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**ONE-IN-TEN MAINERS VISITED HOLLYWOOD SLOTS IN PAST 12 MONTHS**

**Residents still deciding if slot parlor has been good for Bangor's economy**

About one out of every ten Maine residents has visited Bangor's Hollywood Slots during the past 12 months, and Maine's lone slot parlor appears to be luring a majority of its patrons from more than an hour away, demonstrating a potential for the Penn National facility to become a destination magnet for the region, according to a behavioral survey of New England residents released today by the University of Massachusetts Dartmouth Center for Policy Analysis (CFPA).

The 475-slot parlor currently located in a temporary facility, is undergoing a \$131 million expansion that will feature 1,000 slots, a seven-story hotel, 4-story parking garage, restaurants, retail space, and a new race book. The permanent facility may eventually house up to a total of 1,500 slot machines.

Rhode Island is the only other New England state with slot parlors, or "racinos," as they are commonly referred to in the gambling industry. Unlike the Bangor facility, Rhode Island's slot parlors, despite ongoing expansions, are not considered destination or resort facilities. Nevertheless, Hollywood Slots, for its size, has demonstrated an initial ability to lure out-of-state residents as more than 9,000 Massachusetts, 4,600 New Hampshire, and more than 700 Rhode Island residents patronized the Bangor facility during the past 12 months.

Approximately 37% of its patrons come from within a 31 minute-to-60 minute drive, and nearly 30% come from within a one-hour to two-hour drive. Overall, nearly 65% of its visitors drive more than an hour or more to patronize the Bangor facility.

As part six of a seven-part survey determining New England residents' gambling attitudes and behavior, as well as the potential costs and benefits of gambling expansion, the CFPA interviewed 2,806 residents from Massachusetts, Rhode Island, New Hampshire and Maine.

The CFPA neither supports nor opposes gambling, but studies gambling because of the increasingly significant public policy implications of gambling's fiscal, economic and social impacts. In calendar year 2006, Hollywood Slots generated \$37.5 million in net gaming revenues, while the state of Maine collected \$12.4 million in gaming taxes. Maine levies a 39% tax on slot revenues, which does not include other state and local taxes generated, such as sales, income, meals, property, and excise taxes, nor does it include gaming related licensing fees.

Most Maine residents -- about 51% -- are still uncertain as to whether Hollywood Slots has been good for Bangor's economy, which is not surprising given the small, but growing, percentage of residents who have visited the facility. However, among

Mainers who have visited Hollywood Slots in the past 12 months, about 77% believe that it has a positive impact on the local economy compared to four percent who believe it has a negative impact or no impact at all, and 19% who are still undecided.

Despite Hollywood Slots' draw on Maine residents, residents of the Pine Tree State still made an estimated 271,000 visits in the last 12 months to Foxwoods and Mohegan Sun, Connecticut's two Native American resort casinos. In calendar year 2005, Maine residents are estimated to have spent approximately \$35 million at Connecticut's casinos, while New Hampshire residents spent an estimated \$73 million at Connecticut's two destination mega-resorts, which have transformed southeastern Connecticut into New England's premier gambling, entertainment, and tourism destination.

Not surprisingly, about 30% of the individuals who have patronized Hollywood Slots have also visited either Foxwoods or Mohegan Sun during the past 12 months as well. That patronage, along with visitations from Massachusetts, Rhode Island, New Hampshire, Vermont, and New York residents, has helped transformed southeastern Connecticut into that state's number one tourism region.

"Maine has positioned itself as a middle-market gambling entity, and as Hollywood Slots expands, the facility will be able to market itself more aggressively within neighboring New Hampshire and throughout northeastern Massachusetts and the Merrimack Valley," said Dr. Clyde W. Barrow, CFPA director.

Barrow said that with the New Hampshire Legislature considering several gambling bills in the coming weeks, Maine's initial advantage in the northern New England slot market could be breached depending on whether New Hampshire decides to allow casinos and racinos within its borders. And if Massachusetts approves gambling expansion, such as one or more casinos, and slots at its four racetracks, Maine could find itself in the same predicament that Rhode Island faces: having slot parlors that lure exclusively in-state residents, with few if any destination and tourism benefits.

The CFPA recently released a poll of 1,041 Massachusetts residents showing 57% of Bay Staters support authorization of a Massachusetts casino, 30% are opposed, and 14% are undecided. That survey also showed 53% of Massachusetts residents support authorization of slot machines at racetracks, with 29% opposed, and 18% undecided.

Bay Staters spent \$1.1 billion --- \$890.3 million at Foxwoods and Mohegan Sun, and \$190.4 million at Rhode Island's two slot parlors --- in 2005, while Rhode Islanders spent \$322.5 million at Connecticut's casinos and \$257 million at its slot parlors.

In early March, the CFPA will release its fourth annual New England Gaming Update, which tracks spending by residents of Massachusetts, Rhode Island, New Hampshire, Maine, Vermont and New York at the Connecticut casinos, Rhode Island's VLT parlors, and Maine's slot parlor.

For a summary of today's survey results, go to "What's New!" at <http://www.umassd.edu/cfpa>. The summary will be posted on Monday, February 12<sup>th</sup>, at 4pm.