

Group endorses bill that would allow casino at Green Meadow

By KEVIN LANDRIGAN Staff Writer

CONCORD – A key, legislative working group endorsed a bill Wednesday making it legal to gamble at two casinos with Rockingham Park in Salem and the Green Meadow Golf Club property in Hudson the leading contenders.

Prospective bidders aren't identified or even described in the amended bill (HB 593), but Millennium Gaming has a \$450 million casino plan for Rockingham Park while Green Meadow partners has broadly shopped a \$300 million project.

The move by the Massachusetts legislature and governor to get behind a three-casino proposal has breathed new life into what was a dormant debate.

This New Hampshire bill requires one license be granted as soon as possible with the second two years later.

Millennium officials say they are ready to seek the first, and Green Meadow developers could as well.

"We could seek the first license, and if we weren't successful, then we'd certainly be well positioned to get the second," said Robert Clegg, a lobbyist for Green Meadow and a former Hudson state representative.

A truce of these two competing projects emerged after pro-gaming legislators dropped earlier restrictions on how close any two casinos could be to one another.

Each destination resort would pay a \$50 million license fee to have up to 5,000 slot machines that would return 35 percent profit to the state to be used to reduce business taxes.

The state treasury would get 8 percent of the profit from table games.

Supporters claim this could net the state as much as \$130 million a year.

"My conclusion is it's a fair bill. It deals with the proliferation question coming down from six sites to two," said state **Rep. Bill Ohm, R-Nashua**.

"I think it does a good job of improving the business climate by cutting the Business Enterprise Tax and the Business Profits Tax."

The complex plan has a long way to go but support from leading House Republicans raises hopes of improving its chances in the House.

For more than two decades, the House has soundly defeated similar campaigns for casino or video slot machine gaming.

Gov. John Lynch continues to say publicly he has "serious concerns" about expanded gambling.

Two years ago, Lynch threatened to veto a pending plan for up to six slot machine parlor in the state.

Rep. Stephen Stepanek, R-Amherst, is sponsoring this measure as chairman of the House Ways and Means Committee that's considering it. House Finance Chairman Ken Weyler, R-Kingston, is also on board.

A Stepanek-named subcommittee endorsed the bill, 4-1, Wednesday. The full panel votes on it Oct. 26.

House Speaker William O'Brien, R-Mont Vernon, opposed earlier expanded gambling efforts, and he recently stressed linking a business tax cut to this was a precursor for him to even consider a change of heart.

Rep. David Hess, R-Hooksett, warned the state lacks a regulatory platform to manage this industry and this gives too much power to two private groups.

"This bill basically grants two monopolies to private business entities in the state of New Hampshire," Hess said.

Hess said the state's 35 percent profit was lower than other states that legalize this such as 55 percent in Pennsylvania and 61 percent in Rhode Island.

Gambling supporters maintain this proposed rate would be competitive with the Massachusetts casinos that as crafted would pay 25 percent to that state.

A former state prosecutor and longtime foe of expanded gambling, Hess would replace the bill with a \$50,000 study of the proper regulatory structure to police it.

"I do think we owe the citizens of New Hampshire the obligation to do this thing right if we are going to do it," Hess said.

The Coalition Against Expanded Gambling argues these casinos would lead to untold numbers of addicted gamblers, resulting social costs and potential corruption.

The working group added a provision backed by pro-gaming developers.

This would require casino owners to make up what some estimate would be a \$3 million-to-\$5 million loss from legal gambling now run for nonprofits such as large scale bingo and higher stake poker tournaments.

Those games raised \$13 million for charities in 2010 and Rep. William Butynski, D-Hinsdale, said this concession was pivotal for his vote Wednesday.

"There are going to be losses to charities as a result of this bill," Butynski said. "I want to see those dollars guaranteed."

Rep. Jordan Ulery, R-Hudson, supports the measure but sees it facing the same failing fate before the full House.

"I fear too many will see this as eroding our moral fabric, but we all as individuals control that," Ulery said.

Kevin Landrigan can be reached at 321-7040 or klandrigan@nashuatelegraph.com. Check out @KLandrigan on Twitter and The Telegraph's new, interactive live feed at www.nashuatelegraph.com/topics/livefeed.

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