy turn-out; they’re hoping they can win if only a relative few bother to vote.

Early voting at the Courthouse ends on Wednesday Dec 2<sup>nd</sup>. The referendum vote is on Saturday Dec 5<sup>th</sup>.

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