

To whom it may concern,

I am writing to ask that you reject Mashpee Wampanoag's land into trust application for the land in Middleboro, Massachusetts.

Studies indicate that the costs of hosting the facility will far outstrip the limited revenue provided by the Middleboro/Mashpee IGA.

Like many Middleboro residents, one of the first reports I saw about casinos was the [Rappaport report](#). If you never read much past the summary, the idea of a casino didn't sound so bad:

..the introduction of a casino does appear to produce a few modestly positive effects, a few modestly negative impacts, and, in several areas, no statistically significant effects at all.

The Rappaport report noted that previous studies largely dealt with casinos that are unlike the one being proposed by the Mashpee Wampanoag:

many of these casino examined in both these studies are located in sparsely populated rural areas that are quite different than the locales likely to house casinos in Massachusetts. Moreover, the discussion around full-service casinos in Massachusetts has focused on building competitors to neighboring Foxwoods and Mohegan Sun facilities in Connecticut as a way to recapture gambling dollars that leave the state. By contrast, previous gambling-impact studies assess the impact of facilities that are often far smaller than these mega-casinos.

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The mega-casino

Which brings us to the crux of the problem - the **mega-casino** or "large market" casino . This would be an extremely large facility located near major population centers. There are only a handful of casinos in the country that fall into this class. One of the few studies that specifically looked at this type of casino was the [Taylor, Krepps, Wang study](#):

*Similarly, Jonathan Taylor, Matthew Krepps, and Patrick Wang, researchers for the Harvard Project on American Indian Economic Development, Assistant Professor at the European Institute of Business Management, and Senior Analyst at Lexecon Inc. respectively, find that mega-casinos are "a class unto themselves" when it comes to their community outcomes. ... Foxwoods-style mega-casinos **reduce local government revenues by 7 percent**. Similarly, while the introduction of the broader set of Indian casinos (including small rural facilities) corresponded with a 23 percent increase in general merchandise earnings among businesses in a 50-mile radius; commercial casinos reduced such earnings by 13 percent and **Foxwoods-style Indian casinos did so by 57 percent**.*

Beyond Rappaport

The Taylor, Krepps, Wang study(referenced in Rappaport) is *The National Evidence on the Socioeconomic Impacts of American Indian Gaming on Non-Indian Communities* was produced in 2000 by John F. Kennedy School of Government Harvard University. The paper's abstract reads:

we find that Indian casinos have substantial beneficial economic and social impacts on

surrounding communities ... Further analysis reveals that this effect is driven by the fact that Indian casinos are more likely to be located in relatively economically depressed areas...

This study, unlike most others, made an attempt to look at the effect of the "large market" or mega-casino, which again, is a very large facility located in or near major population centers. At the time the paper was published(2000), there were only a few such casinos - Foxwoods, Mohegan Sun, Mystic Lake, and the St. Croix Casino.

When these large facilities were looked at, any positive economic effects found with smaller casinos became negative. The study noted that large market mega-casinos similar to Foxwoods or Mohegan Sun *could*:

- Reduce local government revenues by 7%
- Reduce general merchandise 57%
- Reduce local recreation spending by 57%
- Reduce retail trade spending by 5%
- Increase motor vehicular thefts by 25%
- Reduce restaurant/bar earnings by 63%

Casinos introduced into rural and generally poorer locations are likely to perpetrate net positive effects as destination effects swamp substitution and cannibalization effects, whereas the opposite may happen in the context of large casino introductions into metropolitan markets.

This study and many others show that the \$7-9M in payments provided for Middleboro by the IGA is wholly insufficient to cover the town's impacts. Based on this, you must reject the application.

Zach Belanger

29 Moulton Street

Middleboro, MA 02346