

WELCOME TO
MISSISSIPPI

Birthplace of America's Music

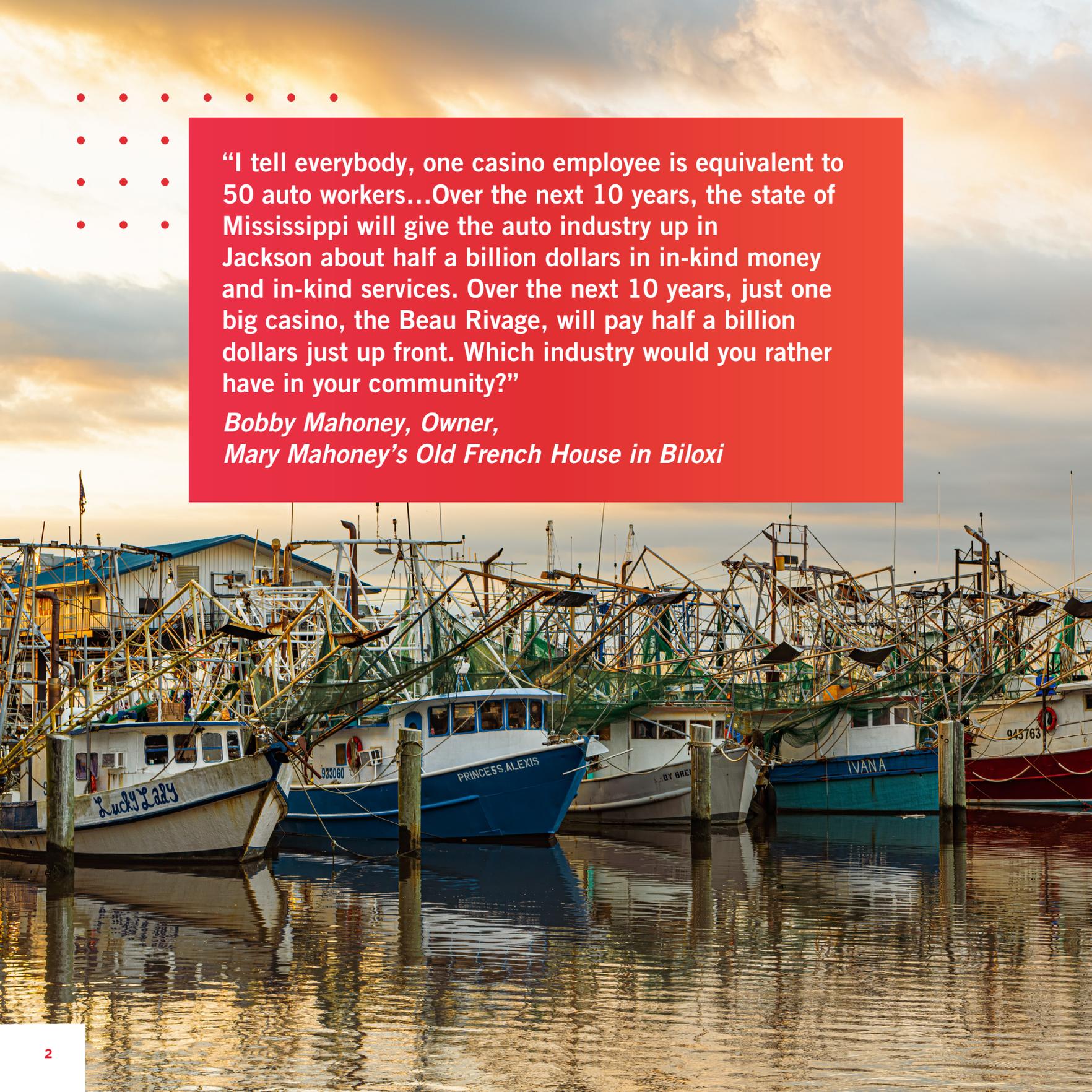
Casinos & Communities



AMERICAN
GAMING
ASSOCIATION



GET TO
KNOW
GAMING



“I tell everybody, one casino employee is equivalent to 50 auto workers...Over the next 10 years, the state of Mississippi will give the auto industry up in Jackson about half a billion dollars in in-kind money and in-kind services. Over the next 10 years, just one big casino, the Beau Rivage, will pay half a billion dollars just up front. Which industry would you rather have in your community?”

*Bobby Mahoney, Owner,
Mary Mahoney's Old French House in Biloxi*

Gaming in Mississippi by the Numbers

29

casinos

commercial and
tribal

\$976

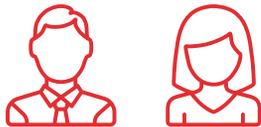
million

in taxes and tribal revenue share
payments

\$4.4

billion

in total economic impact



37,277

jobs supported



\$1.6

billion

in supported wages



“[Without casinos,] we would be – and I don’t want to say the poorest county in the state of Mississippi – but we would be just like some other counties and towns that don’t have any gaming. We’d be struggling with infrastructure. We’d be struggling with tax rates.”

