

The Gambling Votes in 2006

While the major ballot measures involving gambling expansion went down to defeat on Election Day, some of the more limited measures on gambling were successful. The main initiatives for racinos in Ohio, an Indian casino in Rhode Island, and for expanded keno in Nebraska all went down to defeat. Casino expansion in certain counties in Louisiana and Indiana was approved, and the effort to make video lottery terminals illegal in South Dakota was, once again, unsuccessful.

The Losers

The principal gambling expansion election was held in Ohio. The measure known as the “Earn and Learn” measure would have allowed slot machines at nine locations. Seven of these locations would have been the State’s existing racetracks. The measure was soundly defeated by a vote of 57% to 43%. The measure lost, by all accounts, in more than 90% of the 88 counties in the state. It passed in Lake, Cuyahoga, Madison, Trumbull, and Mahoning Counties. The measure passed in Cuyahoga County (Cleveland) where it won with 55% of the vote. In Hamilton County (Cincinnati) the vote on the measure was deadlocked, and in Franklin County (Columbus) it was defeated 63 % to 37%. Only in rural Madison County near the center of the state, was there a margin in excess of 60% in support of the ballot measure. In Delaware County, the home of the Little Brown Jug, it was defeated by a nearly 2-1 margin. See this handy guide from CNN for more information.

<http://www.cnn.com/ELECTION/2006/pages/results/states/OH/1/04/>

Gambling expansion in Rhode Island was defeated handily. The amendment to the State Constitution that would have authorized the Narragansett Indian tribe to have a casino was defeated by a margin of 63% to 37%. It was approved by a slim majority in the cities of Providence and Pawtucket and in West Warwick where the casino (to be run by Harrah’s which had spent millions supporting the ballot measure) was to be sited, but it was absolutely smashed in much of the remainder of the State.

In Nebraska, video keno was defeated by a vote of 61% to 39%. This measure would have allowed electronic keno games in bars that would replace or add to the current keno games played on paper. In short, you would be going from the slow-paced paper keno games to authorizing what would approximate slot machine play in bars and keno parlors.

Also a loser was Arizona’s voting reward ballot measure. This would have made voters in Arizona elections eligible for a lottery with a first prize of \$1 million. One lucky Arizona voter would get a million dollars every time there was a major election.

According to the proposal, this money would have come from unclaimed winnings held by the Arizona state lottery. The measure failed by a vote of 66% to 34%.

The Winners

Arkansas authorized bingo and raffles for charities. The vote was 70% to 30% for this expansion of gambling.

Clark County, Indiana voted for legalized gambling by a wide margin. This county (with the cities of Jeffersonville and Clarksville) had previously rejected legalized gambling by votes in 1993 and 1995. There is, however, currently no available riverboat casino license for Clark County. There is some speculation that one of the Cincinnati-based casinos might wish to move to Clark County. Clark County is in southern Indiana on the Ohio River near Louisville, Kentucky. Casino gambling is not authorized in Kentucky, and Caesar's runs a successful riverboat casino in nearby Harrison County which is designed to bring in people from Louisville. The Louisville metropolitan statistical area is the 43rd largest area in the country with a population over \$1.3 million.

Pinnacle Entertainment easily won voter approval of a second casino for Lake Charles, Louisiana by a nearly 2-1 margin. Pinnacle's proposed Sugarcane Bay Casino was approved by Calcasieu Parish voters. In August 2006, the Louisiana Gaming Control Board had approved the Sugarcane Bay project, subject to the local election.

South Dakota conducted its fourth vote on whether to ban the video lottery terminals that it first approved 17 years ago. Again, the effort to repeal the video lottery authorization failed. The effort to repeal the video lottery authorization had previously failed in 1992, 1994, and 2000. This time the vote to retain the video lottery terminals was 67% to 33%. Video lotteries in South Dakota raise \$112 million for the State which is approximately 11% of the State's general fund. While the opponents of video lottery terminals have lost each election, the margins of the video lottery elections have been different over the years. The opponents of video lotteries won 37% of the vote in 1992, 47% of the vote in 1994 (The 1994 vote was actually a constitutional reauthorization of the VLT's.) and 46% of the vote in 2000. Given the broad support for VLT's in 2006, it may be that the movement to repeal the VLT authorization in South Dakota is running out of steam.