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# **Overview of Gaming Regulation in Selected States**

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**Presentation to the  
Workgroup to Consider Gaming Expansion**

**Department of Legislative Services  
Office of Policy Analysis**

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# Overview of Gaming Regulation in Selected States

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- According to the American Gaming Association, 22 states have land-based, riverboat, or racetrack casinos and video lottery facilities (excluding states with tribal gaming).
- The number of facilities in those states range from one racetrack video lottery terminal (VLT) facility in Maine to 256 casinos in Nevada.
- The Department of Legislative Services (DLS) has reviewed the gaming regulatory frameworks in a number of these states, with additional information found in the attached exhibit.

# Overview of Gaming Regulation in Selected States (Cont.)

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- Of the 12 states reviewed by DLS, most have a stand-alone gaming board or commission that regulates both VLTs and table games.
- However, among Maryland's neighboring states, Delaware and West Virginia both provide regulation of VLTs and table games through their lottery commissions.
- In most of these selected states, horse racing activities are regulated through a separate racing commission or commissions.
- The amount of compensation paid to gaming board/commission members in these states varies widely – members receive salaries in some states, while per diems are paid in most other states.
- With limited exceptions, the Governor generally appoints the members of the board/commission in the states examined.

## Overview of Gaming Regulation in Selected States

State Regulatory Entity	Number of Members, Selection, Term, and Qualifications	Compensation	Types of Gaming Regulated	Other Gaming Oversight
Colorado Limited Gaming Control Commission	<p>Five members appointed by the Governor</p> <p>Four-year terms</p> <p>May not serve more than two consecutive terms</p>	<p>\$100/day</p> <p>Not to exceed \$10,000 a year</p>	<p>Video lottery terminals (VLT) and table games</p> <p>Establishes the gaming tax rate<sup>1</sup></p>	<p>Colorado Lottery Commission regulates the state lottery</p> <p>Colorado Racing Commission regulates horse and greyhound racing</p>
Delaware Lottery Commission	<p>Five members appointed by the Governor</p> <p>Five-year terms</p> <p>May not serve more than one term</p>	<p>\$250/day for each day that the commission meets</p> <p>Not more than 24 days a year</p>	<p>VLTs, table games, and the state lottery</p>	<p>Separate commissions regulate horse racing</p>
Illinois Gaming Board	<p>Five members appointed by the Governor</p> <p>Three-year terms</p>	<p>\$300/day for each day the board meets</p>	<p>VLTs and table games</p>	<p>Illinois Racing Board regulates horse racing</p> <p>Illinois Lottery regulates the state lottery</p>
Indiana Gaming Commission	<p>Seven members appointed by the Governor</p> <p>Three-year terms</p> <p>No more than four members of the same political party</p>	<p>A per diem salary is provided for by statute</p>	<p>VLTs and table games</p>	<p>Indiana Horse Racing Commission regulates horse racing</p> <p>Indiana Lottery Commission regulates the state lottery</p>

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Louisiana Gaming Control Board	<p>Nine members appointed by the Governor</p> <p>Six-year terms</p> <p>May not serve more than two terms</p>	<p>Governor sets board member salaries, not to exceed \$15,000/year</p> <p>Chairman receives same salary as the chief judge of the Court of Appeals</p>	VLTs, table games, and electronic gaming	<p>Louisiana Lottery Corporation operates the lottery, and various entities have oversight</p> <p>Louisiana Racing Commission regulates horse racing</p>
Massachusetts Gaming Commission	<p>Five members appointed by the Governor, Attorney General, and State Treasurer</p> <p>Five-year terms</p> <p>No commissioner may serve longer than 10 years</p>	<p>Commissioners receive salaries not greater than three-quarters of the salary of the commissioner of administration</p> <p>The chair shall receive a salary equal to the salary of the commissioner of administration</p>	<p>VLTs and table games</p> <p>Horse racing</p>	Massachusetts Lottery Commission regulates the state lottery
Michigan Gaming Control Board	<p>Five members appointed by the Governor</p> <p>Four-year terms</p> <p>No more than three members of the same political party</p>	Information not available	<p>VLTs and table games</p> <p>Horse racing</p>	Michigan Lottery Bureau regulates the state lottery

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Missouri Gaming Commission	<p>Five members appointed by the Governor</p> <p>Three-year terms</p> <p>No member may serve more than 6 years</p> <p>No more than three members of the same political party</p>	\$100/day	VLTs and table games	<p>Missouri Lottery regulates the state lottery.</p> <p>Missouri Racing Commission oversees horse racing</p>
Nevada Gaming Control Board	<p>Three members appointed by the Governor</p> <p>Four-year terms</p>	Determined in the state budget	<p>VLTs and table games</p> <p>Horse racing</p>	N/A
Nevada Gaming Commission	<p>Five members appointed by the Governor</p> <p>Four-year terms</p>	Members receive \$40,000/year and the chair receives \$55,000	Takes action on the recommendations of the Gaming Control Board in licensing and work permit appeal matters	N/A
New Jersey Casino Control Commission	<p>Five members appointed by the Governor</p> <p>Members serve up to two five-year terms</p> <p>No more than three members of the same political party</p>	\$141,000/year	VLTs and table games	<p>New Jersey Horse Racing Commission regulates horse racing</p> <p>New Jersey Lottery Commission regulates the state lottery</p>

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Pennsylvania Gaming Control Board	<p>Seven members appointed by the Governor, House Speaker, Senate President, and House and Senate minority leaders</p> <p>Gubernatorial appointee serves for a three-year term and may not serve more than two consecutive terms</p> <p>Legislative appointee serves for a two-year term and may not serve more than three consecutive terms</p>	<p>\$150,000/yr. for chair</p> <p>\$145,000/yr. for other members</p>	VLTs and table games	<p>Separate commissions regulate horse racing</p> <p>Pennsylvania Lottery regulates the state lottery</p>
West Virginia Lottery Commission	<p>Seven members appointed by the Governor</p> <p>Five-year terms</p> <p>No more than four members from the same political party</p>	Paid the same as members of the legislature for their interim duties	VLTs, table games, limited video lottery, and the state lottery	West Virginia Racing Commission regulates horse and greyhound racing

<sup>1</sup>The Colorado Constitution authorizes a tax of up to 40% on casino adjusted gross proceeds (AGP). The constitution states that the percentage shall be established annually by the Gaming Commission. Over the years, the commission has maintained a graduated tax structure in which casinos pay a higher percentage the more AGP they generate. This is designed to encourage a mixture of small-, medium- and large-sized casinos. The highest tax rate has reached a maximum of 20%. Under Amendment 50 passed by voters in 2008, if the commission decides to raise the tax rates higher than those in place on July 1, 2008, voters statewide would need to approve the increase.