*Chuck Cariker,
Mayor of Tunica, Mississippi*

The History of Gaming in Mississippi



- 1990** Legislature passes the **Mississippi Gaming Control Act**, authorizing dockside casino gaming along the Mississippi River and Gulf Coast
- 1992** **Biloxi, Tunica and Bay St. Louis** become the first areas in the state to open casinos
- 1994** The Mississippi Band of Choctaw Indians opens the state's first tribal casino
- 2006** Ten Gulf Coast casinos reopen within a year of Hurricane Katrina, providing much-needed jobs and opportunity along the devastated shoreline
- 2017** Legislators approve daily fantasy sports and sports betting, should the federal government lift the ban
- 2018** Sportsbooks at commercial and tribal casinos **begin accepting wagers**

In 2017, Mississippi legislators repealed the portion of state law that prohibited sports betting, pending a change in federal law. In May 2018, the U.S. Supreme Court found the *Professional and Amateur Sports Protection Act of 1992* unconstitutional, freeing Mississippi to begin accepting wagers on sports.

Turning Economies Around

In the late 1980s, the City of Biloxi on the Gulf of Mexico was having a hard time paying its bills. Adele Lyons, CEO of the Mississippi Gulf Coast Chamber of Commerce, described a pre-casino Biloxi marked by dormant, empty factories, making it difficult to see what young people might do for a living or how the community would sustain itself. A decline in the local tourist industry made matters worse, as Bobby Mahoney, owner of Mary Mahoney's Old French House, remembers, "Everybody was bypassing us to go to the pretty blue waters in Florida."

Six hours northwest of Biloxi, the Delta town of Tunica saw similar economic misfortune. Known as one of the most impoverished places in the United States, Tunica unemployment was rampant at 26.2 percent in the early 1990s. "If you didn't work in the agricultural area, there was not much else to do," said Webster Franklin, president and CEO of the Tunica Convention & Visitors Bureau.

Finally, the Magnolia State was dealt a good hand. The Mississippi Gaming Control Act of 1990 legalized casino gaming and unleashed new economic opportunities for towns along the Gulf Coast and the Mississippi River. By 1992, Biloxi and Tunica were operating some of the first casinos in the state, launching an industry that today has a \$4.4 billion annual economic impact.

Tunica County quickly proved fertile ground for the gaming industry. "For the first time you had people that were going to work at a much higher level than had ever been offered here in the Mississippi Delta," said Franklin. "The gaming industry came in and provided thousands of jobs for the citizens that were commensurate with their skill levels." Consequently, Tunica Mayor Chuck Cariker has noticed young people are staying in the area more than they did a generation before. A rising tide lifts all boats, and in Tunica "casinos affected everybody."

Tunica's casinos created a previously nonexistent hospitality and tourism sector and drove investment in the community. To meet the newfound demands on infrastructure, a county-wide water and sewer system was built because of the 6,000 casino hotel rooms, according to Franklin. "You had Entergy Mississippi make a huge investment here, so we had power everywhere," he added. All the growth and development has enabled diversification of the local economy. For example, a pair of German

manufacturing companies have opened new plants in the area, creating hundreds of additional jobs.

In Biloxi, the social and economic impacts of gaming similarly extended far beyond the industry itself. The way Robert Ridgway V, senior director of business development at W.G. Yates & Sons Construction Co. sees it, casinos have "allowed for us to diversify our offerings from a standpoint of drawing in tourists. It's allowed for great infrastructure improvements. It's allowed for a thriving and strong public-school system that's one of the best in the state."

Looking back on nearly 30 years of gaming along the Mississippi Gulf Coast, Biloxi Mayor Andrew "FoFo" Gilich noted that casinos helped the community get to where it wanted to be. Present day Biloxi has casinos, but it also has golf, fishing, historical sites and more. "The more people come here, the more people enjoy what we have," said Mayor Gilich. Jump-started by the casino industry and subsequent economic developments, people are experiencing the best of Biloxi again.



"We have a middle class today that was not here in the '80s and early '90s because of the casino industry. Most of that is made up of the minority community. This area is 80-20 African American and you've seen in Tunica that this caused upward mobility in that part of the employment base."

Webster Franklin, President & CEO, Tunica Convention & Visitors Bureau

Commitment to Communities

The casino industry's commitment to local communities goes beyond direct casino jobs and tax revenue. Local businesses and nonprofits are reaping the benefits of gaming in Mississippi daily. "My business has pretty much tripled since the inception of gambling," said Mahoney. "Casino money goes in and it splashes all over. Every business in this area has prospered."

