

## MARYLAND STATE & D.C. AFL-CIO

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## Labor Unions Are Opposed to I-Gaming in Maryland

The General Assembly created thousands of good middle class jobs when it passed casino gaming in 2008. Now HB 1319 is making a risky bet on losing hundreds of middle class jobs and millions in community investments. Currently, the following unions represent thousands of workers in the six Maryland casinos:

- UNITE HERE
- Seafarers International Union (SIU)
- International Union of Operating Engineers (IUOE)
- United Food and Commercial Workers International Union (UFCW)
- United Auto Workers (UAW)
- International Alliance of Theatrical Stage Employees (IATSE)
- American Federation of Teachers (AFT)
- Teamsters (IBT).

"iGaming is a job killer and discourages development in our communities," says Tracy Lingo, President of UNITE HERE Local 7. "We know that there is a need to find money for the budget and UNITE HERE supports several measures to do that. I don't understand why Democrats want to fix the budget on the backs of hard-working Marylanders in Casinos and businesses that support the brick and mortar Casinos.

Please say NO to ALL bills that would advance iGaming, this includes a referendum."

"The SIU is strongly opposed to igaming and it will cause a significant loss in jobs in all casinos. We fought very hard 12 years ago to support Maryland Live to bring jobs to this state by supporting and voting for expanded casino gambling. We don't want to take a step backwards by losing good paying jobs in Maryland." said Shane Sterry, Assistant Vice President, Seafarers Entertainment & Allied Trades Union.



## **Listen to the Experts! I-Gaming Won't Solve Maryland's Problems!**

- Maryland's own report on I-Gaming commissioned with The Innovation Group found that brick and mortar gaming establishments could expect to lose 10% of their revenue from decreased foot-traffic.<sup>1</sup> In 2023, an Indiana report of their Legislative Services Agency claimed the state could expect to lose between \$134 million and \$268 million from the "loss of tax revenues from displacement of gaming activities at brick-and-mortar casinos and racinos" if they passed I-Gaming.<sup>2</sup>
- A report from the Sage Policy Group, commissioned by the Anne Arundel County Chamber of Commerce, shows legalization of iGaming in Maryland could result in a statewide personal income decline of \$65M, a reduction of \$1.9M in state income tax and \$1.2M in local income tax annually... The IG Report finds that same-store B&M casino revenues from in-person gaming declined 8 percent between 2019 and 2022 in states that legalized iGaming while increasing 2 percent in states that did not. With decimals, that translates into a 10.2 percent reduction in same-store B&M gaming revenues, or approximately \$200 million, based on 2022 data.
- Labor's experience in states that have I-Gaming is different from what the proponents claim. In 2023, over 3,700 casino workers in Detroit, Michigan went on strike after months of failed negotiations. The casino operators there, MGM and Penn Entertainment, were seeing millions in profits that failed to trickle down to workers. Increased gaming revenues does not translate to good jobs. The truth is there will be fewer dealers, bartenders, and hospitality workers employed working in casinos.
- The Maryland Center of Excellence on Problem Gambling was established in 2012 and operates the state's problem gaming fund, addiction treatment services, resource hotline, and research. Its \$4.7 million budget comes solely from brick and mortar casino operations. As brick and mortar casinos lose revenue to online gaming, it will decrease important funding for problem gaming. Online gaming may raise additional funds set aside in the bill for problem gaming but not nearly enough to combat the increase in the problem it is helping to cause in the first place. Mary Drexler, Program Director for the Maryland Center of Excellence on Problem Gaming, reported that, "We're moving so fast that we don't see the full potential of sports betting, yet we are seeing an increase in calls, texts and chats that come into our helpline. We're definitely seeing the demographic change to a younger adult population, especially now minority males."
- The Journal of Behavioral Addictions found that, "Despite its illegality among adolescents, online gambling is a common practice, which puts their mental health and well-being at serious risk...Between 0.89% and 1% of adolescents exhibited an online gambling disorder...Many adolescents worldwide are involved in gambling—both online and offline—despite being below the legal gambling age (between 16 and 21 years, depending on the country and type of game)... Due to its progressive legalization and promotion alongside the expansion of technology, online gambling is becoming increasingly popular, especially among young people."<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Maryland State Lottery & Gaming Control Agency, "The Innovation Group: iGaming in Maryland." November 2023.

<sup>&</sup>lt;sup>2</sup> Wayne Parry, "Internet casinos thrive in 6 states. So why hasn't it caught on more widely in the US?" AP. November 24, 2023.

<sup>&</sup>lt;sup>3</sup> Montiel, Irene et al. "Problematic online gambling among adolescents: A systematic review about prevalence and related measurement issues." Journal of behavioral addictions vol. 10,3 566-586. 16 Sep. 2021, doi:10.1556/2006.2021.00055