Gulf Coast Produce is one of those businesses, according to owner Mike Alise. An industry veteran, Gulf Coast Produce today services the IP, the Beau Rivage and several other properties along the Coast. "We now have 23 trucks, 70 employees, and the casinos have helped us to really grow...I never thought that we would grow to a \$40 million company," said Alise.

For some Mississippi companies like Yates Construction, casinos helped trigger business opportunities across the United States. Since building Splash Casino – the first casino to open in Tunica – Yates has completed just shy of \$10 billion in gaming projects, working on 58 casino properties across 14 states, according to Ridgway, "It's all born and bred out of riverboats coming to Mississippi and folks wanting to bring gambling to the Mississippi River."

For people who live close to casinos, the industry's philanthropic efforts are well known. When the National Civil Rights Museum in Memphis, Tennessee needed major renovation, Horseshoe Tunica Hotel & Casino, a mere 30 miles away, provided a five-year, \$250,000 grant that helped create a more interactive museum exhibition. Other properties routinely sponsor local events, including the Gold Strike Casino Resort, which stepped in to help fund community commemorations on the anniversary of Dr. Martin Luther King's assassination.

The casino industry's diverse charitable work impacts many different causes. Susan George, executive director of Big Brothers Big Sisters of the Mid-South, noted that the industry has enabled her organization to serve at least 11,000 children in the community. Consequently, she said, "We have seen a decline in children participating in risky behaviors, and we have seen an increase in better relationships with their parents and peers, which means they're more able to focus on their education."

In Mississippi, casinos' commitment to communities was never more evident than in the aftermath of natural disasters. Following Hurricane Katrina in 2005, casinos helped communities along the Gulf Coast rebuild and recover, providing disaster relief and supporting employees in need. In 2011, Tunica was similarly impacted when the Mississippi River breached its levee and flooded the area. "When there was no person or entity more affected than the casinos, that was when you really saw their value to the community," said Franklin. "The casinos paid their employees for that month. They didn't just let them off...Then there were several communities that live behind the levee and they opened up their doors to them." Facing widespread destruction from natural disasters, casinos have not only stepped up but bounced back, ensuring one of the state's main sources of economic well-being was not swept away by the storms.



"It's because of casino partnerships, along with other corporations and individuals, that we are able to do what we do. To educate people, to help change lives, to be a public square where you can bring in diverse people with different opinions, to have a safe conversation."

Beverly Sakauye, Chief Development Officer, The National Civil Rights Museum

Breaking Down Barriers

The economic activity generated by casinos is translating into tens of thousands of jobs that provide many Mississippians with a gateway to the middle class. Growing up in Gulfport, Jeffrey Jenkins, executive chef at Harrah's Gulf Coast, remembers how his parents did not have quality health insurance and could not afford to go on vacations. "Working at a casino, it was a generational change," said Jenkins. He knows his own children's lives will be different, and better, than his own. Jenkins attributes this to his casino career, "My family and I, we're a middle-class family. My children are off in college. We are able to take vacations, and I can spend more time with my family."

Jenkins' story of upward mobility is one shared by many industry employees in Mississippi. Casinos have provided an "opportunity for individuals to grow a career" with benefits and strong wages, noted Cynthia Simms, vice president of human resources at Hollywood Casino Gulf Coast and Boomtown Casino Biloxi.

Darren Whitten, casino operations manager at Hollywood Casino & Hotel in Tunica, felt pressure growing up to obtain just that – a career, not just a job. "Growing up in the South, you wanted opportunity to advance and show what you could do," so he was relieved to find that "if you learn the casino [business]...then it doesn't matter if you got a degree or if you got a bachelor's degree, a master's or a PhD." His job offers him good wages, a "big difference" from what he would be making if the casinos were not in the area. As a result, higher pay has spread to other industries throughout areas with casinos, with farmers in Tunica having to raise wages to stay competitive with the casino industry, said Whitten. Today, the Mississippi casino gaming industry supports a whopping \$1.6 billion in wages.



The casino industry has broken down barriers to the middle-class for many Mississippians, but it has also played a role in bridging longstanding community divides. For Jeffrey Jenkins, this is a source of pride. Growing up on the coast, he recalled never having a white friend. "But now, we're like a melting pot. We discuss with each other, we hang out, we talk, we babysit each other's kids...that's one of the main things that the casino had brought to this area."

"I'm one of very few African-Americans that is an executive in this area so it gives me a great deal of pride when I walk out into the community. They know me as Chef Jeff and that I'm the Executive Chef at Harrah's. It gives me a sense of pride that I can provide an example for kids that are going through a rough time."

*Jeffery Jenkins, Executive Chef,
Harrah's Gulf Coast*

Minority employees make up 38 percent of gaming's national workforce, significantly higher than the 25 percent reported in the broader leisure and hospitality industry. Nearly 3-in-4 of minority employees say the casino industry is helping them achieve the American dream.



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